



Brussels, 28.10.2022
C(2022) 7930 final

COMMISSION IMPLEMENTING DECISION

of 28.10.2022

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

(Only the Italian text is authentic)

COMMISSION IMPLEMENTING DECISION

of 28.10.2022

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

(Only the Italian text is authentic)

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 28 June 2022, Italy submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the second instalment of the non-repayable support and the second 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 all 45 relevant milestones and targets related to the non-repayable support and loan support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10160/21; ST 10160/21 ADD 1 REV 2, not yet published.

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

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 was of the opinion that Italy has satisfactorily fulfilled all the 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)(1.2) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the second instalment of the non-repayable support for an amount of EUR 11 494 252 874.
- (5) Section 2(2)(2.2) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the second instalment of the loan support for an amount of EUR 12 643 678 161.
- (6) Target M1C1-33 provides for recruiting and placing into service of at least 168 units of personnel for the Trial office of Administrative Courts with the aim of reducing the backlog and the disposition time in Italy. Italy provided a list of signed contracts for 168 units of staff as well as additional evidence on the basis of which a sampling exercise was carried out, which demonstrated that contracts have been effectively signed and staff has been placed into service in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (7) Milestone M1C1-56 provides for the entry into force of the enabling legislation for the reform of public employment. Italy provided a copy of Law n. 113 of 6 August 2021, Law n. 79 of 29 June 2022 and Decree of the President of the Republic n. 81 of 24 June 2022, which include the enabling legislation related to the reform of public employment and a series of additional implementing acts that address all constitutive elements of the milestone: the definition of job profiles, the creation of a single recruiting platform, the reform of the recruitment process, the reform of senior service, the link between life-long learning and training opportunities, ethics principle, codes of conduct and gender balance, the performance evaluation, vertical and horizontal mobility. The content and objectives of the legal acts provided are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (8) Milestone M1C1-70 provides for the entry into force of the Law of Delegation for the reform of the Public Procurement Code (Legislative Decree n. 50/2016). Italy provided a copy of Mandate Law n. 78 of 21 June 2022, delegating the Government to adopt within 6 months one or more Legislative Decrees to reform the public procurement legislation as well as other evidence. The Mandate Law provides for, inter alia, measures aimed at reducing the fragmentation of contracting authorities; the setting of an e-platform as a basic requirement to participate in the nationwide evaluation of procurement capacity; the empowerment of the national anti-corruption authority to review the qualification of contracting authorities; the further simplification and digitalization of the procedures of central purchasing bodies and the reduction of the restrictions to the possibility to subcontracting, contained in the current Public Procurement Code. The Mandate Law establishes the criteria and principles for the detailed and systemic reform. The content and the objectives are in

line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (9) Milestone M1C1-103 provides for the entry into force of primary and secondary legislation and regulatory provisions for encouraging tax compliance and improving tax audits and controls. In particular, the provisions include: (i) full operationalisation of the database and the dedicated IT infrastructure for the release of pre-populated VAT tax return; (ii) enhancement of the database used for “compliance letters”; (iii) entry into force of reformed legislation in order to ensure effective administrative sanctions in case of refusal of private providers to accept electronic payments; (iv) completion of the process of data pseudonymization and set up of digital infrastructure for the analysis of big data generated through the interoperability of databases for tax risk analysis fully pseudonymized; and (v) entry into force of primary and secondary legislation implementing additional effective actions based on the findings of the review of possible measures to reduce tax evasion which was adopted by the Finance Ministry on 20 December 2021 in compliance with Milestone M1C1-101. Italy provided several documents, including copy of Decree-Law n. 36 of 30 April 2022 converted into Law n. 79 of 29 June 2022 and of Decree-Law n. 152 of 6 November 2021 converted into Law n. 233 of 29 December 2021, the implementing provisions adopted by the Revenue Agency on 8 July 2021, on 30 June 2022 and on 2 September 2022, as well as three certificates of works completion signed by the contractor and the competent authority whose content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (10) Milestone M1C1-104 provides for the activation, in 2022, of the national framework for yearly spending reviews, by requiring the adoption of savings targets for spending reviews for the aggregate central state administrations for the years 2023-2025. Italy provided a copy of the publication of the 2022 Economic and Financial Document, which includes the saving targets for the years 2023-2025 in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (11) Milestone M1C2-16 provides for the award of public contracts for all five faster connection projects part of the “Fast internet connections” investment: (i) “Italia a 1 Giga”; (ii) “Italia 5G”; (iii) “Connected schools”; (iv) “Connected health care facilities” and (v) “Connected smaller islands”. These public contracts aim at procuring the completion of the national ultra-fast and 5G telecommunications network throughout the Italian territory. Italy provided detailed evidence that call for tenders for all five faster connection projects had been published and that all projects had been awarded in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (12) Milestone M1C2-28 provides for the entry into force of a decree including the investment policy of the Development Contracts related to the second line of intervention of Investment 5 of component M1C2 “Industrial supply chain policies and internationalization”. The objective of the investment is to strengthen financial support to enterprises, through the instrument of the Development Contract, for projects related to key strategic value chains. Italy provided a Ministerial Decree encompassing the investment policy of the Development Contracts and its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (13) Milestone M1C3-11 provides for the entry into force of the Ministry of Culture decree for the allocation of resources to improve the energy efficiency of buildings linked to the cultural and creative sector, in particular, in museums, cinemas, and theatres (both public and private). Italy provided a copy of the publication on the Ministry website of the Ministerial Decree n. 452 of 7 June 2022, copy of the call for projects launched on 22 December 2021 for the selection of the interventions in cinema and theatres, two notes related to the selection of the interventions in museums as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (14) Milestone M1C3-12 provides for the entry into force of the Ministry of Culture decree for the allocation of resources to municipalities, with the aim to improve the attractiveness of small historical towns located in disadvantaged areas. Italy provided a copy of the publication on the Ministry website of the Ministerial Decree n. 453 of 7 June 2022 for the allocation of resources to municipalities for the attractiveness of Small Historic Towns, a copy of the Ministerial Decree n. 112 of 21 March 2022 allocating the resources, the list of chosen projects, as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (15) Milestone M1C3-13 provides for the entry into force of the Ministry of Culture decree for the allocation of resources for the protection and enhancement of rural architecture and landscape. This investment aims at stimulating a systematic process of upgrading historic rural buildings and landscape protection. Italy provided a copy of the publication on the Ministry website of the Ministerial Decree n. 107 of 18 March 2022 for the allocation of resources to the Regions and Autonomous Provinces, the list of all chosen projects, a copy of the calls for projects launched at the regional/provincial level as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (16) Milestone M1C3-14 provides for the entry into force of the Ministry of Culture decree for projects to enhance the identity of places, parks and historic gardens. The investment envisages a refurbishment and rehabilitation of historic parks and gardens with a view to ensure their proper maintenance, management and public use. Italy provided a copy of the publication on the Ministry website of the Ministerial Decree n. 505 of 21 June 2022, a copy of the Ministerial Decree n. 161 of 13 April 2022 allocating the resources, a copy of the call for projects launched on 30 December 2021, a note on the criteria for the selection of the projects selected by the Ministry of Culture as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (17) Milestone M1C3-15 provides for the entry into force of the Ministry of Culture decree for the allocation of resources for seismic safety in place of worship and FEC (Fondo Edifici di Culto) heritage restoration, with the aim to put in place an anti-seismic preventive action plan to protect worship places. Italy provided a copy of the publication on the Ministry website of the Ministerial Decree n. 455 of 7 June 2022, a

copy of the Ministerial Decree n. 177 of 21 April 2022, allocating the resources; several notes concerning the selection of the projects as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (18) Milestone M1C3-35 provides for the signature of the agreements between the Ministry of Tourism and the implementing authorities for the projects related to the six lines of interventions of Roma Caput Mundi. These lines of intervention are (i) “Roman Cultural Heritage for EU-Next Generation”; (ii) "Jubilee paths";(iii) “#LaCittàCondivisa”; (iv) “#Mitingodiverde”; (v) “#Roma 4.0” and (vi) “#Amanotesa”. The investment aims at improving the tourism offer of Rome by making it more sustainable, green and digital and creating valid tourist and cultural alternatives to the crowded central areas. The Ministry of Tourism provided copies of all signed agreements between the Ministry of Tourism and the implementing bodies (and their annexes), and a link to their publication on the Ministry’s website. Italy also provided additional evidence demonstrating that the content and objectives of the agreements are in line with the requirements of the investment. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (19) Milestone M2C1-1 provides for the entry into force of the Ministerial Decree adopting the National Strategy for Circular Economy. Italy provided copies of the Ministerial Decree n. 259 of 24 June 2022 which adopts the Strategy and the Ministerial Decree n. 342 of 19 September 2022 which adopts the roadmap (*cronoprogramma*) for the implementation of the Strategy, including inter alia the set up of a new digital waste traceability system, tax incentives to support recycling activities and the use of secondary raw materials, a revision of environmental taxation, measures to promote the right to reuse and repair, the reform of the Extended Producer Responsibility and Consortia system, support to existing regulatory tools (such as End of Waste legislation and Minimum Environmental Criteria under Green public procurement) and support to industrial symbiosis. The content and objectives of the legislation are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (20) Milestone M2C1-2 provides for the approval of an agreement for the development of the Building capacity action plan to support local public authorities in implementing the environmental EU and national legislation, in developing the plans and projects regarding waste management and in supporting them to tender procedures so that concessions in waste management are granted in a transparent and non-discriminatory way. The Ministry of Ecological Transition and the Agency for Territorial Cohesion have provided a copy of the adopted agreement for the financing of the Building capacity action plan to support local public authorities in various fields related to their powers as regards waste management. The content and objectives of the evidence provided are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (21) Milestone M2C1-11 provides for launching a web platform and conclude final agreements signature with "content producers" to raise awareness on environmental topics and challenges. The web platform was publicly launched on 15 July 2022 and relevant contracts with content producers were signed on 9 June 2022 and 29 August 2022 and a copy has been provided to the Commission. The content and objectives of the evidence provided are in line with the requirements of the milestone. On the basis

of the justification provided, the milestone should be considered as satisfactorily fulfilled.

- (22) Milestone M2C1-13 provides for the entry into force of the Ministerial Decree for the National Program for Waste Management. Italy adopted and provided a copy of the Ministerial Decree n. 257 of 24 June 2022. It includes as objectives reaching the highest levels of preparation for reuse, recycling and recovery of waste; adapting the network of installations necessary for integrated waste management; minimising final disposal as the ultimate and residual option; establishing monitoring systems preventing the opening of new infringement procedures against Italy; tackling low collection of waste; discouraging landfilling; ensuring complementarity with regional waste programmes; enabling the achievement of European and national waste legislation objectives and tackling illegal waste dumping and open-air burning. The content and objectives of the evidence provided are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (23) Milestone M2C2-18 provides for the award of contracts to research projects on hydrogen consisting in supporting research and development activities on hydrogen based on electrolysis using renewable energy and in line with the Directive (EU) 2018/2001. Italy provided a copy of the Ministerial Decree n. 545 of 23 December 2021 that sets the framework, provides the financial resources available and specifies the activities eligible, including the specification on the type of hydrogen that can benefit from the award. The Ministerial Decree provides for the allocation of resources to the Agency for Energy Efficiency, the National Council for Research and the Research on the Energy System S. p. A, which are the entities entrusted for the envisaged activities on research and development in those areas, and sets the framework for the launching of two tenders for which the award notifications were published on 27 June 2022. The content and objectives of the evidence provided are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (24) Milestone M2C2-21 provides for the entry into force of fiscal incentives to promote hydrogen competitiveness. Italy provided a copy of the Decree Law n. 36 of 30 April 2022 converted into Law n. 79 of 29 June 2022 that provides for the exemption from payment of related general charges to the electricity system for the consumption of electricity from renewable sources in plants of electrolysis for the production of green hydrogen. Italy also provided a copy of the Ministerial Decree n. 347 of 21 September 2022 that specifies that only hydrogen-related activities that meet the requirement to reduce greenhouse gas emissions in the life cycle by 73.4% in relation to a fossil fuel reference of 94 g CO_{2e}/MJ (i.e. resulting in less than 3 tCO_{2eq}/tH₂) are eligible and also specifies that the beneficiaries of the fiscal incentive are both public and private agents in relation to their consumption of electricity from renewable sources used for the production of green hydrogen. The content and objectives of the evidence provided are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (25) Milestone M2C2-38 provides for the entry into force of a Ministerial Decree which identifies the amount of available resources, the access requirements of the beneficiaries, the eligibility conditions for programmes and projects, the eligible expenses and the form and intensity of aid for the development of high-efficiency photovoltaics panels and for the development of batteries. To this aim, Italy provided a copy of the Ministerial Decree n. 63 of 27 January 2022. In addition, Italy has also

provided a copy of the Directorial Decree of 25 March 2022 that sets out the calendar for the submission of proposals and specifies the obligations of the beneficiaries and criteria for the selection of proposals. The content and objectives of the evidence provided are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.

- (26) Milestone M2C2-42 provides for the signature of the financial agreement between the Ministry of Economic Development and Cassa Depositi e Prestiti for the establishment of a venture capital fund to support start-ups operating in the field of the ecological transition. This investment aims at stimulating the growth of the innovation ecosystem by supporting venture capital funds, start-ups and incubation/acceleration programmes. Italy provided a copy of the financial agreement (which includes the investment policy), the Ministerial Decree of 3 March 2022, which envisages the establishment of the Green Transition Fund and of the Directorial Decree of 28 June 2022, which adopts the financial agreement. The documentation provided demonstrated the establishment of the fund and the definition of its legal framework. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (27) Milestone M2C2-52 provides for the notification of the contracts to build an industrial plant for the production of electrolyzers that is also fit to participate in Important Projects of Common European Interest in hydrogen. Italy provided a copy of the Ministerial Decree n. 168 of 27 April 2022 that provides the financial resources available and specifies that a public notice will be adopted for the selection of projects for the production of electrolyzers. As a result, Italy has provided a copy of two awarded contracts for the construction of two industrial plants which are expected to reach an aggregated capacity of 847 MW in 2026, rising to around 2.3 GW in 2031. Whilst there were two awards instead of one, thereby constituting a minimal deviation from the requirement of the Council Implementing Decision, the investment does overall award contracts for the production of electrolyzers. As such, the content and objectives of the evidence provided are in line with the requirements of the milestone and the main goal of the investment. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (28) Milestone M2C3-4 provides for the entry into force of a Law which aims to simplify and accelerate the procedures for the implementation of interventions related to energy efficiency by (i) launching the national portal for the energy efficiency of buildings, (ii) strengthening the activities of the information and training plan aimed at the civil sector, (iii) updating and strengthening the National Fund for energy efficiency and (iv) accelerating the implementation phase of projects financed by the Programme for energy renovation of buildings owned by the central government. Italy has provided a copy of the Legislative Decree n. 48 of 10 June 2020 that sets up the national portal for the energy efficiency of buildings. The Legislative Decree n. 73 of 14 July 2020 sets the legal framework for the adoption and regular updates of the information and training plan to promote and facilitate the efficient use of energy to the civil sector. Italy also provided a copy of the Law n. 234 of 30 December 2021 that updates and strengthens the National Fund for Energy Efficiency and the Decree Law n. 17 of 1 March 2022 converted into Law 34 of 27 April 2022 that accelerates the implementation of projects financed by the Programme for energy renovation of buildings owned by the central government. The content and objectives of the legislation are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.

- (29) Milestone M2C4-1 provides for the entry into force of various legal provisions simplifying and accelerating procedures for the implementation of projects against hydrogeological instability, including establishing maximum deadlines for each phase; prioritising interventions in line with the National Risk Assessment and with Article 6 of the Decision (EU) 1313/2013 and the Do No Significant Harm principle; setting up a plan to increase the administrative capacity of the entities responsible for the implementation of these projects and reinforcing the coordination between the various levels of government involved, including by streamlining the information flows. Italy provided a copy of the Decree Law n. 77 of 31 May 2021 converted into Law n. 108 of 29 July 2021 that introduces several legal changes to achieve those objectives. A copy of the Decree of the Presidency of Council of Ministers of 27 September 2021 that adopts a unitary system of data for the management of the funding of projects against hydrogeological risks and identifies specific steps related to the submission and assessment of the requests for funding was also provided. Italy has also provided a copy of the Decree Law n. 80 of 9 June 2021 converted into Law n. 113 of 6 August 2021 and the Directorial Decree 146 of 30 May 2022 that envisage several measures to strengthen the administrative capacity of the relevant entities implementing projects against hydrogeological instability. The content and objectives of the legislation are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (30) Milestone M2C4-4 provides for the entry into force of several legal provisions so that the penalties for the illegal extraction of water are increased; the use of water for irrigation systems will not be authorised before having undertaken an analysis of its impact on the water systems and on the sustainable use of water resources; the expansion of the irrigation systems when the water systems are not in a good state is forbidden and will be limited also in those cases where they are subject to operations of improvement or maintenance of their quality; and digitalisation will be privileged in the award of new concessions and the renewal of those existing in relation to irrigation to improve remote control and the identification of illegal water extraction. The condition related to the penalties for the illegal extraction of water is enshrined in Law n. 233 of 29 December 2021, a copy has been provided to the Commission. Italy has also provided a copy of the Decree Law n. 36 of 30 April 2022 converted into Law n. 79 of 29 June 2022 that includes the conditions related to the use of water for irrigation systems. The content and objectives of the legislation are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (31) Milestone M2C4-5 provides for the entry into force of a Ministerial Decree which provides for enhanced digitised procedures for a more efficient and effective functioning of protected areas in its various dimensions such as nature conservation, administrative simplification of procedures and services to visitors of national parks and marine protected areas. Italy has provided a copy of the Ministerial Decree n. 167 of 22 March 2022, whose content and objectives are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (32) Milestone M2C4-27 provides for the adoption of a new legal framework in relation to water infrastructure projects setting up a central public financing instrument for investments in the water sector unifying resources which were rather scattered at present; simplifying the procedures for reporting and monitoring of the investments financed; further involving the Regulator in the planning of the investments to be

undertaken and in possible revisions to the plan; providing support and accompanying measures for implementing bodies not able to carry out investments, including in relation to public procurement; and providing guidelines setting out the criteria for the selection and assessment of the investment projects in the area of water infrastructure. For that purpose, Italy has provided a copy of the Law n. 156 of 9 November 2021, converting the Decree-Law 10 September 2021, n. 121. The content and objectives of the legislation are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.

- (33) Milestone M4C1-3 provides for the entry into force of the reform on teaching profession. The reform consists of four points: i) improvement and simplification of the public competition procedures; ii) strengthening of the qualification needed to access the teaching profession; iii) establishment of a more effective teachers' mobility framework in the interest of teaching continuity; iv) setting a career progression linked to the performance evaluation and continuous professional development. Italy provided a copy of Law n. 106 of 23 July 2021, Law n. 79 of 29 June 2022 and Law n. 142 of 21 September 2022, which contain the primary legislation related to reform of the teaching profession. Concerning point iii), the operational arrangements states that the teachers' permanence should be extended to more than three years for newly recruited teachers. The reform only establish such permanence in some cases thereby constituting a minimal deviation from the requirement of the operational arrangements. However, this part of the reform overall promotes teaching continuity and therefore, its main goal is not affected. Regarding iv), the overall framework for career progression has not been set in the law and will be further specified by the collective agreements process. This represents a minimal deviation from the wording of the milestone as well as the further specifications in the operational arrangements. Such deviation does not change the nature of this part of the reform because career progression is clearly linked to performance and continuous professional development and does not affect the progress towards the achievement of the reform that the milestone represents. Overall, the content and objectives of the legal acts provided are in line with the requirements of the milestone and the main goal of the reform. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (34) Milestone M4C1-4 provides for the adoption of the School 4.0 Plan to foster the digital transition of the Italian school system and update school facilities. The plan has two main objectives: i) transformation of 100 000 classrooms into innovative learning environments and ii) the creation of laboratories for the digital professions in all high schools. Italy provided a copy of the Ministerial Decree n.161 of 14 June 2022 its Annex (including the School 4.0 Plan) and other evidence, which demonstrate that the legal acts have entered into force and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled
- (35) Milestone M4C2-4 provides for the entry into force of Ministerial Decrees aimed at promoting a shift towards a more systemic approach to R&D activities. The reform includes 4 key elements: i) creation of a new simplified model to avoid dispersion of priorities, ii) promoting mutual mobility of high-profile figures between academia and the business sector; iii) simplification of funds management; iv) reform career path of researchers to increase their focus on research activities. Italy provided a copy of Ministerial Decree n.1314 of 14 December 2021 and of Ministerial Decree n. 330 of 30 March 2022 as well as a copy of Conversion Law n.79 of 29 June 2022, amending

art. 24 of the Law n. 240 of 30 December 2010, which demonstrate the entry into force of the relevant legislation aimed at promoting a shift towards a more systemic approach to R&D activities and implementing all the four key elements of the reform. The content and objectives of the legal acts provided are in line with the requirements of the milestone. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.

- (36) Milestone M4C2-11 provides for the entry into force of a national legal act allocating the necessary funding to provide support to project participants. The national legal act aims at specifying the procedures and deadlines for submitting projects, as well as the access requirements of potential beneficiaries. Italy provided a copy of the national legal act (Ministerial Decree) allocating the necessary funding to the IPCEI fund, issued by the Ministry of Economic Development (MISE) on 27 June 2022 and published on the Official Journal on 5 August 2022. The content and objectives of the legal act are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (37) Milestone M4C2-17 provides for the award of contracts to finance the creation or strengthening of research infrastructures of pan-European relevance and dedicated innovation infrastructures, promoting the combination of public and private investments. Italy provided copies of the calls for projects, the notifications of the contract awards, as well as additional evidence related to the selection procedure. The Council Implementing Decision refers to a fund as the vehicle for implementing this investment which was not established thereby constituting a minimal deviation from a formal requirement of the Council Implementing Decision. However, as indicated above, Italy has awarded contracts to research and innovation infrastructures by means of two calls of projects. Hence, this minimal deviation does not affect the progress towards achieving the investment, which the milestone represents. Therefore, the content and objectives of the evidence provided are in line with the requirements of the milestone and the main goal of the investment. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (38) Milestone M4C2-18 provides for the award of contracts financing temporary networks of research institutions and companies (“innovation ecosystems”), distributed on the national territory, selected through competitive procedures. Italy provided copies of the notifications of the contracts awards and of the calls for projects as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (39) Milestone M4C2-19 provides for the award of contracts to finance the creation of national research centres able to achieve a critical threshold of research and innovation capacity through collaboration of universities, research centres and enterprises. Italy provided copies of the notifications of the contracts awards and of the calls for projects as well as other additional evidence related to the selection procedure, which demonstrate that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (40) Milestone M4C2-20 provides for signature of the financial agreement between the Ministry of Economic Development and Cassa Depositi e Prestiti for the establishment of a venture capital fund to support start-ups operating in the field of the digital

transition. The investment is intended to supplement the resources of the National Innovation Fund, the instrument managed by Cassa Depositi e Prestiti to support the development of venture capital and of the start up ecosystem in Italy. The Ministry of Economic Development provided a copy of the financial agreement (that includes the investment policy), of the Ministerial Decree of 11 March 2022, which allows the establishment of the Digital Transition Fund and of the Directorial Decree of 28 June 2022, which adopts the financial agreement. The funding agreement demonstrates the establishment of the fund and the definition of its legal framework in line with the requirements of the milestone including a comprehensive and detailed investment policy, which covers all the elements listed in the Council Implementing Decision. With regard to the lending policy for debt investment, which includes the required guarantees and collateral, whilst the investment policy defines quantitative limits that need to be respected, it delegates the definition of critical elements to the fund management regulation (“Regolamento di Gestione”). This constitutes a minimal deviation from the requirement of the Council Implementing Decision. The financial agreement does establish the financial instrument and provide the main terms for its implementation, which are the core objectives of the milestone including the quantitative limits that will need to be respected by the lending policy for debt investment. For this reason, despite this deviation, it is considered that the nature of the measure has not changed and the progress towards achieving the investment, which the milestone represents, is not affected. The evidence provided demonstrates that the content and objectives of the financial agreement are in line with the requirements of the milestone and the main goal of the investment. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (41) Milestone M5C2-9 provides for the entry into force of the operational plan regarding projects on “Housing First and Post Stations”, which defines the requirements for projects to be presented by local entities and specifies that implementing authorities must abide by the National guidelines to combat adults’ severe exclusion of 5 November 2015 and the National Social Actions and Services Programme 2021-2023 of August 2021. The projects presented shall concern housing solutions for individuals and families up to 24 months or inclusion centres for homeless people. Italy has provided a copy of the Directorial Decree of 9 December 2021 adopting the operational plan. The evidence provided demonstrates that the legal acts have entered into force and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (42) Milestone M5C2-11 provides for the award of contracts for investments in urban regeneration to reduce situations of marginalisation and social degradation. The various legal provisions adopted to that aim provide for the notification of the projects to around 650 municipalities of more than 15 000 inhabitants for investments in urban regeneration, the fields of intervention eligible and the maximum amounts granted per type of municipality. Italy provided a copy of Ministerial Decree of 30 December 2021, Decree of the President of Council of Ministers of 21 January 2021 and Interministerial Decree of 4 April 2022 along with extracts of the technical specifications of projects from the monitoring system. The content and objectives of the operational plan are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (43) Milestone M5C2-15 provides for the entry into force of several legal provisions allocating resources to municipalities on the basis of the mapping of illegal settlements realised by the official working group “*Tavolo di contrasto allo sfruttamento lavorativo in agricoltura*” and defining temporary and long-term housing standards applicable to the projects eligible under the NRRP. Italy provided a copy of Ministerial Decree n. 55 of 29 March 2022 and the complementing Directorial Decree along with proof of the official endorsement of the mapping exercise. The evidence provided demonstrates that the legal acts have entered into force and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (44) Milestone M5C2-19 provides for the signature of the agreements with local authorities to redevelop and increase public and social housing, covering at least fifteen regions or autonomous provinces. The agreements consist of developing projects aimed at redeveloping, reorganising and increasing the offer for public and social housing; regenerating areas, spaces and public and private properties; improving the accessibility and safety of urban areas and the provision of services; and developing participatory and innovative management models to support social and urban welfare. Italy provided copies of the agreements, along with a copy of the Interministerial Decree n. 395 of 16 September 2020 defining criteria for the selection of projects and an explanatory report providing details on the selection process and the projects selected. The content and objectives of the agreements are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (45) Milestone M6C1-1 provides for the entry into force of secondary legislation establishing a new organisational model for the territorial healthcare assistance network. The secondary legislation aims at defining a regulatory framework which identifies structural, technological and organisational standards for the territorial healthcare assistance network. Health community houses and community hospitals are among the institutional structures included. The secondary legislation also aims at defining a new institutional structure of health-environment-climate prevention, following an integrated human-planetary health approach (“One Health”). Italy has provided a copy of Ministerial Decree n. 77 of 23 May 2022 and a copy of Decree Law of 30 April 2022, n. 36 and other evidence which demonstrate that the legal acts have entered into force and that their content and objectives are 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 M6C1-2 provides for the approval of an Institutional Development Contract for each Region and Autonomous Province which appoints the Italian Ministry of Health as the responsible and implementing authority, defines the obligations of regional administrations, and identifies other entities and parties involved and their obligations for the functioning of community health houses. Italy has provided a copy of each of the 21 Institutional Development Contracts signed between each of the Regions/Autonomous Provinces and the Ministry of Health. The content and objectives of the contracts are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (47) Milestone M6C1-4 provides for the approval of the guidelines containing the digital model for the implementation of Home Care. The guidelines aim at streamlining the

processes necessary to enhance homecare also through the development of remote monitoring and home automation. Italy has provided a copy of the guidelines approved on 29 April 2022. The content and objectives of the guidelines are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (48) Milestone M6C1-5 provides for the approval of an Institutional Development Contract for each Region and Autonomous province which appoints the Italian Ministry of Health as the responsible and implementing authority, defines the obligations of regional administrations, and identifies other entities and parties involved and their obligations for the functioning of territorial coordination centres. The contract also includes the list of sites where the investments shall take place. Italy has provided a copy of each of the 21 Institutional Development Contracts signed between each of the Regions/Autonomous Provinces and the Ministry of Health. The content and objectives of the contracts are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (49) Milestone M6C1-10 provides for the approval of an Institutional Development Contract for each Region and Autonomous Province which appoints the Italian Ministry of Health as the responsible and implementing authority, defines the obligations of regional administrations, and identifies other entities and parties involved and their obligations for the functioning of community hospitals. The contract also includes the list of sites where the investments shall take place. Italy has provided a copy of each of the 21 Institutional Development Contracts signed between each of the Regions/Autonomous Provinces and the Ministry of Health. The content and objectives of the contracts are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (50) Milestone M6C2-5 provides for the approval of an institutional development contract for each region and autonomous province which appoints the Italian Ministry of Health as the responsible and implementing authority, defines the obligations of regional administrations, and identifies other entities and parties involved and their obligations for the digital update of hospitals' technological equipment. Italy has provided a copy of each of the 21 Institutional Development Contracts signed between each of the Regions/Autonomous Provinces and the Ministry of Health. The content and objectives of the contracts are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (51) Furthermore, Italy has also confirmed that previously satisfactorily fulfilled milestones and targets have not been reversed.
- (52) Following the fully positive assessment concerning Italy's payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the second instalment of the non-repayable support and the disbursement of the loan for the second instalment of the loan support should be authorised.
- (53) 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 13% of the financial contribution as pre-financing, an amount of EUR 1

494 252 874 of the payment should be utilised to clear the pre-financing, equal to 13% of the instalment.

- (54) 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 13% of the loan as pre-financing, an amount of EUR 1 643 678 161 of the payment should be utilised to clear the pre-financing, equal to 13% of the instalment.
- (55) 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.
- (56) 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 second instalment of the non-repayable support as laid down in Section 2(1)(1.2) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Italy for an amount of EUR 11 494 252 874 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 1 494 252 874 shall be utilised to clear the pre-financing of the financial contribution and EUR 10 000 000 000 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 second instalment of the loan support as laid down in Section 2(2)(2.2) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Italy for an amount of EUR 12 643 678 161 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 1 643 678 161 shall be utilised to clear the pre-financing of the loan and EUR 11 000 000 000 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, 28.10.2022

For the Commission
Paolo GENTILONI
Member of the Commission