To:
Executive Vice-President Commissioner Valdis Dombrovskis
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Cc:
Ms Irene Tinagli, Co-Chair of RRF Working Group, S&D
Mr Johan Van Overtveldt, Co-Chair RRF Working Group, ECR
Paolo Gentiloni, European Commissioner for Economy
Elisa Ferreira, European Commissioner for Cohesion and Reform
Virginijus Sinkevičius, European commissioner for Environment, Oceans and Fisheries

**Addressing crises means reconsidering how investment decisions are made**

We are facing increasingly difficult times plagued by overlapping crises; European peoples’ recovery from the devastating pandemic, geopolitical uncertainty as a result of the war in Ukraine and the spiralling cost of energy, to name just a few. Let us not forget about the dangerous and ever-present climate and biodiversity crises, with their effects becoming more evident on our lives each day.

Against the backdrop of such difficult and intersecting challenges, there has been a growing tendency to take decisions behind closed doors, often justified by the need to speed up processes or because of the perceived need for technical expertise on the matter. This has resulted in shrinking civic participation and lower levels of transparency and accountability. The room for participatory democracy is being shrunk, while society is increasingly polarised and misinformation thrives. EU citizens are losing trust in public institutions, mainstream political parties and the EU project as a whole.

Yet now represents a clear moment to rethink and change the way we do politics and in particular reconsider the way investments decisions are made. While the EC is developing an REPowerEU action plan to make Europe independent from Russian fossil fuels, more concrete measures should be decided to accelerate investments to diversify energy supplies. But such steps should be combined with ways of strengthening our participatory democracies, engaging more and better with citizens and finding ways to ensure a longer-term approach in policy making. This is a precondition for Europe to successfully engage in the green and just transformation of our economies and societies as reflected in the European Green Deal. The EU, as a strong proponent of democratic governance, has a responsibility to show that this can be done quickly while adequately addressing crises and emerging challenges.

The design and implementation of the EU’s historic recovery funds has been a missed opportunity in that regard. The process has been lacking transparency and the involvement of civil society organisations has in many countries been close to zero during the design of the plans. The start of implementation is not looking any better, civil society organisations and social partners not being associated with the roll out of the money.
Engaging organised civil society would allow a better alignment of policies with most pressing needs, improved distributional impacts, deeper ownership from citizens and in the end better enforcement and tangible results.

Despite the poor requirements of the regulation, several governments have attempted to put in place a multi-actor platform steering the plan. However, as our mapping shows, few have managed to set up a genuine monitoring mechanism or process where decisions are deliberated publicly and collectively. In many cases, the establishment of such committees has been delayed whereas the recovery plans were approved months ago, a clear sign that there is no intention from governments to involve organised civil society in monitoring the implementation of the reforms and investments.

We believe it is imperative that the European Commission therefore takes a more active approach at promoting transparency, accountability and dialogue with civil society organisations when national governments make decisions on investments and reforms: The European Commission can:

1) **Lead by example**

We expect that the European Commission establishes regular dialogue with civil society organisations at national and EU levels on the progress on the implementation. We see some positive steps taken in that direction at national level, where dialogue with the Semester Officers is happening; these practices should be developed systematically. At EU level the Commission could strengthen the dialogue with civil society organisations through regular meetings.

2) **Be proactive**

The Commission should collect and promote in consultation with civil society good examples of transparency, monitoring committees, public consultation and public engagement in the management of the recovery funds. Mechanisms for the promotion, replication and support of positive examples could be considered under EU financial mechanisms like Technical Support Instrument (TSI), Horizon Europe (etc) and EU initiatives like Climate Pact and Climate-KIC.

The Commission could also proactively use the Technical Support Instrument for a flagship initiative for empowering civil society organisations in the monitoring of the recovery funds. It could also encourage Member States to present proposals for technical assistants prepared with or at the benefit of civil society, or even dedicate a special call for this purpose.

3) **Avoiding compromises and regression on EU environmental legislation implementation**

Under Article 15 of the Treaty on the Functioning of the European Union, citizens and residents of EU countries have a right of access to the documents of the European Parliament, the Council and the European Commission. The Treaty also ensures that powers are exercised as close to the citizens as possible, in accordance with the proximity principle referred to in Article 10(3) of the TEU. In addition, article 11 of the TEU states that EU institutions should maintain an open, transparent and structured dialogue with representative associations (of citizens) and civil society. The majority of the recovery investments and reforms will have significant and long-term impact on environment and climate and thus need to comply with the Aarhus Convention requirement for access to information, public participation and access to justice.

Yours sincerely,

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