

# Could recovery plans spark an EU renaissance?

European Union (EU) institutions<sup>1</sup> and the European Central Bank have embarked on an ambitious recovery plan to address the Covid-19 crisis...

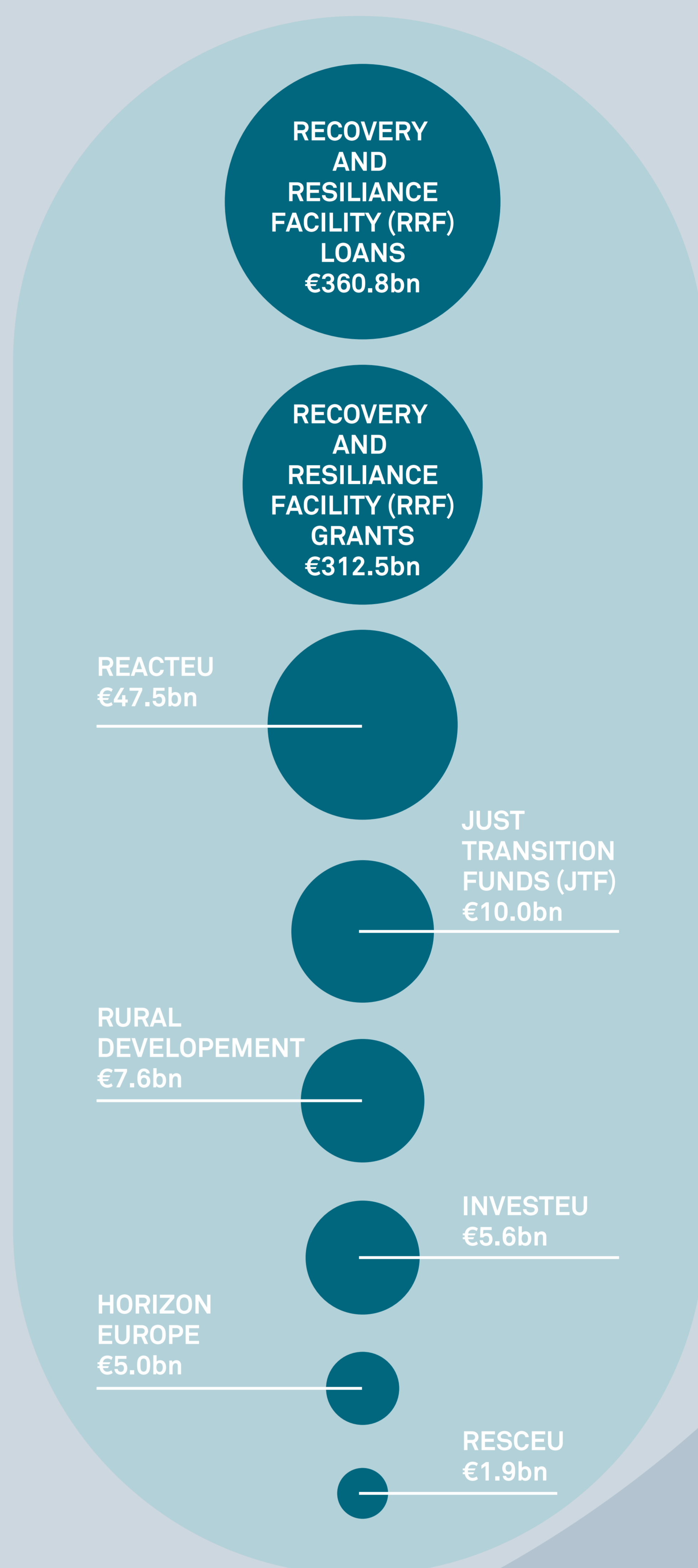
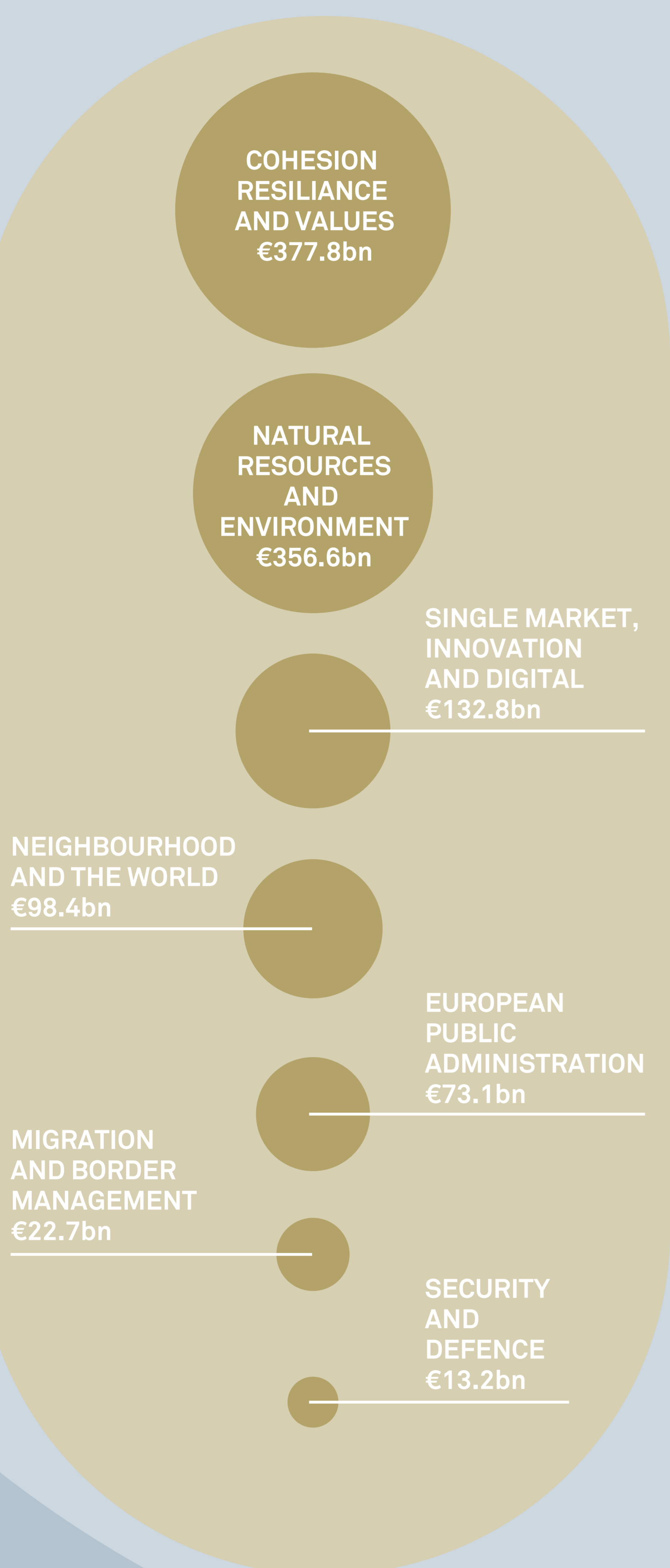


A MAJOR NEW EUROPEAN FISCAL PACKAGE<sup>2</sup> AIMS TO TACKLE ECONOMIC AND SOCIAL FALL-OUT FROM COVID-19

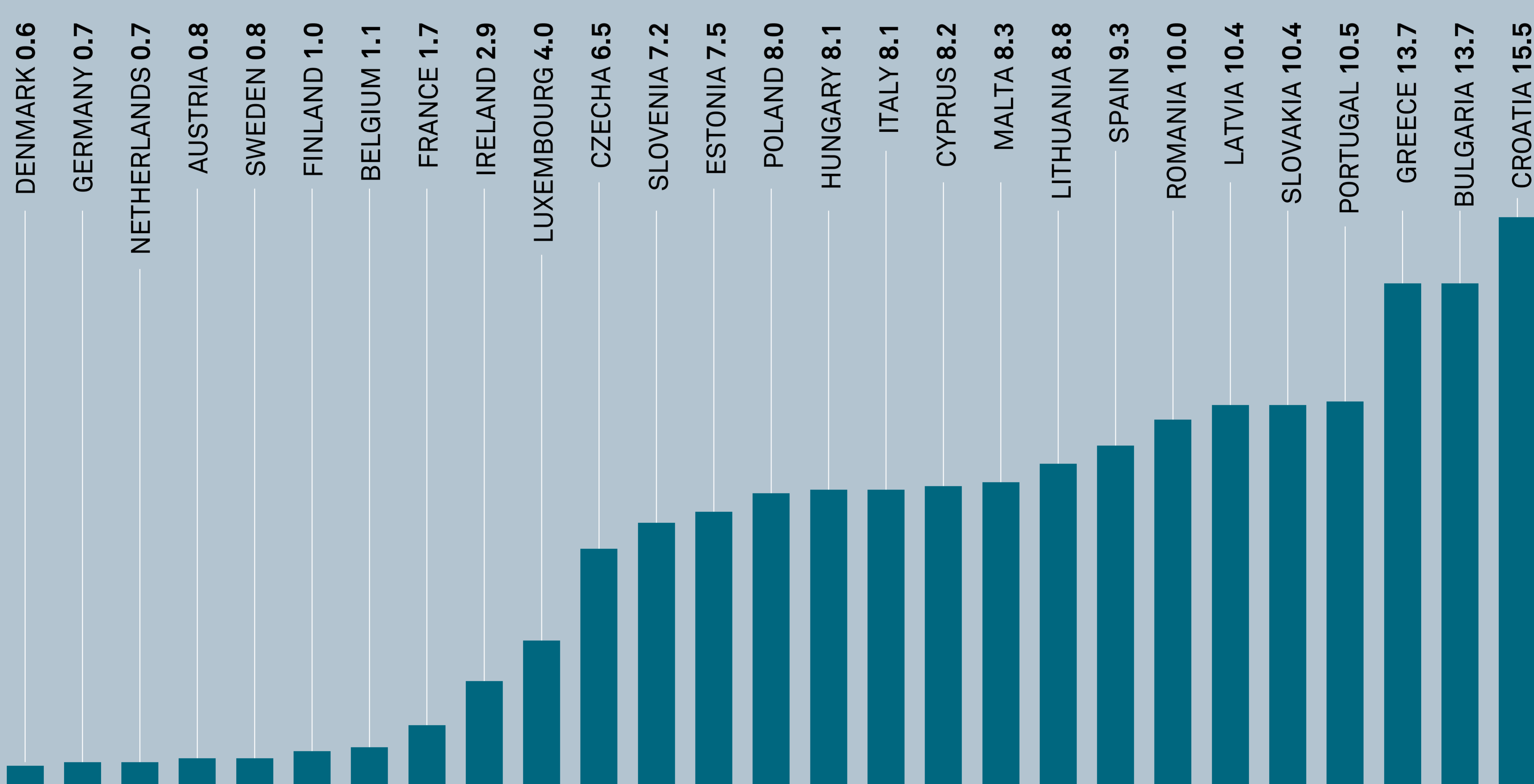
## €1,824bn

2021 to 2027 Multiannual Financial Framework  
**c€1,074bn**

Next generation EU  
**c€750bn**



### GRANT AND LOAN % GDP



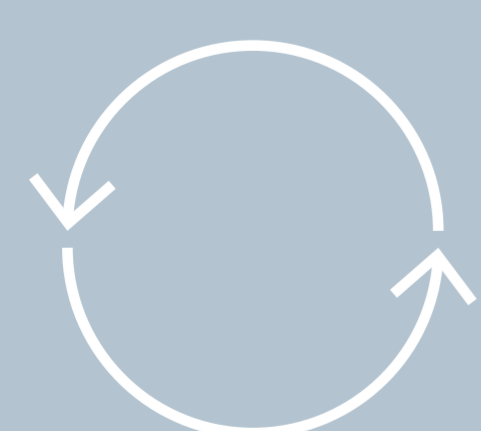
Source: European Commission. All amounts in € billion, in constant 2018 prices.

...and their giant fiscal stimulus package could prove the catalyst for an effective relaunch of the EU.



## €1,850bn

pandemic emergency purchase programme (PEPP) was put in place to purchase both government and corporate debt and will continue until at least March 2022.<sup>3</sup>



## €750bn

'NextGenerationEU' (NGEU) recovery fund launch was ratified in May.<sup>4</sup>



## 4.2%

forecast growth in the EU economy in 2021.<sup>5</sup>

<sup>1</sup> The European Commission and the European Parliament.

<sup>2</sup> Source: European Commission. All amounts in € billion, in constant 2018 prices.

<sup>3</sup> ICMA. ECB publishes PEPP purchases bimonthly data May 2021. 07 June 2021.

<sup>4</sup> Euronews. After months of delay, EU nations finally ratify €750bn recovery fund. 28 May 2021.

<sup>5</sup> Statista. GDP growth rate forecasts in Europe 2021. 04 June 2021.

