

**28 November 2023**

**Positive preliminary assessment of the satisfactory fulfilment of milestones and targets related to the fourth payment request submitted by Italy on 22 September 2023, transmitted to the Economic and Financial Committee by the European Commission**

**Executive summary**

In accordance with Article 24(2) of Regulation (EU) 2021/241, on 22 September 2023, Italy submitted a request for payment for the fourth instalment of the non-repayable support and the fourth instalment of the loan support. The payment request was accompanied by the required management declaration and summary of audits.

To support its payment request, Italy provided due justification of the satisfactory fulfilment of the 16 milestones and targets of the fourth instalment of the non-repayable support and the 12 milestones and targets of the fourth instalment of the loan support, as set out in Section 2(1)(1.4) and Section 2(2)(2.4) of the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Italy<sup>1</sup>.

For 5 targets covering a large number of recipients, in addition to the summary documents and official listings provided by Italy, Commission services have assessed a statistically significant sample of individual files. The sample size has been uniformly set at 60 which corresponds to a confidence level of 95% or above in all cases.

In its payment request, Italy has confirmed that measures related to previously satisfactorily fulfilled milestones and targets have not been reversed. The Commission does not have evidence of the contrary.

Upon receipt of the payment request, the Commission has assessed on a preliminary basis the satisfactory fulfilment of the relevant milestones and targets. Based on the information provided by Italy, the Commission has made a positive preliminary assessment of the satisfactory fulfilment of all 28 milestones and targets.

The milestones and targets positively assessed as part of this payment request demonstrate significant steps in the implementation of Italy's Recovery and Resilience Plan. They notably highlight the continuation of the reform momentum in key policy areas as well progress in the implementation of key investments. The milestones and targets linked to this payment request cover several key reforms in the areas of competition, justice, education, undeclared work and water management, as well as transformative investments in digitalisation, particularly concerning the public administration and cybersecurity, renewables, electricity grids, railways, research, tourism, urban regeneration and social policies.

By the transmission of this positive preliminary assessment and in accordance with Article 24(4) of Regulation (EU) 2021/241, the Commission asks for the opinion of the Economic and Financial Committee on the satisfactory fulfilment of the relevant milestones and targets.

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<sup>1</sup> ST10160/21, ST 10155/61 ADD 1.

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<b>Number:</b> M1C1-11	M1C1-11, Related Measure: Investment 1.6.6 Digitization of the Finance Police		
<b>Name of the Target:</b> Finance Police - Purchase of professional data science services T1			
Quantitative Indicator: Number	Baseline: 0	Target: 5	Time: Q1 2023
<p><b>Context:</b></p> <p>The objective of this investment is to re-engineer and digitize a set of priority processes, activities and services within main Central Administrations to increase the efficiency of these administrations and simplify procedures. This part of the measure focuses on the digitization of the Finance Police and aims notably at reorganising the Finance Police’s databases and introducing Data Science within its operational and decision-making processes.</p> <p>Target M1C1-11 concerns the purchase by the Finance Police of professional data science services by contracting with a consulting service provider involving five human resources in total, responsible both for designing the data architecture and for writing the algorithms of the Big Data Analysis unit.</p> <p>Target M1C1-11 is the first target for Investment 1.6.6. It is followed by target M1C1-15, which envisages the purchase of five additional professional data science services, and by milestone M1C1-25, which envisages the progressive release (on a year basis) of new functionalities of the operational information systems in order to ensure their topicality in accordance with rapidly changing law scenarios, also related to pandemic situation.</p> <p>The investment has a final expected date for implementation in Q2 2025.</p>			
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ol style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) Executive contract of 17 November 2022 between the General Command of the Finance Police and Accenture Technology Solutions S.r.l. (acting as authorized representative of a temporary grouping of enterprises also formed by Engineering Ingegneria Informatica S.p.A., Sofiter Tech S.r.l., IFM S.r.l., HSPI S.p.A. and Expleo Italia S.p.A.), for the acquisition of professional "data science" services applied to the info-operational assets of the Finance Police, entitled "<i>Assignment of application services from Cloud to PMO through the supply order within the scope of the framework agreement for application services for public administrations stipulated by CONSIP – Lot 3</i>";</li> <li>iii) The related direct order of purchase No. 7030149 of 18 November 2022 uploaded on the "AcquistinretePA" portal on 18 November 2022 and associated material;</li> <li>iv) The Decree by the General Command of the Finance Police of 19 December 2022 approving direct order of purchase No. 7030149;</li> <li>v) The registration by the Court of Auditors of direct order of purchase No. 7030149 of 20 January 2023;</li> <li>vi) Contract No. 1565 of 26 May 2022 between the General Command of the Finance Police and Gartner S.r.l. for the provision of professional services concerning the knowledge support service on technological innovation and access to databases in the information &amp; communication technology sector;</li> <li>vii) The Decree by the General Command of the Finance Police of 24 June 2022 approving contract No. 1565 of 26 May 2022;</li> </ol>			

- viii) Declaration of compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) and with the relevant EU and national environmental legislation by Accenture Technology Solutions S.r.l. dated 23 March 2023;
- ix) Declaration of compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) and with the relevant EU and national environmental legislation by Gartner S.r.l. dated 22 March 2023;
- x) Reply by the General Command of the Finance Police to the request for additional information on the compliance of awarded contracts with the 'Do no significant harm' Technical Guidance (2021/C58/01) and with the relevant EU and national environmental legislation dated 20 November 2023;
- xi) The internal circular of the Finance Police of 21 March 2023 on the release on a nationwide scale of new tools on the first analysis module (IT backbone) and the subsequent internal circular of 21 June 2023 providing additional details on the new tools developed.

The authorities also provided:

- i) The agreement of 30 December 2021 between the Presidency of the Council of Ministers and the Finance Police for the realization of investment 1.6.6. on the Digitization of the Finance Police;
- ii) The operating plan of investment 1.6.6. on the Digitization of the Finance Police;
- iii) Decree No. 3/2022-PNRR of 11 January 2022 approving both the agreement of 30 December 2021 between the Presidency of the Council of Ministers and the Finance Police and the operating plan of investment 1.6.6 and its registration by the Court of Auditors on 8 February 2022;
- iv) The set-up and the operational plans related to the implementation of the executive contract of 17 November 2022;
- v) A link to a webpage in the section of the institutional website of the Financial Police entitled "Transparent Administration": <https://www.gdf.gov.it/it/stazioni-appaltanti/bandi-di-gara/archivio/anno-2023/comando-generale/acquisizione-di-servizi-professionali-di-201cdata-science201d>

#### Analysis:

The justification and substantiating evidence provided by the Italian authorities cover all constitutive elements of the target.

- **Purchase of professional data science services by contracting with a consulting service provider involving five human resources in total responsible both for designing the data architecture and for writing the algorithms of the Big Data Analysis unit.**
  - The Finance Police purchased professional data science services through contracting with consulting service provider Accenture Technology Solutions S.r.l., as evidenced by the executive contract of 17 November 2022 between the General Command of the Finance Police and Accenture Technology Solutions S.r.l., "*for the acquisition of professional "data science" services applied to the info-operational assets of the Finance Police*" and the related direct order of purchase No. 7030149 as uploaded on the "AcquistinretePA" portal on 18 November 2022;
  - Italy also provided the operating plan of investment 1.6.6. on the Digitization of the Finance Police which is integral part of the executive contract of 17 November 2022 (Annex 1) as indicated in section 2 of the contract and which indicates that the implementation of the investment involves in particular the following activities: a) design of the data architecture and writing of the algorithms of the Big Data Analysis unit, through the acquisition of: i) 5 resources of Data Scientist in the first 12 months of supply; ii) 10 resources, or a further 5, Data Scientist in the following 16 months of supply; b) development of new software components to support data analysis.

- Italy also provided the minutes of the kick-off meeting for the execution of the contract held on 14 March 2022 between the Finance Police and Accenture Technology Solutions S.r.l., which confirm inter alia that five human resources in total are to be mobilized and the subsequent communication by the Finance Police informing Accenture Technology Solutions S.r.l. of the start of the provision of data science services as of 20 March 2022.
- **Publication of awarded contract for the purchase of data science services in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.**
  - Italy provided a link to a webpage in the section of the institutional website of the Finance Police entitled "Transparent Administration" demonstrating the publication of the awarded contract for the purchase of data science services. On this webpage, on 27 February 2023, the following elements have been published: (i) the awarded executive contract of 17 November 2022 between the General Command of the Finance Police and Accenture Technology Solutions S.r.l., for the acquisition of professional "data science" services applied to the info-operational assets of the Finance Police; (ii) the related direct order of purchase No. 7030149 of 18 November 2022 uploaded on the "AcquistinretePA" portal on 18 November 2022; (iii) The Decree by the General Command of the Finance Police of 19 December 2022 approving direct order of purchase No. 7030149 of 18 November 2022.
  - The Council Implementing Decision required the publication of awarded contract for the purchase of data science services in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.  
The executive contract of 17 November 2022 between the Finance Police and Accenture Technology Solutions S.r.l. and the related direct order of purchase No. 7030149 of 18 November 2022 did not include any provisions in relation to compliance with DNSH requirements. The accessory contract between the Finance Police and Gartner S.r.l. also does not contain any provisions in this respect. However, on 20 November 2023 Italy provided an assessment by the Finance Police demonstrating that both contracts comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and comply with the relevant EU and national environmental legislation. In addition, Italy also provided (i) a declaration by Accenture Technology Solutions S.r.l. confirming that the activities for the provision of professional data science services are to be implemented in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and in compliance with the relevant EU and national environmental legislation; (ii) a declaration by Gartner S.r.l. that the activities for the provision of professional services concerning the knowledge support service on technological innovation and access to databases in the information & communication technology sector to the Finance Police are to be implemented in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and in compliance with the relevant EU and national environmental legislation.  
Whilst this constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, the ex post assessment of 20 November 2023 by the Finance Police and the declarations by Accenture Technology Solutions S.r.l. and Gartner S.r.l. ensure compliance with the DNSH requirement.  
As of this, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the investment that the target represents. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.
- **Release on a nationwide scale of new tools on the first analysis module (IT backbone).**

- Italy provided the internal circular of the Finance Police of 21 March 2023 on the release as of 1 March 2023 on a nationwide scale of a new tool in the first analysis module (IT backbone) named “*Socio-economic and criminal mapping*”. Such module provides an in-depth representation of the characteristics of the regions and provinces of the country from a socio-economic and criminal level through a broad compendium of external context elements and allows performing territorial analyses;
- Italy also provided the subsequent internal circular of 21 June 2023 providing further details on the new tool developed such as its main content in terms of datasets, organized across 12 categories and 121 statistical variables, and its main functionalities.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-37	M1C1-37, Related Measure: Reforms 1.4 and 1.5: Reform of civil and criminal justice	
<b>Name of the Milestone:</b> Entry into force of the civil and criminal justice reform		
<b>Qualitative Indicator:</b> Provision in the secondary acts indicating the entry into force of the secondary acts		<b>Time:</b> Q2 2023
<b>Context:</b>		
<p>Milestone M1C1-37 refers to both the reform of the civil justice (M1C1.R1.4) and the reform of the criminal justice (M1C1.R1.5), which are aimed at reducing the length of civil and criminal proceedings, by simplifying existing procedures and by increasing the productivity of courts.</p> <p>Milestone M1C1-37 concerns the entry into force of the regulations and secondary sources of legislation necessary for the effective application of the civil and criminal justice reforms, establishing the criteria and objectives of such secondary acts have been previously defined by two laws of delegation approved in 2021, which enabled the Italian Government to adopt, within a year from its entry into force, one or more legislative decrees in the area of civil and criminal justice and by the subsequently adopted delegated acts. In particular, as regards the civil justice reform, Law of delegation No. 206/2021 modified the procedural civil code and special procedural laws and was followed up by Legislative Decree No. 149/2022, whereas enabling Law No. 134/2021 modified the procedural criminal code and special procedural laws and was implemented by Legislative Decree No. 150/2022.</p> <p>Milestone M1C1-37 is the fifth milestone of the justice system reform, and it follows the completion of M1C1-29, M1C1-30 and M1C1-36, related to the adoption of the abovementioned enabling legislation and delegated acts for the civil and criminal justice reforms in 2021 and 2022.</p> <p>Milestone M1C1-36 will be followed by targets M1C1-43, M1C1-44, M1C1-47 and M1C1-48, on the reduction of backlogs for civil courts, and by targets M1C1-45 and M1C1-46 related to the reduction in the length of civil and criminal proceedings. The reform has a final expected date for implementation in Q2 2026.</p> <p>Although M1C1-37 requires the adoption of all regulations and secondary sources of legislation necessary for the effective application of the enabling laws for the civil and criminal justice reforms, six Ministerial and Directorial Decrees on remote filing and remote trials would be analysed in the context of future milestone M1C1-38 (Digitalization of the justice system), indicatively due by Q4 2023, to which they are directly linked. Such decrees are in fact more coherent and pertinent to Reform 1.8 “Digitalisation of Justice” also given that technical activities are needed prior to their adoption, since, by their nature and content, they lay out technical specifications needed to deploy the digitalization of the justice system.</p>		

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii. Decree of the Ministry of Justice of 29 September 2022, as published on the website of the Ministry of Justice, establishing the technical and scientific Committee monitoring the efficiency of civil justice system;
- iii. Non-regulatory Decree of Ministry of Justice of 3 May 2023, as published in the Official Journal No. 109 of 11 May 2023, on the handling of paper and digital files;
- iv. Regulatory Decree No. 99 of 11 July 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance, as published in the Official Journal No. 175 of 28 July 2023, which establishes a database of judicial auctions;
- v. Regulatory Decree No. 109 of 4 August 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance and the Ministry of Economic Development, as published in the Official Journal No. 187 of 11 August 2023, on the registry of technical-legal consultants ("*consulenti tecnici d'ufficio*");
- vi. Regulatory Decree No. 110 of 7 August 2023 adopted by the Ministry of Justice, as published in the Official Journal No. 187 of 11 August 2023, which set the criteria for drafting electronic judicial files;
- vii. Regulatory Decree No. 150 of 27 October 2023 adopted by the Ministry of Justice, jointly with the Ministry of Enterprises and Made in Italy, as published in the Official Journal No. 255 of 31 October 2023, defining the criteria and procedures related to the enrolment into the registry of mediators and their indemnity;
- viii. Decree of 1 August 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance, as published in the Official Journal No. 183 of 7 August 2023, introducing fiscal incentives for the use mediation;
- ix. Decree of 1 August 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance, as published in the Official Journal No. 183 of 7 August 2023. The Decree, which determines the legal fees for lawyers providing legal aid ("*patrocinio a spese dello stato*");
- x. Regulatory Decree No. 151 of 27 October 2023 adopted by Ministry of Enterprises and Made in Italy, jointly with the Ministry of Justice and the Ministry of Economics and Finance, as published in the Official Journal No. 255 of 31 October 2023, which introduces detailed provisions for family mediators;
- xi. Decree of 28 December 2021 adopted by the Ministry of Justice, as published on the website of the Ministry of Justice, establishing the technical and scientific Committee monitoring the efficiency of criminal justice system;
- xii. Decree of 9 June 2023 adopted by the Ministry of Justice, jointly with the Ministry of Labour and social policies and the Ministry of University and Research, as published in the Official Journal No. 155 of 5 July 2023, on mediators for restorative justice;
- xiii. Decree of 9 June 2023 adopted by the Ministry of Justice, jointly with the Ministry of Labour and social policies and the Ministry of University and Research, as published in the Official Journal No. 155 of 5 July 2023, establishing a registry of expert mediators for restorative justice;
- xiv. Regulatory Decree No. 97 of 25 July 2023 adopted by the Ministry of Justice, in consultation with the Italian Data Protection Authority, as published in the Official Journal No. 174 of 27 July 2023, on treatment of personal data in the context of restorative justice;
- xv. Decree No. 97 of 25 July 2023 adopted by the Ministry of Justice, in consultation with the Italian Unified Conference ("*Conferenza Unificata*"), as published in the Official Bulletin



of the Ministry of Justice No. 14 of 31 July 2023, providing rules as regards community service;

- xvi. Decree of 28 June 2023 adopted by the Ministry of Justice, as published in the Official Bulletin of the Ministry of Justice No. 14 of 31 July 2023, setting provisions on monetary fines;
- xvii. Decree of 27 July 2023 adopted by the Ministry of Justice, jointly with the Ministry of University and Research, as published on the website of the Ministry of Justice, on the appointment of the members of the National Conference for Restorative Justice.
- xviii. Explanatory note of the Ministry of Justice on the entry into force of ministerial Decrees.

The authorities also provided:

- i. Set of preparatory documents for the adoption of the aforementioned regulations and secondary sources of legislation;
- ii. Opinions of identified institutional stakeholders approving the pieces of legislation.

#### **Analysis:**

The justification and substantiating evidence provided by Italy covers all constitutive elements of the milestone.

- **Provision in the secondary acts indicating the entry into force of the secondary acts.**
  - In line with the Council Implementing Decision qualitative indicator of the milestone, all the regulations and secondary sources of legislation necessary for the effective application of the enabling laws for justice reforms have entered into force as detailed in the section below. In particular, all acts have been either published in the Official Journal, in the Official Bulletin of the Ministry of Justice or on the website of the Ministry of Justice and entered into force in line with the national legal framework.

- **Complete the adoption of all regulations and secondary sources of legislation necessary for the effective application of the enabling laws for justice reforms:**

1. In line with the requirements of the Council Implementing Decision, the Italian authorities have adopted the necessary regulations and secondary sources of legislation necessary to give effective and technical application to the **reform of the civil justice**, as laid out in the enabling legislation for the civil justice reform (Law No. 206/2021) and in the following delegated legislation (Legislative Decree No. 149/22), which were assessed in the context of the first and third payment assessments (milestones M1C1-29 and M1C1-36). Specifically, the Italian authorities have adopted the following nine regulations and secondary sources of legislation:
  - Ministry of Justice Decree of 29 September 2022 established the Technical and Scientific Committee (hereinafter referred to as “CTS”, the “Committee”), in accordance with Law No. 206/2021 as modified by Decree Law No. 36/2022. The Ministerial Decree has entered into force on the date of publication in the Ministry of Justice website, 29 September 2022. The CTS is tasked with the continuous monitoring on the efficiency of the civil justice reform and is chaired by the Ministry of Justice, or its delegate, and is composed of jurists, legal experts and econometrists who have a three years’ mandate and meets regularly. The Committee plays an advisory and support role in the periodic evaluation of the objectives of the civil justice reform, namely the reduction of disposition time and the simplification of civil proceedings while assessing the impact of the new measures introduced by Law No. 206/2021 and Legislative Decree No. 149/2022.
  - Ministry of Justice non-regulatory Decree of 3 May 2023, entered into force on 26 May 2023 15 days after its publication in the Official Journal No. 109 of 11 May 2023. The Decree was adopted in accordance with the procedural civil code, Article 196<sup>septies</sup> was introduced in the code by Article 4(12) of Legislative Decree No. 149/2022. The Decree of 3 May 2023 provides for the organisational measures related to handling of paper and digital files with the objective of rationalising the file management system of civil electronic trials;

- Regulatory Decree No. 99 of 11 July 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance, entered into force on 12 August 2023 15 days after its publication in the Official Journal No. 175 of 28 July 2023. The Decree, implementing Article 26(6) of Legislative Decree No. 149/2022, concerns the simplification of executive procedures. The Decree establishes a database of judicial auctions with the aim of increasing the transparency, efficiency and efficacy of public auction and of monitoring the entire process;
- Regulatory Decree No. 109 of 4 August 2023 adopted by the Ministry of Justice, in accordance with the Ministry of Economics and Finance and the Ministry of Economic Development, entered into force on 26 August 2023 15 days after its publication in the Official Journal No. 187 of 11 August 2023. The Decree, implementing Article 4(2) paragraphs a) and g) of Legislative Decree No. 149/2022, intervenes on the list of technical-legal consultants (“*consulenti tecnici d’ufficio*”). The Decree provides for the creation of registries in all judicial offices with uniform qualifying criteria, which may be divided into additional professional categories according to specialisation, and for the establishment of a national registry at the level of the Ministry of Justice, publicly available, encompassing all technical-legal consultants operating in the country;
- Regulatory Decree No. 110 of 7 August 2023 adopted by the Ministry of Justice, entered into force on 26 August 2023 15 days after its publication in the Official Journal No. 187 of 11 August 2023. The Decree, implementing Article 4(3) paragraph b of Legislative Decree No. 149/2022, set the criteria for drafting electronic judicial files and concerns civil proceedings introduced as of 1 September 2023 below 500.000 EUR. The criteria, in line with the principles of reasonable length of proceedings and sincere cooperation between the parties and the court, refer to standard requirements of clarity and synthesis of the files, including dimensional limits and drafting IT standards.
- Regulatory Decree No. 150 of 27 October 2023 adopted by the Ministry of Justice, jointly with the Ministry of Enterprises and Made in Italy, entered into force 15 November 15 days after its publication in the Official Journal No. 255 of 31 October 2023. Articles 41 and 7 of Legislative Decree No. 149/2022 required the update of the Ministry of Justice Decree No. 180 of 18 October 2010 which defines the criteria and procedures related to the enrolment into the registry of mediators and their indemnity. The Regulatory Decree No. 150/2023 provides for the minimum and maximum level of indemnity and specific requirements for the registration of mediation bodies, such as seriousness and good reputation. The intervention further implements the objective to reinforce the use of alternative dispute resolution mechanisms in order to reduce the recourse to the civil justice system and lead to a decrease of actively pending proceedings, which is a fundamental aspect of the civil justice reform;
- Decree of 1 August 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance, entered into force on 22 August 15 days after its publication in the Official Journal No. 183 of 7 August 2023. The Decree, implementing Article 7(1) paragraph bb) of Legislative Decree No. 149/2022, provides for fiscal incentives in the context of mediation and simplification of procedures to strengthen the use of out-of-court dispute resolution procedures;
- Decree of 1 August 2023 adopted by the Ministry of Justice, jointly with the Ministry of Economics and Finance, entered into force on 22 August 2023 15 days after its publication in the Official Journal No. 183 of 7 August 2023. The Decree, implementing Articles 9 and 7(1) paragraph t) of Legislative Decree No. 149/2022, introduces provisions as regards the legal fees for lawyers providing legal aid (“*patrocinio a spese dello stato*”) in the context of civil, commercial proceedings and obligatory mechanisms of alternative dispute resolution, such as mediation and assisted negotiated procedures;

- Regulatory Decree No. 151 of 27 October 2023 adopted by the Ministry of Enterprises and Made in Italy, jointly with the Ministry of Justice and the Ministry of Economics and Finance, entered into force on 15 November 2023 15 days after its publication in the Official Journal No. 255 of 31 October 2023. The Regulatory Decree No. 151/2023, implementing Article 4(1) paragraph a of Legislative Decree No. 149/2022, introduces detailed provisions for family mediators, who operate to foster dialogue amongst the parties involved so that an agreement can be found outside of the civil justice system in cases involving separation, divorce or child custody and care. The Decree establishes the creation of a registry of family mediators at any court of first instance, determines the entry requirement to enrol and maintain the registration and also extends to family mediators the surveillance and disciplinary rules applicable to legal-technical consultants.
2. In line with the requirements of the Council Implementing Decision, the Italian authorities have adopted the necessary regulations and secondary sources of legislation necessary to give effective and technical application to the **reform of the criminal justice**, as laid out in the enabling legislation for the criminal justice reform (Law No. 134/2021) and in the following delegated legislation (Legislative Decree No. 150/22), which were assessed in the context of previous milestones M1C1-30 and M1C1-36. More in detail, Italy has adopted the following seven regulations and secondary sources of legislation:
- Ministry of Justice Decree of 28 December 2021 was adopted in accordance with Article 2 (16) Law No. 134/2021 and entered into force on 28 December 2021, the day it was published on the website of the Ministry of Justice. The Decree created the Technical and Scientific Committee (hereinafter referred to as “CTS”, the “Committee”) which is tasked with the continuous monitoring on the efficiency of the criminal justice reform. The CTS is chaired by the Ministry of Justice, or its delegate, and is composed of jurists, legal experts and econometrists who have a three years’ mandate and meets regularly. The Committee plays an advisory and support role in the periodic evaluation of the objectives of the criminal justice reform, namely the reduction of disposition time and the simplification of criminal proceedings while assessing the impact of the new measures introduced by Law No. 134/2021 and Legislative Decree No. 150/2022;
  - Decree of 9 June 2023 adopted by the Ministry of Justice, jointly with the Ministry of Labour and social policies and the Ministry of University and Research, entered into force on 20 July 2023, the same day of its publication in the Official Journal No. 155 of 5 July 2023. The Decree, implementing Article 59 (paragraphs 7, 8, 9 and 10) of Legislative Decree No. 150/2022, defines the path and requirement for the practical and theoretical training and exam to qualify as mediator for restorative justice. Given the need to acquire and maintain, once qualified, multi-disciplinary competences, the decree establishes that restorative justice mediators follow dedicated courses at university level and carry out practical training at the centres for restorative justice;
  - Decree of 9 June 2023 adopted by the Ministry of Justice, jointly with the Ministry of Labour and social policies and the Ministry of University and Research, entered into force on 5 July 2023, the same day of its publication in the Official Journal No. 155 of 5 July 2023. The Decree, implementing Articles 60(2) and 90 of Legislative Decree No. 150/2022, establishes a registry of expert mediators for restorative justice and the related requirements in terms of training and professional experience;
  - Regulatory Decree No. 97 of 25 July 2023 adopted by the Ministry of Justice, following the approval of the Italian Data Protection Authority, entered into force on 11 August 2023 15 days after its publication in the Official Journal No. 174 of 27 July 2023. The Decree, implementing Article 65 of Legislative Decree No. 150/2022, identify the centres for restorative justice as data controllers for personal data acquired while performing their tasks and introduces provisions as regards the treatment of such data;

- Decree No. 97 of 25 July 2023 adopted by the Ministry of Justice, following the consultation with the Italian Unified Conference (“*Conferenza Unificata*”, institutional entity that convene State, Regions and local entities), entered into force on 1 August 2023 in line with its Article 9, namely one day after its publication in the Official Bulletin of the Ministry of Justice No. 14 of 31 July 2023. The Decree, implementing Article 71(1) paragraph d) of Legislative Decree No. 150/2022, provides for rules as regards community services, which, as introduced by the criminal justice reform, allow to commute short detention sentences into alternative custodial sentence. The Decree also aims at incentivising community services in the context of simplified procedures, such as plea bargains and immediate proceedings a, whose use ultimately concurs to the reduction of disposition time for the criminal justice system;
- Decree of 28 June 2023 adopted by the Ministry of Justice entered into force on 31 July 2023 the same day of its publication in the Official Bulletin of the Ministry of Justice No. 14 of 31 July 2023. The Decree, implementing Article 41(1) paragraph gg) of Legislative Decree No. 150/2022, defines the process and periodic update to determine and pay monetary fines, even electronically. The Decree introduces a new system of enforcement, collection and conversion in case of non-payment, with a view to making sentences more effective. It abandons the old system of debit collection in favour of a framework that considers unpaid credit not just as a claim that the State must recover but as a penalty which, like imprisonment, should be enforced by the judicial authority through an enforcement order. According to the new enforcement procedure, the order for payment would be accompanied by the notice that, in the absence of payment, the fine will be converted into a regime of semi-freedom or, in the event of proven insolvency, community service or home detention;
- Decree of 27 July 2023 adopted by the Ministry of Justice, jointly with the Ministry of University and Research, entered into force on 27 July 2023, the same day of publication on the website of the Ministry of Justice. The Decree, implementing Article 61(5) of Legislative Decree No. 150/2022, nominates the expert members of the National Conference for Restorative Justice (hereinafter referred to as “NCRJ”, the “Conference”) which is tasked with the continuous monitoring on the efficiency of the criminal justice reform. The NCRJ is chaired by the Ministry of Justice, or its delegate, and is composed of representatives of regions, municipalities and technical experts who have a two years’ mandate. The Conference supports the Ministry of Justice in the planning and monitoring of interventions in the field of restorative justice.

Therefore, Italy has completed the adoption of all regulations and secondary sources of legislation necessary for the effective application of the enabling laws for justice reforms.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-58	<a href="#">M1C1-58, Related Measure: Reform 1.9: Reform of the public administration</a>	
<b>Name of the milestone:</b> Entry into force of legal acts for the reform of public employment		
<b>Qualitative Indicator:</b> Provision indicating the entry into force of the legal acts for the reform of public employment		<b>Time:</b> Q2 2023
<b>Context:</b>		
The main objective of the reform of public employment, which is part of the reform of public administration, is to enhance the administrative capacity of the Italian public administration, at		

central and local levels, in terms of human capital (selection, competences, horizontal and vertical mobility and performance evaluation). This reform, through the recruitment of experts, the simplification of administrative procedures and investments in the digitalisation of public services, aims to improving the effectiveness of the public administration as a whole.

Milestone M1C1-58 requires the entry into force of the legal acts for the reform of public employment, such as delegated acts, ministerial decrees, secondary legislation and all other regulations necessary for the effective implementation of the reform. The secondary legal acts under the milestone M1C1-58 follow the primary legislation adopted under milestone M1C1-56, operationalise the aforementioned primary legislation and ensure the full implementation of the reform of public employment. Milestone M1C1-58 is the last milestone of this reform, and it will be followed by the adoption of a strategy for human resource management, under milestone M1C1-59.

**Evidence Provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Decree of the President of the Republic No. 81 of 24 June 2022 on the identification of the fulfilments related to the plans absorbed by the PIAO, published in the Official Journal No. 151 of 30 June 2022;
- iii) Decree of the Minister of Public Administration No. 132 of 30 June 2022 on the definition of the content of PIAO, published in the Official Journal No. 209 of 7 September 2022;
- iv) National Collective Labour Contract (CCNL) for public employees in central public administration of 9 May 2022, published in the Official Journal No. 122 of 25 May 2022;
- v) National Collective Labour Contract (CCNL) for public employees in the healthcare sector of 2 November 2022, published in the Official Journal No. 19 of 24 January 2023 – Ordinary Supplement No. 5;
- vi) National Collective Labour Contract (CCNL) for public employees in local public administration of 16 November 2022, published in the Official Journal No. 20 of 25 January 2023 – Ordinary Supplement No. 6;
- vii) Decree of the Minister of Public Administration of 22 July 2022 on the definition of guidelines for the identification of new professional needs of public administrations, published in the Official Journal No. 215 of 14 September 2022;
- viii) Decree of the Minister of Public Administration of 15 September 2022 on the use of the InPA recruitment portal by local administrations, published in the Official Journal No. 9 of 12 January 2023;
- ix) Memorandum of Understanding of 30 November 2022 between the Department of the Public Function of the Presidency of the Council of ministers and the armed forces, police forces, and the national fire corps on the methods and use of the InPA recruitment portal;
- x) Decree of the Minister of Public Administration of 3 November 2023 on data protection related to the InPA recruitment portal, published on the website of the Department of Public Administration on 4 November 2023;
- xi) Decree of the Minister of Public Administration of 28 September 2022 on guidelines for access to managerial positions in the public administration, published on the website of the Department of Public Administration on 28 September 2022;

- xii) Decree of the Minister of Public Administration of 28 June 2023 on the framework of transversal skills for non-managerial members of staff in the public administration, published on the website of the Department of Public Administration on 9 August 2023;
- xiii) Decree of the President of the Republic (DPR) No. 82 of 16 June 2023, which modifies DPR No. 487 of 9 May 1994, on the rules to access jobs in public administrations and to conduct competitions and other forms of recruitment in the public sector, published in the Official Journal No. 150 of 29 June 2023;
- xiv) Directive of the Minister of Public Administration of 23 March 2023 on training planning and development of skills for the digital, ecological, and administrative transition promoted by the NRRP, published on the website of the Department of Public Administration on 24 March 2023;
- xv) Decree of the President of the Republic No. 81 of 13 June 2023 on the code of conduct of staff in public administrations, published in the Official Journal No. 150 of 29 June 2023; Inter-ministerial Decree of the Department of Public Function and the Department of Equal Opportunities of 6 October 2022 on guidelines for gender gap in the public administration, published on the website of the Department of Public Administration on 7 October 2022.

The authorities also provided:

- i) Decree of the Minister of Public Administration of 15 July 2022 on the governance of the reform process of the public administration, published on the website of the Department of Public Administration on the same day;
- ii) Decree of the Minister of Public Administration of 19 July 2022 on the creation of a scientific Committee for the evaluation of the impact of reforms in the field of public human capital;
- iii) Decree of Head of Department of the Public Function of 18 November 2022 on the roadmap of reforms in the public administration;
- iv) Decree of 22 June 2023, published on the Official Journal No. 168 of 20 July 2023, establishing the "National Observatory on Public Employment".

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities cover all constitutive elements of the milestone. In particular:

**Entry into force of all related delegated acts, ministerial decrees, secondary legislation, and all other regulations necessary for the effective implementation of the reform.**

Following the entry into force of the enabling legislation, in line with milestone M1C1-56 (positively assessed under the second payment request), Italy has adopted the acts described below that were required for the effective implementation of the reform.

- **Definition of job profiles.** Secondary acts were adopted to implement “the definition of job profiles specific for the public sector to attract the competences and skills needed”, as set out in Milestone M1C1-56. In particular:
  - **“Guidelines for the identification of new professional needs by public administrations”** (*Linee di indirizzo per l'individuazione dei nuovi fabbisogni professionali da parte delle amministrazioni pubbliche*) were adopted through ministerial decree of 22 July 2022, published in the Official Journal No. 215 of 14 September 2022 and, in accordance with its Article 2, entered into force on 14 September 2022. The decree provides public authorities with methodological guidance for the planning and identification of professional needs. It

also provides for a template to define new professional profiles addressed by collective agreements (see point below).

- **Collective agreements** (*Contratto collettivo nazionale di lavoro*, CCNL) signed on 9 May 2022 for public employees of the central public administration, on 2 November 2022 for the healthcare sector, and on 16 November 2022 for public employees of the local public administrations. The agreements define job profiles in the public administration in line with the provisions set out in Decree-Law No. 80 of 2021.
- **Ministerial decree of 28 June 2023** (published on the website of the Department of Public Administration on 9 August 2023 with immediate entry into force in accordance with Articles 7 and 15 of the Decree of the President of the Republic n. 1092 of 18 December 1985). It sets out the framework for the identification of cross-functional (or transferable) skills for public employees not occupying managerial positions (*Framework delle competenze trasversali del personale di qualifica non dirigenziale delle pubbliche amministrazioni*). The decree is a repository of cross-functional skills that individual administrations can draw upon to create a specific skills profile for the role(s) they are advertising. The document introduces definitions of cross-functional skills that are homogenous across the public administration at all levels.
- **Single recruiting platform.** Secondary acts were adopted to implement the “single recruiting platform to centralise public hiring procedures for all central public administrations, with a commitment to extend the use of the platform also to local administrations”, as set out in Milestone M1C1-56. In particular:
  - **"Operational Manual for Single Responsible Persons and Operators of the InPA Portal - PNRR"** was published on the single recruitment platform ([www.inpa.gov.it](http://www.inpa.gov.it)) on 21 December 2022. The manual offers a user-friendly guide to using InPA's available features. The manual was approved in agreement with the Regions and Autonomous Provinces, the associations of municipalities (*Associazione Nazionale Comuni Italiani*, ANCI) and provinces (*Unione Province Italiane*, UPI).
  - **Ministerial Memorandum (Nota Circolare) no. 1/2022 of 1 July 2022** sets out the necessary information needed from public authorities for the registration on the portal, the access and usage procedures by administrations, and those for the publication of competitions. It was adopted in accordance with Article 2, paragraph 1 of Decree-Law No. 36 of 2022 on additional urgent measures for the implementation of the NRRP. On November 30, 2022, a separate Memorandum of Understanding was signed between the Department of Public Function and the Armed Forces, Police Forces, and the National Fire Corps, regulating the use of the portal for these public bodies.
  - **Ministerial decree of 15 September 2022**, published in the Official Journal no. 9 of 12 January 2022 and entered into force on 27 January 2022 according to Art. 2 (4) of Decree-Law n. 36 of 2022 converted into law n. 79 of 2022, regulates the methods of using the portal for regions and local entities.
  - **Ministerial decree of 3 November 2023** on the protection of personal data and with immediate entry into force in accordance with Article 10 of the Decree of the President of the Republic n. 1092 of 28 December 1985. According to Art. 8 (2), personal data will be kept for a limited amount of time according to the notice of competition, it will be treated with adequate measures of protection (Art. 9 (1, 2, 3), and technical attachment).

- **Reform of recruitment process.** Secondary legislation was adopted to implement the reform of the recruitment procedures. In particular:
  - **Ministerial decree of 28 June 2023**, already mentioned above, by setting out the framework for the identification of cross-functional (or transferable) skills for public employees not occupying managerial positions, ensures that the recruitment process moves from a purely knowledge-based system to a system primarily based on competences and soft skills, as required by milestone M1C1-56.
  - **"Guidelines on Access to Public Management"** (*Linee guida per l'accesso alla dirigenza pubblica*), adopted through ministerial decree of 28 September 2022 and entered into force according to Art. 3 (5) of Decree-Law n. 36 of 2022, modified into law n. 79 of 2022. The document provides public administrations with guidance and best practices for the selection of public managers, and a framework for the evaluation of competencies for managers. In doing so, the guidelines differentiate the recruitment processes between entry-level recruitment, purely competence-based, and the recruitment of specialised profiles, which combines competences with relevant work experience (as set out in Milestone M1C1-56).
  - **Decree of the President of the Republic no. 82 of 16 June 2023**, published on the Official Journal no. 150 of 29 June 2023 and, in accordance with Art.3 (6) of Decree-Law n. 36 of 2022, converted into law n. 79 of 2022, entered into force on 14 July 2023. The decree amends the previous Decree of the President of the Republic No. 487/1994 governing public competitions. It updates and simplifies recruitment in public administration, digitalises procedures at various stages of public competitions, introduces provisions to encourage gender equality and support disadvantaged individuals.
  
- **Reform of senior civil service.** The "Guidelines for Access to Public Management" mentioned above provides operational guidelines and tools to define job profiles for senior public employees and the assessment of their capacity, thereby homogenising the recruitment of public managers across the public administration (as required by Milestone M1C1-56).
  
- **Link between life-long learning and training opportunities.** The necessary secondary legislation was adopted to strengthen the link between life-long learning and training opportunities for employees and incentives to participation. In particular:
  - **Ministerial Directive of 24 March 2023** "Planning of Training and Development of Skills Functional to the Digital, Ecological, and Administrative Transition Promoted by the National Recovery and Resilience Plan" (*"Pianificazione della formazione e sviluppo delle competenze funzionali alla transizione digitale, ecologica e amministrativa promosse dal Piano Nazionale di Ripresa e Resilienza"*) provides methodological and operational guidelines to administrations for the planning, management, and evaluation of training activities in the field of green and digital transition for public employees. The new platform of the Department of Public Administration 'Syllabus' ([www.syllabus.gov.it](http://www.syllabus.gov.it)) provides, among others, on-line training courses to boost skills relevant for the green and digital transition for civil servants at all levels of the public administration, as required by Milestone M1C1-56. The same ministerial decree (pg. 10) specifies that the participation by public employees in training courses and their successful completion are positively evaluated by the administration as part of individual performance assessments. The achievement of training objectives by employees is also taken into consideration for decisions concerning horizontal and vertical mobility.



- **Collective agreements** (*Contratto collettivo nazionale di lavoro*, hereinafter “CCNL”) signed on 9 May 2022 for public employees of the central public administration, on 2 November 2022 for the healthcare sector, and on 16 November 2022 for the staff of local public administration. The collective agreements emphasize the importance of life-long learning and training activities for the professional advancements of public employees (see Art. 54(4) of CCNL for public employees in local administrations), horizontal mobility (see Art. 17(1) of CCNL for public employees in central administrations) and performance evaluation (see Art. 56(3) of CCNL for public employees in local administrations).
- **Ethics principles and codes of conduct.** Italy has adopted the necessary secondary legislation to define or update the ethics principles of the public administration.
  - In particular, the Decree of the President of the Republic No. 81 of 13 June 2023 published in Official Journal No. 150 of 29 June 2023, which entered into force on 14 July 2023 according to Art. 4 (2) of Decree-Law n. 36 of 2022 converted into law n. 79 of 2022, amends the Decree of the President of the Republic No. 62 of 16 April 2013, by setting and updating ethics principles and codes of conduct for public employees. It regulates the use of internet and social media for activities unrelated to work establishes clear guidelines to prevent discriminatory behaviours and protect employees from such behaviours. Moreover, the decree provides for mandatory training on public ethics and ethical behaviour, both upon hiring and in the case of promotions to higher positions, as required by Milestone M1C1-56.
- **Commitment to gender balance.** Italy has adopted the secondary legislation necessary to strengthen its commitment to gender balance in the public administration.
  - In particular, the Inter-departmental Decree of the Department of Public Function, adopted in agreement with the Department of Equal Opportunities on 6 October 2022 with immediate entry into force according to Art. 5 of Decree-Law n. 36 of 2022 converted into law n. 79 of 2022, details the Guidelines on Gender Equality in the Organization and Management of Employment Relationships with Public Administrations (*Linee guida sulla parità di genere nell’organizzazione e gestione del rapporto di lavoro con le pubbliche amministrazioni*). These guidelines outline the remedial measures that administrations must pursue when identifying behaviours, practices, or internal regulations that either confer specific advantages or create disadvantages in careers for underrepresented genders, with the aim of rectifying these disparities.
- **Vertical mobility and performance evaluation.** All secondary legislation needed to implement the enabling legislation has been adopted. In particular:
  - Collective agreements (*Contratto collettivo nazionale di lavoro*, hereinafter “CCNL”) signed on 9 May 2022 for public employees of the central public administration, on 2 November 2022 for the healthcare sector, and on 16 November 2022 for public employees of the local public administration. The agreements regulate the methods for assigning responsibilities, systems for recognizing pay and career progressions, and access to new job classifications through, among others, the possibility for short-term tasks with higher responsibility and comparative procedure for determining horizontal or vertical mobility.
  - Regarding the performance dimension, novelties have been introduced by the Integrated Activity and Organization Plan (*Piano Integrato di Attività ed Organizzazione*) with the Decree of the President of the Republic No. 81 of 24 June 2022, which entered into force

on 14 July 2023 according to Art. 6 (5) of Decree-Law n. 80 of 2021 converted into law n. 113 of 2021. Furthermore, the Decree (Art. 3(b)) specifies that objectives and indicators of administrative efficiency and effectiveness shall be addressed during performance evaluation.

- Moreover, the ministerial Directive of 24 March 2023, already discussed, specifies that the participation of public employees in training courses and their successful completion are positively evaluated by the administration as part of individual performance assessments (Articles 2 and 3.2).
- **Horizontal mobility.** The secondary legislation regulating the functioning and access to the recruitment portal, described in point 2 above, also facilitates horizontal mobility. The portal works as a transparent single advertisement system for all vacant positions across the central administrations and allows for application to any available position anywhere, as required by Milestone M1C1-56. No other secondary legislation is needed to further implement this aspect of Reform 1.9. As set out by Milestone M1C1-56, Italy adopted secondary legislation ensuring the consistent implementation of the new process across the administrations. In particular:
  - Ministerial decree of 15 July 2022, which entered into force on 1 September 2022 in accordance with its Art. 2. The decree restructures the governance of public administration at both office and managerial level to strengthen oversight of the reforms and investments of the National Recovery and Resilience Plan assigned to the Department of Public Administration. For instance, the decree sets up, within the Department, an office for simplification and digitalization that will coordinate the implementation of simplification procedures (Article 1).
  - Ministerial decree of 19 July 2022 adopted by the Ministry of Public Administration (now Department of Public Administration) establishes an advisory body that is monitoring, analysing, and evaluating the impact of reforms of the public administration and related investments. The advisory body will be replaced by the "National Observatory on Public Employment", which is established by ministerial decree of 22 June 2023, published on the Official Journal no. 168 of 20 July 2023 and entered into force on 4 August 2023 in accordance with Article 7 of the Decree of the President of the Republic n. 1092 of 28 December 1985.
  - Decree issued by the Head of the Department of Public Administration (formerly in the Ministry of Public Administration) on 18 November 2022 sets out the roadmap for the implementation of the reform.

Based on the justifications provided, the entry into force of all related delegated acts, ministerial decrees, secondary legislation, and all other regulation established the effective implementation of the reform.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-72	<a href="#">M1C1-72, Related Measure: Reform 1.11: Reduction of late payments by public administrations and health authorities</a>
<b>Name of the Milestone:</b> Measures to reduce late payments from the Public administration to businesses are approved	

<b>Qualitative Indicator:</b> Provision in the law indicating the entry into force of rules to reduce late payments from the PA to businesses	<b>Time:</b> Q1 2023
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**Context:**

The main objective of the reform is to reduce the time that central and local administrations as well as health authorities currently take to pay the works and services they acquire on the market. Reform aims at ensuring that by the end of 2023 (i) public administrations at central, regional and local level pay within 30 days and (ii) regional health authorities pay within 60 days. In order to reach such targets, the reform also envisaged preliminary steps to be adopted by March 2023, such as the introduction of new rules to reduce late payments from the public administration to businesses and the deployment of a new IT system (InIT) to facilitate public administrations in the economic and financial accounting as well as in the execution of the expenditure.

Milestone M1C1-72 provides for the entry into force of the rules meant to reduce late payments to businesses by the Italian public administration.

Milestone M1C1-72 will be followed by target M1C1-76, which sets the weighted average payment time for central public authorities to business to 30 days (or below), target M1C1-77, which sets the weighted average payment time for regional authorities to business to 30 days (or below), target M1C1-78, which sets the weighted average payment time for local public authorities to business to 30 days (or below), target M1C1-79, which sets the weighted average payment time for health authorities to business to 60 days (or below), targets M1C1-80, M1C1-81, M1C1-82 M1C1-83, which sets to zero the weighted average payment delay for central, regional, local and health authorities. Milestone M1C1-72 will also be followed by target M1C1-88, which sets to maintain the weighted average payment time for central public authorities to business at 30 days (or below), target M1C1-89, which sets to maintain the weighted average payment time for regional authorities to business at 30 days (or below), target M1C1-90, which sets to maintain the weighted average payment time for local public authorities to business at 30 days (or below), target M1C1-91, which sets to maintain the weighted average payment time for health authorities to business at 60 days (or below), targets M1C1-92, M1C1-93, M1C1-94 M1C1-95, which sets to maintain at zero the weighted average payment delay for central, regional, local and health authorities.

The reform has a final expected date for implementation in December 2024.

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Law No. 145 of 30 December 2018, published in the Official Journal, General Series, No. 302 of 31 December 2018, containing the Budget Law for 2019;
- iii) Decree-Law No. 152 of 6 November 2021, as converted, with amendments, into Law No. 233 of 29 December 2021, published in the Official Journal, General Series, No. 310 of 31 December 2021, containing urgent measures on the implementation of the Recovery and Resilience Plan and on the contrast to mafia infiltrations;
- iv) Law-Decree No. 13 of 24 February 2023, converted, with amendments, into Law No. 41 of 21 April 2023, published in the Official Journal, General Series, No. 94 of 21 April 2023, on urgent measures for the implementation of the Recovery and Resilience Plan and for the implementation of cohesion and agricultural policy;
- v) Circular No. 9 of the Ministry for Economy and Finance, State's General National Accounting Office, of 19 March 2021 on the release of the new functions of the InIT system;

- vi) Circular No. 14 of the Ministry for Economy and Finance, State's General National Accounting Office, of 21 April 2021 on the 2021 budget;
- vii) Circular No. 19 of the Ministry for Economy and Finance, State's General National Accounting Office, of 2 July 2021 on the update of the reference data for the InIT system;
- viii) Circular No. 20 of the Ministry for Economy and Finance, State's General National Accounting Office, of 29 September 2021 with new instructions on the accounting criteria;
- ix) Circular No. 23 of the Ministry for Economy and Finance, State's General National Accounting Office, of 25 October 2021 on the accounting criteria for the new InIT system;
- x) Circular No. 7 of the Ministry for Economy and Finance, State's General National Accounting Office, of 25 January 2022 on a release of new functions of the InIT system;
- xi) Circular No. 17 of the Ministry for Economy and Finance, State's General National Accounting Office, of 7 April 2022 on the monitoring of late payments;
- xii) Circular No. 7 of the Ministry for Economy and Finance, State's General National Accounting Office, of 3 February 2023 on the latest release of new functions of the InIT system;
- xiii) Circular No. 21 of the Ministry for Economy and Finance, State's General National Accounting Office, of 11 May 2023 on the 2024 budget and accounting criteria;
- xiv) Ministerial Decree of the Ministry for Economy and Finance of 13 November 2020 on central administrations' accounting plans and criteria;
- xv) Ministerial Decree of the Ministry for Economy and Finance of 27 December 2022 updating the central administrations' accounting plans and criteria.

The authorities also provided:

- i) A summary table showing the actions the various public administrations must undertake to address late payments based on the type of administration and accounting criteria;
- ii) A summary table showing the number of administrations using the InIT system in 2021, 2022 and 2023;
- iii) A summary table with the invoices received and registered through InIT in 2021, 2022 and 2023;
- iv) A summary note with the main legislative measures undertaken by Italy to address the issue of late payments of public administrations;
- v) A technical note on methodology to calculate the weighted average payment time and weighted average payment delay for the targets in 2023 and 2024.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities cover all constitutive elements of the milestone. In particular:

- **Entry into force of new rules to reduce late payments from the public administration to businesses.**
  - In order to strengthen and consolidate the process of convergence in improving the payment times and reducing late payments from the Italian public administrations to businesses, Decree-Law No. 152 of 6 November 2021 (converted, with amendments, into Law No. 233 of 29 December 2021) which was published in the Official Journal No. 310 of 31 December 2021 and entered into force on 1 January 2022 in accordance with its article 1, paragraph 2, specified and extended the application of corrective measures in case of non-compliance with the payment time derived from EU law. The measures to be taken by the administrations in the event of non-compliance with the payment time targets differs based on their accounting system: for entities that adopt financial accounting, the measure mandate the administration to allocate part of its budget to the Commercial Debt Guarantee Fund

(which cannot be spent otherwise); for entities that adopt economic accounting, the measures foresee a reduction in spending, progressively modulated based on the extent of the default; for health authorities the measures directly impact the performance compensation of general managers and administrative directors in a gradual manner with respect to the extent of the payment delay. Law 233/2021 has extended the application of such guarantee measures also to institutions in provisional financial years and extended the penalties also to the administration's internal audit bodies and to the inspection services of the General National Accounts Department. Subsequently, Circular No 17 of 2022 from the State's General National Accounting Office (*Ragioneria Generale dello Stato*, part of the Ministry for Economy and Finance) was issued, which provides guidance on the implementation aspects of these measures and the verification activities carried out by the administrative and accounting bodies of the administrations concerned.

- In addition, Law-Decree No. 13 of 24 February 2023, converted, with amendments, into Law No. 41 of 21 April 2023, published in the Official Journal, General Series, No. 94 of 21 April 2023, which entered into force on 22 April 2023 pursuant in accordance with article 1, paragraph 4, contains new provisions on the reduction of payment times and reducing late payments from the public authorities to businesses (Article 4-bis). Paragraph 1 of Article 4-bis provides that, for the purposes of implementing the reform in question and improve the monitoring system, the central administrations (e.g. Ministries) must take specific measures to improve the efficiency of their expenditure and disclose them in their accounting documents; paragraph 2 provides that managers responsible for paying commercial invoices and senior managers are to be assigned specific annual objectives relating to compliance with the payment deadlines and that these objectives are to be assessed at a rate of at least 30 % for the purposes of performance remuneration.
  
- **The measures shall include, at least, the following key elements: The System InIT shall be deployed in the central public administration in order to support economic and financial accounting and the execution of public expenditure.**
  - The InIT system designed by the State's General National Accounting Office was launched in 2021 pursuant to the Circular No 9. of the Ministry for Economy and Finance, State's General National Accounting Office, of 19 March 2021, which also indicated with functions and phases of the accounting life of a payment had to be recorded and through which InIT features. The scope of the new system is to ensure full accuracy and uniformity of the data set and support the economic and financial accounting processes and facilitating the expenditure that is payments. Following Circulars No. 14 of 21 April 2021, No. 19 of 2 July 2021, No. 20 of 29 September 2021, No. 23 of 25 October 2021, No. 7 of 25 January 2022, No. 7 of 3 February 2023 and No. 21 of 11 May 2023 new InIT features and accounting and recording criteria have been introduced by the State's General National Accounting Office and as of June 2023 InIT is fully functional in all central public administrations where it is used to support economic and financial accounting and as a centralized interface to manage the execution of public expenditure. Most of the preceding accounting software systems have been terminated and replaced by InIT while for the remaining ones (e.g. the Sicoge system, which is currently used to finalize the issuance of the payment order) InIT ensures full compatibility and system integration, which allow to use only one centralized and uniform interface (InIT's) thus basically managing the

entire payment cycle through InIT. The new system is an Enterprise Resource Planning software based on two main pillars: (i) uniqueness of the accounting records, which is achieved through the principle of integration of the various operations throughout the payment cycle, according to which the same information must be written only once and made available to all parties involved; (ii) automatism of accounting entries, which is achieved through a centralized data base in InIT with various accounting information and history of each payment cycle and that reduces the number of entries to be inserted manually. In addition, InIT has also simplified the accounting entries relating to the economic-balance sheet and analytical accounting for cost centers, in order to facilitate the use of the templated economic-balance sheet introduced by the State's General National Accounting Office with its circular n. 9 of 19 March 2021.

- **The measures shall include, at least, the following key elements: Late payments: the indicators based on the database of the MoF IT system (Commercial Credit Platform - PCC) shall be the weighted average payment time of public authorities to businesses and the weighted average payment delay of public authorities to businesses for each of the following levels of public administration:**
  - central authorities (Amministrazioni dello Stato, enti pubblici nazionali e altri enti),
  - regional authorities (Regioni and Province Autonome),
  - local authorities (enti locali),
  - public health authorities (enti del Servizio sanitario nazionale).
- The Commercial Credit Platform (PCC) of the Ministry for Economy and Finance allows for the management and certification of debts of the Italian public authorities to businesses. The PCC covers all transactions with a commercial invoice issued to a public authority for supplies, services, procurement contracts and professional obligations. The system allows to select the information (variables) relevant for statistical analysis and for the calculation of specific indicators, excluding the information on payment management procedures that are not relevant and at the same time allowing for a timely reconciliation between the source database (basic data relating to the individual invoice) and the indicators developed as part of the monitoring activities at stake. The PCC therefore permits, amongst the many functions, the shaping of *ad hoc* queries to the system like, for what is relevant for the purpose of the milestone, the calculation of the weighted average payment time and weighted average payment delay of public authorities to businesses. The PCC also allows to run those searches based on the relevant administrations at stake, therefore also calculating the average payment time and the average payment delay of, respectively, (i) central authorities (including the central State's Administrations, the national public entities and similar entities), (ii) regional authorities (Regions and Autonomous Provinces), (iii) local authorities and (iv) public health authorities.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-73	M1C1-73, Related Measure: Reform 1.10: Reform of the public procurement legislative framework
<b>Name of the Milestone:</b> Entry into force of the reform of the Public Procurement Code	

<p><b>Qualitative Indicator:</b> Provision in the law indicating the entry into force of the Legislative-Decree to implement all the provisions of the delegation Law on the Reform of Public Procurement Code.</p>	<p><b>Time:</b> Q2 2023</p>
<p><b>Context:</b></p> <p>The main objective of the public procurement reform is to simplify and increase efficiency of the public procurement system, increase legal certainty for businesses and accelerate the award of public contracts. In particular the set measures that Italy had to put forward in 2023 are aimed at reducing the fragmentation of contracting authorities; requiring the setting of an e-platform as a basic requirement to participate in the nationwide evaluation of procurement capacity; empowering the national anti-corruption authority to review the qualification of contracting authorities; further simplifying and digitalize the procedures of central purchasing bodies and reduce the restrictions to the possibility to subcontracting, contained the current Public Procurement Code.</p> <p>Milestone M1C1-73 concerns the entry into force of the Legislative Decree implementing all the provisions of the Delegation Law to reform the Public Procurement Code, in compliance with previous milestones M1C1-70, M1C1-71 and M1C1-69.</p> <p>Milestone M1C1-73 is the fourth milestone of the Reform 1.10 of the public procurement legislative framework, and it follows the completion of M1C1-70, M1C1-71 and M1C1-69, related to the adoption of the abovementioned enabling legislation and measures in 2022 and 2021.</p> <p>Milestone M1C1-73 is accompanied by milestone M1C1-74, which concerns the adoption of all necessary implementing measures and secondary legislation for the reform/simplification of the public procurement system.</p> <p>M1C1-73 will be followed by milestone M1C1-75, on the full operationalisation of the eNational Procurement System, and by several targets. Targets M1C1-84 and M1C1-85 respectively concern the reduction of the average time between publication and contract award and between contract award and realization of the infrastructure, by Q4 2023. In order to ensure the maintenance of such reductions, targets M1C1-96 and M1C1-97 repeat the same objectives in Q4 2024. As part of target M1C1-86, at least 20% of civil servants shall be trained through the Buyers Professionalization Strategy and at least 15% of contracting authorities shall be using dynamic purchasing systems for target M1C1-87. At least 35% of civil servants shall be trained through the Buyers Professionalization Strategy for target M1C1-98 and at least 20% of contracting authorities are using dynamic purchasing systems for target M1C1-99.</p> <p>The reform has a final expected date for implementation in Q4 2024.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;</li> <li>ii) Legislative-Decree No. 36 of 31 March 2023, as published in the Official Journal No. 11 of 31 March 2023, adopting the reform of the Public Procurement Code;</li> <li>iii) List of Annexes to the Public Procurement Code.</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>iv) Council of Ministers' approval signed on 28 March 2023 of the Legislative-Decree No. 36 of 31 March 2023, following the Delegation Law N. 78 of 21 June 2021, which provides for the reform of the Public Procurement Code;</li> <li>v) Law No. 108 of 29 July 2021, as published in the Official Journal No. 181 of 30 July 2021, converting with modifications Decree-Law No. 77 of 31 May 2021 on urgent measures, simplification and speeding up of public procurement.</li> </ul>	

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities cover all constitutive elements of the milestone. In particular:

**Provision in the law indicating the entry into force of the Legislative Decree to implement all the provisions of the delegation Law on the Reform of Public Procurement Code. Entry into force of the Legislative Decree to implement all the provisions of the delegation Law to reform the Public Procurement Code.**

Legislative-Decree No. 36 of 31 March 2023 (hereinafter “D.Lgs. No. 36/2023” or the “Public Procurement Code”) implementing all the provisions of the delegation Law on the reform of Public Procurement Code was published in the Official Journal No. 11 of 31 March 2023 and has entered into force on 1 April 2023, in accordance with its Article 229. In order to allow a transition period, the provisions of the Code started being applied as of 1 July 2023 (Article 229). D.Lgs. No 36/2023 and its annexes constitute the new Public Procurement Code and substitute the previous Code (contained in Legislative Decree No. 50 of 18 April 2016), which is therefore no longer applicable. The Italian authorities have adopted D.Lgs. No. 36/2023 to implement all pillars of the reform of the public procurement legislative framework, as laid out in the Delegation Law No. 78 of 21 June 2022, published in the Official Journal, General Series, No. 146 of 24 June 2022 (hereinafter “Law 78/2022”). The Delegation Law was assessed in the context of the prior milestone M1C1-70. Law 78/2022 enabled (and, through a legislative mandate, delegated to) the Government to adopt a legislative decree introducing a new Public Procurement Code to replace the previous public procurement framework.

As regards the implementation of the provisions of the Delegation Law, in particular with regard to the first pillar on the reduction of the fragmentation of contracting authorities, D.Lgs. No. 36/2023 provides for the following:

- Establishment of the basic elements of the qualification system, which is defined by Article 63 of the Public Procurement Code and, in accordance with Article 1 (2) (c) of Law 78/2022, refers to (a) the organisation of the spending function and processes; (b) the consistency, experience and competence of human resources, including the recruitment system and the appropriate training of staff; (c) the experience gained in the design, award and execution of contracts, including the possible use of building information management methods and tools. Article 63 of the Public Procurement Code also identifies the thresholds for the qualification, providing for the necessary qualification of contracting authorities as follows: (a) basic or first-level qualification, for services and supplies up to the threshold of EUR 750 000 and for works up to EUR 1 000 000; (b) intermediate or second-level qualification, for services and supplies up to EUR 5 000 000 and for works up to the threshold referred to in Article 14; (c) advanced or third level qualification, with no limit of amount. The criteria are further detailed by Annex II.4 to D.Lgs. No. 36/2023, to which Article 63 refers. Such Annex is based on the Guidelines on the qualification of the contracting authorities adopted by the national anti-corruption authority (hereinafter referred as “ANAC”) on 30 March 2022. The Annex is analysed in the context of this preliminary assessment under milestone M1C1-74, which refers to the entry into force of all necessary implementing measures and secondary legislation for the reform/simplification of the public procurement system.
  - Setting of an e-platform as a basic requirement to participate in the nationwide evaluation of procurement capacity. Article 23 of the Public Procurement Code, which gives application to the delegation to legislate on this matter foreseen in Article 1(2) (paragraph m) of Law No. 78/2022, establishes a process of digitalization of the tendering and selection procedures, the monitoring and management of all stages of public



contracts and the full implementation of the National Database of Public Contracts (hereinafter referred as “BDNCP”, *Banca Dati Nazionale dei Contratti Pubblici*). This is consistent with the regulatory framework introduced in 2021, which already foresaw that the digital/telematic databases need to be interoperable with the BDNCP, and that the setting of an e-platform is one of the criteria of the qualification of contracting authorities as set by ANAC’s guidelines of 30 March 2022. Moreover, Article 25 of the Public Procurement Code provides that e-procurement digital platforms must be interconnected and interoperable with each other and with the BDNCP and that if a contracting authority does not have its own digital platform of e-procurement it may use the platforms of other contracting authorities, central purchasing bodies or aggregating entities, regions and autonomous provinces.

- Empowering ANAC to review the qualification of contracting authorities in terms of procurement capacity (types and volumes of purchases): Article 63 of the Public Procurement Code, which gives application to the delegation to legislate on this matter foreseen in Article 1 (2) (b) of Law No. 78/2022, provides that ANAC is in charge of the qualification system, which must comply with various sets of requirements further specified in the aforementioned Annex II.4. In particular, the qualification is articulated around three different levels for volume and types of purchases (as explained in the paragraph above on the establishment of the basic elements of the qualification system), which ANAC verifies on a sample base. Moreover, for tenders above the direct award threshold for services and supplies and above EUR 500 000 for works, ANAC does not issue the tender identification code (hereinafter referred as “CIG), which is necessary to record the existence of a tender and as such to launch the related procedure.
- Providing incentives to use existing professional central purchasing bodies: Article 62 (10) of the Public Procurement Code, which gives application to the delegation to legislate on this matter foreseen in Article 1 (2) (c) of Law No. 78/2022, provides incentives to use existing professional central purchasing bodies. Such incentives are described by and are intertwined with the qualification system. That article envisages that not-qualified contracting authorities must refer to central purchasing bodies or qualified contracting authorities for the tendering of public contracts that are above the qualification thresholds. Such request of non-qualified contracting authorities is considered as implicitly accepted if not formally rejected within ten days of its receipt.

As regards the implementation of the provisions of the Delegation Law, in particular the second pillar, which concerns the simplification and digitalization of the procedures of central purchasing bodies (“centrali di committenza”), D.Lgs. No. 36/2023 implements the provisions set out in the Delegation Law as follows:

- Article 222 of the Public Procurement Code, which gives application to the delegation to legislate on this matter foreseen in Article 1 (2) (m) of Law 78/2022, strengthens the efficiency of contracting authorities, ultimately aiming at reducing the timing for the tenders and of the awards of contracts, also through the use of contract templates/standards prepared by the ANAC, which are publicly available on its website.
- Article 38 and Annex I.6 of D.Lgs. 36/2023, which gives application to the delegation to legislate on this matter foreseen in Article 1 (2) (q and o) of Law 78/2022,

streamline the procedures relating to the approval phase of public works, encompassing the phase of verification and validation of projects, and defines the process of public debate to facilitate the reaching of an agreement between the various territorial entities involved.

- Article 50 of the Public Procurement Code (following the delegation to legislate on this matter foreseen in Article 1 (2) (e) of Law 78/2022), provides for the simplification of the rules applicable to public works, service and supply contracts below EU thresholds.
- Article 126 of the Public Procurement Code (following the delegation to legislate on this matter foreseen in with Article 1 (2) (hh) of Law 78/2022) introduces penalties and rewards to encourage the timely (or even ahead of schedule) performance of public contracts with the objective of speeding up public tender procedures.
- Title II of the Public Procurement Code (following the delegation to legislate on this matter foreseen in Article 1 (2) (ll) of Law 78/2022), contains provisions on alternative dispute resolution solutions, including in relation to the performance of the contract, which aim at speeding up the litigation phase that might arise from the award of public contracts and at reducing the recourse to the ordinary justice system.
- With respect to the “digitalization” of procedures, as explained further below, Part II of the Public Procurement Code, is entirely dedicated to the digitalisation of the public contracts’ life cycle, which is in line with Article 1 (2) (m) of Law 78/2022.

As regards the implementation of the provisions of the Delegation Law, in particular the third pillar which concerns the digitalization of procedures for all public contracts and concessions and the definition of interoperability and interconnectivity requirements, D.Lgs. No. 36/2023 implements the provisions set out in the Delegation Law as follows:

- D.Lgs. No. 36/2023 follows the mandate introduced by Article 1 (2) (m) of the Delegation Law No. 78/2022. As mentioned above, Part II of D.Lgs. No. 36/2023 includes provisions related to the digitalisation of procedures, which encompass every step of the public contracts’ life cycle. Tenders are assigned a digital identifier since the programming phase (Articles 19 (1) and 21 (1)) which accompanies them until the execution. Moreover, it prescribes the digitalisation and computerisation of tendering and awarding procedures, including, when possible, the evaluation of offers. As regards e-procurement, the National Database of Public Contracts, managed by ANAC, becomes a single gateway of tenders, interoperable with the platforms used by the contracting authorities and on which they need to upload the information required by ANAC concerning the procurement cycle (from work/service design, the actual tender, the award to the project implementation, the details on the winners/executors and the parties/companies involved etc.), as well as and the digitalization of the economic operators’ virtual file (Articles 23 and 24).

As regards the fourth pillar on the implementation of the provisions of the Delegation Law, namely on the reduction of restrictions concerning subcontracting on a progressive basis, Article 119 of D.Lgs. No. 36/2023 lifts the restrictions to sub-contracting, which cannot in any case concern the entire execution of the services/works. Moreover, it requires contracting authorities to include in the tender documentation the activities that cannot be further sub-contracted. Such discretionary evaluation of contracting authorities can be exercised when required by the specific characteristics of the contract and by the need, in view of the nature or complexity of the services or work to be carried out, to strengthen its control over the activities performed, with also a view at improving the protection of workers’ health and safety or at preventing the risk of criminal infiltration.

- The milestone in the Council Implementation is further specified in the Operational Arrangements, which requires that: **the Legislative Decree shall**

**(i) ensure the stabilization and consolidation of all the measures introduced by the IT Authorities to address M1C1-69 and M1C1-71 in 2021, if necessary (e.g. for temporary measures)**

- As assessed in the context of the 1<sup>st</sup> payment request, the provisions contained in Decree-Law No. 77/2021, on urgent measures, simplification and speeding up of public procurement, adopted on 31 May 2021, as converted into Law No. 108 of 29 July 2021 (published in the Official Journal, general series, 181 of 30 July 2021), covered the requirements set in previous milestones M1C1-69 and M1C1- 71. Furthermore, in order to enhance the qualification system for contracting authority in Italy (also a requirement under the previous milestones), a Memorandum of Understanding was signed in December 2021 between the Presidency of the Council of Ministers and ANAC, based on which new ANAC’s Guidelines were adopted of 30 March 2022 (see below).
- As explained below, all measures of Decree Law No. 77/2021 relevant for the fulfilment of milestones M1C1-69 and M1C1-71 have been included in D.Lgs. No. 36/2023. With specific regard to their temporal dimension, by being included in D.Lgs. No. 36/2023, such measures are no longer limited in time (i.e. they are no longer “temporary”), thus can be considered structurally imported in the public procurement framework. For completeness, it should be noted that all provisions from Decree Law No. 77/2021 that have not been directly reflected in specific articles of the Public Procurement Code have been extended in time (with no expiry date) through the supplementary final provision of Article 225 of D.Lgs. No. 36/2023, which expressly indicates that such measures shall remain applicable also after their original expiry date of 1 July 2023.

**(ii) extend to all tender procedures the measures, introduced by the IT Authorities to address M1C1-69 and M1C1- 71 in 2021, if limited in scope (e.g. limited only to tenders for works/services related to the NRRP or other EU funds).**

- As explained above, the provisions contained in Decree-Law No. 77/2021, introduced to fulfil the requirements set in previous milestones M1C1-69 and M1C1-71, have been stabilised and consolidated in the new Public Procurement Code. Decree-Law No. 77/2021 contained also a set of provisions, captured by Article 48 titled “Simplification of public awards for the NRRP and the National Complementary Fund”, which were limited in scope to the projects financed through the NRRP or other EU funds. Such provisions covered the (i) simplification of the projects’ approval process (ii) the opinions on environmental matters, (iii) the integrated award of both project/design and execution of works at the same time, (iv) the sub-contracting, (v) the use of digital tools, (vi) the opinion of Superior Council of Public Works, and have been included in the new framework and extended in scope to all procedures through, respectively, Articles 38, 39, 43, 44, 119 and 188, and 47 of the Public Procurement Code.
- Notably, the measures introduced by the IT Authorities to address M1C1-69 and M1C1-71 have been included in the Code as follows:
  - With regard to the measures aimed at simplifying the public procurement system, all the relevant measures contained in Decree-Law No. 77/2021 have been confirmed: (i) the reform of the project approval process has been confirmed as regard the conference of service (the confrontation between different public administration) by planning that the results of the assessment of whether archaeological interest is subject to prior verification

of archaeological interest shall be obtained directly during the conference (thus not postponing the process) (Articles 44 and 48 of Decree-Law No. 77/2021, now Articles 38 and 39 of D.Lgs. No. 36/2023). The new Code (through Articles 38 and 39 of D.Lgs. No. 36/2023) builds on the legal instrument of qualified dissent for a quicker settling differences of positions between administrations (previously regulated by Article 13 of Decree-Law No. 77/2021). (ii) Simplified procedures are provided for obtaining opinions/replies of relevant administrations on environmental and landscape matters (48 (5-bis) and (5-ter) of Decree-Law No. 77/2021, now Article 38 of D.Lgs. No. 36/2023). (iii) A simplified process has been introduced for the opinion of the Superior Council of Public Works (an advisory body for the State on public procurement matters), which is now mandatory only for the technical and economic feasibility of the State's public procurement project projects falling within the remit of the State, of State concessionaires and on other works financed for at least 50 % by the State (Article 47 of D.Lgs. No. 36/2023, following up on Article 48 (7) of Decree-Law No. 77/2021). (iv) Acceleration premium: financial rewards are provided in the event that the contracting authority concludes the contract before the terms laid down in the contract (Article 126 of D.Lgs. No. 36/2023, which was based on Article 50 (4) of Decree-Law No. 77/2021).

- Still with regard to simplification, Article 50 of the Public Procurement Code maintains the procedural simplification foreseen by Article 51 of Decree Law No. 77/2021, as previously assessed under milestone M1C1-69, for contracts below the EU thresholds. The simplified procedures are to be intended as an option in alternative to standard procedures, which could also be used.
- Article 17 (3) of the Public Procurement Code, in line with Article 51 of Decree Law No. 77/2021, provides for targets to reduce the time between the publication and the contract award, which are further specified in Annex I.3 of the Code. Furthermore, with the objective of speeding up the awards, it is foreseen that the contracting authorities may choose to examine the offers before checking the tenderers' compliance with the subjective requirements (Article 107 (3) of D.Lgs. No. 36/2023, which was based on Article 52 of Decree-Law No. 77/2021).
- In order to speed up also the execution phase of the projects, Articles 215 to 219 of the Public Procurement Code confirm the Technical Advisory Committee, created under Article 51 of Decree-Law No. 77/2021, as the mandatory alternative dispute resolution mechanism in the execution phase of works above the EU thresholds. This body is set to prevent and help settling disputes and avoid long litigation (as already foreseen by Article 51 of Decree-Law No. 77/2021).
- Article 44 of the Public Procurement Code confirms the possibility, introduced by Article 48 of Decree Law No. 77/2021, for qualified contracting authorities to tender out jointly the project and the execution of works on the basis of a technical and economic feasibility.
- Article 23 of the Public Procurement Code, as indicated above, confirms the obligation of contracting authorities to collect and transmit, in a timely manner, all information relating to the procurement cycle to the National Database of Public Contracts managed by ANAC, in line with Article 53 of by Decree-Law No. 77/2021. Articles 32, 33 and 34 of the Public Procurement Code sets the rules for the dynamic purchasing system, electronic auctions

and procurement catalogues, which are also in line with the objective of the full operation of the National eProcurement System.

- The Public Procurement Code (Article 43 of D.Lgs. No. 36/2023) also imports and clarifies what already introduced with Article 48 of Decree-Law No. 77/2021 on the adoption of digital information management methods and tools (BIM) for the design and execution of public works.
  - As seen above, the measures on subcontracting have been included under Article 119 of D.Lgs. 36/2023, in compliance with milestones M1C1-70. These measures are aimed at promoting the participation of SMEs in tendering procedures, allowing them to have a share of the services covered by the contract performed by a different undertaking. It should also be noted that Article 119 of D.Lgs. 36/2023 reflects also the changes to Article 105 of the Legislative Decree No. 50/2016 (previous Public Procurement Code) introduced by Law No. 238/2021, which was adopted in order to align the provisions on subcontracting to EU law. The progressive reduction of restrictions on subcontracting had also been mandated by Article 49 (1) (a) of Decree-Law No. 77/2021 (the purpose of which was already to progressively reduce the limits to subcontracting).
- The Operational Arrangements further requires that **the IT Authorities shall ensure that any further primary or secondary legislation or any regulatory or implementing acts (e.g. ANAC’s guidelines) introduced in 2022 and in the first quarter of 2023 to implement, stabilize in time, consolidate or strengthen the measures introduced to address M1C1-69 and M1C1- 71 in 2021 are consistent with and do not alter the content of such measures approved in 2021, while excluding any measures that, based on a common understanding by the Commission and Italy, are proved to be ineffective or counterproductive as regards the acceleration and simplification of the tender procedure.**
    - As seen above all relevant measures of Decree-Law No. 77/2021 have been confirmed and extended in time through D.Lgs No. 36/2023. With specific regard to ANAC’s guidelines on qualification, as explained above, D.Lgs. No. 36/2023 implements, stabilizes, and consolidates the Memorandum of Understanding signed in December 2021 between the Presidency of the Council of Ministers and ANAC and the following ANAC Guidelines of 30 March 2022. The two documents concern the qualification of the contracting authorities and set the criteria and stages for completing the qualification exercise. Article 63 of the Public Procurement Code on one hand identifies the thresholds for the qualification, whereas, on the other hand, the criteria are further detailed by Annex II.4 to D.Lgs. No. 36/2023, which Article 63 refers to. ANAC’s guidelines have therefore been imported in the new Code as a constitutive element of it.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-74	<a href="#">M1C1-74, Related Measure: Reform 1.10: Reform of the public procurement legislative framework</a>	
<b>Name of the Milestone:</b> Entry into force of all necessary implementing measures and secondary legislation for the reform on simplification of the public procurement code		
<b>Qualitative Indicator:</b> Entry into force of all necessary implementing measures and secondary legislation		<b>Time:</b> Q2 2023

**Context:**

The main objective of the public procurement reform is to simplify and increase efficiency of the public procurement system, increase legal certainty for businesses and accelerate the award of public contracts. In particular the set measures that Italy had to put forward in 2023 are aimed at reducing the fragmentation of contracting authorities; requiring the setting of an e-platform as a basic requirement to participate in the nationwide evaluation of procurement capacity; empowering the national anti-corruption authority to review the qualification of contracting authorities; further simplifying and digitalizing the procedures of central purchasing bodies and reduce the restrictions to the possibility to subcontracting, contained the current Public Procurement Code. Milestone M1C1-74 concerns the entry into force of all necessary implementing measures and secondary legislation for the reform/simplification of the public procurement system, also stemming from the revision of the Public Procurement Code to the extent that such acts are necessary to give full application to the reform.

Milestone M1C1-73 is the fifth milestone of the Reform 1.10 of the public procurement legislative framework. It follows the completion of M1C1-70, M1C1-71 and M1C1-69, related to the adoption of the enabling legislation for the adoption of a legislative decree introducing a new Public Procurement Code to replace the previous framework and measures in 2022 and 2021.

Milestone M1C1-74 follows up to milestone M1C1-73, which concerns the entry into force of the Legislative Decree introducing a new Public Procurement Code due in Q1 2023.

M1C1-74 will be followed by milestone M1C1-75, on the full operationalisation of the eNational Procurement System, and by several targets. Targets M1C1-84 and M1C1-85 respectively concern the reduction of the average time between publication and contract award and between contract award and realization of the infrastructure, both indicatively due in Q4 2023. The aforementioned targets shall have to be reached again indicatively in Q4 2024 (M1C1- 96 and M1C1-97), confirming therefore the structural change. Indicatively by Q4 2023, at least 20% of civil servants shall be trained through the Buyers Professionalization Strategy (target M1C1- 86) and at least 15% of contracting authorities shall be using dynamic purchasing systems (target M1C1-87). Indicatively by Q4 2024, at least 35% of civil servants shall be trained through the Buyers Professionalization Strategy (target M1C1-98) and at least 20% of contracting authorities are using dynamic purchasing systems (target M1C1-99).

The reform has a final expected date for implementation in Q4 2024.

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Legislative-Decree No. 36 of 31 March 2023, as published in the Official Journal No. 11 of 31 March 2023, adopting the reform of the Public Procurement Code;
- iii) List of Annexes to the Public Procurement Code;
- iv) Deliberation No. 261 of the National anti-corruption authority (hereinafter referred as "ANAC") as published in the Official Journal No. 151 of 30 June 2023;
- v) ANAC Deliberation No. 262 as published in the Official Journal No. 151 of 30 June 2023;
- vi) ANAC Deliberation No. 263 as published in the Official Journal No. 151 of 30 June 2023;
- vii) ANAC Deliberation No. 264 as published in the Official Journal No. 151 of 30 June 2023;
- viii) ANAC Deliberation No. 265 as published in the Official Journal No. 151 of 30 June 2023;
- ix) Deliberation No. 137 of 1 June 2023 of Agency for digital Italy (hereinafter referred as "AGID", *Agenzia per l'Italia digitale*) as published in the Official Journal No. 136 of 13 June 2023;
- x) ANAC User Manual for the qualification of contracting authorities as published on its website on 22 May 2023;

- xi) Decree No. 250 of 15 June 2023 of the High Council for Public Works as published on its website;
- xii) Guidelines to promote gender and generational equal opportunities, as well as employment inclusion of people with disability in reserved contracts as published in the Official Journal No. 164 of 26 July 2023.

The authorities also provided:

- vi) Law No. 108 of 29 July 2021, as published in the Official Journal No. 181 of 30 July 2021, converting with modifications Decree-Law No. 77 of 31 May 2021 on urgent measures, simplification and speeding up of public procurement.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities cover all constitutive elements of the milestone. In particular:

- **Entry into force of all necessary implementing measures and secondary legislation**
  - In line with the Council Implementing Decision qualitative indicator of the milestone, the implementing measures and secondary legislation necessary to give effective and technical application to the reform on simplification of the public procurement code, namely Legislative-Decree No. 36 of 31 March 2023 (hereinafter “D.Lgs. No. 36/2023” or the “Public Procurement Code”), have all entered into force.
  - National anti-corruption authority (hereinafter referred as “ANAC”) Deliberations No. 261, 262 263 and 264 of 20 June 2023 have been published on ANAC website and on the Official Journal No. 151 of 30 June 2023 and have entered into force on 1 July 2023, whereas they will become applicable as of 1 January 2024, in line with their respective Articles 13, 12, 9 and 9. The Agency for digital Italy (hereinafter referred as “AGID”, *Agenzia per l’Italia digitale*) Deliberation No. 137 of 1 June 2023, as published on the Official Journal No. 136 of 13 June 2023, has entered into force the same day of publication on AGID website and, whereas it will become applicable as of 1 January 2024, in line with its preamble. The Council Implementing Decision required the entry into force of all necessary implementing measures and secondary legislation. The Deliberations No. 261, 262 263 and 264 of 20 June 2023 shall become applicable as of 1 January 2024, in line with their respective Articles 13, 12, 9 and 9. Furthermore, Deliberation No. 137 of 1 June 2023 shall also become applicable of 1 January 2024. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the delay in the between the publication of the deliberations and the actual application of the provisions is considered both limited and proportional. Notably, it is consistent with and functional to the timing of the digitalisation of the public procurement framework foreseen by Article 225 of Legislative-Decree No. 36/2023, which requires the deployment of technical and digital actions to which these Deliberations refer. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.
- **Entry into force of all necessary implementing measures and secondary legislation for the reform/simplification of the public procurement system (also stemming from the revision of the Public Procurement Code).**
  - D.Lgs. No. 36/2023 includes several Annexes that are meant to provide additional implementing provisions and make the Public Procurement Code directly applicable’ Against this backdrop, implementing acts are needed only in limited areas. More in detail, Italian authorities have adopted the following nine implementing measures and secondary sources of legislation, which entered into force as detailed below:

- In accordance with Article 23 (2 and 5) of D.Lgs. No. 36/2023, the national anti-corruption authority (hereinafter referred as “ANAC”) adopted the Deliberation No. 261 of 20 June 2023, details with respect to the entry into force and applications of Deliberation No. 261 are provided in the last paragraph of the analysis of the first constitutive element of this milestone. The Deliberation identifies the six sections of the National Database of Public Contracts (hereinafter referred as “BDNCP”, *Banca Dati Nazionale dei Contratti Pubblici*) and the information that the contracting authorities have to provide to BDNCP (Articles 1 and 2). For instance, the Single Register of Contracting Authorities (hereinafter referred as “AUSA”, *Anagrafe Unica delle Stazioni Appaltanti*), whose registration is a requirement for the qualification exercise of contracting authorities (Article 3), and the Public Contracts Platform (*Piattaforma Contratti Pubblici*), which encompasses the digital services that have to interoperate with the BDNCP and allow the aforementioned transfer of data and information from the contracting authorities to the National Database of Public Contract (Article 4).
- In accordance with Article 24 (4) of D.Lgs. No. 36/2023, ANAC adopted, jointly with the Agency for digital Italy (hereinafter referred as “AGID”, *Agenzia per l’Italia digitale*) and the Ministry of Infrastructures and Transport, the Deliberation No. 262 of 20 June 2023. With respect to the entry into force and applications of Deliberation No. 262, details are provided in the last paragraph of the analysis of the first constitutive element of this milestone. The Deliberation identifies the typology of data to include in the digital file of the economic operator (hereinafter referred as “FVOE”, *Fascicolo virtuale dell’operatore economico*), concerning the participation to the awarding procedures for which it is compulsory the verification through the National Database of Public Contracts (Articles 6, 7 and 8). The Deliberation describes the functionalities of the FVOE, which allows, for example, contracting authorities to verify the existence of exclusion and selection requirements and economic operators to reuse the documentation saved on the platform for future tenders until their expiration (Article 3).
- In accordance with Article 26 of Legislative-Decree No. 36 of 31 March 2023, AGID adopted, jointly with ANAC and the Department of Digital Transition of the Presidency of the Council of Ministers, the Deliberation No. 137 of 10 June 2023 that approves annexed technical requirements and certification arrangements for e-procurement platforms (Article 1). Details with respect to the entry into force and applications of Deliberation No. 137 are provided in the last paragraph of the analysis of the first constitutive element of this milestone. Such requirements cover the public contract life cycle with the objective of reducing and simplifying awarding procedures and increasing competition, in line with Article 22 on e-procurement and more in general Part II, Book I of the Public Procurement Code.
- In accordance with Article 27 of Legislative-Decree No. 36 of 31 March 2023, ANAC adopted, jointly with the Ministry of Infrastructures and Transport, the Deliberation No. 263 of 20 June 2023. Details with respect to the entry into force and applications of Deliberation No. 263 are



provided in the last paragraph of the analysis of the first constitutive element of this milestone. Deliberation No. 263 establishes the ways to obtain the legal publicity of acts, through the National Database of Public Contracts, by their transmission to the Office of publications of the European Union and by their publication in accordance with Articles 84 and 85 of the Public Procurement Code, which concern the rules governing the publication at European and national level for tenders above or below European thresholds (Articles 2, 3, 4, 5, 6, 7 and 8).

- In accordance with Article 28 of Legislative-Decree No. 36 of 31 March 2023, ANAC adopted the Deliberation No. 264 of 20 June 2023. Details with respect to the entry into force and applications of Deliberation No. 264 are provided in the last paragraph of the analysis of the first constitutive element of this milestone. Deliberation No. 264 identifies the acts, information and data concerning public contract life cycle which are subject to specific transparency requirements and publication requirements in accordance with the so-called “Transparency Decree”, Legislative-Decree No. 33 of 14 March 2013, which establishes the rules on the right of civic access and the obligations of disclosure, transparency and dissemination of information by public administrations (Articles 2, 3, 4, 5, 6, 7 and 8).
- In accordance with Article 63 of Legislative-Decree No. 36 of 31 March 2023, ANAC adopted on 22 May 2023, by publishing it on its website, the immediately applicable User Manual for the qualification of contracting authorities, whose new system has been launched as of 1 July 2023, with the possibility for contracting authorities to apply as of 1 June 2023, as indicated by the Communication of 17 May 2023 of ANAC President. The thresholds, requirements and procedures for qualification have been described in the analysis of milestone M1C1-73 above which concerns the entry into force of the new Public Procurement Code.
- In accordance with Article 186 (paragraphs 2 and 5) of Legislative-Decree No. 36 of 31 March 2023, ANAC adopted the Deliberation No. 265 of 20 June 2023. The Deliberation concerns the award of concessions already in place at the time of the entry into force of the Public Procurement Code, notably on 1 July 2023, of an amount equal to or greater than the European threshold and not entrusted in accordance with the European Union law in force at the time of the award or extension (Article 1). The Deliberation No. 265 identifies the criteria for the calculation of outsourcing shares, indivisible services, the third-party operators, the adaptation of existing concessions, the measures rebalancing outsourcing shares and grantor controls for concessions other than motorway concessions, as well as arrangements for motorway concessionaires (Articles 2, 3, 4, 5, 6, 7, 8 and 9). ANAC Deliberation No. 265 of 20 June 2023 has been published on ANAC website and on the Official Journal and have entered into force on 1 July 2023, in line with its Article 10, becoming applicable on the same day.
- As required by Annex I.11 of Legislative-Decree No. 36 of 31 March 2023, the High Council for Public Works adopted the Decree No. 250 of 15 June 2023. The Decree concerns the subject distribution of the four Section composing the Council, namely building works, hydraulics, infrastructure and transports and the IV special Section. The Decree No. 205/2023 has entered into force on 15 June 2023, the same day of publication on its website.

- As required by Annex II.3 of D.Lgs. No. 36/2023 and in accordance with its Article 61, the Ministry of Family, Natality and Equal Opportunities and the Ministry of Sport and Youth, jointly with the Ministries of Transport, Labour and Social Policies and the Ministries of Disabilities, adopted on 20 June 2023 the Guidelines to promote gender and generational equal opportunities, as well as employment inclusion of people with disability in reserved contracts. Such Guidelines establish the criteria and procedures as to reserve a quota to individuals with disabilities or disadvantaged as well as envisage reward measures and templates for clauses to be included in calls for tender. Moreover, all contracts and concessions launched after the publication and entry into force of the Guidelines are subject to a new administrative requirement, in line with Article 1 of Annex II.3 to the Public Procurement Code. That Article applies to contracts and concessions fully or partially reserved to economic operators and social cooperatives, including their consortia, whose main purpose is the social and professional integration of persons with disabilities or disadvantages, or whose execution is reserved in the context of sheltered employment programmes, when at least 30% of the workers are disadvantaged or with disabilities. The guidelines have entered into force and become applicable on the same day of publication in the Official Journal No. 164 of 26 July 2023.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-109	<a href="#">M1C1-109, Related Measure: Reform 1.12: Reform of the tax administration</a>		
<b>Name of the Target:</b> Sending first pre-populated VAT tax returns			
<b>Qualitative Indicator:</b> N/A	<b>Baseline:</b> 0	<b>Target:</b> 2 300 000	<b>Time:</b> Q2 2023
<b>Context:</b>			
<p>Target M1C1-109 is part of Reform 1.12, which aims at reforming the tax administration through several measures in order to encourage tax compliance and improve the effectiveness of the targeting of audits and controls.</p> <p>Target M1C1-109 requires the transmission of pre-populated VAT tax returns to at least 2.3 million taxpayers for the tax year 2022.</p> <p>Target M1C1-109 is an intermediate step in the implementation of the reform, and it follows the completion of milestones M1C1-101 and M1C1-103 related to the implementation of several provisions for encouraging tax compliance and improving tax audits and controls, as well as targets M1C1-105, M1C1-106 and M1C1-107, requiring to increase the number of “compliance letters”, providing early communication to taxpayers for which anomalies are detected, to reduce the number of “false positive” compliance letters and to increase the tax revenue generated by "compliance letters", respectively. It will be followed by target M1C1-112, related to the increase of the staff of the Revenue Agency by 4113 units in order to improve its operational capacity; target M1C1-113, related to a further increase in the number of “compliance letters” sent compared to 2019; target M1C1-114, related to the increase of tax revenue generated by “compliance letters” by 30% compared to 2019; and targets M1C1-116 and M1C1-121, related to the reduction of tax evasion, as defined by the indicator "propensity to evade", in all taxes excluding property taxes and excises, by 5% and 15% compared to 2019, respectively. The reform has a final expected date for implementation in Q2 2026.</p>			

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Report from the Ministry of economy and finance and the Revenue Agency certifying the number of pre-populated VAT tax returns transmitted to taxpayers for the tax year 2022.

The authorities also provided:

- ii) Explanatory report from the Revenue Agency providing detailed explanations related to compliance with the target.

In the context of the sampling analysis, additional evidence provided for a sample of 60 units including:

- iii) Copy of the internal interface from the IT platform Business Intelligence displaying the number of pre-populated VAT tax returns made available to taxpayers.
- iv) For each of the 60 sample units:
  - a) the pre-populated VAT return transmitted to the taxpayer;
  - b) copy of the internal interface from the IT platform SERPICO displaying the occurred transmission to the taxpayer.

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the target.

- **Transmitting pre-populated VAT tax returns to at least 2.3 million taxpayers for the tax year 2022.**
  - The report from the Ministry of economy and finance and the Revenue Agency certifies that the number of pre-populated VAT returns transmitted to taxpayers for the tax year 2022 amounts to 2 404 637, which exceeds the target (2 300 000) by 104 637 (4.5% compared to the target).
- **Furthermore, in line with the description of the measure, the objective of the reform is to encourage tax compliance and improve the effectiveness of the targeting of audits and controls, including through the release of pre-populated VAT tax return.**
  - As the 2 404 637 **pre-populated VAT tax returns** have been released, the objective of the measures has been achieved.

The evidence provided for a sample of 60 units confirmed that the pre-populated VAT tax returns have been transmitted to the taxpayers by the Revenue Agency. The pre-populated VAT tax returns concerned the tax year 2022.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C1-125	M1C1-125, Related Measure: Investment 1.2 - Cloud enablement for local PA
<b>Name of the Milestone:</b> Award of (all) public calls for Cloud enablement for local Public Administration tenders	

<b>Qualitative Indicator:</b> Notification of the award of (all) public contracts for Cloud enablement for local Public Administration tenders	<b>Time:</b> Q2 2023
<p><b>Context:</b></p> <p>Milestone M1C1-125 is part of Investment 1.2 - Cloud enablement for local PA. The objective of the investment is to migrate the datasets and applications of a large part of the local public administration to a secure cloud infrastructure among a set of certified public cloud environments.</p> <p>Milestone M1C1-125 consists in the award of (all) public calls for Cloud enablement for local Public Administration tenders.</p> <p>Milestone M1C1-125 is the first milestone of the investment and it will be followed by targets M1C1-139 and M1C1-147, related to the cloud enablement for local Public Administration. The investment has a final expected date of implementation in Q2 2026.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) A summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) List (in excel format) of the 13 881 local public administrations awarded by the two calls addressed to municipalities, three calls addressed to schools and a call addressed to local health institutions;</li> <li>iii) Additional list (complement to the previous list) of 60 local public administrations awarded by the second call addressed to local health institutions.</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>i) The 1st public call for migration to cloud addressed to municipalities, published on 19 April 2022;</li> <li>ii) The 2nd public call for projects for migration to cloud addressed to municipalities, published on 25 July 2022;</li> <li>iii) The 1st public call for projects for migration to cloud addressed to schools, published on 26 April 2022;</li> <li>iv) The 2nd public call for migration to cloud addressed to schools, published on 27 June 2022;</li> <li>v) The 3rd public call for migration to cloud addressed to schools, published on 7 December 2022;</li> <li>vi) The public call for migration to cloud addressed to local healthcare agencies and hospitals, published on 28 December 2022;</li> <li>vii) The public call for migration to cloud addressed to local healthcare agencies and hospitals, published on 14 March 2023;</li> <li>viii) Annex 2 to the different calls above (and for different size classes for municipalities and local health agencies) on 'Definition of services and migration methods';</li> <li>ix) Annex 4 to the different calls above on 'DNSH';</li> <li>x) Annex 4 revised to the different calls above on DNSH containing the DNSH exclusion list.</li> <li>xi) Directorial Decree No 195/2022 of 27 December 2022 containing clarifications on DNSH conditions;</li> <li>xii) Methodology for determination of lump sum costs for the implementation of Measure 1.2 ('costing methodology') for municipalities, schools and local healthcare agencies;</li> <li>xiii) 21 Approval Decrees of the lists of projects approved for financing ('Financing Decrees');</li> <li>xiv) Website 'PA Digitale 2026' (padigitale2026.gov.it);</li> <li>xv) List of certified cloud providers contained in the webpage <a href="http://catalogocloud.acn.gov.it">catalogocloud.acn.gov.it</a>;</li> <li>xvi) Website of the central purchasing body for public authorities: <a href="http://www.acquistinretepa.it">www.acquistinretepa.it</a>;</li> </ul>	

xvii) Presentation by the Department of Digital Transformation of the activity of the Transformation Office ('TO presentation').

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Notification of the award of (all) public calls for each type of Public Administration involved (Municipalities, Schools, local healthcare agencies) to collect and assess migration plans.**
  - The 21 Financing Decrees provided by Italy contain the list of all projects for migration to cloud approved for financing by the 6 calls for projects (for each type of public administration involved). The Financing Decrees also contain the list of public administrations which renounced to the financing provided by the call. The above-mentioned decrees have been published on the government website PA Digitale 2026 on the dates indicated in the evidence provided section. The publication of the decrees constitutes the notification of the award.
- **The issuance of three dedicated calls shall allow the Ministry for Technological Innovation and Digital Transition to assess the very specific needs of each type of Public Administration involved.**
  - Two calls have been issued by Italian authorities targeting municipalities on 14 April 2022 and 25 July 2022. Three calls have been issued by Italian authorities targeting schools on 26 April 2022, 27 June 2022 and 7 December 2022. Finally, a call has been issued targeting local healthcare agencies on 7 December 2022.
  - As an integral part of each call, Annex 2 on 'Definition of services and migration methods' provides a list (specific to each type and size of local public administration) of the type of migrated services that can be supported by the call, identified as the services that are the least advanced in the process of migration to public clouds and which therefore, correspond to the specific needs of each type of public administration. Annex 2 also specifies the minimum and maximum number of migrated services that can be financed by each call, and the unit amount granted to the local public authority for each migrated service, both based on the analysis on needs of average services still to be migrated and on estimated costs. Each of these values has been estimated through the use of surveys, complemented by additional information available through administrative sources and previous studies as explained in the costing methodology documents.
- **Tenders awarded (i.e. publication of the list of public administrations admitted to receive funding) related to three public calls for proposal respectively for Municipalities, Schools, and local healthcare agencies, to collect and assess migration plans, in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.**
  - As an integral part of each call, Annex 4 contains the 'Do no significant harm' principles that must be followed by the administrations answering the calls as specified in Article 11 paragraph l). The first version of Annex 4 didn't contain the exclusion list mentioned in the 'Do no significant harm' Technical Guidance (2021/C58/01). A second version of Annex 4, containing the exclusion list (pag. 18-19) has been published with the Directorial Decree n.195/2022 of the Head of the Digital Transformation Department on 27 December 2022. The same decree states in Art.1 that the updated version applies to all 6 calls for projects already published. The compliance with the relevant EU and national legislation is ensured by the requirements' checklists for the various calls in Annex 4.

- **Furthermore, in accordance with the further specification of the Operational Arrangements, the call is expected to target potential beneficiaries based on needs. It is expected that the deployment of measures related to technical assistance would contribute to this aim.**
  - Each call contains a list (in Annex 2) of the services for which migration is to be supported. That list is dependent on the type of public administration (either municipality, school, hospital or healthcare agency) and on size of public administration. Each list has been compiled after surveys conducted by the Department of Digital Transformation among the targeted administrations, complemented by additional information available through administrative sources and previous studies, as explained in the data section of the costing methodology. As described in the 'TO presentation', a team within the Department of Digital Transformation, composed of 174 professionals, helps local public administrations in various phases of the migration process like analysis of needs, drafting of orders to suppliers and assessment of quotations received. Each professional has a portfolio of local public administrations which is tasked to follow.
- **Furthermore, in line with the description of the measure, “migration as a service” support package to administrations which shall encompass: (i) the initial assessment (...)**
  - The website ‘PA Digitale 2026’ set up by the Department of Digital Transformation of the Italian Presidency of the Council of Ministers makes available to Italian public administrations a specific functionality that helps them in classifying their data and services, an operation preliminary to the migration plan. Another functionality of the website allows public administrations to draft their migration plan. In addition, the grants financed by the call can be spent to hire specialists for aiding with the initial assessment of the migration plan as described in the costing methodology. The website functionalities together with the hiring of specialists, encompass the initial assessment of the migration plan mentioned above (classification of services and plan’s outline) constitute the initial assessment of the migration plan which includes also services financed by Investment 1.2.
- **The measure also envisages a “migration as a service” support package to administrations which shall encompass: (...) (ii) the procedural/administrative support needed to launch the effort (...)**
  - The website ‘PA Digitale 2026’ includes a support/FAQ section where public authorities can find indications on the procedures and requirements to implement a migration plan. The website also allows public administrations to ask for the assistance of a help desk in order to further clarify doubts on the administrative procedures for migrating services.
- **The measure also envisages a “migration as a service” support package to administrations which shall encompass: (...) (iii) the negotiation of the necessary external support and (...)**
  - As specified in the TO presentation document, the transformation office has a supporting role vis-a-vis the local public administrations in the choice of external providers and in the purchase process.
- **The measure also envisages a “migration as a service” support package to administrations which shall encompass: (...) (iv) the overall project management over the course of execution.**
  - As specified in the costing methodology documents, also the costs for specialist support for managing the migration projects are eligible for support from Investment 1.2, including preliminary assessment, devising a migration strategy, producing a feasibility study and governing the migration process.
- **A team supervised by the Ministry for Technological Innovation and Digital Transition (MITD) is expected to identify and certify a broad list of qualified providers and to negotiate a set of**

**standard support packages tailored to the size of the administration and the services involved in the migration.**

- The outcome of the activity of the team supervised by the Ministry of the Technological Innovation and Digital Transition is a list of qualified cloud providers in a webpage Managed by the National Cybersecurity Agency: 'catalogocloud.acn.gov.it'. A second outcome is a series of standard packages for cloud migration available as framework agreements managed by Consip (the central purchasing body for the public administration) and available on the website [www.acquistinretepa.it](http://www.acquistinretepa.it).

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C2-22	M1C2-22, Related Measure: Investment 4: Satellite Technology and Space economy	
<b>Name of the Milestone:</b> Award of all public contracts for satellite technology and space projects		
<b>Qualitative Indicator:</b> Notification of the award of all public contracts for satellite technology and space projects		<b>Time:</b> Q2 2023
<b>Context:</b>		
<p>The objective of this investment is to develop satellite connections in view of the digital and green transition, to contribute to the development of the space sector. The investment encompasses four projects: (i) Satcom, (ii) Earth Observation (EO), (iii) Space Factory and (iv) In-Orbit Economy.</p> <p>The objective of milestone M1C2-22 is the award of all public contracts for the four satellite technology and space projects mentioned above.</p> <p>Milestone M1C2-22 is the first milestone related to this investment. It is followed by three completion targets, namely: (i) target M1C2-23, which concerns the deployment of at least three additional high-performance telescopes able to identify space objects, one operational Space Surveillance and Tracking (SST) Centre (network of observation and tracking of space debris), one Space Factory (integrated lines for Manufacturing, Assembly, Integration and Testing (M-AIT) of small satellites) and one liquid propulsion demonstrator for new generation of launchers; (ii) target M1C2-24, which concerns the deployment of at least two additional constellations or proof of concept of constellations under the Satcom and Earth Observation initiatives, and (iii) target M1C2-25, which concerns the provision of at least eight additional services to public administrations stemming from supported space initiatives, such as coastal service and marine-coastal monitoring, air quality service, ground movement service, monitoring service coverage and land use, hydro-meteorological service, water resource service, emergency services, security services.</p> <p>The investment has a final expected date for implementation in Q2 2026.</p>		
<b>Evidence provided:</b>		
<p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) Copy of contracts award notifications: <ul style="list-style-type: none"> <li>a. Contract No. 663/2022 of 16 June 2022 signed between the Ministry of Defence and the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A. and Telespazio S.p.A. related to Phase D “Qualification and production” and the Ground</li> </ul> </li> </ul>		

- Segment of the SICRAL 3 satellite telecommunications system and the contract addendum of 28 March 2023 awarding additional activities for the finalization of the contract;
- b. Decree No. 845/2022 of 29 September 2022 awarding one contract for In-Orbit Economy activities *“Technological development activities, manufacturing, testing, validation, qualification, transport and installation of the FlyEye telescope for the surveillance of space objects in the SST context and for optional activities”* to OHB Italia S.p.A.;
  - c. Decree No. 312/2023 of 23 March 2023 awarding one contract for the In-Orbit Economy activities *“Research activity and technological development concerning the design, development and qualification of a green multi-purpose engine for orbital and sub-orbital applications (IOS, VEGA-C, VEGA-E and Space Rider)”* to AVIO S.p.A.;
  - d. Decree No. 334/2023 of 28 March 2023 awarding one contract for the In-Orbit Economy activities *“Technological research and development activity concerning the design, development and qualification of the in-orbit servicing demonstration mission”* to the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A., Avio S.p.A., Leonardo S.p.A., D-Orbit S.p.A. and Telespazio S.p.A.;
  - e. Decree No. 342/2023 of 28 March 2023 awarding In-Orbit Economy *“services related to creation of a HW and SW infrastructure at the CGS/Matera as part of the sub-investment M1C2.I4.4 related to “In-Orbit Economy- SST – FlyEye”* to Telespazio S.p.A, as subsequently modified by Decree No. 537/2023 of 25 May 2023;
  - f. Decree No. 341/2023 of 28 March 2023 awarding three contracts for Space Factory activities *“Research and technological development activities concerning the creation of the Space Factory of the PNRR”* respectively to (i) the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A. and Sitael, (ii) CESI and (iii) the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A., Sitael, Argotec and CIRA;
  - g. ESA Contracts for the implementation of the Earth Observation IRIDE project:
    - i. Contract No. 4000139743/22/NL/LF/ar with Argotec S.r.l.;
    - ii. Contract No. 4000139968/22/NL/LF/ar with OHB Italia S.r.l.;
    - iii. Contract No. 4000140161/22/NL/FFi with STELLAR PROJECT S.r.l.;
    - iv. Contract No. 4000140583/23/NL/LF/ar with D-Orbit S.p.A.;
    - v. Contract No. 4000140765/23/NL/LF/ar with Thales Alenia Space Italia S.p.A.;
    - vi. Contract No. 4000140775/23/NL/LF/ar with Thales Alenia Space Italia S.p.A.
  - h. ESA Contracts for the implementation of the Earth Observation downstream activities, namely the CyberItaly project:
    - i. Contract No. 4000140730/23/I-LG with Science [&] Technology Italy S.r.l.;
    - ii. Contract No. 4000140750/23/I-LG with Exprivia S.p.A.;
    - iii. Contract No. 4000140782/23/I-LG with Telespazio S.p.A.;
    - iv. Contract No. 4000140885/23/I-EB with e-GEOS S.p.A.;
    - v. Contract No. 4000140886/23/I-EB with e-GEOS S.p.A.;
    - vi. Contract No. 4000140909/23/I-EB with Planetek Italia S.r.l.;
    - vii. Contract No. 4000140911/23/I-EB with Capgemini Italia S.p.A.;
    - viii. Contract No. 4000140930/23/I-EB with Planetek Italia S.r.l.;
    - ix. Contract No. 4000140931/23/I-EB with Serco Italia S.p.A.
  - iii) Copy of the extract of the relevant parts of the technical specifications of the project proving alignment with the Council Implementing Decision’s description of the investment and milestone.

The authorities also provided:

- i) A report on the fulfilment of the milestone prepared by the Directorate for industrial reconversion and large production chains (*Direzione generale per la riconversione industriale e grandi filiere produttive, DGRIGFP*) of the Ministry for Enterprises and Made in Italy (Ministero delle Imprese e del Made in Italy, MIMIT);



- ii) A report by the Italian Space Agency (*Agenzia Italiana dello Spazio - ASI*) on the implementation of the investment;
- iii) A report by the European Space Agency (ESA) on the implementation of the Earth Observation 'IRIDE Constellation' project;
- iv) A report by the European Space Agency (ESA) on the implementation of the Space Factory 'High Thrust Engine' project;
- v) A report by the European Space Agency (ESA) on the implementation of the Space Factory 'Space Transformation Systems (STS)' Technical Assistance project;
- vi) The operational plan of the Satcom project;
- vii) The operational plan of the Earth Observation project;
- viii) The operational plans of the Space Factory project, including the one of 'Space Transportation System' project, the one of the 'High Thrust Engine' project and the one of the 'Space Transportation Systems' project;
- ix) The operational plans of the In-Orbit Economy project, including the one of the 'In-Orbit services' project and the one of the 'SST - FlyEye' project;
- x) The executive agreement between ASI and the Ministry of Defence signed on 20 September 2022 for the realization of the Satcom measure;
- xi) The technical specifications of the In-Orbit Servicing demonstration mission by the Italian Space Agency;
- xii) The call for tender of In-Orbit Servicing demonstration mission by the Italian Space Agency;
- xiii) The technical specifications of the In-Orbit Servicing demonstration mission by the Italian Space Agency;
- xiv) Frame Contract No. 4000138512/22/IT/RAS between the European Space Agency (ESA) and AVIO S.p.A. for 'Space Transportation Activities under the Arrangement for ESA's Assistance to the Italian National Project concerning Earth Observation and Space Transportation' and the associated work order 1 "Preliminary Design and Technological Solutions Identification Span/Cycle" and work order 2 "Subsystems Consolidated Design, System Design & Integration, and Development Models Manufacturing Spans/Cycles";
- xv) Work Order No. 23 (PO 4000140889) to the Frame Contract Nr 4000123722/18/F/BG between ESA and Arianespace for the procurement of the Launch Services of IRIDE.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Notification of the award of all public contracts for satellite technology and space projects, which shall consist of (i) Satcom, (ii) Earth Observation, (iii) Space Factory, and (iv) In-Orbit economy.**
  - The award of all public contracts related to the satellite technology and space projects related to the Satcom submeasure has been officially notified, as evidenced by:
    - Satcom operational plan, which identifies the Ministry of Defence as the contracting authority;
    - The executive agreement between the Italian Space Agency (*Agenzia Italiana dello Spazio - ASI*) and the Ministry of Defence signed on 20 September 2022 for the realization of the Satcom measure;
    - A copy of contract No. 663/2022 of 16 June 2022 signed between the Ministry of Defence and the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A. and Telespazio S.p.A. related to Phase D "Qualification and production" and the Ground Segment of the SICRAL 3 satellite telecommunications system and the contract addendum of 28 March 2023 awarding additional activities for the finalization of the contract. Such contract has been

awarded on the basis of a negotiated procedure pursuant to Art. 162 on classified contracts of the Italian Code of Public Contracts.

- As concerns the award of public contracts related to the satellite technology and space projects related to the Earth Observation submeasure, Italy demonstrated that the award of all public contracts has been notified through the following documentation:
  - The contracts signed between ESA and various companies and funded with RRP resources for the implementation of the upstream activities of the Earth Observation project, consisting in the creation of the IRIDE satellite constellation;
  - Work Order No. 23 to the Frame Contract Nr 4000123722/18/F/BG between ESA and Arianespace for the procurement of the Launch Services of IRIDE;
  - The contracts signed between ESA and various companies and funded with RRP resources for the implementation of the downstream activities of the Earth Observation project, such as the provision of applications and services for institutional and commercial users based on a digital replica of Italy named CyberItaly.
- As concerns the award of all public contracts related to the satellite technology and space projects related to the Space Factory submeasure, Italy provided the following evidence of the notification of the award of all public contracts:
  - Decree No. 341/2023 of 28 March 2023 awarding three contracts for Space Factory activities “Research and technological development activities concerning the creation of the Space Factory of the PNRR” respectively to (i) the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A. and Sitael, (ii) CESI and (iii) the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A., Sitael, Argotec and CIRA.
- As concerns the award of public contracts related to the satellite technology and space projects within the In-Orbit economy submeasure, Italy provided the following evidence of the notification of the award of the public contracts:
  - Decree No. 845/2022 of 29 September 2022 awarding one contract for In-Orbit Economy activities “Technological development activities, manufacturing, testing, validation, qualification, transport and installation of the FlyEye telescope for the surveillance of space objects in the SST context and for optional activities” to OHB Italia S.p.A;
  - Decree No. 312/2023 of 23 March 2023 awarding one contract for the In-Orbit Economy activities "Research activity and technological development concerning the design, development and qualification of a green multi-purpose engine for orbital and sub-orbital applications (IOS, VEGA-C, VEGA-E and Space Rider)” to AVIO S.p.A.;
  - Decree No. 334/2023 of 28 March 2023 awarding one contract for the In-Orbit Economy activities “Technological research and development activity concerning the design, development and qualification of the in-orbit servicing demonstration mission” to the temporary grouping of enterprises formed by Thales Alenia Space Italia S.p.A., Avio S.p.A., Leonardo S.p.A., D-Orbit S.p.A. and Telespazio S.p.A.;
  - Decree No. 342/2023 of 28 March 2023 awarding In-Orbit Economy “services related to creation of a HW and SW infrastructure at the CGS/Matera as part of the sub-investment M1C2.I4.4 related to “In-Orbit Economy- SST – FlyEye” to Telespazio S.p.A., as subsequently modified by Decree No. 537/2023 of 25 May 2023.
- Furthermore, in line with the description of the measure, **the investment has the aim to enable services such as secure communications and monitoring infrastructure for various sectors of the economy and, to this effect, it includes both upstream (launch services, production and operation of satellites and infrastructure) and downstream (generation of enabled products and services) activities.**

- Italy provided the operational plans of the four satellite technology and space submeasures part of this investment, which present in detail the objectives of each submeasure. In particular, as further presented below, such operational plans indicate that (i) the Satcom submeasure aims at developing a dual use SATellite COMMunication system for secure connectivity (see in particular on page 4 of Satcom operational plan); (ii) the Earth Observation submeasure aims at developing a constellation of satellites for land, maritime-coastal and air quality monitoring (so called ‘upstream activities’) and associated applications and services (‘downstream activities’) (see in particular on pages 3 and of the Earth Observation operational plan); (iii) the Space Factory submeasure aims at creating at least one factory for the manufacturing, assembly, integration and testing (M-AIT) of small satellites, and developing methodologies for the design of small satellites based on ‘digital twin’ techniques, rapid prototyping and the use of virtual and augmented reality technologies and at developing green technologies for a new generation of thrusters and launchers (see in particular on page 8 of the Space Factory 4.0 operational plan and on page 3 of the Space Factory ‘Access to Space – High Thrust Engine’ project operational plan), and (iv) the In-Orbit Economy submeasure aims at optimizing the integration and testing of In-Orbit Servicing applications through the digitalization of technologies and processes (see in particular on page 9 of the In-Orbit Economy operational plan).
- Furthermore, in line with the description of the measure, **the investment includes the award of tenders and encompasses four projects:**
  - **1. Satcom, which consists of activities for the development of dual-use technologies and systems to be used for the provision of highly secure innovative satellite communication services for governmental use.**
    - Italy provided Satcom operational plan, which on page 8 specifies that the objective of the investment is the creation of a dual use SATellite COMMunication space system, based on two satellites named SICRAL 3A and SICRAL 3B. In particular, the operational plan indicates that the Satcom system will feature high standards in terms of communications security and “Dual Use” characteristics, while contributing to EU activities related to secure connectivity in this field. In addition, the operational plan indicates that, given the high dual connotation of the project, the architecture of the system is conceived to offer capabilities, i.e. portions of the electromagnetic spectrum and innovative services, to all administrations and government entities requiring secure satellite communication systems, such as the departments of the Presidency of the Council of Ministers (e.g. Civil Protection), the Ministry of the Interior and the Ministry of Sustainable Infrastructure and Mobility (e.g. Coast Guard activities, etc.).
  - **2. Earth Observation (EO), which consists of: (i) upstream activities, including specification, design, development of a constellation for remote sensing (Synthetic Aperture Radar (SAR), hyperspectral) and the procurement of launches focused on monitoring land, sea and atmosphere; (ii) downstream activities: the realization of the CyberItaly Project encompassing the creation of a digital replica of the country.**
    - Italy provided evidence on both the upstream and the downstream activities related to the Earth Observation submeasure. In particular, Italy provided the operational plan of the project, which indicates that the measure involves (i) the upstream activities related to the creation of a highly revised satellite constellation with Synthetic Aperture Radar (SAR) X and hyperspectral/thermic sensors called “IRIDE” and aimed inter alia at specification, design and development of a constellation for remote sensing and the procurement of launches focused on land monitoring, maritime-coastal monitoring and air quality monitoring and (ii) the downstream activities, related to the development of Earth Observation applications and

services for institutional and commercial users based on a digital replica of Italy named CyberItaly (see in particular on page 3 and page 14 of the EO operational plan).

- **3. Space Factory, consisting of two sub-projects: (i) Space Factory 4.0: the specification, design and building of digital manufacturing, assembly and testing facilities for small satellites and the implementation of a cyber physical system of production and satellite digital twinning aimed at establishing a bidirectional link between the digital model and its physical counterpart; (ii) Access to Space: research, development and prototyping for the realization of green technologies for future generation of thrusters and launchers, including in-flight demonstration of selected technologies.**

- Italy provided evidence on both the 'Space Factory 4.0' and the 'Access to Space' sub-project. In particular, Italy provided the operational plan of the 'Space Factory 4.0' project, which indicates on page 8 that the project involves the specification and creation of at least one factory for the digital manufacturing, assembly, integration and testing (M-AIT) of small satellites. In addition to this main objective, the operational plan indicates that the sub-project also aims at developing methodologies for the design of small satellites based on digital twin techniques, rapid prototyping and the use of virtual and augmented reality technologies. This is in view of allowing the integration of the design, development and testing phases, optimizing the implementation time and the necessary resources and increasing the competitiveness of operators in the sector. As concerns, the 'Access to Space' sub-project, the operational plan of this project indicates that it is composed of two components, 'High Thrust Engine' and 'Space Transportation Systems'. The aim of the 'High Thrust Engine' project is the research, development and prototyping for the realisation of green technologies for a future generation of thrusters and launchers in the context of the ESA program 'Vega High Thrust Engine' (see in particular on page 2 of the 'High Thrust Engine' operational plan). The aim of the 'Space Transportation Systems' is the development of in-flight demonstrations of innovative systems for launchers (see in particular on page 3 of the 'Space Transportation Systems' operational plan).

- **4. In-Orbit Economy, which consists of the implementation of a demonstrator for in orbit servicing technologies for in orbit interoperability; the increase of the national Space Surveillance and Tracking (SST) capacity including a network of ground-based sensors for the observation and tracking of space debris; design, development, commissioning of assets for the acquisition and management and provision of the data service in support of Space Traffic Management activities.**

- Italy provided the operational plans of the In-Orbit Economy submeasure and in particular both the operational plan of the 'In-Orbit Services (IOS) project and the one of the 'SST - FlyEye' project. These operational plans indicate on page 2 that the project includes two components. The first one is the "In-Orbit Services (IOS)" component, which foresees the creation and implementation of a demonstrator for orbital services and interoperability technologies. The second one is a component aimed at increasing national Space Traffic Management (STM) – Space Situational Awareness (SSA) and Space Surveillance Tracking (SST) capacities to strengthen national space surveillance and tracking capabilities. The operational plan of the 'SST - FlyEye' project indicated on page 8 that the project involves (i) the development of a Network of Optical Sensors (Flyeye class telescopes) for the survey of debris on a global scale, (ii) the creation of a LASER station (SDLR) which will allow the tracking of non-cooperative objects of small dimensions, and (iii) the design, development and commissioning of a software infrastructure dedicated to planning observations by sensors, receiving and processing acquired data, in order to support future Space Traffic Management activities, which will be installed at the ASI Space Geodesy Center in Matera and will be the computing center for the operations of the sensors.

- **It is envisaged that the investment does not have military or defence objectives and implications.** Italy provided the operational plans of the four submeasures part of the investment and these do not foresee any military or defence objectives and implications for any of the projects involved.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M1C3-20	M1C3-20, Related Measure: Investment - 3.2 Development of the film industry (Cinecittà project)
<b>Name of the Milestone:</b> Signature of the contracts between the implementing entity Cinecittà SPA and the companies in relation to the construction of nine studios	
<b>Qualitative Indicator:</b> Signature of the contracts	<b>Time:</b> Q2 2023
<p><b>Context:</b></p> <p>The measure aims to enhance the competitiveness and mitigate the social and economic impact of the crisis for the Italian film and audiovisual sector.</p> <p>The investment is divided in three lines of actions:</p> <ol style="list-style-type: none"> <li>1. Construction of new studios and recovery of existing ones, construction of new high-tech theatres with annexes;</li> <li>2. Innovative investment to enhance the production and training activities of Experimental Centre for Cinematography, including new tools for audiovisual production, internationalization and cultural exchanges, creation of a photochemical laboratory for the preservation of films);</li> <li>3. Activities for developing infrastructure (virtual production live set) for professional and educational use through e-learning, digitization and modernization of the building and plant stock. Strengthening professional skills and competences in the audiovisual sector, in particular with a view to fostering the technological transformation.</li> </ol> <p>Milestone M1C3-20 provides for the signature of the contracts between the implementing entity Cinecittà SPA and the companies in relation to the construction of nine studios.</p> <p>Milestone M1C3-20 is the first step of the implementation of investment 3.2 “Development of the film industry (Cinecittà project)” and it will be followed by target M1C3-21 related to the final completion of the projects for the construction and renovation interventions. The completion of the other interventions included in the three lines of actions will be also verified in the context of the assessment of Target M1C3-21. The investment has a final expected date for implementation in Q2 2026.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ol style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;</li> <li>ii) Copy of the signed contracts for the construction of the new studios and recovery of existing ones (including their addendums) and link to the publication on the website of the Ministry of Culture (<a href="#">Firmati i contratti relativi alla costruzione di nove teatri/studi – M1C3   3.2 Sviluppo industria cinematografica (Progetto Cinecittà) (cultura.gov.it)</a>);</li> </ol>	

- iii) extract of the relevant parts of the technical specifications of the project proving alignment with the Council Implementing Decision's description of the investment and milestone;
- iv) extract of the relevant parts containing the selection criteria that ensure compliance with the Do No Significant Harm principle and the elements of the respective intervention field of Annex VI of the RRF Regulation.

The authorities also provided:

- v) report concerning the climate contribution of the investment and the related applied methodology.
- vi) Agreement between the General Direction for Cinema and the Audiovisual Sector (Direzione Generale Cinema e Audiovisivo del Ministero della Cultura) of the Ministry of Culture and Cinecittà SPA, signed on 25 January 2023, including as an annex the executive plan for the implementation of Linea A;
- vii) Agreement between the General Direction for Cinema and the Audiovisual Sector of the Ministry of Culture and Experimental Centre for Cinematography, signed on 26 January 2023, including as an annex the executive plan for the implementation of Linea B and C;
- viii) Deliberation of the Experimental Center for Cinematography No. 43c/22 of 22 December 2022, awarding the contract for the development of the virtual production Live Set;
- ix) Call for the expression of interests for the creation of a register of experts for the e-learning platform, launched by the Experimental Centre for Cinematography on 1 March 2023.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Signature of the contracts between the implementing body, Cinecittà SPA and the companies in relation to the construction of nine studios.**
  - Between 2021 and 2022, the implementing body Cinecittà SPA has launched several calls for projects to award the contracts related to the construction of the studios. In total, 12 contracts were signed, as evidenced by the copies of the contracts provided by the authorities. Overall, the contracts require the construction of five new studios (studios No. 22, 23, 24, 25, 26) and the recovery of four existing ones (studios No. 7, 19, 20, 21).
- **This intervention includes the construction of new studios, recovery of existing studios, investments in new digital technologies, systems and services aimed at strengthening the Cinecittà film studios managed by Cinecittà SPA.**
  - The investment includes the construction of 5 new studios (studios No. 22, 23, 24, 25, 26) and the recovery of 4 existing ones through demolition and reconstruction (studio No. 19) or renovation works (studios No. 7, 20, 21). The investment also includes interventions in new digital technologies, system and services for the Cinecittà film studios. These include interventions to catalogue and digitalize the historical archive "Luce", renovate the electricity power plants and install digital systems for energy's control and regulation, the purchase and installation of photovoltaic systems for energy production, as evidenced in the executive plan for signed between the General Direction for Cinema and the Audiovisual Sector of the Ministry of Culture and Cinecittà SPA, for Linea A. Overall, the investments included in this interventions will contribute to strengthening Cinecittà film studios, by creating new and better equipped facilities and services to boost the film production capacity, improve its quality and market attractiveness.

- **The contract between the implementing entity Cinecittà SPA and the companies shall contain selection/eligibility criteria for compliance with the DNSH Technical Guidance (2021/C58/01) of supported assets/activities and/or companies.**
  - The contracts signed by the companies and Cinecittà' SPA legally oblige the former to respect the Do No Significant Harm principle as defined by the DNSH Technical Guidance (2021/C58/01) and the minimum environmental criteria for construction works, as evidenced by Art. 15 of the contracts 20, 21, 22, Art. 16 of the contracts for the studios 19, 23, 24, 25, 26 and by Art. 4 of the contracts' addendums for studio 7. They also requires companies to demonstrate the compliance with the Do Not Significant Harm principle by filling in the checklists included in the Italian DNSH technical guidance, in particular the checklists No. 1 "New buildings", No. 2 "Renovation and requalification of residential and non-residential buildings", No. 3 "Purchase, leasing and rental of computers and other electric devices", No. 6 "Hosting and clouding services", No. 8 "Data centres", No. 9 "purchase, rental and leasing of vehicles", No. 12 "Electricity production from solar panels", No. 28 "Land connections and lighting". Finally, for new buildings, the contracts (Art.15 of contract 22 and Art. 16 of contracts 23, 24, 25, 25) also require the contracted companies to respect the obligation to achieve at least a 20 percent reduction of the primary energy consumption compared to the threshold for Nearly Zero Energy Buildings (NZEBS).
  
- **Commitment/target to invest 20% in assets/activities and/or companies compliant with the selection criteria for digital tracking and 70% with selection criteria for climate tracking.**
  - To ensure the respect of the commitment to invest 20% of resources in line with the digital and 70% climate tagging, the Ministry of Culture created a dataset to calculate the contribution of each project to the digital tracking and climate tagging conditions. According to this dataset, 79.8% and 20.2% of resources will contribute respectively to the digital and climate objectives. The contracts signed with the implementing bodies, legally commit the companies to respect the tagging and tracking conditions and to demonstrate the respect of the digital and climate contribution of the investments indicated in the dataset created by the Ministry (Art. 15 of the contracts 20, 21 and 22; Art. 16 of the contracts for the studios 19, 23, 24, 25 and 26; Art. 4 of the contracts' addendums for studio 7).
  
- **The objective of the investment is to enhance the competitiveness of the Italian film and audiovisual sector. The project aims to mitigate the social and economic impact of the crisis with the objective of enhancing economic growth, employment and competitiveness, including through action on training, with three lines of action. Construction of new studios and recovery of existing ones, construction of new high-tech theatres with annexes (...)**
  - As explained above, for Linea A1, 5 new studios will be built, and 4 existing studios will be recovered. The conditions concerning the construction of new high-tech theatres with annexes will be verified in the context of target M1C3-21.
  
- **(...) Innovative investment to enhance the production and training activities of Experimental Centre for Cinematography, including new tools for audiovisual production, internationalization and cultural exchanges, creation of a photochemical laboratory for the preservation of films). Activities for developing infrastructure (virtual production live set) for professional and educational use through e-learning, digitization and modernization of the building and plant stock. Strengthening professional skills and competences in the audiovisual sector, in particular with a view to fostering the technological transformation.**

- As evidenced by the executive plan for the implementation of Linea B and C signed between the General Direction for Cinema and the Audiovisual Sector of the Ministry of Culture and Experimental Centre for Cinematography, the implementation of the actions to enhance the production and training activities of the Experimental Centre for Cinematography are ongoing. The fulfilment of these conditions will be verified in the context of the assessment of target M1C3-21.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M2C2-14	M2C2-14, Related Measure: Investment 3.3 Hydrogen testing for road transport	
<b>Name of the Milestone:</b> Award of (all) public contracts for the development of re-charging stations based on hydrogen		
<b>Qualitative Indicator:</b> Notification of the award of (all) public contracts for the development of at least 40 re-charging stations based on hydrogen [...]		<b>Time:</b> Q2 2023
<b>Context:</b>		
<p>This measure aims to create at least 40 hydrogen-based refueling stations located at motorway service areas, logistic warehouses and ports in accordance with the requirements of Directive 2014/94 on Alternative Fuels Infrastructure.</p> <p>Milestone M2C2-14 provides for the award of (all) public contracts for the development of re-charging stations based on hydrogen.</p> <p>Milestone M2C2-14 is the first step of the implementation of the investment and it will be followed by target M2C2-15 related to the development of re-charging stations based on hydrogen.</p> <p>The investment has a final expected date for implementation in Q2 2026.</p>		
<b>Evidence provided:</b>		
<p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ol style="list-style-type: none"> <li>Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.</li> <li><b>Decrees awarding the allocation of resources</b>, as published on the Ministry's website on 7 April 2023, with reference to the procedures referred to in <b>Directorial Decree No. 113 of 10 November 2022</b>, following the procedure for assessing applications for aid, the provisional ranking list, drawn up by the Commission established by Director's Decree No. 10 of 17 January 2023 and supplemented by subsequent Directorial Decree No. 12 of 23 January 2023, relating to eligible applications, also in line with Directive 2014/94/EU, with an indication of the relevant amount was provided. In particular, the resource allocation decrees, as published on 07 April 2024 on the Ministry's website, of the final ranking list of projects was provided.</li> <li><a href="#">Annex 1 to Decree No. 113/2022</a> - review of the technical rules on security rules, standards and procedures for distribution and road transport of hydrogen. It identifies the reference standards, in relation to the technical specifications of the project as to align with the CID's description of the investment and target.</li> <li><b>Decrees awarding the allocation of resources</b>, with reference to the procedures referred to in <b>Directorial Decree No. 160 of 14 July 2023</b>, following the procedure for assessing</li> </ol>		



applications for aid, the provisional ranking list, drawn up by the Commission established by Director's Decree No. 172 of 14 September 2023, relating to eligible applications, as published on the institutional website on 25 October 2023, also in line with Directive 2014/94/EU, with an indication of the relevant amount was provided.

The authorities also provided:

- v. Ministerial Decree No. 199 of 30 June 2022, published on the Ministry's website ([mit.gov.it/comunicazione/news/pnrr-al-la-sperimentazione-dellidrogeno-nel-trasporto-ferroviario-e-stradale](https://mit.gov.it/comunicazione/news/pnrr-al-la-sperimentazione-dellidrogeno-nel-trasporto-ferroviario-e-stradale))
- vi. [Directorial Decree No. 113 of 10 November 2022](#), published on the Ministry of Infrastructure and Transport's website ([Portale Trasparenza Ministero delle Infrastrutture e dei Trasporti - Realizzazione di stazioni di rifornimento a base di idrogeno rinnovabile per il trasporto stradale \(D.D. n. 113 del 10/11/2022\) \(mit.gov.it\)](#)) laying down a "Public notice for the selection of project proposals for the deployment of renewable hydrogen refuelling stations for road transport, to be financed under the national recovery and resilience plan (NRRP), Mission 2 "Green revolution and ecological transition", Component 2 "renewable energy, hydrogen, network and sustainable mobility", Investment 3.3 'hydrogen testing for road transport', financed by the European Union – Next generation EU from the resources referred to in decree No 199 of the Minister for Infrastructure and Sustainable Mobility of 30 June 2022, article 1 (1)."
- vii. [Provisional ranking list of projects](#), as published on the Ministry's website on 13 March 2023.
- viii. Final ranking list of projects admitted to the financing, as signed on 19 April 2023.
- ix. [Directorial Decree No. 160 of 14 July 2023](#), opening a new public notice for the selection of projects from the financial surplus (EUR 128.112.168,50).
- x. **Communications of 4.08 and 28.08.23**, published on the Ministry's website, provided for two extensions of the deadlines for submitting applications in order to allow maximum participation by economic operators. Deadline extended to 13 September 2023.

#### Analysis:

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Notification of the award of (all) public contracts for the development of at least 40 re-charging stations based on hydrogen in line with Directive 2014/94/EU on Alternative Fuels Infrastructure**
  - Italy has provided evidence of all Decrees awarding the allocation of resources to the recipients whose projects have been selected, after having verified the existence of the documentation requested (declaration of acceptance of the aid, timetable, etc.) as set out by [Directorial Decree No. 113 of 10 November 2022](#). That Decree identifies the procedures and timescales for submitting applications for admission, the criteria for the technical evaluation – technical specification as outlined in [Annex 1](#) - and selection of project proposals, the procedures for granting, paying aid and reporting procedures for expenditure incurred by beneficiaries, their obligations, the grounds for withdrawal and any other elements for the implementation of the investment.
  - In relation to the above-mentioned Decrees, Italy has provided evidence of all projects admitted to the financing, for the construction of refuelling stations on the basis of the requirements laid down by the Administration in line with Directive 2014/94/EU, as amended, governing the technical specifications for hydrogen

refuelling points for motor vehicles (Annex II, paragraph 2). In particular, all the project proposals submitted fall within the Core or Comprehensive areas of the TEN-T network, the areas of which form part of a priority assessment for the purposes of eligibility for funding (Article 6 (2) of Decree No n.113/2022). Directorial Decree No 113/2022 includes among its citations the reference to Directive 2014/94/EU of the European Parliament and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure, published in the Official Journal of the European Union of 28 October 2014, and Legislative Decree No 257 of 16 December 2016 laying down implementing rules of Directive 2014/94/EU of the European Parliament and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure', and in particular Appendix A. Furthermore, Article 2 (1) of Directorial Decree No 113/2022 defines the purpose of the milestone, which must be achieved in compliance with and in line with Directive 2014/94/EU.

- This Directive was transposed in Italy by Legislative Decree No 257/2016. The selection procedure is in line with Directive 2014/94/EU, as mentioned in Ministerial Decree No 199, in the preamble to Legislative Decree No 113/2022, in Article 2 (1) of Legislative Decree No 113/2022, and in Annex 1.c to Legislative Decree No 113/2022 on the fire safety of installations, which refers to Legislative Decree No 257/2016. A review of the technical rules on safety rules, standards and procedures for the distribution and transport of hydrogen by road was attached to the Decree. A Special Committee has been appointed for the selection and evaluation of applications. Without prejudice to the obligation referred to in Article 2(6-bis) of D.L. No. 77/2021 (so-called "South quota") in light of the recital on page 2 of D.M. No. 199/22, which refers to 'priority to strategic areas for heavy road transport such as areas close to internal terminals and the routes most densely crossed by long-haul lorries', priority was given to localised refuelling stations supporting the following areas:
  - (1) the Brenner road axis in a north-south direction as far as the Po plain and transport infrastructure adjacent to it;
  - (2) East-West corridor from Turin to Trieste and adjacent transport infrastructure;
  - (3) Trans-European Transport Network (TEN-T) corridors and cross-border points;
  - (4) territorial scope of local and/or regional public transport services with hydrogen-powered rolling stock;
  - (5) "hydrogen valleys" context and related transport infrastructure.
- The activity of the Special Committee has been concluded on the 20<sup>th</sup> February 2023 and a provisional selection list was published on 13<sup>th</sup> March 2023 admitting No. 35 projects.
- Due to low demand, the Administration considered it appropriate to open a new public call ([Directorial Decree No. 160 of 14 July 2023](#).) for the selection of projects (closed in August 2023) from the financial surplus remaining from the previous selection procedure, for the construction of additional refuelling stations to achieve the milestone and subsequent target. Two Communications have been issued on 4 and 28 August 2023 postponing the deadlines for the reception of projects in order to allow maximum participation by economic operators. The whole procedure was concluded in October 2023.
- On closure of the public call, Italy has provided evidence of additional 9 Decrees awarding the allocation of resources to the recipients whose projects have been selected, after having verified the existence of the documentation requested

(declaration of acceptance of the aid, timetable, etc.) as set out by Directorial Decree No. 160 of 14 July 2023. Therefore, reaching the final objective of at least 40 projects selected.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M2C2-16	M2C2-16, Related Measure: Investment 3.4 Hydrogen testing for railway mobility
<b>Name of the Milestone:</b> Allocation of resources for hydrogen testing for railway mobility	
<b>Qualitative Indicator:</b> Notification of the allocation of resources	<b>Time:</b> Q1 2023
<p><b>Context:</b></p> <p>The measure aims to build at least ten refuelling stations for railway based on hydrogen along six railway lines. Milestone M2C2-16 requires the allocation of resources to build 10 hydrogen refuelling stations.</p> <p>Milestone M2C2-16 is the first step of the implementation of the investment 3.4 “Hydrogen testing for railway mobility” and it will be followed by target M2C2-17 related to the building of the ten refuelling stations. The investment has a final expected date for implementation in Q2 2026.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;</li> <li>ii) Note of the Ministry of Infrastructures and Transport No. 4163 of 7 July 2023, providing evidence of the notification of the allocation of resources to the implementing bodies Notifications of the awards of projects for the building of the hydrogen refuelling stations;</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>iii) Decree of the Ministry of Infrastructures and Sustainable Mobility No. 198 of 30 June 2022, published on the Ministry’s website on 1 July 2022 (<a href="#">Pnrr: al via la sperimentazione dell'idrogeno nel trasporto ferroviario e stradale   mit</a>), setting out the criteria for the selection of the hydrogen refuelling stations;</li> <li>iv) Directorial Decree of the Department for Sustainable Mobility of the Ministry of Infrastructure and Transport No. 346 of 15 November 2022, published on the Ministry’s website on 15 November 2022 (<a href="#">Decreto dirigenziale No. 346 del 15/11/2022 e decreto dirigenziale No. 427 del 12/12/2022   mit</a>), launching the call for projects for the selection of the hydrogen refuelling stations;</li> <li>v) Directorial Decree of the Department of Sustainable Mobility of the Ministry of Infrastructure and Transport No. 427 of 12 December 2022, postponing the deadline for the submission of the projects proposals;</li> <li>vi) Directorial Decree of the Department for Sustainable Mobility of the Ministry of Infrastructure and Transport No. 144 of 31 March 2023, published on the Ministry’s website on 4 April 2023 (<a href="#">Decreto dirigenziale No. 144 del 31/03/2023 e decreto dirigenziale No. 181 del 12/05/2023   mit</a>), allocating the resources to the 10 projects concerning the building of hydrogen refuelling stations along six railway lines.</li> </ul>	

- vii) Directorial Decree of the Department for Sustainable Mobility of the Ministry of infrastructure and Transport No. 4 of 10 February 2023, appointing the evaluation commission for the call for projects No. 346 of 15 November 2022;
- viii) Directorial Decree of the Department for Sustainable Mobility of the Ministry of infrastructure and Transport No. 181 of 12 May 2023, postponing the deadlines for the signature of the legally binding obligations (obbligazioni giuridicamente vincolanti) and for the start of working phase (Inizio lavori) of project implementation due to complexities of project activities in relation to the level of innovation of the project itself.
- ix) "Relazioni tecniche" of the projects;
- x) Digital interactive map of the hydrogen production and distribution sites (<https://pnrr.my.canva.site/hydrogen>).

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Allocation of resources according to the procedures and criteria established to build ten refuelling stations for railway based on hydrogen along six railway lines.**
  - Directorial Decree of the Department for Sustainable Mobility of the Ministry of Infrastructure and Transport No. 144 of 31 March 2023 allocated the resources to 10 projects for the building of 10 refuelling stations for railway mobility based on hydrogen in six railway lines. The selected railway lines are: Brescia-Iseo-Edolo (Lombardy), Circumetnea (Sicily), SMVC-Piedimonte (Campania), Lecce-Gallipoli, Novoli-Gagliano e Casarano-Gallipoli (Puglia), Cosenza-Catanzaro (Calabria), Sassari-Alghero, Macomer-Nuoro, Monserrato-Isili (Sardinia). The awards of projects were all notified to the implementing bodies, as evidenced by the note of the Ministry of Infrastructure and Transport No. 4163 of 7 June 2026, providing the link to the implementing bodies of the publication of the awards in the Ministry's website.
  - The resources were allocated according to the principles and criteria established by the Ministry of Infrastructures and Sustainable Mobility through the Ministerial Decree No. 198 of 30 June 2022. According to the abovementioned Ministerial Decree, 300 million were allocated to Regions, Autonomous Provinces or to the authorities managing the railway infrastructure for projects concerning the construction of hydrogen refuelling stations for six railway lines (Art. 1 and 2). The selection had to be carried out following a call for project launched the Ministry of Infrastructure and Sustainable Mobility (Art. 2) based on the following criteria:
    - For the selection of the hydrogen refuelling stations, railway lines whereby local and regional railway services are carried out with rolling stock material fuelled by gasoline or other fossil fuels had to be considered (Art. 3 (1)). The investment had to be primarily dedicated to finance projects for the conversion of railway services to hydrogen, favouring an integrated approach covering the production, transportation, storage and usage of hydrogen (Art. 3(2));
    - The Ministry of Infrastructure and Sustainable Transport had to evaluate the projects based on the project feasibility, the proximity with the hydrogen production sites, the coherency with projects financed by the investments 4.4.1 (Renewal of regional public transport bus fleet with clean fuel vehicles) and 4.4.2 (Renewal of the regional public transport railway fleet with clean fuel trains and universal service), the project maturity and economic-financial sustainability of the project (Art. 3(4));

<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ The projects had to minimize the transportation of hydrogen through road transport and prioritize areas whereby synergies with other demand centres for hydrogen (local public transport, chemical factories, etc.) are located.</li> <li>○ In line with Art. 2 of Ministerial Decree No. 198 of 30 June 2022, a call for projects was launched on 15 November 2022 through Directorial Decree of the Department for Sustainable Mobility of the Ministry of Infrastructure and Transport No. 346. According to Art. 3 of the call for project No. 346 of 15 November 2022, resources were allocated to finance projects for the building of renewable hydrogen refuelling stations (including production and storage) aimed at supplying renewable hydrogen for railway mobility. The projects could also include as an eligible cost the purchase of hydrogen rolling stock materials to use in the selected railways.</li> </ul> </li> <li>• <b>Furthermore, in line with the description of the measure, the hydrogen train refuelling stations shall be realised preferably near local renewable hydrogen production sites and/or motorway hydrogen refuelling stations.</b> <ul style="list-style-type: none"> <li>○ The proximity of renewable hydrogen production sites was a factor that was considered in the project selection. In this sense, according to Art. 5 (1b) of the call for projects No. 346 of 15 November 2022, the project proposals had to indicate the location of the renewable hydrogen production sites and this element was evaluated during the selection phase. In particular, Art. 6(5), criterion 2, attributed up to six (out of 30) award points to project minimizing the refuelling activities and promoting the usage of renewable hydrogen from the production and storage sites and gradually eliminating the transportation of renewable hydrogen through road transport, unless the transportation is done through electric or renewable hydrogen fuelled vehicles. In total, 8 projects will be located in the proximity of renewable hydrogen production and/or close to motorways or railways as evidenced by the “Relazioni Tecniche”, pursuant to Directorial Decree No 346/2022, presented by investments recipients and the digital interactive map available at <a href="https://canva.site">Hydrogen (canva.site)</a></li> </ul> </li> </ul>
<p><b>Commission Preliminary Assessment:</b> Satisfactorily fulfilled</p>

<b>Number:</b> M2C2-20	M2C2-20, Related Measure: Reform 3 Administrative simplification and reduction of regulatory barriers to hydrogen deployment	
<b>Name of the Milestone:</b> Entry into force of the necessary legislative actions		
<b>Qualitative Indicator:</b> Provision in the law indicating the entry into force of the law	<b>Time:</b> Q1 2023	
<b>Context:</b>		
The objective of this reform is to promote hydrogen as a renewable source of energy by simplifying and reducing regulatory barriers to deploy hydrogen.		
The milestone covers the entry into force of the necessary legislative actions for administrative simplification and reduction of regulatory barriers to hydrogen deployment.		
Milestone M2C2-20 is the only milestone or target of this investment.		
<b>Evidence provided:</b>		
In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:		

- i) Legislative Decree No. 199 of 8 November 2021 transposing Directive 2018/2001 on renewable energy sources (published in State Gazette No. 285 of 30 November 2021);
- ii) Ministerial Decree of the Ministry for Ecological Transition of 3 June 2022 on the technical rules for the presence of other components in combustible gas (published in the State Gazette No. 139 of 16 June 2022);
- iii) Legislative Decree No. 13 of 24 February 2023 on urgent provisions for the implementation of the Recovery and Resilience Plan (published in State Gazette No. 47 of 24 February 2023);
- iv) Ministerial Decree of the Ministry of Infrastructure and Sustainable Mobility of 1 July 2022 on the experimentation of hydrogen in road transport (published in State Gazette No.250 of 25 October 2022);
- v) Ministerial Decree of the Ministry of the Interior of 7 July 2023 on technical rules for fire safety in the storage and production of hydrogen through electrolysis (published in State Gazette No. 169 of 21 July 2023);
- vi) Deliberation 345/2023/R/eel of ARERA of 25 July 2023 approves the Single Text on Electric Dispatching (*Testo Unico sul Dispacciamento Elettrico or TIDE*);
- vii) Ministerial Decree of the Ministry of the Environment and Energy Security No. 224 of 14 June 2023 on the transposition of Article 46 of Directive 2018/2001 on Renewables (published in the Internet site of the [Ministry of Environment and Energy Security](#));
- viii) Deliberation 696/2022/R/gas of ARERA, as published in the Authority website on 23 December 2022.

The authorities also provided:

- i) Letter from the independent energy regulator ARERA to the Ministry of Environment and Energy Security of 6 June 2023 (hereafter “*ARERA Note of 6 June*”);
- ii) Letter from the independent energy regulator ARERA to the Ministry of Environment and Energy Security of 22 November 2023 (hereafter “*ARERA Note of 22 November*”);
- iii) Consultation Document 685/2022/R/eel
- iv) SNAM Ten-Year Development Plan of the Gas Transport Network 2022-2031 (hereafter “10-year Development plan of SNAM”).

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

**The necessary legislative actions shall set out:**

**i. security provisions in relation to the production, transport and storage of hydrogen**

Ministerial Decree of the Ministry for Ecological Transition of 3 June 2022 on the technical rules for the presence of other components in combustible gas, published in the Official Journal on 16 June 2022 and entered into force on 17 June 2022, as established by its single article. Article 1 of this Ministerial Decree establishes that hydrogen can be blended with natural gas in the transport and distribution network (up to 2% in volume).

Also, the Ministerial Decree of the Ministry of the Interior of 7 July 2023 on technical rules for fire safety in the storage and production of hydrogen through electrolysis, as published in the State Gazette on 21 July 2023, entered into force on 21 August 2023, as established by its article 7. Annex 1 to this Ministerial Decree sets out the technical rules and specifications for fire safety in the storage and production of hydrogen through electrolysis. The Annex establishes requirements for protection, construction and operation as well as safety distances for hydrogen plants.

The Council Implementing Decision required that the necessary legislation shall set out security provisions in relation to the production, transport and storage of hydrogen. Italy has adopted a Ministerial Decree on the technical rules for the presence of other components in combustible gas. The Ministerial Decree is not a legislative action. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision as it concerns only internal procedure of Italy and does not affect the progress towards the achievement of the reform that the milestone represents. As of this, this minimal deviation does not affect the progress towards achieving the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**ii. simplify procedures for the build-up of small structures for the production of green hydrogen and**

Legislative Decree No. 199 of 8 November 2021 transposing Directive 2018/2001 on renewable energy sources, in line with the national legal framework, the legislative decree has entered into force on 15 December 2021, the 15<sup>th</sup> day following the publication of the act in the Official Journal. Article 38 (1) a) of this Legislative Decree simplifies the rules governing the construction and operation of electrolysers to accelerate authorisation of new small structures for the production of green hydrogen. On the basis of this provision, electrolysers with a power below 10 MW connected to renewable energy sources can be built and operated without prior authorisation by the public administration.

In addition, Legislative Decree No. 13 of 24 February 2023 on urgent provisions for the implementation of the Recovery and Resilience Plan, published on the Official Journal on 24 February 2023 and entered into force on 25 February 2023, as established by its Article 1. Article 41 of this Legislative Decree requires that the Technical Committee for the verification of the Environmental Impact ("*Commissione tecnica di verifica dell'impatto ambientale VIA e VAS*") prioritizes environment impact assessments for green hydrogen production projects. Therefore, contributing to simplification of authorization procedures by accelerating them.

**iii. measures in relation to the conditions to build re-charging stations based on hydrogen.**

With respect to the measures in relation to the conditions to build recharging stations based on hydrogen, Article 9 of Legislative Decree No. 13 of 24 February 2023 on urgent provisions for the implementation of the Recovery and Resilience Plan establishes a Central Committee for the Technical Safety of the Energy Transition. In particular, Article 9 provides that the Committee shall establish safety measures in relation to the conditions to build re-charging stations based on hydrogen. This Committee shall be within the remit of the Department of Fire Protection of the Ministry of Interior and shall be responsible for all questions related to technical safety of installations receiving hydrogen, including fuel cells. In this respect, the measures adopted by the IT authorities consisted in mandating in the legislation establishment of the committee and provides the legal mandate for the set-up of the safety measures.

**This measure shall only support hydrogen activities that comply with life cycle GHG emissions savings requirement of 73.4 % for hydrogen [resulting in 3 tCO<sub>2</sub>eq/tH<sub>2</sub>]**

The legislation that entered into force under legislative actions (i) and (iii) mentioned above relate to the safety of transport and distribution of green hydrogen.

As regards the pieces of legislation that entered into force for the purpose of legislative action (ii) above:

- Legislative Decree No. 199 of 8 November 2021 transposes Directive 2018/2001 which applies to hydrogen activities that comply with life cycle GHG emissions savings requirement of 73.4 % for hydrogen [resulting in 3 tCO<sub>2</sub>eq/tH<sub>2</sub>].
- Article 41 of Legislative Decree No. 13 of 24 February 2023 refers to green or renewable hydrogen. Article 3 of Ministerial Decree of the Ministry for Ecological Transition of 21 September 2022, which satisfactorily fulfilled milestone M2C2-21, provides for the definitions of green and renewable hydrogen, which comply with the life cycle GHG emissions savings requirement of 73.4 % for hydrogen, thus resulting in 3 tCO<sub>2</sub>eq/tH<sub>2</sub>.

Furthermore, in line with the description of the measure, **this reform consists in the entry into force of a legislative framework to promote hydrogen as a renewable source of energy. This legislative framework shall contain:**

**- Technical safety regulations on production, transport, (technical and regulatory criteria for the introduction of hydrogen into the natural gas network), storage and use of hydrogen;**

Provisions concerning safety for the production, transport, and storage have been assessed above in point (i). Namely:

Article 1 of Ministerial Decree of the Ministry for Ecological Transition of 3 June 2022 on the technical rules for the presence of other components in combustible gas establishes that hydrogen can be blended with natural gas in the transport and distribution network (up to 2% in volume).

Ministerial Decree of the Ministry of the Interior of 7 July 2023 sets out in its Annex 1 the technical rules and specifications for fire safety in the storage and production of hydrogen through electrolysis. The Annex establishes requirements for protection, construction and operation as well as safety distances for hydrogen plants.

**- A fast track authorization procedure with a one stop shop procedure to obtain the authorisation to build and operate a small scale hydrogen production plant (for electrolyser facilities of less than 1-5 MW; the storage threshold shall be defined in the aforementioned technical safety regulations of hydrogen).**

As explained above, Article 38 (1) a) of Legislative Decree No. 199 of 8 November 2021 simplifies the rules governing the construction and operation of electrolysers to accelerate authorisation and establishes that electrolysers with a power below 10 MW (hence covering facilities of 1 to 5 MW) connected to renewable energy sources can be built and operated without prior authorisation by the public administration. As a result, Article 38 (1) a) of Legislative Decree No. 199 of 8 November 2021, further simplifies authorisation requirements by removing the condition of authorization and prior consent of the public authorities, in favour of the construction and operation of facilities of production of hydrogen on a small scale. The establishment of a one-stop-shop is provided only where it is to be assessed the granting of an authorisation and not where the rules already allow the private individual to act according to specific requirements.

Annex 1 of Ministerial Decree of the Ministry of the Interior of 7 July 2023 on technical rules for fire safety in the storage and production of hydrogen through electrolysis (published in State Gazette No. 169 of 21 July 2023); in its point 9, establishes the storage threshold to obtain the authorization to build and operate hydrogen production plants.



**- Regulation of the participation of hydrogen production plants in network services. The Energy Regulator (ARERA) shall be tasked to issue a specific regulatory measure upon consultation of the stakeholders.**

The Deliberation 345/2023/R/eel of ARERA of 25 July 2023 approves the Single Text on Electric Dispatching (*Testo Unico sul Dispacciamento Elettrico* or *TIDE*). The deliberation has entered into force on date 28 July 2023, as published in the ARERA institutional website, in accordance with the national legal framework.

This Single Text confirms that renewable energy production plants can participate in the dispatching market, including ancillary services. In 2022, ARERA consulted stakeholders on the Single Text on Electric Dispatching (*Testo Unico sul Dispacciamento Elettrico* or *TIDE*), through Consultation Document 685/2022/R/eel. Deliberation of independent authorities are qualified as administrative Acts of general application and are effective since the publication in their institutional website.

The Deliberation 345/2023/R/eel of ARERA of 25 July 2023 further specifies that the Single Text on Electric Dispatching (*Testo Unico sul Dispacciamento Elettrico* or *TIDE*) shall become applicable on 1<sup>st</sup> January 2025 because of the transition towards the 15-minute settlement period, which is a technical consideration related to the overall organisation of the electricity market and not specifically related to the participation of hydrogen production plants in network services.

In its ARERA Note of 6 of June 2023 and Note of 22 November 2023 the ARERA has confirmed that hydrogen plants shall continue to participate in electricity network services, such as dispatching and aggregation, under the conditions of experimentation that started in 2017 until the entry into application of the Single Text on Electric Dispatching (*Testo Unico sul Dispacciamento Elettrico* or *TIDE*) on 1<sup>st</sup> January 2025.

The Council Implementing Decision required the legislative framework promoting hydrogen as a renewable source of energy to include the regulation of the participation of hydrogen production plants in network services. By adopting the Single Text on Electric Dispatching (*Testo Unico sul Dispacciamento Elettrico* or *TIDE*), the regulator ARERA has issued regulatory measures on the participation of renewables in network services and formalised the experimental conditions provided in 2017, after consulting stakeholders.

In addition, Italy has put in place technical measures to ensure that hydrogen plants can participate in electricity network services, such as dispatching and aggregation services under the conditions of experimentation that started in 2017 until the entry into application of the Single Text on Electric Dispatching. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the delay between the adoption of this law and the actual application of the provisions is considered both limited and proportional, notably because, hydrogen plants can technically speaking already participate in electricity network services such as dispatching and aggregation. Moreover, Italy has confirmed it with a second note from ARERA to the Ministry of Environment and Energy Security, dated 22nd November 2023. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**- A system of guarantees of origin for renewable hydrogen in order to give price signals to consumers.**

Article 46 (9) of Legislative Decree No.199 of 8 November 2021 defines the guarantees of origin for renewable hydrogen. It includes general provisions, types of guarantees of origin as well as modalities for the release, recognition, sale, registration and annulment of certificates. Certificates of origin

influence the price signals in the hydrogen market by providing a mechanism to differentiate between different types of hydrogen.

Article 12 of Ministerial Decree of the Ministry of the Environment and Energy Security No. 224 of 14 June 2023 establishes the requirements for the certification of hydrogen production plants as production plants of *renewable* hydrogen, allowing for its subsequent certification. It refers to Article 3(2) of Ministerial Decree of the Ministry for Ecological Transition of 21 September 2022, which satisfactorily fulfilled milestone M2C2-21, which requires that hydrogen activities comply with life cycle GHG emissions savings requirement of 73.4 % for hydrogen, thus resulting in 3 tCO<sub>2</sub>eq/tH<sub>2</sub>.

**- Procedures and/or criteria to define the selected refueling areas along the motorways for the optimisation of the location of the refueling stations to create H2 corridors for trucks, starting from the Northern Italian Regions as far as the Po Valley and logistic hubs and the main highways along the peninsula.**

Article 3 of Ministerial Decree of the Ministry of Infrastructure and Sustainable Mobility of 1 July 2022, as published on the Official Journal on 25 October 2022, on the experimentation of hydrogen in road transport establishes that refuelling stations based on hydrogen have to be located in strategic areas for heavy road transport, nearby terminals and roads that concentrate most of the long-distance heavy traffic and local public transport, creating H2 corridors for trucks. It lists as strategic areas the Brenner corridor, the Turin-Trieste axis, which correspond to the Northern Italian regions as far as the Po Valley and logistic hubs in the main highways. Furthermore, it lists as strategic areas the TEN-T corridors, local public transport corridors and hydrogen valleys (cf. investment 3.1 under Mission 2 Component 2).

**- The coordination of the 10-year Development plan of the national Transmission System Operator (TSO) with the plans of other European TSOs aimed at the development of common standards for hydrogen transport by means of existing gas pipelines or dedicated pipelines**

The 10-year Development plan of SNAM, which is the national Transmission System Operator, is coordinated with the European TSOs. It refers to the integration of the Italian Backbone Hydrogen Transport Infrastructure with the European H2 Backbone, to which SNAM is a member. The 10-year Development plan of SNAM underlines that the Italian Backbone Hydrogen Transport Infrastructure is expected to allow for the export of hydrogen to the rest of Europe.

The 10-year Development plan of SNAM establishes that SNAM participates with the TSOs of Germany, France and Spain to develop a common European standard for the repurposing of existing gas infrastructure for the transport of hydrogen instead of the international US standard ASME 1 B.31.12, which is currently used. The Plan is elaborated according to Deliberation 696/2022/R/gas of ARERA of 23 December 2022.

**Commission Preliminary Assessment: Satisfactorily fulfilled**

<b>Number:</b> M2C2-27	<a href="#">M2C2-27, Related Measure: Investment 4.3 Installation of charging infrastructures</a>
<b>Name of the Milestone:</b> Award of all public contracts for the installation of charging infrastructures M1	

<p><b>Qualitative Indicator:</b> Notification of the award of all public contracts to build at least 4 700 re-charging stations in urban areas (all municipalities). The project may also include pilot re-charging stations aimed at storing energy.</p>	<p><b>Time:</b> Q2 2023</p>
<p><b>Context:</b></p> <p>Milestone M2C2-27 is part of <i>“Investment 4.3 Installation of charging infrastructures”</i>. The measure consists in supporting the installation of public charging infrastructure points on freeways; public charging infrastructure points on urban centres and; experimental charging stations connected to storage.</p> <p>Milestone M2C2-27 requires the award of (all) public contracts to build at least 4 700 re-charging stations in urban areas (all municipalities).</p> <p>Milestone M2C2-28 is the first step of the implementation of the measure and it will be followed by Milestone M2C2-28, Target M2C2-29, Target M2C2-29 bis, Target M2C2-30 and Target M2C2-30 bis related to the second batch of award notifications and to the entry into operations of charging infrastructures in freeways and urban areas.</p> <p>Following the completion of this milestone, in line with the description of the measure and with the requirements of the subsequent target outlined in the Council Implementing Decision, the Ministry for the Environment and Energy Security will award the contracts for the installation of charging station on freeways and on the outstanding urban areas. The award will be followed by the installation of the charging stations.</p> <p>The investment has a final expected date for implementation in Q4 2025.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;</li> <li>ii) Directorial Decree 416 adopted on 30 June 2023 which in line with the call No. 333 allows the financing of 27 projects for the installation 4.718 charging infrastructures published on the <a href="#">website of the Ministry of Environment and Energy Security</a>;</li> <li>iii) Extracts of the technical specifications of the projects for which the financing has been granted (Abruzzo, Basilicata, Campania a, Campania b, Emilia-Romagna a, Emilia-Romagna b, Friuli Venezia Giulia, Lazio 1, Lazio b, Liguria, Lombardia a, Lombardia b, Lombardia c, Marche, Molise, Piemonte a, Piemonte b, Puglia a, Puglia b, Toscana a, Toscana b, Trentino Alto Adige, Umbria, Valle d’Aosta, Veneto a, Veneto b).</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>i) Decree-Law No. 199 of 8 November 2021 to promote the use of energy from renewable sources;</li> <li>ii) Ministerial Decree No. 10 of 12 January 2023 of the Ministry of the Environment and Energy Security defining the framework for incentives for charging stations in urban centres;</li> <li>iii) Ministerial Decree n. 11 of 12 January 2023 of the Ministry of the Environment and Energy Security defining the framework for incentives for charging stations on freeways;</li> <li>iv) Agreement between the Ministry of the Environment and Energy Security and the Manager of Energy Services (Gestore dei Servizi Energetici – GSE) for the implementation of M2C1 I.4.3 “Installation of charging infrastructures” of 15 March 2023;</li> <li>v) Call No. 333 for projects for the creation of electric charging infrastructures in urban centres of 10 May 2023 by the Ministry of the Environment and Energy Security;</li> <li>vi) DNSH checklist template.</li> </ul>	

## Analysis:

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Notification of the award of all public contracts to build at least 4 700 re-charging stations in urban areas (all municipalities). The project may also include pilot re-charging stations aimed at storing energy.**
  - Directorial Decree 416 adopted on 30 June 2023 which following the call No. 333 allows the financing of 27 projects for the installation 4 718 charging stations. The Decree was published on the website of the Ministry of the Environment and Energy Security and contains the list of all projects for the installation of fast re-charging stations in urban areas for financing under Call No. 333 of 10 May 2023. The Financing Decrees also contain the list of eligible projects not selected for financing and non-eligible projects. The Decree constitutes the notification of the award to build at least 4 700 re-charging stations in urban areas in compliance with the requirement of the Council Implementing Decision.
- Furthermore, in line with the description of the measure, this investment consists in supporting the development of: - 7,500 fast public charging infrastructure points on freeways; - **13,755 fast public charging infrastructure points on urban centers**; - 100 experimental charging stations connected to storage. This investment is complemented by reforms on electric charging prices and concessions listed in the business environment reform component
  - Ministerial Decree No. 10 of 12 January 2023 identifies the criteria for supporting via grants the installation of 13 755 fast charging infrastructure points in urban centres, by defining the type of beneficiaries (Art. 5), the type of eligible projects (Art. 5), and interventions to be financed such as charging stations of at least 90kW and their installation, connection to the electricity network (Art. 6).
  - The Agreement between the Ministry of the Environment and the Energy Security and the Manager of Energy Services (Gestore dei Servizi Energetici – GSE) of 15 March 2023 established the GSE as the implementing authority for the installation of charging infrastructures in urban centres and on freeways.
  - Following the Call for projects for the creation of electric charging infrastructures in urban centres of 10 May 2023 by the Ministry of the Environment and Energy Security.
- **Extracts of the technical specifications of the projects for which the financing has been granted**
  - The Ministry for the Environment and Energy Security provided the technical specifications of all the projects selected for the following regions: Abruzzo, Basilicata, Campania a, Campania b, Emilia-Romagna a, Emilia-Romagna b, Friuli Venezia Giulia, Lazio 1, Lazio b, Liguria, Lombardia a, Lombardia b, Lombardia c, Marche, Molise, Piemonte a, Piemonte b, Puglia a, Puglia b, Toscana a, Toscana b, Trentino Alto Adige, Umbria, Valle d’Aosta, Veneto a, Veneto b). For all regions, the technical specifications provide a list of all charging station installed, of their location, and a brief description of the technical objectives achieved.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M2C2-33	M2C2-33, Related Measure: Investment 4.4.2: Strengthening of the regional public transport railway fleet with zero emission trains and universal service carriages
<b>Name of the Milestone:</b> Award of all public contracts for the strengthening of regional public transport railway fleet with zero emission trains and universal service	
Qualitative Indicator: Notification of the award of all the contracts for the regional public transport railway fleet with clean fuels trains and universal service	<b>Time:</b> Q2 2023
<p><b>Context:</b></p> <p>The objective of this investment is to strengthen the regional public transport railway fleet as well as the universal service with new rolling stock material that should entry into service by 2026. The investment supports the purchase of at least 53 trains and additional 100 carriages for the universal service, corresponding overall to the equivalent of at least 471 new rolling stock units (where at least 53 shall be locomotives and at least 100 carriages should be for the universal service).</p> <p>Milestone M2C2-33 concerns the award of public contracts of the rolling stock material, both for the regional railway fleet and universal service and represents the first implementation step of the measure.</p> <p>Milestone M2C2-33 will be followed by target M2C2-34-bis due by Q4 2024 and consisting in the delivery of at least 25 trains and the final step is target M2C2-35 bis due by 2026 which consists of the entry into service of all the new rolling stock procured through this investment.</p> <p>The investment will be completed by Q2 2026.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) A summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) 29 public contracts awarded for the procurement of rolling stock material (“Contratti Applicativi” between each region and autonomous province for the regional railway fleet and the providers of rolling stock material and public contracts with Trenitalia for carriages and bi-modal trains for the universal service);</li> <li>iii) 10 technical annexes specifying the technical elements of all the typologies of rolling stock material procured: a) “Train pop”; b) “Train rock”; c) “Train Caravaggio”; d) “Train Campania CUP 1”; e) “Train Campania CUP 2”; f) “Train Valle d’Aosta; h) “Train Sardegna”; i) “Carriages”; l) “Train Blues”.</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>iv) A summary table with all the rolling stock material procured (“Annex A_Tabella ricognizione Treni”);</li> <li>v) A summary table with the identification of the rolling stock material for the regional railway fleet financed under the recovery and resilience plan (“Annex B_Tabella treni regionali PNRR”);</li> <li>vi) Ministerial Decrees of the Ministry of Infrastructure and Transport related to the procurement of the rolling stock material, namely: Ministerial Decree No. 319 of 9 September 2021 assigning resources for the procurement of rolling stock material for the regional railway fleet, Ministerial Decree No. 475 of 29 November 2021 assigning resources to Trenitalia Spa for the procurement of rolling stock material for the universal service;</li> </ul>	

Ministerial Decree No. 164 of 21 April 2021 and Ministerial Decree No. 408 of 11 August 2017, both assigning resources for the procurement of rolling stock material for the regional railway fleet.

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **As regards the milestone’s requirement “Award of all public contracts for the strengthening of regional public transport railway fleet with zero emission trains and universal service”:**
  - Italy has awarded 29 public contracts for the procurement of rolling stock material (“Contratti Applicativi”) to increase the regional and universal service railway fleet.
  - 27 of those contracts relate to the regional railway fleet and have been signed between each region or each autonomous province and the providers of rolling stock. Contracts have been awarded for a total of 184 electric or hydrogen trains (zero emission as per intervention filed 72 bis of Annex VI to the RRF Regulation).
  - The other 2 contracts have been awarded for the universal service by Trenitalia Spa to providers of rolling stock material for the procurement of 98 carriages (70 single carriages and 7 bimodal trains of 4 carriages each).
  - All the contracts were signed between 2021 and 2023.
  
- **As regards the measure’s description requirement “this investment consists of the procurement and entry into service of at least 53 zero emission passengers’ trains (in line with intervention field 72 bis of ANNEX VI to the RRF Regulation, it also applies to bi-mode trains) (whereby a train is composed by at least one locomotive and includes passengers’ carriages) and additional 100 carriages for universal service. Overall, the investment shall provide at least a total of 471 units, out of which at least 53 shall be locomotives”.**
  - Italy has concluded the award of public contracts required by this milestone, while the requirement of the entry into service of the rolling stock material is to be completed by Q2 2026, and will be assessed by the Commission under the final target of this measure (M2C2-35-bis).
  - For the regional railway fleet, as summarised in Annex B (“Tabella treni regionali PNRR”) Italy has identified 89 trains, each one with at least one locomotive (corresponding to 393 rolling stock units) that will be financed by the RRP that will need to enter into service by 2026.
  - In particular, through Ministerial Decree No. 319 of 9 August 2021, Italy assigned resources to the regions for a total of 73 trains (corresponding to 327 rolling stock units, out of which at least 73 locomotives) for the regional railway fleet. In line with Art. 1 comma 2 of Ministerial Decree No. 319 of 9 August 2021, the trains to be purchased need to be powered by electricity or hydrogen and are therefore zero-emission. In line with Art. 3 comma 6 of the abovementioned decree, regions must complete the procurement of the units by 2026, under penalty of forfeiting the funding. In line with Article 7, comma 1 of the abovementioned decree, all the trains shall be used for regional public railway transport exclusively.
  - In addition, for the regions of Emilia Romagna, Lombardia, Sicily and Apulia, the “Contratti Applicativi” include 16 further electric trains for a total of 66 rolling stock units (out of which at least 16 locomotive locomotives), that had been procured for after 1 February 2020, under the “Fund aimed at direct purchase, or through specialized companies, of vehicles used for local and regional public transportation as well their electrical upgrade and leasing” (*Fondo finalizzato all'acquisto diretto,*

ovvero per il tramite di società specializzate, nonché alla riqualificazione elettrica o al noleggio dei mezzi adibiti al trasporto pubblico locale e regionale) originally created with Law No. 208 of 2 December 2015, No. 208 (Article 1, comma 866), as amended by Ministerial Decree n. 408 of 11 August 2017 and by Ministerial Decree No. 164 of 21 April 2021.

- All the 89 trains for the regional railway fleet identified in Annex B (“Tabella treni regionali PNRR”) will be either powered by electricity or hydrogen and will have at least one locomotive. These technical features are also evidenced by the technical annexes provided that describe each typology of train object of the contracts (“Train pop”; “Train rock”; “Train Caravaggio”; “Train Campania CUP 1”; “Train Campania CUP 2”; “Train Valle d’Aosta; “Train Sardegna”).
- As concerns the universal service, as per Ministerial Decree No. 475 of 29 November 2021, Trenitalia Spa awarded contracts to providers of rolling stock for the procurement of the equivalent of 70 carriages and 7 trains (corresponding to 28 carriages) for the Intercity connections between Reggio Calabria and Taranto and Intercity Night services to and from Sicily that will all need to be operational by 2026 (as required by the final target of this investment M2C2-35 bis). The 7 trains mentioned above are bi-modal trains, powered by electricity and diesel, all for universal service use in partially electrified lines. The bi-modal trains are, by means of the RRF Regulation, explicitly eligible and contribute to the same climate tagging of the electric trains (intervention field 72 bis of ANNEX VI to the RRF Regulation). The Council Implementing Decision required the procurement and entry into service of an additional 100 carriages for universal service. Italy has procured 98 passenger carriages divided into 84 single passenger carriages and 14 locomotive carriages. The latter are counted as passenger carriages considering that, as indicated in the technical Annex I “*Treni Blues*” (see Section 1.1.1 “Features of the vehicles”), they can carry passengers and are not separable from the single passenger carriages. Whilst this constitutes a minimal numerical deviation of 2% from the requirement of the Council Implementing Decision, the overall objective of this milestone is considered met notwithstanding this minor deviation. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.
- In total, as per the analysis above, Italy has awarded contracts for at least 89 trains for the regional railway fleet and 98 carriages for the universal service, for a total of 491 rolling stock units to be financed with RRF resources. Out of these 491 units, as each train will have at least one locomotive, there are at least 89 locomotives procured through the awarded contracts.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M2C2-48	M2C2-48, Related measure: <a href="#">Investment 3.1 Production of hydrogen in brownfield sites</a>	
<b>Name of the Milestone:</b> Award of all public contracts for the projects for the production of hydrogen in abandoned industrial areas centres		
<b>Qualitative Indicator:</b> Notification of the award of all the public contracts for the production of hydrogen in abandoned industrial areas centres		<b>Time:</b> Q1 2023
<b>Context:</b>		

Milestone M2C2-48 is part of investment 3.1 whose objective is to create new Hydrogen Valleys with local production from renewable energy and local use. The project aims to re-use old abandoned industrial areas to test hydrogen production from local renewable energy sources.

Milestone M2C2-48 concerns the award of the projects for the production of hydrogen in abandoned industrial areas.

Milestone M2C2-48 is the first step of the implementation of the investment 3.1 and it will be followed by M2C2-49 related to the completion of at least 10 projects for the production of hydrogen in abandoned industrial areas. The projects have an average capacity of at least 1-5 MW/each. The investment has a final expected date for implementation in Q2 2026.

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Ministerial Decree of the Ministry for Ecological Transition of 15 December 2021 inviting Regions and Autonomous Provinces to express their interest for the selection of projects to create green hydrogen production sites in abandoned industrial areas (published in State Gazette No. 21 of 27 January 2022);
- iii) Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 defining the criteria for the award of grants (published in State Gazette No. 282 of 2 September 2022);
- iv) Decree of the Directorate-General Energy Incentives of the Ministry of the Environment and Energy Security (MASE) No. 427 of 23 December 2022 (published in State Gazette No. 1 of 2 January 2023).

The authorities also provided:

- i) Decrees of the Regions of Abruzzo, Basilicata, Bolzano, Calabria, Campania, Emilia-Romagna, Friuli-Venezia-Giulia, Lazio, Liguria, Lombardia, Marche, Molise, Piemonte, Puglia, Sardinia, Sicilia, Toscana, Umbria, Valle d'Aosta and Veneto approving the selection of the proposals admitted to funding.

**Analysis:**

The justification and substantiating evidence provided by Italian authorities covers all constitutive elements of the milestone.

- **Award of the projects for the production of hydrogen in abandoned industrial areas centres.**
  - Article 8(1) of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 requires that Regions and Autonomous Provinces publish the call for projects for the production of renewable hydrogen in abandoned industrial areas centres.
  - Article 8 (3) of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 requires that Regions and Autonomous Provinces communicate to the Directorate-General Energy Incentives the list of projects selected further to the call for projects.
  - The 15 Regions and 5 Autonomous Provinces of Italy have all provided the list of selected projects for the production of hydrogen in abandoned industrial areas centres.



- **Funding shall be given to the production of green hydrogen with less than 3 tCO<sub>2</sub>eq/tH<sub>2</sub> to get the best result in terms of decarbonisation**
  - Article 2 (1) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 defining the criteria for the award of grants uses the definition of green and renewable hydrogen established in article 3 (1) and (2) of Ministerial Decree of the Ministry for Ecological Transition of 21 September 2022, which satisfactorily fulfilled milestone M2C2-21, which requires that hydrogen activities comply with life cycle GHG emissions savings requirement of 73.4 % for hydrogen, thus resulting in 3 tCO<sub>2</sub>eq/tH<sub>2</sub>.
  - Article 7 (2) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 requires that obligations of Regions and Autonomous Provinces are defined in a Decree of the Directorate of Energy Incentives of the Ministry of Ecological Transition. This is done by means of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022.
  - Article 8(1) of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 requires that Regions and Autonomous Provinces publish the call for projects for the production of renewable hydrogen in abandoned industrial areas centres.
  - Article 10(1) of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 requires that Regions and Autonomous Provinces use the Annex I to that same Decree as the standard-form for the call for projects for the production of renewable hydrogen in abandoned industrial areas centres. This standard-form establishes that funding shall be given to the production of green hydrogen with less than 3 tCO<sub>2</sub>eq/tH<sub>2</sub> to get the best result in terms of decarbonisation.
  - The 15 Regions and 5 Autonomous Provinces of Italy have all used Annex I of Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 for the selection of their projects.
  
- **This measure shall support hydrogen production based on electrolysis using renewable energy sources as defined in the Directive (EU) 2018/2001 (renewable Directive) or grid electricity**
  - Article 2 (2) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes that electrolyzers shall comply with article 3 (2) of Ministerial Decree of the Ministry for Ecological Transition of 21 September 2022, which foresees that electricity provided to electrolyzers must comply with certificates of origin as defined in article 46 of Legislative Decree No.199 of 8 November 2021, which is the transposition in Italian law of Directive (EU) 2018/2001.
  - Article 7 (2) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 requires that obligations of Regions and Autonomous Provinces are defined in a Decree of the Directorate of Energy Incentives of the Ministry of Ecological Transition. This is done by means of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022.
  - Article 8(1) of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 requires that Regions and Autonomous Provinces publish the call for projects for the production of renewable hydrogen in abandoned industrial areas centres.
  - Article 10(1) of the Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 requires that Regions and Autonomous Provinces use the Annex I to that same Decree as the standard-form for the call for projects for the production of renewable hydrogen in abandoned

industrial areas centres. This standard-form recalls that this measure shall only support hydrogen production based on electrolysis using renewable energy sources as defined in the Directive (EU) 2018/2001 (renewable Directive) or grid electricity.

- The 15 Regions and 5 Autonomous Provinces of Italy have all used Annex I of Decree of the Energy Directorate of the Ministry of the Environment and Energy Security (MASE) of 23 December 2022 for the selection of their projects.

Furthermore, in line with the description of the measure, this investment consists in supporting the local production and use of green Hydrogen in industry, SME's, and local transport, thus creating new Hydrogen Valleys, mainly located in the South of Italy, with local production from renewable energy sources and local use. The project has the objective of a re-use of abandoned industrial areas to testing units for hydrogen production from local RES plants located in the same industrial space and facilities or in neighbouring areas.

Article 4 of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes the financial resources for the support of projects of production of hydrogen in abandoned industrial areas. Article 4(4) specifies that more than 50% of all funds shall be allocated to projects in the regions of Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sardinia and Sicily. Article 4(4) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes that the allocation of projects per Region and Autonomous Provinces is a function of the weighted average of the production of electricity from renewable energy sources consumed (25%), the value-added of industry (25%) and regional population (50%).

Article 6 of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes that projects eligible for support must have a production between 1 MWe and 10 Mwe and must be located in abandoned industrial areas.

The milestone is further specified in the Operational Arrangements, which requires that:

**The call is expected to target potential beneficiaries based on needs. It is expected that the deployment of measures related to technical assistance would contribute to this aim.**

Annex I to the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes the share of resources per region.

Article 4(4) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes that more than 50% of all funds shall be allocated to projects in the regions of Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sardinia and Sicily.

Article 4(4) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes that the allocation of projects per Region and Autonomous Provinces is a function of the weighted average of the production of electricity from renewable energy sources consumed (25%), the value-added of industry (25%) and regional population (50%).

- Article 4(5) of the Ministerial Decree of the Ministry for Ecological Transition No. 463 of 21 October 2022 establishes that the unused resources shall be redistributed based on real needs on projects that have been selected based on their ranking and yet were not supported.

The Technical Assistance for Administrations for the Recovery and Resilience Plan under circular RGS-MEF of 24 January 2022, No.6 on has been applied for these projects through a roundtable with weekly meetings and bilateral encounters.

<b>Number:</b> M2C2-50	M2C2-50, Related Measure: <a href="#">Investment 3.2 Hydrogen Use in hard-to-abate industry</a>
<b>Name of the Milestone:</b> Agreement to promote the transition from methane to green hydrogen	
<b>Qualitative Indicator:</b> Signature of the agreement	<b>Time:</b> Q1 2023
<p><b>Context:</b></p> <p>Investment 3.2. consists in supporting R&amp;D&amp;I on industrial processes to develop initiatives to use hydrogen in industrial sectors that use methane as an energy source for thermal energy (cement, paper mills, ceramic, glass industries, etc.).</p> <p>Milestone M2C2-50 concerns the signature of the agreement with the selected project owners to promote the transition from methane to green hydrogen.</p> <p>Milestone M2C2-50 is the first milestone for Investment 3.2. It will be followed by target M2C2-51, related to the introduction of hydrogen in industrial process.</p> <p>The investment has a final expected date for implementation in Q2 2026.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) Copy of the signed agreement of 1 November 2023 between the Ministry of Environment and Energy Security (MASE) and Sarlux S.r.l. to promote the transition from methane to green hydrogen;</li> <li>iii) Copy of the signed agreement of 1 November 2023 between the Ministry of Environment and Energy Security (MASE) and Politecnico di Milano to promote the transition from methane to green hydrogen;</li> <li>iv) An explanatory report by the Ministry of Environment and Energy Security (MASE) demonstrating the compliance of the actions foreseen in the agreement with the objectives of the investment in the Council Implementing Decision.</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>i) Ministerial Decree No. 463 of 21 October 2022 by the Ministry of Environment and Energy Security (MASE) setting out the methodologies and general criteria for the granting of funding related to Investment 3.1 "Production of Hydrogen in brownfield sites (hydrogen valleys)" and Investment 3.2 "Hydrogen Use in hard-to-abate industry" under Mission 2, Component 2 of the Recovery and Resilience Plan;</li> <li>ii) Directorial Decree No. 254 by the Ministry of Environment and Energy Security (MASE) of 15 March 2023 containing a public notice for the presentation of project proposals envisaged under Article 10 of Ministerial Decree No. 463 of 21 October 2022;</li> <li>iii) Directorial Decree No. 491 of 30 October 2023 by the Ministry of Environment and Energy Security (MASE) adopting the decision awarding support to the Energy Department of Politecnico di Milano;</li> <li>iv) Directorial Decree No. 490 of 30 October 2023 by the Ministry of Environment and Energy Security (MASE) adopting the decision awarding support to Sarlux S.r.l.;</li> </ul>	

- v) The technical specifications of the Sarlux S.r.l. and Politecnico di Milano project pursuant to Ministerial Decree No. 463 of 21 October 2022 by the Ministry of Environment and Energy Security (MASE).

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

**Signature of the agreement with the selected project owners to promote the transition from methane to green hydrogen.**

- Italy provided the directorial decrees and agreements related to the Alcode project jointly developed by Sarlux S.r.l and the Energy Department of Politecnico di Milano:
  - (i) Directorial Decree No. 491 of 30 October 2023 by the Ministry of Environment and Energy Security (MASE) adopting the decision awarding support to the Energy Department of Politecnico di Milano and the signed agreement of 1 November 2023 between the Ministry of Environment and Energy Security (MASE) and Politecnico di Milano to promote the transition from methane to green hydrogen;
  - (ii) Directorial Decree No. 490 of 30 October 2023 by the Ministry of Environment and Energy Security (MASE) adopting the decision awarding support to Sarlux S.r.l. and the signed agreement of 1 November 2023 between the Ministry of Environment and Energy Security (MASE) and Sarlux S.r.l. to promote the transition from methane to green hydrogen.

**The projects shall be in part dedicated to the R&D&I process to develop and in part shall be dedicated to the realisation and testing of an industrial prototype, using hydrogen.**

- Article 10 of Ministerial Decree No. 463 envisages that support is granted *“for the financing of projects of research and development for the use of green and/or renewable hydrogen in industrial processes, in any event functional to the implementation of measures involving the use of green and/or renewable hydrogen, or for the implementation of interventions involving the use of green and/or renewable hydrogen in industrial processes, including the replacement for hydrogen produced from fossil fuels”*.
  - Article 6 of Directorial Decree No. 254 defines the *“eligible plans of industrial decarbonisation”*. It stipulates that are eligible for support industrial decarbonisation plans which provide, alternatively, for the implementation of:
    - i) *industrial research and/or experimental development projects for the use of low-carbon hydrogen in industrial processes, possibly combined, in a connected and functional manner in relation to the common objective of the Industrial Decarbonisation Plan to be implemented, with an investment project for the production of renewable hydrogen (whose related provisions are contained under section II of the Decree);*
    - ii) *investment projects involving the use of low-carbon hydrogen in industrial processes, possibly combined, in a connected and functional manner in relation to the common objective of the Industrial Decarbonisation Plan to be achieved, to: (1) an industrial research and/or experimental development project for the use of low-carbon hydrogen; (2) an investment project for the production of renewable hydrogen (whose related provisions are contained under section III of the Decree);*
    - iii) *investment projects for the production of renewable hydrogen to replace grey hydrogen (whose related provisions are contained under section IV of the Decree).*
  - Article 16 under section II of Directorial Decree No. 254 defines eligible projects related to *industrial research and/or experimental development projects for the use of low-carbon hydrogen in industrial processes*. It stipulates under comma 2(a) that in order to be eligible,

projects must foresee the realization of a prototype using low-carbon hydrogen for at least 10% of its own heat demand.

- Article 23(1)d of Directorial Decree No. 254 on eligible costs for *industrial research and/or experimental development projects for the use of low-carbon hydrogen in industrial processes* lists the costs for testing among the eligible costs.
- As demonstrated in section 1 of the technical specifications of the Sarlux S.r.l. and Politecnico di Milano project, the objective of the agreements is to promote the use of hydrogen in the aerospace and air transport industry, which is a hard-to-abate sector, by the production of sustainable aviation fuels through green hydrogen and synthetic gases. As indicated in the technical specifications of the project, the project both dedicated to R&D&I and prototyping. The Council Implementing Decision required that the agreement shall promote the transition from methane to green hydrogen in hard-to-abate industries. The agreement promotes the transition from kerosene to sustainable fuels produced with green hydrogen replacing therefore methane as a raw material. The agreement aims therefore to develop critical technologies to develop the use green hydrogen in the aerospace and aviation industry. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**This measure shall support hydrogen production based on electrolysis using renewable energy sources as defined in the Directive (EU) 2018/2001 (renewable Directive) or grid electricity.**

- Article 6 (2) c) of Directorial Decree No. 254 by the Ministry of Environment and Energy Security (MASE) of 15 March 2023 requires that only projects with renewable hydrogen shall be selected. Article 1 (1) m) of Directorial Decree No. 254 by the Ministry of Environment and Energy Security (MASE) of 15 March 2023 defines green hydrogen by reference to the RFNBO delegated act and point 81 of the Temporary Crisis and Transition State Aid Framework.

**Furthermore, in line with the description of the measure,**

**A specific tender shall be launched to support steel R&D&I for steel production process through the increasing use of hydrogen.**

- Italy provided Directorial Decree No. 254 of 15 March 2023 by the Ministry of Environment and Energy Security (MASE) containing a public notice for the presentation of project proposals envisaged under Article 10 of Ministerial Decree No. 463 of 21 October 2022. Article 6 of Directorial Decree No. 254 defines the “eligible plans of industrial decarbonisation” and stipulates that, among others, are eligible for support industrial decarbonisation plans which provide for the implementation of *industrial research and/or experimental development projects for the use of low-carbon hydrogen in industrial processes*, possibly combined, in a connected and functional manner in relation to the common objective of the Industrial Decarbonisation Plan to be implemented, with an investment project for the production of renewable hydrogen (whose related provisions are contained under section II of the Decree).

**No natural gas shall be used for the production of hydrogen to be used in the direct reduction of iron.**

- Italy provided Directorial Decree No. 254 of 15 March 2023 by the Ministry of Environment and Energy Security (MASE) containing a public notice for the presentation of project proposals envisaged under Article 10 of Ministerial Decree No. 463 of 21 October 2022. Article 6 of Directorial Decree No. 254 defines the “eligible plans of industrial decarbonisation” and stipulates that, among others, are eligible for support industrial decarbonisation plans.

**Commission Preliminary Assessment: Satisfactorily fulfilled**

<b>Number:</b> M2C3-2	M2C3-2, Related measure: Investment 2.1: Strengthening of the Ecobonus and Sismabonus for energy efficiency and building safety		
<b>Name of the Target:</b> Building Renovation Superbonus and Sismabonus T1			
<b>Quantitative Indicator:</b> Number	<b>Baseline:</b> 0	<b>Target:</b> 17 000 000	<b>Time:</b> Q2 2023
<p><b>Context:</b></p> <p>The objective of this investment is to finance energy and seismic renovation of residential buildings including social housing with the twofold goal of making a significant contribution to the achievement of the energy saving and emission reduction targets set by the Integrated National Plan for Energy and Climate of Italy (PNIEC) for 2030, and to provide counter-cyclical support to the construction sector and to private demand to offset the effects of economic downturn.</p> <p>Target M2C3-2 requires the complete building renovation for, at least 17 000 000 square meters which result in primary energy savings of at least 40 % and increasing at least two categories in the energy efficiency certificate.</p> <p>Target M2C3-2 is the first target of the investment, and it follows the completion of milestone M2C3-1, related to the entry into force of the provision extending the Superbonus. It will be followed by target M2C3-3, related to the complete building renovation for (i) at least 32 000 000 square meters which result in primary energy savings of at least 40% increasing at least two categories in the energy efficiency certificate, (ii) renovate at least 3 800 000 square meters for anti-seismic purposes. The investment has a final expected date for implementation in Q4 2025.</p>			
<p><b>Evidence Provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Explanatory document duly justifying how the target was satisfactorily fulfilled;</li> <li>ii) List of certificates of completion issued in accordance with the national legislation with square meters per building renovation (Asid Rendicontate);</li> <li>iii) Report by an independent engineer endorsed by the relevant ministry, including justification that the technical specifications of the project(s) are aligned with the CID's description of the investment and target;</li> <li>iv) Specific assessment of the Do No Significant Harm Principle, including references to the concrete texts that prove compliance with this principle.</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>i) Decree-Law No. 63 of 4 June 2013 (Energy Performance in the Construction Sector), converted into law with modifications by conversion law No. 90 of 3 August 2013;</li> <li>ii) Decree-Law No. 34 of 19 May 2020, converted into law with modifications by conversion law No. 77 of 17 July 2020 (Urgent measures regarding health, support for work and the economy, as well as social policies connected to the epidemiological emergency from COVID-19);</li> <li>iii) Decree Law No. 59 of 6 May 2021, partially amending Decree Law No. 34 of 19 May, 2020, converted into law with modifications by conversion law No. 101 of 1 July 2021 (urgent measures regarding the complementary fund for the Recovery and Resilience Plan and other urgent measures for investments);</li> <li>iv) Inter-ministerial Implementing Decree of 06 August 2020 by the Ministry of Economic Development (now Ministry for Businesses and Made in Italy), the Ministry of Economy and Finance, the Ministry of the Environment, and the Ministry of Transport (Technical requirements for access to tax deductions for the energy requalification of buildings - so called Ecobonus);</li> </ul>			

- v) Ministerial Decree of the Ministry of Economic Development (now Ministry for Business and Made in Italy), of 06 August 2020 (Requirements of the technical documentation (asseverazioni) for accessing to tax deductions for the energy requalification of buildings - so called Ecobonus);
- vi) Decree-Law No. 176 of 18 November 2022, converted in Law No. 6 of 13 January 2022 (Urgent measures regarding the energy sector and public finance);
- vii) Budget Law No. 197 of 29 December 2022 for budget year 2023;
- viii) Decree-Law No. 11 of 16 February 2023 (Urgent Measures on credit transfers under art. 121 of Decree-Law No. 34 of 19 May 2020, converted with modifications in Law No. 77 of 17 July 2020), converted with modifications by conversion Law No. 38 of 11 April 2023;
- ix) Ministerial Decree of the Ministry of the Ecological Transition of 14 February 2022, defining the maximum cost for some categories of goods;
- x) National Integrated Plan for the Energy and Climate 2023 (PNIEC);
- xi) *Vademecum* for the drafting of the Conventional Energy Performance Certificate (Attestazione di Prestazione Energetica Convenzionale) for the Superbonus scheme.
- xii) Call for tender No. 105643 of 28 June 2023 for the selection of the independent engineer in charge of drafting the report on the compliance of the Superbonus scheme with the conditions set out in the Council Implementing Decision;
- xiii) Inter-Ministerial Decree of the Ministry of Economic Development, the Ministry of the Environment, Ministry of Infrastructure and transport, Ministry of Health and Ministry of Defence of 26 June 2015, setting out the methodology for the calculation of the energy performance and defining the minimal conditions of buildings;
- xiv) Template of the DNSH self-assessment fiche for this investment.

In the context of the sampling analysis, an excel file including information on the 60 756 energy renovation interventions submitted for this payment request was provided. For each of the 60 sample units, the following additional evidence were provided:

- The dossier (“asseverazione”), in compliance with Inter-Ministerial Decree of 6 August 2020 (“decreto Requisiti”), and Ministerial Decree of 6 August 2020 (“decreto asseverazioni”). The asseverazione includes the following documents: The detailed information on each single intervention as defined by Annex I, including the typology of building, the type of interventions granting the access to the tax deduction carried out, the date of start and conclusion of the works, the number of square metres of building renovation as well as aggregate information on the expenditures; two energy performance certificates (pre and post intervention) drafted in line with decree law 63 of 4 June 2013, including the values for primary energy consumption and the energy class of the building or housing unit; the projects costs (“computo metrico”), for each intervention.
- A report summarizing the key information of each intervention.

#### **Analysis:**

The justification and substantiating evidence provided by the Italy authorities covers all constitutive elements of the target.

- **Complete building renovation, for at least 17 000 000 square metres...**
  - According to the information provided by the authorities in the cover note, about 299 000 energy efficiency renovation interventions in line with the Eco-bonus scheme were completed by February 2023. To prove the satisfactory fulfilment of the intermediate target, a sub-set of 60 756 of the above-mentioned interventions, ensuring 17 583 324 of square metres of building renovation, were submitted for this intermediate target. To quantify the square metres of building renovations, two different values were used:

- For condominiums, the cadastral surface which provides detailed measuring of the complete surface area (gross surface) of a building was used.
- For single house dwellings or independent residential units, in the absence of cadastral data, the heated surface (net surface) as measured in the Energy Performance certificate, was taken into account. This represents a conservative value with respect to the total surface of the building.
- Furthermore, in cases in which the surface was increased in the context of the renovation, the square meters taken into account are the ones of the unit before the renovation. Only interventions ensuring an improvement of two energy classes (which corresponds on average to a reduction of at least 40% primary energy savings) were included in this sub-set. Italian authorities have computed a conservative estimate of energy savings based on the change of energy class observed: as energy classes are identified by intervals of energy consumption, this indicator is computed in a conservative way by taking into account the upper limit of the lower energy class and the lower limit of the new, higher energy class.
- The Ministry of the Environment and Energy Security provided the list of energy efficiency interventions completed included in the sub-set, from which a sample of 60 units was drawn. For each unit, the dossier transmitted to the National Agency for New Technologies, Energy and Sustainable Development (ENEA), drafted and signed in line with Ministerial Decree of 6 August 2020 by a qualified expert respecting the conditions set out in Art. (2), lett. C of the Inter-Ministerial decree of 6 August 2020, was provided as evidence.

The dossier (“asseverazione”), in compliance with Inter-Ministerial Decree of 6 August 2020 (“decreto Requisiti”), and Ministerial Decree of 6 August 2020 (“decreto asseverazioni”), includes the following elements:

- The section “Dichiarazione sostitutiva di atto di notorietà” lists the detailed information on each single intervention as defined by Annex I, including the typology of building, the type of interventions granting the access to the tax deduction carried out, the date of start and conclusion of the works, the number of square metres of building renovation as well as aggregate information on the expenditures.
- The two energy performance certificates (pre and post intervention), drafted in line with decree law 63 of 4 June 2013, include the values for primary energy consumption and the energy class of the building or housing unit;
- The projects costs (“computo metrico”), give the detailed information for each intervention.

The “asseverazione” has legal value as it is drafted and signed by a qualified professional, as per the Ministerial Decree of 6 August 2020 (“decreto asseverazioni”). In line with the national legal framework (Decree of the President of the Republic No. 445 of 28 December 2000, Art. 47, 75 and 76), qualified professionals are criminally and civilly liable for false declarations used, amongst others, for administrative purposes.

- The 60 dossiers included in the sample confirm that number of square metres indicated in the list of interventions is correct and in line with the “asseverazioni” presented by the qualified experts. As evidenced in the dossiers, all the interventions were started after 1 February 2020 and were concluded by February 2023. They all concern activities indicated in Art. 119 (1) and 119 (2) of decree law No. 34 of 19 May 2020 and refer to residential buildings, including social housing. All the dossiers were duly dated and signed by the relevant expert.



- **...which result in primary energy savings of at least 40 % and increasing at least two categories in the energy efficiency certificate. In line with the description of the investment, to be eligible, the renovation must be classified as "deep renovation" (that is, a medium renovation according to Commission Recommendation (EU) 2019/786), thus entailing an improvement of at least two energy classes (corresponding on average to primary energy saving of 40%). As also further clarifications by the further specifications in the Operational Arrangements, the energy efficiency certificate referred is the Energy Performance Certification in line with Decree 63/2013.**
  - According to the report of an independent engineer, all the 60 756 interventions indicated in the sub-set increase the energy performance of the building object of the intervention of at least two categories in the energy performance certificate and result in a primary energy savings of at least 40%. This result was confirmed during the sampling exercise. In this regard, all the 60 interventions complied with the two above-mentioned conditions, as certified by the Energy Performance Certificates pre and post intervention, included in the dossier prepared and signed by the expert. In line with the national legal framework, the energy performance was drafted in compliance with Art. 12 of Decree Law No. 63 of 4 June 2013, as required by the further specifications of the Operational Arrangements.
- **Furthermore, in line with the description of the measure, the Superbonus measure finances the energy and seismic renovation of residential buildings, including social housing as specified in Article 119 of the so-called "Decreto Rilancio" adopted to address the adverse economic and social effects of the pandemic. The goal is twofold: 1) to make a significant contribution to the achievement of the energy saving and emission reduction targets set by the Integrated National Plan for Energy and Climate of Italy (PNIEC) for 2030, and 2) to provide counter-cyclical support to the construction sector and to private demand to offset the effects of economic downturn.**
  - The Superbonus investments contributes to the achievement of the energy saving and emission reduction targets set by the Integrated National Plan for Energy and Climate of Italy (PNIEC) for 2030 and provides counter-cyclical support to the construction sector and to private demand to offset the effects of economic downturn.
- **The support is provided in the form of a tax deduction over 5 years. Until 16 February 2023, it is provided that the beneficiaries, as an alternative to the instrument of tax deduction, may, instead of the direct use of the deduction, choose to use financial instruments (so-called "credit transfer" and "invoice discount"), to address the problem of the high initial investment costs. These alternative instruments provide that the tax deduction accrued by the beneficiary is made for an equal amount in: 1. a contribution in the form of a discount on the prepayment price from the supplier (i.e. construction companies, designers, or more generally the general contractor) who discounts it directly on the invoice and recovered in the form of a tax credit reducing the cost of the initial investment; 2. a tax credit to be ceded to a financial institution, which will pay upfront the necessary capital. This mechanism offsets the possible disincentive to making the renovation because of the high initial investment costs. The choice of the general contractor or the financial institution will be left to the beneficiary.**
  - Article 121 of Decree Law No. 34 of 19 May 2020, which was assessed in the context of the first payment request submitted on 30 December 2021, defines the rules to

have access to either the credit transfer (“cessione del credito”) or invoice discount (“sconto in fattura”).

- Decree Law No. 34 of 19 May 2020 was modified by Decree-Law No. 59 of 6 May 2021, extended the scheme until 31 December 2022 for condominiums, and it was further modified by Decree-Law No. 176 of 18 November 2022 (so called “Aiuti Quarter”) which extended the scheme while reducing the percentage of the tax discount. Finally, Art. 1(894) of Law 197 of 29 December 2022, modified the list of exceptions introduced under Decree-Law No. 176 of 18 November 2022, art. 9(2).
  - Finally, Decree-Law No. 11 of 16 February 2023 (Urgent Measures on credit transfers under art. 121 of Decree-Law No. 34 of 19 May 2020, converted with modifications in Law No. 77 of 17 July 2020), which entered into force on 17 February 2023, modified the conditions concerning credit transfers and invoice discounts. Art. 2 (1), in particular, has largely suppressed the option of using either the invoice discount or the credit transfer,
- **Condominiums, single-family buildings, undivided housing cooperatives, non-profit organizations and voluntary associations, amateur sports associations and clubs and social housing may benefit from this tax incentive.**
    - Art. 119 (9) of decree law No. 34 of 19 May 2020, converted into law with modifications by conversion law No. 77 of 17 July 2020, specifies the building typologies and entities that can access the Eco-bonus. The list of identified building typologies and entities is in line the Council Implementing Decision, allowing the access to the Eco-Bonus scheme to condominiums, single-family buildings, undivided housing cooperatives, non-profit organizations and voluntary associations, amateur sports associations and clubs and social housing. All the interventions verified in the sampling exercise concerns the building typologies and entities indicated above.
  - **The scope of eligible interventions covered by this measure is wide, including for instance driving interventions, towed interventions, thermal insulation of opaque surfaces, and interventions on air conditioning systems (condensing boilers; heat pumps; connection to efficient district heating networks under specific conditions; solar thermal; biomass boilers under specific conditions), PV systems with related storage systems or infrastructure for charging electric vehicles. Interventions to reduce the seismic risk of buildings are also part of this instrument and are expected to account for around 14 % of the budget allocated. Two ministerial decrees of 6 August 2020 have already defined the technical requirements of the interventions and the procedures to certify compliance with the specific maximum requirements and costs.**
    - Decree-Law No. 34 of 19 May 2020 defines under Art. 119 (1) and 119 (2) the list of eligible interventions for the Ecobonus scheme. The lists of eligible interventions include interventions, such as energy improvement interventions on the envelope of the building, change of window frames, installation of photovoltaic panels, climate control systems. The sampling exercise confirmed that all the 60 interventions envisaged were compliant with Art. 119 (1) and 119 (2) of decree law No. 34 of 19 May 2022.
  - **The Superbonus has already been active since 1 July 2020 and shall remain in force until 30 June 2022 (for social housing until 31 December 2022). Access to the benefit may be required for a further period of six months, in the case of works on condominiums or social housing, when at least 60 % of the works has been carried out before the dates indicated above. To give more time to more complex interventions it is planned to extend the**

**application of the measure for condominiums until December 31, 2022, and for social housing until June 30, 2023, regardless of the completion of at least 60 % of the works.**

- As already explained in the assessment of the first payment request (p. 53) submitted on 30 December 2021, Art. 1(3) Decree Law No. 59 of 6 May 2021, converted with modifications into law by conversion law n. 101/2021 has extended the Ecobonus and Sismabonus benefits until 31 December 2022 for apartment buildings, in case at least 60% of the works have already been carried out and until 30 June 2023 for social housing (Article 1 (3), in all cases). Following the adoption of Decree Law No. 176 of 18 November 2022, converted into law by conversion law No. 6 of 13 January 2023, Italy has decided to further modify the Superbonus scheme by reducing the tax deduction for condominium, interventions carried out by individuals on single dwellings and by no-profit organisations from 110% to 90%, for expenditures incurred in 2023, to 70% for expenditures incurred in 2024 and to 65% for expenditures incurred in 2025. (Art. 9 of the Decree Law No. 176 of 18 November 2022). For interventions carried out by individuals on independent residential units, the same tax deduction will remain 110% until 31 December 2023, provided that by 30 September 2022, at least 30% of the works are completed. Moreover, for interventions started on 1 January 2023 by individuals on independent residential units, the tax deduction will be of 90% also for expenditures incurred by 31 December 2023, provided that the taxpayer owns property rights or the right to use (diritto reale di godimento), that the building is registered as main residence and his/her income is no more than 15 000 Euro in the reference year.
- **It is expected that this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measure and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01). In particular, the cost of installing gas-condensing boilers shall represent at most 20% of the overall renovation programme cost. In those cases where gas-condensing boilers are installed as the chosen replacement of existing inefficient gas, coal and oil-based boilers, they shall have an A performance. Additionally, the installation of natural-gas boilers shall be compliant with the conditions set up in the DNSH Technical Guidance (2021/C58/01).**
  - According to the information provided in the excel file submitted by the authorities for the sampling exercise, the cost of installation of the heating systems that includes gas-condensing boilers to replace existing inefficient gas, coal and oil-based boilers considered for this intermediate target represents 9,1% of the overall renovation programme costs so far. As the DNSH condition refers to the cost of the overall renovation programme, the satisfactory fulfilment of this condition will be verified during the assessment of target M2C2-3 when the final data will be submitted.
  - To comply with Art. 119 (1) let. B and C, of Law Decree No. 63 of 10 May 2020, in case of replacement of existing inefficient gas, coal and oil-based boilers, all the newly installed gas-condensing boilers had to have A performance. The respect of this condition was also verified in the 60 sampled units, by looking at the technical specifications of the boilers indicated in the Asseverazione, in the project costs and in the energy performance certificates. The sampling exercise confirmed that all the newly installed gas-condensing boilers have A performance, with the exception of one sample unit for which no clear evidence was provided. Although a declaration signed by the qualified expert was provided by the authorities to confirm that the relevant gas-condensing boiler has A performance, as a precautionary measure, also taking into consideration the overachievement of the target, the Commission

considered this unit not compliant with the conditions set out in the Council Implementing Decision.

- In the context of the analysis, a sample of 60 projects was selected which represented a declared 17 731 square meters of building renovations. Following the exclusion of the non-compliant unit, the 59 successful units represent a total of 17 502 square meters. On this basis, a statistical analysis was carried out comparing the reported 17 731 square meters to the actual 17 502 square meters of the sample and taking into account the significant overachievement of the target of 583 324 square metres for a required 17 000 000 square metres. The conclusion is that there is statistical assurance that 17 000 000 square metres of renovation works were completed. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.
- The installation of natural gas-condensing boilers is also compliant with annex III of the DNSH Technical Guidance (2021/C58/01), as:
  - Natural gas-condensing boilers were installed in buildings that are part of a wider energy efficiency programme, in line with the long-term renovation strategy under the Energy Performance of Buildings Directive, leading to a substantial improvement in energy performance; and
  - They shall lead to a significant decrease in GHG emissions, in light of the improved energy performance of the renovated buildings; and
  - They shall lead to a significant improvement of the environment (notably on pollution reduction) and public health, also in areas where the EU air quality standards set by Directive 2008/50/UE are exceeded or risk being exceeded, due to the replacement of coal or oil-based heating system and boilers with better performing gas-condensing boilers of A performance.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M2C4-21	<a href="#">M2C4-21, Related measure: Investment 3.3 Re-naturification of Po area</a>	
<b>Name of the Milestone:</b> Revision of the legal framework for interventions for the re-naturification of the Po area		
<b>Qualitative Indicator:</b> Provision in the secondary acts indicating the entry into force of the secondary acts		<b>Time:</b> Q2 2023
<p><b>Context:</b></p> <p>The objective of this investment is to reactivate natural processes and encourage the recovery of biodiversity in the river Po area. This would ensure the restoration of the river and a more efficient sustainable and efficient use of water resources.</p> <p>Milestone M2C4-21 requires the revision of the legal framework for interventions for the re-naturification of the Po area with the entry into force of relevant legislation with the objective of recovering the ecological corridor represented by the riverbed, including natural reforestation and interventions for the restoration and reactivation of lateral branches and oxbows.</p> <p>Milestone M2C4-21 is the first step of the implementation of the investment and it will be followed by targets M2C4-22 and M2C4-23, related to reducing the artificiality of the riverbed by at least 13 and 37 km, respectively.</p> <p>The investment has a final expected date for implementation in Q1 2026.</p>		

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary report duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;
- ii) Decree-Law No. 13 of 24 February 2023 (Urgent provisions for the implementation of the National Recovery and Resilience Plan (PNRR) and the National investment plan complementary to the PNRR (PNC), as well as for the implementation of cohesion policies and common agricultural policy), as amended by Law No. 41 of 21 April 2023, published in the official journal n. 94 21 April 2023.
- iii) Decree-Law No. 39 of 14 April 2023 converted into Law No 68 of 13 July 2023 on Urgent provisions for counteracting water scarcity and for strengthening the adaptation of water infrastructures, published in the official journal n. 136 of 13 June 2023.

The authorities also provided:

- iv) Programme Agreement for the Re-naturification of the Po Area signed on 16 November 2021 between the Ministry of the Environment, the District Authority of the River Po Basin and the Regions Emilia-Romagna, Lombardy, Piemonte, and Veneto.
- v) Memorandum of Understanding of 01 June 2022 between the Ministry of the Environment, the Po River Basin Authority, the Interregional Agency for the River Po, and Regions Emilia-Romagna, Lombardy, Piemonte, and Veneto on the renaturation of PO area.
- vi) Action Plan for the Renaturation of the Po Area (31 March 2022, revised on 21 July 2022) and Annexes by the District Authority of the River Po Basin (Autorita' di bacino distrettuale del fiume Po) and Regions Emilia-Romagna, Lombardy, Piemonte, and Veneto.
- vii) Administrative Decree No. 96/2022 of the 02 August 2022 on the Approval of the Action Plan for the Renaturation of the Po Area by the District Authority of the River Po Basin (Autorita' di bacino distrettuale del fiume Po);
- viii) Directorial Decree No. 1 of 10 January 2023 of the Directorate General Natural Heritage and Sea approving the Financing Agreement signed between Ministry for Environment and Energy Security, DG for Natural heritage and the Sea (MASE-DG PNM), and AIPO (Inter-regional agency for PO river) for the regulation of implementation, management and control reports relating to investment M2C4 I3.3 'Reinaturalization of the Po Area'.

**Analysis:**

The justification and substantiating evidence provided by Italy covers all constitutive elements of the milestone.

- **Entry into force of relevant legislation with the objective of recovering the ecological corridor represented by the riverbed, including natural reforestation and interventions for the restoration and reactivation of lateral branches and oxbows.**
  - On 16 November 2021, the Programme Agreement for the Re-naturification of the Po Area was signed between the Ministry of the Environment, the Po River Basin Authority, the coastal regions of Piedmont, Lombardy, Emilia-Romagna and Veneto to define governance and set up the cooperation necessary for the implementation of the measure. The Programme Agreement of 16 November 2021, art. 3, states that the scope of the set of integrated interventions along the river course (asta fluviale) aims at requalifying the river's ecosystem, reducing hydraulic and hydrogeological risk, improving ecological status and protecting ecosystems and biodiversity, as an objective of common interest.

- The Programme Agreement of 16 November 2021, art. 8, established a steering committee (Cabina di Regia) coordinated by MASE through the Directorate General Natural Heritage and Sea.
- On 1 June 2022, a Memorandum of Understanding was signed between the Po River Basin Authority, the Interregional Agency for the River Po and the four Regions concerned, in order to govern the relations between the parties at territorial level and the related contribution for the implementation of the Measure (art. 2), to create a Working Committee tasked with drafting of the action programme and the subsequent design, implementation and management of operations (art. 3), as well as the Scientific Committee to support these activities (art. 4).
- With Administrative Decree No. 96 of 2 August 2022, the Po District Basin Authority approved the Action Programme for the Implementation of Investment. As set out in Chapter 7 of the Action Programme, the integrated interventions provided for in the project of Rinaturation of the Po Area, which include also recreation of river habitats and the control of non-native plant species, while strictly respecting the restoration of natural dynamics, fall within the following categories:
  - morphological restoration (restoration of the floodable plain area through morphological remodelling of the river region and reactivation of lateral dynamics ('dinamica laterale') on lateral branches through interventions on spondical defences with possible enlargement of the riverbed);
  - nature interventions (natural re-forestation of the floodable plain to slow down outflows, upgrading of abandoned lines and oxbows);
  - sediment management (increased supply of sediment from the banks, feeding of sediment to increase solid transport).
- Art. 1 of Directorial Decree No. 1 of 10 January 2023 of DG PNM of the Ministry of Environment and Energy Security provided for the approval and implementation of the Financing Agreement signed between MASE-DG PNM and AIPO for the regulation of implementation, management and control reports relating to investment 3.3 'Reinaturation of the Po Area' – CUP B41G21000010006, referred to in the Action Programme.

According to Art. 42.1 of Decree-Law No. 13 of 24 February 2023 that entered into force on 22 April 2023 in line with the requirement of the milestone, the actions under M2C4 investment 3.3 of the national recovery and resilience plan as outlined in the administrative decree No. 96/2022 of 02 August 2022 on the Approval of the Action Plan for the Renaturation of the Po Area by the District Authority of the River Po Basin are of public interest, undeferrable and urgent.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M4C1-9	<a href="#">M4C1-9, Related Measure: Investment 1.1: Plan for nurseries and preschools and early childhood education and care services</a>	
<b>Name of the Milestone/Target:</b> Award of contracts for building, renovating and ensuring the safety of nurseries, preschools and early childhood education and care services		
<b>Qualitative Indicator:</b> Notification by the local authorities beneficiaries of the financing of award of public contracts for the first set of eligible interventions		<b>Time:</b> Q2 2023
<b>Context:</b>		

Investment 1.1 has the objective of increasing the supply of childcare facilities by building, renovating, and ensuring the safety of nurseries and preschools, and to ensure an increase in the educational offer for children in the age group 0 to 6 years old.

Milestone M4C1-9 concerns the award of the first set of contracts for interventions aimed to increasing the overall supply of places in childcare facilities.

Milestone M4C1-9 is the first step in the implementation of Investment 1.1, and it will be followed by target M4C1-18 concerning the creation of at least 264 480 new places for educational and early childhood care services. The investment has a final expected date for implementation in Q4 2025.

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactorily fulfilled in line with the requirements set out in the Council Implementing Decision;
- ii) Inter-Ministerial Decree of the Ministry of Education and Merit and the Minister of Interior No. 37719 of 22 March 2021 approving the call for projects to finance interventions of renovation and construction of childcare facilities;
- iii) Inter-ministerial Decree of the Ministry of Education and Merit, the Ministry of Interior and the Ministry of Economy and Finance of the 22 September 2022 approving the final ranking list of local entities receiving the financing for interventions of renovation and construction of childcare facilities;
- iv) Annex I to the Inter-ministerial Decree of the Ministry of Education and Merit, the Ministry of Interior and the Ministry of Economy and Finance of the 22 September 2022 including the detailed final ranking list of the awarded local entities receiving the financing for interventions of renovation and construction of childcare facilities;
- v) Ministerial Decree of the Ministry of Education and Merit No. 343 of 2 December 2021, defining the criteria to distribute, on a regional basis, the RRF resources to implement Investment 1.1 of Mission 4 Component 1;
- vi) Call for projects annexed to the Ministry of Education and Merit No. 343 of 2 December 2021 to select and allocate resources to municipalities for interventions of restructuring and of childcare facilities;
- vii) Ministerial Decree of the Ministry of Education No. 110 of the 29 December 2022 approving the final ranking list of local entities receiving the financing for interventions of restricting and construction of childcare facilities as financed by the Ministerial Decree of the Ministry of Education and Merit No. 343 of 2 December 2021;
- viii) Annex I, II, III and IV of the Ministerial Decree of the Ministry of Education No. 110 of the 29 December 2022 including the detailed final ranking list of the awarded local entities receiving the financing for interventions of restricting and construction of childcare facilities;
- ix) Copy of the Ministry of Education's guidelines ("Circolare amministrativa") No. 81014 of 13 June 2023 sent to local administrators concerning a more detailed specifications of the Do Not Significant Harm principle;
- x) List of the first set of interventions awarded by local authorities via local tenders procedures. For each intervention evidence of the award by local authorities and the notification by local authorities to implementing bodies was also provided;

The authorities also provided:

- xi) Template of the grant agreements to be signed by the Ministry of Education and Merit and the local implementing bodies (municipalities);

- xii) Additional evidence concerning documents proving the technical assistance put in place to support local entities for the implementation of the measure, including Decree Law No. 13/2023 and Decree Law No. 77/202;
- xiii) Set of additional Ministerial Decrees concerning interim ranking lists of awarded projects;
- xiv) Set of additional Ministerial Decrees launched to reschedule the initial deadlines to local authorities to submit their projects.

**Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Award of contracts and territorial distribution, for the nursery, preschool, early childhood education and care services.**
  - The call for projects launched respectively on 22 March 2021 and 2 December 2021 aim to allocate the resources to local authorities (municipalities) in charge of the implementation of the interventions of construction and restructuring of nurseries, preschool and early childhood education, and care services;
  - Article 1 of call for projects launched via the Inter-ministerial Decree of 22 March 2021 provides that the resources were allocated to interventions located in the suburbs of provincial capitals;
  - The call for projects launched via the Ministerial Decree No. 343 of 2 December 2021 allocated more than half of the total resources to finance interventions of construction and renovation of nurseries, preschool and early childhood education, and care services to Southern Regions;  
A first set of eligible interventions were selected under two calls for projects. The first one was launched via the Inter-ministerial Decree of 22 March 2021 and awarded as evidenced by the ranking lists approved via the Inter-Ministerial Decree of 22 September 2022. The second call for projects was launched via the Ministerial Decree No. 343 of 2 December 2021 and awarded as evidenced by the ranking lists approved via the Ministerial Decree No. 110 of 29 December 2022;
- **The award shall be done in compliance with the “Do no significant harm” Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.**
  - The call for projects of 22 March 2021, does not contain reference to the specifications ensuring compliance with the DNSH principles. However, the decree of 22 September 2022 awarding the projects refers to the DNSH principle and the respect of EU and national environmental legislation as a binding condition to receive the resources to implement the projects and is binding for local implementing authorities. In addition, the respect of the DNSH principle and the compliance with the relevant EU and national environmental legislation is included as a binding requirement in the agreements signed by the municipalities and the Ministry of Education as evidenced by Art. 10 of the templated agreement provided by the Italian authorities. Therefore, the award has been done in compliance with the DNSH principle;
  - ;



<ul style="list-style-type: none"> <li>○ Article 5 (2) letter j of the call for projects of 2 December 2021 ensures the respect of the DNSH principle and the obligation to comply with the relevant EU and national environmental legislation as an eligibility criterion for the projects. The same obligation is specified in the agreements signed by local authorities to receive the financing, as evidenced by Art. 10 of the templated agreements provided by Italian authorities;</li> <li>○ To further strengthen those obligations and ensure the respect of the DNSH exclusion list, the Ministry of Education adopted the guidelines (“Circolare amministrativa”) No. 81014 of 13 June 2023. The guidelines require local authorities to demonstrate the respect of the DNSH principle during project implementation by filling in and providing the DNSH checklist included in the Italian DNSH technical guidance. Moreover, the guidelines specify that all the contracts awarded by the local authorities will need to be compliant with the exclusion list set out in the Council Implementing Decision. The guidelines are mandatory for all local authorities and the non-compliance with the rules set out therein may cause the revocation of the funding (Art. 10 of the agreement). The guidelines were published/notified to local authorities on 13 June 2023.</li> </ul> <ul style="list-style-type: none"> <li>● <b>Notification by the local authorities beneficiaries of the financing of award of public contracts for the first set of eligible interventions.</b> <ul style="list-style-type: none"> <li>○ Italian authorities provided the list of a first set of eligible interventions awarded through tenders’ procedures launched by local authorities. For eligible interventions it is meant those interventions of renovation and construction that will bring to an increase in the number of available places of nurseries, preschool and early childhood education, and care services;</li> <li>○ For each of the selected interventions included in the list, Italy has also provided: <ul style="list-style-type: none"> <li>ii) the award of the tender procedure by the local authorities to the implanting body, and i) a copy of the notification by local authorities communicating the award of the tender for the implementation of the eligible interventions of renovation and construction of nurseries, preschool and early childhood education, and care services to final implementing bodies.</li> </ul> </li> </ul> </li> </ul>
<b>Commission Preliminary Assessment: Satisfactorily fulfilled</b>

<b>Number:</b> M4C1-28	<a href="#">M4C1-28, Related Measure: Reform 1.7: Reform of student housing regulation and investment in student housing</a>	
<b>Name of the Milestone:</b> Awards of initial contracts for the creation of additional sleeping accommodations units (beds)		
<b>Qualitative Indicator:</b> Publication of the awards in the Ministry’s website		<b>Time:</b> Q2 2023
<b>Context:</b>		
The objective of the reform is to encourage the participation of private entities and operators in the student housing market. The measure also includes an investment to increase the supply of student accommodation by 2026. It aims to add 60 000 sleeping accommodations units, thus significantly		

reducing Italy's gap with the EU average regarding the share of students provided with housing facilities (18 % against the current 3 % in Italy).

Target M4C1-28 concerns the award of the initial contracts for the creation of additional sleeping accommodation units (beds).

Target M4C1-28 is the third milestone of the Reform 1.7. It follows the completion of the milestone M4C1-27 (assessed in the context of the first payment request), related the entry into force of a first set of amendments to the primary legislation on student housing and of milestone M4C1-29 (assessed in the context of the third payment request), concerning the entry into force of the complete reform on student housing. The final target M4C1-30 will concern the creation and assignation to students of additional 60 000 sleeping accommodations. Accommodations already used for student housing purposes before the launch of the relative call for projects cannot be accounted for the target. The investment has a final expected date for implementation in Q2 2026.

#### **Evidence Provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone was satisfactory fulfilled in line with the requirements set out in the Council Implementing Decision Annex;
- ii) Copies of the Ministerial Decrees No. 1246 of 28 November 2022, partially integrated by Ministerial Decree No. 20 of 25 January 2023, and Ministerial decree No. 77 of 14 February 2023, approving the final rankings of the projects financed by the calls No. 1046 of 26 August 2022 and No. 1252 of 2 December 2022, including their annexes and link to their publication in the ministry's website ([Riforma 1.7 Alloggi per gli studenti e riforma della legislazione sugli alloggi per gli studenti | Ministero dell'Università e della Ricerca \(mur.gov.it\)](#)).

The authorities also provided:

- iii) Ministerial Decree No. 1046 of 26 August 2022, partially amended by Ministerial decree No. 1089 of 15 September 2022, and Ministerial Decree No. 1252 of 2 December 2022, launching two calls for the creation of student accommodations, including their annexes;
- iv) Note of the Ministry of University and Research No. 6235 of 6 April 2023, providing details on the addresses of the student accommodations created by the call No. 1252 of 2 December 2022, published on the ministry's website on 11 April 2023 (<https://www.mur.gov.it/it/atti-e-normativa/decreto-ministeriale-n-77-del-14-02-2023>);
- v) Ministerial Decree No. 1257 of 30 November 2021, launching the call first call for the creation of the student accommodations;
- vi) Copies of the awarded projects;
- vii) Copies of the signed obligation acts (atto d'obbligo), providing evidence of the acceptance by the implementing body of the co-financing for the creation of the student accommodation.
- viii) The minutes of the meeting of the evaluation commissions for the calls for projects No. 1046 of 26 August 2022 and No. 1252 of 2 December 2022.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the target.

- **Awards of initial contracts for the creation of additional sleeping accommodation units (beds).**
  - The authorities launched two calls for projects to provide co-financing to public and private entities for the creation of additional sleeping accommodations (Ministerial Decree No. 1046 of 26 August 2022 and Ministerial Decree No. 1252 of 2 December 2022). 82 projects for the creation of additional student beds were awarded, as

evidenced by the Ministerial decrees awarding the projects (Ministerial Decree No. 1246 of 28 November 2022, partially integrated by Ministerial Decree No. 20 of 25 January; and Ministerial Decree No. 77 of 14 February 2023). 72 student housing providers have signed the obligation act so far, therefore accepting the co-funding provided by the Ministry of University and Research for the creation of the student beds.

- **The investment shall not include the procurement of natural gas boilers.**
  - Annex A of the call No. 1046 of 26 August 2022 and No. 1252 of 2 December 2022, set out the minimum qualitative and size requirements for the eligibility of the student accommodations. In line with chapter 2, first paragraph, the purchase or installation of natural gas boilers was not eligible.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M4C2-12	<a href="#">M4C2-12, Related Measure: Investment 2.1 Important Project of Common European Interest (IPCEI)</a>	
<b>Name of the Milestone:</b> The list of participants to IPCEI projects is finalised by 30/06/2023		
<b>Qualitative Indicator:</b> Publication of the list of participants		<b>Time:</b> Q2 2023
<b>Context:</b>		
<p>The objective of Investment 2.1 Important Project of Common European Interest (IPCEI) is to provide the current IPCEI fund, referred to in Article 1 (232) of the 2020 Budget Law, with additional resources.</p> <p>Milestone M4C2-12 concerns the finalization of the list of admitted participants in the IPCEI projects by 30/06/2023, following the verifications and evaluations on the projects presented made in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.</p> <p>Milestone M4C2-12 is the third milestone for Investment 2.1. It follows M4C2-10, which consisted in the launch of the call for expression of interest for the identification of the national projects; milestone M4C2-11, which foresees the entry into force of the national legal act allocating the necessary funding to provide support to project participants; and target M4C2-22, which envisages that at least 20 companies receive support through the IPCEI model.</p> <p>The investment has a final expected date for implementation in Q2 2025.</p>		
<b>Evidence provided:</b>		
<p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ol style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) Ministerial Decree of 27 June 2022 allocating the necessary funding to the IPCEI fund, issued by the Ministry of Enterprises and Made in Italy (MIMIT, formerly MISE) and published on the Official Journal on 5 August 2022;</li> <li>iii) Proof of the publication on the website of the Ministry of Enterprises and Made in Italy of the list of participants to IPCEI projects dated 28 June 2023;</li> </ol>		

- iv) The replies by participants to IPCEIs to questions by the European Commission regarding compliance with the ‘Do no significant harm’ principle pursuant to point 20 of the Communication from the Commission on Criteria for the analysis of the compatibility with the internal market of State aid to promote the execution of important projects of common European interest 2021/C 528/02 (so-called IPCEI Communication’);
- v) Certificates by the Ministry of Enterprises and Made in Italy confirming that the self-declarations of project promoters in relation to compliance with the ‘Do no significant harm’ Technical Guidance (2021/C58/01), the exclusion list and the relevant EU and national environmental legislation comply with those submitted as part of the prenotifications and notifications submitted to the European Commission.

The authorities also provided:

- i) The call for expression of interest for the IPCEI on hydrogen launched on 5 February 2021 with deadline 12 February 2021. Successive integration on DNSH conditions introduced on 23 December 2021;
- ii) The call for expression of interest for the IPCEI on microelectronics launched on 22 February 2021 with deadline 5 March 2021. Successive integration on DNSH conditions introduced on 23 December 2021;
- iii) The call for expression of interest for the IPCEI on Next Generation Cloud Infrastructure and Services was launched on 30 March 2021 with deadline 14 May 2021. Successive integration on DNSH conditions introduced on 23 December 2021;
- iv) Directorial Decree of 13 October 2022 by the Director General for Incentives to Enterprises of MIMIT on a public notice for the transmission of applications for funding of activities eligible to the IPCEI Fund for the implementation of an IPCEI in the sector of hydrogen technologies (so-called ‘IPCEI H2 Technology’ or ‘IPCEI Hydrogen 1’);
- v) Directorial Decree of 19 December 2022 by the Director General for Incentives to Enterprises of MIMIT on a public notice for the transmission of applications for funding of activities eligible to the IPCEI Fund for the implementation of an IPCEI in the sector of hydrogen technologies (so-called ‘IPCEI H2 Industry’ or ‘IPCEI Hydrogen 2’);
- vi) Directorial Decree of 4 September 2023 by the Director General for Incentives to Enterprises of MIMIT on a public notice for the transmission of applications for funding of activities eligible to the IPCEI Fund for the implementation of an IPCEI in the sector of microelectronics and communication technologies (so-called ‘IPCEI Microelectronics 2’);
- vii) Directorial Decree of 28 June 2023 by the Director General for Industrial Policy, Innovation and SMEs and by the Director General of Incentives to Enterprises of MIMIT containing the list of participants to IPCEI projects.

#### Analysis:

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **The list of participants to IPCEI projects is finalised by 30/06/2023 and is published.**
  - With the Directorial Decree of 28 June 2023 by the Director General for Industrial Policy, Innovation and SMEs and by the Director General of Incentives to Enterprises of MIMIT containing the list of participants to IPCEI projects, Italy provided the list of participants to IPCEI projects;
  - Directorial Decree of 28 June 2023 foresees that the list of participants to IPCEI projects is published by 30/06/2023. The Italian authorities provided a proof of the publication of such a list on the website of the Ministry of Enterprises and Made in Italy in the form of a screenshot of this webpage: <https://www.mimit.gov.it/it/normativa/decreti-direttoriali/decreto-direttoriale-28-giugno-2023-elenco-dei-partecipanti-ai-progetti-ipcei>).

- **The list shall include the admitted subjects participating in the IPCEI projects, following the verifications and evaluations on the projects presented that will be made in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.**
- **Furthermore, in line with the description of the measure.**
  - Italy provided the Ministerial Decree of 27 June 2022 allocating the necessary funding to the IPCEI fund, issued by the Ministry of Economic Development (MISE) and published on the Official Journal on 5 August 2022. Article 3 of this Ministerial Decree on the “Conditions for the implementation of the aid measures” provides *inter alia* that in order to be eligible for funding, projects must comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.
  - Italy provided the calls for expression of interest related to each IPCEI, which embed a specific conditionality regarding compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01), the exclusion list and the relevant EU and national environmental legislation.
  - Italy also provided the Ministerial Decree of 27 June 2022 allocating the necessary funding to the IPCEI fund, issued by the Ministry of Economic Development (MISE) and published on the Official Journal on 5 August 2022. Article 3 of this Ministerial Decree on the “Conditions for the implementation of the aid measures” foresees *inter alia* that in order to be eligible for funding, projects must comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.
  - Furthermore, for the four IPCEIs, Italy also provided individual certificates by the Ministry of Enterprises and Made in Italy confirming that the self-declarations of project promoters in relation to compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01), the exclusion list and the relevant EU and national environmental legislation comply with those submitted as part of the prenotifications and notifications submitted to the European Commission.
  - Finally, Italy also indicated that the adopted State aid authorization decisions for the 'H2 Technology', 'H2 Technology' and 'Microelectronics 2' IPCEI also positively assess *ex ante* compliance of the projects with the 'Do no significant harm' Technical Guidance (2021/C58/01), the exclusion list and the relevant EU and national environmental legislation.  
Italy also provided the self-declaration of project promoters in relation to compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01), the exclusion list and the relevant EU and national environmental legislation.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M4C2-16	<a href="#">M4C2-16, Related Measure: Investment 3.1: Fund for construction of an integrated system of research and innovation infrastructures</a>		
<b>Name of the Target:</b> Number of infrastructures funded			
<b>Quantitative Indicator:</b> Number	<b>Baseline:</b> 0	<b>Target:</b> 30	<b>Time:</b> Q2 2023
<b>Context:</b>			

This investment supports the creation or strengthening, on a competitive basis, of research infrastructures of pan-European relevance and dedicated innovation infrastructures, promoting the combination of public and private investments.

Target M4C2-16 is the final step in the implementation of the investment and requires the financing of at least 30 infrastructure projects (existing or newly financed). The satisfactory fulfilment of the target will also depend on the hiring of at least 30 research managers (one per infrastructure). This target follows milestone M4C2-17, assessed in the context of the second payment request submitted by Italy on 28 June 2022, concerning the award of the contracts to the projects financing the research and innovation infrastructures.

The investment has a final expected date for implementation in Q2 2026.

**Evidence Provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Copies of 57 signed contracts concerning the funding of the research and innovation infrastructures;
- iii) Abstract of the financed projects;
- iv) Copies of seven signed contracts for the hiring of research managers.

The authorities also provided:

- i) 33 contract awards for research infrastructures (Directorial Decrees No. 106, 107, 108, 110, 111, 112 of 20 June 2022 and n. 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131 of 21 June 2022; No. 242, 243, 244 of 8 August 2022 and No. 410, 411, 412 and 415 of 27 October 2022 and No. 455, 456 of 15 November 2022) through the call for project No. 3264 of 28 December 2021;
- ii) 25 contract awards for innovation infrastructures (Directorial Decrees n. 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157 of 22 June 2022), through the call No. 3265 of 28 December 2021;
- iii) Directorial Decrees No. 245 of 10 October 2022, partially amended by Directorial Decree No. 326 of 30 August 2022, certifying the savings following the awards of contracts for the projects for the calls No. 3264 and No. 3265 of 28 December 2021;
- iv) Copy of the call for project n.3264 of 28 December 2021 financing research infrastructures;
- v) Copy of the call for project n. 3265 of 28 December 2021 financing innovation infrastructures;
- vi) Copies of 37 payment invoices, proving the disbursement of the 10% pre-financing of the projects to the research and innovation infrastructures;
- vii) Copy of the projects proposals;
- viii) The reports of the evaluation commissions;
- ix) DNSH declarations signed by the implementing entities.

**Analysis:**

- **At least 30 infrastructures funded for the integrated system of research and innovation infrastructure**
  - A total of No. 57 (out of 58) research and innovation infrastructures awarded contracts through the calls No. 3264 and 3265 of 28 December 2021 were funded, as evidenced by the contracts signed by the implementing bodies (one innovation infrastructure did not sign the contract). Following the signature of the contracts, and in line with Art. 13 (1) of the call for projects No. 3264 and Art. 14 (2) of the call for projects No. 3265 of 28 December 2021, No. 43 research and innovation

infrastructures have requested and received the 10% pre-financing of the projects, as proved by the invoices provided by the authorities.

- **The innovation infrastructure shall include multi-purposes infrastructures able to cover at least three topic fields as: (i) quantum, (ii) advanced materials, (iii) photonics, (iv) life-sciences, (v) artificial intelligences, (vi) energy transition.**
  - The Council Implementing Decision states that the innovation infrastructures shall include multi-purpose infrastructures able to cover at least three of the above-mentioned topic fields. To comply with this requirement, Art. 5 (4) of the call for projects No. 3265 of 28 December 2021, required that the innovation infrastructures had to preferably be multipurpose infrastructures covering at least 3 topic fields as: (i) quantum, (ii) advanced materials, (iii) photonics, (iv) life-sciences, (v) artificial intelligences, (vi) energy transition. Although Art. 5 (4) includes a non-mandatory list of topic fields, the topic fields indicated in the Council Implementing Decision must be considered not binding, in light of a contextual interpretation of the RRP, in particular with reference to the narrative description of the investment. Therefore, all the multipurpose innovation infrastructures covering at least 3 topic fields can contribute to fulfilling the above-mentioned CID condition. Overall, as evidenced by the decrees awarding the projects and in particular by Art. 1 (3) (that specifies the nature of the funded project) a total of 24 innovation infrastructures awarded contracts (out of 25) are multipurpose infrastructures covering at least three topic fields. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.
- **The satisfactory fulfilment of the target also depends on the hiring of at least 30 research managers for the integrated system of research and innovation infrastructure.**
  - In line with Art. 8(2) of the call for project No. 3264 and Art. 7(2) of the call for projects No. 3265 of 28 December 2021, the projects shall mandatorily include the hiring of a research manager for each financed structure. 37 research managers were hired by the research and innovation infrastructures so far, as evidenced by the contracts signed by the managers with the relative research and innovation infrastructure.
- **In line with the description of the investment, the fund aims to facilitate osmosis between scientific knowledge generated in high-quality research infrastructures and the economic sector, fostering innovation. To this end, the measure, implemented by the MUR - Ministry of University and Research, supports the creation of research and innovation infrastructures linking industry and academia.**
  - As indicated in the assessment of the second payment request submitted by Italy on 28 June 2022, the call for projects No. 3264 of 28 December 2021 has provided support for the creation or strengthening of research infrastructure of medium-high priority according to the National Plan for Research Infrastructures 2021-2027 (Art. 2). Whereas the call for projects No.3265 of 28 December 2021 has provided support to projects for innovation infrastructures coherent with the National Programme for Research 2021-2027 (PNR) and with the smart specializations strategies at the national or regional level to promote a closer collaboration between enterprises and the research sector (Art. 5). In line with Art. 5 of the call for projects No. 3265, Priority was given to projects with a medium-high Technology Readiness Level (TRL). According to Art. 2(3) of the call No. 3265 of 28 December 2021, a significative percentage of the services provided by the innovation infrastructures shall be addressed to enterprises.

- **The Construction and Research Infrastructure Fund shall support the creation or strengthening, on a competitive basis, of research infrastructures of European relevance and dedicated innovation infrastructures, promoting the combination of public and private investments.**
  - As already clarified in the assessment of the 2<sup>nd</sup> payment request for milestone M4C2-17 submitted on 28 June 2022, two competitive calls were launched to finance the research and innovation infrastructures. Following the assessment of the 2<sup>nd</sup> payment request, 9 additional projects for the call No. 3264 of 28 December 2021 were awarded (Directorial Decrees No. 242, 243, 244 of 8 August 2022, No. 410, 411, 412 and 415 of 27 October 2022 and No. 455, 456 of 15 November 2022), bringing the total number of research and innovation infrastructures awarded contracts to 58. In line with Art. 4(2) of the call No. 3265 of 28 December 2021, for the innovation infrastructures, private co-financing was required to ensure the creation of public-private partnerships. In compliance with Art. 8(3) of the above-mentioned call, the governance structure and the involvement of the private actors had also to be mandatorily described in the project proposal.
- **In order to ensure that the measure complies with the ‘Do no significant harm’ Technical Guidance (2021/C58/01), the eligibility criteria contained in terms of reference for upcoming calls for projects shall exclude the following list of activities: (i) activities related to fossil fuels, including downstream use<sup>75</sup>; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks<sup>76</sup>; (iii) activities related to waste landfills, incinerators<sup>77</sup> and mechanical biological treatment plants<sup>78</sup>; and (iv) activities where the long-term disposal of waste may cause harm to the environment. The terms of reference shall additionally require that only activities that comply with relevant EU and national environmental legislation shall be selected.**
  - The respect of the DNSH conditions set out in the Council Implementing Decision. was assessed in the context of the 2<sup>nd</sup> payment request submitted on 28 June 2022 for milestone M4C2-17 (p. 80 of the Commission’s preliminary assessment).

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M5C1-18	M5C1-18, Related Measure: Investment 5: Creation of women’s enterprises		
<b>Name of the Target:</b> Financial support to enterprises has been committed			
<b>Quantitative Indicator:</b> Number	<b>Baseline:</b> 0	<b>Target:</b> 700	<b>Time:</b> Q2 2023
<b>Context:</b>			
<p>The measure aims to contribute to increasing the level of participation of women into the labour market by supporting women’s participation in business activities and the creation of enterprises led by women. The measure aims to re-design existing supporting measures, to provide support to both existing business projects and to the creation of new businesses and accompanying targeted communication actions.</p> <p>Target M5C1-18 concerns the financial support that has been committed to at least 700 additional companies compared to the baseline, through already active instruments (nito, smart&amp;start) and the new fund (“Fondo a sostegno dell’impresa femminile”) established by the Budget Law for 2021.</p>			



Target M5C1-18 is the second step of the implementation of the investment. It follows the completion of milestone M5C1-17 related to the establishment of the fund supporting women's enterprises and the eligibility criteria defining women's enterprises entitled to receive support. It will be followed by target M5C1-19 related to the provision of funding to at least 2400 enterprises. The investment has a final expected date for the implementation in Q2 2026.

**Evidence provided:**

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

- i) Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
- ii) List of projects with a brief description and references to the acknowledgment of commitment of financial support, signed by the granting authorities with a clear reference to the instruments in the description of the target.
- iii) Directorial Decree of 30 March 2022 of the Ministry of Economic Development (currently Ministry of Enterprises and Made in Italy), defining the terms and conditions for firms to receive support via the fund "*Fondo a sostegno dell'impresa femminile*".
- iv) Agreement of 29 April 2022 between the Ministry of Economic Development and the managing authority National Agency for investment attraction and economic development (*INVITALIA*) on the "*Fondo a sostegno dell'impresa femminile*", which lays out the mutual obligations, in particular of the Agency which is in charge of the management and monitoring of the financial incentives provided by the Fund.
- v) Law No. 178 of 30 December 2020, published in the Official Journal No. 13 of 18 January 2021.
- vi) Agreement of 27 December 2022 between the Ministry of Enterprises and Made in Italy (formerly Ministry of Economic Development) and the managing authority National Agency for investment attraction and economic development (*INVITALIA*) which lays out the mutual obligations related to on the "nito" measure, in particular the obligations of the Agency which is in charge of the management and monitoring of the financial incentives.
- vii) Agreement of 8 June 2015 between the Ministry of enterprises and made in Italy and Invitalia and amending act of 30 November 2022 to the Agreement .
- viii) Circular No. 168851 of 4 May 2022, indicating requirements and conditions to receive financial support under nito and smart&start.
- ix) Decree of 24 November 2021 published on the Official Journal No. 26 of 1 February 2022, illustrating the necessary indications for financial support from the NRRP resources with reference to the three instruments: "*Fondo impresa femminile*" (referred to in the Interministerial Decree of 30 September 2021), "*NITO-ON*" (referred to in the Interministerial Decree of 4 December 2020), and "*Smart&Start Italia*" (referred to in the Ministerial Decree of 30 August 2019). [The decree of 24 November 2021 also assigned the NRRP resources available for Measure M5C1-I1.2 among the aforementioned implementing instruments, allocating a portion of them for accompanying activities, monitoring and communication campaigns].

The authorities also provided:

- x) Inter-ministerial decree of 30 September 2021, published in the Official Journal No. 296 of 14 December 2021.
- xi) Ministerial Decree of 24 November 2021, published on the Official Journal No. 26 of 1 February 2022 assigning RRP resources to the three instruments: "*Fondo impresa femminile*", nito and smart&start.

In the context of the sampling analysis, additional evidence provided for a sample of 60 units including, for each of the 60 sample units:

xii) Award notifications with protocol codes and name of the enterprises.

The authorities also provided:

xiii) Award notification returned countersigned by the enterprise confirming acceptance.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Financial support has been committed to at least 700 additional enterprises compared to the baseline. The implementation of support to female entrepreneurship is undertaken through instruments already active (nito, smart & start) and the new fund established by the Budget Law for 2021.**
- Directorial Decree of 30 March 2022 defines the terms and conditions for firms to apply to financial support via the fund “*Fondo impresa femminile*” (Art. 2). Consistently with the Inter-ministerial decree of 30 September 2021 (Art. 3), Art. 3 of the Directorial Decree of 30 March provides for the financial resources to support the development of established enterprises and the set-up of new ones, respectively. The National Agency for the Attraction of Investments and Business Development Invitalia, which is the implementing agency (soggetto gestore, Directorial Decree of 30 March 2022, Art. 1), has signed a convention with the Ministry of Economic Development (Convention of 29 April 2022) engaging in the management and monitoring of the support provided via “Fondo a sostegno dell’imprenditoria femminile”. The support was provided via calls for candidatures in line with Art. 4 of Directorial Decree of 30 March 2022, respectively for the creation and expansion of existing firms. In the summary document the Italian authorities explain that both calls have been closed in June 2023 due to the exhaustion of available resources. The applications resulted in the adoption of 823 grant decisions as of 30 June 2023, of which 404 for firms to be set-up and 419 for existing firms.
- The *Fondo impresa femminile* is defined in the Directorial Decree of 30 March 2022 (Art. 1) as the “Fondo a sostegno dell’impresa femminile” set-up in Art. 1(97) of Law No. 178 of 30 December 2020, published in the Official Journal No. 13 of 18 January 2021, which is the Budget Law for 2021 (“*Bilancio di previsione dello Stato per l’anno finanziario 2021 e bilancio pluriennale per il triennio 2021-2023*”).
- Regarding nito (“*Nuove Imprese a Tasso Zero*”), the agreement between the Ministry of enterprises and made in Italy and the managing authority Invitalia was signed on 27 December 2022.
- With reference to Smart&Start (“*Smart&Start Italia*”), on 30 November 2022 an amending act to the Agreement between the Ministry of enterprises and made in Italy and Invitalia of 8 June 2015 was signed for the purposes of the implementation and management of the instrument using the additional RRP resources.
- Circular No. 168851 of 4 May 2022 (Art. 4.1) set 19 May 2022 as the date from which financial support may be granted to applications submitted under both nito and smart&start. According to the self-assessment report, the Italian authorities attest that these calls are still open and that as of 30 June 2023, there were 10 projects selected under Smart&Start and 187 projects selected under nito.
- To confirm that the financial commitment has been made to all the enterprises, a sample of 60 units was requested. The documentation provided for the sample of 60 units

confirmed that all the sampled enterprises have received a financial commitment through instruments already active (nito, smart & start) and the new fund established by the Budget Law for 2021.

- **Women's enterprises supported until November 2020 by existing financial instruments as the baseline.**
  - Regarding enterprises supported by *Fondo Impresa Femminile*, the calls were open in May and June 2022 after the cut-off date for the baseline of the target (Directorial Decree of 30 March 2022, Art. 4(13)).
  - Regarding enterprises supported by NITO and Smart&Start, the projects included under RRF funding have started as of 2021, as confirmed by the Authorities in the summary document. This is also attested by the list of projects provided that include the date of the submission of the request for funding for each.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

<b>Number:</b> M5C2-3	M5C2-3, Related Measure: Reform 2: Reform for non-self-sufficient elderly persons	
<b>Name of the Milestone:</b> Entry into force of a Framework Law which strengthens the actions in favour of non self-sufficient elderly people		
<b>Qualitative Indicator:</b> Provisions in the law indicating the entry into force of the Framework Law which strengthens the actions in favour of non-self-sufficient elderly people	<b>Time:</b> Q1 2023	
<p><b>Context:</b></p> <p>The objective of this measure is to reform social services and improving the living conditions of non-self-sufficient elderly people by simplifying access to health and social services through single points of access, recognizing non-self-sufficiency based on the need for assistance, providing a multidimensional assessment, defining individualized projects that promote de-institutionalization. This reform is anticipated by specific interventions envisaged by the Plan, on local health services and home care on de-institutionalisation.</p> <p>Milestone M5C2-3 concerns the entry into force of the framework law by the government which shall set-up the single points of contacts, strengthen social and healthcare services, including those provided at home, review the procedures to assess non-self-sufficiency and identify the necessary financial resources.</p> <p>Milestone M5C2-3 is the first step of the implementation of the reform and will be followed by milestone M5C2-4, related to the entry into force of the legislative decree implementing the framework law. The reform has a final expected date for implementation in Q1 2024.</p>		
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;</li> <li>ii) Law No. 33 of 23 March 2023, published in the Official Journal No. 76 of 30 March 2023 which is the framework law delegating government in the field of policy for elderly persons;</li> </ul>		

- iii) National Plan for the non-self-sufficiency 2022-2024 as published here [Piano-Non-Autosufficienza-2022-2024.pdf \(lavoro.gov.it\)](#).

The authorities also provided:

- iv) Law No. 234 of 30 December 2021, published in the Official Journal No.310 of 31 December 2021, which defines the state budget for 2022;
- v) Note by the Ministry of Health on the investments in Mission 6 Component 1 relevant for the implementation of the reform

#### Analysis:

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **The Framework Law proposed by the Government shall strengthen the actions in favour of non-self-sufficient elderly people.**
  - In line with the description of the measure, the objective of this measure is to reform social services and improving the living conditions of non-self-sufficient elderly people. Law No. 33 of 23 March 2023, published in the Official Journal No. 76 of 30 March 2023, is the framework law that delegates to the government to adopt measures supporting elderly persons and entered into force one day after publication, i.e. on 31 March 2023, as provided by its article 9. The main objective of the aforementioned Law is to protect elderly people's dignity and improve their living conditions and access to care and assistance, by delegating to the government to re-organise, simplify, and integrate current legal provisions on social and healthcare services regarding the elderly population (Art.2). Art. 4 of Law No. 33 delegates to the government to re-organise and make social assistance and healthcare services for non-self-sufficient elderly persons more effective via one or more legislative decrees, according to principles and lines of action defined in the same Law (Art. 1 and Art.2(2)). Art. 2 of Law No. 33 also sets up the inter-ministerial committee for policies in favour of elderly persons (*Comitato Interministeriale per le politiche in favore delle persone anziane - CIPA*) that coordinates and promotes integrated planning of policies in the field by for instance adopting, updating and monitoring both "The national plan on active ageing" and "The national plan on care non-self-sufficiency" (*Piano nazionale per l'assistenza e la cura della fragilità e della non autosufficienza nella popolazione anziana*), as the reform brings together preventive policies and policies on active ageing, on the one hand, and policies in support of non-self-sufficiency, on the other hand. The committee promotes the harmonisation of minimum standards of services for non-self-sufficiency in the field of social assistance and healthcare assistance (the so called "*Livelli essenziali delle prestazioni (LEPS)*" and the "*Livelli essenziali dei assistenza (LEA)*") (Art 2(3.b) of Law No. 33).
  
- **The law shall:**
  - **simplify and provide Points of Single Contact for social and health services. In line with the description of the measure this reform shall include: simplifying older people's access to services through the creation of single points of social and health access.**
    - Law No. 33 of 23 March 2023 delegates the government to legislate according to certain guidelines that include that access to services and interventions in the field of social protection and healthcare is to be simplified and Single Points of Access (*Punti Unici di Accesso - PUAs*) shall be made available in the Community Health Houses. *PUAs* should provide administrative support and information on available services and screening processes. The guidelines also include the set-up of a new

single permanent organisation system (*Sistema nazionale per la popolazione anziana non autosufficiente - SNAA*) that is in charge of the management and provision of all public services to assist non-self-sufficient elderly persons, in line with the directives of the national interministerial committee mentioned above. Access to such services is expected to take place via the *PUAs* (Art 4(2.b and 2.i)).

- **review the procedures for assessing the condition of non-self-sufficient elderly person. Furthermore, in line with the description of the measure, this reform shall include identifying ways of recognizing non-self-sufficiency based on the need for assistance and providing a multidimensional assessment.**
  - Law No. 33 of 23 March 2023 establishes that the Government is delegated to adopt a definition of non-self-sufficient elderly population, that must take into account among other things the person's age, pre-existing disabilities, fragile conditions and the indications of the International Classification of Functioning Disability and Health (ICF) of the World Health Organization (Art. 4(2.a)). It also provides that the government is delegated to simplify and integrate the assessment process of the condition of non-self-sufficiency, reducing duplications and administrative burden (Art. 4(2.l)). This is to be achieved via a single multi-dimensional assessment based on nationally approved standards and guidelines, with the aim of identifying psychological, social and health related needs. This procedure will replace the existing processes such as the recognition of invalidity and benefits under Law No. 104 of 5 February 1992 (Art. 4(2.l.1)). **Furthermore, in line with the description of the measure, the reform shall include defining individualized projects that promote de-institutionalization.** Dedicated teams at the points of single access (*PUAs*) shall carry out the multidimensional assessment, leading to the definition of an individualized project of assistance that takes into account the person's care needs identified (Art. 4(2.l.2)). Art. 4(2.l.2) of Law No. 33 of 23 March 2023 also provides the involvement of the person's caregiver, family, legal representative or upon request non-governmental organisations operating in the sector. The Law also specifies that the individualised projects are based on the person's participation and their right to benefit of their fundamental rights and freedoms, including to freely chose their place of residence and housing solution and their right to receive home-based care. In the framework of such projects, support and services to autonomous living and self-managed care services that favour independent living and de-institutionalization and prevent institutionalisation, in line with the UN Convention on the Rights of Persons with Disabilities (Section notes, notes to article 2, point c).
- **Increase the set of social and health care services that may be provided at home.**
  - In line with the elements mentioned above, the general principles of the delegated Law No. 33 of 23 March 2023 include the recognition of elderly persons' right to self-determine care choices and to maintain their life setting in their home by having access to homecare (Art. 2(2.d)), palliative care at home (Art.2(2.f)) and co-housing solutions (Art.2(2.m)). Consequently, Art.4(2.n) provides that regarding homecare the government will legislate to integrate the current services (*Domestic Assistance Institutes (ADI) and the Domestic Assistance Service (SAD)*) involving the social districts and the national healthcare system services. The goal is to ensure an integrated offer that includes healthcare, psychosocial and social assistance, that is more efficient and effective and takes charge of the person in a continuous and multidimensional manner. This approach will be geared towards: integrating and rationalising services offered by municipalities and the local healthcare services to offer a single response, based on needs, including complex needs, that is of adequate

level and duration. Regarding homecare in particular, Art.4(2.n) in the Law provides for the integration and coordination of services and therapies offered at home, including exploiting telemedicine and both certified private and public providers to meet the needs defined in the individualised project. Art.4(2.o) further specifies that the provision of palliative care services must be ensured in all care places for the non-self-sufficient elderly, including their home. Art.4(2.r) provides for the update and simplification of the accreditation of public, private and non-governmental service providers, regarding structural, organisational and staff related criteria, including for homecare services. This is expected to allow greater quality and availability of homecare services.

- **The law shall also identify the necessary financial resources.**
  - Art. 8 of Law No. 33 of 23 March 2023 focusses on financial provisions and provides that financial resources are ensured via the reorganisation and modification of existing funds, namely the fund for non-self-sufficiency, the national fund for social policies, the fund to contrast poverty, fund in support of caregivers, fund for information and communication for the elderly for the parts that are already dedicated to the elderly and non-self-sufficient elderly persons. The article also specifies that the RRP contributes via investments under Mission 6 on healthcare and Mission 5 (see further below). As regards resources necessary to the single access points, the National Plan for Non-Self-sufficiency (p. 35) allocates specific resources to be devoted to the recruitment of qualified staff for the years 2022-2024. Furthermore, the self-assessment report states that the legislative decrees the government will adopt to implement the reform will also include proposals to adjust the resources of the next budget law to the reform introduced by the delegated Law No. 33 of 23 March 2023.
- **Furthermore, in line with the description of the measure, this reform is anticipated by specific interventions envisaged by the Plan, included both in the health mission (M6), with reference to projects that strengthen local health services and home care, and in this component, with specific reference to the investment 1, intervention II aimed at the de-institutionalisation.**
  - The objectives set out in Law No. 33 of 23 March 2023 are consistent with other interventions under the RRP as recalled in Art. 1, 2 and 8 of the Law. The synergies with Mission 6, and in particular, Reform 1, the reform of territorial healthcare are laid out in Art 4(2.i)). In fact, the single point of access made available by this reform will be set-up in the Community Health Houses, which are part of the organisational model introduced with the territorial healthcare reform. The healthcare reform is accompanied by an investment to make the Community Health Houses available and equipped and both initial stages of these measures have been positively assessed in the framework of Italy's second payment request. The initial implementation stages of Investment 1.2 to strengthen homecare and telemedicine have also started and have been positively assessed in the second payment request. By investing in hardware, services and technology the measure is expected to support the objectives of this reform as well, notably greater access and quality of homecare solutions. Concerning Mission 5, Investment 1 "Supporting vulnerable people and preventing institutionalization", intervention II "supporting an autonomous life and de-institutionalisation for elderly people" is instrumental to the objectives of the current reform as the investment consists of infrastructural interventions to provide housing solutions for autonomous living, including through the provision of technological equipment for automation and telemedicine. The first milestone related to this

investment has already been assessed as satisfactorily fulfilled in the framework of the first payment request and the self-assessment report attest that the implementation is on-going with 131 projects selected as eligible for funding, hence anticipating the reform process and effects.

**Commission Preliminary Assessment: Satisfactorily fulfilled**

<b>Number:</b> M5C2-21	M5C2-21, Related Measure: Investment 7: The Sport and Social Inclusion project
<b>Name of the Milestone/Target:</b> Award of all public contracts for projects on sport and social inclusion following a public call for proposal	
<b>Qualitative Indicator:</b> Notification of the award of all public contracts for projects on sport and social inclusion	<b>Time:</b> Q1 2023
<p><b>Context:</b></p> <p>The measure aims to regenerate urban areas especially in the most deprived areas of the country by focussing on the construction and regeneration of sports facilities and distribution of sports equipment in order to promote inclusion and social integration.</p> <p>Milestone M1C2-21 concerns the notification of award of contracts, which must contain at least one among the following details: (i) construction of new sports facilities in disadvantaged areas of Italy; (ii) supply of sports equipment; (iii) redevelopment and adaptation of existing sports facilities. At least 50% of the investment shall be allocated to new constructions.</p> <p>Milestone M5C2-21 is the first step in the implementation of this investment. It will be followed by the target M5C2-22, related to the completion of at least 100 interventions, and a secondary objective, namely the coverage of a surface area of at least 200,000 square meters in Q2 2026. The investment has a final expected date for implementation in Q2 2026.</p>	
<p><b>Evidence provided:</b></p> <p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ol style="list-style-type: none"> <li>i. Summary document (self-assessment report) duly justifying how the milestone including all the constitutive elements was satisfactorily fulfilled.</li> <li>ii. Decree of approval by the Presidency of the Council of Ministers – Department of Sport of 23 March 2022 of the public notice of the call for proposal to municipalities “Cluster 1 and 2” for RRP Investment “Sport and Social Inclusion” which includes the link to the publication of the public notice <a href="https://www.governo.it/it/pubblivit%3%A0-legale">https://www.governo.it/it/pubblivit%3%A0-legale</a>.</li> <li>iii. The call for proposal to municipalities “Cluster 1 and 2” for RRP Investment “Sport and Social Inclusion” of 23 March 2022, which refers to projects on the construction or renovation of sports facilities, including a limited share of expenses on sport equipment.</li> <li>iv. Decree of approval by the Presidency of the Council of Ministers – Department of Sport of 23 March 2022 of the public notice of the call for proposal to municipalities “Cluster 3” for RRP Investment “Sport and Social Inclusion” which includes the link to the publication of the public notice <a href="https://www.governo.it/it/pubblivit%3%A0-legale">https://www.governo.it/it/pubblivit%3%A0-legale</a>.</li> <li>v. The call for proposal to municipalities “Cluster 3” for RRP Investment “Sport and Social Inclusion” of 23 March 2022, which refers to projects on the construction or renovation of sports facilities in cooperation with sport federations, including a limited share of expenses on sport equipment.</li> </ol>	

- vi. Decree of the Presidency of the Council of Ministers – Department of Sport of 02 January 2023 that allocates additional resources to include additional eligible projects in the framework of the two calls for proposal of 23 March 2023 (cluster 1 and 2 and cluster 3).
- vii. Decree of the President of the Council of Ministries (DPCM) of 02.03.2023 assigning additional resources to the third line of intervention.
- viii. Two Decrees of the Presidency of the Council of Ministers – Department of Sport (decreti di ammissione al finanziamento) of 5 August 2022 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- ix. Two Decrees of the Presidency of the Council of Ministers – Department of Sport (decreti di ammissione al finanziamento) of 11 August 2022 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- x. Two Decrees of the Presidency of the Council of Ministers – Department (decreti di ammissione al finanziamento) of 24 August 2022 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xi. Two Decrees of the Presidency of the Council of Ministers – Department of Sport (decreti di ammissione al finanziamento) of 12 September 2022 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xii. Decree of the Presidency of the Council of Ministers – Department of Sport (decreto di ammissione al finanziamento) of 28 September 2022 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xiii. Two Decrees of the Presidency of the Council of Ministers – Department of Sport of (decreti di ammissione al finanziamento) of 2 January 2023 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xiv. Two Decrees of the Presidency of the Council of Ministers – Department of Sport of 05.08.2022 (decreti di ammissione al finanziamento) of 26 January 2023 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xv. Decree of the Presidency of the Council of Ministers – Department of Sport (decreto di ammissione al finanziamento) of 03 February 2023 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xvi. Decree of the Presidency of the Council of Ministers – Department of Sport (decreto di ammissione al finanziamento) of 09 March 2023 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xvii. Decree of the Presidency of the Council of Ministers – Department of Sport (decreto di ammissione al finanziamento) of 13 March 2023 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).
- xviii. Decree of the Presidency of the Council of Ministers – Department of Sport (decreto di ammissione al finanziamento) of 26 March 2023 with the lists of projects annexed and with link [Dipartimento per lo Sport - Prima e seconda linea di intervento - Cluster 1, 2 e 3 \(governo.it\)](#).



- xix. Decree of the Presidency of the Council of Ministers – Department of Sport of 22 March 2023 approving the lists of projects awarded financing under the third line of intervention with the list of projects annexed.
- xx. Decree of the Presidency of the Council of Ministers – Department of Sport of 27 March 2023 approving the lists of projects awarded financing under the third line of intervention with the list of projects annexed.
- xxi. A mapping exercise providing for the list of projects including localization, type of urban regeneration, by social inclusion objective, by square meters of intervention and specifying Primary Energy Demand requirements for new buildings and project specific confirmations of compliance with DNSH.

The authorities also provided:

- xxii. Note to European Commission of 27 October 2023 including information on census exercise.

### Analysis:

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **Notification of the award of public contracts, which shall consist of at least one of the following elements: 1. Construction of new sport facilities, located in the disadvantaged areas of the country; 2. Provision of sports equipment, including the application of technology to sport; 3. Requalification and adaptation of existing sports facilities (for examples: removal of architectural barriers, energy efficiency, etc).** Furthermore, in line with the description of the measure, **the funded projects shall support: (I) construction and regeneration of sports facilities, located in disadvantaged areas of the country including metropolitan suburbs; (II) the distribution of sports equipment for the disadvantaged areas; (III) the completion and adaptation of existing sports facilities such as:(for examples: functional recovery, restructuring, extraordinary maintenance, removal of architectural barriers, and energy efficiency).**
  - Italian authorities have provided evidence of notifications of award of public contracts as Decrees of the Presidency of the Council of Ministries (*decreti di ammissione a finanziamento*). The Decrees are published on the website of the Department for Sport of the Presidency of the Council of Ministries and occur after the call for projects (*decreti di approvazione degli avvisi a manifestare interesse e relativi avvisi*) and the subsequent conclusion of the negotiated phase of the tender procedure with Municipalities, admitting the projects to financing. These decrees represent the official notification of award of contracts to local authorities
  - As outlined in Article 2 of the call for proposal to municipalities “Cluster 1 and 2” for RRP Investment “Sport and Social Inclusion” of 23 March 2022, and in Article 1 of the call for proposal to municipalities “Cluster 3” for RRP Investment “Sport and Social Inclusion” of 23 March 2022 the investment focuses on three areas of interventions (clusters): cluster one relates to the construction of new facilities, including sports equipment for a total of 10% of the cost, in line with requirements 1 and 2 of the milestone description and requirements (I) and (II) of the measure description; cluster 2 relates to the renovation of existing sports facilities, including sports equipment for a total of 10% of the cost, in line with requirements 2 and 3 of the milestone description and requirements (II) and (III) of the measure description; cluster 3 relates to investments in areas of interest for the Italian Sports Federations that can concern both renovation and construction of sports facilities, including sports equipment for a total of 10% of the cost, in line with

requirements 1, 2 and 3 of the milestone description and requirements (I), (II) and (III) of the measure description.

- The notification decrees published by the Italian Presidency of the Council of Ministries (*Decreti di ammissione al finanziamento*) show the following:
  - Article 2 of Decreto di ammissione al finanziamento No. 1 of 5 August 2022 admitted to financing 43 projects under Cluster 1 and 31 projects under Cluster 2, both listed in the annex to the decree. Article 2 of a parallel Decreto di ammissione al finanziamento admitted to financing 31 projects under Cluster 3, listed in the annex to the Decree.
  - Article 3 of Decreto di ammissione al finanziamento No. 2 of 11 August 2022 admitted to financing 41 projects under Cluster 1 and 28 projects under Cluster 2, both listed in the annex to the decree. Article 2 of a parallel Decreto di ammissione al finanziamento admitted to financing 10 projects under Cluster 3 listed in the annex to the decree.
  - Article 2 of Decreto di ammissione al finanziamento No. 3 of 24 August 2022 admitted to financing 32 projects under Cluster 1 and 18 projects under Cluster 2, both listed in the annex to the decree. Article 2 of a parallel Decreto di ammissione al finanziamento admitted to financing 3 projects under Cluster 3 listed in the annex to the decree.
  - Article 2 of Decreto di ammissione al finanziamento No. 4 of 12 September 2022 admitted to financing 25 projects under Cluster 1, 16 projects under Cluster 2 both listed in the annex to the decree. Article 2 of a parallel Decreto di ammissione al finanziamento admitted to financing 1 project under Cluster 3, listed in the annex to the decree.
  - Article 2 of Decreto di ammissione al finanziamento No. 5 of 28 September 2022 admitted to financing 12 projects under Cluster 1 and 7 projects under Cluster 2, both listed in the annex to the decree.
  - Under Cluster 1, the financing of three additional projects was admitted with Article 2 of Decreto di ammissione al finanziamento of 02 January 2023 listed in the annex to the decree and one with Article 2 of Decreto di ammissione al finanziamento of 16 March 2023.
  - Under Cluster 2, the financing of one additional project was admitted with Article 2 of Decreto di ammissione al finanziamento of 02 January 2023 and one with Article 2 of Decreto di ammissione al finanziamento of 13 March 2023.
  - Under Cluster 3, the financing of one additional project was admitted with Article 2 of Decreto di ammissione al finanziamento of 02 January 2023, one with Article 2 of Decreto di ammissione al finanziamento of 26 January 2023, one with Article 2 of Decreto di ammissione al finanziamento of 03 February 2023, and one with Article 2 of Decreto di ammissione al finanziamento of 09 March 2023.
- As specified in Article 7 of both calls for proposals, maximum 10% of the contribution requested by the municipalities may be allocated to the provision of sports equipment. Italian authorities submitted a mapping exercise showing that sports equipment was provided in the framework of projects under clusters 1, 2 and 3. Italian authorities also launched a third line of intervention to support the setup of urban parks with new sports equipment, considered as complementary outdoor facilities, in line with requirements 1 and 2 of the milestone description and requirements (I) and (II) of the measure description. The notification of award of public contracts occurred with two notification decrees (*Decreti di ammissione al finanziamento*) of 22 and 27 March 2023.

- **The project aims to ensure the regeneration of urban areas through a focus on sport facilities, in order to promote social inclusion and integration, especially in the most deprived areas of Italy.**
  - Art. 1(1) of both calls for proposal for cluster 1 and 2 and 3 recall the objective and scope of the call that concern projects aiming to favour regeneration of urban areas through the construction and refurbishment of sports facilities.
  - A census exercise has been carried out to analyse the availability of sport facilities publicly owned or used in the public interest across the territory as compared to the population. The results of this census exercise allowed to identify the type of facilities (notably multi-sport and swimming facilities), and financing needs and the urban areas lacking facilities the most (Art.1(2) of the call for proposal of 23 March 2022 for cluster 1 and 2 and cluster 3 respectively). By consequence, the call for proposal for cluster 1 and 2 was designed to focus on urban areas pertaining to municipalities that are either regional or provincial capitals with more than 20 000 inhabitants or municipalities with more than 50 000 inhabitants and projects on indoor or outdoor facilities focussing on at least three sports or swimming facilities (Art. 3 and 4 of the call for proposal for cluster 1 and 2 of 23 March 2023).
  - As an ex-post analysis of the areas actually targeted by the projects selected, the Authorities have relied on the vulnerability index measured by the Italian Institute of Statistics (Indice di Vulnerabilità Sociale e Materiale - IVSM) and compared the index value for each municipality and the median value of all Italian municipalities. The analysis showed that the vast majority of selected projects (above 80%) has a vulnerability index value above the median and hence a greater degree of vulnerability, which is in line with the need to target especially the most deprived areas of the country. An additional analytical exercise (Allegato 13a-riscontro quesito 5 of 13.10.2023) has been carried out. This exercise combines a series of indicators that relate to urban regeneration and social inclusion with the IVSM and the net migration flows to account for the demographic trend affecting the municipalities. It points to the merit in terms of urban regeneration and social cohesion of all the projects analysed and in areas of demographic growth pointing to increasing demand for access to sport facilities.
  - To target the most deprived areas of Italy, the measure also specifically focuses on regions in the South of the country. In both calls for proposals (Art.2(2)) at least 40% of the financial resources are allocated to projects in Southern regions. The third line of intervention is also fully devoted to smaller municipalities up to 10 000 inhabitants exclusively in Southern Italy (Decree of the Presidency of the Council of Ministries of 02 March 2023, Art. 3(1)).
  - The evidence submitted also fulfil the relevant requirements outlined in the description of the measure.
  
- **Selection criteria shall guarantee that at least 50% of the investment shall be allocated to new constructions, compliant with the relevant requirements of footnote 5 of Annex VI of the Regulation (EU) 2021/241.**
  - According to Article (2) of the call for proposal to municipalities “Cluster 1 and 2” for RRP Investment “Sport and Social Inclusion” of 23 March 2022 which refers to projects on the construction or renovation of sports facilities, actions under Cluster 1 relate to the construction of new facilities, while actions under cluster 2 relate to the renovation of existing sports facilities.
  - Article 4(4) sets as eligibility conditions for the proposals that i) each interested municipality can submit a maximum amount of 2 proposals, ii) of which at least one

	<p>to be identified under Cluster 1, hence concerning new constructions and iii) proposals under Cluster 2 cannot represent more than 40% of the total financed contribution requested.</p> <ul style="list-style-type: none"> <li>○ Moreover, Article 9(2)(b) of both the already mentioned calls for proposal to municipalities “Cluster 1 and 2” for RRP Investment “Sport and Social Inclusion” of 23 March 2022 and the call for proposal to municipalities “Cluster 3” for RRP Investment “Sport and Social Inclusion” of 23 March 2022 provides that the constructions of new buildings shall ensure a primary energy demand at least 20% lower than the nearly zero-energy building requirement.</li> </ul> <ul style="list-style-type: none"> <li>● The milestone is further specified in the Operational Arrangements, which requires that <b>the call is expected to target potential beneficiaries based on needs. It is expected that the deployment of measures related to technical assistance would contribute to this aim.</b> <ul style="list-style-type: none"> <li>○ As mentioned above an ex-ante census exercise has been carried out to target the interventions where sports facilities are particularly needed, and resources attributed to different types of municipalities accordingly (Art.1(2) of the call for proposal of 23 March 2022 for cluster 1 and 2 and cluster 3 respectively). The Department of Sports has subscribed to the 2023 Annual Activity Plan that allows for technical assistance to the Department itself and mostly to the smaller municipalities beneficiaries of the third line of financing, which are mostly located in the South of the country and generally in need of greater support.</li> </ul> </li> </ul>
<p><b>Commission Preliminary Assessment:</b> Satisfactorily fulfilled</p>	

<b>Number:</b> M5C3-8	M5C3-8, Related Measure: Investment 1.3: Structured socio-educational interventions to combat educational poverty in the South supporting the third sector		
<b>Name of the Target:</b> Educational support to minors (first batch)			
<b>Qualitative Indicator:</b> N/A	<b>Baseline:</b> 0	<b>Target:</b> 20 000	<b>Time:</b> Q2 2023
<b>Context:</b>			
<p>The investment aims to foster the third sector in Southern Regions and the supply of socio-educational services to minors in socio-economic difficulties and combat educational poverty.</p> <p>Target M5C3-8 aims at providing education support to minors on the basis of the age group of the minors. It includes: i) interventions aimed at strengthening the conditions of access to nursery and kindergarten services and at supporting parenthood (0 – 6 years old); ii) interventions aimed at guaranteeing effective educational opportunity and early prevention of school dropout, bullying and other phenomena of distress (5 – 10 years old); iii) interventions aimed at improving education supply and preventing the phenomenon of early school leaving (11 – 17 years old).</p> <p>Target M5C3-8 is the first step in the implementation of the investment 1.3 and requires for the provision of educational support to at least 20.000 minors aged up to 17 years old. It will be followed by target M5C3-9 which will cover the provision of educational support to at least 44.000 minors aged up to 17 years old by Q2 2026.</p>			
<b>Evidence provided:</b>			
In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:			

- i) Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
- ii) Public Notice of 9 November 2020 (hereinafter referred as “Public Notice 2020), as published on the website of the Territorial Cohesion Agency, addressed to third sector organizations providing educational support to minors;
- iii) Decree of the Director General (DDG) of the Territorial Cohesion Agency No. 192 of 9 November 2020 approving the Public Notice 2020;
- iv) Decree of the Director General (DDG) of the Territorial Cohesion Agency No. 411 of 14 November 2022 allocating financial resources and awarding the projects to be considered under Investment 1.3 “Structured socio-educational interventions to combat educational poverty in the South supporting the third sector” of the Council Implementing Decision as regards Public Notice 2020;
- v) Public Notice of 29 December 2021 (hereinafter referred as “Public Notice 2022), as published on the website of the Territorial Cohesion Agency, addressed to third sector organizations providing educational support to minors;
- vi) Decree of the Director General (DDG) of the Territorial Cohesion Agency No. 313 of 29 December 2021 approving the Public Notice 2022;
- vii) Decree of the Director General (DDG) of the Territorial Cohesion Agency No. 38 of 9 February 2022 increasing the financial resources allocated to Public Notice 2022;
- viii) Decree of the Director General (DDG) of the Territorial Cohesion Agency No. 410 of 14 November 2022 awarding the final list of a of projects as regards Public Notice 2022;
- ix) Additional justification of compliance with CID’s description of the investment and target;

The authorities also provided:

- x) Additional evidence concerning the decrees and legal acts adopted to reallocate resources financing projects to provide educational support to minors.

In the context of the sampling analysis, additional evidence provided for a sample of 60 units including:

- xi) Enrolment form of the minor to the educational support project (‘modulo di iscrizione’);
- xii) Evidence provided by the third sector organization confirming the minor enrolment to the project;
- xiii) Project proposal of the third sector organization providing educational support to minors;
- xiv) Agreement (so called “Atto d’obbligo”) signed by third sector organizations with the Territorial Cohesion Agency;
- xv) Documents proving the beginning activity of the projects of educational managed by third sector organizations.

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the milestone.

- **At least 20 000 minors aged up to 17 years shall receive educational support.**
  - To confirm that 20 000 minors received educational support, Italian authorities have provided a list with minors’ personal data, including their date of birth and the characteristics of the projects to which they were enrolled to. A sample of 60 unit was requested from this list. For each minor Italy provided the following documents i) the request of enrolment to educational support projects signed by the parent of the minor; ii) a document signed by the third sector organization certifying the actual enrolment of the minor to the educational projects; iii) extract of the project proposal of the third sector organization evidencing the characteristics of the project; iv) awarding decree of granting financing to the project to which the sampled minor was

enrolled. These documents were provided for the sampled units confirmed that all the minors received educational support.

- **The projects shall focus on the following areas: i) Interventions for children aged zero to six aimed at strengthening the conditions of access to nursery and kindergarten services and at supporting parenthood; ii) Interventions for children aged five to ten aimed at guaranteeing effective educational opportunities and early prevention of school dropout, bullying and other phenomena of distress; iii) Interventions for children aged 11-17, which aim at improving education supply and preventing the phenomenon of early school leaving.**
  - In line with the requirements of the Council Implementing Decision, the two public notices of 9 November 2020 (hereinafter referred as “Public Notice 2020”) and 29 December 2021 hereinafter referred as “Public Notice 2022”), as respectively approved by Decree of the Director General (hereinafter referred as “DDG”) No. 192 of 9 November 2020 and DDG No. 313 of 29 December 2021, launched by the Territorial Cohesion Agency identify the areas of interventions which are outlined under their Article 5 and detailed as follows:
    - Article 5(1) paragraph 1 of both public notices provides that interventions for minors aged zero to six shall include: i) strengthening of the access conditions to nursery services (0-3) and kindergarten services (3-6) improving organisational, regulatory, and management aspects; ii) integrating services for early childhood adopting a ‘multi-service’ approach to provide a comprehensive educational offering; iii) activities to support parenthood, motherhood, as well as the resolution of family/work/social participation; iv) strengthening of the role of all the actors involved in the educational system;
    - Art. 5(1) paragraph 2 provides that interventions for minors aged five to fourteen (Public Notice 2020), as well as for minors aged five to ten (Public Notice 2022) shall include: i) personalised learning, actions to favour the re-integration of minors that had dropped out from school, reinforcement of social skills to prevent school dropout, addictions, and bullying phenomena; ii) promotion of the school as a place in which minors and their families gather to learn, to debate, and to socialise; iii) strengthening of the role of all the actors involved in the educational system;
    - Art. 5(1) paragraph 3 of both public notices provides that interventions for minors aged eleven to seventeen shall include: i) activities to ease the access to extracurricular opportunities and/or during summer breaks to develop social and digital skills; ii) actions to identify learning difficulties to guarantee personalised trainings; iii) vocational trainings to guide minors within the world of work; iv) strengthening of the role of all the actors involved in the educational system;
    - Art. 5(1) paragraph 3 of the public notice of 29 December 2021 ( as approved by DDG No. 313) also provides that interventions for minors aged eleven to seventeen shall include: i) reinforcement of STEM skills with a focus on female minors to ease their involvement in STEM subjects; ii) courses for integration and social development to empower families;
    - In the context of the sampling exercise described under the previous paragraph, Italy provided for the 60 sampled unit evidence of the

extract of the project to which the minor was enrolled. This confirmed that all the projects followed under one of the three categories as provided in the Council Implementing Decision;

- By proving the extract of the project together with the personal information of the minor (including their date of birth), it was confirmed that the minors received the educational supports by being enrolled to projects whose characteristics correspond to those of the minor's age group, in line with the requirements of the Council Implementing Decision.

- **Public notices shall account for at least EUR 50 000 000 each.** In addition to the requirements of the target as in the Council Implementing Decision, the further specifications of the operational arrangements provide that: *The provision "Key elements of the tender" shall be understood as applying to upcoming tenders (those launched after the entry into force of the Council Implementing Decision on the approval of the assessment of the Recovery and Resilience Plan for Italy).*

- Two public notices have been launched as regards to the first batch of educational support to minors to be provided by third sector organizations;
- Public Notice of 29 December 2021 (hereinafter referred as "Public Notice 2022") had, as indicated by its article 3(1), an initial allocation of EUR 30 000 000, in line with approving Directorial Decree No. 313 issued the same day by the Territorial Cohesion Agency. Subsequently the DDG of the Territorial Cohesion Agency No. 38 of 9 February 2022 increased the financial resources allocated to the Public Notice 2022 by EUR 20 000 000, determining a total allocation for the Public Notice 2022 of resources of EUR 50 000 000, which is in line with the requirements of the Council Implementing Decision;
- Public Notice of 9 November 2020 (hereinafter referred as "Public Notice 2020") had, as indicated by its Article 3(1), an initial allocation of EUR 16 000 000, in line with approving Directorial Decree No. 192 issued the same day by the Territorial Cohesion Agency. Subsequently to the launch of the Public Notice 2021 the DDG No. 411 of 9 February 2022 of the Territorial Cohesion Agency established that a part of the financial allocation of Public Notice 2020, amounting to EUR 10 000 000, would be considered under Investment 1.3. As detailed above, the projects receiving such additional financial support are in line with the scope of the investment and related targets, which is to provide support to minors in educational poverty.
- The Council Implementing Decision states public notices shall account for at least EUR 50 000 000 each. The further specifications of the operational arrangements provide that: "The provision "Key elements of the tender" shall be understood as applying to upcoming tenders (those launched after the entry into force of the Council Implementing Decision on the approval of the assessment of the Recovery and Resilience Plan for Italy)". The amount of the second public notice of 9 November 2020 is below the minimum of EUR 50 000 000 referred to in the Council Implementing Decision. However, this was published on 9 November 2020 and the public notice complies with the further specifications of the Operational Arrangements and the assessment is in line with the contextual interpretation of the requirement of the Council Implementing Decision. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

- **The third sector entities projects shall last at least one year and up to two years**

- Article 8 of the Public Notice 2022 sets that all financed projects shall last at least for one year and up to two years;

<ul style="list-style-type: none"> <li>○ Article 1 of the DDG No. 411 of 14 November 2022 approving the final list of projects of the Public Notice 2020 as considered for the achievement of Investment 1.3 clearly states that resources of the Recovery and Resilience Fund are financing only projects lasting at least for one year and up to two years, as evidenced in its annexed final ranking list;</li> <li>● <b>The actions shall take place in the regions of Abruzzo, Basilicata, Campania, Calabria, Molise, Puglia, Sardegna and Sicilia.</b> <ul style="list-style-type: none"> <li>○ Articles 6 and 7 of the Public Notice 2020 clearly provides that the resources are allocated exclusively to the Regions of Abruzzo, Basilicata, Campania, Calabria, Molise, Puglia, Sardegna and Sicilia;</li> <li>○ Articles 1 and 7 of the Public Notice 2022 provides that each financed intervention shall take place in one of the following regions: Abruzzo, Basilicata, Campania, Calabria, Molise, Puglia, Sardegna and Sicilia.</li> </ul> </li> </ul>
<b>Commission Preliminary Assessment: Satisfactorily fulfilled</b>

<b>Number:</b> M6C2-14	<a href="#">M6C2-14, Investment 2.2: Development of technical, professional, digital and managerial skills of professionals in the healthcare system</a>		
<b>Name of the Target:</b> Scholarships for specific training in general medical practice are awarded.			
<b>Qualitative Indicator:</b> N/A	<b>Baseline:</b> 0	<b>Target:</b> 1 800	<b>Time:</b> Q2 2023
<b>Context:</b>			
<p>The objective of this sub-measure is to increase the number of scholarships in the specific training in general medical practice guaranteeing the completion of 3 three-years cycles (that is 900 scholarships per cycle).</p> <p>Target M6C2-14 concerns the award of 1 800 scholarships for specific training in general medical practice.</p> <p>M6C2-14 is the first step for the implementation of this sub-measure, and it will be followed by target M6C2-15 related to the award of additional scholarships for specific training in general medical practice.</p> <p>The investment has a final expected date for implementation in Q2 2026.</p>			
<b>Evidence provided:</b>			
<p>In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:</p> <ul style="list-style-type: none"> <li>i) Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;</li> <li>ii) All the regional rankings related to the specific trainings in general medicine practice for the study cycle 2021-2024 and 2022-2025;</li> <li>iii) Two lists with references to the scholarships awarded (one per study cycle) and a full merged database.</li> </ul> <p>The authorities also provided:</p> <ul style="list-style-type: none"> <li>iv) The notice of competition related to the specific trainings in general medicine practice for the study cycle 2021-2024 (published in the Official Gazette (GU) No. 98 dated December 10, 2021);</li> </ul>			



- v) The notice of competition related to the specific trainings in general medicine practice for the study cycle 2022-2025 (published in the Official Gazette (GU) No. 100 dated December 20, 2022);
- vi) Official Gazette (GU) No. 121 of 25 May 2022 including the Ministerial Decree of the Ministry of Health of 2 November 2021;
- vii) Official Gazette (GU) No. 298 of 22 December 2022 including the Ministerial Decree of the Ministry of Health Ministerial Decree of 22 September 2022;
- viii) The regional rankings related to the scholarships awarded for the specific trainings in general medicine practice for the three-year study cycles from 2017 to 2023.

In the context of the sampling analysis, additional evidence provided for a sample of 60 units including, for each of the 60 sample units:

- a) A recent payslip;
- b) The Libretto Accademico (Academic document).

#### **Analysis:**

The justification and substantiating evidence provided by the Italian authorities covers all constitutive elements of the target.

In particular:

- **As regards the requirements of the description of the target: “this investment shall increase scholarships for the specific course in general medicine, guaranteeing the completion of 3 three year training cycles;”**
  - Italy has in total awarded 3.436 and 2.771 scholarships for the specific course in general medicine related to the study cycle 2021-2024 and 2022-2025 respectively. Italy has submitted information related to the number of scholarships awarded for the 4 previous cycles to demonstrate that through the RRP measure the number of scholarships has been increased: the average annual number of scholarships for the study cycles from 2017-2020 to 2020-2023 amounts to 1.588. Therefore, for the years 2021-2024 and 2022-2025 the additionality of the scholarships awarded by Investment 2.2 has been respected given that the number of scholarships is higher by 1848 and 1183 units respectively with respect to the baseline;
  - For the first academic cycle (2021-2024), the Official Gazette (GU) No. 121 of 25 May 2022 published the Ministerial Decree of the Ministry of Health of 2 November 2021 that allocates the resources for the additional 900 scholarships to be financed by the RRP. The Official Gazette (GU) No. 98 dated December 10, 2021, published the notice regarding regional and provincial calls for admission to the specific training course in general medicine. The competition took place on 22 February 2022, followed by the publication by each region and autonomous province of the official rankings of the successful candidates. The training course started in spring 2022;
  - For the second academic cycle (2022-2025), the Official Gazette (GU) No. 298 of 22 December 2022 published the Ministerial Decree of the Ministry of Health of 22 September 2022 that allocates the resources for the additional 900 scholarships to be financed by the RRP. The Official Gazette (GU) No. 100 dated December 20, 2022, published the notice regarding regional and provincial calls for admission to the specific training course in general medicine. The competition took place on 1 March 2023, followed by the publication by each region and autonomous province of the official rankings of the successful candidates. The training course started in spring 2023.
  - To confirm that all the students were awarded grants for the specific course in general medicine, a sample of 60 units was requested. The documentation

provided for the sample of 60 units confirmed that all the sampled students have been awarded a scholarship for the specific course in general medicine for the relevant three-year study cycles.

**Commission Preliminary Assessment:** Satisfactorily fulfilled