

## EXERCISE COMPARING COHESION POLICY AND RECOVERY FACILITY

The following elements characterise either Structural and Cohesion programmes or the Recovery and Resilience Facility. Find out where they belong and comment.

Provisions	Cohesion 2021-2027	Recovery Resilience Facility	Comment
MS has obligation to report irregularities above 10 000 EUR	X (Annex XII CPR)		RRF will have to rely on own initiative of EC
Additionality requirements and no substitution to recurring public expenditure		X	Rule waived for Cohesion
VAT is an eligible cost	X		Under 5 Mn EUR
Payment by Result/Financing not linked to costs		X	Cohesion is starting with FNLC (Austria)
Procedures for suspension of funds failing economic governance (excessive deficits)	X	X	
Procedures for suspension of funds for other reasons are detailed in the Regulation	X (art 96 and 97)	X (art 24)	CPR is more detailed RRF refers to not satisfactorily meeting M&T
A management declaration has to be submitted by MS to accompanying payments requests	X	X	
Budget of 672 Bn EUR with allocation includes criteria such as inverse GDP p.c., population, unemployment		Mostly older MS; unemployment substituted by drop real GDP for remaining 30% X	Cohesion targets mostly newer MS and has budget of 330 Bn EUR with allocation criteria including migration, education level and climate change
Retroactive projects allowed		X	Back to 1.2.2020
Annual pre financing 0,5% throughout the period	X		RRF gives 13% pre-



			financing at the start
Performance based on achieving targets by mid 2026		X	Cohesion has a PF but no Performance Reserve
EU budget reimburses between 50-85% of eligible expenditure	X		Depending on MS
Several programmes per country	X		Some MS have however mono-fund OP; in RRF only 1 plan per MS
Rules for N+3 automatic decommitment	X		RRF requires commitment of 70% by 2022 and 30% by 2023
Eligibility date end 2029	X		Possibility to transition projects between periods
MS must collect data on final recipients, contractors, subcontractors, and beneficial owners for the purpose of control and audit	X	X	
Most funds concentrated in less developed regions (LDR)	X		RRF does not have rule to concentrate on LDR
MS will 'rule of law' CSR will have to make progress on those before accessing the funds	X	X	
MS obliged to publish full list of operations supported with EU funds	X		
Earmarking: R&D&I, green/low carbon/EE, sustainable urban development, youth NEET, social inclusion, material deprivation and child protection	X		Cohesion earmarking takes account of region category RRF earmarking 37% to green and 20% to digital (Cohesion Fund requires 37% while ERDF 30% for green)
Funds can be controlled and audited by EU institutions (OLAF, EPPO, ECA)	X	X	