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**The way forward for European economic governance frameworks: permanently linking the European Semester and the Recovery & Resilience Facility (RRF)**

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One of the recent Euro Group meetings was dedicated to the reflection on the reform of the European economic governance. Last October, the Commission relaunched the economic governance review, originally initiated in February 2020, which was then suspended due to pandemic. The European Parliament has a permanent dialogue with the Commission on the European Semester and the Recovery and Resilience Facility (RRF).

So one can say that across all European institutions, and within the framework of our Conference on the Future of Europe, there is an ongoing reflection on possible changes to the economic governance framework. This can help find a consensus on the way forward.

The European Semester structures the coordination and monitoring of economic policies across the EU, covering a broad range of policy areas. Now it has adapted to cover the governance of the recovery and resilience funding.

I trust that this new pillar of the Semester has created a momentum for a more radical reform addressing not only its pre pandemic deficiencies.

The European Semester remains the reference framework for coordination of economic and employment policies. Using the Semester framework as a policy hub

for the Recovery and Resilience Facility allows the Semester to benefit from the RRF's democratic legitimacy, accountability, and engagement with civil society. This makes governance more inclusive and participatory.

Coupling the RRF and the Semester allows to assess the effectiveness of the Semester by implementing country-specific recommendations and by generating a European public good.

Such a link allows now for a credible policy coordination beyond the annual perspective and to generate convergence through reforms, investment, conditionality-based funding, and the use of the RRF framework's governance model. It also adds to the Semester discipline and commitment under the conditionality provided by the RRF.

The relationship between the Semester and the Recovery and Resilience Facility goes beyond the simple link of "the Semester identifies challenges" and "the RRF addresses them". They reinforce each other and both benefit from the relationship.

There is a clear value-added generated by linking the RRF and the Semester, especially on their implementation, ownership, and legitimacy.

Let me finish by saying that it would be a waste of an opportunity to ignore lessons delivered by the Semester and Recovery and Resilience Facility working together.