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Subject: COUNCIL IMPLEMENTING DECISION amending the Implementing Decision of 17 June 2022 on the approval of the assessment of the recovery and resilience plan for Poland

COUNCIL IMPLEMENTING DECISION

of ...

**amending the Implementing Decision of 17 June 2022 on the approval
of the assessment of the recovery and resilience plan for Poland**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

¹ OJ L 57, 18.2.2021, p. 17.

Whereas:

- (1) Following the submission of the national recovery and resilience plan ('RRP') by Poland on 3 May 2021, the Commission proposed its positive assessment to the Council. On 17 June 2022, the Council approved the positive assessment by means of an implementing decision ('the Council Implementing Decision of 17 June 2022')¹.
- (2) Pursuant to Article 11(2) of Regulation (EU) 2021/241, the maximum financial contribution for non-repayable financial support of each Member State was to be updated by 30 June 2022 in accordance with the methodology provided for therein. On 30 June 2022, the Commission presented the results of that update to the European Parliament and to the Council.
- (3) On 31 August 2023, Poland submitted a modified national RRP, including a REPowerEU chapter in accordance with Article 21c of Regulation (EU) 2021/241, to the Commission.
- (4) The modified RRP also takes into account the updated maximum financial contribution in accordance with Article 18(2) of Regulation (EU) 2021/241 and includes a reasoned request to the Commission to make a proposal to amend the Council Implementing Decision of 17 June 2022 in accordance with Article 21(1) of Regulation (EU) 2021/241 on the grounds that the RRP is partially no longer achievable because of objective circumstances. The modifications to the RRP submitted by Poland concern 59 measures.

¹ See documents ST 9728/22 and ST 9728/22 ADD 1 at <http://register.consilium.europa.eu>.

- (5) On 14 July 2023, the Council addressed recommendations to Poland in the context of the European Semester. The Council recommended that Poland, inter alia, ensure prudent fiscal policy, preserve nationally financed public investment and ensure the effective absorption of Recovery and Resilience Facility established by Regulation (EU) 2021/241 support and other EU funds, in particular to foster the green and digital transitions. Poland was recommended to accelerate the phase-out of fossil fuels and the deployment of renewable energy and to reform the legal framework for grid connection permitting procedures and for renewable energy sources ('RES'), including energy communities, biomethane and renewable hydrogen. Moreover, Poland was recommended to implement measures to promote energy savings and gas demand reductions as well as scale up investment in energy efficiency for buildings and decarbonise the heat supply in district heating to address energy poverty. In addition, the country-specific recommendations also recommend to further promote sustainable public transport modes. Finally, Poland was recommended to step up policy efforts aimed at the provision and acquisition of skills and competences needed for the green transition, including for buildings renovation.
- (6) The submission of the modified RRP followed a consultation process, conducted in accordance with the national legal framework, involving local and regional authorities, social partners, civil society organisations, youth organisations and other relevant stakeholders. The summary of the consultations was submitted together with the modified RRP. Pursuant to Article 19 of Regulation (EU) 2021/241, the Commission assessed the relevance, effectiveness, efficiency and coherence of the modified RRP, in accordance with the assessment guidelines set out in Annex V to that Regulation.

Loan request based on Article 14(2) of Regulation (EU) 2021/241

- (7) The modified RRP submitted by Poland includes a request for loan support in order to increase the level of ambition of the existing measure B3.4.1 (Green transformation of cities) under component B (Green energy and energy-intensity reduction) by adding a new target.

Updates based on Article 18(2) of Regulation (EU) 2021/241

- (8) The modified RRP submitted by Poland updates four measures to take into account the updated maximum financial contribution. Poland has explained that because the maximum financial contribution decreased from EUR 23 851 681 924¹ to EUR 22 520 991 355¹, certain measures should be amended or removed to reflect the decrease in the allocation.
- (9) The modified RRP submitted by Poland changes one measure to reflect the updated maximum financial contribution. In particular, targets A7G and A8G of measure A1.2.1 (Investments for enterprises in products, services and competences of employees and staff related to the diversification of activities) under component A (Resilience and competitiveness of the economy) are changed to decrease the level of required implementation compared to the original RRP.

¹ This amount corresponds to the financial allocation after deduction of Poland's proportional share of the expenses of Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology of Article 11 of that Regulation.

- (10) The Commission considers that the reasons put forward by Poland justify the update pursuant to Article 18(2) of Regulation (EU) 2021/241. The Council Implementing Decision of 17 June 2022 should be amended accordingly.

Amendments based on Article 21 of Regulation (EU) 2021/241

- (11) The amendments to the RRP submitted by Poland because of objective circumstances concern 51 measures.
- (12) Poland has explained that seven measures are no longer totally or partially achievable, because supply chain disruptions have led to problems in implementation with an impact on the related milestones and targets. This concerns milestones B7L, B8L and B9L of measure B2.3.1 (Construction of offshore wind farms), milestones B11L, B12L and B13L of measure B2.4.1 (Energy storage systems) under component B (Green energy and energy-intensity reduction); milestone D17G of measure D1.1.2 (Accelerating the digital transformation of health by further developing digital health services) under component D (Effectiveness, accessibility and quality of the health system); as well as milestone E13G and target E14G of measure E1.1.2 (Zero and low-emission collective transport), targets E19G and E20G of measure E2.1.2 (Railways passenger rolling stock), milestone E6L of measure E2.3 (Enhancing transport accessibility, security and digital solutions) and target E7L of measure E2.3.1 (Regional rail passenger rolling stock) under component E (Green, smart mobility). On this basis, Poland has requested that the descriptions of those milestones, targets or measures be amended, added or removed, or that their implementation timeline be extended. The Council Implementing Decision of 17 June 2022 should be amended accordingly.

- (13) Poland has explained that 18 measures are no longer totally or partially achievable at the cost estimated in the original RRP because of high inflation. This concerns targets A7G and A8G of measure A1.2.1 (Investments for enterprises in products, services and competences of employees and staff related to the diversification of activities), measure A1.2.2 (Support for the preparation of investment sites for investments of key importance for the economy), milestone A6G of measure A1.2 (Further reducing regulatory and administrative burden) under component A (Resilience and competitiveness of the economy); targets B9G, B10G and B11G of measure B1.1.2 (Replacement of heat sources and improvement of energy efficiency in residential buildings), targets B12G and B13G of measure B1.1.3 (Exchanging heat sources and improving the energy efficiency of schools), targets B19G and B21G of measure B2.1.1 (Investments in hydrogen technologies, production, storage and transport of hydrogen), targets B37G and B38G of measure B2.2.3 (Construction of offshore terminal infrastructure), target B41G of measure B3.1.1 (Investments in sustainable water and wastewater management in rural areas), target B23L of measure B3.3.1 (Investments in increasing the potential of sustainable water management in rural areas), target B27L of measure B3.4.1 (Green transformation of cities), targets B29L and B30L of measure B3.5.1 (Investment in energy efficient housing for low- and middle-income households) under component B (Green energy and energy-intensity reduction); targets C4G, C5G and C6G of measure C1.1.1 (Ensuring access to very high-speed internet in white spots) under component C (Digital transition);

targets D11G, D12G, D13G, D14G of measure D1.1.1 (Development and modernisation of the infrastructure of highly specialised care centres and other healthcare providers), target D37G of measure D3.1.1 (Comprehensive development of research in the field of medical sciences and health sciences) under component D (Effectiveness, accessibility and quality of the health system); and targets E10G, E11G and E12G of measure E1.1.1 (Support for a low-carbon economy), target E18G of measure E2.1.1 (Railways lines), target E21G of measure E2.1.3 (Intermodal projects) and targets E3L and E4L of measure E1.2.1 (Zero-emission urban transport (trams) under component E (Green, smart mobility). On this basis, Poland requested that the descriptions of those milestones, targets or measures be amended, added or removed, or that their implementation timeline be extended. Poland has explained that measure A4.2.1 (Support for childcare facilities for children up to three years of age (nurseries, children's clubs), under component A is no longer achievable given that the initial cost estimate provided in the original RRP was increased due to high inflation. However, taking into account the resources that were freed up by the removal of other measures under Article 21 of Regulation (EU) 2021/241, Poland has maintained the level of required implementation of the associated target A61G. Poland has also explained that, taking into account the resources that were freed up by the removal of other measures under Article 21 of Regulation (EU) 2021/241, it has increased the level of required implementation of targets C4G, C5G and C6G of measure C1.1.1 (Ensuring access to very high-speed internet in white spots) under component C (Digital transformation). The Council Implementing Decision of 17 June 2022 should be amended accordingly.

- (14) Poland has explained that five measures are no longer partially or totally achievable as there was an important cost increase compared to the costs estimated in the original RRP. This concerns targets A14G, A15G, A16G and A17G of measure A1.3.1 (Implementation of land-use planning reform), A21G, A25G, A26G of measure A1.4.1 (Investments to diversify and shorten the supply chain of agricultural and food products and build the resilience of the entities in the chain) under component A (Resilience and competitiveness of the economy); targets B19L and B20L of measure B3.2.1 (Investments in risk neutralization and the restoration of large-scale brownfield sites and the Baltic Sea) under component B (Green energy and energy-intensity reduction); targets C17G, C18G, C19G and C20G of measure C2.1.3 (E-competences) under component C (Digital transition) as well as target E26G of measure E2.2.2 (Digitalisation of transport) under component E (Green, smart mobility). On this basis, Poland requested that the descriptions of those milestones, targets or measures be amended, or removed, or that their implementation timeline be extended. The Council Implementing Decision of 17 June 2022 should be amended accordingly.

- (15) Poland has explained that five measures are no longer totally or partially achievable because of unexpected legal or technical difficulties. This concerns targets A5L and A6L of measure A2.5.2 (Investment for a creation of a model support centre for creative industries), targets A8L and A9L of measure A2.6.1 (Development of the national system of monitoring services, products, analytical tools, services and accompanying infrastructure using satellite data) under component A (Resilience and competitiveness of the economy); milestone B15L of measure B3.2 (Support for environmental rehabilitation and protection against hazardous substances) under component B (Green energy and energy-intensity reduction); targets C11G, C12G, C13G of measure C2.1.1 (Public e-services, IT solutions improving the functioning of administrations and economic sectors) under component C (Digital transition); and target D26G and target D28G of measure D2.1 (Creating the right conditions for an increase in the number of medical staff) under component D (Effectiveness, accessibility and quality of the health system). On this basis, Poland requested that the descriptions of those milestones, targets or measures be amended, added or removed, or that their implementation timeline be extended. The Council Implementing Decision of 17 June 2022 should be amended accordingly.

- (16) Poland has explained that nine measures have been modified to introduce better alternatives to achieve their original ambition. This concerns milestone A12G of measure A1.3 (Land-use planning reform), targets A34G, A35G, A36G, A37G of measure A2.3.1 (Development and equipment of competence centres (specialist training centres, implementation support centres, observatories) and unmanned vehicle industry management infrastructure, as an ecosystem of innovation), milestone A71G of measure A4.7 (Limit the segmentation of the labour market) under component A (Resilience and competitiveness of the economy); target C14G of measure C2.1.2 (Level playing field for schools with mobile multimedia devices – investments related to the fulfilment of minimum equipment standards), milestones C23G, C24G and C27G as well as targets C25G and C28G of measure C3.1.1 (Cybersecurity – CyberPL, infrastructure of data processing and optimization of the infrastructure of law enforcement services), milestone C3L of measure C1.2 (Increasing the level of accessibility and use of modern wired and wireless communication for social and economic needs), target C12L of measure C2.2.1 (Equipping schools/institutions with adequate ICT devices and infrastructure to improve the overall performance of education system) under component C (Digital transformation); and targets D30G and D31G of measure D2.1.1 (Investments related to modernisation and retrofitting of teaching facilities with a view to increasing admission limits for medical studies) and target D3L of measure D1.2.1 (Development of long-term care by modernisation of medical entities' infrastructure at district level) under component D (Effectiveness, accessibility and quality of the health system). On this basis, Poland requested that the descriptions of those milestones, targets or measures be amended, or removed, or to extend their implementation timeline. The Council Implementing Decision of 17 June 2022 should be amended accordingly.

- (17) Poland has explained that two measures are no longer totally achievable due to the lack of demand. This concerns measure A4.4.1 (Investments related to equipping workers/companies to work remotely) under component A (Resilience and competitiveness of the economy) and measure C1.2.1 (Strengthening the potential of commercial investments in modern electronic communication networks) under component C (Digital transformation). On this basis, Poland requested that those measures be removed. The Council Implementing Decision of 17 June 2022 should be amended accordingly.
- (18) Poland has explained that three measures are no longer totally or partially achievable because of the outbreak of Russia's war of aggression against Ukraine, including the related inflow of displaced persons from Ukraine, the need to facilitate the transportation of supplies and the impact on cost and availability of services need for implementation of certain measures. This concerns targets A44G and A45G of measure A3.1.1 (Investments in modern vocational training, higher education and lifelong learning) under component A (Resilience and competitiveness of the economy); milestones D1G and D8G of measure D1.1 (Improving the effectiveness, accessibility and quality of health services) under component D (Effectiveness, accessibility and quality of the health system); and milestone E16G of measure E2.1 (Enhance the competitiveness of the railways sector) under component E (Green, smart mobility). On this basis, Poland requested that the descriptions of those milestones and measures be amended or that the implementation timeline be extended. The Council Implementing Decision of 17 June 2022 should be amended accordingly.

- (19) Poland has requested to use the remaining resources freed up by the removal of measures under Article 21 of Regulation (EU) 2021/241 for four existing measures by increasing their level of ambition, or maintaining their level of ambition despite the increase of their estimated costs and for adding one measure. This concerns targets A4L and A5L of measure A2.5.1 (A program to support the activities of entities in the cultural and creative industries to stimulate their development) under component A (Resilience and competitiveness of the economy); targets B26L, B27L and B27aL of measure B3.4.1 (Investments for a comprehensive green transformation of cities) under component B (Green energy and energy intensity reduction); milestones C15L, C16L and C18L and target C17L measure C4.1.1 (Supporting the digital transformation of businesses through the use of cloud computing) and target C11L of measure C2.2.1 (Equipping schools/institutions with adequate ICT devices and infrastructure to improve the overall performance of education system) under component C (Digital Transformation); and target E28G of measure E2.2.2 (Digitalisation of transport) under component E (Green, smart mobility). On this basis, Poland requested that the descriptions of milestones, targets or measures be amended or added. The Council Implementing Decision of 17 June 2022 should be amended accordingly.
- (20) The Commission considers that the reasons put forward by Poland justify the amendment pursuant to Article 21(2) of Regulation (EU) 2021/241.

Distribution of milestones and targets

- (21) The distribution of milestones and targets in instalments should be amended to take into account the new allocation, the amendments to the RRP and the indicative timeline presented by Poland.

Corrections of clerical errors

- (22) Eight clerical errors have been identified in the text of the Council Implementing Decision of 17 June 2022, affecting five milestones and targets and eight measures. The Council Implementing Decision of 17 June 2022 should be amended to correct those clerical errors that do not reflect the content of the RRP submitted to the Commission on 3 May 2021, as agreed between the Commission and Poland. Those clerical errors relate to description of measure A2.4 (Strengthening cooperation mechanisms between science and industry); milestone A51G of measure A4.1 (Effective institutions for the labour market) and milestone A67G of measure A4.5 (Extend careers and promote working beyond the statutory retirement age) and the description of that measure under component A (Resilience and competitiveness of the economy); the description of measure B1.2.1 (Energy efficiency and RES in companies – investments with the highest greenhouse gas reduction potential); description of measure B2.1 (Improving the conditions for the development of hydrogen technologies and other decarbonised gases) under component B (Green energy and energy-intensity reduction); milestone C9G of measure C2.1 (Scaling up digital applications in the public sphere, the economy and society) under component C (Digital Transformation); target D8L of measure D3.2.1 (Developing the potential of the medicines and medical devices sector – investments linked to the production of API in Poland) under component D (Effectiveness, accessibility and quality of the healthcare system); and target E6G of measure E1.1 (Increase in the use of environmentally friendly transport) under component E (Green, smart mobility). Those corrections do not affect the implementation of the measures concerned.

- (23) The REPowerEU chapter includes seven new reforms and seven new investments. The reforms concern: (a) the streamlining of permitting for RES (G3.1.1), (b) the introduction of regulatory solutions for the development and tariffication of distribution grids to accelerate the integration of RES (G1.2.1), (c) the removal of barriers to the connection of RES into electricity networks (G1.2.2), (d) measures boosting energy efficiency and accelerating the phase-out of fossil fuels in home heating, which should contribute to alleviating energy poverty (G3.1.3), (e) skills for the green transition, through amendments of key sectorial qualification frameworks (G3.1.2), (f) an analysis of the legal, organisational and administrative barriers for energy communities, aimed at facilitating their development (G1.1.1) and (g) an action plan for sustainable transport (G1.3.1). The REPowerEU chapter also includes investments contributing to RES deployment including: (a) an Offshore Wind Energy Fund (G3.1.5), (b) support to energy storage systems (G1.1.3 and G3.3.1), (c) investments enhancing electricity grids, including the construction or modernisation of distribution networks in rural areas (G1.2.4), (d) the energy transition sector through an Energy Support Fund (G3.1.4), (e) supporting institutions implementing the REPowerEU reforms and investments (G1.1.4) and (f) an investment in the construction of natural gas infrastructure (G3.2.1) that contributes to improving energy infrastructure and facilitates meeting the immediate security of supply needs.

- (24) Considering the decrease in the maximum financial contribution of EUR 1 330 690 569, Poland has included in the REPowerEU chapter three measures which were already contained in the Council Implementing Decision of 17 June 2022. Those measures were reflected in that Implementing Decision under components B (Green energy and energy-intensity reduction) and E (Green, smart mobility).
- (25) On this basis, measure B2.2.1 (Development of transmission networks, smart electricity infrastructure), measure B.2.2.2 (RES installations operated by energy communities) and part of measure E1.1.2 (Zero and low-emission collective transport (buses)) are removed from component B (Green energy and energy-intensity reduction) and E (Green, smart mobility).
- (26) The REPowerEU chapter also includes scaled-up measures affecting two measures under component B (Green energy and energy-intensity reduction). This concerns measures B2.2.1 (Development of transmission networks, smart electricity infrastructure), removed and introduced in the REPowerEU chapter as G1.2.3 (Development of transmission networks, smart electricity infrastructure, including a scaled-up part) and B2.2.2 (RES installations operated by energy communities), removed and introduced in the REPowerEU chapter as G.1.1.2 (RES installations implemented by energy communities, including a scaled-up part). The scaled-up measures included in the REPowerEU chapter introduce a substantive improvement in the level of ambition of the measures already included in the RRP.

Commission's assessment

- (27) The Commission has assessed the modified RRP including the REPowerEU chapter against the assessment criteria laid down in Article 19(3) of Regulation (EU) 2021/241.

Balanced response contributing to the six pillars

- (28) In accordance with Article 19(3), point (a), of and Annex V, criterion 2.1, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter represents to a large extent (rating A) a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all of the six pillars referred to in Article 3 of that Regulation, taking into account the specific challenges faced by and the financial allocation for the Member State concerned.
- (29) The various measures of the modified RRP including the REPowerEU chapter represent a comprehensive response with an appropriate overall balance between pillars, with a significant number of components significantly or partially supporting more than one pillar. Poland's modified RRP continues to focus on six key policy areas: green transition, digitalisation, health, competitiveness and innovation, sustainable transport, and the quality of institutions, in particular through investments in renewable energy sources and energy efficiency, sustainable mobility, healthcare, digital technologies, and research and innovation. The measures included in the REPowerEU chapter contribute significantly or partially to the following pillars: green transition, digital transformation, smart, sustainable and inclusive growth, social and territorial cohesion, health, and economic, social and institutional resilience and policies for the next generation.

Addressing all or a significant subset of challenges identified in country-specific recommendations

- (30) In accordance with Article 19(3), point (b), of and Annex V, criterion 2.2, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to contribute to effectively addressing all or a significant subset of challenges (rating A) identified in the relevant country-specific recommendations addressed to Poland, including fiscal aspects thereof, or challenges identified in other relevant documents officially adopted by the Commission in the context of the European Semester.
- (31) In particular, the modified RRP including the REPowerEU chapter takes into account country-specific recommendations formally adopted by the Council prior to the assessment of the modified RRP by the Commission. As the maximum financial contribution for Poland has been adjusted downwards and the loan requested is to a very significant extent intended to be used for the REPowerEU objectives and exclusively for energy-related measures, the 2022 and 2023 recommendations not related to energy challenges are not considered in the overall assessment.
- (32) Having assessed progress in the implementation of all relevant country-specific recommendations as a part of the 2023 European Semester, the Commission finds that the recommendation on increasing access to finance and liquidity for companies (2020 recommendation 3.1) was fully implemented. Substantial progress has been achieved with regard to the recommendation on targeting investment to digital infrastructure (2020 recommendation 3.3).

- (33) The modified RRP including the REPowerEU chapter includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing a significant subset of the economic and social challenges outlined in the country-specific recommendations addressed to Poland by the Council in the context of the European Semester. In particular, the REPowerEU chapter is expected to contribute to expanding public investment for the green transition (2022 recommendation 1.2 and 2023 recommendation 1.3).
- (34) In particular, the effect of new measures proposed under sub-component G1.1 ought to be to improve the regulatory environment for energy communities and incentivise their development, while investments in offshore wind farms (measure G3.1.5.) ought to contribute to the acceleration of the deployment of renewable energy (2023 recommendation 4.2). Investments in grid construction and modernisation, together with reforms focusing on improving regulatory framework for the grid access (sub-component G1.2), as well as the reform for digitisation of permitting procedures and enabling the installation of photovoltaic and onshore wind capacities (G3.1.1) are expected to reduce Poland's overall reliance on fossil fuels by removing regulatory, administrative and infrastructural barriers to accelerate the permitting procedures and the deployment of renewable energy sources (2022 recommendation 6.2).

- (35) Furthermore, the reform G3.1.3 that consists of the comprehensive programme for integrated home renovations together with a provision of complex energy efficiency services aim to promote energy savings and address energy poverty (2023 recommendation 4.3). In addition, a preparation of an action plan for green transport in Poland bundled with an investment in zero-emission buses for urban transport (sub-component G1.3) are expected to further promote sustainable public transport modes (2022 recommendation 6.4 and 2023 recommendation 4.4). Finally, the reform G3.1.2 that amends the sectoral qualification frameworks is expected to help the acquisition of green skills according to the unified standards (2023 recommendation 4.5).
- (36) The modified RRP continues addressing a significant subset of the challenges identified in the country-specific recommendations of 2020 and 2019, since the modifications do not undermine the level of ambition of the relevant measures. In particular, the modified measures are still addressing the relevant challenges by aiming to make public spending more efficient, increase labour market participation and effective retirement age, address labour market segmentation, provide more childcare and long-term care places, promote the sustainability of transport, improve digital skills and promote the digital transformation of companies and public administration.

Contribution to growth potential, job creation and economic, social and institutional resilience

- (37) In accordance with Article 19(3), point (c), of and Annex V, criterion 2.3, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to have a high impact (rating A) on strengthening the growth potential, job creation, and economic, social and institutional resilience of Poland, contributing to the implementation of the European Pillar of Social Rights, including through the promotion of policies for children and youth, and on mitigating the economic and social impact of the COVID-19 crisis, thereby enhancing the economic, social and territorial cohesion and convergence within the Union.
- (38) The initial RRP included significant reforms and investments to address social challenges in the areas of, for example, employment, education and youth policies, and to render the Polish economy more innovative and sustainable, increasing its competitiveness.
- (39) The modified RRP including the REPowerEU chapter continues to contribute to economic growth and job creation in Poland and to increasing the capacity of the Polish economy to respond to the social challenges resulting from the energy transition. In this context, the modified RRP addresses several vulnerabilities of the economy, including the over-reliance on fossil fuels, an outdated energy transmission and distribution network, especially in rural areas, as well as limited affordability for poor households to improve energy efficiency of buildings. The modified RRP including the REPowerEU chapter also helps boosting the development of green skills relevant for the green transition.

Do no significant harm

- (40) In accordance with Article 19(3), point (d), of and Annex V, criterion 2.4, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to ensure that no measure (rating A) for the implementation of reforms and investments projects included in this RRP does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council¹ (the principle of ‘do no significant harm’).
- (41) The modified RRP including the REPowerEU chapter assesses compliance with the principle of ‘do no significant harm’ following the methodology set out in the technical guidance provided in the Commission Notice entitled ‘Technical guidance on the application of “do no significant harm” under the Recovery and Resilience Facility Regulation’². The assessment is done systematically for each modified reform and investment following the two-step approach. The assessment concludes that for all modified measures, there is either no risk of significant harm or, where a risk is identified, a more detailed assessment is performed demonstrating the absence of significant harm. As regards the new reforms and investments introduced in the REPowerEU chapter, Poland provided a systematic assessment of each measure against the principle of ‘do no significant harm’. Where needed, the requirements of the ‘do no significant harm’ assessment are enshrined in the design of a measure and specified in the respective milestone or target.

¹ Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (OJ L 198, 22.6.2020, p. 13).

² OJ C 58, 18.2.2021, p. 1.

- (42) In accordance with Article 21c(6) of Regulation (EU) 2021/241, on the basis of information provided by Poland, the Commission considers that the principle of ‘do no significant harm’ does not apply to one measure that contributes to the objective set out in Article 21c(3), point (a), of that Regulation. This concerns measure G3.2.1. (Construction of natural gas infrastructure to ensure energy security). The measure consists of the construction of a 250-kilometre gas pipeline between Gdańsk and Gustorzyn.
- (43) First, the measure is necessary and proportionate to meet immediate security of supply needs, taking into account cleaner feasible alternatives and the risk of lock-in effects, in line with Article 21c(6), point (a), of Regulation (EU) 2021/241. While the region was characterised by a high dependence on a single source of gas supply, the pipeline ought to facilitate the full use of existing gas capacities, including liquified natural gas, and the transmission of additional capacities from diversified sources in Poland to other countries in Central and Eastern Europe. Without the pipeline, this would not be possible due to bottlenecks in the existing grid. Therefore, the investment contributes to meeting immediate security of supply needs and enabling the diversification of supply in the interests of the Union as a whole. In addition, cleaner alternatives cannot be deployed within a comparable timeline. The transmission part of the project will be technically capable of accommodating hydrogen blends and biomethane and synthetic methane from the start of the operations. Therefore, the risk of a lock-in effect is considered to be mitigated.

- (44) Second, Poland has undertaken satisfactory efforts to limit the potential harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, where feasible, and to mitigate harm through other measures, including the measures in the REPowerEU, in accordance with Article 21c(6), point (b), of Regulation (EU) 2021/241. The relevant environmental impact assessments and the environmental decisions confirm that the project should be implemented within the applicable Union and national environmental legal framework and they define mitigation measures, for instance on biodiversity protection and protection of water bodies.
- (45) Third, the measure does not jeopardise the achievement of the Union's 2030 climate targets and the objective of Union climate neutrality by 2050, in accordance with Article 21c(6), point (c), of Regulation (EU) 2021/241. The modified RRP including the REPowerEU chapter contains reforms and investments, which are expected to contribute to the achievement of the Union climate target by 2030, on the way to climate neutrality objective by 2050.
- (46) Lastly, Poland provided supporting documents showing that the end of the construction works and the technical acceptance of the pipeline between Gdańsk and Gustorzyn is expected to take place in June 2026 and the infrastructure is planned to be in operation by 31 December 2026, in line with Article 21c(6), point (d) of Regulation (EU) 2021/241.

- (47) The total estimated costs of that measures is EUR 630 940 000, which represents 2,49 % of the estimated costs of the measures included in the REPowerEU chapter, considerably below the maximum threshold allowed by Article 21c(9) of Regulation (EU) 2021/241.
- (48) As required by Article 21c(8) of Regulation (EU) 2021/241, the revenues made available in accordance with Article 10e(1) of Directive 2003/87/EC of the European Parliament and of the Council¹ will not contribute to that measure, given that the estimated costs of the other reforms and investments of the REPowerEU chapter are higher than Poland's allocation of that revenue.

Contribution to the REPowerEU objectives

- (49) In accordance with Article 19(3), point (da), of and Annex V, criterion 2.12, to Regulation (EU) 2021/241, the REPowerEU chapter is expected to effectively contribute to a large extent (rating A) to energy security, the diversification of the Union's energy supply, an increase in the uptake of renewables and in energy efficiency, an increase of energy storage capacities or the necessary reduction of dependence on fossil fuels before 2030.
- (50) The implementation of the measures included in the REPowerEU chapter contributes in particular to supporting the objectives set out in Article 21c (3), points (a), (b), (c), (e) and (f), of Regulation (EU) 2021/241.

¹ Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a system for greenhouse gas emission allowance trading within the Union and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32).

- (51) The investment in the construction of a new natural gas infrastructure, which brings additional gas capacities to Poland and its neighbouring countries (G3.2.1), contributes to the improvement of energy infrastructure and facilities meeting the immediate security of supply needs for gas, including liquified natural gas, in particular to enable diversification of supply in the interest of the Union as a whole, in line with Article 21c(3), point (a), of Regulation (EU) 2021/241.
- (52) Several reforms and investments effectively contribute to boosting energy efficiency in buildings and critical energy infrastructure, decarbonising industry, increasing production of renewable hydrogen, and increasing the share and accelerating the deployment of renewable energy in accordance with Article 21c(3), point (b), of Regulation (EU) 2021/241. This is in particular the case for the reforms related to boosting of energy efficiency and phase-out of fossil fuels in home heating (G3.1.3.), the streamlining of the permitting procedures for RES (G3.1.1), the analysis of the legal, organisational and administrative barriers for energy communities, aimed at facilitating their development (G1.1.1), as well as the investments in an Energy Support Fund (G3.1.4), an Offshore Wind Energy Fund (G3.1.5) and to support RES installations implemented by energy communities (G1.1.2).
- (53) The REPowerEU chapter also effectively contributes to addressing energy poverty in accordance with Article 21c(3), point (c), of Regulation (EU) 2021/241, with the reform boosting energy efficiency and accelerating the phase-out of fossil fuels in home heating (G3.1.3).

- (54) The reforms and investments in the REPowerEU chapter also contribute to addressing internal and cross-border energy transmission and distribution bottlenecks, supporting electricity storage and accelerating the integration of renewable energy sources, and supporting zero-emission transport and its infrastructure in accordance with Article 21c(3), point (e), of Regulation (EU) 2021/241. In particular, this is the case for the reform related to the introduction of regulatory solutions for the development and tariffication of distribution grids (G1.2.1), and the investment in the development of transmission networks and smart electricity infrastructure (G1.2.3) and in the construction or modernisation of distribution networks in rural areas (G1.2.4); investment in energy storage systems (G1.1.3 and G3.3.1); the reform related to the removal of barriers to the connection of RES into electricity networks (G1.2.2); the reform involving an action plan for sustainable transport (G1.3.1), and the investment in zero-emission collective transport (G1.3.2).
- (55) The amendment of key sectorial qualification frameworks aims to contribute to an accelerated requalification of the workforce towards green skills in accordance with Article 21c(3), point (f), of Regulation (EU) 2021/241.
- (56) The reforms and investments of the REPowerEU chapter represent, taken together, a comprehensive set of measures. They are consistent with the efforts of Poland covered by the measures already included in the Council Implementing Decision of 17 June 2022, in particular with regard to the development of renewable energy sources and the development of energy storage facilities.

- (57) Overall, the REPowerEU chapter is expected to contribute effectively to energy security, the diversification of the Union's energy supply, an increase in the uptake of renewables and in energy efficiency, an increase of energy storage capacities or the necessary reduction of dependence on fossil fuels before 2030.

Measures having a cross-border or multi-country dimension or effect

- (58) In accordance with Article 19(3), point (db), of and Annex V, criterion 2.13, to Regulation (EU) 2021/241, the measures included in the REPowerEU chapter are expected to a large extent (rating A) to have a cross-border or multi-country dimension or effect.
- (59) The REPowerEU chapter contributes to securing energy supply in the Union as a whole, including by addressing challenges identified in the Commission's most recent needs assessment, in line with the objectives set out in Article 21c(3) of Regulation (EU) 2021/241, taking into account the financial contribution available to Poland and its geographical position. Of the 16 measures in the Polish REPowerEU chapter, seven have a cross-border dimension. The most notable investment with a cross-border dimension is the construction of a 250-kilometre extension of the gas transmission network between Gdańsk and Gustorzyn. Other investments with a cross-border or multi-country dimension or effect include investments aimed at the deployment of renewable energy, investments aimed at the deployment of energy storage facilities, and investments aimed at the development of the transmission and distribution networks. These should contribute to decreasing the demand for fossil fuels and should facilitate the integration of electricity from RES.

- (60) Measures on increasing energy efficiency in renovations of buildings also have a relevant cross-border dimension as they are expected to contribute to reducing the demand for imported fossil fuels.
- (61) The total estimated costs of those measures account for 92,9 % of the total estimated costs of the REPowerEU chapter, that is more than at least 30 %.

Contribution to the green transition, including biodiversity

- (62) In accordance with Article 19(3), point (e), of and Annex V, criterion 2.5, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter contains measures that contribute to a large extent (rating A) to the green transition, including biodiversity, or to addressing the challenges resulting therefrom. The measures supporting climate objectives account for an amount which represents 46,6 % of the RRP's total allocation and 66 % of the total estimated costs of measures in the REPowerEU chapter, calculated in accordance with the methodology set out in Annex VI to Regulation (EU) 2021/241. In accordance with Article 17 of that Regulation, the modified RRP including the REPowerEU chapter is consistent with the information included in the National Energy and Climate Plan 2021-2030.

- (63) The measures removed or reduced do not impact the overall ambition of the RRP regarding the green transition, while the REPowerEU chapter brings a significant effort to further supporting the green transition of Poland, with all the reforms and investments contributing to reducing the reliance on fossil fuels, enabling the development and the deployment of renewable energy as well as supporting the energy transition.
- (64) Those measures are expected to have a lasting impact by: (a) strengthening Poland's electricity grid to address an increased production and distribution of electricity, including from renewables, (b) reducing Poland's reliance on fossil fuels, (c) increasing energy storage, (d) increasing energy efficiency and (e) introducing structural changes to the energy policy. They are expected to considerably reduce the greenhouse gas intensity of the energy used in Poland and thereby contribute to the attainment of the 2030 climate targets and the objective of Union climate neutrality by 2050.
- (65) Given the decreased maximum financial contribution for Poland and the inclusion of new measures incentivising the green transition, the climate contribution of the modified RRP has increased from 42,7 % to 46,6 % compared to the original assessment.

Contribution to the digital transition

- (66) In accordance with Article 19(3), point (f), of and Annex V, criterion 2.6, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter contains measures that contribute to a large extent (rating A) to the digital transition or to addressing the challenges resulting from it. The measures supporting digital objectives account for an amount which represents 21,3 % of the modified RRP's total allocation calculated in accordance with the methodology set out in Annex VII to that Regulation.
- (67) The result of the positive assessment of the contribution to the digital transition provided in the Council Implementing Decision of 17 June 2022 remains valid. The modification of the RRP does not materially impact its ambition to achieve the digital transition. In spite of the removal of one investment with a digital dimension, the modified RRP continues to significantly contribute to the digital transition with a cross-cutting approach, with interventions in e-services in the public administration, digitalisation of education, development of digital skills, cybersecurity, complemented by a new investment in cloud computing.

- (68) The REPowerEU chapter is also expected to contribute to the digital transition and to addressing the resulting challenges by modernising the transmission and distribution grids (G1.2.3 and G1.2.4), developing smart electricity infrastructure and energy storage systems. In accordance with Article 21c(5) of Regulation (EU) 2021/241, reforms and investments in the REPowerEU chapter are not to be taken into account when calculating the RRP's total allocation for the purpose of applying the digital target requirement set by that Regulation.
- (69) The digital contribution of the modified RRP is maintained at 21,3 % as in the original assessment. Thus, the modified RRP continues to meet the 20 % requirement laid down in Article 19(3)(f) of Regulation (EU) 2021/241.

Lasting impact

- (70) In accordance with Article 19(3), point (g), of and Annex V, criterion 2.7, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter is expected to have a lasting impact on Poland to a large extent (rating A).
- (71) The modified RRP, including the REPowerEU chapter, does not reduce the ambition of the initial RRP as a whole and does not reduce its long-lasting effects. The modified RRP, including the REPowerEU chapter, takes into account the reduced maximum financial contribution, the prolonged impact of the COVID-19 crisis, high inflation and supply chain disruptions, as well as some unexpected legal or technical difficulties or the availability of better alternatives for the implementation of some measures.

(72) In addition, the modified RRP also includes a new REPowerEU chapter, which is also expected to have lasting positive effects on the Polish economy and further boost its green transition. Reforms and investments included in the REPowerEU chapter are expected to accelerate the deployment of renewable energy sources and their integration into electricity grids, reinforce grids and expand energy storage capacity, increasing the share of renewable energy in Poland's energy mix and enhancing the resilience of its energy system. The REPowerEU chapter also includes reforms and investments contributing to the improvement of energy efficiency of buildings and deployment of clean transport, which should contribute to reducing Poland's reliance on fossil fuels. Finally, the reform concerning the developing of skills for the green transition should contribute to ensuring that Poland has a qualified workforce to achieve its green transition. These reforms accompanied by investments are expected to have the lasting impact.

Monitoring and implementation

(73) In accordance with Article 19(3), point (h), of and Annex V, criterion 2.8, to Regulation (EU) 2021/241, the arrangements proposed in the modified RRP including the REPowerEU chapter are adequate (rating A) to ensure effective monitoring and implementation of the RRP, including the envisaged timetable, milestones and targets, and the related indicators.

- (74) The nature and extent of the proposed modifications to Poland's RRP do not have an impact on the previous assessment of the effective monitoring and implementation of the RRP. The milestones and targets that accompany the modified measures, including those in the REPowerEU chapter, are clear and realistic and the proposed indicators for those milestones and targets are relevant, acceptable and robust. Milestones and targets are also relevant for measures already completed which are eligible under Article 17(2) of Regulation (EU) 2021/241. The satisfactory fulfilment of those milestones and targets over time is required to justify a disbursement request.

Costing

- (75) In accordance with Article 19(3), point (i), of and Annex V, criterion 2.9, to Regulation (EU) 2021/241, the justification provided in the modified RRP including the REPowerEU chapter on the amount of the estimated total costs of the RRP is to a medium extent (rating B) reasonable and plausible, is in line with the principle of cost efficiency and is commensurate with the expected national economic and social impact.
- (76) The original assessment determined that Poland had provided estimated costs for each investment included in the RRP. The justification provided by Poland on the amount of the estimated total costs of the RRP was, to a medium extent, reasonable, plausible, in line with the principle of cost-efficiency and commensurate with the expected national economic and social impact.

(77) The assessment of the cost estimates for the new investments and the REPowerEU measures, based on the information provided, shows that the cost estimates are generally reasonable and plausible even though the evidence shows varying degrees of details and depth of calculations. In some cases, details on the methodology and assumptions used to make the cost estimates were limited, partly due to the novelty of the measures, or less clear, preventing an award of rating A under this assessment criterion. Furthermore, the changes in the cost estimates for amended measures were justified and proportional and as such the reasonableness and plausibility of these cost estimates were not altered compared to the original RRP. Finally, the estimated total cost of the modified RRP is in line with the principle of cost-efficiency and commensurate with the expected national economic and social impact.

Protection of the financial interests of the Union

(78) In accordance with Article 19(3), point (j), of and Annex V, criterion 2.10 to Regulation (EU) 2021/241, the arrangements proposed in the modified RRP, including the REPowerEU chapter, and the additional measures contained in this Decision are adequate (rating A) to prevent, detect and correct corruption, fraud and conflicts of interests when using the funds provided under that Regulation, and the arrangements are expected to effectively avoid double funding under that Regulation and other Union programmes. This is without prejudice to the application of other instruments and tools to promote and enforce compliance with Union law, including for preventing, detecting, and correcting corruption, fraud, and conflicts of interest, and for protecting the Union budget in accordance with Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council¹.

¹ Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget (OJ L 433 I, 22.12.2020, p. 1).

- (79) The original assessment of the robustness and adequacy of the control system and other arrangements included in the RRP had concluded that these arrangements were adequate taking also into account the milestones pertaining to the organisation of the judiciary system and ensuring an effective audit and control system to be fulfilled before the first payment request. This warranted an award of rating A under the assessment criterion 2.10 of Annex V to the Regulation (EU) 2021/241.
- (80) Since the original assessment, the Commission has had access to information on the Polish audit and control system's actual implementation. This includes the findings of the audit on the protection of the financial interests of the Union performed by the Commission in Poland.

(81) In light of this information, the Commission considers that the internal control system of the modified RRP including the REPowerEU chapter is overall adequate. The internal control system described in the modified RRP including the REPowerEU chapter, and arrangements proposed are based on robust processes and structures, so that roles and responsibilities of the actors for controls and audits are clear, relevant control functions are appropriately segregated and the independence of actors performing audits is ensured. The central coordinating body for the implementation of the RRP is the Ministry of Funds and Regional Policy. Individual ministries, central government authorities and other entities mandated by the competent ministries are responsible for the implementation of reforms and investments under the RRP. Management verifications are to be carried out by the institution responsible for the implementation of each measure. Specific measures should be implemented to check compliance with the rules relating to public procurement, State aid and to protect the financial interests of the Union. Data on the achievement of milestones and targets are recorded in the centralised national IT system (CST2021), which shall ensure that the implementing bodies submit the required information to the IT system. Audits are entrusted to the National Revenue Administration (Ministry of Finance) to be performed on an annual basis, in accordance with the audit strategy. However, the frequency of audits may depend on the submission of the payment requests. The audit body's independence from the coordination body and institutions responsible for the implementation of the reforms and investments is confirmed. The audits should cover the system established for the reporting on milestones and targets, the information system for monitoring the implementation of the RRP and audits of operations, including the conditions for sound financial management.

Coherence of the RRP

- (82) In accordance with Article 19(3), point (k), of and Annex V, criterion 2.11, to Regulation (EU) 2021/241, the modified RRP including the REPowerEU chapter includes to a high extent (rating A) measures for the implementation of reforms and public investment projects that represent coherent actions.
- (83) The modifications to the RRP amend some of the original components and bring an additional component, the REPowerEU chapter. The modifications do not alter the overall coherence. The components are mutually reinforcing and complementary, in particular those related to the green transition and the newly added REPowerEU chapter. In this respect, the measures in the REPowerEU chapter have further improved coherence by reinforcing measures in the original RRP, in particular as regards the scaling-up of the deployment of renewable energy production and storage infrastructure, as well as improvements to transmission and distribution networks.

Consultation process

- (84) In preparation of the modified RRP, including the REPowerEU chapter, the Polish authorities conducted a public consultation, which took place between 18 April and 9 May 2023. Comments from stakeholders, including local authorities, non-governmental organisations, business associations, were collected online, as well as during a consultation conference. Replies to the comments were published on a governmental website. Afterwards, the authorities integrated the feedback from the consultation process into the modified RRP and a draft REPowerEU chapter. The feedback related mostly to aspects such as the scope of investments, recipients and values of targets and concerned mainly measures under components B, C, D and E as well as the REPowerEU chapter.
- (85) To ensure ownership by the relevant actors, it is crucial to involve all local authorities and stakeholders concerned, including social partners, throughout the implementation of the investments and reforms included in the modified RRP including the REPowerEU chapter.

Positive assessment

- (86) Following the positive assessment of the Commission concerning the modified RRP including the REPowerEU chapter, with the finding that the RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, this Decision sets out the reforms and investment projects necessary for the implementation of the modified RRP, including the REPowerEU chapter, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the modified RRP, including the REPowerEU chapter, in the form of non-repayable and loan support.

Financial contribution

- (87) The estimated total cost of the modified RRP including the REPowerEU chapter of Poland is PLN 270 144 534 012, which is equivalent to EUR 59 818 165 953 at the EUR-PLN ECB reference rate of 3 May 2021 for the original RRP and at the EUR-PLN ECB reference rate of 31 August 2023 for the REPowerEU chapter. Amounts in euros referred to in the descriptions of the measures and the corresponding milestones and targets have been calculated on the same basis and should be assessed taking this into account.

- (88) As the amount of the estimated total cost of the modified RRP including the REPowerEU chapter is higher than the updated maximum financial contribution available for Poland, the financial contribution calculated in accordance with Article 11 of Regulation (EU) 2021/241 allocated for Poland's modified RRP, including the REPowerEU chapter, should be equal to the total amount of the financial contribution available for Poland's modified RRP, including the REPowerEU chapter. This amount is equal to EUR 22 520 991 355.
- (89) Pursuant to Article 21a(5) of Regulation (EU) 2021/241, on 31 August 2023, Poland submitted a request for the allocation of the revenue referred to in Article 21a (1) of that Regulation, shared between Member States on the basis of the indicators set out in the methodology referred to in Annex IVa to that Regulation. The estimated total cost of reforms and investments aiming to contribute to the objectives set out in Article 21c(3), points (b) to (f), of Regulation (EU) 2021/241 included in the REPowerEU chapter is EUR 24 644 725 942. As this amount is higher than the allocation share available for Poland, the additional non-repayable financial support available for Poland should be equal to the allocation share. This amount is equal to EUR 2 755 862 361.
- (90) The total financial contribution available to Poland should be EUR 25 276 853 716.

Loan

- (91) Furthermore, in order to support additional reforms and investments in the modified RRP, including the REPowerEU chapter, Poland has requested additional loan support for a total amount of EUR 34 541 303 518, namely, EUR 22 519 803 518 to support the reforms and investments in the REPowerEU chapter and EUR 12 021 500 000 to support the other reforms and investments in the RRP. The maximum volume of the loan requested by Poland is equal to 6,8 % of its 2019 gross national income in current prices. The amount of the estimated total costs of the RRP is higher than the combined financial contribution available for Poland, including the REPowerEU chapter and the updated maximum financial contribution for non-repayable financial support and the revenue from the emissions trading system under Directive 2003/87/EC.

REPowerEU Pre-financing

- (92) Poland has requested EUR 2 755 862 361 in the form of financial contribution calculated in accordance with Article 21a of Regulation (EU) 2021/241 and EUR 22 519 803 518 in the form of loan under Article 14 of that Regulation for the implementation of its REPowerEU chapter.

- (93) For those amounts, pursuant to Article 21d of Regulation (EU) 2021/241, on 31 August 2023, Poland requested pre-financing of EUR 5 055 133 176, that is 20 % of the funding requested. Subject to available resources, that pre-financing should be made available to Poland subject to the entry into force of, and in accordance with, agreements to be concluded between the Commission and Poland pursuant to Article 23(1) of Regulation (EU) 2021/241 and pursuant to Article 15(2) of that Regulation .
- (94) The Council Implementing Decision of 17 June 2022 on the approval of the assessment of the recovery and resilience plan for Poland should therefore be amended accordingly. For the sake of clarity, the Annex to that Implementing Decision should be replaced entirely,

HAS ADOPTED THIS DECISION:

Article 1

The Council Implementing Decision of 17 June 2022 on the approval of the assessment of the recovery and resilience plan for Poland is amended as follows:

- (1) Article 1 is replaced by the following:

‘Article 1

Approval of the assessment of the RRP

The assessment of the modified RRP of Poland on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved. The reforms and investment projects under the RRP, the arrangements and timetable for the monitoring and implementation of the RRP, including the relevant milestones and targets and the additional milestones and targets related to the payment of the loan, the relevant indicators relating to the fulfilment of the envisaged milestones and targets, and the arrangements for providing full access by the Commission to the underlying relevant data are set out in the Annex to this Decision.’;

(2) Article 2 is replaced by the following:

‘Article 2

Financial contribution

1. The Union shall make available to Poland a financial contribution in the form of non-repayable support amounting to EUR 25 276 853 716*. That contribution includes:
 - (a) an amount of EUR 20 270 784 381, which shall be available to be legally committed by 31 December 2022;
 - (b) an amount of EUR 2 250 206 974, which shall be available to be legally committed from 1 January 2023 until 31 December 2023;
 - (c) an amount of EUR 2 755 862 361**, in accordance with Article 21a(6) of Regulation (EU) 2021/241, exclusively for reforms and investments that aim to contribute to the objectives set out in Article 21c (3), points (b) to (f), of that Regulation.
2. The Union financial contribution shall be made available by the Commission to Poland in instalments in accordance with the Annex to this Decision.

An amount of EUR 551 172 472 shall be made available as pre-financing in accordance with Article 21d of Regulation (EU) 2021/241. That pre-financing may be disbursed by the Commission in up to two payments.

The pre-financing and instalments may be disbursed by the Commission in one or several tranches. The size of the tranches shall be subject to the availability of funding.

- 2a. The pre-financing referred to in paragraph 2 of this Article shall be released subject to the entry into force of, and in accordance with, the agreement provided for in Article 23(1) of Regulation (EU) 2021/241 (the ‘financing agreement’). Pre-financing shall be cleared by being proportionally deducted against the payment of the instalments.
3. The release of instalments in accordance with the financing agreement shall be conditional on available funding and a decision by the Commission, taken in accordance with Article 24 of Regulation (EU) 2021/241, that Poland has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the RRP. In order to be eligible for payment, Poland shall complete the milestones and targets no later than 31 August 2026, subject to the entry into force of the legal commitments referred to in paragraph 1.

* This amount corresponds to the financial allocation after deduction of Poland’s proportional share of the expenses referred to in Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology set out in Article 11 of that Regulation.

** This amount corresponds to the financial allocation after deduction of Poland’s proportional share of the expenses referred to in Article 6(2) of Regulation (EU) 2021/241, calculated in accordance with the methodology set out in Annex IVa to that Regulation.’;

(3) Article 3d is replaced by the following:

‘Article 3

Loan support

1. The Union shall make available to Poland a loan amounting to a maximum of EUR 34 541 303 518, of which up to EUR 23 034 803 518 of additional loan following the request for loan support of 31 August 2023.
2. The loan support referred to in paragraph 1 shall be made available by the Commission to Poland in instalments in accordance with the Annex to this Decision.

An amount of EUR 4 503 960 704 shall be made available as pre-financing in accordance with Article 21d of Regulation (EU) 2021/241. That pre-financing may be disbursed by the Commission in up to two payments.

The pre-financing and instalments may be disbursed by the Commission in one or several tranches. The size of the tranches shall be subject to the availability of funding.

- 2a. The pre-financing referred to in paragraph 2 of this Article shall be released subject to the entry into force of, and in accordance with, the loan agreement pursuant to Article 15(2) of Regulation (EU) 2021/241 (the ‘loan agreement’). Pre-financing shall be cleared by being proportionally deducted against the payment of the instalments.

3. The release of instalments in accordance with the loan agreement shall be conditional on available funding and a decision by the Commission, taken in accordance with Article 24 of Regulation (EU) 2021/241, that Poland has satisfactorily fulfilled the additional milestones and targets covered by the loan and identified in relation to the implementation of the RRP. In order to be eligible for payment, Poland shall complete the additional milestones and targets no later than 31 August 2026.’;

(4) the Annex is replaced by the text set out in the Annex to this Decision.

Article 2

This Decision is addressed to the Republic of Poland.

Done at ...,

For the Council

The President
