



**NEXT
GEN
EU** 

A Recovery plan for Europe: The Recovery and Resilience Facility

LATVIA

Overview of the Latvian RRP



6 components

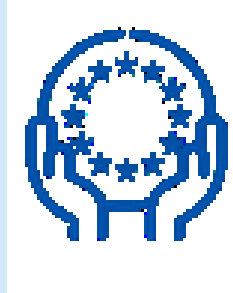


85 measures

24 reforms and 61 investments






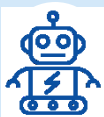







214 Milestones & Targets



€ 1,826 bn in grants

Assessment summary

 <p>1. Balanced response</p> <p>A</p>	 <p>2. Addresses challenges identified in CSRs</p> <p>A</p>	 <p>3. Growth, resilience and social impact</p> <p>A</p>	 <p>4. Do no significant harm</p> <p>A</p>
 <p>5. Green transition</p> <p>A</p>	 <p>6. Digital transition</p> <p>A</p>	 <p>7. Lasting impact</p> <p>A</p>	 <p>8. Effective monitoring and implementation</p> <p>A</p>
 <p>9. Reasonable and plausible cost estimates</p> <p>B</p>	 <p>10. Robust control systems</p> <p>A</p>	 <p>11. Coherence</p> <p>A</p>	

Green transition

37,6% of plan allocated
to **climate** objectives

37%

Key investments

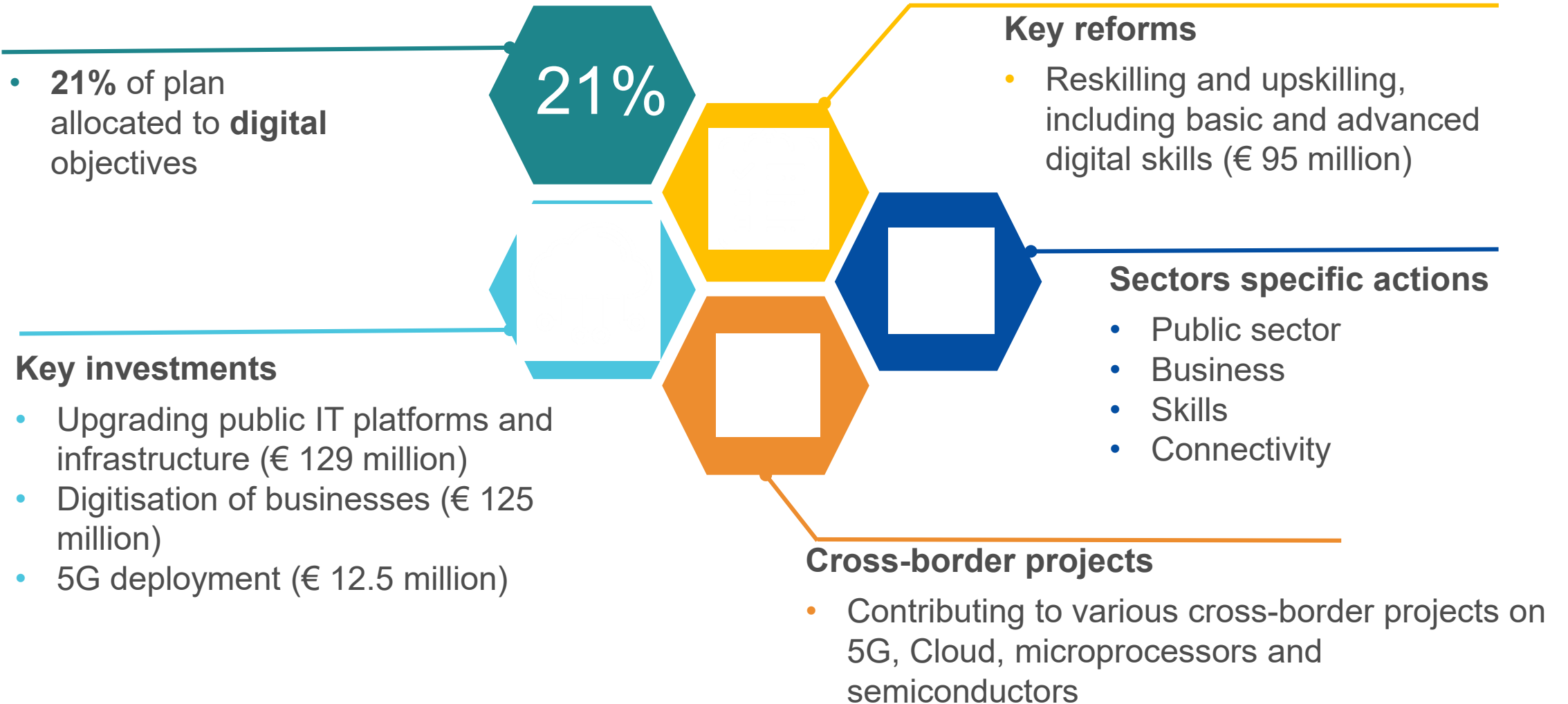
- Overhaul of the Riga Metropolitan area transport (€ 295 million)
- Energy efficiency in private and public buildings (€ 248 million)
- Modern and green electricity networks(€ 80 million)
- Climate adaptation measures against fires and floods (€ 70 million)

DNSH: *No measure in the plan harms environmental objectives*

Key reform

- Simplification of legal framework to foster onshore wind

Digital transition



Resilience

Labour market and social

- Upskilling of workforce and unemployed (€ 28 million)
- Investments in affordable housing (€ 43 million)

Health system

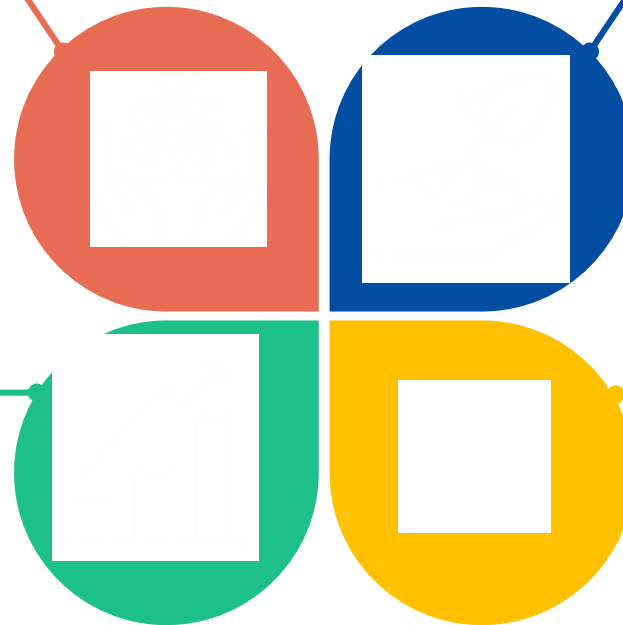
- Modernising hospitals and secondary ambulatory care (€ 158 million)

Regional development

- Regional industrial parks (€ 80 million)
- Modernisation of schools network (€ 30 million)
- Support to municipalities and regional roads (€ 95 million)

Education and research

- Higher education reforms: improving governance, the accreditation mechanism and funding principles (€ 82.5 million)
- Promotion of innovation and private investment in R&D (€ 113,5 million)



Social impact and equality screening



CSR coverage

Broad Category	Public finances & taxation	Financial sector	Labour market, education & social policies	Structural policies	Public administration & business environment
Policy areas	<p>Fiscal policy & governance</p> <p>Reduce the tax burden on labour</p> <p>Broaden tax bases</p> <p>Fight against tax evasion, improve tax administration & tackle tax avoidance</p> <p>Financial services</p> <p>Housing market</p> <p>Active labour market policies</p> <p>Health & long-term care</p> <p>Poverty reduction & social inclusion</p> <p>Education</p> <p>Skills & life-long learning</p> <p>Research & innovation</p> <p>Telecom, postal services & local public services</p> <p>Energy, resources & climate change</p> <p>Transport</p> <p>Business environment</p> <p>Public administration</p> <p>State-owned enterprises</p> <p>Shadow economy & corruption</p>				
LV	<p>Green bars representing coverage levels for each policy area.</p>				

The RRP and fiscal sustainability

Key forecast figures (SF2021)	2020	2021	2022
GDP growth, %	-3,6%	3,5%	6,0%
Deficit, % of GDP	-4,5%	-7,3%	-2,0%
Debt, % of GDP	43,5%	47,3%	46,4%

- The General Escape Clause will be applied in 2022 – Fiscal Guidance in line with the GEC
- Component 6, **tax compliance** measures will support fiscal sustainability in the medium and long term.

Audit and control – Protection of the EU's financial interests

Procedures to protect against serious irregularities in the use of funds:

- Fraud
- Corruption
- Double funding

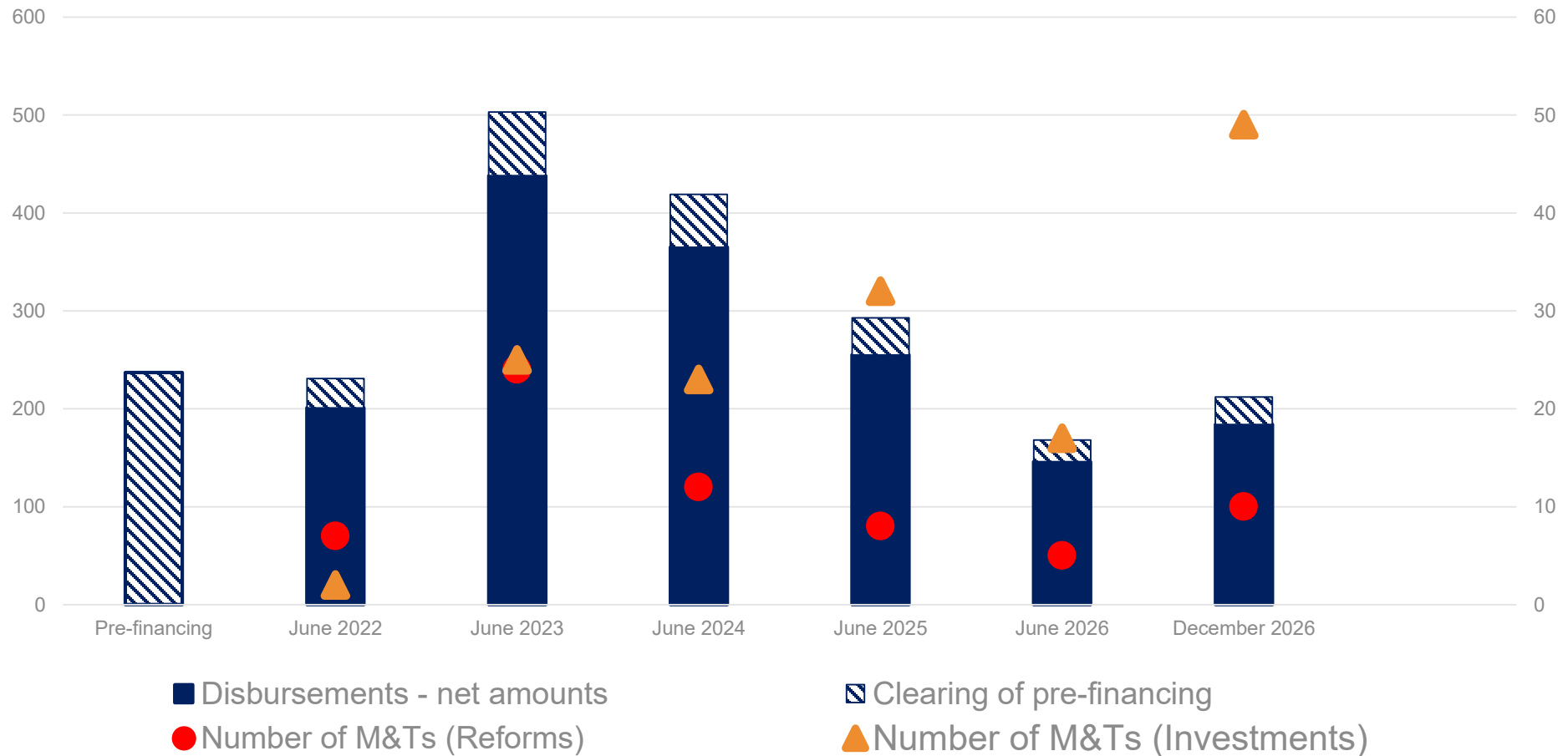


Audit and control systems:

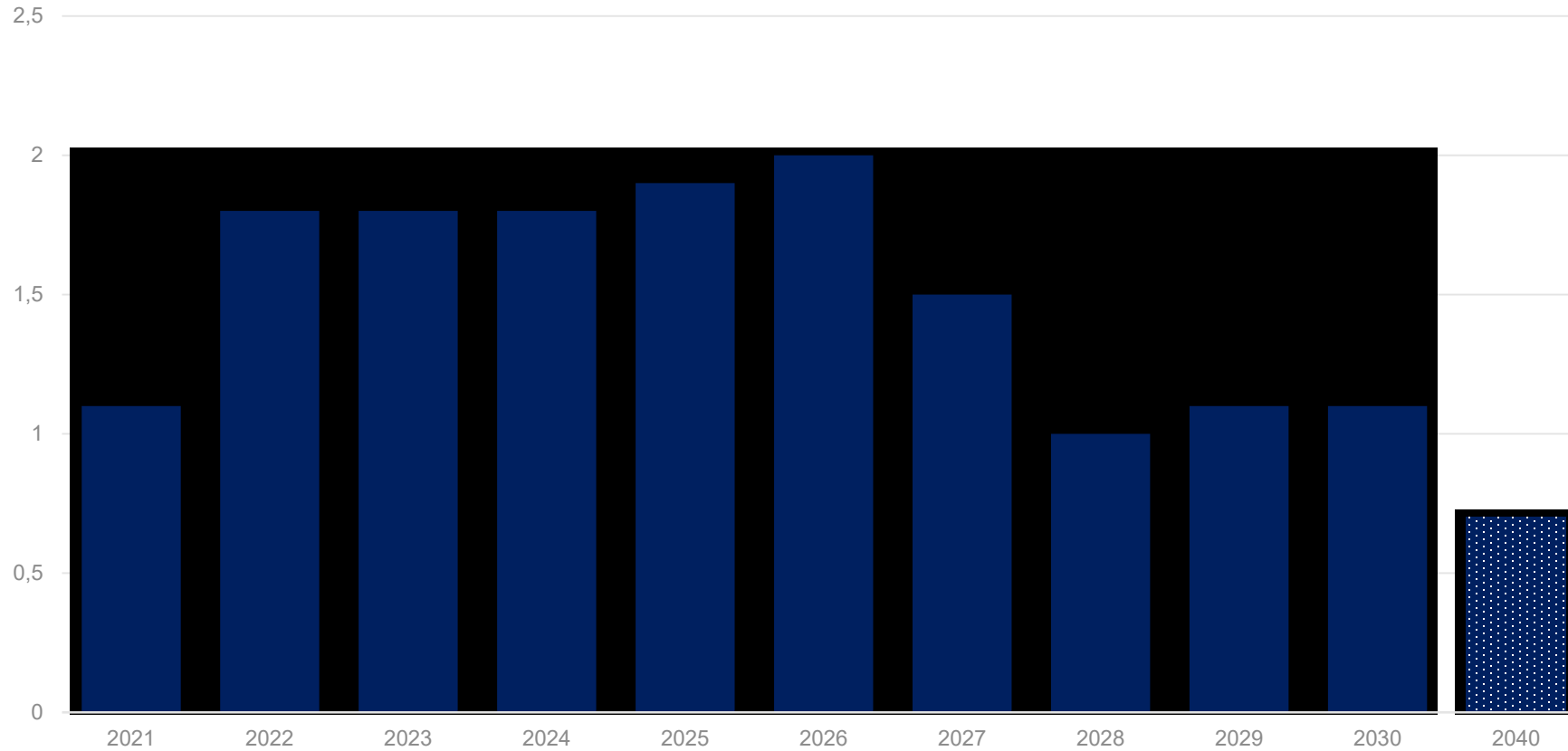
- Sufficient and robust
- Largely based on ESIF arrangements
- Implementation of the plan and A&C segregated
- The Ministry of Finance performs the functions of Managing Authority
- The Audit Authority is an independent and appropriately segregated department of the Ministry of Finance

Milestones & targets and instalments

Net disbursement amounts and number of milestones and targets



Latvia 's NGEU impact on GDP level (%)



Thank you