



Brussels, 26.7.2024
C(2024) 5548 final

COMMISSION IMPLEMENTING DECISION

of 26.7.2024

on the authorisation of the disbursement of the fifth instalment of the non-repayable support and the fifth instalment of the loan support for Italy

(Only the Italian text is authentic)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.

Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Italy² (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement and the Loan Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Italy has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.

- (2) On 29 December 2023, Italy submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the fifth instalment of the non-repayable support and the fifth instalment of the loan support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Italy³ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (3) The Commission made a positive preliminary assessment of the satisfactory fulfilment of 22 out of 23 relevant milestones and targets related to the non-repayable support and all 30 relevant milestones and targets related to the loan support and, in

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10160/21; ST 10160/21 ADD 1 REV 2, as amended by ST 9399/24; ST 9399/24 ADD 1 not yet published.

³ Recovery and Resilience Facility Operational arrangements between the European Commission and Italy, entered into force on 22 December 2021, as amended on 26 June 2024.

accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to the Economic and Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with Article 25(4) of that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. The Economic and Financial Committee agreed with the Commission's positive preliminary assessment and considered that Italy has satisfactorily fulfilled 53 out of the 54 milestones and targets associated with the payment request. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (4) Section 2(1)(1.5) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the fifth instalment of the non-repayable support for an amount of EUR 3 731 584 149.
- (5) Section 2(2)(2.5) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the fifth instalment of the loan support for an amount of EUR 9 030 593 086.
- (6) Target M1C1-12 provides for the creation of a Single Digital Gateway where 19 prioritized administrative procedures applicable in Italy out of the 21 defined in EU Regulation 2018/1724 can be accessed. The evidence provided by Italy demonstrates that the Single Digital Gateway was created according to all constitutive elements of the target, and that the 19 administrative procedures applicable in Italy among the ones listed in Annex II of EU Regulation 2018/2174 are available on the Single Digital Gateway. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (7) Milestone M1C1-13 provides for the implementation of three pilot projects aimed at testing Mobility as a Service (MaaS) solutions in technologically advanced metropolitan cities. Milestone M1C1-13 also provides that the MaaS service, through a single technological platform, shall suggest to the citizen-user the best travel solution based on his needs, exploiting the integration between the different mobility options available (local public transport, sharing, cab, car rental) to optimize the travel experience both in terms of planning (intermodal route planner and real-time information on times and distances), and in terms of utilization (booking and payment of services). The evidence provided by Italy demonstrates that the three pilot projects have been implemented, and that the DS&SRF single technological platform was completed and became operational. As opposed to the other solutions required in the Council Implementing Decision and suggested by the technological platform, the optimization of the travel experience in terms of planning (real-time information on times and distances) was less developed and present in part only in one city (Rome), which constitutes a minimal substantive deviation from the Council Implementing Decision. This minimal deviation does not affect the progress towards achieving the investment that this milestone represents, given that Italy submitted evidence demonstrating that the DS&SRF platform supports services based on dynamic data, as well as evidence demonstrating that it has requested all private operators to make their dynamic data available for the MaaS4Italy project for the ongoing development of the measure, thus ensuring that these features will be available for all cities involved in the pilots. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (8) Target M1C1-14 provides for 800 000 court documents related to administrative judicial processes such as sentences, opinions and decrees to be available in the data warehouse, enabling efficient querying and reporting for business intelligence. The evidence provided by Italy demonstrates that at least 800 000 court documents related to administrative judicial process are available in the data warehouse. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (9) Target M1C1-16 provides for 1 700 000 court documents related to administrative judicial processes such as sentences, opinions and decrees to be available in the data warehouse, enabling efficient querying and reporting for business intelligence. The evidence provided by Italy demonstrates that at least 1 700 000 court documents related to administrative judicial process are available in the data warehouse. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (10) Milestone M1C1-38 provides for the mandatory electronic filing of all documents and full electronic workflow for civil proceedings and aims at introducing a free, fully accessible and searchable database of civil law decisions according to the legislation. It also targets the digitalisation of the first instance criminal proceedings. The evidence provided by Italy demonstrates that the Italian authorities have adopted the necessary regulations and secondary sources of legislation necessary for the mandatory electronic filing of all documents and full electronic workflow for civil proceedings.. First instance criminal proceedings have been digitalized (excluding preliminary hearing office), in line with the requirements of the Council Implementing Decision. An accessible and searchable database of civil law decisions has been created, and various technical specifications and practical measures have been implemented and provided, respectively, to support the transition to digitalization, and to facilitate the full electronic workflow for civil proceedings across all levels of the Italian judicial system. The evidence provided by Italy demonstrates that the Decree of the Ministry of Justice No. 217 of 29 December 2023 enabling legislation for the criminal justice reform, and provisions on the digitalisation of the justice system entered into force on 14 January 2024, and Article 3 (paragraphs 1, 2, 7 and 8) establishes a transitory period for 2024, during which documents for preliminary investigations, can be filed both electronically and in paper. Article 3 (paragraph 2 and 4) determines that as of 1 January 2025 the filing of legal documents pertaining to first instance criminal proceedings, including the preliminary hearing office and the contradictory phase, must be exclusively done electronically. The delay between the entry into force of the Decree of the Ministry of Justice and the actual application of its provisions constitutes a minimal temporal deviation. This delay is considered both limited and proportional, notably taking into consideration the technical work that needs to be undertaken by the relevant authorities to enable the exclusive electronic filing of the legal documents pertaining to first instance criminal proceedings. Moreover, the Decree of the Ministry of Justice No. 217/2023 has already entered into force, and there is certainty of application as no further legal acts are necessary to implement these provisions. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (11) Milestone M1C1-59 provides for the entry into force of the legislation and the delegated acts for the introduction of strategic human resource management in the

Public Administration, including the definition of HR strategic plans in the context of the Integrated Activity and Organisation Plan (PIAO) for all central and regional administrations. The evidence provided by Italy demonstrates that the legislation and delegated acts that define, in the context of the PIAO, HR strategic plans for the recruitment, career development and training for all central and regional administrations, have been adopted and entered into force. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (12) Milestone M1C1-75 provides for the National eProcurement System being fully operational and interoperable with the management systems of the public administration. The evidence provided by Italy demonstrates that the National eProcurement system is operational, interoperable, includes the full digitalisation of procedures up to the contract execution, and is in line with Directive No. 2014/24/EU. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled. Milestone M1C1-73^{quater} provides for the issuance of further guidance and clarifications on below-EU threshold procurement, through a circular to be adopted and published on the Italian Official Journal. The circular shall clarify that contracting authorities can use open and restricted procedures for below-EU threshold procurement. The evidence provided by Italy demonstrates that Circular 298 of 20 November 2023 on below-EU threshold procurement has been adopted and published on the Italian Official Journal. The Circular clarifies that contracting authorities can use open and restricted procedures for below-EU threshold procurement. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (13) Target M1C1-84 provides for the reduction of the average time between publication and contract award for contracts above the thresholds of the EU public procurement directives. The reduction from a baseline of 139 days to 100 days shall be measured using data from the Italian National database for public contracts (BDNCP), managed by ANAC, based on the methodology adopted by the EU Official Journal (TED database). The evidence provided by Italy demonstrates that the reduction of the average time between publication and contract award for contracts above the threshold of EU public procurement directives has been achieved with an average award time from the notice publication of 98.4 days in 2023. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (14) Target M1C1-86 provides for the training of at least 20 000 civil servants through the Public Buyers Professionalization strategy. The evidence provided by Italy demonstrates that at least 20 000 civil servants have been trained through the Public Buyers Professionalization strategy, as approved by the RRP coordination body of the Presidency of the Council of Ministers. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (15) Target M1C1-87 provides that at least 15% of contracting authorities are using dynamic purchasing systems. The evidence provided by Italy demonstrates that over 26% of central government contracting authorities are using dynamic purchasing systems as per EU Directive 2014/24. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (16) Milestone M1C1-110 provides for the reclassification of the general State budget with reference to the environmental expenditure and to the expenditure that promotes gender equality. The evidence provided by Italy demonstrates that the general State

budget has been reclassified with reference to the environmental expenditure and gender equality expenditures with two budgetary documents accompanying the draft 2024 Budget Law. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (17) Target M1C1-113 provides for the increase of the number of “compliance letters”, providing early communication to taxpayers for which anomalies are detected, by at least 40% compared to 2019. The evidence provided by Italy demonstrates that the number of “compliance letters” sent to taxpayers increased by more than 40%. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (18) Target M1C1-114 provides for the increase of the tax revenue generated by “compliance letters” by 30% with respect to 2019. The evidence provided by Italy, and in particular the report from the Ministry of Economy and Finance and the Revenue Agency, demonstrates that tax revenue generated by “compliance letters” between November 2022 and October 2023 amounts to EUR 3 827 318 953, thus exceeding the goal of EUR 2 769 000 000 by EUR 1 058 318 953. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (19) Target M1C1-126 provides that at least 2 450 additional local public administrations adopt a digital solution (PagoPa) for payments between citizens and public administrations. The evidence provided by Italy demonstrates that the number of public administrations joining the PagoPA platform between 31 March 2021 and 31 December 2023 is equal to 6 678, exceeding the goal of the target (2 450 new entities). Furthermore, the evidence provided by Italy confirmed the average number of services that each type of public administration has integrated into the PagoPA platform. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (20) Target M1C1-127 provides that at least 4 300 additional local public administrations adopt the IO eGovernment app for one or more of their public services. The evidence provided by Italy demonstrates that the number of new public administrations joining the IO app equal to 10 675 units, thus exceeding the goal of the target by 6 375 units. Furthermore, the evidence provided by Italy confirmed the average number of services that each type of public administration has integrated into the IO eGovernment app. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (21) Target M1C1-128 provides for at least 800 administrations to send digital legally binding notices to citizens, legal entities, associations and any other public or private entities. The evidence provided by Italy demonstrates that 1798 public administrations have sent digital legally binding notices, and that the goal of 800 administrations set by the target has been exceeded by 998 units. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (22) Target M1C1-129 provides for the full re-engineering and digitization of seven internal procedures and processes (such as office automation, mobility services and e-learning), to be entirely completed online. The Commission has undertaken the assessment based on the interpretation that the list of internal procedures and processes

set out in the Council Implementing Decision is illustrative, and not exhaustive, in line with the National Recovery and Resilience Plan of Italy. The evidence provided by Italy demonstrates that seven procedures and processes have been fully re-engineered, are operational and can be entirely completed online. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (23) Target M1C1-130 provides for the digitalization of 3 500 000 judicial files pertaining to the last 20 years (01/01/2006 - 30/06/2026) related to completed or ongoing trials of judicial courts. The evidence provided by Italy demonstrates that 3 584 672 judicial files have been digitalized, thus exceeding the goal of 3 500 000 judicial files by 84 672 units. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (24) Milestone M1C1-131 provides for the start of execution of the contracts for the realization of six new Data Lake knowledge systems for the digitalization of the Ministry of Justice. The evidence provided by Italy demonstrates that the contracts for the realization of six new Data Lake knowledge systems have been signed and that their execution started on 28 March and 6 April 2022, respectively. The start of the execution of two contracts instead of a single contract is justified by the fact that the executive contracts cover all realization of activities as described by the milestone description. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (25) Target M1C1-132 provides for the deployment of 35 additional services on INPS's institutional website. The functionalities of the services shall include the digital submission of requests for services, the check of the requirements for accessing benefits, the status monitoring of the practice by users, the proactive proposal of services based on user's needs, the automatic renewal of benefits without the need for new applications. The evidence provided by Italy demonstrates that 58 additional services have been deployed on INPS's institutional website since 1 February 2020, and that the functionality of the services are in line with the requirements of the target. All services described by the target can be accessed online. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (26) Target M1C1-133 provides for the improvement of the Information and Communication Technologies (ICT) skills of at least 4 250 additional INPS employees in one of the areas of the European e-Competence Framework. The evidence provided by Italy demonstrates that the number of employees with improved ICT skills in one of the areas of the European e-Competence Framework is 5 878, exceeding the goal of 4 250 additional INPS employees assessed with certified improved skills by 1 625 units. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (27) Target M1C1-134 provides for achieving 53 re-engineered institutional processes and services in order to make them fully digitized. The Commission has identified a clerical error in the text of the Council Implementing Decision and has undertaken the assessment on a revised basis. The evidence provided by Italy demonstrates that in addition to the 29 baseline processes and services redesigned and digitized before 9 December 2021, 24 processes or services have been fully digitized to achieve the final target of 53 re-engineered institutional processes and services that are fully digitized.

On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (28) Target M1C1-135 provides for the digitization of 15 procedures related to the management of Defence's personnel, starting from a baseline of four already digitized procedures. The evidence provided by Italy demonstrates that from a baseline of four already digitized procedures, the Ministry of Defence further proceeded to the digitization, revision, and automation of 11 procedures related to the management of Defence's personnel, including but not limited to recruiting, employment, retirement, and employee's health. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (29) Target M1C1-136 provides for the digitalisation of 450 000 identity certificates issued by the Ministry of Defence and running onto the infrastructure complemented by a disaster recovery site starting from a baseline of 190 000 already digitalized certificates. The evidence provided by Italy demonstrates that from a baseline of 190 000 already digitalised certificates, 263 780 additional certificates were digitalised to fulfil the target, thus exceeding the goal of 260 000 additional digitized certificates by 3 780 units. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (30) Milestone M1C1-137 provides for the development and implementation of institutional web portals and intranet portals. The evidence provided by Italy demonstrates that five institutional web portals and 16 intranet portals for specific needs of internal communication have been satisfactorily developed and implemented and are fully operational. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (31) Target M1C1-138 provides for the initial migration and operational availability of non-mission critical applications to new open-source infrastructure. The evidence provided by Italy demonstrates that ten non-mission critical applications have been reengineered and have completed the migration to the new open-source infrastructure called 'Solution for Complete Information Protection by Infrastructure Openness' (S.C.I.P.I.O.), and that these are operational. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (32) Milestone M1C2-4 provides for the amendment of the Italian industrial property code (Legislative Decree No. 30 of 10 February 2005), covering the following areas as a minimum: (i) review of the regulatory framework to strengthen the protection of industrial property rights and simplify procedures, (ii) strengthen the support to companies and research institutions, (iii) enhance skills and competences development, (iv) facilitate knowledge transfer, (v) strengthen innovative services promotion. The evidence provided by Italy demonstrates that Law No. 102 of 24 July 2023 concerning amendments to the Industrial Property Code, amending Legislative Decree No. 30 of 10 February 2005, was published in the Official Journal No. 184 of 8 August 2023 and entered into force on the same day. The Law covers all the required listed areas. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (33) Milestone M1C2-9 provides for the entry into force of the Annual Competition Law 2022. The milestone concerns the following sectors: electricity, antitrust (merger control), retail activities and pharmaceuticals. The evidence provided by Italy demonstrates that Law No. 214 of 30 December 2023 titled "Annual Law for the

market and competition for 2022” was published on the Official Journal No. 303 of 30 December 2023. According to its Article 22, the Annual Law for the market and competition for 2022 entered into force on 1 January 2024. The Law contains provisions covering all sectors required by the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (34) Milestone M1C2-10 provides for the entry into force of all implementing measures (included secondary legislation, if necessary) for the effective implementation and application of the measures stemming from the Annual Law for the market and competition for 2022 (M1C2-9). The evidence provided by Italy demonstrates that all the implementing measures for the effective implementation and application of the Annual Law for the market and competition for 2022 have been adopted and entered into force. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (35) Target M1C2-29 provides for the approval of at least 40 Development Contracts and the activation of at least EUR 1.5 billion of investments. The evidence provided by Italy demonstrates that 51 Development Contracts were approved, and EUR 1 588 932 370 of investments were activated, overachieving the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (36) Target M1C3-4 provides for the completion of 80 energy efficiency renovation projects in the cultural and creative sector as proved by the certification of regular execution of the works. The evidence provided by Italy demonstrates that 80 energy efficiency renovation projects in cinemas and theatres were completed. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (37) Milestone M1C3-7 provides for the notification of the award of contacts for the support of cultural and creative operators to implement digital strategies and to increase their management capacities, as well as to encourage an environmentally sustainable approach throughout the chain, reducing the ecological footprint, promoting innovative and inclusive eco-design, including in the context of the circular economy, in order to steer the public towards more responsible environmental behaviour. The evidenced provided by Italy demonstrates that the awarded contracts were notified and that they are meant to support operators in implementing their digital strategy, increasing their management capacities and encouraging their environmental sustainable approach.. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (38) Target M2C1-5 provides for the allocation of resources to support investments in productive structures of the agricultural, livestock and agro-industrial sector to the beneficiaries projects whose total value amount at least to 32% of the total financial resources assigned to the investment. The evidence provided by Italy demonstrates that the total value of projects allocated amounts to 33.59% of the financial resources assigned to the investment. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (39) Target M2C1-15bis provides for the reduction of irregular landfills included in the infringement procedure 2011/2215 from 34 to 14 (i.e. of at least 60%). The evidence provided by Italy demonstrates that the number of irregular landfills included in infringement procedures decreased to 12. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (40) Target M2C1-15ter provides for the reduction of the regional difference in separate collection rates of urban waste between the national average and the worst performing region by 2.8 percentage points, from 22.8 to 20 percentage points. The evidence provided by Italy demonstrates that the regional difference between the national average and the worst performing region decreased by 9.1 percentage points. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (41) Milestone M2C1-15quarter provides for the entry into force of the Bio-waste separate collection obligation in accordance with the EU Circular Economy Action Plan. The evidence provided by Italy demonstrates that the obligation entered into force, as established by Art. 1(8) of Legislative Decree No. 116 of 3 September 2020 and Art. 1(4) of Legislative Decree No. 213 of 23 December 2022. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (42) Target M2C2-22 provides for the construction of at least 200 km cycling lanes in metropolitan areas or cities hosting universities. The evidence provided by Italy demonstrates that at least 200 km of cycling lanes were constructed in metropolitan areas and cities hosting universities. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (43) Milestone M2C2-24 provides for the notification of the award of all public contracts for the build-up of infrastructure for rapid mass transport systems. The evidence provided by Italy demonstrates that all the contract awards required for the build-up of the rapid mass transport infrastructure were notified. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (44) Milestone M2C2-32 provides for the notification of the award of public contracts for the acquisition of at least 3 000 zero-emission low-floor buses. The evidence provided by Italy demonstrates that the contract awards for the acquisition of at least 3 000 zero-emission low-floor buses were notified. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (45) Milestone M2C3-5 provides for the notification of the award all public contracts for the construction of new schools through building replacement to upgrade energy in school buildings, following a public tendering procedure for funding formalised by local authorities equivalent to a total surface of at least 400 000 square meters. The evidence provided by Italy demonstrates that all the contract awards were notified following a public tendering procedure, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (46) Milestone M2C3-7 provides for the notification of the award of all public contracts on the construction of buildings, requalification and strengthening of real estate assets of the administration of justice, targeting at least 289 000 square metres of buildings. The evidence provided by Italy demonstrates that the contract awards were notified for the requalification and strengthening of more than 289,000 square meters of the real estate assets of the administration of justice, covering courts and offices for the judicial and administrative staff working for courts, prosecutors or the Ministry of Justice. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (47) Milestone M2C4-28 provides for the publication of the admission decree(s) with the awarding (assignment) of funding to projects for investments in primary water

infrastructure and on the security of water supply. The evidence provided by Italy demonstrates that the admission decrees were published on the Website of the Ministry of Infrastructures and Transport, and that the funding awarded concerns investments aimed at increasing the security of water supply for important urban areas, the security and resilience of networks, including adaptation to climate change, excluding the construction of new dams, and the transport capacity of water. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (48) Milestone M2C4-30 provides for the publication of the admission decree(s) with the awarding (assignment) of funding to projects for the reduction of losses in water distribution networks, including digitization and monitoring of networks. The evidence provided by Italy demonstrates that the admission decrees, awarding funds to projects for the reduction of losses in water distribution networks, were published in the Official Gazette. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (49) Milestone M2C4-33 provides for the publication of the admission decree(s) with the awarding (assignment) of funding to projects for investments in the resilience of the irrigation agro-system for better management of water resources. The evidence provided by Italy demonstrate that the admission decrees, awarding funds to projects for investments in the resilience of the irrigation agro-system for better management of water resources, were published on the website of the Ministry of Agricultural policies. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (50) Milestone M2C4-36 provides for the publication of the admission decree with the awarding (assignment) of funding to project proposals related to sewerage and purification. The evidence provided by Italy demonstrates that the admission decree, awarding funds to project proposals related to sewerage and purification, was published. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (51) Milestone M3C1-4 provides for the notification of the award of all public contracts to build the section “Battipaglia Romagnano” of the high-speed railway line Salerno – Reggio Calabria. The evidence provided by Italy demonstrates that the contract award was notified by Rete Ferroviaria Italiana for the award of the line Battipaglia – Romagnano to the successful consortium. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (52) Target M3C1-17 provides for the completion of works for at least 172 km related to the resilience interventions of Southern railways. The evidence provided by Italy demonstrates that the works related to the resilience of railway lines located in the South and indicated in the Council Implementing Decision were completed for at least 172 km. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (53) Milestone M4C1-10 provides for the entry into force of all necessary regulations for the effective implementation and application of all the measures concerning the reforms of primary, secondary and tertiary education. The evidence provided by Italy demonstrates that all the necessary relevant secondary legislation entered into force. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (54) Target M4C1-11 provides for the award to at least 55 000 students of scholarships financed exclusively by the RRF. The evidence provided by Italy demonstrates that at least 55 000 students were awarded with a scholarship and that all awarded scholarships were financed exclusively by the RRF. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (55) Target M4C2-5 provides for the award of at least 3 150 research projects of national interest. The evidence provided by Italy demonstrates that at least 3 150 research projects of national interest have been awarded. The Council Implementing Decision required that the launch of all competitive calls shall be done with terms of reference including eligibility criteria that ensure that the selected projects comply with the ‘Do no significant harm’ (DNSH) principle through the use of an exclusion list. Article 3 of Directorial Decree No. 1 580 of 14 October 2022 specifies that the compliance with the DNSH principle was an eligibility criterion of the projects. However, the exclusion list set out in the Council Implementing Decision and the requirement of compliance with the relevant EU and national environmental legislation were not included in the call. According to Article 4 of the decree approving the ranking list and Article 3 of the template of the grant agreement, the respect of the DNSH exclusion list and of the relevant EU and National environmental legislation has been included as a specific condition to be respected by implementing bodies during project implementation, specifying that in case of non-compliance funds will be recovered. Whilst the lack of these conditions in the call constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, it does not change the nature of the measure and does not affect the progress towards the achievement of the investment that the milestone represents given that compliance with the exclusion list and the relevant EU and National environmental legislation is ensured during projects implementation. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (56) Target M5C3-3 provides for support to at least 500 pharmacies located in municipalities, hamlets or settlements of less than 5 000 inhabitants. The evidence provided by Italy demonstrates that the support was provided to at least 500 pharmacies, which were located in municipalities, hamlets or settlements of less than 5 000 inhabitants. This was verified on the basis of the evidence provided for a sample of 60 units. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (57) Target M6C1-8 provides for the adoption of at least one telemedicine project by each region and autonomous province. The evidence provided by Italy demonstrates that each region and autonomous province adopted at least one telemedicine project. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (58) Furthermore, the Italian Republic has also confirmed that previously satisfactorily fulfilled milestones and targets have not been reversed.
- (59) Following the partially positive assessment concerning the Italian Republic’s payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the fifth instalment of the non-repayable support and the disbursement of the loan for the fifth instalment of the loan support should be authorised.

- (60) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall be cleared by being proportionally deducted against the payment of the instalments. As Italy received EUR 9 505 640 234 of the financial contribution as pre-financing, an amount of EUR 491 260 127 of the payment should be utilised to clear the pre-financing, of which EUR 57 061 209 to clear the pre-financing for the REPowerEU chapter.
- (61) In accordance with Article 3(3) of the Council Implementing Decision, as specified in the Loan Agreement, the pre-financing of the loan shall be cleared by being proportionally deducted against the payment of the instalments. As Italy received EUR 15 938 235 352 of the loan as pre-financing, an amount of EUR 1 173 977 101 of the payment should be utilised to clear the pre-financing.
- (62) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.
- (63) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the fifth instalment of the non-repayable support as laid down in Section 2(1)(1.5) of the Annex to the Council Implementing Decision of 31 July 2021 on the approval of the assessment of the recovery and resilience plan for Italy for an amount of EUR 3 621 492 701 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Italian Republic, EUR 491 260 127 shall be utilised to clear the pre-financing of the financial contribution. EUR 3 130 232 574 shall be provided to Italy by means of payment to the bank account indicated in the Financing Agreement.

Article 2

Authorisation of the disbursement of the loan support

The disbursement of the fifth instalment of the loan support as laid down in Section 2(2)(2.5) of the Annex to the Council Implementing Decision of 31 July 2021 on the approval of the assessment of the recovery and resilience plan for Italy for an amount of EUR 9 030 593 086 is authorised.

In accordance with the Loan Agreement concluded pursuant to Article 15(2) of Regulation (EU) 2021/241 between the Commission and the Italian Republic, EUR 1 173 977 101 shall be utilised to clear the pre-financing of the loan and EUR 7 856 615 985 shall be provided to Italy by means of payment to the bank account indicated in the Loan Agreement.

Article 3
Addressee

This Decision is addressed to the Italian Republic.

Done at Brussels, 26.7.2024

For the Commission
Paolo GENTILONI
Member of the Commission