



EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

THE SOCIAL DIMENSION IN ITALIAN NRRP

Ivana Veronese – UIL Confederal Secretary

8° of November 2023



THE NATIONAL RECOVERY AND RESILIENCE PLAN

On 24 April 2021, the Italian Government approved the National Recovery and Resilience Plan.

Investments presented under the National Recovery and Resilience Plans must be aligned with the Union's long-term strategies, notably the European Green Deal and digital transformation, the National Energy and Climate Plans and the plans for a Just Transition.

The NRRP must define the reform and investment program in line with the Country-Specific Recommendations within the European Semester.



**COUNTRY SPECIFIC RECOMMENDATIONS 2019-2020 OF THE
EUROPEAN COMMISSION
FOR ITALY**



SPECIFIC RECOMMENDATIONS 2019

Public finance: shift the tax burden away from work, reducing tax breaks and updating real estate registry values, combating tax evasion by strengthening electronic payments and lowering the limits on the use of cash; fully implement past pension reforms in order to reduce the burden of pension expense.

Work and training: intensify efforts to combat undeclared work; ensure effective integration between social policies and active labour policies; support female participation in the labour market by strengthening childcare; improve school results and skills, particularly digital, also through targeted investments.

Investments, PA and competition: direct the investments towards research, innovation and quality of infrastructures, reducing regional disparities; improve the efficiency of the Public Administration, in particular by investing in the skills of public employees, accelerating digitalisation and increasing the efficiency and quality of local public services; reduce barriers to competition, particularly in retail and business services.

Justice: reduce the duration of civil trials at all levels of judgement; fight corruption by reforming procedural rules and reducing the duration of criminal trials.

Banking and financial system: promote the restructuring of banks' financial reports, improving the efficiency and quality of assets, continuing the reduction of non-performing loans and diversifying the supply; improving non-bank financing for small innovative businesses.

SPECIFIC RECOMMENDATIONS 2020

Public finance and health system: support the economic recovery and, once the critical phase has passed, continue to ensure the sustainability of public debt, increase investments, strengthen the resilience and capacity of the National Health Service and improve coordination between the State and the Regions.

Work and training: provide replacement incomes and adequate access to social protection, including for atypical workers; promote flexible working methods and active support for employment; strengthen distance learning and improve skills, including digital ones.

Liquidity for businesses and investments: provide liquidity to the real economy (SMEs, innovative businesses, self-employed workers) and avoiding delays in payments; anticipate public investment projects already ready and promote private investments; concentrate investments on the green and digital transitions.

Justice and Public Administration: improve the efficiency of the judicial system and the functioning of the Public Administration.



THE ITALIAN NATIONAL RECOVERY AND RESILIENCE PLAN



The Italian NRRP identifies **nine long-term economic-social objectives** of the Government, through **four challenges** that the country intends to address and **six intervention missions**.

The Government's nine long-term economic-social **objectives** are:

1. double the growth rate of the Italian economy (0.8% in the last decade), bringing it at least in line with the EU average (1.6%);
2. achieve an increase in the employment rate of 10 percentage points, to reach the current EU average (73.2% compared to 63.0% in Italy);
3. raise indicators of well-being, equity and environmental sustainability;
4. reduce territorial gaps in GDP, income and well-being;
5. promote a recovery in the fertility rate and population growth;
6. reduce the incidence of school dropout and inactivity of young people;
7. improve the preparation of students and the share of high school graduates and graduates;
8. strengthen the country's security and resilience in relation to natural disasters, climate change and epidemic crises;
9. ensure the sustainability and resilience of public finances.

RESOURCES AND MISSIONS

The Next Generation EU has a total budget of 235.1 billion € of which:

- 191.5 billion € from the National Recovery and Resilience Plan (NRRP);
- 13 billion € from the European REACT-EU fund;
- 30.6 billion € from the national complementary fund.

The Italian Next Generation EU Plan is made up of 6 spending missions which, in turn, are divided into 16 macro spending areas and 182 macro projects.

THE SPENDING MISSIONS

The six Spending Missions are:

1. **Digitalisation, Innovation, Competitiveness and Culture:** overall expenditure of **50.1** billion € (21.3% of the total);
2. **Green Revolution and Ecological Transition:** overall expenditure of **70** billion € (29.8% of the total);
3. **Infrastructures for Sustainable Mobility:** overall expenditure of **31.5** billion € (13.4% of the total);
4. **Education and Research:** total expenditure of **33.8** billion € (14.4% of the total);
5. **Inclusion and Cohesion:** overall expenditure of **29.6** billion € (12.5% of the total);
6. **Health:** total expenditure of **20.2** billion € (8.6% of the total).

THE MACRO AREAS OF EXPENDITURE

The 16 macro spending areas are:

- **Digitalisation, Innovation, Competitiveness and Culture:** security in the Public Administration; digitalisation, innovation and competitiveness in the production system; tourism and culture.
- **Green Revolution and Ecological Transition:** sustainable agriculture and circular economy; energy transition; sustainable mobility; energy efficiency and redevelopment of buildings; protection of the territory and water resources.
- **Infrastructure for Sustainable Mobility:** high speed/capacity railway network; intermodality and integrated logistics.
- **Education and Research:** strengthening the offer of education services from nurseries to universities; from research to business.
- **Inclusion and Cohesion:** employment policies; social infrastructures, families, communities and the third sector; special interventions for territorial cohesion.
- **Health:** proximity networks, structures and telemedicine for local healthcare; innovation, research and digitalisation of the National Health Service.

MACROECONOMIC IMPACT OF THE PLAN MEASURES

The estimated **GDP growth**, additional to ordinary policies in 2026, is **3.6%**; private consumption is expected to grow by 1.9%; total investments by 10.4%; imports by 4% and exports by 2.7%.

At a macro area level, in the South of Italy GDP is estimated to have additional growth in 2026 at 2.9%; public spending is expected to grow by 2.9%; investments by 3.9%.

Employment at a national level is expected to grow by 3.2% (in the South by 3.3%).

Growth in female employment is estimated at 3.7% (5.5% in the South); while youth employment is expected to grow by 3.3% (4.9% in the South).

TRANSVERSAL ACTIONS

The so-called transversal actions are identified in the Plan:

- **Southern Italy**
- **Youth**
- **Women.**

Disability and support for non-self-sufficient elderly people are also considered transversal actions to the Plan, even if the latter two actions are not detailed in the six spending missions.

SOUTHERN ITALY

The overall goal is to reduce the citizenship gap.

Four project strategies are foreseen:

1. A **more connected** South (high speed, port system, digitalisation, internal roads);
2. A South that **attracts investments** (SEZ reform, innovation ecosystems, Mediterranean energy hub);
3. A South that **guarantees services** (nursery and full-time nursery school plan, increase in social infrastructure, employment policies);
4. A **more sustainable** South (circular economy, land and water protection, energy transition and sustainable mobility).

The resources foreseen for the South amount to approximately **82 billion €** (40%).

YOUNG PEOPLE

There are specific actions aimed at young people:

- Projects in the fields of **education** and **research**;
- **Universal civil service**;
- Generational change in the **Public Administration**.

Then there are **indirect actions** on young people with opportunities in the world of work such as **investments in the ecological and digital transition**.

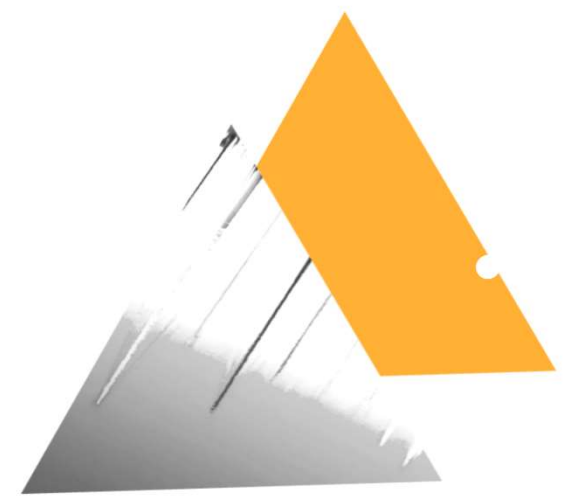
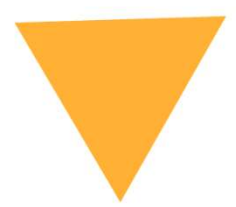
WOMEN

In the Plan there are specific direct actions for women:

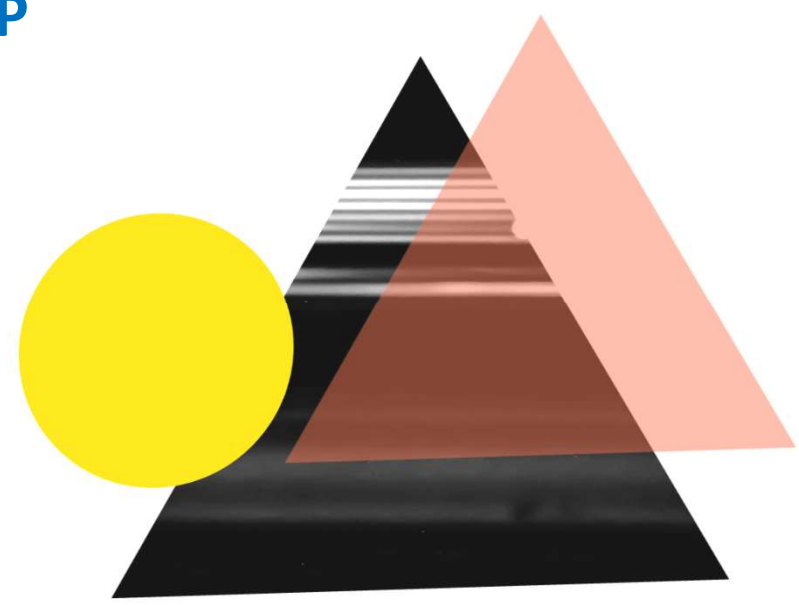
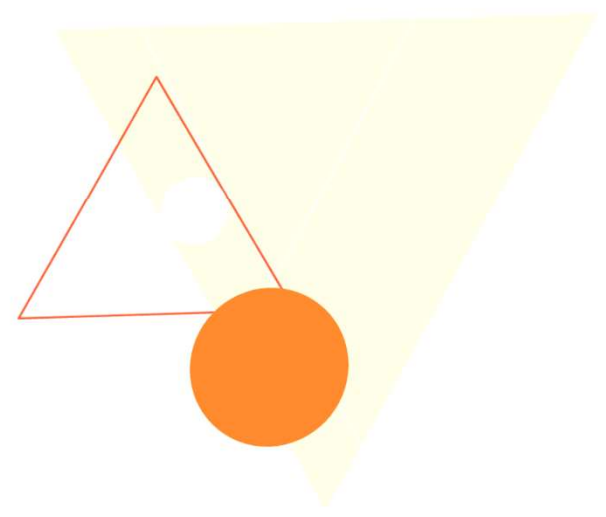
- Support for **female entrepreneurship**;
- **Investments in STEM skills** among female high school students;
- Inclusion of **thresholds for female and youth employment** in the projects financed by the Plan.

Then, as for young people, there are «indirect actions», that will have **positive consequences** for equal opportunities.

Then there are actions to **strengthen welfare**, to strengthen the provision of **childcare, nursery schools, full-time schools**, and to **strengthen integrated home care**.



THE MISSIONS OF THE NRRP



MISSION 1 – DIGITALIZATION, INNOVATION, COMPETITIVENESS AND CULTURE

The overall objective of the mission is to **promote and support the digital transformation** of the country **and the innovation of the production system** and to **invest in tourism and culture**.

Main actions:

- Ultra-broadband and fast connections;
- Incentives for the digital transition and the adoption of innovative technologies and digital skills in the private sector;
- Digitalization of public administration;
- Relaunch of tourism and culture;
- Enhancement of historical and cultural sites.

MISSION 2 – GREEN REVOLUTION AND ECOLOGICAL TRANSITION

The overall objective of the mission is to **improve the sustainability** and **resilience** of the economic system by **ensuring a fair and inclusive transition**.

Main actions:

- Investments in circular economy and waste management;
- Renewable energy sources;
- Tax incentives to increase the energy efficiency of buildings;
- Investments in water infrastructures;
- Investments in hydrogen;
- Resources to renew the car fleet for local public transport.

MISSION 3 – INFRASTRUCTURES FOR SUSTAINABLE MOBILITY

The overall objective of the mission is the development of **sustainable transport infrastructure**.

Main actions:

- High speed;
- Modernization and strengthening of regional railway lines;
- Investments in ports and digitalisation of the logistics chain.

MISSION 4 – EDUCATION AND RESEARCH

The overall objective of the mission is to **strengthen the education system, digital and STEM skills, research and technology transfer.**

Main actions:

- Strengthen the offer of nursery schools and early childhood education and care services;
- Create modern, wired schools; newly designed classrooms;
- Teacher training;
- School buildings;
- Strengthen professionalizing education;
- Strengthen the research chain.

MISSION 5 INCLUSION AND COHESION

The overall objective of the mission is to **facilitate participation in the labour market and in training** and to promote **social inclusion**.

Main actions:

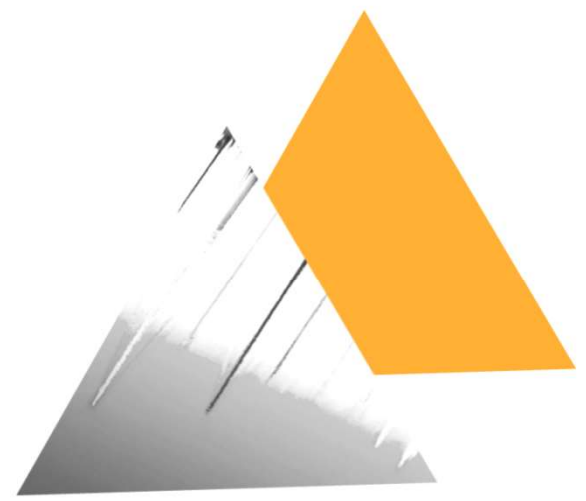
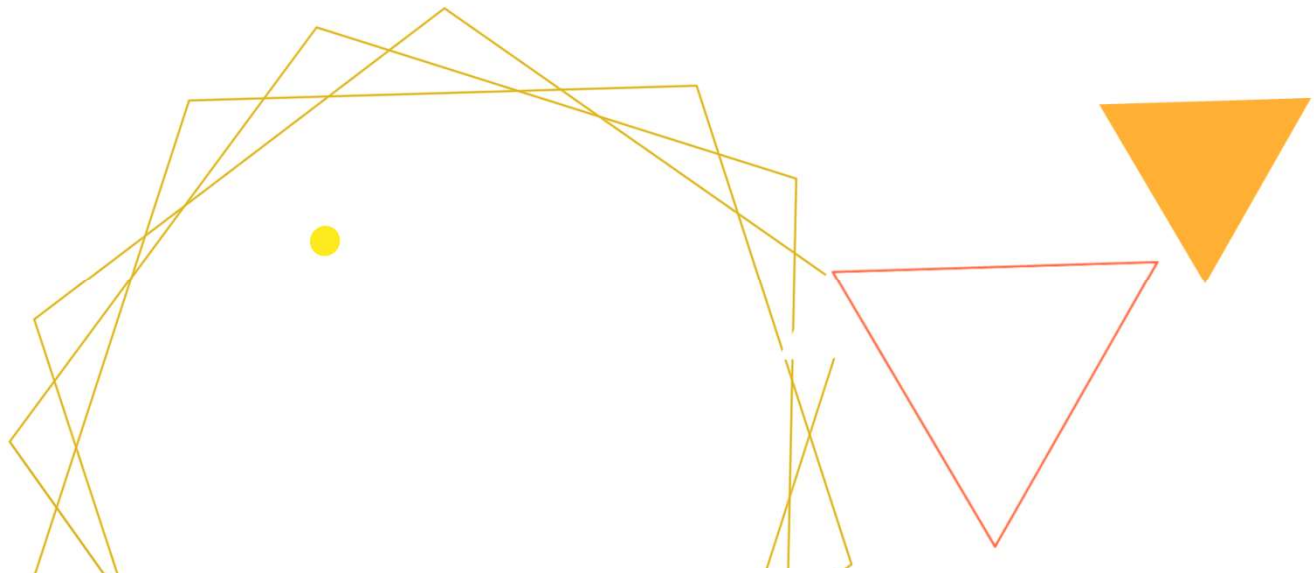
- Active labour policies and development of employment centers;
- Female entrepreneurship;
- Strengthening of social and health services;
- Urban regeneration and integrated urban plans;
- Special Economic Zones (SEZ);
- National strategy for internal areas.

MISSION 6 HEALTH

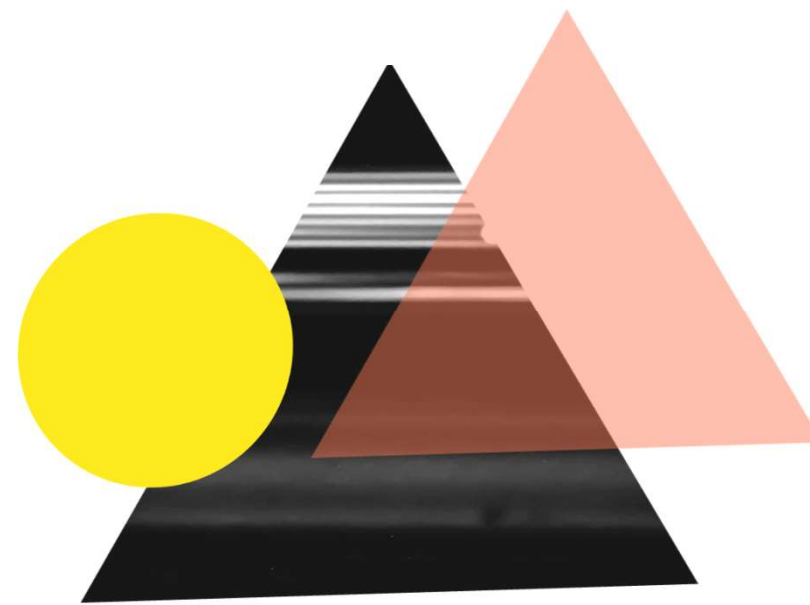
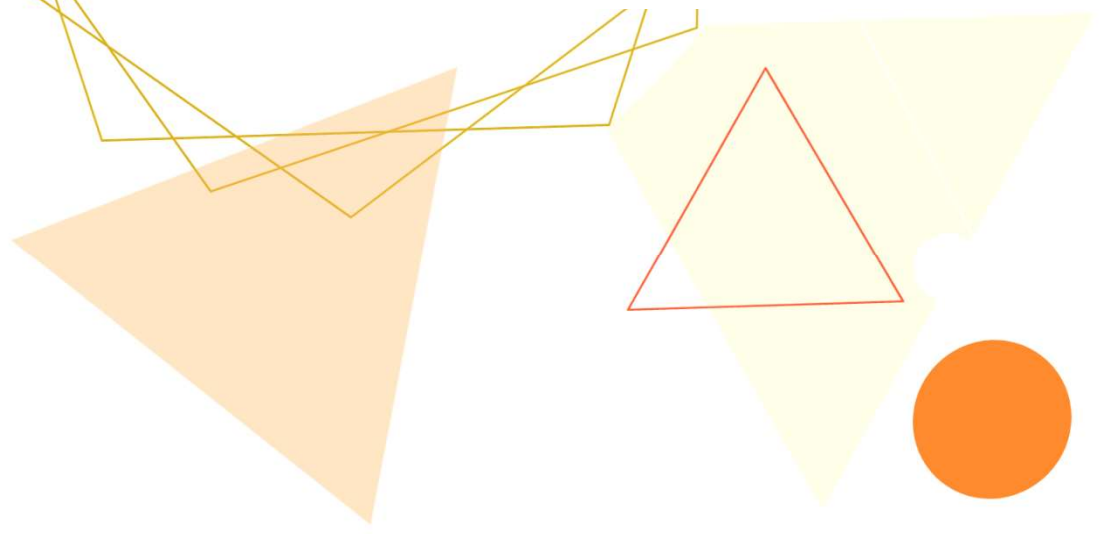
The overall objective of the mission is to **strengthen prevention and health services at territorial level** and to **modernize and digitalize the National Health System**.

Main actions:

- Strengthen local assistance;
- Home as the first place of care (home care, telemedicine, remote assistance);
- Purchase of equipment for diagnosis and treatment;
- Anti-seismic interventions in hospital facilities
- Dissemination of the electronic health file;
- Training programs for medical and administrative staff;
- Biomedical research.



NRRP GOVERNANCE



THE GOVERNANCE OF THE PLAN

The central coordination role for the implementation of the NRRP and the role of single point of contact for the European Commission is assigned to the **Minister for European Affairs, the South, Cohesion Policies and the NRRP**.

In particular, the Minister **coordinates the monitoring system on the implementation of the NRRP** by recording the financial implementation data and the progress of the concrete and procedural implementation indicators.

The Minister **ensures the consistency of the data** concerning the Targets reported by the individual administrations responsible for the measures, he/she carries out the **evaluation of the results and the impact** of the NRRP and periodically **provides the reporting of the results of the aforementioned checks** to the «Cabina di regia», also on the basis of the directions given from this specific body.

«CABINA DI REGIA»

A «Cabina di regia» has been established at the Presidency of the Council of Ministers, with the task of **verifying the progress of the NRRP and the progress made in its implementation**, of **monitoring the effectiveness of initiatives** to strengthen administrative capacity, of **ensuring the cooperation** with the economic, social and territorial partnership. It also is in charge of **communicating with the responsible administrations** in case of critical issues; **proposing** the activation of **replacement powers**, as well as **proposing the regulatory changes** necessary for the most effective implementation of the Plan's measures.

The Cabina di Regia **is composed by** all the Ministries and representatives of the Regions and Local Authorities.

Social partners are part of the Cabina di Regia.