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"NEXT GENERATION" A TOOL THAT ENABLE RECOVERY UE BUDGET AFTER COVID-19

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Abstract: *The Commission has proposed a stronger EU budget to address the immediate economic and social damage caused by the coronavirus pandemic; it initiates a sustainable recovery and protects and creates jobs. To increase temporarily the financial strength of the EU budget, the Commission proposed to implement an emergency instrument named Next Generation EU.*

•Introduction

In response to the economic fallout from the coronavirus (COVID-19) pandemic, the European Council agreed on the Next Generation EU (NGEU) instrument. NGEU allows the European Commission to issue debt to finance grants and loans to EU Member States, with the disbursement of funds intended to be weighted towards the countries most affected by the crisis.

•Material and method

In this paper, the authors used as a methodology statistical research, observation, analysis and interpretation of data, information obtained from various bibliographic sources, from the National Institute of Statistics, National Bank of Romania and from the Treaty of UE.

• Results and discussions

Funds from grants and loans will be channelled through EU programs to support the immediate measures needed to recover economies and encourage sustainable and resilient growth. In addition to the EU's proposed recovery instrument, the Next Generation EU budget will allow the EU to provide EUR 1.8 trillion in funding over the next seven years to support the recovery from the COVID-19 pandemic and the EU's long-term priorities. Romania will benefit from EUR 33 billion - of which EUR 19.62 billion are non-reimbursable funds - money that have to be absorbed by 2023 and the rest, in the form of grants and loans, through the Mechanism for Recovery and Resilience, that will be dedicated to investments and reforms in the green and digital fields.

• Conclusions

Next Generation EU is a temporary crisis instrument that, if implemented successfully, is expected to significantly improve Europe's economic prospects.