

**Positive preliminary assessment of the satisfactory fulfilment of milestones and targets related to the seventh payment request submitted by Italy on 30 December 2024, 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 30 December 2024, Italy submitted a request for payment for the seventh instalment of the non-repayable support and the seventh 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 33 milestones and targets of the seventh instalment of the non-repayable support and the 31 milestones and targets of the seventh instalment of the loan support, as set out in Section 2(1)(1.7) and Section 2(2)(2.7) 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 13 milestones and 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 64 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. The payment request includes important implementation steps for several reforms in the areas of permitting on renewables and environmental harmful subsidies, as well as follow-up measures to keep up the implementation efforts concerning the already adopted reforms in the areas of justice, public administration, public procurement, waste management, sustainable energy and education. The main investments covered by this payment request refer to cybersecurity and digitalization of public administration, climate adaptation, renewable energy, energy poverty, sustainable transport and agriculture, and scholarships at graduate and post-graduate level.

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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## Non-repayable support

### M1C1-17: Migration to the Polo Strategico Nazionale T1

**Related Measure:** [M1C1]-[I1.1]: Digital infrastructure

**Quantitative Indicator:** 100

**Time:** Q3 2024

#### 1. Context:

Target M1C1-17 is part of Investment 1.1, whose objective is the creation of a state of the art, fully-redundant, national cloud-based hybrid infrastructure, called 'Polo Strategico Nazionale' (hereinafter referred to as "PSN"), the certification of secure and scalable public cloud alternatives and the migration of the datasets and applications of the public administration to a cloud environment.

Target M1C1-17 concerns the full migration to the PSN infrastructure of at least one service (systems, dataset and applications included) by at least 100 Central Public Administrations and Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende ospedaliere).

Target M1C1-17 is the second step of the implementation of the investment. It follows the completion of milestone M1C1-3, assessed under the third payment request, which concerned the successful completion of the testing of the PSN datacentres in view of the start of the migration process of the datasets and applications of targeted public administrations towards the cloud infrastructure. It will be followed by target M1C1-26, which concerns the migration to the PSN infrastructure of at least 280 Central Public Administrations and Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende ospedaliere) according to the migration plan as approved by the Department for Digital Transformation.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. The five public notices published on the website of the Department for Digital Transformation (DTD) under the Presidency of the Council of Ministers between 10 February 2023 and 7 May 2024 for the migration of the systems, datasets and applications of Central Public Administrations and Local Healthcare Authorities towards the PSN and the associated Decrees:
  - i) The first public notice, "*Migrazione al Polo Strategico, PAC Pilota BIS*", published on 10 February 2023 and addressed to a set of pilot Central Public Administrations and the associated Decree n. 12/2023-PNRR of 14 August 2023 approving the funding for 16 Central Public Administrations and their territorial organizations, for 37 migration projects in total (so-called "wave 1") (evidence n. 2a);
  - ii) The second public notice, "*Avviso pubblico multimisura per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali e Investimento 1.2. "Abilitazione al Cloud per le PA Locali", ASL/AO*", published on 14 March 2023 and addressed to Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende ospedaliere) and the associated Decrees n. 48-1/2023-PNRR of 10 May 2023, n. 48-2/2023-PNRR of 12 June 2023, n. 48-3/2023-PNRR of 17 July 2023 and n. 48-4/2023-PNRR of 4 August 2023, approving the funding for 131 Local Healthcare Authorities (also considering the withdrawal by 14 Local Healthcare Authorities and the related Decrees) (so-called "wave 2") (evidence n. 2b);
  - iii) The third public notice, "*Avviso pubblico per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali, Altre PAC*", published on 3 July 2023 and addressed to a set of 280 Central Public Administrations and the associated four approval Decrees n. 104 -1/2023-PNRR of 4 August 2023, n. 104 -2/2023-PNRR of 28 September 2023, n. 104 -3/2023-PNRR of 2 November 2023 and n. 104 -4/2023-PNRR of 21 December 2023, approving the funding for 138 Central Public Administrations (also considering the withdrawal by 6 Central Public Administrations and the related Decrees) (so-called "wave 3") (evidence n. 2c);

- iv) The fourth public notice, *“Avviso pubblico per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali, Migrazione al Polo Strategico, PAC Pilota BIS”*, published on 28 March 2024 and addressed to the initial set of pilot Central Public Administrations and their territorial units and the associated Decree n. 168/2024 approving the funding for 7 Central Public Administrations (so-called “wave 1 bis”) (evidence n. 2d);
  - v) The fifth public notice, *“Avviso pubblico per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali, Migrazione al Polo Strategico, Altre PAC BIS”* published on 7 May 2024 and addressed to 155 additional Central Public Administrations and the associated Decree n. 91-1/2024 - PNRR approving the funding for 7 Central Public Administrations (so-called “wave 3 bis”) (evidence n. 2e).
3. A summary of the types of Central Public Administrations and Local Healthcare Authorities that received funding as a result of the above-mentioned five public notices and associated Decrees approving the funding;
  4. The full list of Central Public Administrations and Local Healthcare Authorities that migrated at least one service to the PSN, presenting for each unit: (i) the category of public administration, (ii) the name of the public administration, (iii) the name of the migrated service, (iv) the number of services migrated, (v) the migration method applied, (vi) the completion date of the migration, (vii) the date of the corresponding checklist, (viii) the name of the testing engineer;
  5. The full list of Central Public Administrations and Local Healthcare Authorities that received funding as a result of the above-mentioned public notices and associated Decrees approving the financing and the dates of related contracts;
  6. A 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;
  7. The full set of updated Guidelines for implementing entities *“Linee Guida per i Soggetti attuatori individuati tramite Avvisi pubblici a lump sum”* and *“Linee Guida per i Soggetti attuatori individuati tramite Avvisi pubblici a costi reali”* and the related annexes;
  8. The Manuals for the asseverators (*“Asseveratore”*) and the associated Decrees;
  9. The Italian Cloud strategy (*Strategia Cloud Italia*), published by the Ministry of Technological Innovation and Digital Transformation (MITD) on 7 September 2021;
  10. Agency for Digital Italy (*Agenzia per l'Italia digitale, hereinafter referred to as “AgID”*) Regulation on the PSN *“Regulation laying down minimum levels of security, computing capacity, energy savings and reliability of digital infrastructure for public administrations and quality, security, performance and scalability characteristics, portability of cloud services for public administrations, migration arrangements and how cloud services are qualified for public administration”* (provided for in Article 33-septies of Decree-Law No. 179/2012) and AgID decision No. 628/2021 of 15 December 2021 on the adoption of the Regulation on PSN;
  11. Decision No. 306 by the National Cybersecurity Agency (*Agenzia per la Cybersicurezza Nazionale, hereinafter referred to as “ACN”*) of 18 January 2022 and its Annex on the *‘model for drawing up the list and classification of public administration data and services’*;
  12. Decision No. 307 by the ACN of 18 January 2022 and its Annex on the *‘update of additional minimum security levels, capacity processing, and reliability of digital infrastructures for the public administration and the additional characteristics of quality, security, performance and scalability of cloud services for the public administration, as well as the qualification requirements for cloud services for public administration’*;
  13. The contract of 24 August 2022 between the Department for Digital Transformation (DTD) and the ‘Polo Strategico Nazionale S.p.a.’ for the creation of the PSN and the registration No. 3132 of 9 December 2022 by the National Court of Auditors of Decree 124/2022 approving the contract;
  14. Directorial Decree No. 21007/27 by the ACN “Cloud Regulation” of 27 June 2024;
  15. The report n° 1/2023 on ICT expenditure in the Italian public administration published by AgID.

### 3. Analysis:

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

**At least 100 Central Public Administrations and Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende ospedaliere) shall fully migrate at least one service of the administration (systems, dataset and applications included) to the infrastructure (Polo Strategico Nazionale).**

In order to foster the onboarding and the migration of services of Central Public Administrations and Local Healthcare Authorities to the PSN, between 10 February 2023 and 7 May 2024 the Department for Digital Transformation under the Presidency of the Council of Ministers published five public notices for the migration of the systems, datasets and applications of Central Public Administrations and Local Healthcare Authorities towards the PSN. These five public notices were followed by the adoption of Decrees approving the funding for migration projects towards the Polo Strategico Nazionale by Central Public Administrations and Local Healthcare Authorities (evidence n. 2).

According to the list of Central Public Administrations and Local Healthcare Authorities that fully migrated at least one service (systems, dataset and applications included) from on-premise IT systems to the PSN provided by the Italian authorities (evidence n. 4), as of 27 September 2024, a total of 119 Central Public Administrations and Local Healthcare Authorities had fully migrated at least one service to the PSN, thus showing an overachievement of 19 units. For each of the 119 Central Public Administrations and Local Healthcare Authorities, the list provided by the authorities presents: (i) the category of public administration, (ii) the name of the public administration, (iii) the name of the migrated service, (iv) the number of services migrated, (v) the migration method applied, (vi) the completion date of the migration, (vii) the date of the corresponding checklist, (viii) the name of the testing engineer.

Following the selection of a random sample of 60 units, Italy submitted, for each sampled Central Public Administrations and Local Healthcare Authorities that fully migrated at least one service (systems, dataset and applications included) to the infrastructure: (i) the independent engineer (“Asseveratore”)’s checklist signed, assessing the migration of at least one service from on-premise IT systems to the PSN by the sampled administration; (ii) Annexed documents supporting the engineer’s evaluation, as listed in the “Manuals for the asseverators”; (iii) the administration’s migration plan.

The checklist signed by the Asseverator presents the controls that have been performed, following the instructions detailed in the “Manuals for the asseverators” (evidence n. 8). The checklist attests that the asseverator has checked that the full migration from on-premise IT systems towards the PSN of at least one service by the administration has been successfully completed.

The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met.

**Fully migrated can imply for each institution a mix of: not-cloud- ready in pure hosting, lift-and-shift migrations, upgrade to Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) or Software-as-a-Service (SaaS).**

Article 5 of the contract of 24 August 2022 between the Department for Digital Transformation (DTD) and the ‘Polo Strategico Nazionale S.p.a.’ for the creation of the PSN stipulates that the Polo Strategico Nazionale S.p.A. (PSN) will support the administrations in the migration process by providing the following core on-demand infrastructural services: *“(A) housing, (B) hosting, (C) IaaS Private, IaaS Shared, and (D) other IaaS and Cloud services, together with the main IaaS services (Private and Shared); the Licensee will offer User Administrations a series of specific and/or complementary IaaS and Cloud services, and in particular (i) Platform as a Service (PaaS), (ii) Containers-as-a-Service (CaaS), (iii) Disaster Recovery for IaaS and Cloud, (E) Hybrid Cloud on PSN Site, (F) Public Cloud PSN Managed, (G) Secure Public Cloud, (H) PaaS Industry, (I) Migration.”*

The five public notices published by the Department for Digital Transformation under the Presidency of the Council of Ministers between 10 February 2023 and 7 May 2024 for the migration of the systems, datasets and applications of Central Public Administrations and Local Healthcare Authorities towards the PSN and their Annexes (evidence n. 2) foresee the migration to the PSN by the eligible administrations of the services and related systems, applications and datasets that, on 28 February 2023, were hosted on physical servers and virtual machines already in the cloud and within infrastructures not complying with the requirements of the AGID Regulation of 15 December 2021 (evidence n. 10) and with the Decision No. 307 of 18 January 2022 by the National Cybersecurity Agency (ACN) (evidence n. 12). They also indicate that the migration must be completed for all the applications, databases and systems used for the provision of the services for which funding has been requested, selecting between two modalities:

- a) Safeguarding IT infrastructure (lift and shift migration, also called “re-host”). The term lift-and-shift refers to a shift of an IT asset as it is without changes to the IT architecture. In the event of physical movement by means of the PSN housing service, this mode of migration will be considered as lift-and-shift. When moving from physical to virtual or from virtual to virtual and then re-host to the Infrastructure-as-a-Service services of the PSN, this migration is considered as an IaaS migration.
- b) Update of secure applications in Cloud (“re-platform”, “re-architect”). The option of updating secure applications in Cloud offers the possibility to migrate applications using one mode between re-platform and

re-architect strategies. Re-platforming and re-architecting correspond to the reorganisation of the application architecture by replacing entire service components in favour of Cloud native solutions in order to exploit the benefits of the Cloud infrastructure.

The administration has indicated the migration method foreseen in the context of the application stage.

The evidence provided by Italy for the sample of 60 units confirmed that the migration of the services of the sampled administration was implemented based on the two modalities presented above.

**The migration to the Polo Strategico Nazionale can be executed in different ways according to the state of art of on-premise software's IT architecture owned by each migrating public administration.**

As presented above, in order for migration to be considered eligible, the services of the administration must be hosted, as of 28 February 2023, on on-premises software installed on racks located within infrastructure and/or cloud solutions that do not meet the requirements of the AgID Regulation and Decision No 307 of 18 January 2022 of the ACN in relation to the level of classification resulting from the procedure laid down in Decision No 306 of 18 January 2022 of the ACN. Within the Annexes to the public notices (evidence n. 2), migrations of type A (Lift & Shift and Re-host) and of type B (re-platform and re-architect) are expressly mentioned as eligible migration within the eligibility scenarios.

**These strategies can vary from pure hosting and lift-and-shift migrations for not-cloud-ready software to a migration to IaaS, PaaS or SaaS for cloud-ready software. The PSN shall offer to each migrating public administration all of the migration strategies that are eligible to consider the target "migration to the Polo Strategico Nazionale" achieved.**

The annexes to the public notices published on the website of the Department for Digital Transformation (DTD) under the Presidency of the Council of Ministers between 10 February 2023 and 7 May 2024 for the migration of the systems, datasets and applications of Central Public Administrations and Local Healthcare Authorities towards the PSN and the associated Decrees indicate that the migration to the PSN can be executed in different ways according to the state of art of on-premise software's IT architecture owned by each migrating public administration. These strategies can vary from pure hosting and lift-and-shift migrations for not-cloud-ready software to a migration to IaaS, PaaS and SaaS for cloud-ready software. The migration referred to above is represented in the migration strategies A and B, as described above. Migration to IaaS is generally mode A, while PaaS and SaaS represent type B migrations.

**Total public administrations "in scope" include:**

- **Central Public Administrations accounting for the largest share of Information and Communication Technologies (ICT) spending (such as National Institute of Social Security and Ministry of Justice);**
- **Central Public Administrations hosting data in outdated data centers as per survey recently run on "cloud readiness";**
- **Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende Ospedaliere) primarily located in Central and Southern Italy lacking adequate infrastructure to ensure data security.**

The migration of the data and services to the PSN of both "Central public administrations accounting for the largest share of information and communication technology (ICT) expenditure (such as the National Institute of Social Security and the Ministry of Justice)" and of "Central Public Administrations hosting data in outdated data centers as per survey recently run on "cloud readiness", has been supported through the following public notices:

- (i) the first public notice "*Migrazione al Polo Strategico, PAC Pilota BIS*", published on 10 February 2023, addressed to a set of pilot Central Public Administrations (so-called "wave 1") (evidence n. 2a);
- (ii) the third public notice, "*Avviso pubblico per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali, Altre PAC*", published on 3 July 2023 (so-called "wave 3") (evidence n. 2b);
- (iii) the fourth public notice, "*Avviso pubblico per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali, Migrazione al Polo Strategico, PAC Pilota BIS*", published on 28 March 2024 (so-called "wave 1 bis") (evidence n. 2d);
- (iv) the fifth public notice, "*Avviso pubblico per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali, Migrazione al Polo Strategico, Altre PAC BIS*" published on 7 May 2024 and addressed to 155 additional Central Public Administrations (so-called "wave 3 bis") (evidence n. 2e).

The notices were opened to a group of pilot administrations representing the largest share of ICT expenditure based on AGID's ICT expenditure report (evidence n. 15), i.e. Ministries, Tax Agencies and the Presidency of the Council of Ministers. INAIL, INPS, the Ministry of Economic Affairs and Finance, the Ministry of the Interior and the Ministry of the Interior, together with the corresponding 'big spenders' between the central public authorities, as shown in the AGID report on the 2022 data, have adhered to such public notices, as presented in the summary of the Central Public Administrations and Local Healthcare Authorities that received funding as a result of the above-mentioned five public notices and associated Decrees approving the funding (evidence n. 3).

The migration of the data and services to the PSN of "Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende Ospedaliere) primarily located in Central and Southern Italy lacking adequate infrastructure to ensure data security" has been supported through the second public notice, *"Avviso pubblico multimisura per la presentazione di domande a valere su Piano Nazionale di Ripresa e Resilienza – Missione 1 – Componente 1, Investimento 1.1. Infrastrutture Digitali e Investimento 1.2. "Abilitazione al Cloud per le PA Locali", ASL/AO"*, published on 14 March 2023 and addressed to Local Healthcare Authorities (Aziende Sanitarie Locali/Aziende ospedaliere) (so-called "wave 2") (evidence n. 2c).

The summary of the Central Public Administrations and Local Healthcare Authorities that received funding as a result of the above-mentioned five public notices and associated Decrees approving the funding (evidence n. 3) and the list of 119 Central Public Administrations and Local Healthcare Authorities that as of 27 September 2024 fully migrated at least one service (systems, dataset and applications included) from on-premise IT systems to the PSN provided by the Italian authorities (evidence n. 4), demonstrate that Local Healthcare Authorities primarily located in Central and Southern Italy and lacking adequate infrastructure to ensure data security were targeted. For instance, out of the list of 119 Central Public Administrations and Local Healthcare Authorities that as of 27 September 2024 fully migrated at least one service, 91 entities are Local Healthcare Authorities and, out of these 91 entities, 75 are located in Central and Southern Italy.

Furthermore, in line with the description of the measure, [...] **the migration of the datasets and applications of the public administration towards the PSN or towards secure certified public cloud providers is expected to depend on the requirements for performance, scalability and sensitivity of data defined by the different administrations, each of which is expected to retain its independence in the development of applications and the management of data.**

The Italian Cloud strategy (*Strategia Cloud Italia*) of 7 September 2021, which was developed by the Ministry of Technological Innovation and Digital Transformation (MITD) with the aim of providing the strategic direction and defining the key principles, foresees requirements for the implementation and control of cloud solutions in the public administration. Article 7 and Annex A of AgID Regulation on the PSN, as adopted with AgID decision No. 628/2021 of 15 December 2021, lay down the minimum levels of security, computing capacity, energy savings and reliability of digital infrastructure for public administrations, while Article 8 and Annex B lay down the minimum levels of quality, security, performance and scalability characteristics, portability of cloud services for public administrations.

The decision No. 307 by the National Cybersecurity Agency (ACN) of 18 January 2022 and its Annex (evidence n. 12) concerns the 'update of additional minimum security levels, capacity processing, and reliability of digital infrastructures for the public administration and the additional characteristics of quality, security, performance and scalability of cloud services for the public administration, as well as the qualification requirements for cloud services for public administration'. In particular, (i) Annex A2 of the decision details the minimum security levels, reliability, capacity processing and energy efficiency of digital infrastructures for the public administration, (ii) Annex B2 details the features in terms of quality, security, performance and scalability, interoperability and portability of cloud services for the public administration and (iii) Annex C details the qualification requirements for cloud services for public administration.

Furthermore, the update of the requirements, with the new ACN "Cloud Regulation" adopted by mean of ACN Directorial Decree No 21007/24 of 27 June 2024 (evidence n. 14), continues in the direction of maintaining and adjusting the levels of performance and scalability that public authorities must follow in their process of migrating to a qualified cloud. Pursuant to Directorial Decree No 21007/24 of 27 June 2024, each authority that signs a contract with the PSN retains its autonomy in managing the physical and virtual environments contracted.

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C1-18: APIs in National Digital Data Platform T1

**Related Measure:** [M1C1]-[I1.3]: Data and interoperability

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 3000

**Time:** Q4 2024

#### 1. Context:

This measure aims at ensuring the full interoperability of key datasets and services across central and local public administrations. It also envisages the development of a National Digital Data Platform ("Piattaforma Digitale Nazionale Dati") that shall guarantee the interoperability of datasets through a catalogue of Application Programming Interfaces (APIs) shared across central and local administrations (Investment 1.3.1). This platform shall guarantee the interoperability of datasets through a catalogue of Application Programming Interfaces (APIs) shared across central and local administrations. It shall be fully compliant with EU law. In addition, the measure shall establish a "Single Digital Gateway" in compliance with EU Regulation 2018/1724), that shall be run to help central and public administrations restructure prioritized procedures and enable the fulfilment of the "once-only" principle (Investment 1.3.2).

This target consists of reaching at least 3000 Application Programming Interfaces (APIs) created by the public administrations implemented by the agencies, published in the API catalogue, and integrated with the National Digital Data Platform. The published APIs shall impact several areas which may include, but are not limited to, social security and welfare services, procurement service management, or core national registries (for example Population Registry and Car Licence Registry). Each API implementation and documentation shall comply with the national interoperability standards. The National Digital Data Platform framework shall provide functionalities to assess that compliance.

Target M1C1-18 is the second step of the implementation of the investment. It follows the completion of milestone M1C1-4 related to the launch of the National Digital Data platform. It will be followed by target M1C1-27 related to reaching additional Application Programming Interfaces (APIs) published in the catalogue, which completes the investment.

#### 2. Evidence provided:

1. Summary document duly justifying how the target was satisfactorily fulfilled.
2. Excel with extracted data by the Italian Department for Digital Transformation on the list of 3482 attested APIs, based on the Excel with extracted data by PagoPA S.p.A mapping the 3482 unique and active APIs on the API Catalogue of the National Digital Data Platform, stand of 30 November 2024. For the purpose of the verification exercise, legacy APIs based on SOAP technology were filtered out, resulting in a final total population of 3387 unique and active APIs published in the API catalogue, and integrated on the National Digital Data Platform
3. Attestation by PagoPA S.p.A of the Excel mapping the unique and active APIs on the National Digital Data Platform, signed 9 December 2024
4. Independent Engineer Report for the verification of the alignment with the specifications of projects related to target M1C1-18, signed and dated 29 March 2023
5. Link to the national API Catalogue, available at: <https://www.interop.pagopa.it/catalogo>
6. Guidelines on the technical interoperability of Public Administrations, by the Agency for a Digital Italy (AgID) of 29 November 2023.
7. Guidelines on the technological infrastructure of the National Digital Data Platform (NDDP) for the interoperability of information systems and databases, and its three annexes, by the Agency for a Digital Italy (AgID) of 10 December 2021.

8. Link to the Italian API Guidelines Checker: <https://italia.github.io/api-oas-checker/>
9. Link to the guidelines of the API Guidelines Checker tool: [https://github.com/italia/api-oas-checker-rules/blob/main/docs/guida\\_verifica.md](https://github.com/italia/api-oas-checker-rules/blob/main/docs/guida_verifica.md)

### 3. Analysis:

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

**This target consists of reaching at least 3000 Application Programming Interfaces (APIs) created by the public administrations, published in the API catalogue and integrated with the National Digital Data Platform.**

Based on the data extracted provided by PagoPA S.p.A on 30 November 2024, 3387 active and unique APIs are present in the API catalogue of the National Digital Data Platform (evidence no. 2 and 3), overachieving the target of 3000 created APIs. The data provided shows the name of the entity relating to the public administration behind the created API (*ente*), tax code of the public administration providing the API, the unique code of the provider in the public administration database (IPA), the type of agency (*ente*), the ID, type and description of e-service provided, as well as the first activation and latest version date. The Commission services conducted a virtual on-the-spot check, following the selection of a random sample of 60 units, on 10 June 2025 to verify the creation of 3000 Application Programming Interfaces (APIs) created by public administrations, their publication in the API catalogue and integration within the National Digital Data Platform (NDDP). The virtual on-the-spot check was completed successfully, confirming that 3387 APIs were created, published in the API catalogue and integrated within the National Digital Data Platform.

As further described in the independent engineer report, the collaboration with central and local administrations (the 'public administrations') for the funding for the creation of APIs, is based on (i) the stipulation of agreements between the Department for Digital Transformation and central public administrations, and (ii) the publication of funding notices (*avvisi di finanziamento*) for local public administrations (evidence no. 4, pages 11-12).

Furthermore, in line with the description of the measure, **when built, this platform shall guarantee the interoperability of datasets through a catalogue of Application Programming Interfaces (APIs) shared across central and local administrations.**

The National Digital Data Platform is a platform that allows central and public administrations to share datasets among themselves in an interoperable way through a national API catalogue, which is available at: <https://www.interop.pagopa.it/catalogo>. The Commission services accessed the link provided by the authorities on 15 April 2025 to verify that the links are functional and link to the API catalogue. This check was completed successfully, confirming that the links are functional and links to the API catalogue.

**The published APIs shall impact several areas which may include but are not limited to:**

- i. **Social security and welfare services, procurement service management, or core national registries (for example Population Registry and Car Licence Registry);**

As described in the technical report by an independent engineer, and shown in the database extracted provided by the PagoPA S.p.A on 30 November 2024, the scope of each API, which has been mapped in seven categories, includes the following categories: Registry (*Registro anagrafico*), Social Security & Welfare, Procurement Service Management, Register of vehicles and drivers, Geospatial data, Environmental data, and Transparency data (evidence no. 2 and evidence no. 4, pages 27-28).

**Each API implementation and documentation shall comply with the national interoperability standards. The National Digital Data Platform framework shall provide functionalities to assess that compliance.**

The technical interoperability standards of Public Administrations for the implementation of APIs are defined in the guidelines by the Agency for a Digital Italy (*Agenzia per l'Italia Digitale*) (AgID) titled "Guidelines on the technical interoperability of Public Administrations" of 29 November 2023, which outline the general principles, the design for

the technical services and e-services, API technologies, interoperability patterns and profiles, as well as the governance for these services (evidence no. 6). The Agency also published guidelines on the technological infrastructure of the National Digital Data Platform (NDDP) for the interoperability of information systems and databases (evidence no. 7). The National Digital Data Platform framework provides for a web app, the Italian Guidelines Checker, a functionality which allows to assess the compliance of the implementation and documentation of APIs against national interoperability standards, which is available freely and openly at: <https://italia.github.io/api-oas-checker/>. The guidelines for the using of the compliance checker tool are available at: [https://github.com/italia/api-oas-checker-rules/blob/main/docs/guida\\_verifica.md](https://github.com/italia/api-oas-checker-rules/blob/main/docs/guida_verifica.md). The Commission services accessed the links provided by the authorities on 15 April 2025 to verify that the links are functional and link to the API guidelines checker and guidelines. This check was completed successfully, confirming that the links are functional and link to the API guidelines checker and guidelines.

In the virtual on-the-spot check conducted by Commission services on 10 June 2025, following the random sample of 60 units, it was also verified that the implementation and documentation of APIs comply with the national interoperability standards, and that the National Digital Data Platform framework provides functionalities to assess that compliance. This check was completed successfully, confirming that each API implementation and documentation comply with the national interoperability standards, and that the NDDP framework provides functionalities to assess that compliance.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C1-19: Support to the upgrade of security structures T2

**Related Measure:** [M1C1]-[I1.5]: Cybersecurity

**Quantitative Indicator:** Number

**Baseline:** 5

**Target:** 50

**Time:** Q4 2024

#### 1. Context:

The objective of milestone M1C1-19 is the completion of 45 strengthening interventions upgrading cybersecurity structures within the National Security Perimeter for Cyber (PSNC) and Network and Information Systems (NIS) sectors;

Milestone M1C1-19 is connected to investment 1.5: Cybersecurity. The scope of this investment is to implement a 'National Perimeter for Cyber Security' (Perimetro Nazionale di Sicurezza Cibernetica, PSNC) in line with the security requirements set out in the Directive (EU) 2016/1148 (NIS Directive) and to strengthen national cyber-defense capabilities of technical inspection and risk monitoring.

M1C1-19 is accompanied by three other milestones and targets also due by Q4 2024 completing the implementation of investment. Milestone M1C1-20, which aims to a full deployment of national cybersecurity services, such as the activation of the sectorial Computer emergency response teams (CERTs); milestone M1C1-21, which is the completion of the network of cybersecurity screening and certification laboratories and Evaluation Centers; and milestone M1C1-22, which aims at achieving the full operation of the Central Audit Unit with at least 30 inspections completed.

These four milestones and targets follow five milestones and targets completed in Q4 2022. M1C1-19 is specifically connected to milestone M1C1-9, which aimed at the completion of 5 strengthening interventions upgrading cybersecurity structures within the National Security Perimeter for Cyber (PSNC) and Network and Information Systems (NIS) sectors.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;
2. Fifty-five certificates of completion issued by the National Cybersecurity Agency (hereinafter ACN) on 9 December 2024, documenting the completion of cybersecurity strengthening interventions by central and local public administrations and by private organisations;
3. Fifty-five reports by independent engineers from the University of Naples Federico II, each one certifying the successful completion of one strengthening intervention, dated 9 December 2024;
4. Decree of the Presidency of the Council of Ministers (DPCM) No. 131 of 30 July 2020 "Regulation on the 'National Perimeter for Cyber Security' (Perimetro Nazionale di Sicurezza Cibernetica, PSNC) pursuant to Article 1 (2) of Decree Law No. 105 of 21 September 2019, converted, with amendments, into Law No. 133 of 18 November 2019 and entered into force on 5 November 2020;
5. Directive 2022/2555/EU of the European Parliament and of the Council of 14 December 2022 concerning measures for a high common level of security of network and information systems across the Union (NIS2 Directive).

#### 3. Analysis:

**At least 50 strengthening interventions completed in the National Security Perimeter for Cyber (PSNC) and Network and Information Systems (NIS) sectors.**

The certificates of completion and the independent engineers' reports provided by Italy show that 55 strengthening interventions have been completed. The independent engineers' reports describe the various activities undertaken under each of the interventions, relying on the certificates of completion as well as on a number of supporting documents. Since these documents cannot be shared outside ACN premises due to their sensitivity, the Commission services conducted an on-the-spot check on 3-4 April 2025 to verify the existence and content of these supporting documents. This check was completed successfully, confirming that the strengthening interventions have been successfully implemented. The number of interventions is above the target of 45 required by the Council Implementing Decision and therefore the target is overachieved. Of these 55 strengthening interventions, 37 concern entities belonging to NIS sectors, 14 concern entities belonging to the PSNC and the remaining 4 concern entities belonging to both the PSNC and NIS sectors. The assessment of the attribution to the PSNC and NIS sectors has been made by considering the nature of the entities participating in the interventions vis-à-vis the provisions of the Regulation on the 'National Perimeter for Cyber Security' and the NIS2 Directive.

**Intervention types include, for example, Security Operating Centers (SOCs), Cyber boundary defence improvements and Internal monitoring and control capabilities in compliance with NIS and PSNC requirements.**

The intervention types among the 55 strengthening interventions include all three types mentioned in the Council Implementing Decision, as shown by the 55 certificates of completion and the 55 independent engineers' reports provided by Italy.

21 Interventions concern Cyber boundary defence improvements of which below are some examples of actions undertaken:

- Purchase and deployment of software (e.g. antivirus and firewall systems) and hardware solutions for the protection from cyber-threats of computers' networks.
- Purchase and deployment of EDR software with NIST (Identify, Protect, Detect, Respond and Recover) functionalities.
- Purchase and deployment of end-point protection and control solutions on laptops
- Purchase and deployment of DLP (Data loss Prevention) software
- Implementation of a mechanism for advanced digital identity management

22 Interventions concern the improvement of internal monitoring and control capabilities (22 interventions) of which below are some examples of actions undertaken:

- Assessment of the cybersecurity posture
- Strengthening of critical systems.
- Increasing cybersecurity awareness.
- A detailed analysis of the procedures, processes and organisation of cyber capabilities
- Strengthening of the security by design process.
- Increase capabilities of the DNS (Data Network Services) security system.

12 Interventions concern the setting-up of Security Operating Centers of which below are some examples of actions undertaken:

- Enactment of organisational and process improvements in the management of cyber incidents.
- Implementation of SIEM (Security Information and Event Management) tools.
- Planning and implementation of ICT systems for the mitigation of cyber risk.
- Training on the information security management system.

The compliance of interventions with NIS and PSNC requirements has been verified by independent engineers by checking each intervention against current NIS and PSNC legislation.

**Interventions in the NIS sectors shall pose particular focus on Healthcare, Energy and Environmental (Drinking Water Supply and waste management) sectors.**

The 55 certificates of completion and the 55 independent engineers' reports provided by Italy show that among the 41 interventions that feature entities belonging to the NIS sectors, 31 of those interventions concern entities belonging to the Healthcare, Energy or Environmental sectors, therefore confirming the requirement by the Council Implementing Decision of a focus on the above-mentioned sectors. In particular, it is shown that:

- i. Entities belonging to healthcare sector are local healthcare authorities, hospitals, the national health agency (AGENAS) and the Ministry of Health
- ii. Entities belonging to the energy sector are the Ministry of Environment and Energy Security (MASE), energy companies (ENI, Enel, Snam), the Italian electricity transmission system operator (Terna), the energy market regulator (GSE), regional energy regulators and the Italian Regulatory Authority for Energy, Networks and Environment (ARERA).
- iii. Entities belonging to the environmental sector (drinking water supply and waste management) are water utilities, waste management utilities, regional environmental agencies, river management authorities and the Italian Regulatory Authority for Energy, Networks and Environment (ARERA).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C1-20: Full deployment of national cybersecurity services

**Related Measure:** [M1C1]-[I1.5]: Cybersecurity

**Qualitative Indicator:** Report demonstrating the complete activation of the national cybersecurity services

**Time:** Q4 2024

#### 1. Context:

The objective of milestone M1C1-20 is the full deployment of national cybersecurity services, such as the activation of the sectorial Computer emergency response teams (CERTs) and the integration of at least 5 Security Operating Centers (SOCs) with the national HyperSOC;

Milestone M1C1-20 is connected to investment 1.5: Cybersecurity. The scope of this investment is to implement a 'National Perimeter for Cyber Security' (Perimetro Nazionale di Sicurezza Cibernetica, PSNC) in line with the security requirements set out in the Directive (EU) 2016/1148 (NIS Directive) and to strengthen national cyber-defense capabilities of technical inspection and risk monitoring.

M1C1-20 is accompanied by three other milestones and targets also due by Q4 2024 completing the implementation of investment. Milestone M1C1-19, which concerns the completion of 50 strengthening interventions upgrading cybersecurity structures within the National Security Perimeter for Cyber (PSNC); milestone M1C1-21, which is the completion of the network of cybersecurity screening and certification laboratories and Evaluation Centers; and milestone M1C1-22, which aims at achieving the full operation of the Central Audit Unit with at least 30 inspections completed.

These four milestones and targets follow five milestones and targets completed in Q4 2022. M1C1-21 is specifically connected to milestone M1C1-7, which envisaged the identification by the National Cybersecurity Agency of (i) where the screening and certification laboratories and centers will be created, the experts' profiles to be recruited, the full definition of processes and procedures to be shared among labs, and the (ii) activation of one lab.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;
2. A report from an independent engineer from the University of Naples Federico II, dated 12 December 2024 certifying the fulfilment of the milestone in all its components.
3. Declaration by the National Cybersecurity Agency (ACN from now on), dated 9 December 2024, certifying the entry into operation of territorial CERT of Lombardia.
4. Declaration by ACN, dated 9 December 2024, certifying the entry into operation of territorial CERT of Veneto.
5. Declaration by ACN, dated 12 December 2024, certifying the entry into operation of territorial CERT of Toscana.
6. Report by ACN on the activation of CSIRT Italia and CERTs network, dated 9 December 2024.
7. Report by ACN on the activation of ISAC Italia, dated 11 December 2024.
8. Agreement form to the HyperSOC service signed by FastWeb S.P.A. dated 23 September 2024.
9. Agreement form to the HyperSOC service by SNAM S.P.A. dated 11 November 2024.
10. Agreement form to the HyperSOC service signed by Wind Tre S.P.A. dated 4 June 2024.
11. Agreement form to the HyperSOC service signed by Sogei S.P.A. dated 26 November 2024.
12. Agreement form to the HyperSOC service by Intesa Sanpaolo S.P.A. dated 23 September 2024.

13. Report by ACN on the HyperSOC activation and integration with external SOC's dated 11 december 2024.
14. Memorandum of understanding between the National Cybersecurity Agency (ACN from now on), Confindustria and Assicurazioni Generali for the development of the 'cyber index', a cybersecurity risk exposure metric for SMEs.
15. A self-assessment tool available at <https://rischiocyber.acn.gov.it/cyber/index.html> to help SMEs calculate their cyber index (i.e. their level of cyber risk exposure)
16. Cyber Index Report PMI 2023, dated 19 October 2023.
17. Rapporto Cyber Index PMI 2024 dated 27 March 2025

### **3. Analysis:**

#### **This milestone shall be completed with the activation of territorial Computer emergency response teams (CERTs),**

Three territorial CERTs have been activated respectively by region Toscana, Lombardia and Veneto as shown by the respective declarations by ACN and by the independent engineer's report provided by Italy. The independent engineers' reports describe how the activation of the three regional CERTs has been made in compliance with existing legislation and guidelines, relying on publicly available documents as well as on a number of other supporting documents (like the CERTs governance models) that cannot be shared outside ACN premises due to their sensitivity. Therefore, the Commission services conducted an on-the-spot check on 3-4 April 2025 to verify the existence and content of these supporting documents. This check was completed successfully, confirming that three territorial CERTs have been successfully activated.

#### **which shall be interconnected with the Italian Computer Security Incident Response Team (CSIRT),**

The three activated regional CERTs have been accredited on the Malware Information Sharing Platform (MISP) which is a platform for sharing Information on cybersecurity incidents, managed by ACN/CSIRT Italia. As accredited institutions, the regional CERTs feed the MISP about recent incidents they discovered, prompting for action other CSIRTs (including CSIRT Italia) and other accredited institutions on MISP. Vice versa, the regional CSIRTs benefit from information shared by CSIRT Italia and other accredited institutions on MISP. The Commission services conducted an on-the-spot check on 3-4 April 2025 to verify the operativity of MISP and the presence of the three territorial CERTs on that platform. This check was completed successfully, confirming the interconnection between CSIRT Italia and the territorial CERTs through the MISP platform. The MISP platform is described as well in the ACN report on the activation of CSIRT Italia and CERTs network (pp.9,12). This document describes, in addition to MISP, other modalities of collaboration (p.12) between CSIRT Italia and CERTs (or CSIRTs) network, in particular in the response to cyber incidents.

#### **and the activation of the Information Sharing and Analysis Center (ISAC),**

The Information Sharing and Analysis Center has been activated as shown by the report from ACN on ISAC Activation (p.6) and by the independent engineer's report provided by Italy (pp.10-11). The Commission services conducted an on-the-spot check on 3-4 April 2025 to verify the existence and content of the documents supporting the independent engineer's assessment since some of them cannot be shared outside ACN premises given their sensitivity. This check was completed successfully, confirming that ISAC has been successfully activated. As described on the ACN report on ISAC activation, ISAC provides threat landscape analysis in the form of horizontal (i.e. covering a specific category of stakeholders) or vertical (i.e. addressing a specific cyber threat) reports (pp.8) or operational guidelines (pp.9-10). ISAC also organizes awareness raising and cyber-security training events and e-Learning modules (pp.10-11). Finally ISAC shares relevant information on cyber threats in its public website or on its MISP platform (described above) for accredited operators.

#### **the integration of at least 5 Security Operating Centers (SOCs) with the national HyperSOC,**

Five Security Operating Centers belonging to private operators FastWeb, SNAM, Wind Tre, Sogei and Intesa Sanpolo have been activated and integrated in the national HyperSOC as shown by the independent engineer's report provided by Italy. The report by ACN on the HyperSOC activation and integration with external SOC's describes the functionalities and of the HyperSOC and modalities of its interaction with the 5 activated SOC's. The terms of the interaction between the HyperSOC and the SOC's are also described more formally in the five agreement forms between the HyperSOC and

the entities to which the five SOCs belong. The remaining documents (in addition to the ACN report) supporting the independent engineer's assessment of the integration of 5 SOCs with the national HyperSOC cannot be shared outside ACN premises given their sensitivity. Therefore, the Commission services conducted an on-the-spot check on 3-4 April 2025 to verify the existence and content of these documents. This check was completed successfully, confirming that those 5 SOCs have been successfully integrated with the HyperSOC.

**the full operation of the cybersecurity risk management services, including those for supply chain analysis and cyber risk insurance services.**

The national cybersecurity agency has activated a platform for cyber risk management which tracks the ICT supply chain (i.e. the ICT software and hardware used) for the services of institutions belonging to the national cybersecurity perimeter allowing a quick response to threats involving those specific ICT instruments.

Due to the sensitivity of the information, the Commission services conducted an on-the-spot check on 3-4 April 2025 to verify the existence and functioning of this platform. This check was completed successfully, confirming the full operativeness of supply chain analysis services.

The national cybersecurity agency has also developed in partnership with insurance company Generali S.p.A. and with the industry association Confindustria an index, the 'cyber index', for assessing the level of cyber risk exposure of Italian SMEs as shown by the 'protocollo d'intesa' provided by Italian authorities. A self-analysis tool is available at the website of the ACN (<https://rischiocyber.acn.gov.it/cyber/index.html>) for SMEs to assess on their own their degree of cyber risk exposure. The information provided by the cyber index allows insurance companies to provide insurance against cyber risk at a fair price. [The anonymized statistics coming from the reports from the self-analysis tool have been collected in two annual reports on the exposure of SMEs to cyber threats: the "Cyber Index PMI Report 2023" and the "Rapporto Cyber Index PMI 2024".](#)

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Non-repayable support

### M1C1-21: Completion of the network of cybersecurity screening and certification laboratories, Evaluation Centers

**Related Measure:** [M1C1]- [I1.5]: Cybersecurity

**Qualitative indicator:** Reporting provided, demonstrating the full activation of at least 10 laboratories and of 2 Evaluation Centers (CV)

**Time:** Q4 2024

#### 1. Context:

The objective of milestone M1C1-21 is the completion of the network of cybersecurity screening and certification laboratories and Evaluation Centers through the activation of (i) at least 10 screening and certification laboratories and (ii) of two Evaluation Centers.

Milestone M1C1-21 is connected to investment 1.5: Cybersecurity. The scope of this investment is to implement a 'National Perimeter for Cyber Security' (*Perimetro Nazionale di Sicurezza Cibernetica, PSNC*) in line with the security requirements set out in the Directive (EU) 2016/1148 (NIS Directive) and to strengthen national cyber-defense capabilities of technical inspection and risk monitoring.

M1C1-21 is accompanied by three other milestones and targets also due by Q4 2024 completing the implementation of investment. Milestone M1C1-19, which concerns the completion of 50 strengthening interventions upgrading cybersecurity structures within the National Security Perimeter for Cyber (PSNC); milestone M1C1-20, which aims to a full deployment of national cybersecurity services, such as the activation of the sectorial Computer emergency response teams (CERTs); and milestone M1C1-22, which aims at achieving the full operation of the Central Audit Unit with at least 30 inspections completed.

These four milestones and targets follow five milestones and targets completed in Q4 2022. M1C1-21 is specifically connected to milestone M1C1-7, which envisaged the identification by the National Cybersecurity Agency of (i) where the screening and certification laboratories and centers will be created, the experts' profiles to be recruited, the full definition of processes and procedures to be shared among labs, and the (ii) activation of one lab.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;
2. A report by the National Cybersecurity Agency (ACN) demonstrating the implementation of required actions and justifying how these have led to achieving the objective of the investment;

Documentation related to the Identification by the ACN of where the screening and certification laboratories and centers will be created, the experts' profiles to be recruited, the full definition of processes and procedures to be shared among the certification laboratories:

3. Public notice 5/2022 of 20 October 2022 for the payment of grants for the establishment of testing laboratories for the Software and Network accreditation area, together with the associated documentation;
4. Public notice 4/2022 of 5 September 2022 aimed at identifying project proposals for upgrading the ability to screen and certify applications and digital services for the public administration by setting up and activating laboratories;

5. The public competitions for the recruitment of 50 experts in various disciplines, with an open-ended contract, for the Information and Communication Technology, published in the Official Journal No. 15 of 22 February 2022;

Documentation related to the activation of 10 laboratories, produced by the competent authority (ACN), and cosigned by the ACN and Economic Operator (*"Operatore Economico"*):

1. A report dated 5 November 2024 on the activation of IPS laboratory certified by the Economic Operator
2. A report dated 28 October 2024 on the activation of the IMQ laboratory certified by the Economic Operator
3. A report dated 12 November 2024 on the activation of the ATSEC laboratory certified by the Economic Operator
4. A report dated 14 November 2024 on the activation of the Digital Platforms laboratory certified by the Economic Operator
5. A report dated 14 November 2024 on the activation of the Next Ingegneria laboratory certified by the Economic Operator
6. A report dated 8 November 2024 on the activation of the Secure Network laboratory certified by the Economic Operator
7. A report dated 21 November 2024 on the activation of the Telsy laboratory certified by the Economic Operator
8. A report dated 18 October 2024 on the activation of the MPG laboratory certified by the Economic Operator
9. A report dated 14 December 2024 on the activation of the Intellisync laboratory certified by the Economic Operator
10. A report dated 18 October 2024 on the activation of the E-trace labs laboratory certified by the Economic Operator
11. A report from three independent engineers working for the Department of Electrical Engineering at the University Federico II of Naples, dated 11 December 2024. This report refers to documentation on the organizational structure and operating model of the lab, the execution procedures of the tests, the tools used, and the list of testing personnel along with their competencies. Due to its sensitivity, this documentation is stored on the ACN premises.

Documentation related to the activation of 2 Evaluation Centers:

1. A report on the activation of the Evaluation Center (CV) established within the Ministry of the Interior, dated 16 December 2024, certified by the relevant public authority from the Ministry of the Interior.
2. A report on the activation of the Evaluation Centre established within the Ministry of Defense, dated 14 November 2024, certified by the relevant public authority from the Ministry of Defense.
3. A report from three independent engineers working for the Department of Electrical Engineering at the University Federico II of Naples, dated 11 December 2024. This report refers to documentation on the organizational structure and operating model of the Evaluation Centers, the execution procedures of the tests, the tools used, and the list of testing personnel along with their competencies. Due to its sensitivity, this documentation is stored on the ACN premises.

The authorities also provided:

1. Decree Law of 14 June 2021, No. 82 on "Urgent provisions on cybersecurity, the definition of the national cybersecurity architecture and the establishment of the National Cybersecurity Agency" converted with amendments by Law of 4 August 2021, No. 109 and entered into force on 5 August 2021;
2. Technical decisions of the ACN of 11 August 2022 provided for in the Regulation on accreditation of testing laboratories, referred to in Article 4 (1) (e) of Prime Ministerial Decree No. 92 of 18 May 2022;
3. Prime Ministerial Decree No. 92 of 18 May 2022 on the "Regulation on the accreditation of testing laboratories and connections between the National cybersecurity Screening and Certification Center, the accredited testing laboratories and the Evaluation Centers of the Ministry of the Interior and the Ministry of Defense, pursuant to Article 1, paragraph 7, letter b) of Decree-Law No 105 of 21 September 2019, converted, with amendments

by Law No. 133 of 18 November 2019”, published in the Official Journal No. 164 of 15 July 2022 and entered into force on 30 July 2022;

### **3. Analysis:**

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

#### **Activation of at least 10 screening and certification laboratories:**

The Italian authorities provided satisfactory evidence that 10 laboratories were activated.

The Italian authorities provided public notice 5/2022 of 20 October 2022 *“for the granting of grants to Public Administrations, Public Bodies and private entities for the activation of test laboratories to support the technological scrutiny activities of the National Evaluation and Certification Center for the Software and Network accreditation area”*. The deadline for submitting project proposals closed on 30 November 2022 and 38 applications were submitted. Of these 38 applications, the authorities provided evidence that following the formal eligibility checks and subsequent checks on the eligibility of the projects on the basis of the provisions foreseen in public notice 5/2022, 27 applications were considered eligible. On this basis, the ACN has identified the following 13 locations for the screening and certification laboratories and centers: Acireale (Catania), Ancona, Assago (Milano), Bienno (Brescia), Catania, Faenza (Ravenna), Milano, Napoli, Pescara, Roma, Taranto, Torino, Valenzano (Bari).

Public notice 4/2022 of 5 September 2022 *“for measures to strengthen analytical and software monitoring capabilities in the Central Public Administration”*. This public notice aimed at identifying project proposals for upgrading the ability to screen and certify applications and digital services for the public administration by setting up and activating laboratories for the analysis and screening of software used within the public administration.

These notices are respectively dedicated to Public Administration and Economic Operators, with the aim of promoting the enhancement or activation of national technological scrutiny and cybersecurity risk audit capabilities, as provided by national and EU regulations, including the 2022 NIS Directive. In more detail, each laboratory has been formally established, and work on enhancing laboratory security infrastructures has been completed. This includes implementing both physical and logical security measures, as well as improving the technical staff's capabilities. The procedures in place at the laboratories are regulated and managed according to appropriate quality manuals and operational instructions.

Evidence that the selection procedure was completed, that at least 10 projects were accepted for funding, that the implementing entities signed the deed of obligation was provided. The laboratories were established in compliance with technical determinations issued by the ACN, based on CVCN guidelines as established per Prime Ministerial Decree No. 92.

In particular, Italy provided 10 reports on the activation of the laboratories signed by the officer responsible for the project and the public authority. Such reports certify that all necessary measures in terms of installations, logistics, infrastructures, technical, procedural, management and training aspects needed to activate the laboratory have been completed.

In addition to the 10 reports provided by the officers responsible for the projects, the activation of ten laboratories has been certified by a report from three independent engineers working for the Department of Electrical Engineering at the University Federico II of Naples, dated 11 December 2024. This report refers to documentation on the organizational structure and operating model of the lab, the execution procedures of the tests, the tools used, and the list of testing personnel along with their competencies.

Due to the sensitivity of the information, very detailed data regarding functioning of the Laboratories were not shared. The Commission services conducted an on-the-spot check on 3 and 4 of April 2025 to verify that the 10 laboratories

were activated according to the criteria set in the Prime Ministerial Decree 92/2022 corroborating the evidence provided by the Italian authorities and certified by the independent engineers. This check was completed successfully, confirming the activation of 10 laboratories.

#### **And [the activation] of 2 Evaluation Centers (CV)**

The Italian authorities provided evidence that the two evaluation centers were activated. According to the respective activation reports, the Evaluation Centers (CV) were established within the Ministry of the Interior, dated 16 December 2024 (1) and in the Ministry of Defense, dated 14 November 2024 (2). The activation of the CVs is governed by DPCM No. 92 of May 18, 2022, and certified by (i) two reports of activation, which were signed by the two competent Ministries and a (ii) report of activation signed by three independent engineers working for the Department of Electrical Engineering at the University Federico II of Naples

The independent engineers report refers to documentation on the organizational structure and operating model of the lab. These CVs are located in a physical facility embedded within the general directorate of the respective Ministry. They are formally equipped with an analysis structure, including appropriately selected personnel and analysis infrastructures.

Due to the sensitivity of the information, detailed information regarding functioning of the Evaluation Centres was not shared. The Commission services conducted an on-the-spot check on 3 and 4 of April 2025 to verify that the 2 Evaluation Centers were activated according to the criteria set in Prime Ministerial Decree 92/2022, corroborating the evidence provided by the Italian authorities and certified by the independent engineers. This check was completed successfully, confirming the activation of 2 Evaluation Centers.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled.**

## Non-repayable support

**M1C1-22:** Full operation of the Central Audit Unit for PSNC & NIS security measures with at least 30 inspections completed

**Related Measure:** [M1C1]- [I1.5]: Cybersecurity

**Qualitative Indicator:** Reporting provided, Inspection reports

**Time:** Q4 2024

### 1. Context:

M1C1-22 is connected to investment 1.5: Cybersecurity. The scope of this investment is to implement a 'National Perimeter for Cyber Security' (*Perimetro Nazionale di Sicurezza Cibernetica, PSNC*) in line with the security requirements set out in the Directive (EU) 2016/1148 (Network and Information Security (NIS) Directive) and to strengthen national cyber-defence capabilities of technical inspection and risk monitoring.

The objectives of milestone M1C1-22 are (i) making fully operational the Central Auditing Unit for PSNC and NIS within the National Cybersecurity Agency (*Agenzia per la Cybersicurezza Nazionale, ACN*), which was already activated in Q4 2022 under M1C1-8, (ii) the completion of at least 30 inspections.

M1C1-22 is accompanied by three other milestones and targets also due by Q4 2024 completing the implementation of the investment. Target M1C1-19, which concerns the completion of 50 strengthening interventions upgrading cybersecurity structures within the National Security Perimeter for Cyber (PSNC); milestone M1C1-20, which aims to a full deployment of national cybersecurity services, such as the activation of the sectorial Computer emergency response teams (CERTs); and milestone M1C1-21, which aims at the completion of the network of cybersecurity screening through the activation of 10 screening and certification laboratories and two Evaluation Centers.

These four milestones and targets follow five milestones and targets completed in Q4 2022. M1C1-22 specifically follows M1C1-8 which foresaw the activation of the Central Audit Unit for PSNC and NIS within the ACN. Regarding this activation, the milestone required that processes, logistics, and operational arrangements be formalized into adequate documentation, with a specific focus on operating procedures such as rules of engagement, auditing and reporting processes. Additionally, it stipulated that IT tools for gathering, managing, and analysing audit data must be developed and used by the Audit Unit.

### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;
2. Documentation demonstrating the full operation of the Central Audit Unit for PSNC & NIS security measures set in the National Cybersecurity Agency, including reference to its mandate and activities:
  - a. Decree Law No. 82, of June 2021, on "*Urgent provisions on cybersecurity, the definition of the national cybersecurity architecture and the establishment of the National Cybersecurity Agency*" converted with amendments by Law of 4 August 2021, No. 109 and entered into force on 5 August 2021, describing the processes and organization of the Central Audit Unit;
  - b. Prime Ministerial Decree No. 92, of May 2022, on "*Regulation concerning the accreditation of testing laboratories and the coordination between the National Evaluation and Certification Center, accredited testing laboratories, and the Evaluation Centers of the Ministry of the Interior and the Ministry of Defense*, pursuant to Article 1, paragraph 7, letter b), of Decree-Law 21 September 2019, No. 105, converted, with amendments, by Law 18 November 2019, No. 133", published in the Official Journal No. 164 of 15 July 2022;
  - c. Directorial Decree of the National Cybersecurity Agency dated 14 October 2022 identified by protocol No. 132214 creating the Certification and Supervision Service which contains the Central Audit Unit for PSNC and NIS (Divisione Organo Ispettivo e di Vigilanza);

- d. Manual of the Verification and Inspection Body pursuant to ISO 17020 – 001 – Quality manual defining the criteria for the full operability of the Supervisory Body, which contains the Central Audit Unit for PSNC and NIS;
  - e. Directorial decree of the National Cybersecurity Agency, dated 23 June of 2022, identified by protocol No. 82249, publishing the ranking list of winners of the public competition for the selection of the 15 experts, for the implementation of the inspections carried by the Central Audit Unit,
  - f. Directorial Decree of the National Cybersecurity Agency, dated 1 July 2024, identified by protocol No. 213224, including the Organigram for the full functioning of the Central Auditing Unit.
  - g. Certificate signed by the competent authority (ACN) and dated on 12 December 2024, certifying that the Central Auditing Unit is operational as of 12 December 2024.
3. Documentation demonstrating the correct and complete implementation of 30 inspections by the Central Audit Unit:
- h. Inspection activity report signed by the competent authority (ACN) and dated 12 December 2024, demonstrating that 30 inspections were completed as of 12 December 2024, each inspection carrying unique reference number.
  - i. Decree of the President of the Republic (DPR) of 5 February 2021, No. 54, published in the Official Journal No.97 on 23 April 2021 and effective from 8 May 2021. The decree defines the procedures and requirements for the correct implementation of inspections and verifications within the National Cybersecurity Perimeter, especially regarding ICT goods, systems, and services of strategic importance.

### 3. Analysis:

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

#### Full operation of the Central Auditing Unit

The Central Auditing Unit has been activated and fully operational, as confirmed by: (i) its operational certificate dated 12 of December 2024 and signed by the competent authority (ACN), (ii) the associated documentation relative to its activation, already assessed under M1C1-8, in line with DPCM No. 92/2022 and DPR 54/2021, and in compliance with the Management Manual of the Central Inspection Unit, which defines the internal organization, logistics, and operational procedures for inspections; (iii) Directorial Decree of the National Cybersecurity Agency, dated 1 July 2024, identified by protocol No. 213224, including the Organigram for the full functioning of the Central Auditing Unit; (iv) and *de facto* by the completion of the 30 inspections.

These initiatives enabled the completion of the 30 inspections planned under the PSNC and NIS frameworks. Due to the sensitivity of the information, detailed data regarding the conclusions, procedures, and personnel hired to ensure the full functioning of the Central Auditing Unit were not shared. The Commission services conducted an on-the-spot check on 3 and 4 April 2025 to verify that: (i) the Central Auditing Unit was fully operational, based on the personnel indicated in its organigram; (ii) the 30 inspections had been completed, confirming *de facto* the full operation of the Central Auditing Unit. This check was completed successfully, confirming that the Central Auditing Unit is fully activated and operational.

#### with at least 30 inspections completed.

The 30 inspections were conducted in compliance with current regulations, as detailed in the inspection activity report. The methods and timelines for inspection activities - which include analysis, detection, acquisition, and verification of compliance with required obligations - are governed by Presidential Decree No. 54 of February 5, 2021. During the verification phase. The designated process manager, along with the personnel assigned to carry out the activities, notifies the relevant parties about the initiation of the verification or inspection process and requests the necessary information and documentation. The notified parties respond by appointing a representative as the sole point of contact for conducting the activities.

In accordance with the verification mechanism established by the DPR No. 54, the verification is carried out through document analysis and review of evidence provided by the notified party in response to the initiation notice. These activities are completed within 120 days from the date of notification. Inspections were conducted at the premises of the relevant parties, involving verification of evidence acquired during the verification phase or further analysis, detection, acquisition, and compliance checks of additional elements deemed necessary. At the conclusion of these processes, specific recommendations may be issued to the parties as a result of the findings.

For each inspection, 30 detailed reports were prepared by the assigned personnel and jointly signed with the representative of the inspected party, who received a copy. These reports, each cited with a unique reference in the final activity report, are not attached due to their sensitive content and potential national security implications. All documentation was reviewed on-site at the ACN under appropriate safeguards.

Due to the sensitivity of the information, detailed data regarding the conclusions and procedures followed during the inspections carried by the Central Auditing Unit per each inspection were not shared. The Commission services conducted an on-the-spot check on 3 and 4 April 2025 to verify that the 30 inspections had been completed following the procedures established by DPR 54/2021, and that the information corresponded to information contained in inspection activity report, provided as primary evidence by the authorities. This check was completed successfully, confirming that 30 inspections were successfully completed.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Non-repayable support

### M1C1-43: Reduction of backlog cases for Civil Ordinary Courts (first instance)

**Related Measure:** [M1C1]-[R1.4]: Reform of civil justice

**Quantitative Indicator:** Percentage

**Baseline:** 100

**Target:** 5

**Time:** Q4 2024

#### 1. Context:

The reform aims at reducing the length of civil proceedings by simplifying existing procedures and increasing the productivity of courts, and at reducing the backlog in civil courts through temporary hirings and targeted actions, including incentive schemes to reduce the number of pending cases.

Target M1C1-43 concerns the reduction by 95% of the number of cases pending for more than three years on 31 January 2020 (333,218) in the Civil Ordinary Courts (first instance).

This is the first target of the civil justice reform, and it follows the completion of the following milestones: M1C1-29 on the adoption of the enabling legislation for the civil justice reform, M1C1-36 on the entry into force of the delegated acts necessary for the implementation of the civil and criminal justice reforms and of the insolvency reform, M1C1-37 on 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, and M1C1-37bis on the entry into force of primary legislation and secondary acts to reduce backlog. It is followed in the current payment request by target M1C1-44 on the reduction of backlog in Civil Courts of Appeal (second instance), and will be followed by targets M1C1-47 and M1C1-48 on the reduction of backlogs for civil courts, and target M1C1-45 related to the reduction in the length of civil proceedings. The reform has a final expected date for implementation in Q2/2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled.
2. The database with all pending cases on 31 January 2020, directly extracted from national judicial registries.
3. The database of pending cases still pending on 31 December 2024, directly extracted from national judicial registries.
4. Explanatory note on the methodology for the extraction of data.
5. Link to the public portal where the information on each case can be identified: *Portale dei Servizi Telematici* ([https://urldefense.com/v3/https://servizipst.giustizia.it/PST/it/pst\\_2\\_6.wp;!!DOxrqLBm!B6OBVDISJuTHP2BhFBnt1OY7P66vESMlhaZanlf-XAq9cFxDO2FHkus02BJkWfrftb4epEAPY9HElbaLofYhHeBUXGbSuS6RCq-Sw5dhlr-sfG1\\$](https://urldefense.com/v3/https://servizipst.giustizia.it/PST/it/pst_2_6.wp;!!DOxrqLBm!B6OBVDISJuTHP2BhFBnt1OY7P66vESMlhaZanlf-XAq9cFxDO2FHkus02BJkWfrftb4epEAPY9HElbaLofYhHeBUXGbSuS6RCq-Sw5dhlr-sfG1$))

#### 3. Analysis:

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

**Reduce by 95% the number of pending cases on 31 January 2020 (333,218) in the Civil Ordinary Courts (first instance). The baseline shall be the number of cases pending for more than three years in front of the Civil Ordinary courts (on 31 January 2020).**

The Italian authorities provided evidence that out of the 333,218 pending cases on 31 January 2020, 23,026 were still pending on 31 December 2024. This represents a 93.1% reduction.

The Council Implementing Decision required to reduce by 95% the number of pending cases. As outlined above, the Italian authorities provided evidence of a reduction by 93.1%. Whilst this constitutes a minimal numerical deviation of 2% from the requirement of the Council Implementing Decision, the overall objective of this target is considered met.

notwithstanding this minor deviation. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

The evidence consists of a database (evidence 2) with all pending cases for more than three years on 31 January 2020 (333,218), and a database (evidence 3) with those pending cases that are still pending as of 31 December 2024 (24,029). Moreover, Evidence 3 includes 1,003 cases that appeared as not pending on 31 January 2020 since they have been suspended, but that were subsequently reopened and were still pending on 31 December 2024. Given that these cases did not appear as “pending” on 31 January 2020, they were not included in the baseline and the Commission did not therefore consider them for the assessment. Therefore, the number of pending cases as of 31 December 2024 is 23,026.

In their request for payment, the Italian authorities made reference to the existence of a clerical error in the Council Implementing Decision, with respect to the baseline of target M1C1-43. In particular, the baseline erroneously included six additional units. However, the database shared by the Italian authorities (evidence 2) outlined the correct baseline of 333,212 units and the Italian authorities explained that these units were registered after 2017, which excludes them from the backlog definition since the cases were not pending for more than 3 years on 31 January 2020. Therefore, based on the evidence provided by the Italian authorities, the baseline of 333,212 units is the correct one. The Commission considers that this is clerical error and has undertaken the assessment on this basis. For completeness, even after removing these units, the target would still be met.

The Italian authorities explained in a dedicated note (evidence 3) that, for the purpose of reporting under this target, they extracted data from the digital registries of civil justice and uploaded it into a data warehouse. From there, they generated the dataset used for reporting. The Commission services conducted an on-the-spot check on 6 June 2025 to verify the extraction of the dataset used for reporting from the data warehouse. This check was completed successfully, confirming that the dataset used for reporting and including the number of cases older than 31 January 2017 and pending as of 31 January 2020, and that including the number of the same pending cases that were still open on 31 December 2024 were extracted automatically from the datawarehouse.

The status of each case in the dataset is identified by unique protocol references, as reported in evidence 2, and can be checked against the telematic services portal for verification (evidence 5). The telematic services portal provides free and full access to the chronological steps of each proceeding via the unique protocol reference.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**

## Non-repayable support

### M1C1-44: Reduction of backlog cases for the Civil Court of Appeal (second instance)

**Related Measure:** [M1C1]-[R1.4]: Reform of civil justice

**Quantitative Indicator:** Percentage

**Baseline:** 100

**Target:** 5

**Time:** Q4 2024

#### 1. Context:

The reform aims at reducing the length of civil proceedings by simplifying existing procedures and increasing the productivity of courts, and at reducing the backlog in civil courts through temporary hirings and targeted actions, including incentive schemes to reduce the number of pending cases.

Target M1C1-44 concerns the reduction by 95% the number of cases pending for more than two years in on 31 January 2020 (97,251) in the Civil Courts of Appeal (second instance).

This is the second target of the civil justice reform, and it follows the completion of the following milestones: M1C1-29 on the adoption of the enabling legislation for the civil justice reform, M1C1-36 on the entry into force of the delegated acts necessary for the implementation of the civil and criminal justice reforms and of the insolvency reform, M1C1-37 on 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, and M1C1-37bis on the entry into force of primary legislation and secondary acts to reduce backlog. The first target under this reform, target M1C1-43 on the reduction of backlog for Civil Ordinary Courts (first instance) is assessed in the context of the present payment request. Target M1C1-44 will be followed by targets M1C1-47 and M1C1-48 on the reduction of backlogs for civil courts, and target M1C1-45 related to the reduction in the length of civil proceedings. The reform has a final expected date for implementation in Q2/2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled.
2. The database with all pending cases on 31 January 2020, directly extracted from national judicial registries.
3. The database of pending cases still pending on 31 December 2024, directly extracted from national judicial registries
4. Explanatory note on the methodology for the extraction of data.
5. Link to the public portals where the information on each case can be identified: *Portale dei Servizi Telematici* ([https://urldefense.com/v3/https://servizipst.giustizia.it/PST/it/pst\\_2\\_6.wp;!!DOxrqLBm!B6OBVDISJuTHP2BhFBnt1OY7P66vESMlhaZanlf-XAq9cFxDO2FHkus02BJkWfrftb4epEAPY9HElbaLofYhHeBUXGbSuS6RCq-Sw5dhIr-sfG1\\$](https://urldefense.com/v3/https://servizipst.giustizia.it/PST/it/pst_2_6.wp;!!DOxrqLBm!B6OBVDISJuTHP2BhFBnt1OY7P66vESMlhaZanlf-XAq9cFxDO2FHkus02BJkWfrftb4epEAPY9HElbaLofYhHeBUXGbSuS6RCq-Sw5dhIr-sfG1$)).

#### 3. Analysis:

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

**Reduce by 95% the number of pending cases on 31 January 2020 (97,251) in the Civil Courts of Appeal (second instance). The baseline shall be the number of cases pending for more than two years in front the Civil Courts of Appeal (on 31 January 2020).**

The Italian authorities provided evidence that out of the 97,251 pending cases on 31 January 2020, 617 were still pending on 31 December 2024. This represents a 99.38% reduction.

The evidence consists of a database (evidence 2) with all pending cases for more than two years on 31 January 2020 (97,251), and a database (evidence 3) with those pending cases that are still pending as of 31 December 2024 (679). Evidence 3 includes moreover 62 cases that had resulted as not pending on 31 January 2020, were reopened between

1 February 2020 and 31 December 2024, and were still pending on 31 December 2024. However, as these cases did not appear as “pending” on 31 January 2020, they were not included in the baseline and should therefore be discarded from the assessment. Therefore, the total number of pending cases as of 31 December 2024 is 617.

The Italian authorities explained in a dedicated note (evidence 3) that, for the purpose of reporting under this target, they extracted data from the digital registries of civil justice and uploaded it into a data warehouse. From there, they generated the dataset used for reporting. The Commission services conducted an on-the-spot check on 6 June 2025 to verify the extraction of the dataset used for reporting from the data warehouse. This check was completed successfully, confirming that the dataset used for reporting and including the number of cases older than 31 January 2018 and pending as of 31 January 2020, and that including the number of the same pending cases that were still open on 31 December 2024 were extracted automatically from the datawarehouse.

The status of each case as identified by unique protocol references, as reported in evidence 2, can be checked against the telematic services portal for verification. The telematic services portal provides free and full access to the chronological steps of each proceeding via the unique protocol reference.

**6. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Non-repayable support

**M1C1-60:** Simplification and/or digitalization of 200 critical procedures affecting citizens and business

**Related Measure:** [M1C1]-[R1.9]: Reform of the public administration

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 200

**Time:** Q4 2024

### 1. Context:

The main objectives of the reform are to improve the effectiveness of the public administration at central and local levels, and to simplify and digitalise administrative procedures affecting citizens and business. In particular, the simplification strand of the reform seeks to eliminate unnecessary authorizations and obligations in four priority areas: environment and energy (including renewables and the green economy), construction and urban requalification, electronic communications infrastructure, and economic activity establishment.

Target M1C1-60 is the first milestone related to the simplification objective of the reform. It is followed by M1C1-63, which aims to further simplify administrative procedures and include them in a publicly available repository.

### 2. Evidence provided:

1. A summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. List of the sampled administrative procedures;

In the context of the sampling analysis, additional evidence provided for a sample of 60 units including the following acts introducing the simplification and/or digitalisation of the procedure:

1. Copy of the publication in the Official Gazzette No. 186 of 10 August 2023 of Decree Law No. 13 of 11 August 2023 and copy of relevant legislation that the Decree Law amends.
2. Copy of the publication in the Official Gazzette No. 291 of 12 December 2024 of Legislative Decree 190 of 25 November 2024 and copy of relevant legislation that the Legislative Decree amends.
3. Copy of the publication in the Official Gazzette No. 52 of 2 March 2024 of Decree Law 19 of 2 March 2024 and copy of relevant legislation that the Decree Law amends.
4. Copy of the publication in the Official Gazzette No. 124 of 29 May 2024 of Decree Law 69 of 29 May 2024 and copy of relevant legislation that the Decree Law amends.
5. Copy of the publication in the Official Gazzette No. 285 of 30 November 2021 of Legislative Decree 199 of 8 November 2021 and copy of relevant legislation that the Legislative Decree amends.
6. Copy of the publication in the Official Gazzette No. 178 of 16 July 2020 of Decree Law 76 of 16 July 2020 and copy of relevant legislation that the Decree Law amends.
7. Copy of the publication in the Official Gazzette No. 88 of 14 April 2023 of Decree Law 39 of 14 April 2023 and copy of relevant legislation that the Decree Law amends.
8. Copy of the publication in the Official Gazzette No. 87 of 13 April 2024 of Legislative Decree 48 of 24 March 2024 and copy of relevant legislation that the Legislative Decree amends.
9. Copy of the publication in the Official Gazzette No. 186 of 10 August 2023 of Decree Law 104 of 10 August 2023 and copy of relevant legislation that the Decree Law amends.
10. Copy of the publication in the Official Gazzette No. 114 of 17 May 2022 of Decree Law 50 of 17 May 2022 and copy of relevant legislation that the Decree Law amends.

11. Copy of the publication in the Official Gazette No. 129 of 31 May 2021 of Decree Law 77 of 31 May 2021 and copy of relevant legislation that the Decree Law amends.
12. Agreement reached at the Unified Conference (State–Regions–Local Authorities) on 04 April 2024.

### 3. Analysis:

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

**Simplification and/or digitalisation of procedures shall concern at least the following area: 1) Environment and energy, renewables and green economy; 2) Construction and urban requalification; 3) Electronic communications infrastructure; 4) Establishment and operation of economic activities.**

Italy simplified or digitalised 261 procedures through 292 actions. This is because a procedure might have simplified or digitalised through several actions. In particular, 183 procedures concerned environment and energy, renewables and green economy; 24 procedures concerned construction and urban requalification; 25 procedures concerned electronic communications infrastructure; 60 procedures concerned the establishment and operation of economic activities.

The simplification measures adopted span a broad range of administrative streamlining strategies. The most common intervention involved the simplification or harmonisation of administrative regimes, often to align procedures across different levels of government. Other interventions entailed: the elimination or replacement of individual phases or sub-procedures, aiming to shorten and clarify administrative pathways; adjustments to procedural timelines, including both reductions and the introduction of deadlines, to improve predictability and efficiency; reduction of compliance obligations, often by removing redundant documentation requirements. More targeted efforts included digitalisation, which introduced or expanded digital submission or processing tools, and standardisation aimed at making administrative documents and procedures more uniform.

**In line with the description of the measure, the simplification reform shall eliminate authorizations not justified by imperative reasons of general interest, together with the elimination of unnecessary obligations or those that do not use new technologies. In addition, Italy adopted uniform regimes shared with regions and municipalities, implemented the adoption of silent consent mechanism and introduced simple communication.**

In particular, more than 60 simplifications involved the elimination of authorizations not justified by imperative reasons of general interest. For example, Italy introduced an authorization regime of “free activity” (attività libera) for photovoltaic installations in certain areas, and adopted a simplified authorization regime for demolition and reconstruction, reducing unnecessary regulatory burdens. About 40 simplifications targeted the elimination of unnecessary obligations or those that do not leverage digital tools—such as removing documentary requirements for digital infrastructure operators, where information can now be verified electronically.

Nearly 50 simplifications implemented the silent consent mechanism across various sectors - for example, silent consent is introduced when deadlines for granting single permits to carry out economic, industrial, or logistics activities within Special Economic Zones (SEZs) expire. Roughly 40 simplifications introduced simplified declarations or communications – for example, in cases of “attività libera”, applicants may proceed with installing photovoltaic systems without prior authorization. Finally, about 30 simplifications introduced harmonized administrative regimes shared with regions and municipalities across levels of government - for example, for construction or modification of tourism-related infrastructure.

Italy provided the relevant legislative acts for a randomly selected sample of 60 procedures that were simplified or digitalised. The evidence confirmed that the simplifications or digitalisations were effectively implemented and remain in force, demonstrating that the target has been satisfactorily fulfilled. The evidence also confirmed that the simplification and digitalization action concerned the 4 areas included in the description of the target.

### 4. Commission Preliminary Assessment: Satisfactorily fulfilled].



## Non-repayable support

### M1C1-72ter: Increase human resources dealing with payments

**Related Measure:** [M1C1]-[R1.11]: Reduction of late payments by public administrations and health authorities

**Qualitative Indicator:** Provision indicating the entry into force of legislation providing for the possibility to increase human resources dealing with payments

**Time:** Q4-2024

#### 1. Context:

The main objective of the reform is to reduce the payment times of central and local administrations, as well as of health authorities. In particular, the reform aims at ensuring that by 2025 (i) public administrations at central, regional and local level pay within 30 days, and (ii) health authorities pay within 60 days. The reform also envisages the adoption, as of 2024, of a set of measures, including of legislative nature, aimed at structurally improving payment performance of Italian public administrations.

Milestone M1C1-72ter provides for the introduction of the possibility to increase human resources dealing with payments in ministries, municipalities above 60.000 inhabitants, provinces and metropolitan cities identified as late payers that submitted a plan of interventions in accordance with Decree-Law No. 19 of 2 March 2024.

Milestone M1C1-72ter is the third milestone of this reform, and it follows milestone M1C1-72, which provides for the entry into force of rules meant to reduce late payments to businesses by the Italian public administration, and milestone M1C1-72bis, which requires the adoption of further legislative and non-legislative measures aimed at improving the payment performance of the Italian public administrations at the central and local level.

Milestone M1C1-72ter is followed by: milestone M1C1-72quater, which provides for the adoption of the Audit Plan; 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 set the weighted average payment delay for central, regional, local and health authorities to zero; milestone M1C1-72quinquies, which provides for the operationalisation of the InIT system for the execution of payments and of the platform providing information on commercial credits; milestone M1C1-72sixies, which provides for the adoption of the final audit report of the Audit Plan; 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 set to maintain at zero the weighted average payment delay for central, regional, local and health authorities.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled;
2. Decree-Law No. 155 of 19 October 2024 – which entered into force, in line with its Article 11, on 20 October 2024, the day following its publication in the Official Journal No. 246 of 19 October 2024 –, providing for the possibility to increase human resources in late payer administrations;

3. Law No. 189 of 9 December 2024 – which entered into force, in line with its Article 1, on 13 December 2024, the day following its publication in the Official Journal No. 291 of 12 December 2024 – converting, with amendments, Decree-Law No. 155 of 19 October 2024;
4. Decree-Law No. 131 of 16 September 2024 – which entered into force, in line with its Article 18, on 17 September 2024, the day following its publication in the Official Journal No. 217 of 16 September 2024 –, providing specific provisions for the increase of the human resources of the judicial administration;
5. Law No. 166 of 14 November 2024 – which entered into force, in line with its Article 1, on 15 November 2024, the day following its publication in the Official Journal No. 267 of 14 November 2024 –, converting, with amendments, Decree-Law No. 131 of 16 September 2024.

### 3. Analysis:

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

#### **Entry into force of legal acts providing for the possibility to increase human resources dealing with payments in:**

- **Ministries identified as late payers that submitted a plan of interventions in accordance with Decree-Law No. 19 of 2 March 2024, as converted by Law No. 56 of 29 April 2024;**

The Italian authorities adopted: i) Decree-Law No. 155 of 19 October 2024, as converted, with amendments, by Law No. 189 of 9 December 2024, which provides for the possibility, for late payer Ministries having submitted a plan of interventions, to increase human resources with the aim of strengthening the administrative structures dealing with payments; and ii) Decree-Law No. 131 of 16 September 2024, as converted, with amendments, by Law No. 166 of 14 November 2024, which contains provisions dedicated to the Ministry of Justice, and provides for the increase of the human resources of the judicial administration with the aim of strengthening the administrative capacity in relation to the reduction of payment times.

Specifically, Article 6-sexies of the aforementioned Decree-Law 155/2024, as converted by the aforementioned Law 189/2024, provides the possibility, for the Ministries identified in Article 40 of Decree-Law No. 19 of 2 March 2024 – i.e. Ministries identified as late payers that submitted a plan of interventions in accordance with Article 40, paragraph 4, of such decree – to hire units of personnel, based on the financial endowment foreseen to this end of EUR 5 million for each of the years 2025 and 2026. For what concerns the Ministry of Justice, Article 4 of the aforementioned Decree-Law 131/2024, as converted by the aforementioned Law 166/2024, provides for the possibility to increase the personnel endowment of the judicial administration by 250 units to strengthen the administrative capacity in relation to the reduction of payment times.

#### **Entry into force of legal acts providing for the possibility to increase human resources dealing with payments in:**

- **municipalities above 60.000 inhabitants, provinces and metropolitan cities identified as late payers that submitted a plan of interventions in accordance with Decree-Law No. 19 of 2 March 2024, as converted by Law No. 56 of 29 April 2024.**

The Italian authorities adopted Decree-Law No. 155 of 19 October 2024, as converted, with amendments, by Law No. 189 of 9 December 2024, which provides for the possibility to increase human resources in late payer municipalities above 60.000 inhabitants, provinces, metropolitan cities. Specifically, Article 6-sexies of such decree, as converted by the aforementioned Law 189/2024, provides that the local authorities identified in Article 40 of Decree-Law No. 19 of 2 March 2024 – i.e. municipalities above 60.000 inhabitants, provinces and metropolitan cities identified as late payers that submitted a plan of interventions in accordance with Article 40, paragraphs 6, 7 and 9 of such decree – are authorised to hire units of personnel, based on the financial endowment foreseen to this end of EUR 5 million for each of the years 2025 and 2026.

### 4. Commission Preliminary Assessment: satisfactorily fulfilled.

## Non-repayable support

### M1C1-72quater: Adoption of the Audit Plan

**Related Measure:** [M1C1]-[R1.11]: Reduction of late payments by public administrations and health authorities

**Qualitative Indicator:** Audit Plan Adoption of the Audit Plan

**Time:** Q4 2024

#### 1. Context:

The main objective of the reform is to reduce the payment times of central and local administrations, as well as of health authorities. In particular, the reform aims at ensuring that by 2025 (i) public administrations at central, regional and local level pay within 30 days, and (ii) health authorities pay within 60 days. The reform also envisages the adoption, as of 2024, of a set of measures, including of legislative nature, aimed at structurally improving payment performance of Italian public administrations.

Milestone M1C1-72quater is the fourth milestone of this reform, and it provides for the adoption of an Audit Plan to verify the adequacy and timeliness of the existing payment processes of at least 130 public administrations identified as late payers.

Milestone M1C1-72quater is accompanied by milestone M1C1-72ter, which provides for the increase of the human resources dealing with late payments, and it follows milestones M1C1-72, which provides for the entry into force of rules meant to reduce late payments to businesses by the Italian public administration and M1C1-72bis, which requires the adoption of several further measures aimed at improving the payment performance of the Italian public administrations at the central and local level, including legislation and circulars. Milestone M1C1-72quater is 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 set the weighted average payment delay for central, regional, local and health authorities to zero; milestone M1C1-72quinquies, which provides for the operationalisation of the InIT system (*Nuovo sistema informatico gestionale di contabilità pubblica*, the new management IT system for public accounting) for the execution of payments and of the platform providing information on commercial credits; milestone M1C1-72sixies, which provides for the adoption of the final audit report of the Audit Plan; 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 set to maintain at zero the weighted average payment delay for central, regional, local and health authorities.

#### 2. Evidence provided:

1. A summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. Copy of the Decision No. 241 of 15 November 2024 by the Italian State Accountant General adopting the attached Audit Plan on the payment time for public administrations;
3. List of the sampled public administrations;
4. Decree-Law No. 19 of 2 March 2024, converted, with amendments, into Law No. 56 of 29 April 2024, and entered into force, in line with its Article 46, the same day of publication in the Official Journal No. 52 of 2

March 2024, containing “additional urgent provisions on the implementation of the National Recovery and Resilience Plan”;

5. Law No. 56 of 29 April 2024, which converted Decree-Law No. 19/ 2024 and entered into force, in line with its Article 1, the day following the publication in the Official Journal No. 52 of 2 March 2024;
6. Copy of the Decision No. 85 of 3 April 2025 by the Italian State Accountant General adopting the Addendum to the Audit Plan on the payment time for public administrations.

### 3. Analysis:

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

**Adoption of an Audit Plan, including a roadmap for its implementation, on the adequacy and timeliness of the existing payment processes of at least 130 public administrations identified as late payers among: (i) central level (including territorial branches of Ministries); (ii) municipalities; and (iii) public health authorities.**

In line with the requirements of the Council Implementing Decision, the Italian authorities have adopted the Decision No. 241 of 15 November 2024 of the Italian State Accountant General, which in its Article 1 approves the Audit Plan for No. 135 public administrations identified as late payers among the central level (including territorial branches of Ministries), municipalities and public health authorities. The Italian authorities have entrusted the General Inspectorate for the Public Finance Inspection Services (*Ispettorato generale per i servizi ispettivi di finanza pubblica*, hereinafter referred to as “IGESIFIP”) to carry out the audit activities, which, according to the audit process defined on page 10 of the Audit Plan, envisage a contradictory phase with the audited entity after the receipt of a report based on the possible findings following the on-the-spot-checks.

The Audit Plan refers to Article 40(4) of Decree-Law No. 19 of 2 March 2024, which provides for the criterion to identify late payers on the basis of the methodology set in Article 1, paragraph 859, letter b) of Law No. 145 of 30 December 2018, namely a positive value of the indicator of delay in payment times based on the data at 31 December 2023 (hereinafter referred to as “TMPR”, *tempo medio ponderato di ritardo*). The sample size has been determined by the IGESIFIP taking into consideration the available human resources and the need to focus on the administrations that had a positive TMPR, while ensuring an adequate representativity of the population. On the basis of the abovementioned methodology, a sample of No. 135 public administrations has been selected among the central level, municipalities and public health authorities. Specifically, the sample includes:

- No. 35 central departments and territorial branches of Ministries and No. 4 other entities that operate at national level. They have been identified with the application of an additional filter linked to the amount of the invoices received in 2023: respectively above 3 million EURO for the territorial branches of Ministries and above 5 million EURO for the central departments of Ministries and for the other national entities. Amongst the public administration with invoices above the aforementioned amount, the Audit Plan has selected the units with the highest TMPR;
- No. 75 municipalities with a population between 15.000 and 60.000 inhabitants on 1 January 2023 with a positive TMPR selected using a statistical sampling methodology, stratified by population and No. 8 other entities that operate at a local level with a positive TMPR and an amount of invoices received in 2023 above 5 million EURO;
- No. 13 public health authorities with a positive TMPR.

To ensure an adequate coverage of the population, the Italian authorities have adopted an Addendum to the Audit Plan on 3 April 2025, as evidenced by the Decision No. 85 of 3 April 2025 of by the Italian State Accountant General. The Addendum provides for the inclusion of No. 38 additional public administrations to the original sample, by selecting the following:

- No. 4 central departments and territorial branches of Ministries with a positive TMPR on 31 December 2023, irrespective of the amount of the invoices received in 2023;
- No. 30 municipalities with a population below 15.000 inhabitants and No. 4 municipalities with a population above 60.000 inhabitants, in both cases taking into consideration the population data on 1 January 2023. As regards the municipalities with a population below 15.000 inhabitants, the sample has been selected using a stratified statistical sampling methodology. For the municipalities with a population above 60.000 inhabitants, the Addendum to the Audit Plan takes into account the efforts already undertaken in the context of the late

payments reform, as envisaged by Article 40 (paragraphs 6, 7, 8 and 9) of Decree-Law No. 19/2024, which was assessed in the context of the sixth payment request (milestone M1C1-72*bis*). The abovementioned provisions required municipalities with a population of more than 60.000 inhabitants and positive TMPR on 31 December 2023 to prepare a plan of interventions to overcome payment delays and participate to the Technical Table (hereinafter referred to as “*Tavolo Tecnico*”), organised by the Ministry of Economy and Finance (hereinafter referred to as “MEF”). In this context and in line with the recommendation of the Tavolo Tecnico, the Addendum has selected No. 4 municipalities with a population above 60.000 inhabitants on the basis of the following considerations:

- No. 1 municipality did not submit the plan nor participated in the works of the Tavolo Tecnico despite a positive TMPR and;
- No. 3 municipalities that, despite a TMPR below 10 days on 31 December 2023, had an average payment time above 30 days at the same date.

Section 2 “Objectives of the audit plan”, at page 6 of the adopted Audit Plan, defines the perimeter and goal of the activities which is set to verify the adequacy and timeliness of the existing payment processes by checking the: (i) adequacy of the material and human resources dedicated to the payment process; (ii) ability to adequately schedule payments based on cash flows; (iii) correct attribution of commercial invoice data to the monitoring system, as well as the timely correction of errors and mismatches; (iv) monitoring and control procedures adopted by the administration or body to ensure compliance with payment times and (v) effective application of provisions from national legislation.

Furthermore, the adopted Audit Plan contains a roadmap (enshrined in Section 2, page 7 and Table 1, page 13 of the document) for its implementation with different phases that encompass the performance of the checks by the inspectors, the necessary contradictory phase with the auditees, the preparation of a final report on the audit activity by the MEF by 31 October 2025 and to inform the Council of Ministers on the results of the Audit Plan by 31 December 2025.

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Non-repayable support

**M1C1-73ter:** Incentives to qualification and professionalisation of contracting authorities.

**Related Measure:** [M1C1]-[R1.10]: Reform of the public procurement legislative framework

**Qualitative Indicator:** Adoption of implementing measures and provisions in the law indicating the entry into force of legislation.

**Time:** Q4 2024

### 1. Context:

Milestone M1C1-73ter is part of Reform 1.10 - Reform of the public procurement legislative framework, which is aimed at simplifying and increasing efficiency of the public procurement system, increasing legal certainty for businesses and accelerating the award and execution of public contracts.

Following up from the adoption of the new Public Procurement Code in 2023 (Milestones M1C1-73 and M1C1-74) and the issuance of guidance and clarifications on the applicable framework on the qualification obligations for contracting authorities (M1C1-73bis), Milestone M1C1-73ter is aimed at mapping the status of the qualification and centralization of public contracting authorities and at identifying pending impediments and taking actions to further improve qualification.

Milestone M1C1-73ter is the 14th milestone of the reform, and it follows the completion of several milestones and targets (M1C1-69, milestone M1C1-71, milestone M1C1-70, milestone M1C1-73, milestone M1C1-74, target M1C1-75, target M1C1-84, target M1C1-86, target M1C1-87, milestones M1C1-73bis and M1C1-73quater, targets M1C1-85 and M1C1-99), which cover different areas, stemming from simplification and digitalization of tendering procedures, to qualification and professionalization of contracting authorities, through reducing the fragmentation of contracting authorities, setting e-platform and the new Public Procurement Code, introducing targets to the average time for the award procedures, ensuring the training of a certain number of civil servants, and increasing the number of contracting authorities using dynamic purchasing systems in this payment request.

Milestone M1C1-73ter is accompanied by Milestone M1C1-73quinquies (project financing), M1C1-75, M1C1-84bis and Target M1C1-98 (professionalization and trainings of civil servants) in this payment request. It will be followed by targets on the professionalization of civil servants (M1C1-98bis in Q4 2025) and targets M1C1-97 in Q2 2025 and M1C1-97bis in Q2 2026, both aimed at consolidating and increasing the reduction the average execution time; Target M1C1-96 in Q4 2025, aimed at consolidating the reduction of the average award time.

Finally, the milestones will be followed by Target M1C1-99bis, establishing that at least 50% of local contracting authorities shall have the digital competences required by the qualification (currently regulated in the Public Procurement Code).

### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Report by the Anticorruption Authority (ANAC) on Milestone M1C1-73ter, on the status of the qualification system, on the impact of the qualification exercise on decision speed and on the introduction of further initiatives to favor qualification, of 15/12/2024.
3. Report by ANAC of 30/09/2024 on data on status of qualification of contracting authorities and central purchasing bodies.
4. Updates (31/12/2024, 23/05/2025 and 27/05/2025) by ANAC to the Report above on data on status of qualification of contracting authorities and central purchasing bodies.

5. Update provided on 4/06/2025 to the Report above on the effect of the qualification system.
6. Legislative Decree n. 209 of 31 December 2024, published in the Official Journal n. 305 General Series, of 31 December 2024, containing the amendments to the Public Procurement Code.
7. Minutes of the meeting of the *Cabina di Regia* of 17/12/2024 assessing the elements and data on the fulfillment of the Milestone, based on ANAC's reports.
8. Report on the results of the mapping of the participation by non-qualified entities to training activities and of self-assessment exercises, published on the website of the Presidency of Council of Ministers: [https://presidenza.governo.it/AmministrazioneTrasparente/Organizzazione/ArticolazioneUffici/Dipartimenti/USG/MAPPATURA\\_SviluppoCapacita\\_SA\\_NonQualificate.pdf](https://presidenza.governo.it/AmministrazioneTrasparente/Organizzazione/ArticolazioneUffici/Dipartimenti/USG/MAPPATURA_SviluppoCapacita_SA_NonQualificate.pdf).

### 3. Analysis:

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

**Analysis by the Cabina di Regia (pursuant to Art. 221 of the Public Procurement Code), having consulted ANAC, of the effects of the application of the Public Procurement Code on:**

- the number of qualified contracting authorities and centralised purchasing bodies;

The *Cabina di Regia*, created pursuant to article 221 of the Legislative Decree 36/2023 (hereinafter referred to as "Public Procurement Code"), met on 17 December 2024 (see minutes of the meeting, with list of members and attendants, page 2). The analysis of the *Cabina di Regia* is based on and refers to the Report of 15/12/2024 (evidence no. 2 above), prepared by ANAC for the purpose of Milestone M1C1-73ter, on the status of the qualification system, on the impact of the qualification exercise on decision speed and on the introduction of further initiatives to favor qualification, and on the Report by ANAC of 30 September 2024 (evidence no. 3, then updated with the consolidated data on 31 December 2024, evidence no. 4) on the data on the status of qualification of contracting authorities and central purchasing bodies (evidence no. 3), thus satisfying the requirement of the consultation with ANAC.

The list of qualified contracting authorities is managed by ANAC, which sets out the implementing rules for qualification. By acquiring applications electronically, ANAC carries out constant monitoring of the qualification process, with particular regard to applicants for qualification, qualification sectors, levels achieved, the territorial distribution of qualified entities and the centralized purchasing (where qualification is not available or feasible).

Based on such data, the *Cabina di Regia* and ANAC looked at the evolution of the qualification process over time, noting that there has been a steady increase in the number of qualified contracting authorities, demonstrating progressive adaptation to the new system, in line with the objectives of centralisation and professionalisation of public purchasers foreseen in the Public Procurement Code. The September 2024 Report by ANAC provides quantitative evidence on the increase in qualified authorities: 4.554 contracting authorities qualified as of 30 September 2024, reflecting a 23,2% increase from 31 December 2023. Such trend has continued in the following months, with 4.684 qualified authorities as of 31 December 2024 (with an increase from 31 December 2023 of 26,8%), and a total of 5.390 contracting authorities having requested qualification for the "works" sector and 5.989 for the "service-supplies" sector (see ANAC's update to the Report, evidence no. 4), demonstrating good progress of the qualification system (see page 5 of ANAC's Report of 30 September 2024 and page 7 of the Minutes of the meeting of the *Cabina di Regia* of 17 December 2024 or page 2 of the Report of on Milestone M1C1-73ter contained in the Minutes of the *Cabina di Regia*; see also pages 5-6 of ANAC's update to the Report as of 31 December 2024). In addition, 518 central purchasing bodies are qualified, to which 8.056 administrations have access (id).

Based on the assessment by the *Cabina di Regia*, this trend suggests a satisfactory state of the qualification exercise, with a clear prevalence of dual qualification (i.e. for works and for services/supplies), as evidenced by the fact that most of the qualified contracting authorities (60 %) are qualified in both sectors and almost 60 % for the maximum qualification level (pages 4 and 9 ANAC's Report of 30 September 2024, page 6 of ANAC's update to the Report as of 31 December 2024; and page 8 of the Minutes of the meeting of the *Cabina di Regia* of 17 December 2024 or page 3 of the Report on Milestone M1C1-73ter contained in the Minutes of the *Cabina di Regia*).

**Analysis by the Cabina di Regia (pursuant to Art. 221 of the Public Procurement Code), having consulted ANAC, of the effects of the application of the Public Procurement Code on:**

- **the number and value of the public contracts managed by qualified contracting authorities on their own behalf and on behalf of non-qualified entities;**

As regards the number and value of public contracts managed by qualified Contracting Authorities on their own account, on the basis of the data provided by ANAC on the procedures concluded until 30 September 2024), the result was 3.301 contracting authorities, which put in place around 42 tenders on their own account, corresponding to a financial volume of around EUR 225 billion (see pages 6-8 of ANAC's Report, evidence no. 3). Such trends continued until the end of 2024, with the overall number of qualified contracting authorities (having concluded purchasing procedures) increasing to 3.579 on 31 December 2024 (amounting to a 62% increase of contracting authorities of the same category since 31 December 2023), with an overall value of procedures handled by contracting authorities of over EUR 327 billion, with an overall increase of the aggregated value of public contracts since 31 December 2023 of 289,5% (even up to an increase of 350% looking only at purchases of services and supplies, see updates of ANAC's Report of 23 and 27 May 2025, evidence no. 4).

With regard to the procedures carried out by central purchasing bodies and legal qualified entities on behalf of non-qualified contracting authorities, on the basis of the data provided by ANAC, on 30 September 2024 the total number of administrations that carried out procurement procedures on behalf of other entities was 371 (handling an overall value of works/services/supplies of around EUR 13.5 billion, see ANAC's Report, page 7, under evidence no. 3), increasing to 392 at the end of 2024 (with the overall value of works/services/supplies increasing to around EUR 16,8 billion), with an increase of 30,7% in the number of central purchasing bodies since 31 December 2023 and an increase of 228,7% in the aggregate value of the works/services/supplies (318,9% looking only at purchases of services and supplies see updates of ANAC's Report of 27 May, 2025, pages 4-5, evidence no. 4),

**Analysis by the Cabina di Regia (pursuant to Art. 221 of the Public Procurement Code), having consulted ANAC, of the effects of the application of the Public Procurement Code on:**

- **the qualification system to improve the decision-making speed for the award of public contracts.**

As seen above, the *Cabina di Regia* carried out its analysis pursuant to art. 221 of the Public Procurement Code and showed the positive effects of the introduction of the Public Procurement Code on the overall system of qualification, with increasing numbers of qualified and central purchasing bodies (see previous sub-elements). The *Cabina di Regia* also assessed that the introduction of the system of qualification of contracting authorities produces potential beneficial effects on a variety of dimensions, including the speed of decision-making (see the minutes of the meeting of the *Cabina di Regia* of 17/12/2024 assessing the elements and data on the fulfillment of the Milestone, pages 4-6, based on ANAC's Report, pages 18-19). Given the length of most tendering procedures (particularly those for works and services where qualification was required pursuant to the Public Procurement Code) the Cabina di Regia and ANAC highlighted the risk of a selection bias in making a precise calculation of the impact of the qualification on the speed, given that those closed after the entry into force of the Public Procurement Code benefited from several improvements due to the new Code (i.e. not only for the new qualification system, but for several aspects combined) and were in any event by definition the quickest (i.e. the search not being able to fully capture those still pending). Nonetheless, ANAC made a search based on several assumptions trying to select the most homogenous possible awards in 2023 (before and after the Code in a 1-year observation period) and preliminarily found that the average time for the award of the works/services improved still marginally (around 1%, going from 101,58 to 100 days) but improved already by over 15% (from 162 to 137,3 days) in terms of the actual time for the signature of the contract in 2023 (see update to ANAC report of 4 June 2025, evidence no. 5). With regard to 2024, the calculation ANAC is carrying out for the purpose of Target M1C1-96 (which sets precise reduction objectives for the award/decision speed by 4Q 2025) shows further improvements, with a decision speed of around 111 days in 2024 (id).

Looking ahead, *Cabina di Regia* and ANAC analysed two main factors of qualification that will contribute to the reduction in contracting time, thus in the overall time for the award of public contracts: (i) on the one hand, the inclusion of qualification requirements provides an incentive for contracting authorities to increase their skills and improve the structures put in place to carry out the procedures, which in turns translates into more efficient procedures; (ii) on the other hand, giving only qualified contracting authorities the power to manage the award of large tenders entails a shift of those activities to the most competent authorities and a higher likelihood of the big procedures to be finalized in time with less litigation.

Furthermore, still with regard to the future impact, Italy has introduced amendments to the qualification system that are expected to positively impact on the speed of public procurement: Italy has introduced amendments to Article 11 of Annex II.4 of the Public Procurement Code (see Legislative Decree n. 209 of 31 December 2024, published in the Official Journal n. 305 General Series, of 31 December 2024, containing the amendments to the Public Procurement Code, hereinafter referred to as “Corrective Decree”), now providing, among the most important assessment parameters for qualification’s scores, also the contracting authority’s decision-making efficiency in relation to the award phase, defined as the time between receipt of the contract tenders and the conclusion of the contract (see pages 151-153 of the Corrective Decree, with regard to the changes to Article 11 of Annex II.4. containing the qualification Guidelines). Such time must not exceed one hundred and fifteen days on average. The potential award of preferential scores for qualification is considered by the Italian authorities as an important tool to improve, through qualification, the procurement time of contracting authorities.

The amended Article 11 of Annex II.4 also introduces an obligation for contracting authorities to monitor more closely the factors that might affect negatively the decision-making activity. The mechanism introduced provides for a preliminary self-assessment phase (every six months) and for a strengthened cooperation between the contracting authority and ANAC to identify solutions to overcome the issues affecting the time between the date of the presentation of the offer and the signing of the actual contract. If the contracting authorities do not submit to ANAC the report of such monitoring activities can be considered to be in severe violation of the obligations stemming from the Public Procurement Code (article 63, providing the obligations to qualify) and be subject to sanctions. The IT authorities consider that a strengthened monitoring system stemming from the qualification exercise (article 63 of the Public Procurement Code and article 11 of Annex II.4 of the Public Procurement Code) is a strong tool to reduce the overall speed of the decision for the award of public contracts

#### **Publication of the results of the mapping of the participation by non-qualified entities to training activities and of self-assessment exercises.**

On 14 February 2025, the Presidency of the Council of Ministers – in its role as authority in charge for coordination and monitoring of public procurement and of the Buyers Professionalization Strategy as previously assessed in Milestone M1C1-71 in the context of the 1<sup>st</sup> payment request – has published on its website (the section on the transparency of administrative acts) a report with the mapping of the development of the capacities of non-qualified entities, on the basis of ANAC data, which in turn takes into account the information provided by the contracting authorities through their the self-assessment documents attached to their requests to ANAC for formal recognition of the “qualified” status based on the ANAC’s Guidelines (Annex II.4 of the Public Procurement Code). The mapping exercise regarded both the participation of the non-qualified entities to training activities (15% of non-qualified entities) and the consolidated results of the self-assessment documents by contracting authorities, showing the trends of professionalization and qualification of contracting authorities based on their size and number of staff members who have participated to trainings and to the Buyers Professionalization Strategy. The Commission services accessed the link provided by the authorities on 18 March 2025 to verify that all relevant data regarding the mapping of the participation of non-qualified entities to training activities, increase in professionalization of staff and participation to self-assessment exercises by contracting authorities (which is also necessary to assess the areas of improvements for contracting authorities to fulfil ANAC’s requirements for qualifications) were published and accessible. This check was completed successfully, confirming that the publication of the results of the mapping of the participation by non-qualified entities to training activities and of self-assessment exercises was satisfactorily fulfilled.

#### **Initiatives aimed at improving the qualification of contracting authorities, the reduction in fragmentation and the professionalisation of non-qualified entities, shall be adopted.**

The Corrective Decree provides that the following elements will entitle contracting authorities to obtain a preferential score for the purposes of renewing qualifications (based on Article 11 of Annex II.4): (i) the availability of the contracting authorities to be included in the list referred to in Article 62 (10) of the Public Procurement Code (which provides for a list of qualified and central purchasing authorities in order to allow non-qualified entities to contact qualified/central bodies) having concluded contracts on behalf of non-qualified contracting authorities for below threshold purchases ((EUR 150.000 for services and 500.000 for works, pursuant to Article 62 (1)); (ii) the aggregation of contracting authorities (also in if already qualified in the past) for the joint purchase and performance (thus both

the award and the actual execution) of works or services; and (iii) having obtained sectoral specialisation (for qualified contracting authorities and central purchasing bodies). As a result of this set of provisions, in order to obtain the renewal or a higher level of qualification, contracting authorities are incentivized to take actions to further improve the overall level of qualification/professionalization (in particular having incentives to conclude contracts on behalf of unqualified entities) and aggregation, as well as to increase the specialization in certain sectors/areas of procurement (also in this case increasing qualification and professionalization in general).

In addition, when examining the application for qualification, ANAC can grant a preferential score to the contracting authorities that, in the five years preceding the date of submission of the application for qualification, have carried out procedures below the qualification thresholds through the use of qualified contracting authorities and central purchasing bodies.

Furthermore, the Corrective Decree now mandates (Article 62 (6-bis)) to non-qualified contracting authorities to procure supplies, services and works using a qualified contracting authority or central purchasing body also for procedures below the thresholds, thus providing a more binding nature to the provisions of the Circular MIT 279/2024 (assessed under Milestone M1C1-73bis for the 6<sup>th</sup> payment request).

Finally, in terms of trainings activities, the Corrective Decree extends also to private for-profit entities the possibility to carry out specific public procurement trainings aimed at increasing professionalization of contracting authorities' staff – to the extent that such entities meet the requirements established by the Code and based on the eligibility check and monitoring by the SNA (the National School of Administration). The expansion of the offer of ad-hoc trainings for employees of contracting authorities and operators of the public procurement sectors has also the scope of the increasing the overall level of professionalization and ultimately of qualification.

#### **Instruments for technical/administrative support to contracting authorities shall be provided.**

As illustrated above, Article 11 of Annex II.4 of the Public Procurement Code, as amended by the Corrective Decree, introduces strengthened monitoring obligations for contracting authorities to identify issues regarding the award speed (see above). Such new system mandates that contracting authorities should send to ANAC the results of such monitoring activities and propose corrective actions, if needed (art. 11, par. 4-ter of Annex II.4, as amended by the Corrective Decree). In this context, ANAC makes observations on the effectiveness of the measures identified by the contracting authority and, where necessary, proposes changes to the corrective actions. Such cooperation between ANAC and the contracting authorities is aimed, *inter alia*, at providing specific administrative and technical support in order to improve the award speed and, with that, obtain the requisites to achieve or improve the qualification level.

Furthermore, article 13-bis of Annex II.4 of the Public Procurement Code, as introduced by the Corrective Decree, creates, within ANAC and under ANAC's supervision, a Coordination Body, between qualified central purchasing authorities. Article 13-bis, par 1, of Annex II.4 provides the Coordination Body will be chaired by a representative of ANAC and composed of a representative of the Ministry of Infrastructure and Transports (as Ministry in charge for Public Procurement in Italy), representative of the Ministry of Economy and Finance, two representatives of the Conference of Regions, a representative of the national association of municipalities (ANCI) and a representative of national association of Provinces (UPI). The Coordination Body will be responsible for (i) monitoring the purchasing activity carried out by central purchasing bodies entities to address the requests for assistance sent by non-qualified purchasing authorities; (ii) identifying any sector or geographic areas, where the demand, by non-qualified purchasing authorities, for centralized purchases is not met; (iii) identifying and mapping central purchasing bodies with specific expertise and experience in highly complex or specialised activities, including the use of digital tools and technologies (iv) proposing further measures to promote the specialisation of central purchasing bodies in areas of activity and sectoral sectors, taking into account also their distribution in the national territory; (v) identifying incentives for using the specialized central purchasing bodies; (vi) monitoring and identifying measures to support the digitalisation processes of contracting authorities (highly relevant for qualification), in order to provide local administrations with a permanent forum for discussion and interinstitutional cooperation.

As a result, the Coordination Body will provide strategic technical and administrative support to contracting authorities to improve, through centralization and specialization, the overall quality and effectiveness of the procurement activity in Italy.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled.**



## Non-repayable support

### M1C1-73quinquies: Entry into force of new legal provisions on project financing

**Related Measure:** [M1C1]-[R1.10]: Reform of the public procurement legislative framework

**Qualitative Indicator:** Provision in the law indicating the entry into force of new legal provisions

**Time:** Q4 2024

#### 1. Context:

Milestone M1C1-73quinquies is part of Reform 1.10 - Reform of the public procurement legislative framework, which is aimed at simplifying and increasing efficiency of the public procurement system, increasing legal certainty for businesses and accelerating the award and execution of public contracts.

M1C1-73quinquies is aimed at reforming the provision regarding the tool of 'project financing' contained in the Public Procurement Code in order to increase competition between operators and, with that, the contestability of concessions awarded through project financing, which in turns enhances the efficiency of the management of concessions and of the related investments.

Milestone M1C1-73quinquies is the 15th milestone of the reform, and it follows the completion of several milestones and targets (M1C1-69, milestone M1C1-71, milestone M1C1-70, milestone M1C1-73, milestone M1C1-74, target M1C1-75, target M1C1-84, target M1C1-86, target M1C1-87, milestones M1C1-73bis, M1C1-73quater and M1C1-73ter, targets M1C1-85 and M1C1-99, which cover a wide variety of different areas, stemming from simplification and digitalization of tendering procedures, to qualification and professionalization of contracting authorities, through reducing the fragmentation of contracting authorities, setting e-platform and the new Public Procurement Code (2023) as well as introducing targets to the average time for the award procedures, ensuring the training of a certain number of civil servants, and increasing the number of contracting authorities using dynamic purchasing systems in this payment request.

Milestone M1C1-73quinquies is accompanied by Milestone M1C1-73ter (qualification of contracting authorities), M1C1-75, M1C1-84bis and Target M1C1-98 (professionalization and trainings of civil servants) in this payment request. It will be followed by targets on the professionalization of civil servants (M1C1-98bis in Q4 2025) and targets M1C1-97 in Q2 2025 and M1C1-97bis in Q2 2026, both aimed at consolidating and increasing the reduction the average execution time; Target M1C1-96 in Q4 2025, aimed at consolidating the reduction of the average award time.

Finally, the milestones will be followed by Target M1C1-99bis, establishing that at least 50% of local contracting authorities shall have the digital competences required by the qualification (currently regulated in the Public Procurement Code).

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Legislative Decree n. 209 of 31 December 2024, published in the Official Journal n. 305 General Series, of 31 December 2024, containing the amendments to the Public Procurement Code

#### 3. Analysis:

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

**Entry into force of new legal provisions on project financing aimed at enhancing efficiency and competition, in particular to increase contestability of concessions.**

Legislative Decree n. 209 of 31 December 2024, published in the Official Journal n. 305 General Series, of 31 December 2024, entered into force on the same day of its publication (hereinafter referred to as the “Corrective Decree”) and containing the amendments to Legislative Decree 36/2023 (hereinafter referred to as the “Public Procurement Code”), includes an amendment to article 193 of the Public Procurement Code, namely the provision regulating the public procurement instrument of “project financing” in Italy.

Project financing is a special form of private-public partnership (hereinafter referred to as “PPP”), foreseen under administrative law in Italy, to award concessions for the management of services or works. Project financing procedures are essentially divided in two interconnected phases: (i) the selection of a project and (ii) the actual award of a concession based on the selected project. In project financing procedures private parties, either on their own initiative or solicited by the conceding entity or local authority, are allowed to propose projects for investments either already contemplated or also not originally foreseen in 3-year planning for PPP activities (i.e. a planning that public administrations are requested to do, according to article 175 of the Public Procurement Code, to identify the need for works/services of the entity at stake and the cost-benefit analysis of using PPPs). Project financing, whereby the private sectors are enabled to contribute to part of the capital to implement and manage a project, is often used when the public sector lacks the immediate funds to finance a project but still wants or needs to achieve public service objectives through the construction or operation of a public infrastructure.

Prior to the introduction of Corrective Decree, article 193 of the Public Procurement Code allowed for a private company, often the incumbent operator, to propose to the public entity a project for investments, which, if approved by the entity, would then be used as a basis for a new tender for the award of the concession. The public entity had no obligation to solicit other offers for the investment projects nor to comply to specific transparency obligations on the ongoing negotiation with the private operator. The public entity had broad discretion in negotiating directly with a single project proponent, which, in case the proponent was also the incumbent operator already present on the infrastructure, created a risk of significant information asymmetry. The tender would then also envisage pre-emptive rights (i.e. rights of first refusal) for the project proponent, in case other competitors participated to the tender and presented a better offer than the project proponent’s.

The Corrective Decree introduces significant changes to article 193 of the Public Procurement Code, it now requires that the public entity when interested in starting a project financing procedures, regardless of whether by its own initiative or triggered by a proposal by a private operator, is obliged to: (i) formalize and explain the public interest to the submission of a project proposal and the compatibility and consistency of the project with the public entity’s planning for PPP activities (pursuant to article 175 of the Public Procurement Code); (ii) give public notice on its website of such public interest to a specific project (new article 193, paragraph 2); more importantly (ii) publish on its website all detailed information about the project in order to allow all potentially interested and eligible operators to submit competing project proposals, jointly with a detailed feasibility study, a draft concession contract and economic-financial plan to show the sustainability of the investments and management of the services (new article 193, paragraph 4, in conjunction with paragraph 3). The public entity shall allow a period of at least 60 days (or more, for complex projects) for the submission of competing projects (new article 193, paragraph 4). Pursuant to new article 193 par. 5 the public entity can select one or more projects making a decision on a comparative basis and based on the consistency of the projects (and their economic-financial planning) with the public interest and needs/obligations of the public entity. To further enlarge the number and variety of potential offers, new article 193, par. 3 states clearly that also institutional investors (e.g., pension funds, investment funds/banks) can submit proposals, provided that, if and when participating to the actual tender for the award of the concession, they partner with technically qualified (eligible) operators. If none of the received projects fully fits the needs of the public entity, the latter will be entitled to ask for changes to the projects, their feasibility studies, the draft concession contracts and the economic-financial plans. The selection decision (with the comparative analysis) is published on the public entity’s website.

The selected project(s) will then be put as the basis for an open and competitive tender for the award of the concession for services or works, where all interested and eligible parties will be allowed to participate. The tender would then be under the previous rules and current obligations under the Public Procurement Code.

As a result of the changes introduced by the Corrective Decree, public entities, in identifying the project and the investment to be put out for tender for the award of a concession (as well as in drafting the concession contract), can no longer hold private negotiations with a private operator but are bound by very stringent transparency rules and by a very clear obligation to allow interested parties to present competing proposals. As a consequence, public entities

receiving competing proposals are now bound to make a decision, on a comparative basis, justifying why a given project is deemed more apt than the others at achieving the investments and service management needs of the entity, in the interest of the public and of the users (first all the citizens) of that infrastructure or service. Such decision will be subject to publicity rules, therefore monitorable and challengeable before the competent courts (including the Court of Auditors) in case the public authority/entity does not comply with the obligation, already in the project selection and planning phase, to select the best project for the achievement its public services obligations, through the most efficient spending of public money.

The above-mentioned changes contained the Corrective Decree, first of all, introduce more competition in the overall process of project financing, particularly by opening up to competition a phase (the project selection) where there was none: by allowing any interested parties to participate in the project selection phase (and broadening the number of subjects that can compete in the project phase, to further increase the competitive pressure), the Corrective Decree essentially creates, already in the project selection phase, an open and public tender for the award of the project that will constitute the basis for the procedure to award the concession. Secondly, the increase in transparency and accountability rules and the obligation to make a decision on a comparative basis – in a context where competition is increased, more players are put on a level playing field and more offers are attracted – ensure that public authorities have not only the possibility but also the obligation to select the most efficient option(s) to achieve the public utility within the context of their mandate. Thus, the new legal provisions introduced on project financing are set to increase the overall efficiency the system of procurement, award and management of public services.

Finally, the combination of more participation by potential competitors with the increase in transparency and accountability rules in the selection process ensures that concessions are not awarded to the only private operator that contacts (or is contacted by) the public entity in the first place – unless it is the one submitting the best possible project and best offer during the tender – and reduces the risk of information asymmetry with the incumbent operators, also during the tender. Therefore, the reform has the effect of increasing the overall contestability of concessions awarded through project financing – and more generally it creates the conditions to encourages more private companies to present their best offers to contend the award of concessions in Italy, to the benefit of public authorities and citizens.

The assessment of the introduction of more competition, efficiency and contestability in the award of concessions carried out through project financing based on the requirements of Milestone M1C1-73quinquies for the purpose of the payments from the Recovery and Resilience Facility does not prejudice future evaluations, monitoring and decisions by the Commission in any other proceedings regarding the Public Procurement Directives (2014/23/EU, 2014/24/EU, 2014/25/EU) or regarding other relevant Union Law.

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C1-75bis: Support to Qualification and eProcurement

**Related Measure:** [M1C1]-[I1.10]: Support to qualification and eProcurement

**Qualitative Indicator:** Entry into service of the procurement support function

**Time:** Q4 2024

#### 1. Context:

Milestone M1C1-75bis is part of Reform 1.10 - Reform of the public procurement legislative framework, which is aimed at simplifying and increasing efficiency of the public procurement system, increasing legal certainty for businesses and accelerating the award and execution of public contracts.

Milestone M1C1-75bis provides for the setting up of a procurement support function, within the framework of the Public Buyers Professionalization Strategy, to support contracting authorities to fulfil the requirements of Annex II.4 of the Public Procurement Code and in the eProcurement process, backing up the acquisition of digital skills and the adoption of digitalization of public procurement, including the use of dynamic purchasing systems.

Milestone M1C1-75bis is the fifteenth step of the reform, and it follows the completion of milestones M1C1-69, M1C1-70M1C1-71, M1C1-73 and M1C1-74 related to the adoption of measures in 2022 and 2021 and the legislation for the public procurement reform, milestone M1C1-75 on the full operationalisation of the National e-Procurement System, milestones M1C1-73quater related to the entry into force of guidelines on below-EU threshold procurement, target M1C1-84 on the reduction of the average time for the award procedures for contracts above the thresholds of the EU public procurement directives, target M1C1-86 related to the training of 20 000 of civil servants, targets M1C1-87 and M1C1-99 on the percentage of Central Government Contracting Authorities using dynamic purchasing systems (at least 15% and 20%), milestone M1C1-73bis related to the adoption of a circular providing guidance on the qualification system for contracting authorities and target M1C1-85 on the reduction of the average time between contract award and realization of the infrastructure.

Milestone M1C1-75bis is accompanied by target M1C1-98 on the professionalization of civil servants and the following milestones: M1C1-73ter on incentives to qualification and professionalisation of contracting authorities, M1C1-73quinquies, on the entry into force of new legal provisions on project financing, and M1C1-84bis, on the adoption of measures to improve decision speed in contract awarding.

Milestone M1C1-75bis will be followed by target M1C1-98bis in Q4 2025 on the professionalization of civil servants, targets M1C1-97 in Q2 2025 and M1C1-97bis in Q2 2026 on the reduction the average execution time, and target M1C1-96 in Q4 2025 on the reduction of the average award time.

#### 2. Evidence provided:

1. A summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. Link to the procurement support function platform: <https://www.serviziocontrattipubblici.it/>;
3. Legislative Decree No. 36 of 31 March 2023, which has entered into force, in line with its Article 229, on 1 April 2023, the day following its publication in the Official Journal No. 77 of 31 March 2023, containing the Public Procurement Code;
4. Decision from the Coordination Body (*Cabina di Regia*) of the Presidency of the Council of Ministers of 3 December 2021 approving the Buyers Professionalization Strategy on public procurement;
5. Explanatory documents detailing the link of the procurement support function with the Public Buyers Professionalization Strategy;
6. Legislative-Decree No. 209 of 31 December 2024, which has entered into force, in line with its Article 97, on 31 December 2024, the same day of publication in the Official Journal No. 305 of 31 December 2024, containing the amendments to the Public Procurement Code;

7. Explanatory documents detailing the link of the procurement support function with the Public Buyers Professionalization Strategy;
8. Copy of the Agreement signed on 14 November 2024 between the Ministry of Transport and Infrastructures and the Italian National Development Agency;

### 3. Analysis:

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

#### Entry into service of the procurement support function.

**A procurement support function shall be set up within the framework of the Public Buyers Professionalization Strategy.**

In line with the requirements of the Council Implementing Decision, the Italian authorities have launched a procurement support function platform (hereinafter referred to as “HUB”) to support public contracting authorities. The HUB has been developed on the basis of two Agreements stipulated by the Ministry of Transport and Infrastructures (hereinafter referred to as “MIT”), the first with ITACA – (*Istituto per l’innovazione e trasparenza degli appalti e per la compatibilità ambientale Associazione delle Regioni e delle Province autonome*) and IFEL (*Istituto per la finanza e l’economia locale*) signed 8 August 2024; (ii) the second with the Italian National Development Agency (*Agenzia Nazionale per l’attrazione degli Investimenti e lo sviluppo d’impresa S.p.A*, hereinafter referred to as “Invitalia”), signed on 14 November 2024. The agreements have identified five different lines of intervention to be supplied by the platform, involving the provision of technical-juridical support and tools for the qualification and digitalisation of contracting authorities.

The platform has also been set up within the framework of the Public Buyers Professionalization Strategy (hereinafter also referred to as the “Strategy”), as approved by the RRP coordination body (the “*Cabina di Regia*”) of the Presidency of the Council of Ministers (hereinafter referred to as “PCdM”) on 3 December 2021 in compliance with Milestone M1C1-71, assessed in the context of the 1<sup>st</sup> payment request. The Strategy contained a detailed assessment of the training needs of the officials and employees of both central public administrations and local authorities, responsible for the management and tendering of public contracts at different levels, identifying different training curricula for each specific professional category, different level of proficiency, and with different degrees of education.

In line with the abovementioned Strategy, the HUB platform provides digital support to the personnel of contracting authorities by making available informative material, webinar and podcast on, for example:

- the main novelties introduced by the so-called *Correttivo* (Legislative-Decree No. 209 of 31 December 2024) to the Public Procurement Code (Legislative-Decree No. 36 of 31 March 2023),
- the *Banca Dati Nazionale dei Contratti Pubblici* (hereinafter referred to as “BDNCP”, National Database of Public Contracts), the public database managed by ANAC that gathers all the information and activities that ensure the management of the entire life cycle of public contracts, or
- the digital modelling of infrastructures (Building Information Modeling, hereinafter referred to as “BIM”), which is necessary for the contracting authorities that wish to obtain a qualification for the execution of works in the two highest level of the system (see also section below).

The HUB has is operational as evidenced by the link to platform <https://www.serviziocontrattipubblici.it/>. The Commission services accessed the link provided by the authorities on 6 May 2025 to verify the entry into service of the procurement support function. This check was completed successfully, confirming that a procurement support function has been set up within the framework of the Public Buyers Professionalization Strategy.

**The procurement support function shall be dedicated to contracting authorities to fulfil the requirements of Annex II.4 of the Public Procurement Code and to support them in the eProcurement process, backing up the acquisition of digital skills and providing technical support in the adoption of the digitalization of public procurement, including the use of dynamic purchasing systems.**

As mentioned above, the platform is addressed to contracting authorities with the aim of supporting them in the acquisition of the qualification requirements as described by Annex II.4 of the Public Procurement Code. To this extent,

the Hub provides specific podcasts on the qualification exercise, webinars on the *Correttivo*, training on the aforementioned BIM and technical-juridical and administrative support provided through the OpenDigitApp, a digital service including relevant legislation, guidelines, jurisprudence on public procurement integrated with a chat-box functionality.

The HUB also supports contracting authorities in the eProcurement process, namely as regards the acquisition of digital skills and in the adoption of the digitalized public procurement procedures, including the use of dynamic purchasing systems. More specifically, the section *Bussola del RUP* (Compass of the public procurement procedure) indicates, for each step of the public procurement procedures, the actions to be taken, the documents to draft with the necessary requirements and also how to digitally communicate the mandatory information for the contract to the BDNCP. Moreover, the platform includes the digitalised version of the Public Procurement Code as amended by the *Correttivo* with the opinions provided by MIT through its dedicated service of public procurement support. In addition to the above, the informative material available for consultation, podcasts and webinars are also focused on the improvement of the digital capacity of the personnel of contracting authorities and on facilitating the digitalisation of public procurement procedures since the platform includes, for example, video tutorial on the aforementioned BIM, material and webinar on the digitalised life-cycle of public contracts and on the use of dynamic purchasing systems.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C1-84bis: Measures to improve decision speed in contract award of contracting authorities

**Related Measure:** [M1C1]-[R1.10]: Reform of the public procurement legislative framework

**Qualitative Indicator:** Adoption of measures related to decision speed

**Time:** Q4 2024

#### 1. Context:

Milestone M1C1-84bis is part of Reform 1.10 - Reform of the public procurement legislative framework, which is aimed at simplifying and increasing efficiency of the public procurement system, increasing legal certainty for businesses and accelerating the award and execution of public contracts.

Milestone M1C1-84bis provides for the adoption by the the *Cabina di Regia per i Contratti Pubblici* of the Presidency of the Council of Ministers (coordinating body for public contracts, hereinafter referred to as “Cabina di Regia”), pursuant to article 221 of the Code of Public Contracts and having consulted ANAC, of a report on the 2024 data for the indicator “Decision Speed” of the Tenders Electronic Daily website (hereinafter referred to as “TED”, which publishes the Supplement to the Official Journal of the EU according to the requirements of EU public procurement law); an analysis evaluating the impact of the eProcurement on contract award timelines; a report on contracting authorities’ best practices aimed at shortening contract award timelines and on the initiatives to reduce the decision-making speed time. The milestone also provides for the implementation of corrective measures by qualified contracting authorities whose average decision-making speed is greater than 160 days in TED.

Milestone M1C1-84bis is the sixteenth step of the reform, and it follows the completion of milestones M1C1-69, M1C1-70M1C1-71, M1C1-73 and M1C1-74 related to the adoption of measures in 2022 and 2021 and the legislation for the public procurement reform, milestone M1C1-75 on the full operationalisation of the National e-Procurement System, milestones M1C1-73quater related to the entry into force of guidelines on below-EU threshold procurement, target M1C1-84 on the reduction of the average time for the award procedures for contracts above the thresholds of the EU public procurement directives, target M1C1-86 related to the training of 20 000 of civil servants, targets M1C1-87 and M1C1-99 on the percentage of Central Government Contracting Authorities using dynamic purchasing systems (at least 15% and 20%), milestone M1C1-73bis related to the adoption of a circular providing guidance on the qualification system for contracting authorities and target M1C1-85 on the reduction of the average time between contract award and realization of the infrastructure.

Milestone M1C1-75bis is accompanied by target M1C1-98 on the professionalization of civil servants and the following milestones: M1C1-73ter on incentives to qualification and professionalisation of contracting authorities, M1C1-73quinquies, on the entry into force of new legal provisions on project financing, and M1C1-84bis, on the adoption of measures to improve decision speed in contract awarding.

Milestone M1C1-75bis will be followed by target M1C1-98bis in Q4 2025 on the professionalization of civil servants, targets M1C1-97 in Q2 2025 and M1C1-97bis in Q2 2026 on the reduction the average execution time, and target M1C1-96 in Q4 2025 on the reduction of the average award time.

#### 2. Evidence provided:

1. A summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. Minutes of the the *Cabina di Regia per i Contratti Pubblici* of the Presidency of the Council of Ministers (coordinating body for public contracts, hereinafter referred to as “Cabina di Regia”), convened on 17 December 2024, adopting an analysis of Bank of Italy, a report from the national anti-corruption authority (hereinafter referred to as “ANAC”) and an analysis of the *Cabina di Regia*;

3. Bank of Italy analysis on the impact of eProcurement on decision speed of 21 November 2024;
4. ANAC report on decision speed of 13 December 2024;
5. Updated ANAC report of 24 March 2025 containing 2024 data on decision speed;
6. Legislative Decree No. 36 of 31 March 2023, which has entered into force on 1 April 2023, the day following its publication in the Official Journal No. 77 of 31 March 2023, containing the Public Procurement Code;
7. Legislative-Decree No. 209 of 31 December 2024, which has entered into force on 31 December 2024, the same day of publication in the Official Journal No. 305 of 31 December 2024, containing the amendments to the Public Procurement Code;
8. Decision from the Coordination Body (Cabina di Regia) of the Presidency of the Council of Ministers of 3 December 2021 approving the Buyers Professionalization Strategy on public procurement

### 3. Analysis:

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

#### **Adoption of measures related to decision speed.**

**The Cabina di regia, pursuant to article 221 of the Code of Public Contracts, having consulted ANAC, shall adopt:**

**- an analysis evaluating the impact of the eProcurement on the timeline for contract award, from the deadline for the submission of tenders to the signature of the contract;**

In line with the requirements of the Council Implementing Decision, the *Cabina di Regia per i Contratti Pubblici* of the Presidency of the Council of Ministers (coordinating body for public contracts, hereinafter referred to as “*Cabina di Regia*”), convened on 17 December 2024, as evidenced by the minutes meeting, exercising the overview powers on public procurement attributed pursuant to article 221 of the Legislative Decree 36/2023 (hereinafter referred to as “Public Procurement Code”), adopted a comprehensive report from the national anti-corruption authority (hereinafter referred to as “ANAC”) on decision-speed, a study from Bank of Italy on the impact of digitalisation on procurement timelines and consequent conclusions based on the abovementioned documents.

As regards the requirement related to the performance of an analysis to evaluate the impact of the eProcurement on the timing line for contract award, the *Cabina di Regia* referred to a preliminary study from Bank of Italy on the impact of eProcurement on the functioning of public procurement framework. In accordance with the novelties introduced by Part II of the Public Procurement Code, eProcurement has become mandatory for contracting authorities since 1 January 2024, which has required the digitalisation of the public contracts’ life cycle. The Bank of Italy study investigates the correlation between the introduction of mandatory eProcurement and the timeline of contract award, from the deadline for the submission of tenders to the signature of the contract. Bank of Italy uses a dataset based on ANAC data, covering the public procurement procedures from January 2019 to October 2024 having a value below 500.000 EUR in order to observe a sub-group of procedures that had been less influenced by the other novelties introduced by the Public Procurement reform and thus allowing to isolate the impact of eProcurement. ANAC data is also reconciled with the results of a Bank of Italy survey (hereinafter referred to as “IDAL”) carried out amongst contracting authorities at local level to ascertain if they already had an e-procurement system before the reform. Based on a selected sample of 1.817 contracting authorities and 130.000 public procurement procedures, Bank of Italy analysis indicates that it is noticeable, from the first trimester of 2024, a progressive decrease of the average length of the award phase and an increase in transparency with more data available on the award. Bank of Italy study also indicates 10% points increase in transparency for the contracting authorities that have introduced e-procurement against the ones already using it and 7% points increase of decision-speed.

**- a report on the 2024 data for the TED indicator “Decision Speed”; “Decision speed” means the time between the deadline for the submission of tenders and the date of signature of the contract;**

**- a report on contracting authorities’ best practices aimed at shortening contract award timelines and on the initiatives to reduce the decision speed time.**

As mentioned above, the *Cabina di Regia* has also adopted a report from ANAC of 13 December 2024, which comprehensively assess the decision-speed in public procurement procedures and contracting authorities’ best practices aimed at shortening contract award timelines.

As regards the decision speed data, the report considers the data extracted from the *Banca Dati Nazionale dei Contratti Pubblici* (hereinafter referred to as “BDNCP”, National Database of Public Contracts), the public database managed by ANAC that gathers all the information and activities that ensure the management of the entire life cycle of public contracts. The data are from 1 January to 30 September and are analysed in line with the TED indicator “Decision Speed”, which refers to the time between the deadline for the submission of tenders and the date of signature of the contract. To assess the data, ANAC has also applied the European Commission Guidance on “Advanced notes on methodology”. Despite the temporal limitations of the window of observation and the consequent restricted pool of analysed procedures, ANAC has observed a clear decreasing pattern of the average decision-speed timeline in 2024, but not evident impact of the eProcurement on the length of procedures. Given the aforementioned temporal limitation, on 24 March 2025 ANAC has issued a new version of the report updated with data until 31 December 2024, which confirms the acceleration in decision speed.

The ANAC report of 13 December 2024 also focuses on the best practices adopted by contracting authorities aimed at reducing the duration of the contract awarding phase. The results of a survey launched by ANAC in 2024 addressed to the personnel in charge of public procurement procedures indicate, amongst others, the following best practices: (i) planning of procedures, including an estimate of the activities per each individual phase, to prevent bottlenecks; (ii) using standardised forms drafted by ANAC and the operational support material available on ANAC website; (iii) consult the juridical support function provided by the Ministry of Infrastructure and Transport (hereinafter referred to as “MIT”).

During the meeting of 17 December 2024, the *Cabina di Regia* has also adopted a summary document analysing the efforts undertaken to reduce the decision-making speed time. Given that, one year after its adoption, the Public Procurement Code (Legislative Decree No. 36 of 31 March 2023, hereinafter referred to as “the PP Code”) was subject to a review exercise, the MIT launched a consultation opened to the public procurement operators to gather feedback on the possible issues encountered since its entry into force on 1 April 2023. The results of this exercise have been incorporated in the draft legislation to amend the PP Code, which are indicated by the analysis of the *Cabina di Regia*. Such initiatives have also been reflected in the final text of the adopted Legislative-Decree No. 209 of 31 December 2024, which amends the Public Procurement Code. The new legislation, which has entered into force on 31 December 2024, the same day of publication in the Official Journal No. 305 of 31 December 2024, includes the following novelties to reduce the decision-making speed time: (i) the reduction of the standstill period (amendment to Article 18 of the PP Code); (ii) the provision of a defined time limit of 30 days for the award of the contract in the event of a malfunction which delays the acquisition of the necessary certifications (amending Article 99 of the PP Code); (iii) the mandatory monitoring, every six months from 1 January 2025, of the decision-making efficiency of qualified contracting authorities, including the adoption of corrective measures in case of average decision-making speed is greater than 160 days in TED ( amending Article 11 of Annex II.4 to the PP Code); (iv) the introduction of rewards for qualified contracting authorities having an average decision speed within 115 days (amending Article 11, Tables A and B of Annex II.4 to the PP Code).

**Qualified contracting authorities whose average decision-making speed is greater than 160 days in TED shall be required to implement corrective actions.**

As mentioned above, Legislative-Decree No. 209/2024 has amended the Public Procurement Code, including specific initiatives aimed at reducing the decision-making speed time. Article 88 of the Legislative-Decree No. 209/2024 has modified Article 11 of Annex II.4 to the PP Code and introduced the mandatory monitoring, every six months from 1 January 2025, of the decision-making efficiency of qualified contracting authorities. The new provision requires qualified contracting authorities with an average decision-making speed greater than 160 days in TED to adopt corrective measures. Such measures need to tackle the root causes of the inefficiencies and identify possible solution, for example requiring staff reorganisation, improving staff training or the use of digitalisation, with a timeline for implementation. They are submitted to ANAC, which evaluates them and is also able to propose targeted modifications, following up on the implementation of the corrective actions. Moreover, Legislative-Decree No. 209/2024 has also envisaged a reward system for the qualified contracting authorities that have managed to maintain or achieve an average decision speed within 115 days (amending Article 11, Tables A and B of Annex II.4 to the PP Code).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C1-98: Civil servants trained through the Public Buyers Professionalization Strategy

**Related Measure:** [M1C1]-[R1.10]: Reform of the public procurement legislative framework

**Quantitative Indicator:** Number

**Time:** Q4 2024

#### 1. Context:

Target M1C1-98 is part of Reform 1.10 - Reform of the public procurement legislative framework, a comprehensive package of measures aimed at simplifying the Italian public procurement system, increasing its efficiency, ensuring professionalization and qualification of contracting authorities and ensuring legal certainty for businesses. Two of the main objectives of the reform are also those of accelerating the award of public contracts and their execution (i.e. the execution and completion of the works).

Target M1C1-98 focuses on the training of civil servants through the Public Buyers Professionalization Strategy for the professionalization of contracting authorities, ensuring the training of a significant portion of civil servants, including for example those registered in e-platforms such as CONSIP or central purchasing bodies.

Target M1C1-98 is the sixteenth step of the reform, and it follows the completion of milestones M1C1-69, M1C1-70M1C1-71, M1C1-73 and M1C1-74 related to the adoption of measures in 2022 and 2021 and the legislation for the public procurement reform, milestone M1C1-75 on the full operationalisation of the National e-Procurement System, milestones M1C1-73quater related to the entry into force of guidelines on below-EU threshold procurement, target M1C1-84 on the reduction of the average time for the award procedures for contracts above the thresholds of the EU public procurement directives, target M1C1-86 related to the training of 20 000 of civil servants, targets M1C1-87 and M1C1-99 on the percentage of Central Government Contracting Authorities using dynamic purchasing systems (at least 15% and 20%), milestone M1C1-73bis related to the adoption of a circular providing guidance on the qualification system for contracting authorities and target M1C1-85 on the reduction of the average time between contract award and realization of the infrastructure.

Target M1C1-98 is accompanied by milestone M1C1-75bis on the support to qualification and eProcurement, M1C1-73ter on incentives to qualification and professionalisation of contracting authorities, M1C1-73quinquies, on the entry into force of new legal provisions on project financing, and M1C1-84bis, on the adoption of measures to improve decision speed in contract awarding.

The number of civil servants trained under target M1C1-98 will be increased with target M1C1-98bis in Q4 2025 on the professionalization of civil servants, targets M1C1-97 in Q2 2025 and M1C1-97bis in Q2 2026 on the reduction the average execution time, and target M1C1-96 in Q4 2025 on the reduction of the average award time. Finally, the target will be followed by target M1C1-99bis, establishing that at least 50% of local contracting authorities shall have the digital competences required by the qualification (currently regulated in the Public Procurement Code).

#### 2. Evidence provided:

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

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. Dataset from the Presidency of the Council of Ministers with full list of civil servants trained through the Public Buyers Professionalization Strategy, with information on the public entity to which the civil servants belong, on the entity issuing the training, and on the type of training;
3. Decision from the Coordination Body (Cabina di Regia) of the Presidency of the Council of Ministers of 3 December 2021 approving the Buyers Professionalization Strategy on public procurement.

The authorities also provided:

4. The renewal of the agreement for the issuing of trainings in the context of the Public Buyer Professionalization Strategy, so-called PNRR Academy, between the Ministry of Infrastructure and Transport, the National School of Public Administration (SNA), ITACA and IFEL, as signed on 18 July 2024.
5. Attestation from the General Secretariat of the National School of Administration (hereinafter also referred to as SNA), signed on 24 May 2024 pursuant to the powers contained in the PCdM's decision of 3 December 2021 approving the Buyers Professionalization Strategy on public procurement certifying that "Scuola di Formazione Capitolina" is a subject entitled to carry out trainings in line with the requirements set out by the Buyers Professionalization Strategy.
6. Agreements ("*Convenzioni*") between SNA and several administrations (i.e., Ministries, Universities, Consip S.p.A.) for the purpose of the monitoring of public procurement training carried out by those administrations.
7. Attestations by the public procurement platform managing entities (ANAC, CONSIP, PNRR Academy, ReGiS and other regional platforms, namely SATER, SINTEL and START) that the civil servants in the dataset, as shared by the Presidency of the Council of Ministers are enrolled in the platforms they manage, together with guidelines for enrolment and profiling to the platforms attached.

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

8. training certificates indicating the issuing entity and the type of training provided;
9. evidence related to the civil servant status at the time of training;
10. Evidence that the issuing entity belongs to the list of entities entitled to carry out the Public Buyers Professionalization Strategy;

### 3. Analysis:

#### **At least 40 000 of civil servants have been trained through the Public Buyers Professionalization Strategy**

The target ensures that civil servants active in public procurement in Italian public entities increase their skills and technical knowledge on public procurement through the Buyers Professionalization Strategy (hereinafter also referred to as the "Strategy"), as approved by the RRP coordination body (the "Cabina di Regia") of the Presidency of the Council of Ministers (hereinafter referred to as "PCdM") on 3 December 2021 in compliance with Milestone M1C1-71, assessed in the context of the 1st payment request.

The PCdM developed the Public Buyers Professionalization Strategy in conjunction with all main authorities involved in public contracts, such as ANAC (the national Anticorruption Authority), CONSIP (the national central purchasing body), the National School of Administration (SNA), the Ministry for Infrastructures and Transport (MIT), the Conference Regions-Autonomous Provinces, the unions of Italian Municipalities and Provinces. The Strategy has provided for the implementation of training activities aimed at developing knowledge and skills of staff involved in public administration procurement procedures, by provide on the basis of the proposed training measures, in a progressive approach, on three levels: (1) Basic training, (2) Specilized training, and (3) Advanced training. The strategy contained a detailed assessment of the training needs of the officials and employees of both central public administrations and local authorities, responsible for the management and tendering of public contracts at different levels, identifying different training curricula for each specific professional category, different level of proficiency, and with different degrees of education. The Strategy also provides for the launch of several specialised mentoring initiatives to support public officials/employees, through the development of operational guidelines and a monitoring and control system.

The target for the current payment request provides that at least 40 000 civil servants had to be trained through the Strategy, following target M1C1-86 in the 5<sup>th</sup> payment request that required the training of 20 000 civil servants.

The Italian authorities provided the full list of trained civil servants with information on the public entity to which the civil servants belong, on the entity issuing the training and indicating the type of training, which was the basis for the sampling.

The trainings were issued by the following entities SNA, ITACA, IFEL, Scuola di Formazione Capitolina as well as by the PNRR Academy, all belonging to the Strategy as approved by the PCdM on 3 December 2021 (pages 13, 14 and 15 and subsequent attestations by SNA pursuant to the powers contained in the PCdM's decision).

The Italian authorities also provided the agreements (“*Convenzioni*”) between SNA and several administrations (i.e., Ministries, Universities, Consip S.p.A.) for the purpose of providing trainings in accordance with those administrations needs and with the aim of receive efficient monitoring of public procurement training carried out by those administrations. The Italian authorities also provided a complete list of all subjects attending the trainings as well as the supporting evidence that the civil servants included in the dataset are registered on procurement platforms (e.g. ANAC, CONSIP, the PNRR Academy, ReGiS and other regional platforms, such as SATER, SINTEL, and START). In addition, the Italian authorities provided evidence on the criteria and guidelines for registration and profiling of the civil servants to the platforms evidencing their attachment to a public administration.

Following the selection of a random sample of 60 units, Italy submitted the training certificates of the sampled individuals showing the name of the entity, the type/content of the training, and the certification from the relevant public administration/entity on the civil servant status at the time of training (on top of what already provided with the main evidence for all individuals eligible for the target). The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met.

#### **4. Commission Preliminary Assessment:** Satisfactory Fulfilled

### M1C1-139: Cloud enablement for local Public Administration T1

**Related Measure:** [M1C1]-[I1.2]: Cloud enablement for local PA

**Quantitative Indicator:** Number

**Time:** Q4 2024

#### 1. Context:

Target M1C1-139 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.

Target M1C1-139 consists in the migration of 4 083 Local Public Administrations towards certified cloud environments. Target M1C1-139 is the second one of the investment and it will be followed by target M1C1-147, related to the cloud enablement for additional 8381 local Public Administration. The investment has a final expected date of implementation in Q2 2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2. List of PAs having completed migration plans with the detail of services migrated, migration method, completion date, the date of the engineer report and the name of the testing engineer.
3. Methodology for determination of lump sum costs for the implementation of Measure 1.2 ('costing methodology') for municipalities, schools and local healthcare agencies (Annex 5);
4. Operational manual for the independent engineer (Annex 3c)
5. Guidelines for implementing bodies (Annex 2a,2b)
6. Website of the central purchasing body for public authorities: [www.acquistinretepa.it](http://www.acquistinretepa.it);

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

For each sampling unit:

7. Independent engineer's checklist
8. Annexed documents supporting the engineer's evaluation (as listed in the guidelines).
9. Migration plan

#### 3. Analysis:

**The migration of 4 083 Local Public Administrations towards certified cloud environments shall be considered achieved when the testing of all the systems, datasets and application migration included in each migration plan are successful.**

According to the list of Local Public Administrations (LPA) having completed migration provided by Italian authorities, a total of 4315 Local Public Administrations have migrated their systems, datasets and applications to a certified cloud environment, thus showing an overachievement of 232 units.

The standard packages for migration to a certified cloud environment are available as framework agreements managed by Consip (the central purchasing body for the public administration) and listed on the website [www.acquistinretepa.it](http://www.acquistinretepa.it). The LPAs had different technological options for the migration to the cloud environment: they could choose either Infrastructure-as-a-service, Platform-as-a-service or Software-as-a-Service solution as described in the methodology for determination of lump sum costs documents (Annex 5).

The operational manual, provided by Italian authorities, specifies the checks that the independent engineer has to perform during the evaluation of each migration made by Local Public authorities while the guidelines for implementing bodies specifies all the information and documents that must be collected by LPAs in order to facilitate the assessment by the independent engineers.

Following the selection of a random sample of 60 units, Italy submitted, for each Public Administration that migrated systems, datasets and applications, the migration plan, the independent engineer's check list and the annexed documentation supporting the engineer's evaluation.

The migration plan submitted by each Public Administration, specifies the public services that are going to be migrated to the certified cloud environments, and the corresponding needs in terms of applications, datasets and hardware requirements, according to the chosen technological solution (i.e. IaaS, PaaS or SaaS). The implications in terms of systems, applications and datasets migrated differ according to the technological solution chosen by each Local Public Administration (LPA). In case of Infrastructure-as-a-Service, the original applications and data of the migrated service are hosted on virtual hardware systems of the chosen cloud provider but still managed by the LPA. In case of Platform-as-a-service or Software-as-a-service, the cloud provider either offers an entire cloud native solution for the needs of the migrated service or some key components of the service.

The independent engineer's check list enumerates the controls that have been made by each engineer, following the instructions detailed in the operational manual. The checklist, comprising some checks performed directly by the engineer (for example via video-link with the LPA) and other checks consisting in assessing the documentation provided by the LPA, attests that the engineer has tested the functionality of each service migrated to the cloud.

The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met.

#### **4. Commission Preliminary Assessment:**

## Loan support

### M1C1-140: Improvement of the quality and the usability of digital public services T1

**Related Measure:** [M1C1]-[I1.4]: Digital services and citizen experience

**Quantitative Indicator:** Percentage

**Baseline:** 0

**Target:** 40

**Time:** Q4 2024

#### 1. Context:

Investment 1.4 “Digital services and citizen experience” aims to create a seamless and integrated suite of cutting-edge digital services tailored for citizens, promote their widespread adoption across central and local administrations and enhance the overall user experience. Sub-investment 1.4.1 “Citizen experience - Improvement of the quality and the usability of digital public services” focuses on enhancing the experience of digital public services by establishing reusable service delivery models that fully comply with accessibility requirements.

Target M1C1-140 foresees the improvement of the quality and the usability of digital public services for 40% of public administrations, taking into account municipalities, primary schools (*“scuola elementare”*) and secondary educational institutions of both 1<sup>st</sup> grade (*“scuola media”*) and 2<sup>nd</sup> grade (*“scuola superiore”*). It also includes pilot projects for healthcare and cultural heritage entities. Target M1C1-140 is the first step of this sub-investment’s implementation and is followed by target M1C1-148, which aims to reach the improvement of the quality and the usability of digital public services for 80% of public administrations by Q2 2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;
2. A detailed list of administrations that have adhered to the common design/model of websites/services components;
3. A report by an independent engineer dated 13/12/2024;
4. Public notices addressed to municipalities and schools:
  - i) Notice for measure 1.4.1 "Citizen experience in public services" – Municipalities (April 2022), approved by Decree No. 32/2022-PNRR dated 22/04/2022;
  - ii) Notice for measure 1.4.1 "Citizen experience in public services" – Schools (April 2022), approved by Decree No. 33/2022-PNRR dated 22/04/2022;
  - iii) Notice for measure 1.4.1 "Citizen experience in public services" – Schools (June 2022), approved by Decree No. 68/2022-PNRR dated 27/06/2022;
  - iv) Notice for measure 1.4.1 "Citizen experience in public services" – Municipalities (September 2022), approved by Decree No. 135/2022-PNRR dated 16/09/2022;
  - v) Notice for measure 1.4.1 "Citizen experience in public services" – Schools (December 2022), approved by Decree No. 167/2022-PNRR dated 06/12/2022;
  - vi) Notice for measure 1.4.1 "Citizen experience in public services" – Schools (September 2024), approved by Decree No. 185/2024-PNRR dated 12/09/2024.
5. Approval decrees with list of final beneficiaries for municipalities and schools:
  - i) for Municipalities (April 2022):
    1. Decree n. 32 - 1 / 2022 - PNRR dated 30/06/2022
    2. Decree n. 32 - 2 / 2022 - PNRR dated 15/07/2022
  - ii) for Schools (April 2022):

- 3. Decree n. 33 - 1 / 2022 - PNRR dated 30/06/2022
- 4. Decree n. 33 - 2 / 2022 - PNRR dated 08/07/2022
- iii) for Schools (June 2022):
  - 5. Decree n. 68 - 1 / 2022 - PNRR dated 06/10/2022
  - 6. Decree n. 68 - 2 / 2022 - PNRR dated 18/11/2022
- iv) For Municipalities (September 2022):
  - 7. Decree n. 135 - 1 / 2022 - PNRR dated 18/11/2022
- v) Schools (December 2022):
  - 8. Decree n. 167 - 1 / 2022 - PNRR dated 26/01/2023
  - 9. Decree n. 167 - 2 / 2022 - PNRR dated 14/03/2023
- 6. Decrees of withdrawal/revocation of final beneficiaries for municipalities and schools:
  - i) for Municipalities (April 2022):
    - 10. Decree n. 32 - 1 - R1/ 2022 – PNRR dated 15/09/2022
    - 11. Decree n. 32 - 1 - R2/ 2022 – PNRR dated 11/10/2022
    - 12. Decree n. 32 - 1 - R3/ 2022 – PNRR dated 28/10/2022
    - 13. Decree n. 32 - 2 - R1/ 2022 – PNRR dated 28/10/2022
    - 14. Decree n. 83/2024 – PNRR dated 09/04/2024
    - 15. Decree n. 102/2024 – PNRR dated 21/05/2024
    - 16. Decree n. 107/2024 – PNRR dated 24/05/2024
    - 17. Decree n. 141/2024 – PNRR dated 23/07/2024
    - 18. Decree n. 146/2024 – PNRR dated 25/07/2024
  - ii) for Schools (April 2022):
    - 19. Decree n. 33 - 1 - R1/ 2022 – PNRR dated 04/10/2022
    - 20. Decree n. 33 - 1 - R2/ 2022 – PNRR dated 13/10/2022
    - 21. Decree n. 33 - 1 - R3/ 2022 – PNRR dated 03/11/2022
    - 22. Decree n. 33 - 1 - R4/ 2022 – PNRR dated 14/12/2022
    - 23. Decree n. 33 - 1 - R5/ 2022 – PNRR dated 30/12/2022
    - 24. Decree n. 33 - 1 - R6/ 2022 – PNRR dated 17/01/2022
    - 25. Decree n. 33 - 1 - R7/ 2022 – PNRR dated 07/02/2023
    - 26. Decree n. 33 - 1 - R8/ 2022 – PNRR dated 23/02/2023
    - 27. Decree n. 33 - 1 - R9/ 2022 – PNRR dated 19/04/2023
    - 28. Decree n. 33 - 1 - R10/ 2022 – PNRR dated 02/08/2024
    - 29. Decree n. 33 - 2 - R1/ 2022 – PNRR dated 04/10/2022
    - 30. Decree n. 33 - 2 - R2/ 2022 – PNRR dated 28/10/2022
    - 31. Decree n. 33 - 2 - R3/ 2022 – PNRR dated 15/12/2022
    - 32. Decree n. 33 - 2 - R4/ 2022 – PNRR dated 02/01/2023
    - 33. Decree n. 33 - 2 - R5/ 2022 – PNRR dated 17/01/2023
    - 34. Decree n. 33 - 2 - R6/ 2022 – PNRR dated 09/02/2023
    - 35. Decree n. 33 - 2 - R7/ 2022 – PNRR dated 23/02/2023
    - 36. Decree n. 33 - 2 - R8/ 2022 – PNRR dated 20/04/2023
    - 37. Decree n. 33 - 2 - R9/ 2022 – PNRR dated 02/08/2024
    - 38. Decree n. 33 - 2 - R10/ 2022 – PNRR dated 16/09/2024
    - 39. Decree n. 33 - 2 - R11/ 2022 – PNRR dated 04/11/2024
    - 40. Decree n. 83/2024 – PNRR dated 09/04/2024
    - 41. Decree n. 107/2024 – PNRR dated 24/05/2024
    - 42. Decree n. 141/2024 – PNRR dated 23/07/2024
  - iii) for Schools (June 2022):
    - 43. Decree n. 68 - 1 - R1/ 2022 – PNRR dated 17/01/2023
    - 44. Decree n. 68 - 1 - R2/ 2022 – PNRR dated 07/02/2023
    - 45. Decree n. 68 - 1 - R3/ 2022 – PNRR dated 23/02/2023

46. Decree n. 68 - 1 - R4/ 2022 – PNRR dated 19/04/2023
47. Decree n. 68 - 1 - R5/ 2022 – PNRR dated 16/09/2024
48. Decree n. 68 - 1 - R6/ 2022 – PNRR dated 04/11/2024
49. Decree n. 68 - 2 – R1/ 2022 – PNRR dated 17/01/2023
50. Decree n. 68 - 2 – R2/ 2022 – PNRR dated 07/02/2023
51. Decree n. 68 - 2 – R3/ 2022 – PNRR dated 19/04/2023
52. Decree n. 68 - 2 – R4/ 2022 – PNRR dated 16/09/2024
53. Decree n. 68 - 2 – R5/ 2022 – PNRR dated 04/11/2024
54. Decree n. 68 - 2 – R6/ 2022 – PNRR dated 22/11/2024
55. Decree n. 83/2024 – PNRR dated 09/04/2024
56. Decree n. 107/2024 – PNRR dated 24/05/2024
57. Decree n. 140/2024 – PNRR dated 23/07/2024
58. Decree n. 141/2024 – PNRR dated 23/07/2024
- iv) For Municipalities (September 2022):
  59. Decree n. 83/2023 – PNRR dated 07/06/2023
  60. Decree n. 83/2024 – PNRR dated 09/04/2024
  61. Decree n. 147/2024 – PNRR dated 25/07/2024
- v) For Schools (December 2022):
  62. Decree n. 167 - 1 – R1/ 2022 – PNRR dated 02/08/2024
  63. Decree n. 167 - 2 – R1/ 2022 – PNRR dated 02/08/2024
  64. Decree n. 167 - 2 – R2/ 2022 – PNRR dated 04/11/2024
  65. Decree n. 167 - 2 – R3/ 2022 – PNRR dated 26/11/2024
  66. Decree n. 83/2024 – PNRR dated 09/04/2024
  67. Decree n. 141/2024 – PNRR dated 23/07/2024
  68. Decree n. 142/2024 – PNRR dated 23/07/2024
7. User manual for the certifying officer:
  - i) Decree No. 221/2024-PNRR dated 15/10/2024 approving the user manual for the certifying officer for schools;
  - ii) Decree No. 230/2024-PNRR dated 6/11/2024 approving the user manual for the certifying officer for municipalities;
  - iii) Decree No. 245/2024-PNRR dated 28/11/2024 approving the user manual for the certifying officer for local healthcare authorities (ASLs) and civic museums;
8. Guidelines for implementing entities identified through lump sum public notices by the Department for Digital Transformation dated 19.04.2024, together with a technical attachment for the completion of activities and technical verifications for measure 1.4.1.

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

9. A project certification checklist, dated and signed by independent engineers;
10. The crawler's automatic report.

### 3. Analysis:

**Administrations (municipalities, primary and secondary of 1st and 2nd grade educational institutions and specific piloted health care and cultural heritage entities) adhering to a common model and design system, simplifying user interaction and easing maintenance for the years to come.**

The Department for Digital Transformation has published six public notices addressed to municipalities and schools (evidence n. 4), nine decrees approving the final lists of beneficiaries (evidence n. 5) and 59 decrees identifying entities that have either renounced or been revoked (evidence n. 6). The adoption of guidelines for the implementing entities identified through these public notices aims at facilitating the implementation of the investment and encouraging the use of best practises (evidence n. 8)

For municipalities, following Decrees n. 32-1/2022 and n. 32-2/2022 (April 2022) a total of 3,349 entities were selected. An additional 3,236 entities were selected under Decree n. 135-1/2022 (September 2022), bringing the total number of selected municipalities to 6,585 net of withdrawals and revocations. Regarding schools, 3,585 were selected through Decrees n. 33-1/2022 and n. 33-2/2022 (April 2022); 2,066 through Decree n. 68-1/2022 and n. 68-2/2022 (June 2022); and 942 through Decrees n. 167-1/2022 and n. 167-2/2022 (December 2022). This results in a total of 6,593 schools, also net of withdrawals and revocations. Beneficiaries selected through the public notice of December 2024 are not included in the current assessment, as they pertain to the final target M1C1-148. Therefore, the related decrees are excluded from this analysis.

In summary, as of December 6, 2024, a total of 7,301 entities have completed all required activities and successfully passed the technical certification check conducted by an independent engineer. Given that the total population of schools and municipalities amounts to 15,703 entities, 46.49% of administrations have adopted a common model design system, thus overachieving the set target of 40%.

Adherence to a common design is demonstrated by the adoption of specific templates by public administrations. These templates define the architecture, interface, and codebase for websites and digital services, and are publicly available on the Designers Italia platform:

- municipalities: <https://designers.italia.it/modelli/comuni/>
- schools: <https://designers.italia.it/modelli/scuole/>

Pilot projects have also been developed for other sectors:

- local healthcare authorities (ASL): <https://designers.italia.it/modelli/aziende-sanitarie-locali/>
- municipal museums: <https://designers.italia.it/modelli/musei-civici/>

These standardised templates ensure improved user experience through visual and functional consistency, offering intuitive navigation and coherent interaction patterns across different public administration websites. Furthermore, the use of consistent data structures simplifies website maintenance, facilitating debugging, enabling centralised bug fixes and supporting scalability for future feature development. **Adherence to the common design/model of websites/services components shall consist of: (1) Evaluation of projects submitted; (2) Assessment of project completion on key usability metrics (digital usability scores), through dedicated platform already available.**

The evaluation of project submitted is ensured through the platform <https://padigitale2026.gov.it/>, which allows to make an initial evaluation of the projects, including the allocated financial amount as defined through the lump sum methodology (evidence n. 8).

For municipalities and schools, adherence to a common design is ensured through specific guidelines (evidence n. 7, i) for schools and ii) for municipalities). These documents outline both mandatory and recommended technical specifications and serve as operational manuals for the "asseverators" (certifiers). Compliance is verified using dedicated checklists, which assess key website design elements such as the website's interface component library (i.e. the website is based on a version of the "Bootstrap Italia" library equal or higher than version 2.0) and a consistent use of fonts libraries (i.e. the website uses the "Titillium Web", "Lora" and "Roboto Mono" fonts, as indicated in the section "Typography" of the *Design System Italia*). Similarly, pilot projects for two local health authorities and two municipal museums followed technical guidelines establishing conformity criteria specific to their sectors (evidence n. 7, iii)).

The adoption of the common templates by the public entities is recorded through a certification process ("asseverazione") comprising two layers of verification: first an automated assessment and then manual verification. Each project is first analysed by a crawler, a verification tool that performs initial checks against conformity criteria and generates a digital usability score, measuring alignment with design and functionality standards. As a second layer check, members of the certification team conduct a detailed evaluation using a checklist that verifies each project's compliance with the model's technical specifications. The outcome is recorded and signed by the certifier. Both assessment layers are aligned with predefined compliance criteria derived from the common design model, ensuring

uniform and effective implementation. The process is comprehensively described in the report by the independent technical expert (evidence no. 3).

The Italian authorities provided the full list of public administrations involved, i.e. municipalities and schools (primary and secondary of 1<sup>st</sup> and 2<sup>nd</sup> grade) (evidence n. 2). Based on this list, a random sample of 60 units was selected for verification. For each sampled project, Italy submitted the project certification checklist (evidence n. 9), confirming technical compliance with pre-established objectives, dated and signed by independent technical experts; a corresponding "lighthouse report" (evidence n. 10), generated by the crawler tool, providing automated verification of selected conformity criteria. The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met.

Furthermore, in line with the description of the measure, **the measure shall: (i) enhance the experience of digital public services by defining reusable service delivery models ensuring full accessibility requirements (Investment 1.4.1 - Citizen experience - Improvement of the quality and the usability of digital public services).**

This goal is pursued through the development and dissemination of standardised website templates for municipalities and educational institutions, as well as pilot projects for local healthcare authorities and municipal museums. These models are specifically designed to promote digital transformation and improve the usability and accessibility of public digital services for citizens.

The templates, created by Designers Italia, ensure a consistent user experience across entities by providing a unified architecture and interface, in full compliance with accessibility standards. They are freely available and easy to adopt, allowing any public administration to implement them via the Designers Italia platform: <https://designers.italia.it/modelli/>.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M1C1-141: Digitalisation of procedures of the Ministry of Defence T2

**Related Measure:** [M1C1]-[I1.6]: Digital transformation of large central administrations - Digitalisation of procedures of the Ministry of Defence T2

**Qualitative Indicator:** Number

**Baseline:** 15

**Target:** 20

**Time:** Q4 2024

#### 1. Context:

Investment 1.6 “Digital transformation of large central administrations” aims 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 (including the National Social Security Institute and the National Institute for Insurance against Accidents at work, the Judicial system, the Ministry of Defence, the Ministry of Interior, and the Finance Police). With regards to the Ministry of Defence, sub-investment 1.6.4 “digitization of the Ministry of Defence” encompasses the security enhancement of three fundamental sets of information (personnel, administrative documentation, internal and external communications), and the migration of all systems and applications to an open-source paradigm, compliant with the security policies defined by the reference regulatory framework.

Target M1C1-141 foresees the digitization of 20 procedures related to the management of Defence’s personnel, starting from a baseline of 15 already digitized procedures. Target M1C1-141 is part of the second step of the implementation of the sub-investment and is accompanied by two other targets also due by Q4 2024. Target M1C1-142, which envisages the digitalisation of additional 300 000 identity certificates issued by the Ministry of Defence; target M1C1-143, which envisages the final migration of four mission critical and eleven non-mission critical applications to new open-source infrastructure.

These three targets follow the completion of four other milestones and targets completed by Q3 2024. Target M1C1-135 related to the digitization of 15 procedures related to the management of Defence’s personnel, starting from a baseline of 4 already digitized procedures. Target M1C1-136 envisaged the digitalisation of additional 260 000 identity certificates issued by the Ministry of Defence; milestone M1C1-137 concerned the development and implementation of institutional web portals and intranet portals; and target M1C1-138 envisaged the initial migration and operational availability of non-mission critical applications to new open-source infrastructure.

#### 2. Evidence provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;
2. A detailed list and a brief description of the 5 procedures related to the management of Defence’s personnel;
2. Screenshot(s) for each of the 5 procedures showing their operability and digitalization;
4. 5 certificates of work completion signed by the contractor (Almaviva Digitaltec S.r.l.) and the competent authority (Ministry of Defence).

#### 3. Analysis:

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

**Digitization, revision, and automation of 20 procedures related to management of Defence's personnel (such as recruiting, employment and retirement, employees' health) starting from a baseline of fifteen already digitized procedures.**

The evidence provided by Italy shows that, starting from a baseline of 15 already digitized procedures, the Ministry of Defence further proceeded to the digitization, revision, and automation of 5 procedures related to the management of Defence's personnel, including but not limited to recruiting, employment, retirement, and employee's health. For each procedure, the Ministry of Defence provided (i) certificates of work completion signed by the relevant contractor and the competent authority (Ministry of Defence) (evidence no.3) and (ii) screenshots, as evidence of their effective digitization and operability, (evidence no.2).

The 5 additional digitized, revised and automated procedures, which were previously carried out on paper and/or using Excel spreadsheets and local databases, are:

1. **CELIO**: relates to the digitalisation of logistical, administrative and clinical care processes of the Rome Military Policlinic. In particular, the different patient management activities have been digitalised: from first aid to pharmacy, from clinics to acceptance activities to resignation. Among the processes digitised in the aforementioned contract are, but are not limited to: digitalisation of drug management; Digitalisation of the operations linked to the CUP (agendas, work plan, registration, bookings, etc.); or interoperability with other PA systems (e.g. ACED, Central Defence Register); digitalisation of requests for laboratory analysis; digitalisation of reports; digitalisation of medical records; digitalisation of the management of the Operatory Room.
2. **Military Aeronautical Medical Institute (IMAS)**: digitalization of the activities necessary for the development of the IMAS module (Institute of Aerospace Medicine for Military Aeronautics), relevant for fitness visits for obtaining and maintaining fitness to fly and to the parachute launch of military and civilian personnel. The system has enabled the complete digitalisation of the visit processes, resulting in a substantial reduction in time.
3. **Military Health Departments (GDSI and CMO)**: The procedure enabled the development of the GDSI and CMO digital modules part of the Defence Administration Informa Legale Sanitario (SISAD). The module 'Management of Sanitari delle Infezione Data' (GDSI) provides information on the health care of defence staff, as well as from the practical visits to the armed forces' infermeries. The 'Hospital Medical Committee' (Comitato Medico Ospedaliero – CMO) module is used to manage forensic practices, drawn up by the Military Departments of Legal Medicine of the Administration located in Italy.
4. **Litigation**: digitalization of the procedure of administrative litigation proceedings relating to recruitment, legal status, career, discipline, honours, costs, salaries of military personnel under the responsibility of the Directorate-General for Military Personnel.
5. **Application "Istanza"**: digitalization of the management, monitoring and submission of applications ("istanze"), both ex officio and third parties. By implementing a dedicated web interface application, citizens now have the possibility to submit new applications, make changes to those already submitted and consult their status, using the accreditation procedures already in use for all public authorities' portals (e.g. SPID, CIE).

Based on the justifications and evidence provided, a total of 5 additional procedures related to the management of Defence's personnel are satisfactorily digitized, revised, and automated.

Furthermore, in line with the description of the measure:

**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. The Central Administrations concerned include: (i) the National Social Security Institute (INPS) and National Institute for Insurance against Accidents at work (INAIL), (ii) the Judicial system, (iii) the Ministry of Defence, (iv) the Ministry of Interior, (v) the Finance Police.**

This target further re-engineers and digitizes 5 procedures within the Ministry of Defence to increase its efficiency and simplify its procedures.

**As regards the Ministry of Defence, the project encompasses (i) the security enhancement of three fundamental sets of information (personnel, administrative documentation, internal and external communications) [...].**

This target concerns procedures related to the security enhancement of personnel (e.g. through the digitalization of health procedure of staff); administrative documentation (e.g. through the digitization of procedures related to litigation); and internal and external communication (e.g. through the digitalization of “istanze”, application put forward both internally ex officio and from third parties).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M1C1-142: Digitalisation of certificates of the Ministry of Defence T2

**Related Measure:** [M1C1]-[I1.6]: Digital transformation of large central administrations- Digitalisation of certificates of the Ministry of Defence T2

**Qualitative Indicator:** Number

**Baseline:** 450 000

**Target:** 750 000

**Time:** Q4 2024

#### 1. Context:

Investment 1.6 “Digital transformation of large central administrations” aims 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 (including the National Social Security Institute and the National Institute for Insurance against Accidents at work, the Judicial system, the Ministry of Defence, the Ministry of Interior, and the Finance Police). With regards to the Ministry of Defence, sub-investment 1.6.4 “digitization of the Ministry of Defence” encompasses the security enhancement of three fundamental sets of information (personnel, administrative documentation, internal and external communications), and the migration of all systems and applications to an open-source paradigm, compliant with the security policies defined by the reference regulatory framework.

Target M1C1-142 concerns the digitalisation of 750 000 identity certificates issued by the Ministry of Defence and running onto the infrastructure complemented by a disaster recovery site starting from a baseline of already digitalized 450 000 certificates. Target M1C1-142 is part of the second step of the implementation of the sub-investment and is accompanied by two other targets also due by Q4 2024. Target M1C1-141, which envisages the digitization of 20 procedures related to the management of Defence’s personnel, starting from a baseline of 15 already digitized procedures; target M1C1-143, which envisages the final migration of four mission critical and eleven non-mission critical applications to new open-source infrastructure.

These three targets follow the completion of four other milestones and targets completed by Q3 2024. Target M1C1-135 related to the digitization of 15 procedures related to the management of Defence’s personnel, starting from a baseline of 4 already digitized procedures. Target M1C1-136 envisaged the digitalisation of additional 260 000 identity certificates issued by the Ministry of Defence starting from a baseline of 190 000 already digitized certificates; milestone M1C1-137 concerned the development and implementation of institutional web portals and intranet portals; and target M1C1-138 envisaged the initial migration and operational availability of non-mission critical applications to new open-source infrastructure.

#### 2. Evidence provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;
2. A list from the Ministry of Defence and the Department for Digital Transformation indicating the official references of the additional digitized identity certificates issued by the Ministry of Defence.

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

3. For each sample unit:

- a. A screenshot from the Ministry of Defence's Certification Authority (PKI) portal;
  - b. A screenshot containing an extraction from the so-called "Lightweight Directory Access Protocol (LDAP)" of the PKI of the Ministry of Defence;
  - c. A screenshot containing an extraction from the "Operating Database" ("*Database di esercizio*") and the disaster recovery database ("*Database di Disaster Recovery*").
4. A note by the Ministry of Defence presenting the functioning of the Public Key Infrastructure and its architecture and the Public Key Infrastructure applications (LDAP, CRL, Oracle database) from which the sampling screenshots were extracted.

### 3. Analysis:

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

**Number of digitized identity certificates (750 000) issued by the Ministry of Defence and running onto the infrastructure complemented by a disaster recovery site starting from a baseline of 450 000 already digitized certificates.**

- To confirm that all digitized identity certificates were issued by the Ministry of Defence and running onto the infrastructure complemented by a disaster recovery site, Italy provided a list of additional 752 753 digitized identity certificates issued by the Ministry of Defence starting from a baseline of 190 000 already digitized certificates prior to February 2020 (evidence no. 2) and also including the 263 780 additional certificates that were digitized to fulfil target M1C1-136.
- Following the selection of a random sample of 60 units, for each sampled unit Italy submitted three screenshots from the applications of the Ministry of Defence 'Public Key Infrastructure' (PKI), which is the eIDAS accredited infrastructure - hosted by 'Comando per le Operazioni in Rete' (COR) acting as the "Certification authority" of the Ministry of Defence - which allows creating, managing, storing, distributing and revoking public key certificates, made available through the so-called "ATe cards":
  - A screenshot from the Ministry of Defence's Certification Authority administration web interface (Primekey EJBDA software) (i) containing the sampled certificate serial number; (ii) demonstrating that the "ISSUER DN" field is equal to "Ministero della Difesa"; (iii) containing the date of issuance and the expiry date of the certificate as well as the "Fingerprint SHA-1" field associated to the certificate (evidence no. 3a).
  - A screenshot containing an extraction either from the so-called "Lightweight Directory Access Protocol (LDAP)" or "Active Directory" of the Ministry of Defence or from the "Certificate Revocation List" (CRL) of the PKI demonstrating that the sampled certificates are integrated in the PKI (evidence no.3b);
  - A screenshot containing an extraction from the Oracle "Operating Database" ("*Database di esercizio*") and the Oracle disaster recovery database ("*Database di Disaster Recovery*") demonstrating that the sampled digitized identity certificates are integrated in the both databases given that their "Fingerprint SHA-1" field is present in both databases (evidence no. 3c);
  - In addition, Italy provided a note (evidence no.4) by the Ministry of Defence presenting the functioning of the Public Key Infrastructure and its architecture and the Public Key Infrastructure applications (LDAP, CRL, Oracle database) from which the sampling screenshots were extracted.
- The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met, thus exceeding the goal of 560 000 additional digitized certificates starting from a baseline of 190 000 already digitized certificates prior to February 2020 by 382 753 units. The evidence confirmed in particular that all sampled digitized identity certificates were:
  - (i) issued by the Ministry of Defence;
  - (ii) running onto the Public Key Infrastructure (PKI) of the Ministry of Defence.
  - (iii) integrated within the disaster recovery site.
- On 27 April 2025, when the 752 753 additional digitized certificates to fulfil target M1C1-142 were extracted from the Public Key Infrastructure, 558 050 digitized certificates were active while 194 703 had been revoked. The evidence provided highlighted that out of the sampled digitized identity certificates, 8 digitized certificates had

been revoked in the period until the selection of the random sample of 60 units and the transmission of the associated evidence by Italy.

- The Commission considers that the fact that some of the sampled certificates were subsequently revoked does not put into question the fulfilment of the target given that revoked certificates continue fulfilling the requirements of the target. This is because, in the event of revocation of the certificate by the Certification Authority - due to malfunction or damage of the chip, loss of the smartcard, termination of employment, retirement or death - the revoked certificate serial number is recorded within the CRL of the PKI – which is a necessary part of the PKI, as it allows avoiding mistakes in certificate vetting and key management - and the certificate status on the Oracle database of the ‘Online Certificate Status Protocol’ (OCSP) system is updated from ‘active’ to ‘revoked’. Therefore, revoked certificates also continue to be integrated and managed within the PKI of the Ministry of Defence in order to ensure checks on their validity through OCSP or CRL.
- Nonetheless, to avoid any ambiguity, the Commission asked the authorities to provide additional evidence on the total number of certificates that had been revoked after 27 April 2025 among the population of 558 050 active certificates on that date. The additional evidence provided indicated that, in the period between 27 April 2025 and 21 May 2025 when then sampling exercise was requested, 10 300 certificates had been revoked in total, representing 1.4% of the overall population of certificates on 27 April 2025. In the meantime, at least additional 23 693 certificates had been issued.
- In this context, where the Commission considers that revoked certificates are still valid as evidence for the satisfactory fulfilment and as any contrary interpretation would not impact the satisfactory fulfilment of the target, the Commission considers the target as satisfactory fulfilled.

Furthermore, in line with the description of the measure:

**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. The Central Administrations concerned include: (i) the National Social Security Institute (INPS) and National Institute for Insurance against Accidents at work (INAIL), (ii) the Judicial system, (iii) the Ministry of Defence, (iv) the Ministry of Interior, (v) the Finance Police.**

- The digitalization of additional 752 753 identity certificates by the Ministry of Defence allows for the complete digitization of most of the administrative and managerial processes and procedures of the Ministry of Defence and therefore contributes to increase the efficiency of the Ministry and simplify its procedures.

**As regards the Ministry of Defence, the project encompasses (i) the security enhancement of three fundamental sets of information (personnel, administrative documentation, internal and external communications).**

- In relation to point (i) above, the implementation of a secure access to the Ministry of Defence domain and the univocal, certain and immediate recognition of the users through digital signatures have allowed the Ministry to automate a large part of the internal processes and to increase the security of data and information. The digitalization of identity certificates and their integration within the so-called “ATe cards model” is complementary to the procedures created and digitized within the different targets included under sub-investment 1.6.4 “digitization of the Ministry of Defence” as it allows personnel to access the functions provided by the digitized procedures, portals and applications implemented in the context of the sub-investment while guaranteeing information security. The interaction between the ATe model and the implemented software takes place thanks to a series of functions to “defend” information security, such as the ‘CNS Authentication certificate’ (“Carta Nazionale dei Servizi”), which allows for a secure recognition of the user, and the Digital Signature certificate (“certificato di Firma Digitale”), which ensures the “non rejection” of the digitally signed document, as well as the timestamp, which allows assigning a certain date to an electronic document.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled.**

## Loan support

**M1C1-143:** Ministry of Defence - Migration of mission critical and non-mission critical applications into Solution for Complete Information Protection by Infrastructure Openness (S.C.I.P.I.O.) T2

**Related Measure:** [M1C1]-[I1.6]: Digital transformation of large central administrations - Digitization of the Ministry of Defence

**Quantitative Indicator:** number

**Baseline:** 10

**Target:** 15

**Time:** Q4 2024

### 1. Context:

Investment 1.6 “Digital transformation of large central administrations” aims to re-engineer and digitize a set of priority processes, activities and services within main Central Administrations to increase their efficiency and simplify procedures (including the National Social Security Institute and the National Institute for Insurance against Accidents at work, the Judicial system, the Ministry of Defence, the Ministry of Interior, and the Finance Police). With regards to the Ministry of Defence, sub-investment 1.6.4 “Digitization of the Ministry of Defence” encompasses the security enhancement of three fundamental sets of information (personnel, administrative documentation, internal and external communications), and the migration of systems and applications to an open-source paradigm, compliant with the security policies defined by the reference regulatory framework.

Target M1C1-143 envisages the final migration of four mission critical and eleven non-mission critical applications to new open-source infrastructure. Target M1C1-143 constitutes the second step of the implementation of the sub-investment and is accompanied by two other targets also due by Q4 2024. The first step of this sub-investment is constituted by target M1C1-138 and envisaged the initial migration and operational availability of 10 non-mission critical applications to new open-source infrastructure.

Target M1C1-141, which envisages the digitization of 20 procedures related to the management of Defence’s personnel, starting from a baseline of 15 already digitized procedures; target M1C1-142, which envisages the digitalisation of 750 000 identity certificates issued by the Ministry of Defence, starting from a baseline of already digitalized 450 000 certificates.

These three targets follow the completion of four other milestones and targets completed by Q4 2023. Target M1C1-135 related to the digitization of 15 procedures related to the management of Defence’s personnel, starting from a baseline of 4 already digitized procedures. Target M1C1-136 envisaged the digitalisation of additional 260 000 identity certificates issued by the Ministry of Defence; milestone M1C1-137 concerned the development and implementation of institutional web portals and intranet portals;

### 2. Evidence provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;
2. A list of migrated mission critical and non-mission critical applications into S.C.I.P.I.O, including a brief description of the migrated applications and their type (hardware environment implementation, installation of middleware open-source components, and the re- engineering of applications).

The authorities also provided:

1. A copy of the Agreement between the Department for Digital Transformation and the Ministry of Defence on the realisation of sub-investment 1.6.4 through the operational plan ("*Piano Operativo*") n. D81B20001980006 (i.e. the project's unique code, CUP), signed on 24 December 2021;
2. Copies of 9 certificates of work completion signed by the contractor (Leonardo S.p.a, Al maviva Digitaltec S.p.a, Engineering Ingeneria Informatica S.p.a., Consorzio SIDIF, Cy4GATE S.P.A, ) and by the competent authority (Coordinatore del Gruppo progetto di Difesa) demonstrating that each of the 4 mission critical and the 5 non-mission critical applications were migrated into Solution for Complete Information Protection by Infrastructure Openness (S.C.I.P.I.O.):
  - a. Military Ordinarate Archive Management (SIASFA Migration): the copy of the certificate of work completion was signed on the 10 December 2024 by the contractor (Consorzio SIDIF) and by the competent authority on 10 December 2024
  - b. GeNOS: the copy of the certificate of work completion was signed on the 10 December 2024 by the contractor (Leonardo S.p.a, Al maviva Digitaltec S.p.a, Engineering Ingeneria Informatica S.p.a.) and by the competent authority on 10 December 2024
  - c. SILDIFESA: the copy of the certificate of work completion was signed on the 4 December 2024 by the contractor (Consorzio SIDIF) and by the competent authority on 5 December 2024
  - d. Building 4.0 Platform: the copy of the certificate of work completion was signed on the 4 December 2024 by the contractor (Consorzio SIDIF) and by the competent authority on 5 December 2024
  - e. RADI: the copy of the certificate of work completion was signed on the 4 December 2024 by the contractor (Consorzio SIDIF) and by the competent authority on 5 December 2024
  - f. IAM: the copy of the certificate of work completion was signed on the 17 January 2025 by the contractor (Consorzio SIDIF) and by the competent authority on 5 December 2024
  - g. SILAD: the copy of the certificate of work completion was signed on the 20 January 2025 by the contractor (Leonardo S.P.A) and by the competent authority on 20 January 2025
  - h. Flyscribe: the copy of the certificate of work completion was signed on the 17 January 2025 by the contractor (Al maviva S.P.A.) and by the competent authority on 17 January 2025
  - i. Executive Dashboard (Cruscotto di Vertice): the copy of the certificate of work completion was signed on the 22 January 2025 by the contractor (Cy4GATE S.P.A.) and by the competent authority on 23 January 2025

### 3. Analysis:

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

**Final migration of four mission critical and eleven non-mission critical applications to new open-source infrastructure [...] starting from a baseline of ten already migrated with target 1**

The certificates of work completion signed by the contractors (Leonardo S.p.a, Al maviva Digitaltec S.p.a, Engineering Ingeneria Informatica S.p.a., Consorzio SIDIF) and the competent authority demonstrate that, overachieving the target, 15 non-mission critical, starting from a baseline of 10 migrated with target 1, and 4 mission critical applications have been reengineered and have completed the migration to the new open-source infrastructure called 'Solution for Complete Information Protection by Infrastructure Openness' (S.C.I.P.I.O.). and that these are operational. Each certificated of completion is accompanied by a technical report produced by the competent authority.

The five non-mission critical applications migrated under this Target are:

1. **SILDIFESA** is an advanced version of the IT tool previously used by the Defence Ministry to monitor and facilitate the reallocation of former volunteers into the job market. The application is designed for those who have served and are currently on leave, helping to connect job seekers with employment opportunities and training programs- such as courses, internships, and placements - in both the private and public sectors. This evolution streamlines the process of matching demand with available opportunities, ensuring a smoother transition back into the workforce.

2. **RADI – Automobilistic Register of Defence** is an evolved IT tool originally used by the Defence to monitor and facilitate job relocation for former military volunteers. It now also supports the UTTAT in Turin by digitizing administrative processes for the centralized management of the Defence Automobile Registry-covering vehicle registration, historic vehicle registration, and deregistration. The solution, built using open-source middleware and reengineered applications, streamlines matching job seekers with employment and training opportunities in both public and private sectors.
3. **Military Ordinariate Archive Management (SIASFA Migration)**: the migration to the new application SIASFA system used for managing Military Ordinariate information in Italy, allows for modernizing and consolidating the service. Implemented on the unclassified Defence intranet (DIFENET), it offers complete and centralized management of the Military Ordinariate Archive along with related reporting. The system supports various user roles for handling chaplains' data, institutional activities, residential information, and library assets.
4. **GeNOS - Management Application**: this application enables the Army, Navy, and Air Force to correctly process NOS-related requests ("Nulla Osta di Sicurezza"), for the treatment of sensitive information. The new application GeNOS, defines a detailed workflow with specific roles - such as Guest, OPS Operator, Validator, Pre-exam Operator, and OCS Manager- to ensure that each request is properly handled, approved, and archived. Once fully processed and validated, the system communicates the issued NOS certificates to the relevant classified systems for merit controls.
5. **Building 4.0 Platform**: is a cloud-based, integrated platform designed for the intelligent monitoring and management of Defence infrastructure resources such as public lighting, environmental sensors, traffic, parking, and energy consumption. Through dedicated software modules, it acquires data from smart devices in the field, displays interactive maps, monitors system status, and generates detailed reports. The platform also supports automation - adjusting lighting levels or other parameters based on preset conditions - to optimize service efficiency and promote sustainable resource use.

The 4 mission critical applications for which the migration has been completed are:

1. **Identity and Access Management (IAM)**: IAM manages digital identities and controls user access through role-based privileges. It combines organizational policies, technology, and processes to secure IT resources. The system also logs security events across multiple environments.
2. **Defence Administration Logistics Information System (SILAD)**: SILAD optimizes defence material management by monitoring military assets and maintenance costs. It uses Active Directory for secure user access while maintaining data in isolated databases with obfuscated sensitive information. This design enhances both security and operational efficiency.
3. **Flyscribe**: Flyscribe automates transcription and subtitling, reducing time and costs compared to manual methods. It employs advanced vocal technology for efficient audiovisual communication. Additionally, it supports real-time on-premises translation in multiple languages to aid international operations.
4. **Executive Dashboard (Cruscotto di Vertice)**: the Executive Dashboard aggregates data to provide an overview of military strength, logistics, and readiness. It integrates diverse data sources using an AI-powered platform for accurate analysis. This tool supports high-level decision-making through historical, real-time, and predictive analytics.

Based on the justifications provided by the Italian authorities, and in particular the certificates of work completion signed by the contractor (Leonardo S.p.a, Al maviva Digitaltec S.p.a, Engineering Ingeneria Informatica S.p.a., Consorzio SIDIF) between 4 December 2024 and 20 January 2025 and by the competent authority between 5 December 2024 and 20 January 2025 , the 5 non-mission critical and 4 mission-critical applications presented above have been satisfactorily migrated and are operational within the new open-source infrastructure S.C.I.P.I.O.

**[...] encompassing hardware environment implementation, installation of middleware open-source components, and the re-engineering of applications.**

As presented in the study of 13 December 2021 provided by the Italian authorities entitled "*Reference open source architecture for the Ministry of Defence*", an already positively assed under M1C1-138, the S.C.I.P.I.O. open-source infrastructure is composed of various layers decoupled from each other: (i) a presentation layer, implemented based on a SPA (Single Page Application). In this hardware environment, pages are designed with a modular architecture

and oriented towards individual features in order to provide the user with only the data that is necessary for his request. This layer is also based on a "responsive" template to ensure compatibility with all both mobile and desktop devices and guarantee a better user experience; (ii) a business layer, implemented using a microservices architecture. Microservices are part of a recent approach to development and to the organization of software architectures according to which the latter are made up of services and functionalities, small independent entities that communicate with each other via well-defined interfaces, called Application Programming Interface (API). The use of a microservices architecture provides two main guarantees: on the one hand, greater flexibility and resilience, since any issue with a service does not affect the other services; on the other hand, greater scalability as the microservices can adapt to the workload of the application and be distributed across multiple servers; (iii) the infrastructure is based on a VMWare virtualized environment on which the orchestration platform that hosts all containers of applications. The orchestration platform is based about Kubernetes technology.

Based on the justifications provided by the Italian authorities, and in particular in the technical reports associated to the work completion certificates, each of the 5 non-mission critical and 4 mission critical applications presented above have been reengineered and migrated within the new open-source infrastructure S.C.I.P.I.O., whose development has required hardware environment implementation and the installation of middleware open-source components, as per described above.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M1C2-11: Entry into force of the Annual Competition Law 2023

**Related Measure:** [M1C2]-[R2]: Annual Competition Laws

**Qualitative Indicator:** Provision indicating the entry into force of the Annual Competition Law 2023.

**Time:** Q4 2024

#### 1. Context:

Milestone M1C2-11 is part of the Annual Competition Laws Reform package, which aims at liberalizing several sectors or strengthening the principle of competition therein, including electricity, gas, local public services, waste, ports, railways, highways and pharmaceuticals. The Reform package also aims at harmonizing Italian merger control rules with EU rules, strengthening the market surveillance system in Italy, simplifying and speeding up the rules for starting a business. The Reform provides for the entry into force each year of an Annual Competition Law, covering some of the sectors addressed by the overall Reform package.

Milestone M1C2-11 is the fifth milestone of the Competition Laws Reform and was preceded by Milestone M1C2-6, M1C2-7 and M1C2-8, assessed under the third payment request, and M1C2-9 and M1C2-10, assessed under the fifth payment request, addressing the following sectors: electricity (including flanking measures to ensure the uptake of competition in the retail market), gas, waste management, ports, railways, local public services, antitrust (merger control), starting a business and market surveillance, retail activities and pharmaceuticals.

Milestone M1C2-11 is part of the implementation of the Annual Competition Law 2023 package and requires the entry into force of the 2023 Annual Competition Law. The milestone concerns the following sectors: highways, insurance and starting a business. Milestones M1C2-11 and M1C2-12 are linked to each other, are due by Q4 2024 and related to this payment request.

As part of the Annual Competition Laws Reform milestone M1C2-11 will also be followed in the next payment requests by milestone M1C2-13, M1C2-13bis and target M1C2-14 (requiring the installation of at least 33 million 2G smart meters).

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Law No. 193 of 16 December 2024 (Annual Competition Law) with measures on highways, insurance and starting a business, published on the Official Journal, General Series No. 295 of 17 December 2024 and entered into force on 18 December 2024.
3. Article 11 of Decree Law No 73 of 21 May 2025, published on the Official Journal, General Series No. 116 of 21 May 2025, providing amendments to the provisions on the highways legal framework contained in Law No. 193 of 16 December 2024 and entered into force on the same day.
4. ANAC's Decision no. 265 of 20 June 2023 "Measure adopted pursuant to article 186 paragraphs 2 and 5 of Legislative Decree no. 36 of 31 March 2023, containing "Indications on the methods of calculating the outsourcing quotas of contracts for works, services and supplies by holders of concessions for works and public services not awarded in accordance with European Union law".

#### 3. Analysis:

## **Entry into force of the 2023 Annual Competition Law.**

Law No. 193 of 16 December 2024 (titled “Annual Competition Law 2023”, containing several pre-competitive measures in various sectors, including on highways, insurance and starting a business) was published on the Official journal General Series No. 295 of 17 December 2024 and entered into force on 18 December 2024 according to its article 40 (hereinafter referred to as the “Annual Competition Law 2023” or “ACL”, for simplicity to be intended as including the amendments introduced by article 11 of Decree Law No 73 of 21 May 2025, published on the Official Journal, General Series No. 116 of 21 May 2025, providing amendments to the provisions on the highways legal framework contained in Law No. 193 of 16 December 2024, and entered into force on the same day pursuant to article 17 of the same Decree Law No 73 of 21 May 2025).

**The Annual competition Law shall include, at least, the following key elements, whose implementing measures and secondary legislation (if necessary) shall be adopted and enter into force no later than 31 December 2024.**

**It shall include at least the following measures:**

### **Highways:**

**i) on access to concessions and termination of contract, the Annual Competition Law shall at least:**

- make the tendering of concessions contracts mandatory for highways, without prejudice for in house providing within the limits established by the EU law(\*);**

**(\*) as far as in-house entrustments, the law shall:**

- require a mandatory ex ante verification of the legality of in-house entrustment and forbid the launch of the tender procedure or the in-house entrustments without this verification;**
- entrust the Authority for the Regulation of Transport (ART) with adequate instruments and powers to perform the above mentioned verifications, and the (legal) support of the National Anti-Corruption Authority (ANAC);**
- require that the installation of electric charging points and the implementation of adequate parking and rest areas for operators of freight transport are carried out in full compliance with the regulatory framework devised by ART.**

The ACL contains measures aimed at increasing competition, efficiency and quality of services in several sectors, including highways (Articles 1-16). The ACL entered into force on 18 December 2024 according to its article 40. The ACL has implemented a general reorganization of the legislation on highways, in particular by simplifying the rules governing the award of highway concessions, promoting the economic and financial sustainability of the management of the service, also through more precise and binding review of the economic and financial plans of both existing and future awards/concessions, and by ensuring a close link between investments on the infrastructures, efficiency of the management and the level of fees (with a price cap). The ACL also complements the rules on concession contracts set out in Book IV, Part II, of Legislative Decree No 36 of 31 March 2023 (hereinafter referred to as the “Public Procurement Code”, already assessed under the 4<sup>th</sup> payment request) by providing precise sector-specific pro-competitive and efficiency-based rules of award and management of the service.

In this context, with regard to the requirement to “make the tendering of concessions contracts mandatory”, Article 3 paragraph 1 of the ACL clearly states that the concessions must be awarded via public tender procedures, thus establishing the principle that the default and mandatory option for the award of highway concessions is through an open and transparent competition to which all interested and eligible operators should be enabled to participate.

With regard to the reference the possibility to have in-house entrustments referred to in the Milestone, Article 3, paragraph 2, letter b) of the ACL specifies that in-house awards are admissible, but only within the limits of article 186 of the Public Procurement Code, which in turn is applicable only within the limits of EU law. With specific regard to the requirements for in-house entrustments, Article 5, paragraph 1 of the ACL provides that an ex ante verification of the admissibility of in-house awards is now required for highways concession contracts, prohibiting the use of in-house awards in the absence of such verification, with express reference to Article 7 (2) of the Public Procurement Code, which triggers the obligation for the conceding entity to comply with specific provisions on the justifications obligations for choosing to use in-house, including the need to give evidence of the economic reasons (that need to be linked to

benefits being transferred to final users) for preferring an in-house award over a competitive tender, the increased efficiency in the management and in the use of resources. Furthermore, in line with the second requirement of the Milestone for in-house entrustments, Article 5, paragraphs 3 and 4 of the ACL expressly envisage that the above mentioned justifications (regarding the choice for an in-house award) shall be submitted to the Authority for the Regulation of Transport (*Autorità di Regolazione dei Trasporti*, hereinafter referred to as “ART”) and the Anticorruption Authority (hereinafter referred to as “ANAC”), both of which, within 30 days issue a binding opinion on the compliance of such justifications with the pro-competitive principles contained, respectively, in the ACL and in the Public Procurement Code. The concession contract will therefore have to be awarded based on the observations provided by ART and ANAC (Article 5, paragraph 4), thus significantly strengthening the regulatory and monitoring powers of both authorities, each for the aspects of their competences (ART for the regulatory and tariffs aspects and ANAC for the compliance with the Public Procurement Code and anticorruption rules).

Finally, with regard to electric charging points and parking/rest areas for freight operators, respectively Article 8, par. 1 lett. b) and Article 6, paragraph 4 of the ACL not only spell out that such aspects shall be expressly covered by the award schemes and concession contracts (already clarifying a point of potential ambiguity in the previous regime) but also specify that they shall be regulated in compliance with the ART’s regulatory framework, pursuant to Article 37, paragraph 2 of Law-Decree No 201 of 22 December 2011 (creating ART and establishing its powers and criteria of intervention).

#### **improve the efficiency of decisional administrative procedures related to the concession contracts;**

The ACL creates one uniform piece of legislation on highway concessions, reorganizing and modernizing several sectorial rules, which in the past often overlapped and contradicted each other, creating significant uncertainty on the market. In putting together one consolidated framework, the ACL aims at improving the efficiency of administrative procedures and introduces simplification and acceleration measures, both in relation to the award phase of concession contracts and in relation to the revision of the economic/financial plans related to the management of each concession. Articles 5 and 9 of the ACL foresee a simplified procedure for drafting, approving and signing the contract concession, with specified deadlines (particularly for the implementation of ART’s opinion) which helps the conceding entities award the concessions in a timely manner and under clearer economic and financial terms.

With more specific regard to the content of new concession contracts to be awarded and of Economic and Financial Plans (hereinafter referred to as “PEFs”), which are essential also to determine the investment decisions across the lifetime of the concession as well as the corresponding costs to be reflected partially or wholly in the highways fees, the reform has eliminated one approval requirement, which overlapped with ART’s powers and significantly often delayed significantly the overall award approval process: based on the current version of Articles 5 and 9 (respectively for in-house awards and open tenders for new concessions) CIPESS (the Interministerial Committee for Economic Planning and Sustainable Development, within the Presidency of the Council of Ministers, which is consulted for broader policy considerations) is no longer obliged to obtain the opinion of NARS (the technical consultancy unit of CIPESS for the Implementation of the Guidelines for the Regulation of Public Utility Services). CIPESS is entitled to still ask for NARS opinion only for specific aspects not overlapping with ART’s opinion (Article 5, paragraph 4, and Article 9, paragraph 2). In fact, the concession contracts and related PEFs now shall comply with the specifications provided by ART, which not only speeds up the award process but also reduces the risks of long litigation and disputes on the repartition of competences. In terms of deadlines, CIPESS’ opinion must be issued within 30 days from the inclusion in the agenda (after ART’s opinion), which may be extended by a further 15 days only for limited and justified reasons in case of incomplete documentation/evidence (Article 5, paragraph 4, and Article 9, paragraph 2).

Finally with regard to the periodic updates of the PEFs, which also constitute a crucial step to ensure that the economic conditions and fees reflect the required investments and service level, the opinion of CIPESS is no longer required (thus further simplifying the procedure), as the Ministry for Transport shall approve, within precise deadlines, the PEFs directly based on ART’s and ANAC’s opinions (Article 5, paragraph 9 and Article 9, paragraph 5).

**require a detailed and transparent description of the subject matter of the concession contract;**

Article 6, paragraph 1 and 2 of the ACL expressly requires that the concession contract must spell out the ordinary operation and maintenance obligations for the highways infrastructure, the planning/design and execution of works (ordinary and extraordinary) and ensure the sustainability of service areas along the highways, in accordance with ART's regulatory framework. With regard to management and maintenance of concessions, Article 8 of the ACL also specifies the minimum requirements to be included in the concession scheme to be put out for future tenders, including the adequate levels of service to protect the rights of users, in compliance with the regulatory measures adopted by the ART, the installation of electric charging points, the criteria for carrying out the control and monitoring activities of the conceding entity body with respect, the method of calculating the possible takeover value, the method of calculating the supplementary charges that the concessionaire is required to pay to the conceding entity to strengthen the controls on the execution of the infrastructure works, as well as the penalties applicable to the concessionaire in case of non-compliance with its obligations on maintenance and management of the service and infrastructure, with investments targets and extraordinary maintenance works.

**require concession authorities to designate concessions for highway sections, assigned by public procedure, taking into account the estimates of scale efficiency and the cost of highway concessionaires developed by the regulatory authority (*Autorità di Regolazione dei Trasporti* - ART);**

Article 2 of the ACL expressly provides that new concessions for motorway concessions must take account of the optimal areas for the management of highway sections defined by the ART, which in turn are based on efficiency of management criteria (pursuant to Article 37, paragraph 2 of Law-Decree No 201 of 22 December 2011, creating ART and establishing its powers and criteria of intervention).

**reinforce controls by the Ministry of Infrastructure on the costs and execution of highways infrastructures;**

The ACL strengthens the control of the Ministry for Infrastructures and Transport (hereinafter referred to as "MIT") in relation to both the costs and operation of the highway infrastructure, by providing that the draft concession contract/agreement that is put as basis for the concession award must specifically identify (i) the criteria the conceding entity must comply with in order to carry out the control and monitoring activities on the concessionaires, using the operational support of the National Agency for the Safety of Railways and Road and Motorway Infrastructures (an agency within MIT), pursuant to Article 8 (2) (a)); (ii) the method of calculating the additional charges to be paid by the concessionaire in order to finance MIT's control monitoring activity on the implementation of infrastructure works and the associated costs of implementation (Article 8 (2) (c)); (iii) a system of penalties (to be issued by MIT) in case the concessionaries does not comply with the maintenance and management activities and with the investments and extraordinary maintenance obligations (Article 8 (2) (d)).

**prevent the automatic renewal of concession contracts, improve the technical and administrative procedures related to the periodical updating of economic and financial plans and the annual implementation of these plans, and prohibit the use of the procedures regulated by article 193 of the Public Procurement Code as a means of awarding expired or expiring highway concession contracts;**

With regard to the automatic renewal of concession contracts, in addition to the reference to the general rules contained in the Public Procurement Code, the ACL provides clear provisions on the duration of concessions. In particular, Article 10 of the ACL provides for a duration of no more than fifteen years, with no possibility of automatic renewal. Article 10 allows for a duration of longer of 15 years (still with no automatic renewal) only if the planning of the works to be carried out during the lifetime of the concession does not allow for the recovery of the investments

made and the return of the invested capital, also taking into account the time needed to amortize any sums paid as a takeover value, determined in accordance with the parameters laid down by ART. Consistently with other sections of the ACL and the spirit of the Milestone to increase contestability and competition in the sector, at the end of the concession the awarding body is required to make a new award (Article 10, paragraph 2). The concept of take-over value is limited to the cases governed by Article 191 (3) of the Public Procurement Code.

With regard to improving the efficiency of the technical and administrative procedure for the periodic updating of the economic and financial plans and their annual implementation, as already illustrated above Articles 5, paragraphs 4 and 9, and Article 9 paragraph 5 of the ACL makes the procedure quicker and based on technical/efficiency-driven criteria by (i) eliminating the opinion of CIPESS (thus avoiding further policy and political considerations for the purpose of the PEFs' updates) and (ii) providing that the MIT shall approve, within precise deadlines, the PEFs directly based on ART's (and ANAC's) opinions.

Furthermore, the ACL lays down specific rules for updating the PEF of existing concessions, when the (five-year) regulatory period expires, in particular: (i) Article 14, paragraphs 2 and 4 provides that the PEFs update shall be prepared based on ART's requirements, including the criteria for the identification of tariff systems, and in any event based on the opinions ART might issue on the specific PEF's updates; and (ii) Article 16 paragraph 4 introduces a significant change from the previous regime as it specifies that in case of non-compliance with such criteria, the MIT must adapt the concession contract (including the underlying PEF) to ART's requirements/opinions.

Finally, with regard to the prohibition on using project financing as a means to (re)award expired or expiring highway concession contracts, Article 3, paragraph 3 of the ACL formally forbids the use of such tool by introducing an express prohibition to use the procedure laid down by Article 193 of the Public Procurement Code (which introduces and regulates in fact the 'project financing' tool, as seen above in Milestone M1C1-73quinquies).

**simplify/clarify the regulation of the contract termination and cancellation conditions, also with a view to preserve an adequate level of the service;**

Article 11 of the ACL consolidates in one, simplified article the reasons for contract termination, which previously had to be reconstructed on a case-by-case basis, with often very diverging conditions based on the concession contracts. Article 11 clarifies that also for the highways concessions the general principles and rules applicable to contract termination are those established in the Public Procurement Code (in particular art. 190 regarding the termination of concession contracts and breach of contract obligations, setting the general procedures and criteria for the termination). To this extent, the ACL makes now clear that in case of the concessionaire's failure to fulfill its obligation the concession is terminated and the concessionaire is entitled only to the costs of the works done, regardless of whether the contract clauses provide for more favorable (to the concessionaire) conditions. The ACL now also regulates formally the procedure for the termination of the concession: in case of the concessionaire's breach of its contractual obligations, the conceding entity gives notice to the MIT, which in turn issues a Decree, in agreement with the Minister for Economy and Finance, ordering the termination of the concession in the following cases: (i) failure to comply with the contractual obligations related to the ordinary operations and maintenance of the infrastructure that trigger serious risks to traffic safety, proper traffic management and accessibility to the highway or for any circumstances that put at risk the highway infrastructure and related assets; (ii) failure (or delays) to comply with the obligations related to the design or execution of the works and extraordinary maintenance works; (iii) any other failure by the concessionaire to fulfil its contractual obligations that could jeopardize the successful performance of the services (Article 11, paragraph 4). In assessing the gravity of such violations MIT consults with its agency ANSFISA in order to carry out the technical assessment of the status of the highway infrastructure and the any damages caused by the concessionaire (Article 11, paragraph 4).

**for the termination of the contract in the public interest, the law shall at least provide for an adequate compensation to enable the concessionaire to recoup investments that have not been fully amortised**

Article 11 of the ACL formally extends to the highway sector article 190 of the Public Procurement code, which in turns provides for an adequate compensation, at the end of a concession, for the investments non fully amortized, when the concession contract is terminated for reasons of public interests (and in case where the termination of the concession contract is not due to the concessionaire's fault).

Article 190, paragraph 4, of the Public Procurement Code, also specifies that if the granting authority terminates the concession for public interest, the outgoing concessionaire is entitled to: reimbursement for works carried out, including accessory costs, net of amortization; if the work hasn't passed the final inspection (s.c. 'collaudo'), only the actual costs incurred are reimbursed; costs already incurred or to be incurred as a direct result of the termination (his includes costs like early termination fees from interest rate hedging contracts); an indemnity for lost profit, ranging between 2% and 5% of the expected profits (as per the financial plan).

**ii) on charging regulatory model, the Annual Competition Law shall at least:**

**ensure timely and full implementation of ART's charging regulatory model, based on a price cap methodology, taking into account the periodical updates of the multi-annual economic and financial planning of the concessionaires (as approved by the competent regulator), and the annual roll-out of these plans.**

Article 12 of the ACL expressly states that the tariff system which the concessions and related PEFs will have to be based on ART's access charging regulatory model, which ART has in place (and can modify if necessary based on changing market conditions) based on Law-Decree No 201 of 22 December 2011 (the Law creating ART and establishing its powers and criteria of intervention, hereinafter referred to as "ART constitutive Law"). Consistently with the rest of the reform such provision is applicable as of 1 January 2025, therefore ensuring very timely implementation of the ART's regulation. Such provision (thus ART's regulatory model) applies to both national and regional highways (thus fully and throughout the territory, pursuant to Article 16 of the ACL) and eliminates the asymmetrical enforcement of tariff system, the uncertainty and ambiguity left on the market in the past few years as to what access charging criteria would have to be used, which public entity (i.e. whether MIT, ART or other institutions) would monitor and ultimately on how to define the tariffs and the management levels.

Article 16, paragraph 3 of the ACL has further strengthened ART's power by introducing changes to ART constitutive Law as to specify that, with regard to highways, ART is the (only) authority in charge for setting the tariff system and that such system is based on a *price-cap* model. The ACL also specifies that the tariffs based on ART's model are determined taking the traffic flows, the average distance travelled on the highway infrastructure and the inflation index, and that they ensure full coverage of (i) the costs of construction, maintenance, operation and development of the highway infrastructure; (ii) the costs of works and interventions aimed at reducing traffic congestion; (iii) the external-costs charges as defined in Article 2(1), point (9) of Directive 1999/62/EC of the European Parliament and of the Council of 17 June 1999 the charging of heavy goods vehicles for the use of certain infrastructures (i.e. charges for recovering the costs related to one or more of the following: traffic-based air pollution; traffic-based noise pollution; or traffic-based CO2 emissions). ART's tariff system also provides for a constant monitoring and adjustment on the roll-out of the economic/financial plans and foresee that each year. On the basis of the final and preliminary data available on 30 September, the concessionaire is required provide all necessary information for the proposal for the annual tariff update, which in turn is based on the outcome of the monitoring of the system of rewards and penalties related to the quality of services, on the degree of actual implementation of the investments foreseen in the applicable PEF, as well as on the consequent recalculation of the lifetime for amortization of the investments, aimed at ensuring graduality in the evolution of the tariff.

Regarding the approval of the new PEFs, which also indirectly influence the tariffs, see above on the second constitutive element of the Milestone: Articles 5 and 9 of the ACL (respectively for in-house awards and open tenders for new concessions) foresee that the PEFs must be approved and reflected in the concession contracts based on ART's binding opinion. Also in terms of timing, CIPESS must finalize the approval process within 30 days after ART's opinion.

Finally, with regard to the updates of the PEFs, which need to be carried out every 5 years, Article 14 of the ACL states that, both for the new concessions issued after 1 January 2025 and for the ongoing concessions in relation to which the PEFs have not yet been updated as of December 2024 or will require updates (before the expiry of the concessions) as of 1 January 2025, these shall be carried out based on ART's binding decisions.

**iii) on users' rights, the Annual Competition Law shall:**

- **ensure full and timely implementation of ART's regulatory framework related to safeguard of users' rights and provision of adequate service levels.**

With regard to the need to guarantee adequate levels of service, the ACL provides that the agreement/contract underlying each award of highway concessions must identify adequate levels of service, to the benefit of users, in compliance with the regulatory measures adopted by ART (Article 8, paragraph 1). Article 8 makes explicit reference to the criteria set in ART constitutive Law, namely (i) the conditions for ensuring fair and non-discriminatory access conditions to all highways users and (ii) the different types of services that need to be provided by the concessionaires, the minimum content of the specific rights for consumers, including compensatory/damages rights in case of controversies or non-compliance with minimum service level requirements (Article 37 of ART constitutive Law)..

To further reinforce the link with ART's regulation, Article 4, paragraph 1 letter d) of the ACL, in relation to the award criteria for concessions, states that preferential scores are attributed based on levels of services offered, which in turn are defined according to ART's regulatory framework (Article 8, cross-referenced also by Article 4). It should be noted that ART regularly adopts guidelines or decisions to clarify the minimum content of specific users rights, including those of a compensatory nature, which users may require from highway concessionaires and operators of the services provided along the highway networks', the right to transparency in relation to the management and use of the highway infrastructure and related services; the right to travel information (e.g. ART's Decision No 132 of 26 September 2024).

**iv) on outsourcing of construction works, the Annual Competition Law shall at least:**

- **According to Article 186(2) of Legislative Decree no. 36/2023, establish the obligation for highway concessionaires to entrust third parties, by public evidence procedures, between 50% and 60% of contracts for works, services and supplies. The shares shall be calculated according to the amounts of the economic and financial plans annexed to the concession documents.**

Article 15 of the ACL expressly extends to the highway sector the provisions of article 186 of the Public Procurement Code, which provides for the obligation, for existing concessionaires at the time of the entry into force of the ACL or for concessionaires to which the concession had not originally been awarded through open and transparent procedure according to EU Law (before the ACL), to entrust to third parties, through public tender procedures, between 50% and 60% of their contracts for the construction of works or provision of services or supplies. Pursuant to Article 186 of the Public Procurement Code, the shares shall be calculated based on the economic dimension of the company and of the economic and financial values of the investments, which will also be determined by the PEFs (which in turn will be subject to the periodic updates by ART). In addition, through the express link to Article 186 of the Public Procurement Code, Article 15 allows highways concessionaires to also refer to ANAC's guidelines on the precise criteria and formulas for calculating the outsourcing quotas for contracts for works, services and supplies are provided in order to comply with the 50-60% obligation stemming from Article 186 (ANAC's decision No. 265 of 20 June 2023, evidence no. 4).

**Insurance:**

- vii) Entry into force of the necessary acts to enable the portability of data for car black boxes between insurers;**

Article 20 of the Annual Competition Law prohibits insurance undertakings from laying down contractual clauses which prevent or restrict the policyholder's right to uninstall electronic devices at the end of the insurance contract. The same article also specifies rules on the portability of consumers' data. The law foresees that consumer may, through the intermediary of an insurance company, request from the undertaking operating the electronic devices all the data recorded by the electronic device during the use of the insured vehicle. This data could then be used by the insurance company for the purpose of calculating the insurance premium.

#### **Starting a business:**

**viii) Review and update of legislation concerning innovative start-ups and venture capital (e.g. Start Up Act 2012) in order to rationalise existing legislation, review the definition of start-ups and promote investment in venture capital by private and institutional investors.**

Article 28 of the Annual Competition Law revises the definition of start-up and develops a stage approach where only start-ups with scalability potential can benefit from the start up status after 3 years.

In particular, the new definition of start-up:

- excludes companies operating in the consulting and agency activities;
- makes the possibility to remain in the start-up register conditional on the fulfilment of at least one of the following requirements:
  - The start-up has increased by at least 25% its expenditure in R&D;
  - The start-up has finalized at least one experimentation contract with a public administration;
  - The start-up has increased its revenues by 50% from the second to the third year;
  - The start-up has established an equity reserve of at least 50.000 euros including by convertible agreements, equity injection by a venture capital fund/ an incubator/ a business angel or by equity crowdfunding;
  - The start-up has developed at least a patent;
- After 5 years, only start-ups which have benefited from a venture capital investment of at least 1 million or have increased their revenues by 100% can extend their presence in the start-up register, by a maximum of 4 years.

Article 29 provides temporary provisions allowing startups in the third year to meet the requirements from Article 28.

Article 30 addresses the definition of 'certified incubator', extending their scope also to business acceleration activities.

Article 31 and 32 promote investment in the startups ecosystem. Article 31 increases the applicable tax rate deduction to 65% and limits its application to the first 3 years of activity. This provision rationalizes existing legislation and focuses tax incentives in the early phase of a start-up when they are most needed. Article 32 provides tax incentives for certified incubators and accelerators investing in startup capitals.

Article 33 introduces two provisions to promote investment in venture capital by private and institutional investors.

- Firstly, tax incentives for pension funds' investments are now conditional on the share of venture capital investment should be at least 5% in 2025 and 10% in 2026 and onwards, of the qualifying investment basket resulting from the accounts for the previous financial year.
- Secondly, the law revises the scope of the guarantee fund for SMEs "Fondo Garanzia PMI" and introduces the possibility to guarantee venture capital operations in start-ups. This public guarantee can reduce the risk of venture capital investment in start-ups and therefore increase the attractiveness of this asset class for institutional investors.

Article 35 amends the Consolidated Law on Immigration in order to facilitate the entry and residence of foreign investors also in the case of investment in venture capital funds.

#### **4. Commission Preliminary Assessment: Satisfactorily fulfilled**

## Non-repayable support

**M1C2-12:** Entry into force of all implementing measures (included secondary legislation, if necessary) for the effective implementation and application of the measures stemming from the 2023 Annual Competition Law

**Related Measure:** [M1C2]-[R2]: Annual Competition Laws

**Qualitative Indicator:** Entry into force of all secondary legislation, including all necessary regulations for measures stemming from the 2023 Annual Competition Law

**Time:** Q4 2024

### 1. Context:

Milestone M1C2-12 is part of the Annual Competition Laws Reform package, which aims at liberalizing several sectors or strengthening the principle of competition therein, including electricity, gas, local public services, waste, ports, railways, highways and pharmaceuticals. The Reform package also aims at harmonizing Italian merger control rules with EU rules, strengthening the market surveillance system in Italy, simplifying and speeding up the rules for starting a business. The Reform provides for the entry into force each year of an Annual Competition Law, covering some of the sectors addressed by the overall Reform package.

Milestone M1C2-12 is the sixth milestone of the Competition Laws Reform and was preceded by Milestone M1C2-6, M1C2-7 and M1C2-8, assessed under the third payment request, and M1C2-9 and M1C2-10, assessed under the fifth payment request, addressing the following sectors: electricity (including flanking measures to ensure the uptake of competition in the retail market), gas, waste management, ports, railways, local public services, antitrust (merger control), starting a business and market surveillance, retail activities and pharmaceuticals.

Milestone M1C2-12 is part of the implementation of the Annual Competition Law 2023 package and requires the entry into force of secondary legislation (if necessary) for the implementation and application of the measures established in the 2023 Annual Competition Law (M1C2-11) and the entry into force of secondary legislation on cold ironing and lists of retail sellers of natural gas.

The milestone concerns the following sectors: highways, cold ironing, retail sellers of natural gas, starting a business.

Milestones M1C2-11 and M1C2-12 are linked to each other, are due by Q4 2024 and related to this payment request.

As part of the Annual Competition Laws Reform milestone M1C2-12 will also be followed in the next payment requests by milestone M1C2-13, M1C2-13bis and target M1C2-14 (requiring the installation of at least 33 million 2G smart meters).

### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Law No. 193 of 16 December 2024 (Annual Competition Law), published on the Official Journal, General Series No. 295 of 17 December 2024 and entered into force on 18 December 2024.
3. Ministerial Decree adopted of 20 December 2024 on the definition of 'certified incubator'.
4. Ministerial Decree adopted of 26 May 2025 on criteria and detailed rules for the application and use of the tax credit for certified incubators.
5. The Ministry of the Environment and Energy Security (MASE) Regulation no.85 defining the criteria and requirements on access and permanence of undertakings in the list of retail sellers of natural gas adopted on 19 May 2025

6. Administrative Act of the Energy and Environment's Authority (ARERA) no. 492/2024/R/EEL of 19 November 2024 on cold ironing
7. Cassa per i servizi energetici e ambientali's circular 66/2024/ELT of 13 December 2024.

### 3. Analysis:

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

**Entry into force of secondary legislation (if necessary), including the necessary regulations for the effective implementation and application of the relevant measures established in the 2023 Annual Competition Law.**

Milestone M1C2-12 should be considered in conjunction with milestone M1C2-11 where all the specific constitutive elements to be reached in each sector by 2024 are specified. The analysis of milestone M1C2-12 should take into account the assessment of the Annual Competition Law 2023 carried out above for milestone M1C2-11 in the context of this payment request. Milestone M1C2-11, which required the entry into force of the Annual Competition Law 2023 required that this Law includes provisions covering the following areas: 1) highways; 2) Insurance; 3) Starting a business. For the sectors covered by milestone M1C2-11, the Annual Competition Law 2023 delegated to the government the adoption of implementing measures only in relation to articles 30 and 32 of this Law. For all other provisions related to sectors covered by milestone M1C2-11, as the Law includes provisions that cover all the constitutive elements of milestone M1C2-11 and are directly applicable, thus not requiring further implementing acts for the purpose of their effective implementation and application. For each of these three areas, an assessment is made below on the entry into force, if applicable, of the necessary secondary legislation, including regulations, to ensure their effective implementation and application

#### 1) Highways:

As illustrated in milestone M1C2-11, the provisions concerning the Highways measure are directly applicable and do not require the adoption of implementing acts. In particular, their objectives and obligations are clearly defined and can be enforced within the existing legal and administrative framework, including regulatory model of the Transport Regulator (hereinafter referred to as "ART"), without the need for additional legislative or regulatory action (including from ART, the framework of which is already directly applicable without further delays) as evidenced in particular by Articles 2, 3, 5, 6, 8, 9, 12 and 14 of the Annual Competition Law 2023 analyzed above. On this basis, it is considered that the entry into force of secondary legislation, including regulations, was not necessary in relation to the measures covering Highways under the Annual Competition Law 2023.

#### 2) Insurance

For the provisions related to insurance covered by milestone M1C2-11, the law includes provisions that cover all the constitutive elements of milestone M1C2-11 and are directly applicable, thus not requiring further implementing acts for the purpose of their effective implementation and application.

#### 3) Starting a business:

**Review and update of legislation concerning innovative start-ups and venture capital (e.g. Start Up Act 2012) in order to rationalise existing legislation, review the definition of start-ups and promote investment in venture capital by private and institutional investors.**

Milestone M1C2-12 should be considered in conjunction with milestone M1C2-11 where all the specific constitutive elements to be reached in each sector by 2024 are specified. The analysis of milestone M1C2-12 should take into

account the assessment of the Annual Competition Law 2023 carried out above for milestone M1C2-11 in the context of this payment request.

For the provisions related to starting a business covered by milestone M1C2-11, the Annual Competition Law 2023 (ACL 2023) delegate to the government the adoption of implementing measures only in relation to articles 30 and 32 of the ACL 2023. For all other provisions related to starting a business covered by milestone M1C2-11, the law includes provisions that cover all the constitutive elements of milestone M1C2-11 and are directly applicable, thus not requiring further implementing acts for the purpose of their effective implementation and application.

With regards to article 30 of the ACL 2023, the article modifies the definition of certified incubators, including acceleration activities, and delegate to the government to define through a decree of the Ministry of Enterprises and Made in Italy the criteria for carrying out support and acceleration activities for innovative startups, other than incubation activities. The Law establishes that such decree shall be adopted within 60 days from the adoption of the ACL 2023. On 20 December 2024, the Ministry of Enterprises and Made in Italy adopted a directorial decree (evidence no.3). The Directorial Decree (evidence no.3) was published in the Official Journal of Italy no.17 on 22 January 2025. The Directorial Decree entered into force on the same day of its publication, in accordance with the national legal framework. The Directorial Decree defining eligible entities (art.1) clarifying that companies and also cooperative can be eligible, certification (art.2) with the submission of documents to the Chambers of Commerce, monitoring and controls (art.4) with requirements, for example on document retention.

With regards to article 32 of the ACL 2023, the article provides that, from the 2025 tax period, certified incubators and certified accelerators shall be granted a tax credit. The Law delegates to the government (Ministry of Enterprises and Made in Italy in agreements with the Ministry of Economy and Finance) to define the criteria and detailed rules for the application and use of the tax credit. Such decree are to be adopted within 60 days from the adoption of the ACL 2023. On 26 May 2025, the Ministry of Enterprises and Made in Italy in agreements with the Ministry of Economy and Finance adopted a Directorial Decree (evidence no.4). The Directorial Decree (evidence no.4) was published in the Official Journal of Italy no.166 on 20 June 2025. The Directorial Decree entered into force on the same day of its publication, in accordance with the national legal framework. The Directorial Decree establishes the criteria and detailed rules on the use of the tax credit for certified incubators and accelerators, indicating beneficiaries (art.4), possible investments (art.5), implementing partner (art.7) and relevant procedure (art.8).

**Entry into force of secondary legislation on cold ironing and lists of retail sellers of natural gas, as follows:**

**For Cold ironing: Entry into force of regulatory incentives to use cold ironing services in ports;**

Article 3 of Law 214/2023 introduces new incentives for the use of cold ironing. The article delegates to an administrative act of the Energy Regulator ARERA which was adopted on 19 November 2024 (evidence no. 6). On 13 December 2024, the Cassa per i servizi energetici e ambientali published the circular 66/2024/ELT (evidence no.7) giving implementation to the ARERA's administrative decree (evidence no.6) providing the methods and timeframes for transmitting requests for participation in the aforementioned mechanism.

Article 5 of ARERA's administrative act require managers of cold ironing infrastructure to apply a discount on the energy price charged to ships and operators. The same article further foresees direct applicability of the discounts for which the proper administrative procedure foreseen yin the act is respected. Therefore, the ARERA's administrative act ensures the implementation of regulatory incentives to use cold ironing services in ports.

**List of retail sellers of natural gas: Entry into force of secondary legislation defining the criteria and requirements on access and permanence of undertakings in the list of retail sellers of natural gas established by Article 17 of legislative decree no. 164/2000 aimed at enhancing transparency and supporting the choice of consumers in competitive markets.**

Minister of Environment and Energy Security (MASE) adopted a Regulation on 19 May 2025 (evidence no. 5) which define the criteria and requirements on access and permanence of undertakings in the list of retail sellers. The MASE Regulation no. 85 (evidence no.5) was published in the Official Journal of Italy on 19 June 2025. The MASE Regulation entered into force on the same day of its publication, in accordance with the national legal framework.

Such Regulation enhance transparency by clearly outlining the legal criteria and requirements from a legal, technical (art. 4) and financial perspective (art. 6). The Regulation also specifies the rules to subscribe to such list (Article 6), to remain on the list (Art.7) or to be cancelled or excluded (art.8). The list of retail sellers of natural gas is made publicly available and published online (Article 9) therefore enhancing consumers' choice and trust. The same article further specifies the monitoring and controls made by the Ministry.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

**M1C2-19: Islands provided with ultra-broadband connectivity**

**Related Measure:** [M1C2]-[I3]: Fast internet connections (Ultra-Broadband and 5G)

**Quantitative Indicator:** 18

**Time:** Q4 2024

**1. Context:**

Target M1C2-19 is part of Investment 1.3, whose objective is to complete the national ultra-fast and 5G telecommunications network throughout the Italian territory.

Target M1C2-19 concerns the provision of ultra-broadband connectivity in at least 18 islands lacking fiber links to the continent provided with ultra-broadband connectivity through new optical backhaul. It is the second milestone/target related to Investment 1.3.

It was preceded by milestone M1C2-16, assessed under the third payment request, which concerned the award of public contracts for all five faster connection projects part of the investment: (i) “Italia a 1 Giga”; (ii) “Italia 5G”; (iii) “Connected schools”; (iv) “Connected health care facilities” and (v) “Connected smaller islands”. It is followed by four targets, expected by Q2 2026: (i) M1C2-17, which foresees that at least 3 400 000 additional house numbers (among which at least 450 000 scattered households, that is to say located in remote areas) shall be connected with at least 1 Gbps connectivity via Fiber-to-the-home/building (FTTH/B), Fixed Wireless Access (FWA); (ii) M1C2-18, which foresees that least additional 9 000 schools and 8 700 public healthcare facilities shall be provided with 1 Gbps connectivity; (iii) M1C2-20, which foresees that at least additional 12 600 km of extra urban roads and corridors shall be enabled with 5G coverage and (iv) M1C2-21, which foresees that at least additional 1 400 sqkm of market failure populated areas shall be enabled with 5G coverage, out of which, at least 500 sqkm provided with 5G coverage.

**2. Evidence provided:**

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

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled;
2. The exhaustive list of additional 21 islands lacking fiber links to the continent that were provided with ultra-broadband connectivity through new optical backhaul prepared by the Department for Digital Transformation (DTD) under the Presidency of the Council of Ministers, providing details for each connected island and its serving infrastructures, to be uniquely identified and including the completion date and the reference to the corresponding completion document in accordance with the national legislation in the field of public works;
3. The collection of all the completion documents of deployed infrastructures and, in particular, for each of the 21 islands that were provided with ultra-broadband connectivity through a new optical backhaul listed below, 3 certificates of completion dated between 25 March and 12 December 2024, issued by Work Directors and Contract Execution Directors in accordance with the national legislation in the field of public works. In particular, (i) two certificates of works completion for each of the corresponding terrestrial sub-sections built, (ii) one certificate of work completion for the corresponding marine sub-section:
  - 1) Isola D'Elba-Capraia
  - 2) Trapani-Levanzo
  - 3) Levanzo-Marettimo
  - 4) Patti-Vulcano
  - 5) Vulcano-Lipari
  - 6) Lipari-Salina
  - 7) Salina-Filicudi
  - 8) Filicudi-Alicudi
  - 9) Lipari-Panarea
  - 10) Panarea-Stromboli

- 11) Trapani/Marsala-Pantelleria
  - 12) Pantelleria-Linosa
  - 13) Lampedusa-Linosa
  - 14) Palermo-Ustica
  - 15) Gaeta-Ponza
  - 16) Ponza-Ventotene
  - 17) Ventotene-Santo Stefano
  - 18) Portofino-San Pietro
  - 19) Stintino-Asinara
  - 20) San Nicandro Garganico -San Nicola
  - 21) San Domino-San Nicola
4. The agreement of 23 December 2021 between the Department for Digital Transformation (DTD) under the Presidency of the Council of Ministers, Invitalia and Infratel for the implementation of the “Fast Internet Connections” (ultra-broadband and 5G)” investment and the related addendum;
  5. The wholesale access offer for the access to the submarine fiber cables’ optical backhaul under Indefeasible Right of Use (IRU) terms published by Infratel Italia S.p.A. on 18 February 2025.

### 3. Analysis:

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

#### **At least additional 18 islands lacking fiber links to the continent provided with ultra-broadband connectivity through new optical backhaul.**

In the context of the fulfilment of the previous milestone M1C2-16, assessed under the third payment request and which concerned the award of public contracts for all five faster connection projects part of the investment, the implementing entity Infratel Italia S.p.A. published a call for tender on 16 February 2022 and subsequently awarded a contract to the company Elettra TLC S.p.A. on 28 April 2022, which was signed on 7 June 2022. This call for tender and the subsequent award of contract and contract signed concerned the provision of ultra-broadband connectivity through the deployment of an optical backhaul on 21 smaller islands lacking fiber links to the continent, 3 islands more than the 18 islands envisaged by target M1C2-19. Such islands and links were the following ones (evidence n. 2):

- 1) Isola D'Elba-Capraia
- 2) Trapani-Levanzo
- 3) Levanzo-Marettimo
- 4) Patti-Vulcano
- 5) Vulcano-Lipari
- 6) Lipari-Salina
- 7) Salina-Filicudi
- 8) Filicudi-Alicudi
- 9) Lipari-Panarea
- 10) Panarea-Stromboli
- 11) Trapani/Marsala-Pantelleria
- 12) Pantelleria-Linosa
- 13) Lampedusa-Linosa
- 14) Palermo-Ustica
- 15) Gaeta-Ponza
- 16) Ponza-Ventotene
- 17) Ventotene-Santo Stefano
- 18) Portofino-San Pietro
- 19) Stintino-Asinara
- 20) San Nicandro Garganico -San Nicola
- 21) San Domino-San Nicola

To provide these 21 islands with ultra-broadband connectivity through a new optical backhaul, 21 marine sub-sections and 42 terrestrial sub-sections were built, for a total of 950 km of cable deployed, out of which 878 km of submarine cable, with a potential of 48 optical fibers.

For each of the 21 islands that were provided with ultra-broadband connectivity through a new optical backhaul, Italy provided certificates of completion. In particular, for each of the 21 islands, Italy provided: (i) two certificates of works completion for each of the corresponding terrestrial sub-sections built, (ii) one certificate of work completion for the corresponding marine sub-section (evidence n. 3). The 42 terrestrial sub-sections deployed extend from the Beach Man Holes (BMH), that represent the point of delimitation between the terrestrial and submarine cables i.e. large-sized wells laid near the beach, until the closest telephone exchange or the NDP (Neutral Delivery Point) already present on the island, in order to guarantee the ultra-fast connection to the national optical backbone of all the telecommunications networks present on the island. These sub-sections were built with traditional terrestrial and aerial construction techniques. The 21 marine sub-sections extend between the BMHs at the two landings of the submarine section and were built through offshore works in open sea with a cable-laying vessel and shore-end works with small-sized boats and the help of divers.

In addition, the new optical backhaul deployed has been made accessible to all operators and Italy provided the wholesale access offer for the access to the Submarine Backhaul Access Points under Indefeasible Right of Use (IRU) terms published by Infratel Italia S.p.A. on 18 February 2025 (evidence n. 5).

Furthermore, in line with the description of the measure, **the “Fast internet connections (Ultra Broadband and 5G)” investment includes the award of concessions and encompasses five faster connection projects:**

**[...] 5. “Connected smaller islands”, which shall provide ultra-broadband connectivity to selected smaller islands lacking fiber links to the continent.**

In 2022, as part of previous milestone M1C2-16, the implementing entity Infratel Italia S.p.A. published a call for tender for the implementation of the “Connected smaller islands” measure and subsequently awarded a contract for the provision of ultra-broadband connectivity through the deployment of an optical backhaul on 21 smaller islands lacking fiber links to the continent. In the context of the fulfilment of target M1C2-19, Italy provided certificates of completion demonstrating that these 21 islands were provided with ultra-broadband connectivity through the deployment of 21 marine sub-sections and 42 terrestrial sub-sections.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

**M1C3-27:** Number of cultural and touristic sites whose requalification reached, on average, 50% of Stato Avanzamento Lavori (SAL)(first batch)

**Related Measure:** M1C3.I4.3: Caput Mundi-Next Generation EU for touristic great events

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 100

**Time:** Q4 2024

### 1. Context:

This measure consists in financing projects aimed at increasing the number of accessible tourist sites, create valid and qualified tourist and cultural alternatives with respect to the crowded central areas, as well as increase the use of digital technologies, enhance green areas and the sustainability of tourism. The investment envisages six lines of interventions:

- a) "Roman Cultural Heritage for EU-Next Generation", covering the regeneration and restoration of cultural and urban heritage and complexes of high historical-architectural value of the city of Rome;
- b) "Jubilee paths" (from pagan to Christian Rome), targeted to the enhancement, safety, anti-seismic consolidation, restoration of places and buildings of historical interest and archaeological pathways;
- c) #LaCittàCondivisa, covering the redevelopment of sites in peripheral areas;
- d) #Mitingodiverde, covering interventions on parks, historical gardens, villas and fountains;
- e) #Roma 4.0, covering the digitalization of cultural services and the development of apps for tourists;
- f) #Amanotesa, aimed at increasing the supply of cultural offer to peripheries for social integration.

Target M1C3-27 requires that 100 cultural sites reached, on average, 50% advancement status of the works, as indicated in by Stato Avanzamento Lavori (SAL).

M1C3-27 is the first Target of this investment and follows the completion of Milestone M1C3-35 which required the signatures of the agreements for six (6) lines of interventions between the Ministry of Tourism, the Municipality of Rome Capital and the other actors involved. Target M1C3-27 will be followed by Target M1C3-36, which requires the conclusion of requalification works for 200 cultural and touristic sites.

### 2. Evidence provided:

1. Summary document duly justifying how the Target (including all the constitutive elements) was satisfactorily fulfilled.
2. Excel file listing the interventions and their percentage in terms of advancement of works.
3. Programme Caput Mundi including the full list of financed interventions.

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

1. Attestation by the Single Responsible of the Procedure (Responsabile Unico Procedimento - RUP) of percentage achieved of the advancement status of the works.
2. Advancement status of the works (Stato Avanzamento Lavori – SAL).
3. Copy of the contracts signed by the implementing body and the company;

4. If available, copy of the certificate of payment.

### **3. Analysis:**

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

**The target shall be achieved when the average requalification progress of 100 cultural and touristic sites reaches 50% of the advancement status indicated in the Stato Avanzamento Lavori (SAL).**

According to the information provided in the cover note, 101 cultural and touristic sites achieved at least 50% of the advancement status indicated in the Stato Avanzamento Lavori (SAL). To verify the achievement of this target, a sample of 60 sites was randomly selected from the total of 101 sites.

Following the selection of a random sample of 60 units, Italy submitted the following documentation: Stato Avanzamento Lavori (SAL), the attestation of the advancement status of the works signed by the RUP, copy of the contract. By dividing the expenditures indicated in the SAL by the total value of the awarded contract, we can obtain the percentage of the requalification works for the site. In case of more interventions per site, the average requalification progress of those interventions was taken into account.

The evidence provided for a sample of 60 units confirmed that this requirement of the target has been met. Specifically, all units analysed have an advancement status equal or greater than 50%, as measured by the SAL.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## [Non-repayable support]

**M2C1-6bis:** Allocation of resources to the beneficiaries as % of the total financial resources assigned to the investment

**Related Measure:** IT-C[M2C1]-I[I2.2] Agri-solar Park

**Quantitative Indicator:** Percentage

**Baseline:** 63.5

**Target:** 100

**Time:** Q4 2024

### 1. Context:

This measure consists in the granting of support to investments on productive structures of the agricultural, livestock and agro-industrial sector, to remove and dispose of the existing roof and construction of a new insulated roof, to create automated ventilation and/or cooling systems and to install solar panels, intelligent management of flows and accumulators.

The target requires to identify beneficiary projects and allocate them resources for a total value amounting to at least 100% of the total financial resources assigned to the investment. The award procedure provides for the disbursement of grants or other incentives to companies that meet the requirements and submit the application.

Target M2C1-6bis is the fourth step of the implementation of the investment, and it follows target M2C1-4, M2C1-5 and M2C1-6, which are about identifying projects amounting to 30%, 32% and 63.5% of the total financial resources respectively. It will be followed by target M2C1-9, which requires at least 1 383 000 (kW) solar power generation capacity installed.

### 2. Evidence provided:

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled
2. Ministerial Decree No. 140119 of 25 March 2022 published in the Gazzetta Ufficiale n. 149 of 28 June 2022, the first call for proposals setting the scope, the financial resources allocated (30% of the initial resources for this investment) and the eligible expenditure for the interventions related to this measure, and updated by Ministerial Decree No. of 14 July 2022 published in the Gazzetta Ufficiale n. 193 of 19 August 2022. Links: [Masaf - Pubblicato in Gazzetta Ufficiale il Decreto Ministeriale che dà avvio all'investimento "Parco Agrisolare"](#)
3. Directorial Decree No. 0362593 of 23 August 2022, detailing the first call for proposals, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252F3%252F5%252FD.ce7a4386fd10d2c07be9/P/BLOB%3AID%3D18486/E/pdf?mode=download>
4. Ministerial Decree No. 211444 of 19 April 2023 published in the Gazzetta Ufficiale n. 152 of 1 July 2023, the second call for proposals setting the scope, the financial resources allocated (50% of the initial resources for this investment) and the eligible expenditure for the interventions related to this measure. Link: [Gazzetta Ufficiale](#)
5. Directorial Decree No. 0386481 of 21 July 2023, detailing the technical rules applicable to the second call for proposals related to interventions under this measure, published on the Ministry of Agriculture's website here: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fe%252F9%252FD.2eed8a4979d7a9fb0e32/P/BLOB%3AID%3D20040/E/pdf?mode=download>

6. Ministerial Decree No. 0176845 of 17 April 2024, published in the Gazzetta Ufficiale n. 197 of 23 August 2024, updating Ministerial Decree N. 211444 of 19 April 2023, the third call for proposals updating the financial allocation of this measure. Link: [MASAF 2024 0176845 173488 decreto di rifinanziamento.pdf](#)
7. Directorial Decree No. 0371689 of 19 August 2024, detailing the third call for proposals, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
8. Directorial Decree No. 0195998 of 5 May 2025 providing the consolidated list of selected beneficiaries for all calls for M2C1 I2.2. Agri-solar Park investment below, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/23061>
9. Directorial Decree No. 654947 of 21 December 2022, setting out the first list of beneficiaries on the Ministry of Agriculture's website: [Masaf - Decreto recante elenco dei destinatari ammessi a finanziamento con fondi afferenti al Piano Nazionale di Ripresa e Resilienza \(PNRR\) - Missione 2 Componente 1 \(M2C1\) - Investimento 2.2 - Parco Agrisolare, finanziato dall'Unione Europea.](#)
10. Directorial Decree No. 186430 of 30 March 2023, setting out the list of beneficiaries, published on the Ministry of Agriculture's website
11. Directorial Decree No. 384020 of 20 July 2023, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
12. Directorial Decree No. 579820 of 18 October 2023, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
13. Directorial Decree No. 693994 of 18 December 2023, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
14. Directorial Decree No. 50238 of 1 February 2024, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
15. Directorial Decree No. 100958 of 29 February 2024, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
16. Directorial Decree No. 208489 of 10 May 2024, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeAttachment.php/L/IT/D/1%252Fb%252F6%252FD.c8b9fc1e19a319edc5b0/P/BLOB%3AID%3D21980/E/pdf?mode=download>
17. Directorial Decree No. 277199 of 20 June 2024, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: [Masaf - Decreto recante elenco di ulteriori destinatari ammessi a finanziamento con fondi afferenti al Piano Nazionale di Ripresa e Resilienza \(PNRR\) - Missione 2 Componente 1 \(M2C1\) Investimento 2.2 - Parco Agrisolare, finanziato dall'Unione Europea, e rinunce \(20 giugno 2024\)](#)
18. Directorial Decree No. 461274 of 18 September 2024, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/22072>
19. Directorial Decree No. 604085 of 15 November 2024, setting out the the additional list of beneficiaries, published on the Ministry of Agriculture's website:

20. Directorial Decree No. 629350 of 28 November 2024, setting out the the additional list of beneficiaries, published on the the Ministry of Agriculture's website: <https://www.masaf.gov.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/22322>
21. Directorial Decree No. 658176 of 13 December 2024, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website
22. Directorial Decree No. 22997 of 20 January 2025, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website
23. Directorial Decree No. 53836 of 06 February 2025, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website
24. Directorial Decree No. 077701 of 19 February 2025, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website
25. Directorial Decree No. 186593 of 28 April 2025, setting out the additional list of beneficiaries, published on the Ministry of Agriculture's website

### 3. Analysis:

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

**Identification of beneficiary projects whose total value amount at least 100% of the additional financial resources assigned to the investment. The award procedure provides for the disbursement of grants or other incentives to companies that meet the requirements and submit the application.**

Article 1 of Directorial Decree No. 0195998 of 5 May 2025 (evidence viii) adopts the consolidated list of beneficiaries which identified a total of 22 924 beneficiary projects, net of withdrawals, for EUR 2.358.440.623,85 corresponding to 100.4% of the financial resources assigned to the investment. The complete list is provided under Annex 1 to this Decree, and includes the name of the beneficiaries, region, type of activity and maximum financial contribution. Beneficiaries were selected under three calls for proposals: the first call for proposals No. 0362593 of 23 August 2022 (evidence iii), the second call 0386481 of 21 July 2023 (evidence v), and the third call No. 0371689 of 19 August 2024 (evidence vii). Companies which apply to these calls for proposals and are selected are awarded grants for the construction of photovoltaic plants on productive buildings in the agricultural, agroindustrial and livestock sectors (Article 2 (1), Ministerial Decree No. 140119 of 25 March 2022, evidence ii). Ministerial Decree of 25 March 2022, Article 5 (2) (evidence No. ii), Ministerial Decree No. 211444 of 19 April 2023, Article 5 (2) (evidence No. iv), and Ministerial Decree N. 176845 of 17 April 2024, Article 2 (3) (evidence No. vi), provide that the support will be in the form of grants.

The directorial decree No. 0195998 of 5 May 2025 (evidence viii) consolidates the beneficiaries selected in several previous directorial decrees (evidence ix-xxv):

- Directorial Decree No. 654947 of 21 December 2022,
- Directorial Decree No. 186430 of 30 March 2023,
- Directorial Decree No. 384020 of 20 July 2023,
- Directorial Decree No. 579820 of 18 October 2023,
- Directorial Decree No. 693994 of 18 December 2023,
- Directorial Decree No. 50238 of 1 February 2024,
- Directorial Decree No. 100958 of 29 February 2024,
- Directorial Decree No. 208489 of 10 May 2024,
- Directorial Decree No. 277199 of 20 June 2024,

- Directorial Decree No. 461274 of 18 September 2024,
- Directorial Decree No. 604085 of 15 November 2024,
- Directorial Decree No. 629350 of 28 November 2024,
- Directorial Decree No. 658176 of 13 December 2024,
- Directorial Decree No. 22997 of 20 January 2025,
- Directorial Decree No. 53836 of 06 February 2025,
- Directorial Decree No. 077701 of 19 February 2025,
- Directorial Decree No. 186593 of 28 April 2025.

**This measure consists in the granting of support to investments on productive structures of the agricultural, livestock and agro-industrial sector, to remove and dispose of the existing roof and construction of a new insulated roof, to create automated ventilation and/or cooling systems and to install solar panels, intelligent management of flows and accumulators.**

The investment has been implemented through three subsequent procedures, each launched by a Ministerial Decree and implemented via a call through Directorial decree. Ministerial Decree No. 140119 of 25 March 2022 (first procedure, evidence ii) under Article 6 (1), Ministerial Decree No. 211444 of 19 April 2023 (second procedure, evidence iv) under Article 2 (4), and Ministerial Decree No. 0176845 of 17 April 2024 (third procedure, evidence vi) under Article 1 (5) set out the scope of eligible projects for this measure. These ministerial decrees in the abovementioned articles specify that all interventions eligible (to be carried out on the roofs of buildings instrumental to agricultural, livestock and agro-industrial activities) must include the installation of photovoltaic systems. In addition, other interventions are eligible. In particular the articles mentioned above of the three decrees specify the following: Paragraph (a) refers to the removal and disposal of asbestos (from roofs, in compliance with the national sector legislation in force; paragraph; (b) to the construction of new thermally insulated roofs, which shall include a technical report on the degree of insulation envisaged based on the specific production uses of the building; and (c) refers to the set-up of an aeration system connected to the replacement of the roof, including a report on envisaged aeration system based on the production use of the building, to ensure ventilation and/or cooling. Article 6(3) specifies the type of expenditure eligible for each category of intervention, including under paragraph a) accumulators and acquisition of software for the intelligent management of flows.

Directorial Decree No. 0362593 of 23 August 2022, Annex A (first procedure, evidence iii), Directorial Decree No. 0386481 of 21 July 2023, Annex A (second procedure, evidence v), and Directorial Decree No. 0371689 of 19 August 2024, Annex A (third procedure, evidence vii), have published the operational guidelines (“Regolamento Operativo”) that provide further details with respect to the operational characteristics of the beneficiaries (Chapter 2) and eligible types of interventions (Chapter 4).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Non-repayable support

### M2C1-7: Publication of final rankings with identification of the final recipients

**Related Measure:** IT-C[M2C1]-I[I2.3] Innovation and mechanization in the agricultural and food sectors

**Quantitative Indicator:** N/A

**Baseline:** 0

**Target:** 10 000

**Time:** Q4 2024

#### 1. Context:

This measure consists in the granting of support to investments in tangible and intangible assets aimed at agricultural innovation and mechanization, notably off-road machinery, and innovation in the processes of transformation, storage and packaging of extra virgin olive oil.

The target consists of the identification of at least 10 000 final recipients for investment in innovation in the circular economy and bio-economy. The investments shall regard at least one of the following: (i) Replacement of more polluting off-road vehicles, (ii) Introduction of precision Farming and machinery for agriculture 4.0, and (iii) Replacement of more obsolete facilities for olive mills.

Target M2C1-7 is the first step of the implementation of the investment. It will be followed by target M2C1-8 related to having at least 15 000 final recipients having received support for paid investment in innovation in the circular economy and bioeconomy following the completion of projects, which completes the investment.

#### 2. Evidence provided:

1. Ministerial Decree of the Ministry of Agricultural, Food and Forestry Policies n. 149582 of 31 March 2022, containing the national framework call for tenders concerning the criteria and procedures for the granting and disbursement of aid for the modernisation of oil mills in implementation of mission 2 component 1, Investment 2.3 - Innovation and mechanisation in the agricultural and food sector, of the Italian Recovery and Resilience Plan.
2. Ministerial Decree of the Ministry of Agriculture, Food Sovereignty and Forestry n. 413219 of 8 August 2023, defining the procedures for issuing regional tenders, intended for the sub-measure "modernisation of agricultural machinery" of mission 2 component 1, Investment 2.3 - Innovation and mechanisation in the agricultural and food sector, of the Italian Recovery and Resilience Plan.
3. Executive Decree of the Regional Council of Abruzzo n. DPD018/588 of 13 October 2023 approving the public notice for the investment "Modernisation of oil mills".
4. Executive Decree of the Regional Council of Abruzzo n. DPD018/555 of 21 October 2024 approving the final ranking of beneficiaries for the investment "Modernisation of oil mills" and the annex to the Executive Decree with the final ranking of beneficiaries.
5. Executive Decree of the Regional Council of Abruzzo n. DPD018/113 of 17 April 2024, modifying Executive Decree n. DPD018/744 of 29 December 2023, approving the public notice for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques".
6. Executive Decree of the Regional Council of Abruzzo n. DPD018/532 of 7 October 2024, rectifying Executive Decree n. DPD018/521 of 30 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques".
7. Resolution of the Regional Council of Basilicata n. 670 of 27 October 2023, approving the public notice for the investment "Modernisation of oil mills".

8. Executive Decree of the Region of Basilicata n. 864 of 2 July 2024 approving the final ranking of beneficiaries for the investment “Modernisation of oil mills”, and the annex of the Executive Decree with the final ranking of beneficiaries.
9. Resolution of the Regional Council of Basilicata n. 17 of 16 January 2024, rectifying Resolution n. 913 of 22 December 2023, approving the public notice for the investment “Modernisation of agricultural machinery”.
10. Executive Decree of the Region of Basilicata n. 1387 of 26 November 2024, adding to Executive Decree n. 1170 of 30 September 2024, approving the final ranking of beneficiaries for the investment “Modernisation of agricultural machinery”.
11. Resolution of the Provincial Council of the Autonomous Province of Bolzano – South Tyrol n. 1188 of 29 December 2023, approving the public notice for the investment “Modernisation of agricultural machinery enabling the introduction of precision farming techniques”.
12. Decree of the Autonomous Province of Bolzano – South Tyrol n. 20588 of 15 November 2024, modifying Decree n. 16046 of 25 September 2024, approving the final ranking of beneficiaries for the investment “Modernisation of agricultural machinery enabling the introduction of precision farming techniques”.
13. Executive Decree of the Regional Council of Calabria n. 15379 of 26 October 2023 approving the public notice for the investment “Modernisation of oil mills”.
14. Executive Decree of the Regional Council of Calabria n. 12952 of 17 September 2024, modifying Executive Decree n. 11805 of 12 August 2024, approving the final ranking of beneficiaries for the investment “Modernisation of oil mills”, followed by Communication n. 608287 of 18 November 2024 communicating on the final financed recipients.
15. Executive Decree of the Regional Council of Calabria n. 20311 of 28 December 2023 approving the public notice for the investment “Modernisation of agricultural machinery that allows the introduction of precision farming techniques”.
16. Executive Decree of the Regional Council of Calabria n. 13585 of 30 September 2024 approving final ranking of beneficiaries for the investment “Modernisation of agricultural machinery that allows the introduction of precision farming techniques”.
17. Executive Decree of the Regional Council of the Region of Campania n. 645 of 31 October 2023 approving the public notice for the investment “Modernisation of oil mills”.
18. Executive Decree of the Regional Council of the Region of Campania n. 357 of 11 June 2024, rectifying Executive Decree n. 335 of 31 May 2024, approving the final ranking of beneficiaries for the investment “Modernisation of oil mills”.
19. Executive Decree of the Regional Council of the Region of Campania n. 965 of 27 December 2023, modified by Executive Decrees 39 of 26 January 2024 and 193 of 28 March 2024, approving the public notice for the investment “Modernisation of agricultural machinery that allows the introduction of precision farming techniques”.
20. Executive Decree of the Regional Council of the Region of Campania n. 562 of 10 September 2024 approving the final ranking of beneficiaries for the investment “Modernisation of agricultural machinery that allows the introduction of precision farming techniques”.
21. Resolution of the Regional Council of Emilia-Romagna no. 1816 of 23 October 2023 approving the public notice for the investment “Modernisation of oil mills”.
22. Executive Decree of the Region of Emilia-Romagna n. 11036 of 30 May 2024 approving the final ranking of beneficiaries for the investment “Modernisation of oil mills”, followed by Communication n. 606047 of 11 November 2024 on the final financed recipients.
23. Resolution of the Regional Council of Emilia-Romagna n. 2245 of 18 December 2023, modified by Resolution n. 197 of 5 February 2024, approving the public notice for the investment “Modernisation of agricultural machinery”.
24. Executive Decree of the Region of Emilia-Romagna n. 20064 of 27 September 2024, approving the final ranking of beneficiaries for the investment “Modernisation of agricultural machinery”, followed by Communication n. 606047 of 11 November 2024 on the final financed recipients.
25. Resolution of the Regional Council of the Autonomous Region of Friuli-Venezia Giulia n. 965 of 23 June 2023 approving the public notice for the investment “Modernisation of oil mills”, and the annex of the Resolution with the public notice.

26. Executive Decree of the Autonomous Region of Friuli-Venezia Giulia n. 14578 of 27 March 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills", and the annex of the Executive Decree with the final ranking of beneficiaries.
27. Resolution of the Regional Council of the Autonomous Region of Friuli-Venezia Giulia n. 1292 of 22 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques", and the annex of the Resolution with the public notice.
28. Executive Decree of the Autonomous Region of Friuli-Venezia Giulia n. 45743 of 26 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques", and the annex of the Executive Decree with the final ranking of beneficiaries.
29. Executive Decree of the Region of Lazio n. G14303 of 30 October 2023 approving the public notice for the investment "Modernisation of oil mills".
30. Executive Decree of the Region of Lazio n. G07604 of 10 June 2024 approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
31. Executive Decree of the Region of Lazio n. G17480 of 27 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery".
32. Executive Decree of the Region of Lazio n. G15279 of 18 November 2024, rectifying Executive Decree n. G13225 of 7 October 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery".
33. Resolution of the Regional Council of Liguria n. 272 of 28 March 2023 approving the public notice for the investment "Modernisation of oil mills".
34. Executive Decree of the Regional Council of Liguria n. 3614 of 30 May 2024 approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
35. Resolution of the Regional Council of Liguria n. 1292 of 22 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery".
36. Executive Decree of the Regional Council of Liguria n. 6374 of 30 September 2024 approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery".
37. Executive Decree of the Region of Lombardy n. 16656 of 27 October 2023 approving the public notice for the investment "Modernisation of oil mills".
38. Executive Decree of the Region of Lombardy n. 8040 of 27 May 2024 approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
39. Executive Decree of the Region of Lombardy n. 20824 of 27 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery".
40. Executive Decree of the Region of Lombardy n. 14477 of 30 September 2024 approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery".
41. Executive Decree of the Regional Council of Marche n. 383 of 3 November 2023 approving the public notice for the investment "Modernisation of oil mills", and the annex of the Executive Decree with the public notice.
42. Executive Decree of the Regional Council of Marche n. 187 of 29 May 2024, modified by Executive Decree n. 438 of 9 December 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills", and the annex of the Executive Decree with the final ranking of beneficiaries.
43. Executive Decree of the Regional Council of Marche n. 474 of 28 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery", and the annex of the Executive Decree with the public notice.
44. Executive Decree of the Regional Council of Marche n. 319 of 7 October 2024 approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery", and the annex of the Executive Decree with the final ranking of beneficiaries.
45. Executive Decree of the Region of Molise n. 88 of 31 October 2023 approving the public notice for the investment "Modernisation of oil mills", and the annex of the Executive Decree with the public notice.
46. Executive Decree of the Region of Molise n. 2948 of 30 May 2024 approving the final ranking of beneficiaries for the investment "Modernisation of oil mills", and the annex of the Executive Decree with the final ranking of beneficiaries.
47. Executive Decree of the Region of Molise n. 94 of 29 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques", and the annex of the Executive Decree with the public notice.

48. Executive Decree of the Region of Molise n. 5318 of 20 September 2024 approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques", and the annex of the Executive Decree with the final ranking of beneficiaries.
49. Executive Decree of the Region of Piedmont n. 1203 of 27 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques".
50. Executive Decree of the Region of Piedmont n. 951 of 3 December 2024, rectifying Executive Decree n. 885 of 15 November 2024, modifying Executive Decree n. 742 of 25 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques".
51. Executive Decree of the Region of Apulia n. 478 of 27 October 2023, approving the public notice for the investment "Modernisation of oil mills".
52. Executive Decree n. 156 of 25 September 2024, modified by Executive Decree of the Region of Apulia n. 159 of 2 October 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
53. Executive Decree of the Region of Apulia n. 561 of 22 December 2023, modified by Executive Decree n. 159 of 18 April 2024, approving the public notice for the investment "Modernisation of agricultural machinery".
54. Executive Decree of the Region of Apulia n. 175 of 14 November 2024, complemented by Executive Decree n. 192 of 27 November 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery".
55. Executive Decree of the Autonomous Region of Sardinia n. 944 of 31 October 2023, modified by Executive Decrees n. 41 of 15 January 2024 and n. 574 of 17 May 2024, approving the public notice for the investment "Improving the sustainability of the extra virgin olive oil transformation process", and the annexes of the Executive Decrees n. 944 of 31 October 2023 and n. 41 of January 2024 with the public notices.
56. Executive Decree of the Autonomous Region of Sardinia n. 5905 of 15 October 2024, rectifying Executive Decree n. 3743 of 20 June 2024, and modifying Executive Decree n. 3352 of 30 May 2024, approving the final ranking of beneficiaries for the investment "Improving the sustainability of the extra virgin olive oil transformation process", and the annexes of the Executive Decrees with the final ranking of beneficiaries.
57. Executive Decree of the Autonomous Region of Sardinia n. 1405 of 29 December 2023, modified by Executive Decrees n. 537 of 9 May 2024 and n. 862 of 8 July 2024, approving the public notice for the investment "Modernisation of agricultural machinery", and the annexes of the Executive Decrees n. 1405 and n. 537 with the public notices.
58. Executive Decree of the Autonomous Region of Sardinia n. 5980 of 17 October 2024, rectifying Executive Decree n. 5595 of 30 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery", and the annexes of the Executive Decrees with the final ranking of beneficiaries.
59. Executive Decree of the Autonomous Region of Sicily n. 4575 of 28 September 2023 approving the public notice for the investment "Modernisation of oil mills", and the annex of the Executive Decree with the public notice.
60. Executive Decree of the Autonomous Region of Sicily n. 4924 of 10 July 2024 approving the final ranking of beneficiaries for the investment "Modernisation of oil mills" and the annex of the Executive Decree with the final ranking of beneficiaries.
61. Executive Decree of the Autonomous Region of Sicily n. 7056 of 21 December 2023 approving the public notice for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques", and the annex of the Executive Decree with the public notice.
62. Executive Decree of the Autonomous Region of Sicily n. 7197 of 7 October 2024 approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques", and the annex of the Executive Decree with the final ranking of beneficiaries.
63. Executive Decree of the Region of Tuscany n. 22742 of 19 October 2023, modified by Executive Decree n. 26374 of 12 December 2023, approving the public notice for the investment "Modernisation of oil mills", and the annex of the Executive Decree n. 22742 with the public notice.
64. Executive Decree of the Region of Tuscany n. 24572 of 6 November 2024, which rectifies Executive Decrees n. 12113 of 3 June 2024, n. 12543 of 7 June 2024, n. 15050 of 3 July 2024 and n. 22755 of 7 October 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills" and the annex of the Executive Decrees with the final ranking of beneficiaries.
65. Executive Decree of the Region of Tuscany n. 26952 of 30 November 2023, modified by Executive Decree 8422 of 18 April 2024, approving the public notice for the investment "Modernisation of agricultural machinery that

- allows the introduction of precision farming techniques”, and the annex of the Executive Decree n. 26952 with the public notice.
66. Executive Decree of the Region of Tuscany n. 21820 of 30 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques", and the annex of the Executive Decree with the final ranking of beneficiaries.
  67. Resolution of the Autonomous Province of Trento n. 2086 of 20 October 2023, modified by Resolution n. 1204 of 2 August 2024, approving the public notice for the investment "Modernisation of oil mills".
  68. Executive Decree of the Autonomous Province of Trento n. 5284 of 23 May 2024, modifying Executive Decree n. 4894 of 14 May 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
  69. Resolution of the Autonomous Province of Trento n. 2396 of 21 December 2023, modified by Resolution 695 of 17 May 2024 and 1489 of 20 September 2024, approving the public notice for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques".
  70. Executive Decree of the Autonomous Province of Trento n. 12420 of 15 November 2024, modifying Executive Decree n. 10470 of 30 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques".
  71. Executive Decree of the Region of Umbria n. 10786 of 17 October 2023, approving the public notice for the investment "Modernisation of oil mills".
  72. Executive Decree of the Region of Umbria n. 8599 of 6 August 2024, modifying Executive Decree n. 5759 of 30 May 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
  73. Executive Decree of the Region of Umbria n. 13856 of 21 December 2023, approving the public notice for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques".
  74. Executive Decree of the Region of Umbria n. 12822 of 3 December 2024, modifying Executive Decree n. 10378 of 30 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques", and the annex of the Executive Decree with the final ranking of beneficiaries.
  75. Resolution of the Regional Council of the Aosta Valley, adopted on 22 December 2023, approving the public notice for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques".
  76. Executive Provision of the Department of Agriculture of the Autonomous Region of the Aosta Valley n. 6683 of 22 November 2024, amending Executive Provision n. 5215 of 30 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques".
  77. Resolution of the Regional Council of the Region of Veneto n. 1234 of 10 October 2023, modified by Resolution n. 1636 of 22 December 2023, approving the public notice for the investment "Modernisation of oil mills", and the annex of Resolution n. 1234/2023 with the public notice.
  78. Venetian Agency for Payments (*Agenzia veneta per i pagamenti*, AVEPA) Avepa Executive Decree of the Region of Veneto n. 236848 of 15 July 2024, approving the final ranking of beneficiaries for the investment "Modernisation of oil mills".
  79. Resolution of the Regional Council of the Region of Veneto n. 1599 of 19 December 2023, modified by Resolution n. 76 of 29 January 2024, approving the public notice for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques".
  80. Avepa Executive Decrees n. 170, n. 171 and n. 172 of 25 September 2024, n. 190, n. 191 and n. 192 of 26 September 2024 and n. 253 of 29 October 2024, amending n. 193 of 27 September 2024, approving the final ranking of beneficiaries for the investment "Modernisation of agricultural machinery enabling the introduction of precision farming techniques".
  81. Summary document duly justifying how the target was satisfactorily fulfilled.

### 3. Analysis:

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

## Identification of at least 10 000 final recipients for investment in innovation in the circular economy and bio-economy.

The evidence submitted by the authorities of the Italian regions, autonomous regions, and autonomous provinces, composed of Executive Decrees and Resolution of regions, autonomous regions, and autonomous provinces approving the public notice for the investments and the final ranking of beneficiaries for the investments, confirms that at least 10 000 final recipients for investment in innovation in the circular economy and bio-economy have been identified. The investment relates to investment 2.3 “Innovation and mechanization in the agricultural and food sector” related to mission 2, component 1 of the Italian RRP, which aims, in line with the criteria of circular economy and bio-economy at the following actions: reduce the carbon footprint generated by agriculture, reduce waste, reduce waste output and promote its reuse for energy purposes, increase environmental sustainability of companies, reduce use of plant protection products and fertilizers, adhere to standardised bio-quality system, preserve bio-diversity and protection of ecosystems (Art. 1, 3 and 8 of Ministerial Decree n. 149582 of 31 March 2022, (evidence no. 1) and Art. 8 of Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2)).

The investment is further divided into two sub-measures, which are the “Modernisation of oil mills” and the “Modernisation of agricultural machinery enabling the introduction of precision farming techniques” or “Modernisation of agricultural machinery”, for which public notices have been published respectively by the Italian regions, autonomous regions, and autonomous provinces. In total, 11173 recipients across the latter have been identified in regional and provincial final rankings, in line with the requirements set in the regional and provincial public notices.

Art. 4 of the Ministerial Decree n. 149582 of 31 March 2022 (evidence no. 1) and Art. 3(1) of the Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2) specify that regions and autonomous provinces are, *inter alia*, competent for the collection and screening of applications of beneficiaries for support and payment, on the basis of the general criteria for the selection of interventions defined by the Ministry. The final beneficiaries are therefore being identified at regional and provincial level (Art. 9 of the Ministerial Decree n. 149582 of 31 March 2022 (evidence no. 1) and Art. 8 of the Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2)). An overview of the final recipients for the investments in the “Modernisation of oil mills” and the “Modernisation of agricultural machinery enabling the introduction of precision farming techniques” or “Modernisation of agricultural machinery” is provided below, and further detailed in the subsequent paragraphs of this section:

| Region/ Autonomous Province | Number of beneficiaries identified for “Modernisation of oil mills” | Number of beneficiaries identified for “Modernisation of agricultural machinery enabling the introduction of precision farming techniques” or “Modernisation of agricultural machinery” |
|-----------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Abruzzo                     | 51                                                                  | 261                                                                                                                                                                                     |
| Basilicata                  | 30                                                                  | 686                                                                                                                                                                                     |
| Bolzano                     | 0                                                                   | 746                                                                                                                                                                                     |
| Calabria                    | 77                                                                  | 87                                                                                                                                                                                      |
| Campania                    | 26                                                                  | 602                                                                                                                                                                                     |
| Emilia-Romagna              | 6                                                                   | 572                                                                                                                                                                                     |
| Friuli Venezia Giulia       | 2                                                                   | 272                                                                                                                                                                                     |
| Lazio                       | 42                                                                  | 267                                                                                                                                                                                     |
| Liguria                     | 16                                                                  | 19                                                                                                                                                                                      |
| Lombardy                    | 5                                                                   | 1181                                                                                                                                                                                    |
| Marche                      | 14                                                                  | 445                                                                                                                                                                                     |
| Molise                      | 18                                                                  | 94                                                                                                                                                                                      |
| Piedmont                    | 0                                                                   | 985                                                                                                                                                                                     |

|              |    |      |
|--------------|----|------|
| Apulia       | 76 | 570  |
| Sardinia     | 18 | 164  |
| Sicily       | 48 | 950  |
| Tuscany      | 43 | 292  |
| Trento       | 3  | 999  |
| Umbria       | 33 | 321  |
| Aosta Valley | 0  | 66   |
| Veneto       | 15 | 1071 |

In the region of Abruzzo, a total of 312 final beneficiaries have been identified. From these, 51 have been admitted for the investment "Modernisation of oil mills", following the approval and publication of the public notice through the adoption of the Executive Decree of the Regional Council of Abruzzo n. DPD018/588 of 13 October 2023 (evidence no. 3). The Executive Decree n. DPD018/555 of 21 October 2024 approves the final ranking of 51 admitted applications for this investment (evidence no. 4). Furthermore, 261 final beneficiaries were identified for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques" following the approval and publication of the public notice through the adoption of the Executive Decree n. DPD018/113 of 17 April 2024, modifying Executive Decree n. DPD018/744 of 29 December 2023 (evidence no. 5). The Executive Decree n. DPD018/532 of 7 October 2024, rectifying Executive Decree n. DPD018/521 of 30 September 2024, approves the final ranking of 261 admitted applications (evidence no. 6).

In the region of Basilicata, a total of 716 final beneficiaries have been identified. From these 30 final beneficiaries have been admitted for investments related to the "Modernisation of oil mills". It follows the approval and publication of the public notice through the adoption of the Resolution of the Regional Council of Basilicata n. 670 of 27 October 2023 (evidence no. 7). The Executive Decree of the Region of Basilicata n. 864 of 2 July 2024 approves the final ranking of 30 admitted applications (evidence no. 8). Moreover, 686 final beneficiaries were identified for the investment "Modernisation of agricultural machinery", following the approval and publication of the public notice through the adoption of the Resolution n. 17 of 16 January 2024, rectifying Resolution n. 913 of 22 December 2023 (evidence no. 9). The Executive Decree n. 1387 of 26 November 2024, adding to Executive Decree n. 1170 of 30 September 2024, approves the final ranking of 686 admitted applications (evidence no. 10).

In the autonomous province of Bolzano (autonomous region of Trentino-South Tyrol), a total of 746 final beneficiaries have been identified for investments in the "Modernisation of agricultural machinery enabling the introduction of precision farming techniques", following the approval and publication of the public notice through the adoption of the Resolution of the Provincial Council of the Autonomous Province of Bolzano – South Tyrol n. 1188 of 29 December 2023 (evidence no. 11). The Decree of the Autonomous Province of Bolzano – South Tyrol n. 20588 of 15 November 2024, modifying Decree n. 16046 of 25 September 2024, approves the final ranking of 746 admitted applications (evidence no. 12).

In the region of Calabria, a total of 164 final beneficiaries have been identified. From these, 77 have been admitted for the financing of the investment "Modernisation of oil mills" following the approval and publication of the public notice through the adoption of the Executive Decree of the Regional Council of Calabria n. 15379 of 26 October 2023 (evidence no. 13). In the Executive Decree n. 12952 of 17 September 2024, modifying Executive Decree n. 11805 of 12 August 2024, 98 admissible recipients are identified and approved. In the communication n. 608297 of 18 November 2024, the region of Calabria informs on the final ranking of the 77 financed applications (evidence no. 14). Furthermore, 87 final beneficiaries were identified for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques". It follows the approval and publication of the public notice through the adoption of the Executive Decree n. 20311 of 28 December 2023 (evidence no. 15). The Executive Decree n. 13585 of 30 September 2024 approves the final ranking of the 87 admitted applications (evidence no. 16).

In the region of Campania, a total of 628 final beneficiaries have been identified. From these, 26 have been admitted for the investment "Modernisation of oil mills" following the approval and publication of the public notice through the adoption of the Executive Decree of the Regional Council of the Region of Campania n. 645 of 31 October 2023

(evidence no. 17). The Executive Decree n. 357 of 11 June 2024, rectifying the Executive Decree n. 335 of 31 May 2024, approves the final ranking of the 26 admitted applications (evidence no. 18). Furthermore, 602 final beneficiaries were identified for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques" following the approval and publication of the public notice by the Executive Decree n. 965 of 27 December 2023, modified by Executive Decree n. 39 of 26 January 2024 and n. 193 of 28 March 2024 (evidence no. 19). Executive Decree n. 562 of 10 September 2024 approves the final ranking of the 602 admitted applications (evidence no. 20).

In the region of Emilia-Romagna, a total of 578 final beneficiaries have been identified. From these, 6 beneficiaries have been admitted for the financing for the investment "Modernisation of oil mills", following the approval and publication of the public notice through the adoption of the Resolution of the Regional Council of Emilia-Romagna no. 1816 of 23 October 2023 (evidence no. 21). In the Executive Decree of the Region of Emilia-Romagna n. 11036 of 30 May 2024, 7 admissible recipients are identified and approved. In the communication n. 606047 of 11 November 2024 the region of Emilia Romagna informs on the final 6 admitted and financed applications (evidence no. 22). Moreover, 572 final beneficiaries were identified for the investment "Modernisation of agricultural machinery" through the adoption of Resolution n. 2245 of 18 December 2023, modified by Resolution n. 197 of 5 February 2024 (bundle as one evidence no. 23). The Executive Decree n. 20064 of 27 September 2024 approves the final ranking of the 573 admitted applications. In the communication n. 606047 of 11 November 2024 the region of Emilia Romagna informs on the final ranking of the 572 admitted and financed applications, following the withdrawal of one applicant (evidence no. 24).

In the autonomous region of Friuli-Venezia Giulia, a total of 274 final beneficiaries have been identified. From these, 2 beneficiaries have been admitted for the investment "Modernisation of oil mills" following the approval and publication of the public notice of 23 June 2023 through the adoption of the Resolution of the Regional Council of the Autonomous Region of Friuli-Venezia Giulia n. 965 of 23 June 2023 (evidence no. 25). The Executive Decree of the Autonomous Region of Friuli-Venezia Giulia n. 14578 of 27 March 2024 approves the final ranking of the 2 admitted applications for funding (evidence no. 26). Further, 272 final beneficiaries were identified for the investment "Modernisation of agricultural machinery that allows the introduction of precision farming techniques" following the approval and publication of the public notice through the adoption of the Resolution n. 1292 of 22 December 2023 (evidence no. 27). The Executive Decree n. 45743 of 26 September 2024 approves the final ranking of 272 admitted applications (evidence no. 28).

In the region of Lazio, a total of 309 final beneficiaries have been identified. From these, 42 final beneficiaries have been admitted for the investment "Modernisation of oil mills", following the approval and publication of the public notice through the adoption of the Executive Decree Region of Lazio n. G14303 of 30 October 2023 (evidence no. 29). The Executive Decree of the Directorate for Agriculture and Food Sovereignty, Hunting and Fishing, and Forestry of the Region of Lazio n. G07604 of 10 June 2024 approves the final ranking of the 42 admitted applications (evidence no. 30). Furthermore, 267 final beneficiaries were identified for the investment "Modernisation of agricultural machinery", following the approval and publication of the public notice through the adoption of the Executive Decree of the forementioned Directorate n. G17480 of 27 December 2023 (evidence no. 31). The Executive Decree n. G15279 of 18 November 2024, rectifying Executive Decree n. G13225 of 7 October 2024, approves the final ranking of the 267 admitted applications (evidence no. 32).

In the region of Liguria, a total of 35 final beneficiaries have been identified. From these, 16 final beneficiaries have been admitted for the investment "Modernisation of oil mills", following the approval and publication of the public notice through the adoption of the Resolution of the Regional Council of Liguria n. 272 of 28 March 2023 (evidence no. 33). The Executive Decree of the Regional Council n. 3614 of 30 May 2024 approves the final ranking of the 16 admitted applications (evidence no. 34). Moreover, 19 final beneficiaries were identified for the investment in the "Modernisation of agricultural machinery", following the approval and publication of the public notice through the adoption of the Resolution of the Regional Council n. 1292 of 22 December 2023 (evidence no. 35). The Executive Decree of the Regional Council n. 6374 of 30 September 2024 approves the final ranking of the 19 admitted applications (evidence no. 36).

In the region of Lombardy (Lombardia), a total of 1186 final beneficiaries have been identified. From these, 5 final beneficiaries have been admitted for the investment "Modernisation of oil mills", following the approval and publication of the public notice through the adoption of the Executive Decree of the Region of Lombardy n. 16656 of 27 October 2023 (evidence no. 37). The Executive Decree n. 8040 of 27 May 2024 approves the final ranking of the 5 admitted applications (evidence no. 38). Moreover, 1181 final beneficiaries were identified for the investment "Modernisation of agricultural machinery", following the approval and publication of the public notice through the adoption of the Executive Decree n. 20824 of 27 December 2023 (evidence no. 39). The Executive Decree n. 14477 of 30 September 2024 approves the final ranking of the 1181 admitted applications (evidence no. 40).

In the region of Marche, a total of 459 final beneficiaries have been identified. From these, 14 final beneficiaries have been admitted for the investment "Modernisation of oil mills". It follows the publication of the public notice for the year 2023, approved through the adoption of the Executive Decree of the Regional Council of Marche n. 383 of 3 November 2023 (evidence no. 41). The Executive Decree n. 187 of 29 May 2024, modified by Executive Decree n. 438 of 9 December 2024, approves the final ranking of 14 admitted applications for this investment eligible for funding (evidence no. 42). Furthermore, 445 final beneficiaries were identified for the investment "Modernisation of agricultural machinery". It follows the publication of the public notice for the year 2023, approved through the adoption of the Executive Decree n. 474 of 28 December 2023 (evidence no. 43). The Executive Decree n. 319 of 7 October 2024 approves the 445 admitted applications for this investment (evidence no. 44).

In the region of Molise, a total of 112 final beneficiaries have been identified. From these, 18 final beneficiaries have been admitted for the investment "Modernisation of oil mills", following the public notice for the year 2023, approved by the Executive Decree of the Region of Molise n. 88 of 31 October 2023 (evidence no. 45). The Executive Decree n. 2948 of 30 May 2024 approves the final ranking of the 18 applications admitted and eligible for funding (evidence no. 46). Furthermore, 94 final beneficiaries were identified for the investment in the "Modernisation of agricultural machinery that allows the introduction of precision farming techniques", following the public notice for the year 2023, approved by the Executive Decree n. 94 of 29 December 2023 (evidence no. 47). The Executive Decree n. 5318 of 20 September 2024 approves the final ranking of the 94 admitted applications (evidence no. 48).

In the region of Piedmont (Piemonte), a total of 985 final beneficiaries have been identified for the investment in the "Modernisation of agricultural machinery enabling the introduction of precision farming techniques", following the approval and publication of the public notice through the adoption of the Executive Decree of the Region of Piedmont n. 1203 of 27 December 2023 (evidence no. 49). The Executive Decree n. 951 of 3 December 2024, rectifying Executive Decree n. 885 of 15 November 2024 modifying Executive Decree n. 742 of 25 September 2024, approves the final ranking of the 985 admitted applications (evidence no. 50).

In the region of Apulia (Puglia), a total of 646 final beneficiaries have been identified. From these, 76 final beneficiaries have been admitted for the investment "Modernisation of oil mills", following the approval and publication of the public notice through the Executive Decree of the Region of Apulia n. 478 of 27 October 2023 (evidence no. 51). The Executive Decree n. 156 of 25 September 2024, modified by Executive Decree n. 159 of 2 October 2024 approves the final ranking of the 76 admitted applications (evidence no. 52). Furthermore, 570 final beneficiaries were identified for the investment "Modernisation of agricultural machinery". It follows the approval and publication of the public notice through the adoption of the Executive Decree n. 561 of 22 December 2023, modified by Executive Decree n. 159 of 2 October 2024 (evidence no. 53). The Executive Decree n. 175 of 14 November 2024, complemented by Executive Decree n. 192 of 27 November 2024, approves the final ranking of the 570 admitted applications (evidence no. 54).

In the autonomous region of Sardinia (Sardegna), a total of 182 final beneficiaries have been identified. From these, 18 final beneficiaries have been admitted for the investment "Improving the sustainability of the extra virgin olive oil transformation process". It follows the public notice for the year 2024, approved by the Executive Decree of the Autonomous Region of Sardinia n. 944 of 31 October 2023, modified by Executive Decrees n. 41 of 15 January 2024 and n. 574 of 17 May 2024 (evidence no. 55). The Executive Decree n. 5905 of 15 October 2024, rectifying Executive Decree n. 3743 of 20 June 2024, modifying Executive Decree n. 3352 of 30 May 2024, approves the final ranking of the 18 applications positively examined and eligible for funding (evidence no. 56). Further, 164 final beneficiaries were

identified for the investment “Modernisation of agricultural machinery”, following the revised public notice, which was approved by the Executive Decree n. 1405 of 29 December 2023, modified by Executive Decrees n. 537 of 9 May 2024 and n. 862 of 8 July 2024 (evidence no. 57). The Executive Decree n. 5980 of 17 October 2024, rectifying the Executive Decree n. 5595 of 30 September 2024 approves the final ranking of the 164 positive applications (evidence no. 58).

In the autonomous region of Sicily (Sicilia), a total of 998 final beneficiaries have been identified. From these, 48 final beneficiaries have been admitted for the investment in the “Modernisation of oil mills”, following the public notice of September 2023, approved by the Executive Decree of the Autonomous Region of Sicily n. 4575 of 28 September 2023 (evidence no. 59). The Executive Decree n. 4924 of 10 July 2024 approves the final ranking of the 47 admitted applications for this investment eligible for funding, and of one admitted application partially eligible for funding (evidence no. 60). Moreover, the final ranking of beneficiaries admitted for the investment in the “Modernisation of agricultural machinery enabling the introduction of precision farming techniques” identified 950 beneficiaries, following the public notice of December 2023 approved by the Executive Decree n. 7056 of 21 December 2023 (evidence no. 61). The Executive Decree n. 7197 of 7 October 2024 approves the final ranking of the 950 admitted applications for this investment which are eligible for funding (evidence no. 62).

In the region of Tuscany (Toscana), a total of 335 final beneficiaries have been identified. From these, 43 final beneficiaries have been admitted for the investment in the “Modernisation of oil mills”. It follows the approval and publication of the public notice through the Executive Decree of the Region of Tuscany n. 22742 of 19 October 2023, modified by Executive Decree n. 26374 of 12 December 2023 (evidence no. 63). The Executive Decree n. 24572 of 6 November 2024, which rectifies Executive Decrees n. 12113 of 3 June 2024, n. 12543 of 7 June 2024, n. 15050 of 3 July 2024 and n. 22755 of 7 October 2024, approves the final ranking of the 43 applications positively examined and eligible for funding (evidence no. 64). Furthermore, 292 final beneficiaries were identified for the investment in the “Modernisation of agricultural machinery that allows the introduction of precision farming techniques”. It follows the approval and publication of the public notice through the adoption of the Executive Decree n. 26952 of 30 November 2023, modified by Executive Decree n. 8422 of 18 April 2024 (evidence no. 65). Executive Decree n. 21820 of 30 September 2024 approves the final ranking of the 292 admitted applications (evidence no. 66).

In the autonomous province of Trento (autonomous region of Trentino-South Tyrol), a total of 1002 final beneficiaries have been identified. From these, 3 final beneficiaries have been admitted for the investment in the “Modernisation of oil mills”, following the approval and publication of the public notice through the adoption of the Resolution of the Autonomous Province of Trento n. 2086 of 20 October 2023, modified by Resolution n. 1204 of 2 August 2024 (evidence no. 67). The Executive Decree of the Autonomous Province of Trento n. 5284 of 23 May 2024, modifying Executive Decree n. 4894 of 14 May 2024, approves the final ranking of the 3 admitted applications (evidence no. 68). Furthermore, 999 final beneficiaries were identified for the investment in the “Modernisation of agricultural machinery that allows the introduction of precision farming techniques”. It follows the approval and publication of the public notice through the adoption of the Resolution n. 2396 of 21 December 2023, modified by Resolution 695 of 17 May 2024 and 1489 of 20 September 2024 (evidence no. 69). The Executive Decree n. 12420 of 15 November 2024, modifying Executive Decree n. 10470 of 30 September 2024, approves the final ranking of the 999 admitted applications (evidence no. 70).

In the region of Umbria, a total of 354 final beneficiaries have been identified. From these, 33 final beneficiaries have been admitted for the investment in the “Modernisation of oil mills”, following the approval and publication of the public notice through the adoption of the Executive Decree of the Region of Umbria n. 10786 of 17 October 2023 (evidence no. 71). The Executive Decree approves the final ranking of the 33 admitted applications for this investment (evidence no. 72). Furthermore, the final ranking of beneficiaries admitted for the investment in the “Modernisation of agricultural machinery enabling the introduction of precision farming techniques” identified 321 beneficiaries, following the approval and publication of the public notice through the adoption of the Executive Decree n. 13856 of 21 December 2023 (evidence no. 73). The Executive Decree n. 12822 of 3 December 2024, modifying Executive Decree n. 10378 of 30 September 2024, approves the final ranking of the 321 admitted applications (evidence no. 74).

In the autonomous region of the Aosta Valley (Valle d'Aosta), a total of 66 final eligible beneficiaries have been identified for the investment in the "Modernisation of agricultural machinery enabling the introduction of precision farming techniques", following the approval and publication of the public notice through the Resolution of the Regional Council of the Aosta Valley, adopted on 22 December 2023 (evidence no. 75). The Executive Provision of the Department of Agriculture of the Autonomous Region of the Aosta Valley n. 6683 of 22 November 2024, amending Executive Provision n. 5215 of 30 September 2024 (evidence no. 76), approves the final ranking of the 66 admitted applications eligible for funding.

In the region of Veneto, a total of 1086 final beneficiaries have been identified. From these, 15 final beneficiaries have been admitted for the investment in the "Modernisation of oil mills". It follows the publication of the public notice, approved through the publication of the Resolution of the Regional Council of the Region of Veneto n. 1234 of 10 October 2023, modified by Resolution n. 1636/2023 and 27/2024 (evidence no. 77). The Venetian Agency for Payments (*Agenzia veneta per i pagamenti*, AVEPA) Avepa Executive Decree of the Region of Veneto n. 236848 of 15 July 2024 approves the final ranking of the 15 admitted applications (evidence no. 78). Furthermore, 1071 final beneficiaries were identified for the investment in the "Modernisation of agricultural machinery enabling the introduction of precision farming techniques". It follows the approval and publication of the public notice through the adoption of Resolution n. 1599 of 19 December 2023, modified by Resolution n. 76 of 29 January 2024 (evidence no. 79). The Avepa Executive Decrees n. 170, n. 171 and n. 172 of 25 September 2024, n. 190, n. 191 and n. 192 of 26 September 2024 and n. 253 of 29 October 2024, which amends n. 193 of 27 September 2024 (evidence no. 80), approve the final ranking of the 1071 admitted applications eligible for funding.

**The investments shall regard at least one of the following:**

The investments regard at least one of the three following sectors, as evidenced by Ministerial Decrees n. 149582 of 31 March 2022 and n. 413219 of 8 August 2023 pertaining respectively to the granting and disbursement of aid for the modernisation of oil mills and for modernisation of agricultural machinery (evidence no. 1 and 2).

**- Replacement of more polluting off-road vehicles**

The investments aim at the replacement of more polluting off-road vehicles for agriculture and zootechny. Art. 7(4) and Annex 1, section 1 of the Ministerial Decree n. 413219 of 8 August 2023, pertaining to modernisation of agricultural machinery, provides evidence for the mentioned scope (evidence no. 2).

**- Introduction of precision Farming and machinery for agriculture 4.0**

The investments aim at reducing the environmental impact of the agricultural sector and to contribute to a resilient, sustainable and digital recovery of the agricultural sector, also known as agriculture 4.0. Art. 7(4) and Annex 1, section 1 of the Ministerial Decree n. 413219 of 8 August 2023, pertaining to modernisation of agricultural machinery, provides evidence for the mentioned scope (evidence no. 2).

**- Replacement of more obsolete facilities for olive mills**

The investments aim at replacing and modernising the most obsolete plants of olive oil mills with the introduction of "2 or 3-phase" milling and extraction plants. Art. 8(2) of Ministerial Decree n. 149582 of the 31 March 2022 pertaining to the modernisation of oil mills, provides evidence for the mentioned scope (evidence no. 1).

**In order to comply with Do-No-Significant-Harm principle, off-road vehicles shall be zero-emission or run solely on biomethane, which shall comply with the criteria set out in Directive 2018/2001 (RED II Directive).**

For the investments related to the replacement of more polluting off-road vehicles and for the introduction of precision farming and machinery for agriculture 4.0, replaced off-road vehicles are required to comply with the Do-No-Significant-Harm principle. This is evidenced by requirement set out in Art. 3(4) and Art. 8(1) of the Ministerial Decree n. 149582 of 31 March 2022 (evidence no. 1) and Art. 1(2) and Art. 7(2) of the Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2).

Further, off-road vehicles shall be zero-emission or run solely on biomethane, which shall comply with the criteria set out in Directive 2018/2001 (RED II Directive). The respect for this requirement is evidenced in Annex 1, section 1 of the Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2), which lists the requirements for the machines and tools that are covered by Art. 7 of the Ministerial Decree n. 413219 of 8 August 2023.

**Biofuel and biomethane gas and biofuel producers shall have to provide certificates (Proof of Sustainability) issued by independent evaluators, as provided for in Directive 2018/2001.**

For off-road vehicles running on biofuel and biomethane gas, biomethane gas and biofuel producers shall have to provide certificates (Proof of Sustainability) issued by independent evaluators, as provided for in Directive 2018/2001. The respect for this requirement is evidenced in Annex 1, section 1 of the Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2).

**The operator shall purchase guarantee of origin certificates commensurate to the expected fuel use.**

For off-road vehicles running on biofuel and biomethane gas, the operator shall purchase guarantee of origin certificates commensurate to the expected fuel use. The respect for this requirement is evidenced in Annex 1, section 1 of the Ministerial Decree n. 413219 of 8 August 2023 (evidence no. 2).

Furthermore, in line with the description of the measure, **this measure consists in the granting of support to investments in tangible and intangible assets aimed at;**

- **Agricultural innovation and mechanization, notably off-road machinery;**
- **Innovation in the process of transformation, storage and packaging of extra virgin olive oil.**

Ministerial Decree no. 4113219 of 08 August 2023, Art. 7(4), for the modernisation of agricultural machinery provides for the list of eligible interventions, notably: support to investments in machines and instruments for precision agriculture, replacement for off-road machinery, and support for innovation in irrigation systems and water management (evidence no. 2).

Ministerial Decree no. 1495582 of 31 March 2022, Art. 8(2), for the modernisation of olive oil mills provides for the list of eligible interventions, notably: modernisation of production sites to support the new machines and technologies financed, replacement or upgrade of machineries to produce extra virgin olive oil and for the reuse of production residues, and general expenses supporting the above such as architects and engineer fees (evidence no. 1).

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M2C1-16ter: Regional differences in separate collection rates

**Related Measure:** [M2C1]-[1.1]: Implementation of new waste management plants and modernization of existing plants

**Quantitative Indicator:** percentage points

**Time:** Q4 2024

#### 1. Context:

This target concerns the reduction of the regional differences in separate waste collection with the goal to ensure the highest levels of preparation for reuse, recycling and recovery of waste and minimize final disposal as the ultimate and residual option. It is related to investment 1.1 on the creation of new waste management plants and modernization of existing ones.

Target M2C1-16ter requires the reduction of the regional difference in separate collection between the three best-performing regions (Veneto, Trentino, Sardegna) and the worst-performing regions (Basilicata, Calabria and Sicilia) indicated in the 2020 ISPRA by 8.4 percentage points, from 28.4 to 20 percentage points (baseline based on 2019's data taken from the 2020's ISPRA report). Target M2C1-16ter is final step of the implementation of investment 1.1 linked to the goal of reducing regional differences in separate collection. It follows target M2C1- 15ter that concerned the reduction by 2.8 percentage points of the regional difference in separate collection between the national average and the worst performing region (Sicily).

#### 2. Evidence provided:

1. Summary document duly justifying how the target was satisfactorily fulfilled;
2. Copies of the Urban Waste Reports by ISPRA - Edition 2024 (Rapporto Rifiuti Urbani – Edizione 2024).
3. Copy of the Ministerial Decree No. 396 of 28 September 2021, allocating the resources for Investment 1.1 in three lines of intervention:
  - Line A "Improvement and Mechanization of the networks for separate waste collection of Urban waste;
  - Line B "modernization (including expansion of existing plants) and building of new treatment/recycling plants for separate waste collection;
  - Line C "modernization (including expansion of existing plants) and building of innovative treatment/recycling plants addressing personal adsorbent disposal (PAD), wastewater sludge, leather waste and textile waste".

#### 3. Analysis:

**The difference between the three best-performing regions (Veneto, Trentino, Sardegna) and the worst-performing regions (Basilicata, Calabria and Sicilia) indicated in the 2020 ISPRA report is reduced to 20 percentage points.**

- From 2019, the difference between the three best-performing regions (Veneto, Trentino, Sardegna) and the worst-performing ones (Basilicata, Calabria and Sicilia) indicated in the 2020 ISPRA report was reduced from 28.4 to 18.1 percentage points (p.49 of the Urban Waste Report - 2024). This represents a reduction of 10.3 percentage points compared to the baseline (above the goal of 1.9 percentage point).

**The satisfactory fulfilment of the target also requires the national average and the average of the three best-performing regions-indicated in the 2020 ISPRA report (Veneto, Trentino, Sardegna) in separate waste collection to increase compared to the data included in the 2020 ISPRA report**

From 2019 to 2023, the national average increased from 61.3% to 66.6% while the average of the three best performing regions indicated in the 2020 ISPRA report (Veneto, Trentino and Sardegna) increased from 73.7% to 76.4% (p. 49 of the Urban Waste Report – 2024).

**4. Commission Preliminary Assessment:** satisfactory fulfilled

## Non-repayable support

### M2C1-25: Ministry has transferred the overall amount of resources

**Related Measure:** [M2C1]-[I3.4]: Fondo Rotativo Contratti di Filiera (FCF) to support supply-chains contracts for the agri-food, fishing and aquaculture, forestry, floriculture and plant nursery sectors

**Qualitative Indicator:** Certificate of transfer

**Time:** Q4 2024

#### 1. Context:

This measure consists of a public investment in a Facility, the Fondo Rotativo Contratti di Filiera (FCF), in order to incentivise private investment and improve access to finance in Italy's agri-food, fishing and aquaculture, forestry, floriculture and plant nursery sectors. The Facility operates by providing grants and subsidised loans directly through ISMEA (Istituto di Servizi per il Mercato Agricolo Alimentare). The amount of the Facility is EUR 2 000 000 000, including the fees to be paid to ISMEA. The Facility is managed by ISMEA as the implementing partner. The Facility includes the following product lines:

- Support enterprises, groups of enterprises or agricultural producer associations as well as research and knowledge-dissemination organisations, in the agri-food, fishing and aquaculture, forestry, floriculture and plant nursery sectors by improving production processes by including a mix of activities amongst the following:
  - Improve the environmental sustainability of production processes with investments in tangible and intangible assets to substantially increase the efficiency in energy, water and resources consumption of the targeted production processes;
  - Investments in knowledge, training, research and innovation, technology transfer and development projects, which may also support the reorganisation of relations between the various actors in the supply chain, to enhance the sustainability of production processes;
  - Investments in the digitalisation of enterprises, including e-commerce and emerging technologies;
  - Installation of photovoltaic and solar panels

Milestone M2C1-25 requires that Italy transfers EUR 1 960 000 000 to ISMEA for the Facility.

Milestone M2C1-25 is the second milestone of the investment, and it follows the completion of milestone M2C1-22, which required the entry into force of the Implementing Agreement. Milestone M2C1-25 will be followed by target M2C1-23 and target M2C1-24, requiring that ISMEA enters into legal financing agreements with final beneficiaries to use, respectively, 50% (for M2C1-23) and 100% (for M2C1-24) of the RRF investment into the Facility. The investment has a final expected date for implementation in Q2/2026.

#### 2. Evidence provided:

1. Order of payment of 1<sup>st</sup> instalment from the Ministry of Agriculture, Food Sovereignty and Forests to ISMEA (20.12.2024)
2. Order of payment of 2<sup>nd</sup> instalment from the Ministry of Agriculture, Food Sovereignty and Forests to ISMEA (20.12.2024)
3. Order of payment of 3<sup>rd</sup> instalment from the Ministry of Agriculture, Food Sovereignty and Forests to ISMEA (20.12.2024)
4. Order of payment of 4<sup>th</sup> instalment from the Ministry of Agriculture, Food Sovereignty and Forests to ISMEA (20.12.2024)
5. Bank statement of the beneficiary account
6. Details (*Anagrafica conto*) of the beneficiary account issued by the RGS system

7. Bank of Italy statement providing details on the functioning of the beneficiary account
8. Note by Ragioneria Generale dello Stato providing details on the functioning of the beneficiary account
9. Decree-Law No. 155 of 19 October 2024 (converted, with modifications, by Law No. 189 of 9 December 2024): Legislation authorising the opening of a treasury account in the name of ISMEA.

### 3. Analysis:

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

**Italy shall transfer EUR 1 960 000 000.00 to ISMEA for the Facility. Furthermore, in line with the description of the measure, the amount of the Facility shall be EUR 2 000 000 000, including the fees to be paid to ISMEA.**

In line with the requirements of the milestone, the Italian authorities provided evidence of the execution of transfers amounting to a total of EUR 1 960 000 000.00 from the Ministry of Agriculture, Food Sovereignty and Forests (hereafter, “MASAF”) to ISMEA – *Istituto di Servizi per il Mercato Agricolo Alimentare* (hereafter, “ISMEA”) for the implementation of Investment M2C1.I3.4.

Specifically, the Italian authorities provided the payment orders of four transfers made from an account of MASAF to the account of ISMEA (account No. 25113; hereafter, “the beneficiary account”; evidence 1 to 4). The total amount of such transfers sums up to EUR 1 960 000 000, in line with what required by the milestone. The Italian authorities also provided the bank statement of the beneficiary account – showing that the full amount required by the milestone, i.e. EUR 1 960 000 000.00, was accredited to that account (evidence No. 5).

In addition, in line with the description of the measure, which specifies that the amount of the Facility is EUR 2 000 000 000 including the fees to be paid to ISMEA, the implementing agreement specifies that the amount of such fees is EUR 40 000 000. Hence, the total amount of the Facility including fees is EUR 2 000 000 000, in line with the description of the measure.

The beneficiary account was opened at the State Treasury on 17 December 2024 (evidence No. 7), on the basis of the provisions of Article 6<sup>quater</sup> of Decree-Law No. 155 of 19 October 2024 (converted, with modifications, by Law No. 189 of 9 December 2024), which authorises the opening of a treasury account in the name of ISMEA for the management of the resources of the Recovery and Resilience Plan under the remit of ISMEA (evidence No. 9). Based on the account details (*Anagrafica conto*) provided by the Italian authorities, ISMEA is the account holder (*intestatario conto*) and account manager (*gestore conto*) of the beneficiary account, which it manages directly (evidence No. 6 and 7). The Italian authorities also clarified that the account holder of treasury accounts has the full and exclusive availability of the resources deposited thereon, and that ISMEA is the sole account holder of account No. 25113 (evidence No. 8).

### 4. Commission Preliminary Assessment: satisfactorily fulfilled.

## Loan support

### M2C2-9: Smart grids- Increase network capacity for the distribution of renewable energies

**Related Measure:** [M2C2]-[I2.1]: Strengthening smart grids

**Quantitative Indicator:** 1 000 MW

**Time:** Q4 2024

#### 1. Context:

The investment consists in the transformation of the distribution networks and their management, with interventions on both the electricity grid and its software components, to enable new energy scenarios where consumers and prosumers can also play a role.

Target M2C2-9 is the intermediary step in the implementation of investment 2.1 and requires an increase of the network capacity for the distribution of renewable energies by at least 1 000 MW. It will be followed by target M2C2-10 requiring a further increase of the network capacity by at least 4 000 MW, by target M2C2-11 concerning the electrification of energy consumption reaching at least 1 500 000 inhabitants and finally by target M7-11 requiring the electrification of energy consumption reaching at least 1 7 30 000 inhabitants.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2. Ministerial Decree No. 146 of 6 April 2022, allocating the resources to the two lines of interventions and identifying the potential recipient of this investment, link [here](#);
3. Call for projects No. 199 of 20 June 2022; link [here](#);
4. Decree of the General Direction Energy Incentives No. 426 of 23 December 2022, approving the ranking of the projects, link [here](#);
5. Reports by E-distribuzione on the implementation of the projects;
6. Report by Unareti on the implementation of the projects;
7. Report of the independent engineer, including signed declaration of absence of conflict of interest.

#### 3. Analysis:

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

#### **Increase the network capacity for the distribution of renewable energies by at least 1 000 MW**

As evidenced by the reports provided by E-distribuzione and Unareti (evidence 5 and 6) and confirmed by the report of the independent engineer (evidence v), the network capacity for the distribution of renewable energies was increased by 1 848 MW, therefore exceeding the target by 848 MW. The types of interventions concluded include:

- New primary substations, which improve energy distribution and reduce the load on other sections of the grid.
- Upgrading existing substations by adding or replacing transformers to increase energy management capacity.
- Strengthening distribution lines to improve efficiency and reduce congestion.

**This investment consists in the transformation of the distribution networks and their management, with interventions on both the electricity grid and its software components, to enable new energy scenarios where consumers and prosumers can also play a role.**

As indicated in the call for projects No. 199 of 20 June 2022 (Art. 2 and 5), the investment consists in financing smart grid interventions aimed at:

- 1) Increasing the capacity to host and integrate renewable energy sources into the network (so-called “Hosting capacity”) by at least 4 000 MW;
- 2) Increase the power available to at least 1 500 000 inhabitants to promote the electrification of consumption.

Projects could include interventions to strengthen and digitalize the network; to increase the maximum power available to users under normal operating conditions or integrated projects covering both types of interventions. Art. 6(2)e of the call for projects No. 199 of 20 June 2022 includes as eligible the expenditures for the development and adaptation of the network management, monitoring and control software (digitization).

**4. Commission Preliminary Assessment:** satisfactory fulfilled

## Loan support

**M2C2-25:** Award of all public contracts for the purchase of zero-emission rolling stock and interventions for the upgrade of the infrastructure of rapid mass transport systems

**Related Measure:** [M2C2]-[I4.2]: Development of Rapid Mass Transport systems

**Quantitative Indicator:** Notification of the award of all public contracts

**Time:** Q3 2024

### 1. Context:

The main objective of the investment is to boost the use of rapid mass transport systems in metropolitan areas. This will be achieved through the construction and extension of at least 231 km of zero-emission-capable infrastructure, the upgrade and digitalisation of existing infrastructure, and the purchase of zero-emission rolling stock. The interventions target at least 13 major metropolitan areas.

In this context, the milestone refers to the notification of the award of all public contracts for the purchase of at least 85 units of rolling stock and at least 5 infrastructure upgrade interventions as outlined in the measure description.

This milestone follows M2C2-24, already assessed as part of the 5<sup>th</sup> payment request and requiring the award of all public contracts for the construction of infrastructure projects, and it will be followed by M2C2-25bis, M2C2-25ter and M2C2-26 which require the completion of interventions of upgrade, the purchase of rolling stock and the construction of the infrastructure respectively, by Q2 2026.

### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. An Excel file listing all 14 projects, summarising key technical information and reference to relevant evidence;
3. A copy of the implementing contracts ("Contratto applicativo") for ten projects (for1, for2, for3, for5, for8, upg2, upg3, upg4, upg5, upg6);
4. A copy of the private agreements ("Scrittura privata") for three projects (upg1, for3, for7);
5. A copy of the update of the concession agreement ("Atto Integrativo alla Convenzione") for one project (for4);
6. A copy of the communication of the award ("Comunicazione Aggiudicazione definitiva efficace") for one project (for6).

The authorities also provided:

7. A copy of the communication of the award ("Verbale di aggiudicazione", "Comunicazione aggiudicazione" or "Provvedimento aggiudicazione") for all projects;
8. A copy of technical specifications ("Capitolato Speciale di Appalto" or "Relazione generale") for all projects.

### 3. Analysis:

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

**Notification of the award of all public contracts for the purchase of at least 85 units of rolling stock and at least 5 interventions for the upgrade of the infrastructure of rapid mass transport systems, as defined in the measure description.**

Implementing contracts of ten projects (for1, for2, for3, for5, for8, upg2, upg3, upg4, upg5, upg6), private agreements of three project (upg1, for3 and for7), the update of the concession agreement of one project (for4) and the communication of the award of one project (for6) were signed for the purchase of 124 units of rolling stock and for carrying out 6 interventions for the upgrade of the infrastructure of rapid mass transport systems. All contracts and private agreements were signed by both the implementing public authority and the contractor(s) in charge of the procurement of rolling stock or construction of infrastructure and occurred after the notification of the award. The award of all projects was therefore notified.

In the case of the update of an existing concession agreement, the contractual documents considered for this assessment are acts that supplement the scope of the original concession agreements signed by the municipal authorities and the contractor; the existing concession agreement already included the possibility for such extension.

**Furthermore, in line with the description of the measure, [the investment consists in:] the upgrade of the infrastructure of rapid mass transport systems, which may include their digitalisation. These interventions include the upgrade of metro stations and of metro track infrastructure, signalling systems for railway or tramway, public transit depots.**

As evidenced by five implementing contracts (upg2, upg3, upg4, upg5, upg6) and the private agreement for one project (upg1), the interventions include the upgrade of metro stations and of metro track infrastructure (three interventions, projects upg1, upg2 and upg3) and public transit depots (three interventions, projects upg4, upg5 and upg6).

**Furthermore, in line with the description of the measure, [the investment consists in:] the purchase of zero-emission rolling stock for rapid mass transport systems.**

As evidenced by the implementing contracts of four projects (for1, for2, for3, for5 and for8), the update of the concession agreement of one project (for4) and the communication of the award of one project (for6) and the private agreement of one project (for7), all 105 units of rolling stock to be purchased are zero-emission rolling stocks for rapid mass transport. All evidence explicitly mention the purchase of zero-emission vehicles. Moreover, vehicle characteristics are included in the technical specifications.

**Furthermore, in line with the description of the measure, interventions included in this measure shall be at least 28 and shall target the metropolitan areas<sup>2</sup> of at least Bari, Bergamo, Bologna, Catania, Firenze, Genova, Milano, Napoli, Padova, Perugia, Rimini, Roma and Taranto. Metropolitan areas are meant in this measure as “functional urban areas”, as defined in the European Commission-OECD database.**

Italy provided evidence concerning ten interventions, which are to be added to the 25 already taken into account for the assessment of milestone M2C2-24 (payment request 5). These interventions took place in the cities of Milan, Genoa, Naples, Padua, Rome, and Taranto — where the other interventions covered by M2C2-24 already include the remaining cities listed in the description of the measure. These are all metropolitan areas in the sense of “Functional Urban Areas”, which are defined in the European Commission-OECD database and as reported in the OECD list of functional urban areas.

**Furthermore, in line with the description of the measure, the infrastructure eligible for both construction and upgrade (namely metro lanes, tramway lines, trolleybus lanes, BRT or cableway) shall enable the operation of zero-emission rolling stock.**

As evidenced by two implementing contracts (upg2, upg3) and one private agreement (upg1) of relevant infrastructure upgrade projects, all interventions of upgrade of existing infrastructure enable the operation of zero-emission metro trains and zero-emission tram trains. Moreover, intervention characteristics are detailed in the technical specifications.

**The investment shall not involve the construction or upgrade of roads beyond the scope of the intervention, unless these are integral parts of the infrastructure enabling the operation of zero-emission rolling stock.**

As evidenced by the implementing contracts (upg2, upg3, upg4, upg5, upg6) and the private agreement (upg1) of infrastructure upgrade projects, no interventions of upgrade of infrastructure involve the construction or upgrade of roads beyond the scope of the intervention.

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

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<sup>2</sup> Metropolitan areas are meant in this measure as “functional urban areas”, as defined in the European Commission-OECD database.

## Non-repayable support

### M2C2-28: Award of public contracts for the installation of charging infrastructures

**Related Measure:** [M2C2]-[I4.3]: Installation of charging infrastructures

**Qualitative Indicator:** Award of public contracts for the installation of charging infrastructures

**Time:** Q4 2024

#### 1. Context:

This investment consists in supporting the development of a total of 12.000 charging infrastructure points on freeways (2.100) and in urban areas (9.900).

This target was preceded by milestone M2C2-27 concerning the notification of the award of public contracts to build at least 4.700 re-charging stations in urban areas. This target concerns the award of contracts to build at least 2.100 fast public charging infrastructure points along freeways and at least 9.900 in urban areas. It is followed by target M2C2-29 which consists of the entry into operation of at least 2.100 fast public charging infrastructure points along freeways and at least 9.900 in urban areas.

#### 2. Evidence provided:

1. A summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2. A copy of the Directorial Decree 103 adopted on 7 March 2025 amending Directorial Decree 416 adopted on 30 June 2023 approving projects for the installation of electric charging infrastructures in urban centres submitted under the Call No. 333, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);
3. A copy of the Directorial Decree 416 adopted on 30 June 2023, as amended by Directorial Decrees No. 152 of 11 November 2023 and No. 248 of 29 November 2024, approving projects for the installation of electric charging infrastructures in urban centres submitted under the Call No. 333, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);
4. A copy of the Call No. 333 of 10 May 2023 published by the Ministry of the Environment and Energy Security for projects for the installation of electric charging infrastructures in urban centres;
5. A copy of the Directorial Decree 275 adopted on 6 December 2024 approving projects for the installation of electric charging infrastructures on freeways submitted under the Call No. 106, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);
6. A copy of the Call No. 106 of 28 June 2024 published by the Ministry of the Environment and Energy Security for projects for the installation of electric charging infrastructures on freeways;
7. A copy of the Directorial Decree 276 adopted on 6 December 2024 approving projects for the installation of electric charging infrastructures in urban centres submitted under the Call No. 105, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);

8. A copy of the Call No. 105 of 28 June 2024 published by the Ministry of the Environment and Energy Security for projects for the installation of electric charging infrastructures in urban centres;
9. A copy of the Directorial Decree 134 adopted on 7 April 2025 amending Directorial Decree 310 adopted on 13 December 2024 approving projects for the installation of electric charging infrastructures on freeways submitted under the Call No. 142, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);
10. A copy of Directorial Decree 310 adopted on 13 December 2024 approving projects for the installation of electric charging infrastructures on freeways submitted under the Call No. 142, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);
11. A copy of the Call No. 142 of 14 October 2024 published by the Ministry of the Environment and Energy Security for projects for the installation of electric charging infrastructures on freeways;
12. A copy of the Directorial Decree 309 adopted on 13 December 2024 approving projects for the installation of electric charging infrastructures in urban centres submitted under the Call No. 143, published on the website of the Ministry of Environment and Energy Security (<https://www.mase.gov.it/pagina/investimento-4-3-installazione-di-infrastrutture-di-ricarica-elettrica-0>);
13. A copy of the Call No. 143 of 14 October 2024 published by the Ministry of the Environment and Energy Security for projects for the installation of electric charging infrastructures in urban centres.
14. A copy of the 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;
15. A copy of the 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;
16. A copy of the Ministerial Decree No. 109 of 18 March 2024 of the Ministry of the Environment and Energy Security defining the framework for incentives for charging stations on freeways replacing Ministerial Decree n. 11 of 12 January 2023;
17. A copy of the Ministerial Decree No. 110 of 18 March 2024 of the Ministry of the Environment and Energy Security defining the framework for incentives for charging stations in urban centres replacing Ministerial Decree n. 10 of 12 January 2023.

The authorities also provided:

18. An explanatory note detailing the technical requirements under the four Ministerial Decree 10, 11, 109 and 110;

### 3. Analysis:

#### **Award of the contracts to build 2 100 fast public charging infrastructure points along freeways and at least 9 900 in urban areas.**

The Ministerial Decrees No. 109 and No. 110 of 18 March 2024, replacing Ministerial Decree No. 11 and No. 10 of 12 January 2023, respectively, set out the eligibility conditions for charging infrastructure points. The Ministerial Decrees No. 109 applies to charging infrastructure points along freeways, and the Ministerial Decrees No. 10 and No. 110 to charging points in urban areas. Article 6 (i) referring to Annex I of both Decrees No. 109 and No. 110 and Article 6 (f) referring to Annex I of Decree No. 10, require that each charging station contains at least two charging points. Therefore, each charging station reported corresponds to two charging points.

As evidenced by Directorial Decrees 275 and 134, a total of 2144 fast public charging infrastructure points were awarded along freeways (1250 and 894, respectively).

Directorial Decree 275 awarded contracts for a total of 625 charging stations, which correspond to 1250 fast charging points, located on 64 lots. These were identified in Annex II of Ministerial Decree No. 109. As defined by Article 1(p)

of Ministerial Decree No. 109, charging points must be located on freeways (“strada extraurbana”) and no further than 1.000 metres from the limit of the freeway.

Directorial Decree 134 amended Directorial Decree 310 and awarded contracts for a total of 447 charging stations, which correspond to 894 fast charging points, located on 105 lots. These were identified in Annex II of Ministerial Decree No. 109. As defined by Article 1(p) of Ministerial Decree No. 109, charging points must be located on freeways (“strada extraurbana”) and no further than 1.000 metres from the limit of the freeway.

As evidenced by Directorial Decrees 103, 276 and 309, a total of 9966 fast public charging infrastructure points were awarded in urban areas (4434, 3422 and 2110, respectively).

Directorial Decree 103 amended Directorial Decree 416 and awarded contracts for a total of 2217 charging stations, which correspond to 4434 fast charging points, located on 10 lots. These were identified in Annex II of Ministerial Decree No. 10. As defined by Article 1(n) of Ministerial Decree No. 10, charging points must be located in urban areas (“centri urbani”).

Directorial Decree 276 awarded contracts for a total of 1711 charging stations, which correspond to 3422 fast charging points, located on 36 lots. These were identified in Annex II of Ministerial Decree No. 110. As required by Article 2(1) of Ministerial Decree No. 110, charging points must be located in urban areas (“centri urbani”).

Directorial Decree 309 awarded contracts for a total of 1055 charging stations, which correspond to 2110 fast charging points, located on 64 lots. These were identified in Annex II of Ministerial Decree No. 110. As required by Article 2(1) of Ministerial Decree No. 110, charging points must be located in urban areas (“centri urbani”).

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Loan support

### M2C2-34: Number of zero-emission low-floor buses registered T1

**Related Measure:** [M2C2]-[I4.4.1]: Renewal of the regional public transport bus fleet with zero-emission low-floor buses

**Quantitative Indicator:** Number

**Baseline:** 0

**Goal:** 800

**Time:** Q4 2024

#### 1. Context:

This investment consists in the procurement of at least 3 000 zero-emission low-floor buses and at least 1 000 charging stations for zero-and low-emission low-floor buses.

This target was preceded by milestone M2C2-32 concerning the notification of the award of public contracts for the acquisition of at least 3 000 zero-emission low-floor buses. This target concerns the registration of at least 800 zero-emission low-floor buses procured under M2C2-32. It is followed by target M2C2-35 which consists of the registration of at least 3 000 zero-emission low-floor buses procured under M2C2- 32 and target M2C2-35 ter which consists of the entry into operation of at least 1 000 charging stations for zero- or low-emission low-floor buses.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2. An Excel file which includes a list of 1005 buses, and which specifies for each: the project title (column C), the unique project identifier (CUP, column D), the unique contract identifier (CIG, column E), the location (column F), reference to the contract or purchase order (column I), and the unique bus identifier ("numero di telaio", column K).

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

3. A copy of the registration certificate ("Documento Unico di Circolazione") indicating the unique bus identifier ("numero di telaio") for each bus
4. Evidence to prove that the registered bus was procured under M2C2-32. These include:
  - a. A copy of the sales invoice ("documento di pagamento");
  - b. A copy of the delivery order ("Documento di trasporto" or "verbale di consegna");
  - c. A copy of the conformity report ("Verbale di collaudo/accettazione/verifica di conformità");
  - d. Copy of the purchase order ("ordine d'acquisto")

#### 3. Analysis:

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

**Registration of at least 800 zero-emission low-floor buses procured under M2C2-32 for the strengthening of the respective fleet.**

The calls for tender and awards of public contracts assessed under M2C2-32 demonstrated the nature of the buses procured (zero-emission low-floor) and their equipment with digital features.

Following the selection of a random sample of 60 units, Italy submitted registration certificates (“Documento Unico di Circolazione”) and sales invoices, delivery or purchase orders, or conformity reports demonstrating that the registered bus was procured under M2C2-32.

The registration certificates provided for a sample of 60 units confirmed that the buses are zero-emission (that is, either electric or hydrogen fuel cell), low-floor, and of category M2 and M3 according to UNECE standards.

The sales invoices, delivery or purchase orders, and conformity reports provided for a sample of 60 units confirmed that the buses were procured under M2C2-32 via the unique project identifier (CUP) or unique contract identifier (CIG). The 60 buses sampled were procured under the contracts which were part of the list of projects of M2C2-32.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Loan support

### M2C2-34bis: Number of Zero Emission trains

**Related Measure:** [M2C2]-[I4.4.2]: Strengthening of the regional public transport railway fleet with zero emission trains and universal service

**Quantitative Indicator:** Number

**Time:** Q4 2024

#### 1. Context:

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 procurement and entry into service of at least 66 zero emission passengers' trains as well as 100 carriages for universal service. Overall, the investment shall provide at least a total of 523 rolling stock units, out of which at least 66 shall be locomotives.

Milestone M2C2-34 bis concerns the delivery of at least 25 trains zero emission trains.

Milestone M2C2-34 is an intermediate target, following milestone M2C2-33 (award of contracts) assessed in the framework of the fourth payment request.

Milestone M2C2-34 bis will be followed by target M2C2-35 bis due by 2026, consisting in the delivery of all the remaining trains (and rolling stock units) as well as the entry into service of the entire rolling stock fleet procured through this investment, both for the regional public transport railway service as well as for the universal service.

The investment will be completed by Q2 2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;
2. 30 Certificates of Delivery of the trains ("Verbali di Consegna") from the producer to the operator (one Certificate per train delivered);
3. Technical annexes specifying the technical elements of all the typologies of rolling stock material procured: a) "Train pop"; b) "Train rock"; c) "Train Caravaggio" ;
4. EC Declarations of verification of conformity for all the trains;
5. ANSFISA (National Agency for the Safety of Railways and Road and Motorway Infrastructures) Reports including authorisations for 30 trains;
6. Public contracts awarded for the procurement of rolling stock material ("Contratti Applicativi") for the regional railway fleet;
7. Ministerial Decree n. 319 of 2021 and Ministerial Decree n. 164 of 2021 assigning the resources to Regions and Autonomous Provinces for the purchase of rolling stock material;
8. Regional acts authorizing the expenditure for the rolling stock;
9. Photographic evidence of 30 trains;
10. A summary table with all the delivered trains with the relevant references.

#### 3. Analysis:

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

#### **Delivery of at least 25 Zero Emission trains.**

In line with the requirement of the target, Italy provided evidence of delivery of 30 zero emission trains for the regional public railway service for six Italian Regions (which are: Calabria, Emilia Romagna, Lombardy, Tuscany, Marche and Apulia). The trains have been delivered to the regional public passenger railway operators, notably *Trenitalia S.p.A*, *Ferrovienord S.p.A* and *Trasporto Ferroviario Toscano S.p.A*

To prove the delivery of the trains, Italy provided for each train the Delivery Certificate (“Verbale di Consegna”) certifying the delivery of the trains from the rolling stock producer to the regional public railway service providers. All the “Verballi di Consegna” include the reference to the respective procurement contract for the procurement of rolling stock (“Contratto Applicativo”).

Furthermore, Italy provided the reports from ANSFISA, the National Agency for the Safety of Railways and Road and Motorway Infrastructures (*Agenzia Nazionale per la Sicurezza delle Ferrovie e delle Infrastrutture Stradali e Autostradali*), which is the National Authority in charge of issuing the authorization to place the trains on the market. Each certificate of delivery (*Verbale di Consegna*) includes the relevant reference to the ANSFISA authorization. For the purpose of issuing this authorization, the applicant is required to submit a set of documents to ANSFISA, including the EC declarations of verification of conformity. In line with the Operational Arrangements, Italy, for the trains accounted for this target, has also provided the relevant EC declarations of verification of conformity. Pursuant to Legislative Decree no. 57 of 14 May 2019, in the EC declaration of verification of a subsystem, the supplier declares, under its responsibility, that the subsystem concerned meets the essential requirements of national and European legislation in the sector (Art. 15 comma 2 of the aforementioned Decree) and has been subject to the relevant verification procedures.

The regional public railway service purpose of the delivered trains is evidenced by Art. 7 of Ministerial Decree n. 319 of 2021 and by Art. 8 of Ministerial Decree n. 164 of 2021 (the “financing” decrees assigning the resources for the purchase of rolling stock) which set that the rolling stock material procured is exclusively intended for the regional railway transport services under the responsibility of the region receiving the resources (“Vincolo di Destinazione”). Italy also provided the various regional acts authorizing the expenditure of the resources assigned by the aforementioned decrees.

All the procured trains are electric (i.e. zero emission) as evidenced by the 30 Delivery Certificates (“Verballi di Consegna”) from the producer to the service provider as they all include the classification “ETR” which is the acronym of “Rapid Electric Train” (“Elettrotreno rapido”). Moreover, the *Contratti Applicativi* for the regions concerned related exclusively to the purchase of “EMU” trains (Electric Multiple Units). Furthermore, the technical annexes for the trains POP, ROCK and CARAVAGGIO (the typologies of delivered trains) all specify that these train typologies are electric.

The rolling stock material delivered is listed in the table below:

| Count | Train Number (plate number) | Train Typology | Total Number of rolling stock units | Number of traction units (locomotive and carriages) | Region   | Reference to the “Contratto Applicativo” |
|-------|-----------------------------|----------------|-------------------------------------|-----------------------------------------------------|----------|------------------------------------------|
| 1     | ETR 104-196                 | POP (electric) | 4                                   | 2                                                   | Calabria | n. 1243 of 31 March 2022                 |
| 2     | ETR 104-203                 | POP (electric) | 4                                   | 2                                                   | Calabria | n. 1243 of 31 March 2022                 |

|    |                |                       |   |   |                |                                    |
|----|----------------|-----------------------|---|---|----------------|------------------------------------|
| 3  | ETR 104-210    | POP (electric)        | 4 | 2 | Calabria       | n. 1243 of 31 March 2022           |
| 4  | ETR 104-212    | POP (electric)        | 4 | 2 | Emilia Romagna | n. 2848 of 29 July 2022            |
| 5  | ETR 104-220    | POP (electric)        | 4 | 2 | Emilia Romagna | n. 2848 of 29 July 2022            |
| 6  | ETR 104-224    | POP (electric)        | 4 | 2 | Emilia Romagna | n. 2848 of 29 July 2022            |
| 7  | ETR 521 S1-021 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 8  | ETR 521 S1-022 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 9  | ETR 521 S1-023 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 10 | ETR 521-S1-024 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 11 | ETR 521 S1-025 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 12 | ETR 521 S1-026 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 13 | ETR 521 S1-027 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30 September 2021 |
| 14 | ETR 521 S1-028 | CARAVAGGIO (electric) | 5 | 2 | Lombardy       | n. 4500161386 of 30                |

|    |                |                       |   |   |          |                                                                                                   |
|----|----------------|-----------------------|---|---|----------|---------------------------------------------------------------------------------------------------|
|    |                |                       |   |   |          | September 2021                                                                                    |
| 15 | ETR 521 S1-029 | CARAVAGGIO (electric) | 5 | 2 | Lombardy | n. 4500161386 of 30 September 2021                                                                |
| 16 | ETR 521 S1-030 | CARAVAGGIO (electric) | 5 | 2 | Lombardy | n. 4500161386 of 30 September 2021                                                                |
| 17 | ETR 521 S1-031 | CARAVAGGIO (electric) | 5 | 2 | Lombardy | n. 4500161386 of 30 September 2021                                                                |
| 18 | ETR 421-055    | ROCK (electric)       | 4 | 2 | Marche   | n. 4966 of 11 November 2021                                                                       |
| 19 | ETR 104-104    | POP (electric)        | 4 | 2 | Tuscany  | Act of partial transfer framework contract n. 1639 of 4 May 2022 - Integrative Act of 16 May 2022 |
| 20 | ETR 104-148    | POP (electric)        | 4 | 2 | Tuscany  | 162 of 31 January 2022                                                                            |
| 21 | ETR 104-150    | POP (electric)        | 4 | 2 | Tuscany  | 162 of 31 January 2022                                                                            |
| 22 | ETR 104-152    | POP (electric)        | 4 | 2 | Tuscany  | 162 of 31 January 2022                                                                            |
| 23 | ETR 104-158    | POP (electric)        | 4 | 2 | Tuscany  | 162 of 31 January 2022                                                                            |
| 24 | ETR 104-167    | POP (electric)        | 4 | 2 | Tuscany  | n. 1437 of 19 April 2022                                                                          |

|    |             |                |   |   |         |                          |
|----|-------------|----------------|---|---|---------|--------------------------|
| 25 | ETR 104-168 | POP (electric) | 4 | 2 | Tuscany | n. 1437 of 19 April 2022 |
| 26 | ETR 104-172 | POP (electric) | 4 | 2 | Apulia  | n. 2052 of 30 May 2022   |
| 27 | ETR 104-173 | POP (electric) | 4 | 2 | Apulia  | n. 2052 of 30 May 2022   |
| 28 | ETR 104-174 | POP (electric) | 4 | 2 | Apulia  | n. 2052 of 30 May 2022   |
| 29 | ETR 104-181 | POP (electric) | 4 | 2 | Apulia  | 2052 of 30 May 2022      |
| 30 | ETR 104-187 | POP (electric) | 4 | 2 | Apulia  | 2052 of 30 May 2022      |

**As regards the measure description requirement: This investment consists of the procurement and entry into service of at least 66 zero emission passengers' 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 523 units, out of which at least 66 shall be locomotives**

As per the table above, Italy delivered 30 zero emission trains, corresponding to a total of 131 rolling stock units, as evidenced by the certificates of delivery "Verbali di Consegna", the "EC Declarations of Verification of Conformity" as well as the "ANSFISA reports" that all detail each carriage and locomotive carrier for each train. Out of the 131 rolling stock units, 60 are locomotive carriages (bi-directional trains with two traction units).

The remaining trains and carriages (including in terms of number of rolling stock units and locomotives) will be assessed in the framework of the final target M2C2-35 bis.

**4. Commission Preliminary Assessment:** satisfactorily fulfilled.

## Loan support

### M2C2-38bis: Implementing agreement

**Related Measure:** [M2C2]-[I5.1]: Support to the production system for the Ecological Transition, Net Zero Technologies, and competitiveness and resilience of strategic supply chains:

**Qualitative Indicator:** Entry into force of the Implementing Agreement

**Time:** Q4 2024

#### 1. Context:

The objective of this investment, structured into two sub-investments, is to provide public funding to:

- a “Net Zero Technologies” Facility, aimed at incentivizing private investment and improving access to finance in fields such as energy efficiency, renewable energy generation for self-consumption, and the sustainable transformation of production processes;
- a “Competitiveness and resilience of strategic supply chains” Facility, designed to strengthen strategic industrial supply chains by incentivizing private investment and improving access to finance. This sub-investment should support projects related to key strategic value chains, including industrial development and environmental protection programs.

Milestone M2C2-38bis concerns the entry into force of the Implementing Agreement between the Ministry of Enterprises and Made in Italy (“MIMIT”) and Invitalia S.p.A.

Milestone M2C2-38bis is the second step of the implementation of the investment. It follows Milestone M2C2-38 which envisaged the adoption of the Ministerial Decree allocating the resources for the development of the renewables and batteries value chain. It will be followed by milestone M2C2-39 related to Italy transferring the relevant resources to Invitalia for the facility. These milestones will be followed by target M2C2-40 requiring Invitalia to enter into legal financing agreements with final beneficiaries.

#### 2. Evidence provided:

1. *Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;*
2. *Implementing Agreement MIMIT-Invitalia signed on 26 September 2024;*
3. *Interministerial Decree of 21 October 2022 on the Fund for the Industrial Transformation;*
4. *Decree of the Minister for Economic Development of 9 December 2014, as amended, on 9 June 2015 on development contracts;*
5. *MEF Circular No 27 of 21 June 2022 on monitoring of RRP measures;*
6. *MEF Circular No 20 of 9 May 2023 on monitoring of interventions under the unified regional policy;*
7. *MEF Circular No 2 of 18 January 2024 on monitoring of RRP measures and cohesion policy measures;*
7. *Invitalia Ethics Code;*
8. *Organisation, Management and Control Model in accordance with legislative Decree No 231 of 8 June 2001;*
9. *Invitalia’s Statute defining the powers and responsibilities of the Board and the role of the government authorities;*
11. Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility.

#### 3. Analysis:

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

**Entry into force of the Implementing Agreement.**

MIMIT and Invitalia signed an implementing agreement on 03 September 2024 (evidence no.2). The implementing agreement, which entered into force on the same day, is in line with the requirements included in the description of the measure, as explained below.

Furthermore, in line with the description of the measure,

**This measure shall consist of two sub-investments. On the basis of the RRF investment, the Facility aims at initially providing at least EUR 3 500 000 000 of financing.**

The introduction of the implementing agreement (evidence no.2, p.3) specifies that the financial instrument overall aims to provide financing for EUR 3 500 000 000.

**Sub-investment 1: This sub-investment shall consist of a public investment in a Facility, “Net Zero Technologies”, to incentivise private investment and improve access to finance in the fields of energy efficiency, renewable generation for auto-consumption, sustainable transformation of the production process.**

The financial instrument “Net-zero Technologies ” was launched on the basis of the financing tool of development contracts as established in the Interministerial Decree of 9 December 2014 (evidence no.4), as amended, and of the Fund for the industrial transition as established in the Decree of the Minister for Economic Development of 21 October 2022 (evidence no. 3)

As indicated in the introductory part of Chapter 1 of the implementing agreement (p.5, evidence no.2), the investment aims at incentivising private investment and improving access to finance in the areas of energy efficiency, renewable production for self-consumption and sustainable transformation of the production process.

**The investment shall support:**

- i) **the ecological transition of the national production system at various levels by supporting investments about the strengthening of production chains for devices and their direct and indirect components for devices relevant to the ecological transition (for example battery and energy storage, solar and wind technologies, heat pumps and geothermal energy technologies, hydrogen technologies, and devices for carbon capture and storage),**
- ii) **the energy efficiency of production processes (also through the production for self-consumption of electricity from renewable sources, with the exclusion of biomass),**
- iii) **the sustainability of production processes, also with a view to the circular economy and more efficient use of resources.**

As outlined in the introductory part of Chapter 1 of the implementing agreement (evidence no.2, p.5), the investment supports: a) the ecological transition of the national production system at various levels by supporting investments about the strengthening of production chains for devices relevant to the ecological transition (such as batteries, solar panels, wind turbines, heat pumps, electrolyzers and devices for carbon capture and storage); b) the energy efficiency of production processes (also through the production for self-consumption of electricity from renewable sources, with the exclusion of biomass); c) the sustainability of production processes, also with a view to the circular economy and more efficient use of resources.

**The investment i) shall include the following product lines:**

**- The first one focuses on the manufacturing of photovoltaic or wind technologies and shall increase the manufacturing production capacity of photovoltaic or wind technologies by at least 4 GW/year.**

**- The second one focuses on the manufacturing of batteries and shall increase the manufacturing production capacity of batteries by at least 28 GW/year.**

**The Facility shall operate by providing non-repayable grants, subsidised loans, and interest subsidies directly to the private sector.**

The introductory part of Chapter 1 of the implementing agreement (evidence no.2, p.5) specifies that investment i) includes two lines of intervention, one focusing on the production of photovoltaic and wind technologies aiming at increasing production capacity by 4 GW per year, and the second one focusing on the production of batteries aiming at increasing production capacity by 28 GW per year. Section 3.A., Chapter 1 of the implementing agreement (evidence no.2, p.13) indicates that, within the framework of development contracts, the financial product may be disbursed in the following forms, including in combination with each other: non-repayable grants, subsidised loans, interest rate subsidies, subsidies for capital and direct expenditure. Section 3.A, Chapter 1 (p.11, evidence n.20) also specifies that, within the framework of the Fund for the Industrial Transformation, the financial product is disbursed in the form of non-repayable grants.

**The Facility shall be managed by Invitalia S.p.A. as the implementing partner. The Facility shall include the following financial instruments:**

**-Development Contract which shall support Net Zero Technologies projects larger than EUR 20.000.000,00 by providing grants, interest rate subsidies, and subsidised loans.**

**-Fund for the Industrial Transformation which shall support projects between EUR 3.000.000,00 and EUR 20.000.000,00, by providing grants, interest rate subsidies, and subsidised loans.**

Section 1, Chapter 1 on the implementing agreement (evidence no.2, p.6), Invitalia S.p.A is the implementing partner who manages the measure.

The introductory part of Chapter 1 of the implementing agreement (evidence no.2, p.5) further foresees that the Fund for the Industrial Transformation supports projects between EUR 3.000.000,00 and EUR 20.000.000,00, by providing grants; and that Development Contracts support Net Zero Technologies projects larger than EUR 20.000.000,00 by providing grants, interest rate subsidies, and subsidised loans.

The Council Implementing Decision states that the Fund for the industrial transformation supports 'projects between EUR 3.000.000,00 and EUR 20.000.000,00, by providing grants, interest rate subsidies, and subsidised loans'.

The Member State has set up the Fund for industrial transformation through the Decree of 21 October 2022 (evidence 3) to provide financial support in the form of grants to final beneficiaries as provided in Article 8 of that decree. After that, Italy submitted an amended Recovery and Resilience Plan which included the introduction of investment M1C2 Investment 7 'Support to the production system for the Ecological Transition, Net Zero Technologies, and competitiveness and resilience of strategic supply chains' as a new measure. In particular, the amendment fiche provided by Italy on 26 April 2023 and the costing provided by Italy on 2 August 2023 specify respectively that the Fund for the industrial transformation refers to the 21 October 2022 decree (evidence 3), and that financing under that fund is awarded only through grants. The amendment was approved by means of Council Implementing Decision of 27 November 2023.

In light of the purposive interpretation of this requirement from the Council Implementing Decision, it is interpreted that this requirement calls for the Fund for the industrial transformation to provide financial support in the form of grants to final beneficiaries in accordance with Article 8 of Decree of 21 October 2022 (evidence 3). On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. **In order to implement the investment into the Facility, Italy and Invitalia S.p.A. shall sign an Implementing Agreement that shall include the following content:**

**1. Description of the decision-making process of the Facility: The final investment and award decisions of the Facility shall be taken by an investment committee or other relevant equivalent governing body and approved by a majority of votes from members who are independent from the government.**

Section 1, Chapter 1 of the implementing agreement (evidence no.2, p.6) describes the decision-making process of the scheme. Invitalia S.p.A carries out independently all the tasks relating to the management of the operations, in compliance with Ministerial Decree 9 December 2014 (evidence no.4) concerning development contracts and interministerial decree 21 October 2022 concerning the fund for industrial transition (evidence no.3). Invitalia S.p.A first verifies the availability of the financial resources allocated to the implementation of the measure, the access requirements and the completeness of the documentation provided, and then selects project applications based on the criteria included in Article 9 of the Ministerial Decrees of 9 December 2014 and Article 10 of the Interministerial Decree of 21 October 2022 (evidence no. 4 and no. 3).

Section 1 of the implementing agreement (evidence n.20, p.6) also specifies that Invitalia carries out independently all the tasks and operations related to the management of the scheme at stake, including those related to receiving and assessing the applications for support, drawing the rank of final beneficiaries, signatures of contracts with third parties (i.e. the beneficiaries), the disbursement of the grants and their monitoring and control. Invitalia S.p.A approves the investment programmes and grants the relevant facilities by decision of its Board of Directors in the case of programmes involving financing of more than EUR 5 million; in the case of programmes involving financing of less than EUR 5 million, they are approved by the Chief Executive Officer by virtue of the delegation granted to him/her. Invitalia's board of directors ("Consiglio di Amministrazione") must have the capacity to take strategic decisions without external interference, in particular from the Government. This is ensured by rules that clearly delimit the roles and responsibilities of the Board and government authorities, including: Invitalia has adopted an Organisation, Management and Control Model in accordance with legislative Decree No 231 of 8 June 2001 (evidence no. 10), which defines the responsibilities of directors and employees to prevent criminal offences and unlawful interference; Ethics Code of Invitalia (evidence no.8); The Statute of Invitalia (evidence no.11), defining the responsibilities of the board of directors and role of government authorities.

**2. Key requirements of the associated investment policy, which shall include:**

**a. The description of the financial products and eligible final beneficiaries.**

Section 3.A., Chapter 1 of the implementing agreement (evidence no.2,p.11) relates to the description of financial products provided and eligible final beneficiaries. The financial product may be disbursed in the following forms, including in combination with each other: non-repayable grants, subsidised loans, interest rate subsidies, subsidies for capital and direct expenditure. They are disbursed by Invitalia S.p.A, in line with requirements set out in Article 8 of the Ministerial Decree of 9 December 2014, as amended (evidence no. 4) for development contracts and in line with requirements set out in Article 8 of the Interministerial Decree of 21 October 2022 (evidence no. 3). The beneficiaries of the aid may be undertakings, of all sizes, meeting the requirements of Article 4 (9) of Ministerial Decree of 9 December 2014 (evidence no.4) for development contracts and of Article 5 (1) of Interministerial decree of 21 October 2021 (evidence no.3) for the Fund for the industrial transition.

**b. The requirement that all investments supported are economically viable.**

Section 3.B., Chapter 1 of the implementing agreement (evidence no.2, p.15) provides that all investment programmes supported under the scheme must be economically viable. Invitalia S.p.A carries out during its assessment an economic and financial analysis of the financial statements and company data of the applicant companies and verifies the financial viability of the operation.

**c.The requirement to comply with the ‘Do no significant harm’ (DNSH) principle as set out in the DNSH Technical Guidance (2021/C58/01). In particular, the investment policy shall exclude the following list of activities and assets from eligibility: activities and assets related to fossil fuels, including downstream use<sup>1</sup>, activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks<sup>2</sup>, activities and assets related to waste landfills, incinerators<sup>3</sup> and mechanical biological treatment plants<sup>4</sup>.**

Section 3.C., Chapter 1 of the implementing agreement (evidence no.2, p.15) refers to the compliance with the DNSH principle. In particular, the implementing agreement clearly excludes from eligibility the list of activities and assets as referred in the description of the investment from the Council Implementing Decision and in line with the DNSH Technical Guidance (2021/C58/01). According to Section 2.C of the Decree, the following list of activities and assets are, in any case, not eligible: (i) activities and assets related to fossil fuels, including downstream use, (ii) activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks, (iii) activities and assets related to waste landfills, incinerators and mechanical biological treatment plants.

**d.The requirement that final beneficiaries of the Facility shall not receive support from other Union instruments to cover the same cost.**

Section 1, Chapter 1 of the implementing agreement (evidence no.2, p.7) states that Invitalia checks the absence of double funding by means of Art. 9 of Regulation (EU) 2021/241 of the European Parliament establishing the Recovery and Resilience Facility (“RRF Regulation”, evidence no.12). Section 3.D., Chapter 1 of the implementing agreement (evidence no.2, p.16) provides that compliance with the prohibition of double funding is verified by Invitalia S.p.A at project level. Invitalia S.p.A acquires a declaration of formal notice, produced by the applicants at the time of submission of the application for assistance, and verifies its veracity by using dedicated databases and other control tools. For example, beneficiaries are obliged to use electronic billing, dedicated current accounts, as well as keeping proper financial recordings.

**3. The amount covered by the Implementing Agreement, the fee structure for the Implementing Partner and the requirement to reinvest any reflows according to the investment policy of the Facility.**

Section 4, Chapter 1 of the implementing agreement (evidence no.2, p.16) specifies the dedicated resources covered by the agreement. It also specifies that Invitalia S.p.A shall receive reimbursement of the recorded costs for the management of the implementing agreement up to a maximum of 2%, and that any unused resources, as well as resources resulting from withdrawals, including partial withdrawals, of facilities granted or waived, reflows of preferential financing and interest generated by resources transferred to Invitalia S.p.A shall be used, even after 31 December 2026, for the same policy purposes as those set out in the implementing agreement.

**4.Monitoring, audit, and control requirements, including:**

**a.The description of the implementing partner’s monitoring system to report on the investment mobilized.**

Section 5.A., Chapter 1 of the implementing agreement (evidence no.2, p.17) describes the monitoring process carried out through the local information system SIMOCO – Monitoring and Control system in use at MIMIT. The IT system is in line with the Ministry of Economy and Finance (“MEF”) Circulars No 27 of 21 June 2022 (evidence no.5), No 20 of 9 May 2023 (evidence no.6) and No 2 of 18 January 2024 (evidence no.7), allowing to monitor the physical, procedural and financial progress of projects relating to investments falling within the scope of Italy’s Recovery and Resilience Plan, as well as allowing the transmission of data to the ReGIS information system. To ensure that monitoring data are of high quality, correctness and consistency, the SIMOCO Local Information System provides for specific functionalities to enable prior checks to be carried out on the data to be validated (so-called pre-validation checks).

**b.The description of the implementing partner’s procedures that shall ensure the prevention, detection and correction of fraud, corruption, and conflicts of interests.**

Section 5.B., Chapter 1 of the implementing agreement (evidence no.2, p.18) shows that Invitalia S.p.A has multiple controls in place to mitigate the risk of actual or potential conflict of interest, namely: (i) An ethics code (evidence no.8); (ii) Rules governing conflict of interest; (iii) a Model Organisation, Management and Control system to prevent the risk of committing offences (including offences against public authorities, corporate crimes, offences relating to market abuse) covered by Legislative Decree No 231 of 8 June 2001 (evidence no.10) relating to administrative liability of companies for certain offences perpetrated, in their own interest or for their own benefit, by their directors, employees and/or representatives in general, together with the related monetary and prohibitive sanctions to be imposed; (iv) Invitalia's internal personnel management includes the issuing of self-declarations (DSAN) regarding the disclosure of conflicts of interest, including potential ones, and compliance with behavioural obligations, as well as checks regarding the effective application of the principle of separation of duties, authorization and signature powers, traceability and transparency of processes. Invitalia verifies on a sample basis the veracity of the DSAN acquired using dedicated databases and other control tools. Moreover, for the supported programmes, at any stage, Invitalia is empowered to conduct controls and inspections.

**c.The obligation to verify the eligibility of every operation in accordance with the requirements laid out in the Implementing Agreement before committing to finance an operation.**

Section 5.C., Chapter 1 of the implementing agreement (evidence no.2, p.19) expressly provides that, in the context of the process of assessing investment programmes with a view to committing to finance an operation, Invitalia has the obligation to verify the eligibility of each operation against the requirements laid down in the implementing agreement.

**d.The obligation of carrying out risk-based ex-post audits in accordance with an audit plan of the Invitalia S.p.A. These audits shall verify:**

- i.that the control systems are effective, including the detection of fraud, corruption, and conflict of interests;**
- ii.compliance with the DNSH principle, the State Aid rules, the climate target requirements; and**
- iii.that the requirement that final beneficiaries of the Facility have not received support from other Union instruments to cover the same cost is respected. The audits shall also verify the legality of the transactions and that the conditions of the applicable Implementing Agreement are being respected.**

The Council Implementing Decision required the obligation of carrying out risk-based ex-post audits in accordance with an audit plan of Invitalia SpA. Section 5.D., Chapter 1 of the implementing agreement (evidence no.2, p.19) foresees that audits activities are carried out by the MIMIT instead of Invitalia. In particular MIMIT's Directorate General for Business Incentives performs an audit of Invitalia's work, based on a risk analysis. These audits shall verify: i) that the control systems are effective, including the detection of fraud, corruption, and conflict of interests; ii) compliance with the DNSH principle, State aid rules, the climate target requirements; and iii) that the requirement that final beneficiaries of the Facility have not received support from other Union instruments to cover the same cost is respected. These audits shall also verify the legality of the transactions and that the conditions of the applicable Implementing Agreement are being respected. The audit plan also foresees controls on final beneficiaries.

Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, the objective of the measure is still met since MIMIT, the Ministry in charge of the investment, will have the required powers and instruments in place to carry-out risk based ex post audits. Section 5.D of the implementing agreement describes the checks to verify and monitor the correct implementation of the management and control system, the adequacy of the organisational structure, the compliance of the procedures implemented in accordance with the relevant legislation and, in particular, with the specific requirements of the Council Implementing Decision. MIMIT would also verify and monitor the effectiveness of Invitalia's procedures and compliance with the provisions of the implementing agreements. 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 milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**5.Requirements for climate investments carried out by the implementing partner: at least EUR 2.430.000.000 of the RRF investment into the Facility shall contribute to the climate change objectives in accordance with Annex VI to the RRF Regulation.**

Section 6, Chapter 1 of the implementing agreement (evidence no.2, p.20) provides that at least EUR 2.430.000.000,00 of the entire measure, must contribute to climate change objectives, in accordance with Annex VI of the RRF Regulation (evidence no.12). In addition, final beneficiaries are required to provide a justification of the selected field of intervention for each supported project, together with a description of the project, for the purpose of calculating the climate contribution. Section 5.A, Chapter 1 of the implementing agreement further foresees that Invitalia submits to the MIMIT a bi-annual report on the progress of the measure, containing information on the approved programmes, the advantages granted and any withdrawals.

**Sub-investment 2: This sub-investment shall consist of a public investment in a Facility, “Competitiveness and resilience of strategic supply chains”, in order to incentivise private investment and improve access to finance to strengthen industrial supply chains.**

The financial instrument “Competitiveness and resilience of strategic supply chains” is based on the aid measure for development contracts referred to in the Decree of the Minister for Economic Development of 9 December 2014 (evidence no.4), as amended.

**The investment shall support projects related to key strategic value chains, such as industrial development programs and environmental protection development programs.**

The introductory part of Chapter 2 of the implementing agreement (evidence no.2, p.21) establishes that the investment supports projects related to key strategic value chains and Section 3, Chapter 2 (evidence no.2, p.24) further outlines that the measure builds on the investments related to development contracts focused on specific programs for industrial development and environmental protection.

**The Facility shall operate by providing non-repayable grants, subsidised loans, and interest subsidies |directly to the private sector.**

Section 3.A., Chapter 2 of the implementing agreement (evidence no.2, p.24) indicates that the financial product may be disbursed in the following forms, including in combination with each other: non-repayable grants, subsidised loans, interest rate subsidies, subsidies for capital and direct expenditure.

**The Facility shall be managed by Invitalia S.p.A. as the implementing partner. In order to implement the investment into the Facility, Italy and Invitalia S.p.A. shall sign an Implementing Agreement that shall include the following content:**

**1.Description of the decision-making process of the Facility: The final investment and award decisions of the Facility shall be taken by an investment committee or other relevant equivalent governing body and approved by a majority of votes from members who are independent from the government.**

Section 1, Chapter 2 on the implementing agreement (evidence no.2, p.21) specifies that Invitalia S.p.A is the implementing partner managing the measure Section 1, Chapter 2 of the implementing agreement (evidence no.2, p.21) describes the decision-making process of the scheme. Invitalia S.p.A carries out independently all the tasks relating to the management of the operations, in compliance with Ministerial decree 9 December 2014 (evidence no.3) for development contracts and Interministerial decree of 21 October 2022 (evidence no.4) for the Fund for industrial transition. Invitalia S.p.A first verifies the availability of the financial resources allocated to the implementation of the measure, access requirements and the completeness of the documentation provided and then evaluates project

applications based on the criteria included in Article 9 of the Ministerial Decrees of 9 December 2014 (evidence no. 4).

Section 1 of the implementing agreement also specifies that Invitalia carries out independently all the tasks and operations related to the management of the scheme at stake, including those related to receiving and assessing the applications for support, drawing the rank of final beneficiaries, signatures of contracts with third parties (i.e. the beneficiaries), the disbursement of the grants and their monitoring and control. Invitalia S.p.A approves the investment programmes and grants the relevant facilities by decision of its Board of Directors in the case of programmes involving financing of more than EUR 5 million; in the case of programmes involving financing of less than EUR 5 million, they are approved by the Chief Executive Officer by virtue of the delegation granted to him/her. Invitalia's board of directors must have the capacity to take strategic decisions without external interference, in particular from the Government. This is ensured by rules that clearly delimit the roles and responsibilities of the Board and government authorities, including: Invitalia has adopted an Organisation, Management and Control Model in accordance with legislative Decree No 231 of 8 June 2001 (evidence no. 10), which defines the responsibilities of directors and employees to prevent criminal offences and unlawful interference; Ethics Code of Invitalia (evidence no.8); The Statute of Invitalia (evidence no.11), defining the responsibilities of the board of directors and role of government authorities.

**Key requirements of the associated investment policy, which shall include:**

**i)The description of the financial products and eligible final beneficiaries.**

Section 3.A., Chapter 2 of the implementing agreement (evidence no.2, p.25) relates to the description of financial products provided and eligible final beneficiaries. The financial product may be disbursed in the following forms, including in combination with each other: subsidised loans, interest rate subsidies, subsidies for capital and direct expenditure. They are disbursed by Invitalia S.p.A, in line with requirements set out in Article 8 of the Ministerial Decree of 9 December 2014, as amended (evidence no. 4) for development contracts. The investment projects of the applicant, apart from any research, development and innovation projects, must consist of eligible expenditure of at least EUR 10.000.000,00, or EUR 3.000.000,00 if the programme relates exclusively to the processing and marketing of agricultural products; the amount of each project of the participating entities may not be less than EUR 1.500.000,00. The beneficiaries of the aid may be undertakings, of all sizes, meeting the requirements of Article 4 (9) of Ministerial Decree of 9 December 2014 (evidence no.4).

**ii)The requirement that all investments supported are economically viable.**

Section 3.B., Chapter 2 of the implementing agreement (evidence no.2, p.27) explicitly provides that 'all investment programmes supported under the scheme must be economically viable'. Invitalia S.p.A carries out during its assessment an economic and financial analysis of the financial statements and company data of the applicant companies and verifies the financial viability of the operation.

**iii)The requirement to comply with the 'Do no significant harm' (DNSH) principle as set out in the DNSH Technical Guidance (2021/C58/01). In particular, the investment policy shall exclude the following list of activities and assets from eligibility: activities and assets related to fossil fuels, including downstream use<sup>5</sup>, activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks<sup>6</sup>, activities and assets related to waste landfills, incinerators<sup>7</sup> and mechanical biological treatment plants<sup>8</sup>.**

Section 3.C., Chapter 2 of the implementing agreement (evidence no.2, p.28) refers to the compliance with the DNSH principle. In particular, the implementing agreement clearly excludes from eligibility the list of activities and assets as referred in the description of the investment from the Council Implementing Decision and in line with the DNSH Technical Guidance (2021/C58/01). According to Section 3.C of the Decree, the following list of activities and assets are, in any case, not eligible: (i) activities and assets related to fossil fuels, including downstream use, (ii) activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower

than the relevant benchmarks, (iii) activities and assets related to waste landfills, incinerators and mechanical biological treatment plants.

**iv)The requirement that final beneficiaries of the Facility shall not receive support from other Union instruments to cover the same cost.**

Section 1, Chapter 2 of the implementing agreement (evidence no.2, p.21) states that Invitalia checks the absence of double funding by means of Art. 9 of the RRF regulation (evidence n.12). Section 3.D., Chapter 2 of the implementing agreement (evidence no.2, p.28) provides that compliance with the prohibition of double funding is verified by Invitalia S.p.A at project level. Invitalia S.p.A acquires a declaration of formal notice, produced by the applicants at the time of submission of the application for assistance, and verifies its veracity by using dedicated databases and other control tools. For example, beneficiaries are obliged to use electronic billing, dedicated current accounts, as well as keeping proper financial recordings.

**3.The amount covered by the Implementing Agreement, the fee structure for the Implementing Partner and the requirement to reinvest any reflows according to the investment policy of the Facility.**

Section 4, Chapter 2 of the implementing agreement (evidence no.2, p.29) establishes the dedicated resources covered by the agreement. It also specifies that Invitalia S.p.A shall receive reimbursement of the recorded costs for the management of the implementing agreement up to a maximum of 2% and that any unused resources, as well as resources resulting from withdrawals, including partial withdrawals, of facilities granted or waived, reflows of preferential financing and interest generated by resources transferred to Invitalia S.p.A shall be used, even after 31 December 2026, for the same policy purposes as those set out in the implementing agreement.

**4.Monitoring, audit, and control requirements, including:**

**a.The description of the implementing partner's monitoring system to report on the investment mobilized.**

Section 5.A., Chapter 2 of the implementing agreement (evidence no.2, p.29) describes the monitoring process carried out through the local information system SIMOCO – Monitoring and Control system in use at MIMIT. The IT system is in line with the MEF Circulars No 27 of 21 June 2022 (evidence no.5), No 20 of 9 May 2023 (evidence no.6) and No 2 of 18 January 2024 (evidence no.7), allowing to monitor the physical, procedural and financial progress of projects relating to investments falling within the scope of Italy's Recovery and Resilience Plan, as well as allowing the transmission of data to the ReGiS information system. To ensure that monitoring data are of high quality, correctness and consistency, the SIMOCO Local Information System provides for specific functionalities to enable prior checks to be carried out on the data to be validated (so-called pre-validation checks). Invitalia will also submit to the MIMIT a bi-annual progress report on the measure, containing information on the approved programmes, the facilities granted, and any withdrawals.

**b.The description of the implementing partner's procedures that shall ensure the prevention, detection and correction of fraud, corruption, and conflicts of interests.**

Section 5.B., Chapter 2 of the implementing agreement (evidence no.2) shows that Invitalia S.p.A has in place multiple control mechanisms to mitigate the risk of actual or potential conflict of interest, namely: (i) An ethics code (evidence no.8); (ii) Rules governing conflict of interest; (iii) Model Organisation, Management and Control to prevent the risk of committing offences (including offences against public authorities, corporate crimes, offences relating to market abuse) covered by Legislative Decree No 231 of 8 June 2001 (evidence no.10) relating to administrative liability of companies for certain offences perpetrated, in their own interest or for their own benefit, by their directors, employees and/or representatives in general, together with the related monetary and prohibitive sanctions to be imposed; (iv) Invitalia's internal personnel management includes the issuing of self-declarations (DSAN) regarding the disclosure of conflicts of interest, including potential ones, and compliance with behavioural obligations, as well as checks regarding the effective application of the principle of separation of duties, authorization and signature powers, traceability and transparency of processes. Invitalia verifies on a sample basis the veracity of the DSAN acquired using

dedicated databases and other control tools. Moreover, for the supported programmes, at any stage, Invitalia is empowered to conduct controls and inspections.

**c.The obligation to verify the eligibility of every operation in accordance with the requirements laid out in the Implementing Agreement before committing to finance an operation.**

Section 5.C., Chapter 2 of the implementing agreement (evidence no.2, p.31) expressly provides that, in the context of assessing investment programmes with a view to committing to finance an operation, Invitalia has the obligation to verify the eligibility of each operation against the requirements laid down in the implementing agreement.

**d.The obligation of carrying out risk-based ex-post audits in accordance with an audit plan of the Invitalia S.p.A. These audits shall verify:**

- i.that the control systems are effective, including the detection of fraud, corruption, and conflict of interests;**
- ii.compliance with the DNSH principle, the State Aid rules, the climate target requirements; and**
- iii.that the requirement that final beneficiaries of the Facility have not received support from other Union instruments to cover the same cost is respected. The audits shall also verify the legality of the transactions and that the conditions of the applicable Implementing Agreement are being respected.**

The Council Implementing Decision required the obligation of carrying out risk-based ex-post audits in accordance with an audit plan of Invitalia SpA. Section 5.D., Chapter 1 of the implementing agreement (evidence no.2, p.31) foresees that audit activities are carried out by the MIMIT instead of Invitalia. In particular MIMIT's Directorate General for Business Incentives performs an audit of Invitalia's work, based on a risk analysis. These audits shall verify: i) that the control systems are effective, including the detection of fraud, corruption, and conflict of interests; ii) compliance with the DNSH principle, State aid rules, the climate target requirements; and iii) that the requirement that final beneficiaries of the Facility have not received support from other Union instruments to cover the same cost is respected. These audits shall also verify the legality of the transactions and that the conditions of the applicable Implementing Agreement are being respected. The audit plan also foresees controls on final beneficiaries.

Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, the objective of the measure are still met since MIMIT, the Ministry in charge of the investment, will have the required powers and instruments in place to carry-out risk based ex post audits. Section 5.D of the implementing agreement ('Obligation to carry out risk-based ex-post audits in accordance with an audit plan of Invitalia') describes the checks to verify and monitor the correct implementation of the management and control system, the adequacy of the organisational structure, the compliance of the procedures implemented in accordance with the relevant legislation and, in particular, with the specific requirements of the Council Implementing Decision. MIMIT would also verify and monitor the effectiveness of Invitalia's procedures and compliance with the provisions of the implementing agreements. 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 milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**The implementation of the measure shall be completed by 31 August 2026.**

The introduction of the implementing agreement (evidence no.2, p.4) specifies that the relevant resources have been transferred to Invitalia SpA on 18 June 2025.

**Commission Preliminary Assessment:** Satisfactorily fulfilled

## Loan support

### M2C2-39: The Ministry of Enterprises and Made in Italy has completed the transfer of funds to Invitalia S.p.A

**Related Measure:** [M2C2] - [I5.1]: Support to the production system for the Ecological Transition, Net Zero Technologies, and competitiveness and resilience of strategic supply chains.

**Qualitative Indicator:** Certificate of transfer

**Time:** Q4 2024

#### 1. Context:

The objective of this investment, structured into two sub-investments, is to provide public funding

- to a “Net Zero Technologies” Facility, aimed at incentivizing private investment and improving access to finance in fields such as energy efficiency, renewable energy generation for self-consumption, and the sustainable transformation of production processes;
- to a “Competitiveness and resilience of strategic supply chains” Facility, designed to strengthen strategic industrial supply chains by incentivizing private investment and improving access to finance. This sub-investment should support projects related to key strategic value chains, including industrial development and environmental protection programs.

Milestone M2C2-39 concerns the transfer of the resources to Italian National Development Agency (henceforth, “Invitalia SpA”) by the Ministry of Enterprises and Made in Italy (henceforth, “MIMIT”).

Milestone M2C2-39 is the third step of the implementation of the investment. It follows Milestone M2C2-38 which envisaged the adoption of the Ministerial Decree allocating the resources for the development of the renewables and batteries value chain and Milestone M2C2-38bis related to the signing of the implementing agreement between MIMIT and Invitalia SpA. These milestones will be followed by target M2C2-40 requiring Invitalia to enter into legal financing agreements with final beneficiaries.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. A copy of the “account statement - estratto conto” of Invitalia SpA on 30 June 2023; for the line of investment photovoltaic panels (advance payment)
3. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” for Invitalia SpA on 11 May 2023; for the line of investment photovoltaic panels (advance payment)
4. A copy of the “account statement - estratto conto” of Invitalia SpA; on 30 June 2023 for the line of investment line wind (advance payment)
5. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” on 11 May 2023, for Invitalia SpA; for the line of investment wind (advance payment)
6. A copy of the “account statement - estratto conto” of Invitalia SpA; on 30 June 2023 for the line of investment batteries (advance payment)
7. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” on 11 May 2023, for Invitalia SpA; for the line of investment batteries (advance payment)
8. A copy of the “account statement - estratto conto” of Invitalia SpA; on 25 June 2025 for the line of investment batteries
9. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” on 12 June 2025, for Invitalia SpA; for the line of investment batteries
10. A copy of the “account statement - estratto conto” of Invitalia SpA; on 25 June 2025 for the line of investment photovoltaic panels

11. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” on 12 June 2025, for Invitalia SpA; for the line of investment photovoltaic panels
12. A copy of the “account statement - estratto conto” of Invitalia SpA; on 25 June 2025 for the line of investment strategic supply chains
13. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” on 13 June 2025, for Invitalia SpA; for the line of investment strategic supply chains
14. A copy of the “account statement - estratto conto” of Invitalia SpA (first tranche); on 25 June 2025 for the line of investment net zero technologies
15. A copy of the “account statement - estratto conto” of Invitalia SpA (second tranche); on 25 June 2025 for the line of investment net zero technologies
16. A copy of the “account statement - estratto conto” of Invitalia SpA (third tranche); on 25 June 2025 for the line of investment net zero technologies
17. A copy of the “account statement - estratto conto” of Invitalia SpA (fourth tranche); on 25 June 2025 for the line of investment net zero technologies
18. A copy of the approved payment order – “Disposizione di pagamento per beneficiario” on 13 June 2025, for Invitalia SpA; for the line of investment net zero technologies; paid in four tranches

### 3. Analysis:

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

#### **Italy shall transfer EUR 3 500 000 000 to Invitalia for the Facility.**

In line with the requirements of the milestone, the Italian authorities provided evidence of the execution of transfers amounting to a total of EUR 3 500 000 000.00 from the Ministry of Enterprises and Made in Italy to Invitalia SpA for the implementation of Investment 5.1 *“Support to the production system for the Ecological Transition, Net Zero Technologies, and competitiveness and resilience of strategic supply chains”*.

Specifically, the Italian authorities provided:

- the account statements – “*estratto conto*” of Invitalia’s bank accounts (evidence 2, 4, 6, 8, 10, 12, 14, 15, 16, 17) on its depositary bank, amounting to a total of EUR 3 500 000 000.00 which certify the receipt of funds by Invitalia SpA;
- the approved payment orders ‘Disposizione di pagamento per beneficiario’ which show that the transfers of the resources from the account of the Ministry of Enterprises and Made in Italy to the account of Invitalia SpA were executed on:

- 11 May 2023 for the advance payment of the line of investment photovoltaic panels (evidence 3),
- 11 May 2023 for the advance payment concerning the line of investment wind (evidence 5);
- 11 May 2023 for the advance payment concerning the line of investment batteries (evidence 7);
- 12 June 2025 for the line of investment batteries (evidence 9);
- 12 June 2025 for the line of investment photovoltaic panels (evidence 11);
- 13 June 2025 for the line of investment strategic supply chains (evidence 13);
- 13 June 2025 for the line of investment net zero technologies (evidence 18).

Additionally, the account statements and the approved payment orders specify:

- The amount of each transfer, the sum of which amounts to EUR 3.500.000.000 as required by the milestone;
- The beneficiary of the transfer which is Invitalia SpA;
- The rationale for the transfer which is the funding of measures M1C2 Investment 7 and M2C2 Investment 5 (which were merged under M2C2 Investment 5 after a revision for simplification purposes) .

Finally, the account statement of Invitalia SpA specifies the depositary banks of Invitalia's accounts which are private bank located in Milan or Rome.

**Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M2C2-42bis Equity injection into the Green Transition Fund

**Related Measure:** M2C2.I5.4 Investment 5.4 – Equity injection into the Green Transition Fund (“GTF”)

**Qualitative Indicator:** Certificate of transfer

**Time:** Q4 2024

#### 1. Context:

This measure consists of an equity injection of EUR 250 000 000 into the Green Transition Fund (“GTF”) managed by CDP Venture Capital SGR, with the aim of supporting the growth potential of the Italian economy by incentivizing private investments, improving access to finance for start-ups involved in the green transition, and developing the venture capital market in this sector. The GTF operates by providing equity, quasi equity, debt or quasi debt support, directly or indirectly. CDP Venture Capital SGR adopts an investment policy for the use of the equity.

Milestone M2C2-42bis requires that Italy transfers EUR 250 000 000 to the GTF, and that the investment policy (“Accordo Finanziario”) is in line with the measure description.

Milestone M2C2-42bis is the second milestone of the investment, and it follows the completion of milestone M2C2-42. It will be followed by target M2C2-43, which concerns the transmission of a report outlining the actions taken by GTF to implement the investment policy.

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

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Proof of transfer to account managed by Cassa Depositi e Prestiti (first instalment, EUR 125 000 000);
3. Proof of transfer to account managed by Cassa Depositi e Prestiti (second instalment, EUR 125 000 000);
4. Overview of movements of account managed by Cassa Depositi e Prestiti;
5. Proof of transfer to account of the Green Transition Fund (transfer No. 1);
6. Proof of transfer to account of the Green Transition Fund (transfer No. 2);
7. Proof of transfer to account of the Green Transition Fund (transfer No. 3);
8. Proof of transfer to account of the Green Transition Fund (transfer No. 4);
9. Proof of transfer to account of the Green Transition Fund (transfer No. 5);
10. Proof of transfer to account of the Green Transition Fund (transfer No. 6);
11. Proof of transfer to account of the Green Transition Fund (transfer No. 7);
12. Proof of transfer to account of the Green Transition Fund (transfer No. 8);
13. Proof of transfer to account of the Green Transition Fund (transfer No. 9);
14. Proof of transfer to account of the Green Transition Fund (transfer No. 10);
15. Proof of transfer to account of the Green Transition Fund (transfer No. 11);
16. Proof of transfer to account of the Green Transition Fund (transfer No. 12);
17. Proof of transfer to account of the Green Transition Fund (transfer No. 13);
18. Proof of transfer to account of the Green Transition Fund (transfer No. 14);
19. Proof of transfer to account of the Green Transition Fund (transfer No. 15);
20. Proof of transfer to account of the Green Transition Fund (transfer No. 16);
21. Proof of transfer to account of the Green Transition Fund (transfer No. 17);
22. Investment policy (“Accordo Finanziario”);

23. Proof of signature of the investment policy (“Accordo Finanziario”) by the parties;
24. Guidelines “Linee Guida per le attività di rendicontazione e controllo dei Fondi DTF e GTF”.

### 3. Analysis:

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

#### **Italy shall transfer EUR 250 000 000 to the GTF.**

The Italian authorities provided evidence that transfers amounting to a total of EUR 250 000 000, as required by the milestone, have been made and have reached the account of the Green Transition Fund (hereafter, “GTF”).

Specifically, the transfer of the full amount took place in instalments, in accordance with the following steps: Italy first made two transfers, of EUR 125 000 000 each, from ministerial accounts (i.e. in one case an account of the Ministry of Economic and Financial Affairs, and in the other an account of the Ministry of Enterprises and Made in Italy) to an account managed by Cassa Depositi e Prestiti (evidence No. 2 and 3); and subsequently 17 transfers from the latter account to the account of the GTF, where the total amount of such 17 transfers sums up to EUR 250 000 000 (evidence No. 4 to 21). By completing the above-mentioned steps, therefore, Italy transferred a total amount of EUR 250 000 000 to the GTF, as required by the milestone.

#### **Moreover, the investment policy (“Accordo Finanziario”) shall be in line with the measure description.**

The Italian authorities transmitted the investment policy (“Accordo Finanziario”), which is in line with the requirements outlined in the measure description. Specifically, the Italian authorities provided the “Accordo Finanziario (versione consolidata)” (hereafter, “investment policy”) between the Ministry of Enterprises and Made in Italy (hereafter, “MIMIT”) and CDP Venture Capital SGR SPA (hereafter, “CDP VC”), which contains the investment policy in line with the measure description (evidence No. 22). The investment policy was subscribed on 10.06.2024, following signature by the two parties (which took place on 04.06.2024 for MIMIT and on 07.06.2024 for CDP VC; evidence No. 23) as well as the acknowledgement by the proposing party of the acceptance of the other party, in line with the provisions of the Italian Civil Code. The compliance of the investment policy with the measure description is justified in the following paragraphs.

**Furthermore, in line with the description of the measure, this measure aims at supporting the growth potential of the Italian economy by incentivizing private investments, improving access to finance for start-ups involved in the green transition, and developing the venture capital market in this sector. The measure shall consist of an equity injection of EUR 250 000 000 into the Green Transition Fund (“GTF”) managed by CDP Venture Capital SGR.**

The measure supports the growth potential of the Italian economy by incentivizing private investments, improving access to finance for start-ups involved in the green transition, and developing the venture capital market in this sector through an equity injection into the GTF. Specifically, as indicated in Article 12 of the investment policy (evidence No. 22), the financial procedure foresees that MIMIT subscribes quotas of the GTF. As mentioned above, the Italian authorities provided evidence that EUR 250 000 000 have been transferred to the account of the GTF, corresponding to an equity injection of the same value into the GTF. As indicated in Article 1, letter aa) of the investment policy, CDP VC is the management and implementing entity of this measure, and is responsible for the start, implementation and regular functioning of the intervention.

**Furthermore, in line with the description of the measure, CDP Venture Capital SGR shall adopt an investment policy for the use of the equity. The investment policy shall include the description of the financial product(s) with the expected type of eligible final beneficiaries that the equity is expected to support, including the expected timeline for the implementation of 15 years and the management fee of maximum 13%<sup>3</sup>.**

CDP VC adopted an investment policy for the use of the equity. Specifically, CDP VC and MIMIT signed the “Accordo Finanziario (versione consolidata)” (signature on 04.06.2024 for MIMIT and on 07.06.2024 for CDP VC), which defines

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<sup>3</sup> In particular, the 13% maximum cap does not include carried interest, performance fees related to GTF and all costs and management fees related to third party funds.

the investment policy for the use of the equity. Article 2, paragraph 1, of such investment policy provides the description of the financial products with the expected type of eligible final beneficiaries that the equity is expected to support, namely direct and indirect investments in favour of start-ups with high growth potential. Article 2, paragraph 2, of such investment policy provides the expected timeline for implementation, stipulating that the expected duration of the GTF is 15 years, notwithstanding possibilities for prorogation. Article 10, paragraph 2 of the investment policy also provides that the management fees and costs for the full duration of the GTF shall be comprised within the cap of 13% of the endowment of the fund, excluding – in line with footnote 51 in the measure description – performance fees and/or carried interests as well as all costs and management fees related to third-party funds.

**Furthermore, in line with the description of the measure, the GTF shall operate by providing equity, quasi equity, debt or quasi debt support, directly or indirectly<sup>4</sup>.**

Article 2 of the investment policy stipulates that the GTF operates through direct or indirect investments in favour of startups. Based on Article 1 of the investment policy, direct investments include equity and quasi-equity investments, and indirect investments include investing in target third-party funds, i.e. funds for venture capital or funds for venture debt.

**Furthermore, in line with the description of the measure, CDP Venture Capital SGR shall adopt the audit and control system described in the guidelines “Linee Guida per le attività di rendicontazione e controllo dei Fondi DTF e GTF” for the use of the equity.**

The Italian authorities provided the “*Linee Guida per le attività di rendicontazione e controllo dei Fondi DTF e GTF*” (hereafter, “the guidelines”; evidence No. 24), which include ad hoc guidelines on the audit and control procedures to be adopted by CDP VC in the implementation of the GTF. Specifically, the guidelines provide indications on the procedures to be adopted by CDP VC, as managing entity of the GTF, with a view to ensuring the sound management of financial resources, in particular in the areas of administrative and accounting regularity, correct identification of the beneficiaries, absence of conflict of interest, absence of double funding, among others. The guidelines apply also to indirect investments.

**Furthermore, in line with the description of the measure, the Investment Policy shall require that financial product(s) that the equity supports comply with the ‘Do no significant harm’ (DNSH) principle as set out in the DNSH Technical Guidance (2021/C58/01). In particular, in the case of general support to start ups, the investment policy shall exclude companies with a substantial focus<sup>5</sup> in the following sectors: (i) fossil fuel-based energy production and related activities<sup>6</sup>; (ii) energy-intensive and/or high CO2-emitting industries<sup>7</sup>; (iii) production, rental, or sale of polluting vehicles<sup>8</sup>; (iv) waste collection, waste treatment and disposal<sup>9</sup>, (v) processing of nuclear fuel, production**

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<sup>4</sup> In particular, in case of direct investments, the GTF shall operate by providing equity or quasi equity support; in case of indirect investments, the GTF shall operate by financing third party funds which shall operate by providing at least one of the following: equity, or quasi-equity, or debt, or quasi-debt instruments.

<sup>5</sup> It is considered that a Final Beneficiary has a “substantial focus” on a sector or business activity if such sector or activity is identified as being an essential part of the business activity of the Final Beneficiary respectively in relation to the gross revenue, profit, or client base of the Final Beneficiary. The gross revenue generated from the restricted sector or activity shall, in any case, not exceed 50% of the gross revenue.

<sup>6</sup> Except for (a) assets and activities in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the ‘Do no significant harm’ Technical Guidance (2021/C58/01) and (b) activities and assets under point (ii) for which the use of fossil fuels is temporary and technically unavoidable for the timely transition towards a fossil fuel free operation.

<sup>7</sup> Including activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks. Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible shall be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

<sup>8</sup> Polluting vehicles are defined as non-zero-emission vehicles.

<sup>9</sup> This exclusion does not apply to actions in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust

**of nuclear energy. Moreover, the investment policy shall require compliance with the relevant EU and national environmental legislation.**

Article 3 of the investment policy provides that are admissible for investment by the GTF interventions that, inter alia, comply with the DNSH principle (Article 3, paragraph 1, letter b of the investment policy). Specifically, for what concerns direct investments, Article 6, paragraph 1, of the investment policy requires that CDP VC shall exclude investment in target enterprises whose activities are substantially concentrated in the following sectors: i) fossil fuel-based energy production and related activities; ii) energy-intensive and/or high CO<sub>2</sub>-emitting industries; iii) production, rental, or sale of polluting vehicles; iv) waste collection, waste treatment and disposal with reference to the activities of landfilling and activities of incineration and thermo-valorisation; v) processing of nuclear fuel, production of nuclear energy. Similarly, for what concerns indirect investments, Article 6, paragraph 3, of the investment policy foresees that the respect of the requirements provided for in Article 6 is taken on by third-party funds (*gestore autorizzato*). Finally, for what concerns compliance with the relevant environmental legislation, Article 6, paragraph 7, of the investment policy specifies that CDP VC shall ensure the verification of the juridical conformity of projects to the relevant EU and national environmental legislation.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

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gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

## Loan support

**M2C2-44:** Publication of the admission decrees with the awarding (assignment) of all public contracts for the installation of photovoltaic solar panels and measuring instruments in agri-voltaic systems

**Related Measure:** [M2C2]-[I1.1]: Development of agri-voltaic systems

**Qualitative Indicator:** Publication of the admission decrees with the awarding (assignment) of all public contracts for the installation of photovoltaic solar panels and measuring instruments in agri-voltaic systems.

**Time:** Q4 2024

### 1. Context:

Investment M2C2 I.1.1 consists in grants supporting investments for the construction of agri-voltaic systems and the installation of measuring instruments to monitor the underlying agricultural activity to assess the microclimate, water saving, recovery of soil fertility, resilience to climate change and agricultural productivity for the different types of crops.

Milestone M2C2-44 consists of the publication of the admission decrees with the awarding (assignment) of all public contracts for the installation of photovoltaic solar panels and measuring instruments in agri-voltaic systems.

Milestone M2C2-44 is the first step of the implementation of the investment. It will be followed by milestone M2C2-45, related to the installation of photovoltaic solar panels in agri-voltaic systems with a capacity of at least 900 MW, which completes the investment.

### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Ministerial Decree 22 December 2023, n.436, launching the public notice for funding for projects selected through competitive procedures (auctions) as well as non-competitive procedures (inclusion in relevant registry), [link](#).
3. Calls for the non-competitive procedures of 31 May 2024, detailing the requirements of the public notice established by the Ministerial Decree of 22 December 2023, n. 436, [link](#).
4. Calls for the competitive procedures of 31 May 2024, detailing the requirements of the public notice established by the Ministerial Decree of 22 December 2023, n. 436, [link](#).
5. Directorial Decree of 30 November 2024 n.249 assigns funding for projects selected through competitive procedures, including Table A listing selected projects, [link](#).
6. Directorial Decree of 30 November 2024 n.250 assigns funding for projects through non-competitive procedures (inclusion in relevant registry), including Table A listing selected projects, [link](#).

### 3. Analysis:

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

**Publication of the admission decrees with the awarding (assignment) of all public contracts for the installation of photovoltaic solar panels and measuring instruments in agri-voltaic systems.**

The Ministerial decree of the Ministry of the Environment and Energy Security of 22 December 2023, n.436 (evidence ii) publishes the public notice with general criteria and procedures for the set-up of incentives for agri-voltaic systems. The calls (evidence iii and iv) further specify the eligible expenses, which notably include the construction of advanced agri-voltaic systems (with photovoltaic modules, inverters, module assembly structures, electromechanical module orientation systems, electrical components) and equipment for the monitoring systems, including the purchase or acquisition of information programs for the management of the plant (section 9 of evidences iii and iv). The Directorial Decrees of the Department of Energy of Ministry of the Environment and Energy Security award (assign) all public contracts for the installation of photovoltaic solar panels and measuring instruments in agri-voltaic systems (evidence

v and vi). lArt. 2 of the Ministerial Decree n. 436 of 22 December 2023 defines an agri-voltaic system as an innovative solution including: 1) elevated photovoltaic panels which do not to compromise agricultural and pastoral activity and 2) monitoring system allowing to assess the impact of the installation on agricultural productivity for different types of crops, water savings, and in general the continuity farm activity.

Art. 5 of the Decree further explains that the majority of installations (up to 740 MW in total) are selected through competitive procedures, to which projects of any size can participate both if the applicant is a farmer as well as if it is a temporary association of firms (including at least one farmer). A portion of projects (up to 300 MW in total) is reserved only for applicants which are farmers and for smaller installations up to 1 MW.

Funding has been awarded to 540 projects through both competitive and non-competitive procedures for a total of 1 547,85 MW:

The Directorial Decree n. 249 of 30 November 2024 (evidence v) assigns funding for projects selected through competitive procedures (Art. 1). Table A of the Directorial Decree lists the final ranking of the 270 awarded public contracts for a total nominal capacity of 1 369 MW.

The Directorial Decree n. 250 of 30 November 2024 (evidence vi) assigns funding for projects selected through non-competitive procedures (Art. 1). Table A of the Directorial Decree lists the final ranking of the 270 awarded public contracts for a total nominal capacity of 178, 77 MW.

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Loan support

### M2C4-11: Identification of the interventions by ordinance(s) of the Commissioner of Emergency

**Related Measure:** [M2C4]-[I2.1]: Measures for flood and hydrogeological risk reduction

**Qualitative Indicator:** Ordinance(s) of the Commissioner of Emergency

**Time:** Q3/2024

#### 1. Context:

The investment consists in supporting the reconstruction and resilience of territories of Emilia-Romagna, Toscana and Marche that were affected by the May 2023 floods. The interventions concern the restoration of waterways and the rehabilitation of the transport network.

Milestone M2C4-11 requires the adoption of one or more ordinances by the Commissioner for the Emergency in charge of the reconstruction identifying the exact list of interventions. The value of the total number of interventions shall amount to at least EUR 1.2 billion.

#### 2. Evidence provided:

1. Ordinance of the Commissioner for Emergency no. 48/2025 published on the Official Journal no. 147 of 27 June 2025.

#### 3. Analysis:

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

**One or more ordinances by the Commissioner of Emergency shall identify the exact list of interventions to restore waterways and increase protection from floods and landslides, the interventions to restore public buildings, including public houses and health centres, and the total number of km of the transport network to be rehabilitated. The value of the total number of interventions shall amount to at least EUR 1.2 billion.**

The Commissioner for the Emergency adopted Ordinance n. 48/2025 on 20 June 2025 (evidence 1). Ordinance n. 48/2025 entered into force on 27 June 2025 with the publication on the Official Journal n.147/2025 (*Gazzetta Ufficiale Serie Generale* of 27 June 2025), as provided by Art. 5(1) of the Ordinance.

The ordinance identifies an exact list of 961 interventions to restore waterways and increase protection from floods and landslides, interventions to restore public buildings, and interventions to rehabilitate 163 km of transport network. The total number of interventions amount to EUR 1,148.2 million. Whilst this constitutes a minimal numerical deviation of 4.1% from the requirement of the Council Implementing Decision, the overall objective of this milestone is considered met. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

**Furthermore, in line with the description of the measure, [the investment] shall include interventions identified by the Commissioner of Emergency in particular the provinces of Ancona, Ascoli Piceno, Bologna, Ferrara, Fermo, Firenze, Forli-Cesena, Macerata, Modena, Pesaro-Urbino, Ravenna, Reggio-Emilia and Rimini. The interventions shall concern: Interventions to restore waterways and increase protection against floods and landslides. The interventions shall include as far as possible nature-based solutions and may envisage the reuse of materials transported by flooding. The interventions should also promote, to the extent possible, the adoption of sustainable soil and land management practices for supporting long term-resilience of soils, for stopping soil degradation and for mitigating the impacts of climate change; Rehabilitation interventions of the transport network. The interventions may include complementary infrastructures (including bridges) that have suffered damage and need to be repaired; Interventions to restore public buildings, including public houses and health centres.**

The ordinance includes interventions in the provinces of Ancona, Ascoli Piceno, Bologna, Ferrara, Fermo, Firenze, Forli-Cesena, Macerata, Modena, Pesaro-Urbino, Ravenna, Reggio-Emilia and Rimini.

154 interventions concern the restoration of waterways and to increase protection against floods and landslides. 2 interventions concern the restoration of public buildings. 805 interventions concern the rehabilitation of 163 km of road network; 52 of these interventions concern bridges that have been damaged and need to be repaired.

The ordinance moreover requires (Art 3) that no intervention should significantly harm the environment, in line with EU legislation.

Compliance with the requirement providing for the reliance on nature-based solutions, the reuse of materials transported by flooding to the extent possible, the adoption of sustainable soil and land management practices for supporting long-term resilience of soils, and the stopping of soil degradation and mitigating the impacts of climate change can be verified only upon completion of projects.

No intervention identified by the ordinance foresees the installation or replacement of gas boilers, or the purchase of vehicles.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M2C4-20: Plant trees for the protection and valorisation of urban and peri-urban green areas T2

**Related Measure:** [M2C4]-[I3.1]: Protection and enhancement of urban and peri-urban forests

**Quantitative Indicator:** Number

**Baseline:** 1 650 000

**Target:** 4 500 000

**Time:** Q4 2024

#### 1. Context

This measure aims to protect green areas and increase their number with the objective of both preserving and enhancing biodiversity and increasing the quality of life of the inhabitants of those areas. The actions concentrate on 14 metropolitan cities of Italy, which are the most exposed to environmental problems like air pollution, loss of biodiversity or to the effects of climate change.

Target M2C4-20 aims requires planting of forest reproductive material (seeds or plants) for at least 4 500 000 trees and shrubs for reforestation of urban and peri-urban areas.

Target M2C4-20 is the third step of the implementation of the investment. It follows the completion of milestone M2C4-18, related to the adoption of the Urban Forestation Plan, and target M2C4-19, related to planting at least 1 650 000 trees for reforestation of urban and peri-urban areas. Target M2C4-20 will be followed by target M2C4-20bis, related to the transplanting of forest reproductive material (seeds or plants) for at least 3 500 000 trees. The investment has a final expected date for implementation in Q2 2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled
2. Ministerial Decree no. 493 of 30 November 2021 adopting the Urban Forestation Plan published on the Ministry for the Environment and Energy Security's (MASE) [website](#)
3. Call for projects for interventions of urban, peri-urban, and extra-urban reforestation of 30 March 2022, published on the Ministry for the Environment and Energy Security's (MASE) [website](#)
4. Directorial Decree no. 198 of 19 August 2022 approving the list of selected projects under the Ministry's call of 30 March 2022, published on the Ministry for the Environment and Energy Security's [website](#)
5. Call for projects for interventions of urban, peri-urban, and extra-urban reforestation of 2 May 2023, published on the Ministry for the Environment and Energy Security's website
6. Directorial decree no. 606 of 21 December 2023 approving the list of selected projects under the Ministry's call of 2 May 2023, published on the Ministry for the Environment and Energy Security's website
7. Agreement No. 7 of 22 September 2022 between MASE and CUFA for the provision of seeds for planting support
8. Agreement of 21 October 2022 between MASE and Umbraflor for the provision of support to Metropolitan Cities for the planting phase
9. Financing Agreements for the reforestation intervention signed between the MASE and the Metropolitan cities (Bari, Cagliari, Catania, Firenze, Genova, Messina, Milano, Napoli, Palermo, Reggio Calabria, Roma, Torino, Venezia)

10. Certificates of planting and transplanting completion of the Metropolitan cities issued by the Metropolitan cities and the CUFA (environmental division of the Carabinieri - Comando unità forestali, ambientali e agroalimentari) in charge of the implementation of the measure between November and December 2022: Bari, Cagliari, Catania, Firenze, Genova, Messina, Milano, Napoli, Palermo, Reggio Calabria, Roma, Torino, Venezia, CUFA (environmental division of the Carabinieri - Comando unità forestali, ambientali e agroalimentari)-Umbraflor

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

11. Certificates of planting or transplanting completion for a specific urban area (including all species and number of plants for each species), including participation to the CUFA-Umbraflor agreement for the cities of [list to be provided after the sampling];
12. Financing Agreements for the reforestation intervention signed between the Ministry of the Environment and Energy Security (MASE) and the Metropolitan cities;
13. Certificate of origin of the seeds of a specific species.

### 3. Analysis:

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

**Planting of forest reproductive material (seeds or plants) for at least 4 500 000 trees and shrubs for reforestation of urban and peri-urban areas pursuant to article 4 of the law of 12 December 2019, 141 (so-called climate law).**

The Ministry of the Environment and Energy Security (MASE), the responsible implementing authority for this measure, launched a call for projects on 30 March 2022 (evidence no. iii). On 19 August 2022, with Directorial Decree no. 198 of 19 August 2022 (evidence no. iv), the Ministry has adopted and published the ranking of the selected projects for a total of 2.083.680 trees and shrubs on the Ministry's website. The selected projects for reforestation of urban and peri-urban areas belong to the metropolitan cities of Bari, Cagliari, Catania, Genova, Messina, Napoli, Palermo, Reggio Calabria, Roma, Torino and Venezia. The call of 30 March 2022, see art. 3 comma 1, develops the project in the framework established by the law of 12 December 2019, N. 141 (so called "climate law").

Furthermore, MASE launched a second call for projects on 2 May 2023 (evidence no. v). With Directorial decree no. 606 of 21 December 2023 (evidence no. vi), the Ministry has adopted and published the ranking of the selected projects for additional 2.514.423 plants. The selected projects belong to the Metropolitan cities of Bari, Cagliari, Firenze, Genova, Messina, Milano, Napoli, Palermo, Reggio Calabria, Roma and Torino.

The number of plants certified has been determined by multiplying the seeds for each species for a specific success factor and has then been reduced by further 20% to take into account casualties during growth (such as, for 10 000 seeds delivered, 7 500 plants are expected – Planting certificates issued by CUFA). Italy expects from this process a total forest reproductive material (seeds or plants) of 4.661.994 plants and shrubs, above the target goal of 4.500.000. Part of these plants have been planted in tree nurseries, and are to be transplanted at a second stage, in their final destination, other have already reached sufficient maturity to be transplanted in their final destination. The Certificates of planting and transplanting of each Metropolitan city, list the number and species of plants, as well as the project for the final destination for the transplanting (evidence no. x). The Financing agreements between the Metropolitan cities and MASE list in the section "Scheda di Sintesi" the final transplanting location in the Metropolitan City, and in the "Cronoprogramma" section for the transplanting calendar (evidence no. ix).

Furthermore, in line with the description of the measure, **this measure aims to protect green areas and increase their number with the objective of both preserving and enhancing biodiversity and increasing the quality of life of the inhabitants of those areas. The actions shall concentrate on the 14 metropolitan cities of Italy, which are the most exposed to environmental problems like air pollution, loss of biodiversity or to the effects of climate change.**

The calls for projects for interventions of urban, peri-urban, and extra-urban reforestation of 30 March 2022 (evidence no. iii) and of 2 May 2023 (evidence no. v) establish in art. 1(1) that interventions are addressed to Italy's 14 Metropolitan Cities and aim at improving the quality of life and wellbeing of its inhabitants. Art. 1(2) clarifies that the investment aims to a) preserve and enhance biodiversity, b) contribute to a reduction of air pollution, also to support protecting human health, c) reduce infractions linked to air quality, d) recover anthropized landscapes, and e) reduce soil consumption and revitalize soil.

The Directorial Decree No. 198 of 19 August 2022, Annex A (evidence no. iv), and Directorial Decree no. 606 of 21 December 2023 (evidence no. vi) list the projects selected for financing. Following the publication of these Directorial Decrees, the metropolitan cities selected have signed a Financing Agreement with MASE for the reforestation action, where the target areas in each Metropolitan city are listed in the section "Scheda di Sintesi" (evidence no. ix).

The plants selected for the projects in the areas of the Metropolitan cities follow the criteria laid out in the Forestation plan, Chapter 2.2 (evidence no. ii), as assessed for milestone M2C4-18 in the context of the first payment request of Italy.

Furthermore, in line with the description of the measure, **forest reproductive material (seeds or plants) shall be planted for those areas for at least 4 500 000 trees and shrubs (in 4 500 hectares) and at least 3.5 million trees shall be transplanted in their final destination.**

MASE's call of 30 March 2022, art. 1(3), and call of 2 May 2023, art. 5(6) (evidence no. iii and no v, respectively), state that every forestation intervention shall require planting 1.000 plants per hectare, as also envisaged by the Urban Forestation Plan (evidence no. ii, p. 62), which clarifies that interventions will require planting 1.000 plants per hectare.

**The target is further specified in the Operational Arrangements, which requires "to plant identifying locations and quantities according to the principle of using "the right tree in the right place". The Charter of the Ecoregions of Italy drawn up at the level of "34 ecoregions" will make it possible to select and assign to each metropolitan area the most suitable trees in terms of ecological, biogeographical and response to different local needs.**

The respect of the "right tree in the right place" is stated in the calls for projects for interventions of urban, peri-urban, and extra-urban reforestation of 30 March 2022 (evidence no. iii) and 2 May 2023, art. 1(3) (evidence no. v);

The respect of the "right tree in the right place" is further verified with the deliverable of milestone M2C4-18 "Urban and peri-urban Forestation Plan", as published with Ministerial Decree no. 493 of 30 November 2021 (evidence no. ii), assessed during in the context of the first payment request submitted by Italy. The Plan is focused on strategies and actions needed to implement reforestation of urban areas and takes into account the environmental factors that characterize the 14 metropolitan areas, with a detailed analysis in Chapter 2.2 listing the species that are coherent with biogeographical and ecological local characteristics of the 14 metropolitan cities. The species selected for the interventions respect the criteria set out in the plan.

The following variables were verified in the context of the sampling exercise: the project number, the Metropolitan City, the species and number of trees per species planted, the respect of the "right tree in the right place" principle.

The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met. The certificates provided confirm the planting of trees for the Metropolitan cities following the "right tree in the right place principle".

**4. Commission Preliminary Assessment:** satisfactorily fulfilled.

## Loan support

### M2C4-22: Reduction of riverbed artificiality for the re-naturification of the Po area T1

**Related Measure:** [M2C4]-[I3.3]: Re-naturification of Po area

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 13

**Time:** Q4 2024

#### 1. Context:

This measure aims to reactivate natural processes and encourage the recovery of biodiversity. This would ensure the restoration of the river and a more sustainable and efficient use of water resources.

The target consists of the reduction of riverbed artificiality by at least 13 km along the axis of the Po.

Target M2C4-22 is the second step of the implementation of the investment. It follows the completion of milestone M2C4-21 related to 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. It will be followed by target M2C4-23 related to the reduction of riverbed artificiality by at least 37 km, brought back to the axis of the Po, which completes the investment.

#### 2. Evidence provided:

1. Summary document duly justifying how the target was satisfactorily fulfilled.
2. "State of implementation of the priority strand of the investment M2C4 3.3 'Re-naturification of the Po area'" technical report by the Interregional Agency for the Po River of 31 December 2024, updated 14 March 2025
3. Certificate for the completion of works for the intervention defined in the technical sheet n. 6 along the intervention line M, signed on 27 March 2025 by the Director of Works and the competent authority, the Interregional Agency for the Po River
4. Certificate for the completion of works for the intervention defined in the technical sheet n. 8 along the intervention line M, signed by the Director of Works and the competent authority, the Interregional Agency for the Po River, on 27 March 2025
5. Certificate for the completion of works for the intervention defined in the technical sheet n. 27 along the intervention line M, signed on 28 March 2025 by the Director of Works and the competent authority, the Interregional Agency for the Po River
6. Certificate for the completion of works for the intervention defined in the technical sheet n. 32 along the intervention line M, signed on 28 March 2025 by the Director of Works and the competent authority, the Interregional Agency for the Po River
7. Certificate for the completion of works for the intervention defined in the technical sheet n. 6 along the intervention line R, signed on 28 March 2025 by the Director of Works and the competent authority, the Interregional Agency for the Po River

#### 3. Analysis:

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

## **Reduce riverbed artificiality by at least 13 km along the axis of the Po.**

The investment is constituted of two main lines of intervention (M and R) which contribute to the reduction of Po's riverbed artificiality along the axis of the Po, as explained in the technical report by the Interregional Agency for the Po River (*Agenzia Interregionale per il fiume Po*) (AIPO) (evidence no. 2). The M-line addresses morphological recovery interventions aimed at reactivating the mobility belt of the watercourse through the modification of hydraulic works and the lowering of navigation brushes (*pennelli per la navigazione*). The R-line centres on forestry interventions for the redevelopment of oxbows, reforestation and control of allochthonous species to increase biodiversity and the ecological value of the river. For the achievement of target M2C4-22, lines M and R are subdivided, respectively, into four priority areas counted towards the achievement of the target. These are shown in the technical datasheets (*schede*) n. 6, 8, 27, and 32 (evidence no. 3 to 7), detailed in the technical report (evidence no. 2), and which define the location, type and length in kilometres of the intervention on the respective intervention lines (M or R). As explained in the methodology section of the same technical report by AIPO, where the intervention on the lines M and R overlap, the reduction of riverbed artificiality is only counted for the the M-line, to avoid double counting.

Further, the technical report refers to the definition of the axis of the Po which has been defined by the Hydrogeological Structure Plan (*Piano di Assetto Idrologico*) (PAI), and where the axis cannot be determined (such as in the Po River Delta) by the PAI, the axes of the branches of the Po River have been defined according to the median line of the wet riverbed (evidence no. 2, page 5). The interventions described and evidenced in the technical datasheets follow the axis of the Po River, according to the definition of the PAI.

Along the M-line, 12,27 km of riverbed artificiality have been reduced along the axis of the Po through morphological recovery interventions in the intervention areas described and evidenced in the technical datasheets n. 6 (3.08 km), n. 8 (2,53 km), n. 27 (3.23 km), and n. 32 (3.43 km). The certificates for the completion of works, which are signed by the Directors of works and approved by AIPO, the competent authority, attest the reduction in the intervention areas mentioned above, as well as show detail for all the works performed in the geographical locations as defined in the technical datasheets (evidence no. 3, 4, 5, and 6).

Along the R-line, 1.52 km of riverbed artificiality have been reduced through forestry interventions in the intervention area described and evidenced in map n. 6. The certificate for the completion of works, signed by the Director of works and approved by AIPO, shows evidence for the reduction mentioned above, and details all the works performed in this area (evidence no. 7).

As a total, 13.79 km of riverbed artificiality have been reduced along the axis of the Po River, overachieving the target goal of 13 km.

## **4. Commission Preliminary Assessment: Satisfactorily fulfilled.**

## Loan support

### M2C4-31: Interventions in water distribution networks, including digitization and monitoring of networks T1

**Related Measure:** [M2C4]-[I4.2]: Reduction of losses in water distribution networks, including digitization and monitoring of networks

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 14000

**Time:** Q4 2024

#### 1. Context:

The objective of the measure is to reduce losses in drinking water through the upgrade and modernisation of water distribution systems by introducing advanced control systems to enhance the monitoring of the networks.

Target M2C4-31 requires the districting of 14 000 km of water network.

Target M2C4-31 is the second step in the implementation of the investment. It follows milestone M2C4-30 on the awarding (assignment) of funding to projects. It will be followed by target M2C4-32 on the districting of at least 45 000 km of water network.

#### 2. Evidence provided:

1. Summary document duly justifying how the target was fulfilled.
2. List of 15 interventions contributing to the districting of 19 455 km of water network.
3. Project description form for intervention 1 with unique identifier G71D22000000002.
4. Binding agreement for intervention 1 with unique identifier G71D22000000002.
5. Monitoring report for intervention 1 with unique identifier G71D22000000002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 17 April 2025.
6. Project description form for intervention for intervention 2 with unique identifier H92E22000070008.
7. Binding agreement for intervention for intervention 2 with unique identifier H92E22000070008.
8. Monitoring report for intervention 2 with unique identifier H92E22000070008 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025
9. Project description form for intervention for intervention 3 with unique identifier G32E22000040003.
10. Binding agreement for intervention for intervention 3 with unique identifier G32E22000040003.
11. Monitoring report for intervention 3 with unique identifier G32E22000040003 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
12. Project description form for intervention 4 with unique identifier J81D22000100002;

13. Binding agreement for intervention for intervention 4 with unique identifier J81D22000100002.
14. Monitoring report for intervention 4 with unique identifier J81D22000100002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
15. Project description form for intervention 5 with unique identifier G72E22000140005.
16. Binding agreement for intervention 5 with unique identifier G72E22000140005.
17. Monitoring report for intervention 5 with unique identifier G72E22000140005 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
18. Project description form for intervention 6 with unique identifier G98B22000280002.
19. Binding agreement for intervention 6 with unique identifier G98B22000280002.
20. Monitoring report for intervention 6 with unique identifier G98B22000280002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025 .
21. Project description form for intervention 7 with unique identifier G71D22000010002.
22. Binding agreement for intervention 7 with unique identifier G71D22000010002.
23. Monitoring report for intervention 7 with unique identifier G71D22000010002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
24. Project description form for intervention 8 with unique identifier G52E22000020002.
25. Binding agreement for intervention 8 with unique identifier G52E22000020002.
26. Monitoring report for intervention 8 with unique identifier G52E22000020002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
27. Project description form for intervention 9 with unique identifier D15H22000000002.
28. Binding agreement for intervention 9 with unique identifier D15H22000000002.
29. Monitoring report for intervention 9 with unique identifier D15H22000000002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
30. Project description form for intervention 10 with unique identifier E81D22000060006.
31. Binding agreement for intervention 10 with unique identifier E81D22000060006.
32. Monitoring report for intervention 10 with unique identifier E81D22000060006 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
33. Project description form for intervention 11 with unique identifier G61D22000040003.
34. Binding agreement for intervention 11 with unique identifier G61D22000040003.
35. Monitoring report for intervention 11 with unique identifier G61D22000040003 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
36. Project description form for intervention 12 with unique identifier C23F22000130002.
37. Binding agreement for intervention 12 with unique identifier C23F22000130002.

38. Monitoring report for intervention 12 with unique identifier C23F22000130002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
39. Project description form for intervention 13 with unique identifier J32E22000350002.
40. Binding agreement for intervention 13 with unique identifier J32E22000350002.
41. Monitoring report for intervention 13 with unique identifier J32E22000350002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
42. Project description form for intervention 14 with unique identifier H22E22000030002.
43. Binding agreement for intervention 14 with unique identifier H22E22000030002.
44. Monitoring report for intervention 14 with unique identifier H22E22000030002 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
45. Project description form for intervention 15 with unique identifier B31D22000050005.
46. Binding agreement for intervention 15 with unique identifier B31D22000050005.
47. Monitoring report for intervention 15 with unique identifier B31D22000050005 signed by the beneficiary body, the implementing body and the independent environmental regulator ARERA on 19 April 2025.
48. Report of the independent engineer, signed on date 5 June 2025.

### **3. Analysis:**

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

#### **Districting at least 14 000 kilometres of water network**

The Italian authorities provided evidence that as of 15 December 2024, at least 19 455 km of water network were districted as a result of the progress on 15 interventions under investment M2C4 I4.2. Water districting refers to the process of dividing a geographic area into separate zones or districts using advanced technologies such as Geographic Information System (GIS) mapping, sensors, and data analytics to optimize water distribution, leakage detection, and infrastructure management.

The Italian authorities shared the list of projects including, for each project: the unique identifier (CUP), implementing body, the beneficiary, a description of the project and the number of km of water network districted as of 31 October 2024 (evidence 2).

As evidence supporting this information, for each project, the Italian authorities shared:

- i. the project description, which the beneficiaries and implementing bodies commit to respect through a dedicated binding agreement (also provided);
- ii. a monitoring report signed by each intervention's beneficiary and implemented body, as well by the Italian independent regulator on Environment ARERA, outlining: cartographic evidence of the area involved by the intervention, the list of districts subject to the districting activity and, for each district, the km of water network affected and the date of closure of the district. The closing of the district entails its entry into operation.

In more detail:

- Intervention 1, with unique identifier G71D22000000002, is about the districting of water networks in areas in the Municipalities of Rome, of Fiumicino and in the Roman Castles area, through the digitalisation of the network, its monitoring, the reduction of leaks and of traits of networks in need of replacement, as well as their replacement (evidence 3 and 4). As of 31 October 2024, the districting involves 1 727 km of water network corresponding to 82 water districts (evidence 5).
- Intervention 2, with unique identifier H92E22000070008, is about the districting of water networks in areas in the Municipalities of Florence, Prato and Pistoia, through the mapping of water networks and their representation using Geographic Information System to enable infrastructure asset management (evidence 6 and 7). As of 15 December 2024, the districting involves 1 838 km of water network corresponding to 139 water districts (evidence 8)
- Intervention 3, with unique identifier G32E22000040003, is about the districting of water networks in areas in the provinces of Lucca and Massa Carrara in Tuscany, by enhancing the understanding of the water network through digitization, measurement, and active pressure and leak management, enabled by the implementation of innovative solutions including modelling, district metering, and network rehabilitation (evidence 9 and 10). As of 31 October 2024, the districting involves 578km of water network corresponding to 81 water districts (evidence 11)
- Intervention 4, with unique identifier J81D22000100002, is about the districting of water networks in the area of Bergamo, by the adoption of innovative tools and digitalization of processes to support decision-making (evidence 12 and 13). As of 31 October 2024, the districting involves 1 111 km of water network corresponding to 162 water districts (evidence 14)
- Intervention 5, with unique identifier G72E22000140005, is about the districting of water networks in the area of Turin, by the the deployment of a dedicated telecommunications network and the installation of smart meters and sensors that enable real-time monitoring and active control of network losses (evidence 15 and 16). As of 31 October 2024, the districting involves 2 839km of water network corresponding to 211 water districts (evidence 17)
- Intervention 6, with unique identifier G98B22000280002, is about the districting of water networks in the area of Monza e Brianza, by installing measurement instruments at key nodes identified in the Water Plans and deploying WMS software for real-time remote monitoring of water balance, the system enables the identification of leaks in real-time (evidence 18 and 19). As of 31 October 2024, the districting involves 538km of water network corresponding to 24 water districts (evidence 20)
- Intervention 7, with unique identifier G71D22000010002, is about the districting of water networks in the area of southern Lazio, by monitoring, modelling and optimizing the water network and monitoring water leaks (evidence 21 and 22). As of 31 October 2024, the districting involves 1 404km of water network corresponding to 116 water districts (evidence 23)
- Intervention 8, with unique identifier G52E22000020002, is about the districting of water networks in the area of Lecco, by expanding the measurement and monitoring systems, hydraulic modelling, including smart modes, modernization of the meters, innovative tools and technologies for active leak detection, and refinement of the Asset Management strategy (evidence 24 and 25). As of 31 October 2024, the districting involves 751km of water network corresponding to 104 water districts (evidence 26)
- Intervention 9, with unique identifier D15H22000000002, is about the districting of water networks in the area of Arezzo, by the digitalization of the water systems for an optimal Asset Management (evidence 27 and 28).

As of 31 October 2024, the districting involves 1 829 km of water network corresponding to 784 water districts (evidence 29)

- Intervention 10, with unique identifier E81D22000060006, is about the districting of water networks in the region of Abruzzo, through active control of leaks and pressure regulation in the network (evidence 30 and 31). As of 31 October 2024, the districting involves 772 km of water network corresponding to 54 water districts (evidence 32)
- Intervention 11, with unique identifier G61D22000040003, is about the districting of water networks in the area of Dolomiti Bellunesi, through the mapping of water networks and their representation using Geographic Information System to enable infrastructure asset management and the installation of meters (evidence 33 and 34). As of 31 October 2024, the districting involves 750 km of water network corresponding to 85 water districts (evidence 35)
- Intervention 12, with unique identifier C23F22000130002, is about the districting of water networks in some areas of Regions Friuli Venezia Giulia and Veneto, through the mapping of water networks and their representation using Geographic Information System to enable infrastructure asset management and the installation of meters (evidence 36 and 37). As of 31 October 2024, the districting involves 3 399 km of water network corresponding to 143 water districts (evidence 38)
- Intervention 13, with unique identifier J32E22000350002, is about the districting of water networks in some areas of Region Umbria, through the mapping of water networks, their modelling, the identification of leaks, the installation of meters (evidence 39 and 40). As of 31 October 2024, the districting involves 1 627 km of water network corresponding to 208 water districts (evidence 41)
- Intervention 14, with unique identifier H22E22000030002, is about the districting of water networks in the area of Parma, through the mapping of water networks, their modelling, the identification of leaks, the installation of meters (evidence 42 and 43). As of 31 October 2024, the districting involves 112 km of water network corresponding to 46 water districts (evidence 44)
- Intervention 15, with unique identifier B31D22000050005, is about the districting of water networks in the Gran Sasso Area in the Region of Abruzzo, through the mapping of water networks, digitalization of water networks, installation of meters, identification of leaks (evidence 45 and 46). As of 31 October 2024, the districting involves 741 km of water network corresponding to 117 water districts (evidence 47).

Therefore, in total, the Italian authorities provided evidence of the districting of 19 973 km of water network, corresponding to 2 356 water districts.

The Italian authorities also provided a report of an independent engineer (evidence 48) further verifying the completion of the target.

The independent engineer verified a sample of 578 districts, corresponding to the most sensitive nodes involved by the 15 interventions. In particular, the independent engineer verified the information reported in the monitoring reports with installation documents of monitoring tools and extracts from the monitoring systems. The outcome of the verification was positive. As a result, the independent engineer certified the districting of 19 973 km of water network, corresponding to an average 30.98% reduction of leakages per district.

**4. Commission Preliminary Assessment:** satisfactorily fulfilled.

## Loan support

### M2C4-34: Interventions for the resilience of the irrigation agrosystem for the better management of water resources T1

**Related Measure:** M2C4.I4.3 Investments in the resilience of the irrigation agrosystem for better management of water resources

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 40

**Time:** Q4 2024

#### 1. Context:

The objective of the measure is to increase efficiency of irrigation systems through the development of innovative infrastructure for a more sustainable agricultural sector as well as better adapted to climate change. The interventions include conversion of the irrigation systems towards more efficient ones, the adaptation of distribution networks to reduce losses and the installation of smart metering and remote-control systems, in line with the relevant national and EU acquis on the matter.

Target M2C4-34 requires that meters are installed on at least 40 withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow rate shall be equipped with meters, and that at least 300 third level meters and 10 000 fourth level meters are installed, as well as networks' digitalisation and improvements.

Target M2C4-34 follows milestone M2C4-33 on the selection of the projects. It is followed by target M2C4-35 on the area of irrigated area benefitting from a more efficient use of water resources in this payment request, and by targets M2C4-34bis and M2C4-35bis on the installation of additional meters and on additional irrigated area benefitting from a more efficient use of water resources.

#### 2. Evidence provided:

1. Summary document duly justifying how the target was satisfactorily fulfilled
2. List of 22 projects contributing to the target.
3. For project with unique identifier G49J21009070001, implemented by Consorzio della Bonifica Parmense, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 12 June 2025 certifying the installation of meters.
4. For project with unique identifier E74H17000370001, implemented by Consorzio di Bonifica Burana, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 12 June 2025, certifying the installation meters.
5. For project with unique identifier C89J21018360001, implemented by Consorzio di Bonifica Tirreno Catanzarese, a certificate signed by the RUP (responsabile unico del procedimento, single procurement

manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.

6. For project with unique identifier G79J21009910007, implemented by Consorzio di Bonifica Alto Ionio Reggino, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
7. For project with unique identifier G37B17000480006, implemented by Consorzio di Bonifica Biellese e Vercellese, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
8. For project with unique identifier G67B17000110006, implemented by Consorzio di Bonifica Biellese e Vercellese, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
9. For project with unique identifier J74H13000140001, implemented by Consorzio di Bonifica Capitanata, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 13 June 2025, certifying the installation of meters.
10. For project with unique identifier J97H13001900001, implemented by Consorzio di Bonifica Capitanata, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 13 June 2025, certifying the installation of meters.
11. For project with unique identifier B96G21049540001, implemented by Consorzio di Bonifica del Nord Sardegna, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
12. For project with unique identifier D77H21005980005, implemented by Consorzio di Bonifica della Media Pianura Bergamasca, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 17 June 2025, certifying the installation of meters.
13. For project with unique identifier C86G21012710005, implemented by Consorzio di Bonifica Integrale dei bacini del Tirreno Cosentino, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
14. For project with unique identifier G16H20000000001, implemented by Consorzio di Bonifica Piacenza, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 13 June 2025, certifying the installation of meters.
15. For project with unique identifier D72D17000070001, implemented by Consorzio di Bonifica Piana di Venafro, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 11 June 2025, certifying the installation of meters.
16. For project with unique identifier C27D20000030001, implemented by Consorzio di Bonifica Sardegna Meridionale, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
17. For project with unique identifier I56J17000460006, implemented by Consorzio di Bonifica Territori del Mincio, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager),

by the project manager and by the contractor implementing the works, signed on date 12 June 2025, certifying the installation of meters.

18. For project with unique identifier B92B17000270007, implemented by Consorzio di Bonifica Trapani 1, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 13 June 2025, certifying the installation of meters.
19. For project with unique identifier E15I17000030007, implemented by Consorzio di Bonifica Ufita, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 12 June 2025, certifying the installation of meters.
20. For project with unique identifier D81B17002230001, implemented by CMF Cumiod Montoverto, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 13 June 2025, certifying the installation of meters.
21. For project with unique identifier F98I17000180001, implemented by Ente Acque Umbre Toscane (EAUT), a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 12 June 2025, certifying the installation of meters.
22. For project with unique identifier I16J20000170003, implemented by Vallo della Lucania, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
23. For project with unique identifier B63E11000150006, implemented by Consorzio di Bonifica della Calabria, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 12 June 2025, certifying the installation of meters.
24. For project with unique identifier B74H17000310001, implemented by Consorzio di Bonifica della Calabria, a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works, signed on date 16 June 2025, certifying the installation of meters.
25. List of withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow rate shall be equipped with meters as listed in SIGRIAN.

### 3. Analysis:

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

**At least 40 withdrawal sources (listed in SIGRIAN) linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow rate shall be equipped with meters. The overall network efficiency interventions shall also include the installation of:**

- **300 third level meters;**
- **10 000 fourth level meters;**
- **Digitalisation and network improvements.**

Italy has provided evidence that as a result of the implementation of 22 projects, 44 withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s have been equipped with meters (first or second level meters), 343 third level meters have been installed, and 15 334 fourth level meters have been installed.

With regard to the withdrawal sources linked to water concessions with a capacity of at least 100l/s, the Italian authorities have provided a list of those sources as extracted by the SIGRIAN (National information System for the management of water resources in agriculture) system (evidence 25).

The Commission services conducted an on-the-spot check on 25 June 2025 to verify that with the said list is directly extracted from the SIGRIAN system. This check was completed successfully, confirming that the list is automatically extracted from the SIGRIAN system after the insertion of the relevant prompts to isolate the withdrawal sources linked to water concessions with a capacity of at least 100 l/s.

In more detail:

- With regard to project with unique identifier G49J21009070001, implemented by Consorzio della Bonifica Parmense, the Italian authorities provided evidence of the installation of 16 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 3). With regard to project 2, with identifier E74H17000370001, implemented by Consorzio di Bonifica Burana, the Italian authorities provided evidence of the installation of 2 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 4).
- With regard to project with unique identifier C89J21018360001, implemented by Consorzio di Bonifica Tirreno Catanzarese, the Italian authorities provided evidence of the installation of meters on two withdrawal sources, 8 third level meters and 1569 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 5). The document certifies the unique identification SIGRIAN number of the withdrawal sources equipped with meters (ID: 12610 and 15872): these withdrawal sources results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier G79J21009910007, implemented by Consorzio di Bonifica Alto Ionio Reggino, the Italian authorities provided evidence of the installation of meters on two withdrawal sources, 3 third level meters and 3305 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 6). This document certifies the unique identification SIGRIAN number of the withdrawal sources equipped with meters (ID 12653 and 12654): those withdrawal sources result among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier G37B17000480006, implemented by Consorzio di Bonifica Biellese e Vercellese, the Italian authorities provided evidence of the installation of meters on one withdrawal source and 8 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 7). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters (ID 13853): that withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier G67B17000110006, implemented by Consorzio di Bonifica Biellese e Vercellese, the Italian authorities provided evidence of the installation of 8 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 8).

- With regard to project with unique identifier J74H13000140001, implemented by Consorzio di Bonifica Capitanata, the Italian authorities provided evidence of the installation of 2100 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 9).
- With regard to project with unique identifier J97H13001900001, implemented by Consorzio di Bonifica Capitanata, the Italian authorities provided evidence of the installation of 2400 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 10).
- With regard to project with unique identifier B96G21049540001, implemented by Consorzio di Bonifica del Nord Sardegna, the Italian authorities provided evidence of the installation of meters on two withdrawal source, and 13 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 11). The document also certifies the unique identification SIGRIAN number of the 2 withdrawal sources equipped with meters (ID 12686 and 12685): those withdrawal sources result among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier D77H21005980005, implemented by Consorzio di Bonifica della Media Pianura Bergamasca, the Italian authorities provided evidence of the installation of meters on 17 withdrawal sources through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 12). The document also certifies the unique identification SIGRIAN number of the 17 withdrawal sources equipped with meters (ID: 10164; 10166; 10188; 10195; 10184; 10185; 10187; 10190; 10192; 10198; 10199; 10205; 10201; 16113; 16112; 16110; 16111): those withdrawal sources result among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier C86G21012710005, implemented by Consorzio di Bonifica Integrale dei bacini del Tirreno Cosentino, the Italian authorities provided evidence of the installation of meters on one withdrawal source, 3 third level meters and 348 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 13). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters (ID: 12620): that withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier G16H20000000001, implemented by Consorzio di Bonifica Piacenza, the Italian authorities provided evidence of the installation of 27 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 14).
- With regard to project with unique identifier D72D17000070001, implemented by Consorzio di Bonifica Piana di Venafro, the Italian authorities provided evidence of the installation of meters on one withdrawal source, 48 third level meters and 3981 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 15). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters: this withdrawal source (ID: 12340) results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier C27D20000030001, implemented by Consorzio di Bonifica Sardegna Meridionale, the Italian authorities provided evidence of the installation of 71 third level meters and 863 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 16).

- With regard to project with unique identifier I56J17000460006, implemented by Consorzio di Bonifica Territori del Mincio, the Italian authorities provided evidence of the installation of 41 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 17).
- With regard to project with unique identifier B92B17000270007, implemented by Consorzio di Bonifica Trapani 1, the Italian authorities provided evidence of the installation of 83 third level meters and 348 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 18).
- With regard to project with unique identifier E15I17000030007, implemented by Consorzio di Bonifica Ufita, the Italian authorities provided evidence of the installation of meters on 12 withdrawal sources, and 31 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 19). This document certifies the unique identification SIGRIAN number of the 12 withdrawal sources equipped with meters (ID: 12340; 16098; 16099; 16100; 16101; 16102; 16103; 16104; 16105; 16106; 16107; 16108; 16109): those withdrawal sources results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier D81B17002230001, implemented by CMF Cumiod Montovert, the Italian authorities provided evidence of the installation of meters on one withdrawal source and 34 third level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 20). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters (ID: 9184): this withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier F98I17000180001, implemented by Ente Acque Umbre Toscane (EAUT), the Italian authorities provided evidence of the installation of meters on one withdrawal source, 2 third level meters and 31 fourth level meters through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 21). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters (ID: 9353): that withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier I16J20000170003, implemented by Vallo della Lucania, the Italian authorities provided evidence of the installation of meters on one withdrawal source through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 22). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters (ID: 15641): this withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier B63E11000150006, implemented by Consorzio di Bonifica della Calabria, the Italian authorities provided evidence of the installation of meters on one withdrawal source and of 3 third level meters, through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 23). This document certifies the unique identification SIGRIAN number of the withdrawal source equipped with meters (ID: 12282): this withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).
- With regard to project with unique identifier B74H17000310001, implemented by Consorzio di Bonifica della Calabria, the Italian authorities provided evidence of the installation of meters on two withdrawal sources, through a certificate signed by the RUP (responsabile unico del procedimento, single procurement manager), by the project manager and by the contractor implementing the works (evidence 24). This document certifies the unique identification SIGRIAN number of the withdrawal sources equipped with meters (ID: 12293; 12663):

this withdrawal source results among the withdrawal sources linked to water concession (concessione di derivazione) with a capacity of at least 100 l/s flow listed in SIGRIAN (evidence 25).

The installation of meters at the withdrawal sources and on the distribution networks (third and fourth level meters) contribute to the digitalisation and improvement of the networks.

**4. Commission Preliminary Assessment:** satisfactorily fulfilled

## Loan support

### M2C4-35: Interventions for the resilience of the irrigation agrosystem for the better management of water resources T1

**Related Measure:** [M2C4]-[I4.3]: Investments in the resilience of the irrigation agrosystem for better management of water resources

**Quantitative Indicator:** Hectares

**Baseline:** 0

**Target:** 96 390

**Time:** Q4 2024

#### 1. Context:

The objective of the measure is to increase efficiency of irrigation systems through the development of innovative infrastructure for a more sustainable agricultural sector as well as better adapted to climate change. The interventions include conversion of the irrigation systems towards more efficient ones, the adaptation of distribution networks to reduce losses and the installation of smart metering and remote-control systems, in line with the relevant national and EU acquis on the matter.

Target M2C4-35 requires that at least 96 390 hectares of irrigated area benefit from an efficient use of irrigation resources.

Target M2C4-35 follows milestone M2C4-33 on the selection of the projects, and target M2C4-34 on the installation of meters which is assessed in the context of this payment request. It is followed by targets M2C4-34bis and M2C4-35bis on the installation of additional meters and on additional irrigated area benefitting from a more efficient use of water resources.

#### 2. Evidence provided:

1. Summary document duly justifying how the target was fulfilled.
2. Methodological note on the calculation of the area benefitting from works and on the production of the cartographic extracts.
3. For project with unique identifier G49J21009070001, implemented by Consorzio della Bonifica Parmense, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
4. For project with unique identifier E74H17000370001, implemented by CdB Burana, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
5. For intervention with unique identifier C89J21018360001, implemented by CdB Tirreno Catanzarese, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
6. For project with unique identifier G79J21009910007, implemented by CdB Alto Ionio Reggino, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.

7. For project with unique identifier G37B17000480006, implemented by CdB Biellese e Vercellese, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
8. For project with unique identifier G67B17000110006, implemented by CdB Biellese e Vercellese, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
9. For project with unique identifier J74H13000140001, implemented by CdB Capitanata, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
10. For project with unique identifier J97H13001900001, implemented by CdB Capitanata, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
11. For project with unique identifier B96G21049540001, implemented by CdB del Nord Sardegna, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
12. For project with unique identifier D77H21005980005, implemented by CdB della Media Pianura Bergamasca, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
13. For project with unique identifier C86G21012710005, implemented by CdB Integrale dei bacini del Tirreno Cosentino, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
14. For project with unique identifier G16H20000000001, implemented by CdB Piacenza, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
15. For project with unique identifier D72D17000070001, implemented by CdB Piana di Venafro, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
16. For project with unique identifier C27D20000030001, implemented by CdB Sardegna Meridionale, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
17. For project with unique identifier I56J17000460006, implemented by CdB Territori del Mincio, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
18. For project with unique identifier B92B17000270007, implemented by CdB Trapani 1, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
19. For project with unique identifier E15I17000030007, implemented by CdB Ufita, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
20. For project with unique identifier D81B17002230001, implemented by CMF Cumiod Montoverto, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
21. For project with unique identifier F98I17000180001, implemented by Ente Acque Umbre Toscane (EAUT), a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
22. For project with unique identifier I16J20000170003, implemented by Vallo della Lucania, a cartographic extract from the Shapefiles provided by the Beneficiary Entity covering the area benefitting from works on the efficiency of irrigation resources.
23. Certifications on the installation of meters for each project.

### 3. Analysis:

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

#### **At least 96 390 hectares of irrigated area shall benefit from an efficient use of irrigation resources**

For each project, the Italian authorities have submitted cartographic documents, which confirms that at least 96 390 hectares of irrigated area benefit from an efficient use of irrigation resources. The cartographic documents were submitted in pdf format. The cartographic documents are originally stored in a "shapefile" format by the Beneficiary Entities and have been shared to provide evidence of the "achieved value" of the area that has been made more efficient. The Beneficiary Entities, having identified the area with improved efficiency within the reference irrigation district based on the meters installed under M2C4-34 as evidenced by relevant installation certificates (evidence 23), georeferenced it using GIS (Geographic Information System) programs, and reported the perimeter of the area in the shapefiles. The spatial vector data in a georeferenced system (GIS) that are stored in the shapefiles are utilized to report the perimeter of the area with improved efficiency, allowing for the measurement of the area, as well as the location of the points where the measuring devices are installed

The shapefiles provided by the Beneficiary entities for each project are comprised of files (saved in .gpkg or .shp formats) which store the vectorial information on the area with improved efficiency, after the installation of first, second, third and fourth level meters under M2C4-34 and as evidenced by relevant installation certificates (evidence 23).

The Commission services conducted an on-the-spot check on 10 June 2025 to verify that with the use of a software which can open said file formats in a georeferenced system, overlayed over a satellite map of the area, the cartographic information with the area can be extracted and exported into a pdf file, and the area automatically calculated. The measure of the area with improved efficiency is indeed automatically calculated by the software. The Italian authorities demonstrated during the on-the-spot check the methodology to trace the perimeter of the area with improved efficiency based on the installations of the smart meters. This check was completed successfully, confirming that the methodology for the extrapolation of the cartographic extracts allows for an automatic measurement of the area benefitting from the interventions.

In more detail:

- The cartographic extracts for intervention with CUP G49J21009070001 (evidence 3), provide evidence that an area of 49 810 000 square meters, corresponding to 4981 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for intervention with CUP E74H17000370001 (evidence 4), provide evidence that an area of 84 070 000 square meters, corresponding to 8407 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier C89J21018360001 (evidence 5), provide evidence that an area of 20 670 000 square meters, corresponding to 2067 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier G79J21009910007 (evidence 6), provide evidence that an area of 25 105 000 square meters, corresponding to 2510 hectares, is benefitting from the works on efficient use of irrigation resources.

- The cartographic extracts for project with unique identifier G37B17000480006 (evidence 7), provide evidence that an area of 11 000 000 square meters, corresponding to 1100 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier G67B17000110006 (evidence 8), provide evidence that an area of 81 830 000 square meters, corresponding to 8183 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier J74H13000140001(evidence 9), provide evidence that an area of 143 760 000 square meters, corresponding to 14376 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier J97H13001900001 (evidence 10), provide evidence that an area of 104 060 000 square meters, corresponding to 10406 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier B96G21049540001(evidence 11), provide evidence that an area of 172 700 000 square meters, corresponding to 17270 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier D77H21005980005 (evidence 12), provide evidence that an area of 28 710 000 square meters, corresponding to 2871 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier C86G21012710005 (evidence 13), provide evidence that an area of 11 110 000 square meters, corresponding to 1111 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier G16H20000000001 (evidence 14), provide evidence that an area of 78 129 050 square meters, corresponding to 7812 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier D72D17000070001 (evidence 15), provide evidence that an area of 42 790 000 square meters, corresponding to 4279 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier C27D20000030001(evidence 16), provide evidence that an area of 40 350 000 square meters, corresponding to 4035 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier I56J17000460006 (evidence 17), provide evidence that an area of 35 000 000 square meters, corresponding to 3500 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier B92B17000270007 (evidence 18), provide evidence that an area of 37 000 000 square meters, corresponding to 3700 hectares, is benefitting from the works on efficient use of irrigation resources.

- The cartographic extracts for intervention with CUP E15I17000030007 (evidence 19), provide evidence that an area of 8 954 500 square meters, corresponding to 895 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier D81B17002230001 (evidence 20), provide evidence that an area of 1 416 000 square meters, corresponding to 141 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier F98I17000180001 (evidence 21), provide evidence that an area of 3 090 000 square meters, corresponding to 309 hectares, is benefitting from the works on efficient use of irrigation resources.
- The cartographic extracts for project with unique identifier I16J20000170003 (evidence 22), provide evidence that an area of 1 568 000 square meters, corresponding to 156 hectares, is benefitting from the works on efficient use of irrigation resources.

Therefore, in total, the area benefitting from the works on efficient use of irrigation resources corresponds to: 98 112 hectares.

**1. 4. Commission Preliminary Assessment: satisfactory fulfilled.**

## Loan support

### M3C1-15: 700 km of upgraded line sections built on metropolitan nodes and key national links

**Related Measure:** [M3C1]-[I1.5]: Strengthening metropolitan nodes and key national links

**Quantitative indicator:** Number

**Baseline:** 0

**Goal:** 700

**Time:** Q4 2024

#### 1. Context:

This investment consists in upgrading at least 1,280 km of railway line sections built on 12 metropolitan cities nodes and the key national links (Liguria-Alps, Bologna-Venice-Trieste/Udine, Bologna-Milano, Bologna-Verona-Brennero, Central and North Tyrrhenian link, Adriatic-Ionian link, Urban nodes and regional lines; Freight Terminals).

This target is the first step of the implementation of the investment 1.5. It concerns the upgrade of at least 700 km of railway line sections built on metropolitan nodes and key national links. This target is followed by target M3C1-16 which consists of 1280 km of sections of improved/upgraded lines built on metropolitan nodes and key national links.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2. A list of projects
3. A copy of the Certificate of completion of the works for each project ("*Verbale Ultimazione Lavori*") signed by the implementing entity Rete Ferroviaria Italiana (RFI) and external contractors carrying out the works
4. A copy of the Statement of completion of the works for each project ("*Dichiarazione Completamento d'Opera*") signed by the implementing entity Rete Ferroviaria Italiana (RFI) and the companies carrying out the works.
5. A copy of the "*Verbale di sospensione parziale dei lavori*" and the "*Verbale di ripresa totale dei lavori*" for project "Upgrading tecnologico e prestazionale linea Adriatica, tratta Francavilla-Ortona" (CUP J64H14000450001)
6. A copy of the evaluation of environmental incidence ("*Valutazione di incidenza ambientale*") signed by the the implementing entity Rete Ferroviaria Italiana (RFI) and the company carrying out the audit for project "Elettrificazione anello basso linee del bellunese" (CUP J14F18000010009)
7. Assessments of the geographical location of the lines outside of Natura 2000 areas for three projects (CUP J74H16000590001, J47F19000250001 and CUP J84H17001230001)

The authorities also provided:

8. Copy of framework contracts ("*Accordo Quadro*") and applicative contracts ("*Contratto applicativo*") for each project and upgrading action included in the project signed by the implementing entity Rete Ferroviaria Italiana (RFI) and the companies carrying out the works
9. Copy of Descriptive reports of interventions for each project ("*Relazione Descrittiva degli Interventi*") signed by the implementing entity Rete Ferroviaria Italiana (RFI)
10. A copy of the Ministerial Decree No. 148 of 25 May 2024, updating the allocation of resources for railway investments under Component 1 of Mission 3 of the Italian Recovery and Resilience plan
11. A copy of the Appendix 9 of the Programme agreement between the ministry for Infrastructure and Transports (MIT) and the railway company (RFI) for the period 2022-2026 (Contratto di programma MIT-RFI 2022-2026-aggiornamento 2024).

#### 3. Analysis:

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

**At least 700 km of upgraded line sections built on metropolitan nodes and key national links, ready for authorisation and operational phases.**

The target of 700 kms was achieved by 12 projects submitted by the Italian authorities for a total of 716 km. The projects are the following:

- *Upgrade tecnologico tratte a sud di Oristano* on 50 km
- *Ammodernamento e Potenziamento della linea Cagliari-Golfo Aranci nelle tratte a Nord di Oristano* on 74 km
- *Adeguamento a sagoma PC80 linea Civitavecchia – Roma* on 126 km
- *Potenziamento tecnologico Bologna-Verona* on 95.3 km
- *Potenziamento tecnologico Brennero-Verona, tratta Trento-Trento Roncafort* on 20 km
- *Upgrading tecnologico e prestazionale linea Adriatica, tratta Francavilla-Ortona* on 18.6 km
- *Elettificazione anello basso linee del bellunese* on 34 km
- *Adeguamento prestazionale e potenziamento tecnologico Bologna-Prato, tratta Vernio-Prato* on 20 km
- *Potenziamento tecnologico Campoleone-Formia – fase* on 92 km
- *Potenziamento tecnologico Roma-Napoli via Formia - fase 2* on 62.3 km
- *Potenziamento tecnologico Venezia Mestre - Venezia S. Lucia* on 73 km
- *Potenziamento tecnologico nodo di Firenze, tratta PM Rovezzano – Firenze Statuto* on 51 km

As evidenced by the Certificates of completion of the works (*“Verbale Ultimazione Lavori”*), each project was concluded and ready for authorisation and operational phases.

For each project, the length of the railway lot concerned by the upgrading works was confirmed by the Statement of completion of the works in line with the Italian RRP (*“Dichiarazione Completamento d’Opera”*).

For one project (*“Upgrading tecnologico e prestazionale linea Adriatica, tratta Francavilla-Ortona”* (CUP J64H14000450001)) preparatory works started on 23 December 2019 as evidenced by *“Verbale Ultimazione Lavori”*. The preparatory works are excluded from the fulfilment of this target. Operational construction works counting towards the fulfilment of this target started on 10 June 2020 after a suspension period, as evidenced by the *“Verbale di sospensione parziale dei lavori”* and the *“Verbale di ripresa totale dei lavori”*.

**This investment consists in upgrading [...] railway line sections built on 12 metropolitan cities nodes and the key national links (Liguria-Alps, Bologna-Venice-Trieste/Udine, Bologna-Milano, Bologna-Verona-Brennero, Central and North Tyrrhenian link, Adriatic-Ionian link, Urban nodes and regional lines; Freight Terminals).**

As detailed in the list of projects and evidenced by the Certificates of completion of the works for each project, the 12 projects counting towards the fulfilment of target M3C1-15 listed above are located as followed:

- Urban nodes and regional lines (5 projects) including 2 projects (J14H17000600001 and J67I11000230001) located on metropolitan cities nodes (Venice and Florence, respectively)
- Central and North Tyrrhenian link (4 projects)
- Adriatic-Ionian link (1 project)
- Bologna-Verona-Brennero (2 projects)

**The assessment and authorisation of each relevant project or investment shall respect all the rules and procedures set in Articles 6.3 and 6.4 of the EU Directive 92/43/CEE and follow the national guidelines for Impact Assessment published in the Official Gazette of the Italian Republic N°303 of 28 December 2019.**

Out of the 12 projects counting towards the fulfilment of this target, 8 projects are digitalisation projects which do not require infrastructure works. This is indicated in the list of projects, evidenced by the Statements of completion, and further detailed in the Descriptive reports of interventions. As these 8 projects are not likely to have a significant effect on Natura 2000 areas, they are not considered “relevant” projects under EU Directive 92/43/CEE and the national guidelines for Impact Assessment published in the Official Gazzette of the Italian Republic N°303 of 28 December 2019.

The four remaining projects (J74H16000590001, J47F19000250001, J14F18000010009 and J84H17001230001) required infrastructure works, as evidenced by the Statements of completion, and were therefore considered relevant.

As evidenced by the assessments of the geographical location, three these four projects (CUP J74H16000590001, J47F19000250001 and CUP J84H17001230001) are not located on a Natura 2000 area, and therefore do not fall under the scope of Articles 6.3 and 6.4 of the EU Directive 92/43/CEE and the national guidelines for Impact Assessment published in the Official Gazzette of the Italian Republic N°303 of 28 December 2019. As evidenced by the evaluation of environmental incidence (“*Valutazione di incidenza ambientale*”) which constitutes a screening of the environmental incidence of the project “Elettrificazione anello basso linee del bellunese” (CUP J14F18000010009), the project does not required further evaluation and therefore respects the rules and procedures set in Articles 6.3 and 6.4 of the EU Directive 92/43/CEE and follow the national guidelines for Impact Assessment published in the Official Gazzette of the Italian Republic N°303 of 28 December 2019.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M3C1-19: Upgraded and accessible railway stations

#### Preliminary Assessment – M/T specific section:

## Loan support

**Related Measure:** M3C1.I1.8 Upgrading railway stations (RFI management; in South)

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 10

**Time:** Q4 2024

#### 1. Context:

This investment consists in upgrading 38 railway stations in order to improve their accessibility according to Commission Regulation 1300/2014.

Target M3C1-19 is the first step of the implementation of the investment and require the completion of the first 10 projects to improve the accessibility of railway stations. It will be followed by target M3C1-20, related to the upgrade of 38 railway stations. The investment has a final expected date for implementation in Q2 2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. For each project, a copy of the framework contract “Accordo Quadro” between the implementing entity Rete Ferroviaria Italiana (RFI) and the company/consortium carrying out the works (20 in total);
3. A copy of the Certificate of Completion - “Verbale Ultimazione Lavori” or “Dichiarazione Completamento d’Opera” signed by the implementing entity Rete Ferroviaria Italiana (RFI) and the company carrying out the works – “Appaltatore”.
4. A copy of the Rete Ferroviaria Italiana’s (RFI) guidelines on accessibility - “Linee Guida Accessibilita’ nelle Stazioni” transposing Regulation 1300/2014.
5. A copy of RFI’s Technical Specification on Accessibility in Railway Stations of 28 September 2021 – “Specifica Tecnica Accessibilita’ nelle Stazioni”.
6. A copy of the Manual of Civil Works - “Manuale Opere Civili RFI”
7. A Declaration of compliance with EU Regulation 1300/2014 ("STI PRM") of the contractual instruments used for the execution of the works related to measure M3.C1\_I1.8, signed by Rete Ferroviaria Italian (RFI);
8. A copy of the Technical Specifications on Interoperability for Persons with Reduced Mobility and Disability, - “Specifiche Tecniche di Interoperabilità per la Persone con Ridotta Mobilità e Disabilità STI PRM 2007”
9. A copy of the Technical Specifications on Interoperability for Persons with Reduced Mobility and Disability, - “Specifiche Tecniche di Interoperabilità per la Persone con Ridotta Mobilità e Disabilità STI PRM 2014”
10. For each station, a copy of the General Report – “Relazione Generale” outlining the key specifications of each project;

#### 3. Analysis:

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

#### Ten railway stations are upgraded and accessible in line with Commission Regulation 1300/2014.

As evidenced by the certificate of completion in the form of “*Verbale Ultimazione Lavori*” or “*Dichiarazione Completamento d’Opera*”, the works for the upgrading of ten railway stations have been completed.

The list of 10 upgraded stations, for which a certificate of completion has been provided, include:

1. Falciano\_Mondragone\_Carinola
2. Giovinazzo
3. Vibo Valentia\_Pizzo
4. Macomer
5. Oristano
6. San Severo
7. Milazzo
8. Scalea S.Domenica Talao
9. Vasto San Salvo
10. Sapri

Moreover, each Framework Contract indicates the list of documents that constitutes legal obligations within the Contract.

In particular,

- Framework Contract No.29/2021 and 591/2021 indicate Regulation 1300/2014 as document that constitutes legal obligation within the Contract;
- Framework Contract No. 374/2021, 109/2020, 621/2021, 613/2021, 372/2021, 617/2021, 373/2021, 365/2021, 366/2021, 384/2018, 368/2021, 598/2021 indicate RFI's Accessibility Guidelines – *"Linee Guida Accessibilita' nelle Stazioni"* as contractual obligations for the implementation of the works in railway stations. In this regard, part 1 of RFI's Accessibility Guidelines specifies the scope of the guidelines which is to incorporate the obligations of Commission Regulation 1300/2014;
- Framework Contract No. R3485/A2023,1922/A2024,1831/2023, R2005/2024,R400/2024 indicate RFI's Technical Specification on Accessibility in Railway Stations of 28 September 2021 – *"Specifica Tecnica Accessibilita' nelle Stazioni"* as contractual obligations for the implementation of the works in railway stations. Part 1 section 3 "Key documents and applicable legislation" of RFI's Technical Specification on Accessibility in Railway Stations – *"Specifica Tecnica Accessibilita' nelle Stazioni"* indicates the Regulation 1300/2014 among the applicable legislation.
- Framework Contract 384/2018, article 43 refers to a former version of the Accessibility Guidelines which predates 2014. However, Article 43 of Framework Contract 384/2018 mentions as an obligation of the contract the Manual of Civil Works - *"Manuale Opere Civili RFI"*, which applies Commission Regulation 1300/2014.
- Framework Contract 475/2021 for the supply of "fixed station signage" indicates RFI's Accessibility Guidelines, specifically the Signage Manual *"Manuale di segnaletica"* as a contractual obligation for the implementation of works in railway stations. Framework contract 475/2021 refers to the Technical Specifications on Interoperability for Persons with Reduced Mobility and Disability, - *"Specifiche Tecniche di Interoperabilità per la Persone con Ridotta Mobilità e Disabilità (STI PRM 2007)"* as accessibility guidelines, the former version of *STI PRM 2014*. The implementing partner, Rete Ferroviaria Italiana (RFI) has carried out a comparison of the two guidelines as evidenced by the Declaration of compliance with EU Regulation 1300/2014 of the contractual instruments used for the execution of the works related to measure M3.C1\_I1.8". According to RFI, there is a simplification and continuity in the contents between the two normative references. Specifically, the Technical Specifications on Interoperability for Persons with Reduced Mobility and Disability, - *"Specifiche Tecniche di Interoperabilità per la Persone con Ridotta Mobilità e Disabilità (STI PRM 2014)"* integrates and specifies the maximum height of informational elements at 160 cm. This additional indication in *STI PRM 2014* does not conflict with the previous norms and is consistent with the existing signage manual referenced in the framework contract. Therefore, the contract complies with the EU Regulation 1300/2014 by ensuring that the signage specifications meet the regulatory standards for accessibility.

In addition, for each station, the Certificate of Completion - *"Dichiarazione di Completamento d'Opera"* signed by the company carrying out the works certifies the conformity with contractual obligations and with applicable legislation.

The Certificate of Completion also indicates the interventions completed for each project code, - “*Codice unico Progetto (CUP)*”, which are further described in the General Report – “*Relazione Generale*” of the implementing entity, Rete Ferroviaria Italiana. Such General Report describes in depth the interventions carried out and includes photographic evidence of the works ex ante and ex post. The General Report also specifies that the activities carried out for each station are:

- in line with the Accessibility, Commission Regulation 1300/2014;
- contribute to enhance the accessibility of the station;
- increase the quality of the services provided to users and;
- improve the comfort, safety and quality of the public areas (internal and external).

Furthermore, as required by the name of the measure the upgraded railway stations are located in the South and in the regions of Abruzzo, Campania, Calabria, Sicilia, Puglia and Sardegna.

In this regard, all certificates of completion include a reference to the location of the intervention and to the name of the upgraded stations. In particular, the upgraded railway stations are located in the following regions:

Campania: Falciano Mondragone Carinola, Sapri

Apulia (Puglia):Giovinazzo, San Severo

Calabria: Vibo Valentia-Pizzo, Scalea-S.Domenica Talao

Sardinia (Sardegna):Macomer, Oristano

Sicily (Sicilia): Milazzo

Abruzzo: Vasto-San Salvo

#### **4. Commission Preliminary Assessment:** Satisfactory fulfilled

## Non-repayable support

### M3C2-7: Award of all public contracts

**Related Measure:** [M3C2]-[I2.3]: Cold ironing

**Qualitative Indicator:** Publication of the call of tenders and award of all public contracts for the construction of at least 15 cold ironing plants

**Time:** Q3 2024

#### 1. Context:

This measure consists in the realization of a network for the supply of electricity in the port area (docks) and the related connection infrastructure to the national transmission grid. The cold ironing plants shall comply with the relevant Technical Standards in the Annex II of Regulation (EU) 2023/1804 on the deployment of alternative fuels infrastructures.

Milestone M3C2-7 requires the publication of the call for tender and award of all contracts for the construction of at least 15 cold ironing plants providing electrical power in at least 10 ports.

M3C2-7 is the first Milestone of this investment, and is followed by Target M3C2-12, which requires the entry into operation of at least 15 cold ironing infrastructures providing electrical power in at least 10 ports.

#### 2. Evidence provided:

1. Summary document duly justifying how the Milestone (including all the constitutive elements) was satisfactorily fulfilled.
2. Excel file listing, for each unit, the implementing body, the localization of the project, the Single Project Code (CUP), the name of the project, the number of plants that will be constructed, the supporting evidence provided.
3. Ministerial Decree 321 of 13/12/2024 allocating resources to the investment, establishing the duties of the implementing bodies, and the compliance to the RRF regulation.
4. Calls for tender by the Port System Authorities for the construction of cold ironing plants.
5. Copy of the contracts signed by the implementing body and the company or, for those cases in which contracts is not available, award decree ("Decreto di aggiudicazione") and administrative act of the contracting authority stating the award has produced its effects ("Provvedimento di aggiudicazione efficace").

#### 3. Analysis:

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

#### **Publication of the call for tender and award of all contracts for the construction of at least 15 cold ironing plants providing electrical power in at least 10 ports**

The Ministry of Infrastructure and Transport (MIT) published the Ministerial Decree 321 of 31/12/2024 to allocate the resources, assigned by the Ministry of Economy and Finance (MEF), among different Italian Port System Authorities (AdSP) and identify the interventions to be financed. Following the investigation conducted on the plans presented by the AdSPs, the MIT has identified investments for the implementation of 24 Cold Ironing facilities in 16 ports under the jurisdiction of 10 AdSPs.

Overall, seventeen (17) public contracts for the construction of eighteen (18) Cold Ironing plants in thirteen (13) ports were awarded, as evidenced by the award decrees and contracts provided. Specifically, for fourteen (14) Cold Ironing plants copies of the contracts, signed by the implementing authority and the company, have been provided.

For the remaining four (4) Cold Ironing plants, for which the contracts have not been signed yet, the award decree has been provided, together with an effective award measure (“Provvedimento di aggiudicazione efficace”).

As envisaged in the public procurement code, the process of awarding a contract is a multi-step process. First, the contracting authority issues an award decree (“Decreto di aggiudicazione”), which officially declares the winner of the tender procedure and awards the contract to that bidder. Following the award decree, the contracting authority takes an effective award measure (“Provvedimento di aggiudicazione efficace”), which is a formal act that makes the award of contract definitive and enforceable. This measure involves the formal notification of the award to the winning bidder and the other participants in the tender procedure, and it represents the final step before the contract is signed. The issuance of this effective award measure demonstrates that the contracting authority has completed the necessary steps to formally award the contracts, thereby establishing a definitive and enforceable contractual relationship between the parties. As the effective award measure represents the final step in the award process, prior to the actual signing of the contracts, it is concluded that the contracts for the four (4) Cold Ironing plants have been awarded to the companies in question.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M4C1-10bis: Entry into force of the secondary legislation.

**Related Measure:** [M4C1]-[R1.1]: Reform of Technical and Professional Institutes

**Qualitative Indicator:**

**Time:**

#### 1. Context:

Milestone M4C1-10bis is related to Reform 1.1 which aims to align the curricula of technical and professional institutes with competences needed by the Italian production system consistent with Industry 4.0, as well as digital innovation. The primary legislation of the reform was assessed within the third payment request under milestone M4C1-5. Milestone M4C1-10bis is the final step in the implementation of the reform 1.1.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled in line with the requirements set out in the Council Implementing Decision.
2. Decree-Law No. 144 of 23 September 2022, published in the Official Journal No. 269 of 17 November 2022, and entered into force on the same date and converted into Law No. 175 of 17 November 2022, reforming the Technical and Professional Institutes (art. 26, 27)
3. Decree-Law No. 45, entered into force on 7 April 2025, converted, with modifications, by Law No. 79 of 5 June 2025, entitled: "Further urgent provisions concerning the implementation of measures under the National Recovery and Resilience Plan and for the start of the 2025/2026 school year," and its Annexes 2-bis, 2-ter, and 2-quater.
4. Decree-Law No. 208, entered into force on 31 December 2024, entitled "Urgent organizational measures to address situations of particular emergency, as well as for the implementation of the National Recovery and Resilience Plan," simplifying the implementation of implementing Art. 26 comma 1 of Decree-Law No. 144 of 23 September 2022, by adding comma 4-bis to art 26.
5. Decree of the Minister of Education and Merit No. 269 of December 31, 2024, implementing Art 26., comma 4bis, Decree-Law No. 144/2022.
6. Decree of the Minister of Education and Merit No. 14 of January 30, 2024, on the adoption of "competency certification models," implementing Article 26, paragraph 3, of Decree-Law No. 144/2022.
7. Decree of the Minister of Education and Merit No. 118 of June 12, 2024, implementing Article 8, comma 2, of Legislative Decree No. 61 of April 13, 2017, modified by Article 27, comma 1, letter c of Decree-Law No. 144/2022.
8. Annex 1 to Decree of the Minister of Education and Merit No. 118 of June 12, 2024, adopting "Guidelines for simplifying the administrative requirements necessary for transitions between professional education pathways and vocational education and training programs".
9. Decree of the Minister of Education and Merit No. 241 of December 7, 2023, implementing Article 27, comma 3 of Decree-Law No. 144/2022, converted with amendments by Law No. 175 of November 17, 2022.
10. Annex 1 to Decree of the Minister of Education and Merit No. 241 of December 7, 2023, adopting "Guidelines for the development of internationalization processes for the technical and vocational education sector".

#### 3. Analysis:

## The secondary legislation on the reform of technical and professional Institutes entered into force.

Under M4C1-5 the primary legislation concerning Reform 1.1. was adopted with Articles 26 and 27 of Decree-Law No. 144 of September 23, 2022, which was converted, with amendments, into Law No. 175 of November 17, 2022.

Law No. 144/2022, which entered into force on 24 May 2023, aims at aligning the curricula of technical and professional institutes with competence needed by the Italian production system, and presents two articles that require the adoption of secondary legislation, in line with the requirements specified under this Milestone:

**Articles 26** of the Decree-Law No. 144/2022 and converted into Law No. 175/2022 outlines the reform of Technical Institutes in Italy, establishing the need for regulatory measures to adjust curricula in alignment with the evolving demands of the national production sector and the objectives of the National Recovery and Resilience Plan (PNRR), as well as with the National Industry 4.0 Plan. Specifically, it mandates the adoption of regulations (secondary legislation) to revise the structure of Technical Institutes pathways while respecting principles such as school autonomy, curricular flexibility, and alignment with socio-economic needs. This is expected to reinforce the link between economic growth and social justice, as per required by Reform 1.1. description. The implementation of these provisions has been addressed through subsequent legislative and administrative acts, particularly:

- Decree-Law No. 208, entitled “Urgent organizational measures to address situations of particular emergency, as well as for the implementation of the National Recovery and Resilience Plan,” was published on the Italian Official Gazette n 165, of 31 December 2024. The Decree-Law entered into force within the same day of its publication on the Official Gazette, as per article 77 of the Italian Constitution. Under article 9, the Decree-law 208/2024 introduces comma 4 bis to art 26 of Decree-Law No. 144/2022, permitting the temporary implementation (2025/2026 academic year) of comma 2 of Art 26 through the adoption of a Ministerial Decree, making the provisions adopted under the Decree of the Minister of Education and Merit No. 269 of December 31, 2024 (below) valid.
- Decree-Law No. 45 entitled “Further urgent provisions concerning the implementation of measures under the National Recovery and Resilience Plan and for the start of the 2025/2026 school year,” was published in the Italian Official Gazette n 81, of 7 April 2025. The Decree-Law entered into force within the same day of its publication on the Official Gazette, as per article 77 of the Italian Constitution. Under article 1, the Decree-Law 45/2025 introduces Article 26-bis to the Decree-Law No. 144/2022, making the provisions adopted under the Decree of the Minister of Education and Merit No. 269 of December 31, 2024 (below), permanent from the 2026/2027 school year onward. Additionally, it mandates the adoption of a comprehensive regulation under Article 17, paragraph 2, of Law No. 400/1988, and fully implementing Art 26 comma 2 (Decree-Law No. 144/2022) ensuring the structural reorganization of technical education. This regulation also defines specific curricular frameworks, areas of study, learning outcomes, and professional profiles for students, integrating existing norms, including the Presidential Decree No. 88/2010. These are further specified in Attachment 1 (2-bis) includes “*Educational, cultural, and professional profile (P.E.Cu.P.)* of the student at the conclusion of technical education pathways in the second cycle of the education and training system”, Attachment 2 (2-ter) “Curriculum of technical education pathways”, and Attachment 3 (2-quater) “Competence Certificate”.
- Decree of the Minister of Education and Merit No. 269, “Provisions for the implementation of the reform of technical institutes”, entered into force on December 31, 2024. The Ministerial Decree 269 was issued in accordance with Article 26, paragraph 4-bis, the latest introduced by Decree-Law No. 208/2024. It establishes the initial measures necessary to apply the criteria set forth in Article 26, paragraph 2 (letters a, b, c, d, e, and f). The decree details the updates to curricula, methodologies, and professional training, ensuring compliance with the principles of flexibility, autonomy, and enhanced connectivity between educational institutions and the labour market. In particular:
  - **Article 2: curriculum update and teaching methodologies:** technical institutes will update curricula in 2025/2026 to enhance linguistic, historical, mathematical, scientific, legal, and economic skills, alongside technical competencies. Interdisciplinary approaches and structured learning units will promote active student engagement. personalized interventions and co-teaching will be implemented within existing resources. This article responds to the requirements of Art 26 comma 2, sub-paragraph a) 1.

- **Article 3: connection with productive sectors and the labour market:** curriculum updates will strengthen ties with labour markets. schools will establish partnerships with businesses and training entities to support skill development through co-designed learning activities. This article responds to the requirements of Art 26 comma 1, and comma 2, sub-paragraph d).
- **Article 4: student educational, cultural, and professional profile** institutes will align curricula with national and European frameworks, emphasizing lifelong learning, stem subjects, sustainability, civic education, and career orientation. This article responds to the requirements of Art 26 comma 2, sub-paragraph d).
- **Article 5: institutional autonomy and flexibility** schools will utilize existing regulatory flexibility to implement reforms without additional financial burdens, maintaining staffing levels as determined by regional authorities. This article responds to the requirements of Art 26, comma 2.
- **Article 6: integration with higher education** technical education pathways will align with its academy programs and professional degree courses to ensure learning continuity and skill progression. This article responds to the requirements of Art 26 comma 2, sub-paragraph b).
- **Article 7: teacher training** teachers will participate in industry observation and mentoring programs to update their skills and adopt innovative laboratory-based teaching methods of Art 26 comma 2, sub-paragraph c).
- **Article 8: educational pacts 4.0** schools may join regional agreements with businesses, universities, and research centres to share resources and enhance industry connections, of Art 26 comma 2, sub-paragraph d).
- **Article 9: experimental second-level technical education for adults'** provincial centres for adult education may offer second-level technical programs from 2025/2026, subject to approval and resource availability.
- **Article 10: internationalization processes** technical institutes will support internationalization through language certifications, content-based foreign language learning, and integration with the european education area, all within existing financial constraints. Attached to the Ministerial Decree there are guidelines for internationalization, included in the attachment called "Linee guida per lo sviluppo dei processi di internazionalizzazione per la filiera tecnica e professionale". These include further specifications meeting the criteria set in Art 26, of comma 2, sub-paragraph f)
- Decree of the Minister of Education and Merit No. 14 of January 30, 2024, was published on the Ministry of Education and Merit website on January 30 and entered into force on the same date. This Ministerial Decree was issued in accordance with Article 26, comma 3 of Decree-Law No. 144/2022. This legal basis mandates a certification attesting to exit competencies at Level 2 of the European Qualifications Framework (EQF) for lifelong learning, as outlined in Council Recommendation 2017/C 189/03. Specifically, Article 5 of the decree establishes the model for issuing certification of these skills in fulfillment of compulsory education requirements.

**Article 27** of the Decree-Law No. 144/2022 and converted into Law No. 175/2022 sets that new curricula shall tighten the bond between the school and the world of work consistently with innovation goals, environmental sustainability, competitiveness of the productive system, and Regions' "Smart specialization strategies 2021-2023" ("Strategie di specializzazione intelligente 2021-2023").

- Decree of the Minister of Education and Merit No. 241 of December 7, 2023, was published on the Ministry of Education and Merit website on December 7, 2023 and entered into force on the same date. This Ministerial Decree was issued in accordance with Article 27, comma 3, of Decree-Law No. 144/2022, converted with amendments by Law No. 175 of November 17, 2022. It establishes the adoption of the Guidelines (Attachment 1 to the present Decree) for the development of internationalization processes within the technical and professional education system.
- Decree of the Minister of Education and Merit No. 14 of January 30, 2024, was published on the Ministry of Education and Merit website on January 30, 2024 and entered into force on the same date. This Ministerial Decree was issued to establish the adoption of certification models for competencies.
- Decree of the Minister of Education and Merit No. 118 of June 12, 2024, was published on the Ministry of Education and Merit website on June 12, 2024 and entered into force on the same date. This Ministerial Decree was issued in accordance with Article 8, paragraph 2, of Legislative Decree No. 61 of April 13, 2017, modified by Article 27, comma 1, letter c of Decree-Law No. 144/2022. It provides for the adoption of Guidelines (Attachment 1 to the present Decree) aimed at simplifying the administrative requirements necessary for transitions between professional education pathways and vocational education and training programs.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M4C1-12: PhD fellowships programmes awarded

**Related Measure:** [M4C1]-[I4.1]: Extension in number and career opportunities of PhDs (Research-oriented, Public Administration and Cultural Heritage)

**Quantitative Indicator:** Number

**Time:** Q4 2024

#### 1. Context:

The investment aims to boost human capital in research, public administration, and cultural heritage by allocating doctoral scholarships to students. Universities and AFAM institutions awarded at least general doctoral scholarships, at least 3 000 doctoral scholarships in the field of public administration, and at least 600 doctoral scholarships on cultural heritage.

Target M4C1-12 is the only step in the implementation of investment 4.1 and requires the award of at least 7200 additional PhD fellowships programmes.

#### 2. Evidence provided:

1. Ministerial Decree no. 351 of 9 April 2022, as amended by Ministerial Decree no. 925 of 29 July 2022 launching the first call for the financing of PhDs programmes in the academic year 2022/2023.
2. Directorial Decree no. 2152 of 28 December 2022, as amended by Directorial Decree no. 2173 of 30 December 2022 and Directorial Decree no. 192 of 10 October 2023, awarding the funding to the scholarships for the first call.
3. Ministerial Decree no. 118 of 2 March 2023 launching the second call for the financing of PhDs programmes in the academic year 2023/2024.
4. Directorial Decree no. 2333 of 22 December 2023, as amended by Directorial Decree no. 2371 of 29 December 2023, awarding the funding to the scholarships for the second call.
5. Ministerial Decree no. 629 of 24 April 2024 launching the third call for the financing of PhDs programmes in the academic year 2024/2025.
6. Directorial Decree no. 1959 of 5 December 2024, as amended by Directorial Decree no. 2121 of 13 December 2024 awarding the funding to the scholarships for the third call.
7. Directorial Decree no. 1944 of 5 December 2024 and Directorial Decree no. 2049 of 11 December 2024 reallocating the residual resources to finance additional PhDs programmes to eligible students awarding the funding to the additional scholarships.
8. Directorial decree No. 716 of 6 June 2026 providing the final list of beneficiaries financed by the measure

#### 3. Analysis:

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

**At least 3 600 general doctoral scholarships, at least 3 000 doctoral scholarships in the field of public administration, and at least 600 doctoral scholarships on cultural heritage are awarded over three years.**

Furthermore, in line with the description of measure, **the measure aims at increasing the stock of human capital dedicated to research-oriented activities, to public administration and cultural heritage. The investment envisages the allocation to students, by Universities and AFAM Institutions, of at least 3 600 general doctoral scholarships, at least 3 000 doctoral scholarships in the field of public administration, and at least 600 new doctoral scholarships dedicated to cultural heritage.**

Doctoral scholarships were awarded across three different funding periods, referring to three distinct and consecutive academic years. A total of three dedicated calls in 2022, 2023 and 2024 (one per academic year) for the financing of doctoral scholarships awarded by universities and university institutes of special order and Higher Arts, Music and Dance institutions (AFAM) were launched by the Ministry of University and Research between April 2022 and April 2024 (Ministerial Decree no. 351 of 9 April 2022, as amended by Ministerial Decree no. 925 of 29 July 2022; Ministerial Decree no. 118 of 2 March 2023; Ministerial Decree no. 629 of 24 April 2024). To reallocate savings and therefore award more scholarships, an additional call was also launched in December 2024 (Directorial Decree no. 1944 of 5 December 2024 and Directorial Decree no. 2049 of 11 December 2024).

The Council Implementing Decision required that at least 7200 doctoral scholarships shall be awarded. Italy awarded a total of 7237 scholarships, as evidenced by the decrees awarding the funding for scholarships (Directorial Decree no. 2152 of 28 December 2022, as amended by Directorial Decree no. 2173 of 30 December 2022 and Directorial Decree no. 192 of 10 October 2023; Directorial Decree no. 2333 of 22 December 2023, as amended by Directorial Decree no. 2371 of 29 December 2023; Directorial Decree no. 1959 of 5 December 2024, as amended by Directorial Decree no. 2121 of 13 December 2024). Of those, 7161 scholarships were counted for the target, as indicated in directorial Decree No. 716 of 6 June 2025. Whilst this constitutes a minimal numerical deviation of 0,54 % from the requirement of the Council Implementing Decision, the overall objective of this target is considered met notwithstanding this minor deviation. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

The investment also aims to increase the reserve of human capital engaged in research-oriented activities, in public administrations and in cultural heritage for the three academic years, supporting doctoral courses in research doctorate programmes divided into the three different subcategories (Article 2, paragraph 2 and Article 3 paragraph 3 of Ministerial Decree no. 351 of 9 April 2022; Article 2, paragraph 2 and Article 3 paragraph 3 of Ministerial Decree no. 118 of 2 March 2023; Article 2, paragraph 2 and Article 3, paragraph 3 of Ministerial Decree No. 629 of 24 April 2024).

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M4C1-14: Teachers recruited with the reformed recruitment system

**Related Measure:** [M4C1]-[R2.1]: Teachers' recruitment

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 20 000

**Time:** Q4 2024

#### 1. Context:

The reform intends to enhance the quality of the Italian education system by establishing a new model for teachers' recruitment, training, and career development. It aims to streamline the current public competition procedures, introduce higher entry requirements for the teaching profession, and implement a more structured framework for teacher mobility.

Target M4C1-14 concerns the recruitment of at least 20,000 teachers through the reformed recruitment system.

Target M4C1-14 is the first of this reform and it follows the completion of milestones M4C1-3 and M4C1-10 concerning respectively the entry into force of primary and secondary legislation. It will be succeeded by targets M4C1-14bis and M4C1-14ter, concerning respectively the recruitment of additional 20 000 and 30 000 teachers.

#### 2. Evidence provided:

1. Summary document duly justifying how the target, including all the constitutive elements, was satisfactorily fulfilled.
2. Ministerial Decree no. 205 of 26 October 2023 regulating access to the roles of teaching staff in lower and upper secondary schools for general and support roles.
3. Ministerial Decree no. 206 of 26 October 2023 regulating access to the roles of teaching staff in nursery and primary schools for general and support roles.
4. Directorial decree no. 2575 of 6 December 2023 regulating two competitions:
  - Competition based on qualifications and exams for access to the roles of teaching staff in lower and upper secondary schools for general and support roles, pursuant to Ministerial Decree no. 205 of 26 October 2023.
  - Competition based on qualifications and exams for access to the roles of teaching staff in nursery and primary schools for general and support roles, pursuant to Ministerial Decree no. 206 of 26 October 2023.
5. Law 29 July 2024, no. 106 entered into force on 31 July 2024 regulating the assignment of a contract by the end of 31 December 2024, following the outcome of the above-mentioned competitions.
6. In the context of the sampling analysis, additional evidence has been provided for a sample of 60 units proving alignment with the Council Implementing Decision description of the investment and of the target including:

- The copy of the contract signed by the teacher recruited and the school headmaster where the teacher recruited started his job
- The copy of the decree published for the regional competition and annex with the ranking for the relevant competition class

### **3. Analysis:**

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

#### **At least 20 000 teachers recruited with the reformed recruitment system.**

The target of recruiting at least 20 000 teachers through the new recruitment system has been achieved through the publication of two competitions in 2023, disciplined by Directorial decree no. 2575 of 6 December 2023. The first envisages a competition based on qualifications and exams for the roles of teaching staff in lower and upper secondary schools for ordinary and support roles, pursuant to Ministerial Decree no. 205 of 26 October 2023. The second envisages a competition based on qualifications and exams for roles of teaching staff in nursery and primary schools for general and support roles, pursuant to Ministerial Decree no. 206 of 26 October 2023.

Competitions are organised on a regional basis, as stipulated by Article 1(3) of Ministerial Decree no. 205 of 26 October 2023, and Article 1(2) of Ministerial Decree no. 206 of 26 October 2023. Following the written and oral examinations, which were conducted regionally, the responsible evaluation committees prepared the relevant rankings. Such rankings were approved by the decrees of the regional school authorities and identified the successful candidate teachers, who were subsequently assigned to their respective schools.

Upon conclusion of these competitions, the selected teachers were offered contracts by the deadline of December 31, 2024, as stipulated by Article 14-bis, paragraph 3, of the decree-law of May 31, 2024, no. 71, which was converted into law on July 29, 2024, no. 106. As of December 31, 2024, there are thus 20,000 teachers officially appointed who have signed contracts.

Following the selection of a random sample of 60 units, Italy submitted the copy of the contract signed by the teacher recruited and the school headmaster where the teacher recruited started his job, certifying the start of employment and the corresponding copy of the decree published for the regional competition, including the annex with the ranking for the relevant competition class. The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met.

#### **4. Commission Preliminary Assessment: Satisfactory fulfilled.**

## Non-repayable support

### M4C1-15: Scholarships for university access awarded

**Related Measure:** [M4C1]-[I1.7]: Scholarships for University access

**Quantitative Indicator:** Number

**Time:** Q4 2024

#### 1. Context:

The investment aims to provide equal access to education, by increasing the number of scholarships provided to university students under the RRF support and easing access to tertiary education for students in socio-economic difficulties.

Target M4C1-15 aims at awarding at least 55 000 students with scholarships financed exclusively by the RRF. Target M4C1-15 is the third step of the implementation of investment 1.7. It follows the completion of milestone M4C1-2 related to the establishment of the reform on scholarships to enhance access to tertiary education, which defined the scholarship amounts increase and provided for ISEE limits increase to allow a wider range of students to meet the requirements to apply for the scholarship. It will be followed by target M4C1-15bis which aims at further awarding at least other 55 000 students with scholarships financed exclusively by the RRF.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled;
2. Directorial Decrees No. 203 and 204 of 23 February 2023, in accordance with Article 3, paragraph 10 of DM 1320/2021, regulating the update for the 2023/2024 academic year of the scholarship amounts and income thresholds (ISEE/ISPE);
3. Directorial Decree No. 1960 of 27 November 2023, regulating RRF resources for the 2023/2024 academic year;
4. Directorial Decree No. 311 of 12 March 2024, regulating the increase of RRF resources for the 2023/2024 academic year and the basis on which considering these allocations, study right bodies have issued calls for scholarship applications and, following selection procedures, have approved the corresponding rankings and allocated financial resources to students.

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

5. Call of the respective study right body (*ente di diritto allo studio*) for the student concerned;
6. Application for the scholarship award of the student concerned;
7. The ranking and related acts (i.e., any updates of the rankings, certificates of publication of rankings) approving the scholarship which certifies the awarding of the scholarship to the university student concerned, as well as the supporting documents (provisions, decrees, etc.) which allow the student to be associated with the RRF as exclusive source of funding.

#### 3. Analysis:

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

**At least 55 000 students are awarded with scholarships financed exclusively by RRF funds.**

Directorial Decrees no. 203 and 204 of 23 February 2023, in implementation of article 3 paragraph 10 of Ministerial Decree 1320/2021, regulate the updates for the academic year 2023/2024 of the scholarships amount and the ISEE/ISPE thresholds for access to the scholarships.

Directorial Decree no. 1960 of 27 November 2023 regulates the distribution of RRF resources for a total of EUR 250 million among the regions and their respective education authorities, in order to provide scholarships to university students for the academic year 2023/2024. Such amount, following the revised allocation to this investment, increased to 270 million euros. Consequently, Directorial Decree no. 311 of 12 March 2024 regulates the distribution of the supplementary resources deriving from the reprogramming of the measure, reaching a total of EUR 270 million for the 2023/2024 academic year, as granted to the study right bodies. Based on these allocations, the study right bodies have issued calls for applications for the awarding of scholarships and, following the selection procedures, have also approved the relative rankings and assigned the financial resources to the students.

Following the selection of a random sample of 60 units, Italy submitted for each student awarded with a scholarship the following document: (i) the ranking and related acts ( i.e., any updates of the rankings, certificates of publication of rankings) approving the scholarship which certifies the awarding of the scholarship to the university student concerned, as well as (ii) the supporting documents (provisions, decrees, etc.) which allow the student to be associated with the RRF as exclusive source of funding. Moreover, Italy also provided the call of the respective study right body and the application for the scholarship award of the student concerned. These documents confirmed that all students were awarded with scholarships financed exclusively by RRF funds. The evidence provided for a sample of 60 units confirmed that the requirements of the target have been met, thus exceeding the goal of 55 000 by 5429.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Non-repayable support

### M4C2-3: Number of PhDs scholarships awarded

**Related Measure:** [M4C2]-[I3.3]: Award of PhD scholarships in collaboration with enterprises and promote the hiring of researchers by companies

**Quantitative Indicator:** 6 000

**Time:** Q4 2024

#### 1. Context:

The investment aims to enhance high-level skills, including in the areas of key enabling technologies, by financing the award of PhD scholarships defined with input and involvement of businesses, and providing incentives for firms to recruit researchers with a permanent contract.

Target M4C2-3 is the first step in the implementation of investment 3.3 and requires the award of at least 6 000 PhD scholarships to researchers. It will be followed by target M4C2-3bis, requiring at least 13 500 researchers recruited by companies through the incentive scheme.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2. Ministerial Decree No. 352 of 9 April 2022, as amended by Ministerial Decree No. 925 of 29 July 2022, launching the first call for the financing of innovative doctorate programmes (Academic year 2022-2023);
3. Directorial Decree No. 2153 of 28 December 2022, as amended by Directorial Decrees No. 2174 of 30 December 2022 and No. 192 of 21 February 2023, awarding the funding to the scholarships for the first call;
4. Ministerial Decree No. 117 of 2 March 2023, launching the second call for the financing of innovative doctorate programmes (academic year 2023-2024);
5. Directorial Decree No. 2332 of 22 December 2023, as amended by Directorial Decree No. 2370 of 29 December 2023, awarding the funding to the scholarships for the second call;
6. Ministerial Decree No. 630 of 24 April 2024, launching the third call for the financing of innovative doctorate programmes (Academic year 2024-2025);
7. Directorial Decree No. 1956 of 5 December 2024, as amended by Directorial Decree No. 2121 of 13 December 2024, awarding the funding to the scholarships for the third call;
8. Directorial Decree No. 1944 of 5 December 2024, reallocating the savings of this investment within the framework of the call No. 630 of 24 April 2024 to finance additional innovative doctorates to eligible students;
9. Directorial Decree No. 2050 of 11 December 2024 awarding the funding to the additional scholarships;
10. Directorial decree No. 716 of 6 June 2026 providing the final list of beneficiaries financed by the measure.

#### 3. Analysis:

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

**Award of at least 6 000 Ph.D scholarships, by Universities and AFAM institutions. Furthermore, in line with the description of the measure, the objective of the measure is to enhance high-level skills, including in the areas of Key Enabling Technologies. The objectives shall be achieved through: the award of PhD scholarships by Universities and AFAM institutions, with input and involvement of companies (...); the measure, implemented by the MUR – Ministry**

**of University and Research, provides for the award of a total of 6 000 doctoral grants in 3 years, with private co-financing (...)**

- A total of three dedicated calls in 2022, 2023 and 2024 (one per academic year) for the financing of PhD scholarships awarded by universities and university institutes of special order and Higher Arts, Music and Dance institutions (AFAM) were launched by the Ministry of University and Research between April 2022 and April 2024 (ministerial decree No. 352 of 9 April 2022, as amended by ministerial decree No. 925 of 29 July 2022; ministerial decree No. 117 of 2 March 2023; ministerial decree No. 630 of 24 April 2024), with the aim of enhancing high-level skills, particularly in the areas of key enabling technologies (Art. 2 of the calls No. 352 of 9 April 2022, No. 117 of 2 March 2023 and No. 630 of 24 April 2024). To reallocate savings and therefore award more scholarships, an additional call within the framework call No. 630 of 24 April 2024 was also launched in December 2024 (directorial decree No. 1944 of 5 December 2024).
- The Council Implementing Decision required that at least 6 000 PhDs scholarships shall be awarded. Italy awarded a total of 5 956 innovative scholarships were awarded, as evidenced by the decrees awarding the funding for scholarships (directorial decree No. 2153 of 28 December 2022, as amended by directorial decrees No. 2174 of 30 December 2022 and No. 192 of 21 February 2023; directorial Decree No. 2332 of 22 December 2023, as amended by directorial decree No. 2370 of 29 December 2023; directorial decree No. 1956 of 5 December 2024, as amended by directorial decree No. 2121 of 13 December 2024; directorial decree No. 2050 of 11 December 2024). Of those, 5 780 scholarships were counted for the target, as indicated in directorial Decree No. 716 of 6 June 2025. Whilst this constitutes a minimal numerical deviation of 3.7 % from the requirement of the Council Implementing Decision, the overall objective of this target is considered met notwithstanding this minor deviation. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.
- The calls require all scholarships awarded to be cofinanced by enterprises (Art. 4, 5 and 6 of the call No. 352 of 9 April 2022; Art. 4, 5 and 7 of the call No. 117 of 2 March 2023; Art. 4, 5 and 7 of the call No. 630 of 24 April 2024), and as explained further below, only projects defined with input and involvement of companies could be financed.

**Critical requirements for the award of PhDs include: a) provide for periods of study and research in the company from a minimum of six (6) months to a maximum of eighteen (18) months;**

- Implementing entities (universities; university institutes of special order and AFAM institutes) selected the research projects based on selection criteria in line with the Council Implementing Decision. According to the calls, projects shall provide for periods of study and research in the company from a minimum of six (6) months to a maximum of eighteen (18) months (Art. 6(4)c of the call No. 352 of 9 April 2022; Art. 7(4)c of the call No. 117 of 2 March 2023; Art. 7(1)c of the call No. 630 of 24 April 2024);

**b) provide for periods of study and research abroad from a minimum of six (6) months to a maximum of eighteen (18) months;**

- In line with the calls, projects shall provide for periods of study and research abroad from a minimum of six (6) months to a maximum of eighteen (18) months (Art. 6(4)d of the call No. 352 of 9 April 2022; Art. 7(4)d of the call No. 117 of 2 March 2023; Art. 7(1)d of the call No. 630 of 24 April 2024).

**c) provide for the involvement of companies in defining the training course also in the context of wider collaborations with the University and AFAM institutions.** In line with the calls, projects shall require the involvement of companies, through specific agreements, in defining the training course, also in the context of wider collaborations with universities and AFAM institutions (Art. 6(4)g of the call No. 352 of 9 April 2022; Art. 7(4)g of the call No. 117 of 2 March 2023; Art. 7(1)g of the call No. 630 of 24 April 2024).

**4. Commission Preliminary Assessment:** Satisfactory fulfilled

## Loan support

### M4C2-21bis: Equity injection into the Digital Transition Fund

**Related Measure:** [M4C2]-[I3.2]: Investment 3.2: Equity injection into the Digital Transition Fund (“DTF”)

**Qualitative Indicator:** Certificate of transfer

**Time:** Q4 2024

#### 1. Context:

This measure consists of an equity injection of EUR 400 000 000 into the Digital Transition Fund (“DTF”) managed by CDP Venture Capital SGR, with the aim of supporting the growth potential of the Italian economy by incentivizing private investments, improving access to finance for start-ups, and developing the venture capital market in this sector. The DTF operates by providing equity, quasi equity, debt or quasi debt support, directly or indirectly. CDP Venture Capital SGR adopts an investment policy for the use of the equity.

Milestone M4C2-21bis requires that Italy transfers EUR 400 000 000 to the DTF, and that the investment policy (“Accordo Finanziario”) is in line with the measure description.

Milestone M4C2-21bis is the second milestone of the investment, and it follows the completion of milestone M4C2-20. It will be followed by target M4C2-21, which concerns the transmission of a report outlining the actions taken by DTF to implement the investment policy.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Proof of transfer to account managed by Cassa Depositi e Prestiti (first instalment, EUR 150 000 000);
3. Proof of transfer to account managed by Cassa Depositi e Prestiti (second instalment, EUR 250 000 000);
4. Overview of movements of account managed by Cassa Depositi e Prestiti;
5. Proof of transfer to account of the Digital Transition Fund (transfer No. 1);
6. Proof of transfer to account of the Digital Transition Fund (transfer No. 2);
7. Proof of transfer to account of the Digital Transition Fund (transfer No. 3);
8. Proof of transfer to account of the Digital Transition Fund (transfer No. 4);
9. Proof of transfer to account of the Digital Transition Fund (transfer No. 5);
10. Proof of transfer to account of the Digital Transition Fund (transfer No. 6);
11. Proof of transfer to account of the Digital Transition Fund (transfer No. 7);
12. Proof of transfer to account of the Digital Transition Fund (transfer No. 8);
13. Proof of transfer to account of the Digital Transition Fund (transfer No. 9);
14. Proof of transfer to account of the Digital Transition Fund (transfer No. 10);
15. Proof of transfer to account of the Digital Transition Fund (transfer No. 11);
16. Proof of transfer to account of the Digital Transition Fund (transfer No. 12);
17. Proof of transfer to account of the Digital Transition Fund (transfer No. 13);
18. Proof of transfer to account of the Digital Transition Fund (transfer No. 14);
19. Proof of transfer to account of the Digital Transition Fund (transfer No. 15);
20. Proof of transfer to account of the Digital Transition Fund (transfer No. 16);
21. Proof of transfer to account of the Digital Transition Fund (transfer No. 17);
22. Proof of transfer to account of the Digital Transition Fund (transfer No. 18);
23. Proof of transfer to account of the Digital Transition Fund (transfer No. 19);
24. Proof of transfer to account of the Digital Transition Fund (transfer No. 20);
25. Proof of transfer to account of the Digital Transition Fund (transfer No. 21);
26. Proof of transfer to account of the Digital Transition Fund (transfer No. 22);

27. Proof of transfer to account of the Digital Transition Fund (transfer No. 23);
28. Proof of transfer to account of the Digital Transition Fund (transfer No. 24);
29. Investment policy ("Accordo Finanziario");
30. Proof of signature of the investment policy ("Accordo Finanziario") by the parties;
31. Guidelines "*Linee Guida per le attività di rendicontazione e controllo dei Fondi DTF e GTF*".

### 3. Analysis:

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

#### **Italy shall transfer EUR 400 000 000 to the DTF.**

The Italian authorities provided evidence that transfers amounting to a total of EUR 400 000 000, as required by the milestone, have been made and have reached the account of the Digital Transition Fund (hereafter, "DTF").

Specifically, the transfer of the full amount took place in instalments, in accordance with the following steps: Italy first made two transfers from ministerial accounts (one of EUR 150 000 000 from an account of the Ministry of Economic and Financial Affairs, and one of EUR 250 000 000 from an account of the Ministry of Enterprises and Made in Italy) to an account managed by Cassa Depositi e Prestiti (evidence No. 2 and 3); and subsequently 24 transfers from the latter account to the account of the DTF, where the total amount of such 24 transfers sums up to EUR 400 000 000 (evidence No. 4 to 28). By completing the above-mentioned steps, therefore, Italy transferred a total amount of EUR 400 000 000 to the DTF, as required by the milestone.

#### **Moreover, the investment policy ("Accordo Finanziario") shall be in line with the measure description.**

The Italian authorities transmitted the investment policy ("Accordo Finanziario"), which is in line with the requirements outlined in the measure description. Specifically, the Italian authorities provided the "Accordo Finanziario (versione consolidata)" (hereafter, "investment policy") between The Ministry of Enterprises and Made in Italy (hereafter, "MIMIT") and CDP Venture Capital SGR SPA (hereafter, "CDP VC"), which contains the investment policy in line with the measure description (evidence No. 29). The investment policy was subscribed on 10.06.2024, following signature by the two parties (which took place on 04.06.2024 for MIMIT and on 07.06.2024 for CDP VC; evidence No. 30) as well as the acknowledgement by the proposing party of the acceptance of the other party, in line with the provisions of the Italian Civil Code. The compliance of the investment policy with the measure description is justified in the following paragraphs.

#### **Furthermore, in line with the description of the measure, this measure aims at supporting the growth potential of the Italian economy by incentivizing private investments, improving access to finance for start-ups, and developing the venture capital market in this sector. The measure shall consist of an equity injection of EUR 400 000 000 into the Digital Transition Fund ("DTF") managed by CDP Venture Capital SGR.**

The measure supports the growth potential of the Italian economy by incentivizing private investments, improving access to finance for start-ups, and developing the venture capital market in this sector through an equity injection into the DTF. Specifically, as indicated in Article 6 of the investment policy (evidence No. 22), the financial procedure foresees that MIMIT subscribes quotas of the DTF. As mentioned above, the Italian authorities provided evidence that EUR 400 000 000 have been transferred to the account of the DTF, corresponding to an equity injection of the same value into the DTF. As indicated in Article 1, letter aa) of the investment policy, CDP VC is the management and implementing entity of this measure, and is responsible for the start, implementation and regular functioning of the intervention.

#### **Furthermore, in line with the description of the measure, CDP Venture Capital SGR shall adopt an investment policy for the use of the equity. The investment policy shall include the description of the financial product(s)**

**with the expected type of eligible final beneficiaries that the equity is expected to support, including the expected timeline for the implementation of 15 years and the management fee of maximum 13%<sup>10</sup>.**

CDP VC adopted an investment policy for the use of the equity. Specifically, CDP VC and MIMIT signed the “Accordo Finanziario (versione consolidata)” (signature on 04.06.2024 for MIMIT and on 07.06.2024 for CDP VC), which defines the investment policy for the use of the equity. Article 2 of such investment policy provides the description of the financial products with the expected type of eligible final beneficiaries that the equity is expected to support, namely direct and indirect investments in favour of start-ups with high growth potential with particular regard to SMEs active in the digital transition field implementing innovative projects. Article 2, paragraph 1.1, of such investment policy provides the expected timeline for implementation, stipulating that the expected duration of the GTF is 15 years, notwithstanding possibilities for prorogation. Article 4, paragraph 2, of the investment policy also provides that the management fees and costs for the full duration of the GTF shall be comprised within the cap of 13% of the endowment of the fund, excluding – in line with footnote 102 in the measure description – performance fees and/or carried interests as well as all costs and management fees related to third party funds.

**Furthermore, in line with the description of the measure, the DTF shall operate by providing equity, quasi equity, debt or quasi debt support, directly or indirectly<sup>11</sup>.**

Article 2 of the investment policy stipulates that the DTF operates through direct or indirect investments in favour of startups. Based on Article 1 of the investment policy, direct investments include equity and quasi-equity investments, and indirect investments include investing in target third-party funds, i.e. funds for venture capital or funds for venture debt.

**Furthermore, in line with the description of the measure, CDP Venture Capital SGR shall adopt the audit and control system described in the guidelines “Linee Guida per le attività di rendicontazione e controllo dei Fondi DTF e GTF” for the use of the equity.**

The Italian authorities provided the “*Linee Guida per le attività di rendicontazione e controllo dei Fondi DTF e GTF*” (hereafter, “the guidelines”; evidence No. 31), which include ad hoc guidelines on the audit and control procedures to be adopted by CDP VC in the implementation of the DTF. Specifically, the guidelines provide indications on the procedures to be adopted by CDP VC, as managing entity of the DTF, with a view to ensuring the sound management of financial resources, in particular in the areas of administrative and accounting regularity, correct identification of the beneficiaries, absence of conflict of interest, absence of double funding, among others. The guidelines apply also to indirect investments.

**Furthermore, in line with the description of the measure, the Investment Policy shall require that financial product(s) that the equity supports comply with the ‘Do no significant harm’ (DNSH) principle as set out in the DNSH Technical Guidance (2021/C58/01). In particular, in the case of general support to start ups, the investment policy shall exclude companies with a substantial focus<sup>12</sup> in the following sectors: (i) fossil fuel-based energy production and related activities<sup>13</sup>; (ii) energy-intensive and/or high CO2-emitting industries<sup>14</sup>; (iii) production,**

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<sup>10</sup> In particular, the 13% maximum cap does not include carried interest, performance fees related to DTF and all costs and management fees related to third party funds.

<sup>11</sup> In particular, in case of direct investments, the DTF shall operate by providing equity or quasi equity support; in case of indirect investments, the DTF shall operate by financing third party funds which shall operate by providing at least one of the following: equity, or quasi-equity, or debt, or quasi-debt instruments.

<sup>12</sup> It is considered that a Final Beneficiary has a “substantial focus” on a sector or business activity if such sector or activity is identified as being an essential part of the business activity of the Final Beneficiary respectively in relation to the gross revenue, profit, or client base of the Final Beneficiary. The gross revenue generated from the restricted sector or activity shall, in any case, not exceed 50% of the gross revenue.

<sup>13</sup> Except for (a) assets and activities in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the ‘Do no significant harm’ Technical Guidance (2021/C58/01) and (b) activities and assets under point (ii) for which the use of fossil fuels is temporary and technically unavoidable for the timely transition towards a fossil fuel free operation.

<sup>14</sup> Including activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas

rental, or sale of polluting vehicles<sup>15</sup>; (iv) waste collection, waste treatment and disposal<sup>16</sup> , (v) processing of nuclear fuel, production of nuclear energy. Moreover, the investment policy shall require compliance with the relevant EU and national environmental legislation.

For what concerns direct investments, Article 2, paragraph 10.1, of the investment policy requires that CDP VC shall exclude investment in target enterprises whose activities are substantially concentrated in the following sectors: i) fossil fuel-based energy production and related activities; ii) energy-intensive and/or high CO<sub>2</sub>-emitting industries; iii) production, rental, or sale of polluting vehicles; iv) waste collection, waste treatment and disposal with reference to the activities of landfilling and activities of incineration and thermo-valorisation; v) processing of nuclear fuel, production of nuclear energy. Similarly, for what concerns indirect investments, Article 2, paragraph 10.2 of the investment policy foresees that the respect of the requirements provided for in Article 2, paragraph 10, is taken on by third-party funds (*gestore autorizzato*). Finally, for what concerns compliance with the relevant environmental legislation, Article 2, paragraph 10.6, letter b), of the investment policy specifies that CDP VC shall ensure the verification of the juridical conformity of projects to the relevant EU and national environmental legislation.

4. **Commission Preliminary Assessment:** satisfactorily fulfilled.

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emissions that are not lower than the relevant benchmarks. Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible shall be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

<sup>15</sup> Polluting vehicles are defined as non-zero-emission vehicles.

<sup>16</sup> This exclusion does not apply to actions in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

## Non-repayable support

**M5C1-15bis:** Carry out actions to increase the participation of young people, simplify procedures and improve the quality of the Universal Civil Service (UCS projects)

**Related Measure:** IT-C[M5C1]-I[I4]-T[M5C1-15bis]: Universal Civil Service

**Qualitative Indicator:** Actions carried out

**Time:** Q4 2024

### 1. Context:

The reform aims at improving the Universal Civil Service (UCS) programme by taking actions, in coherence with the results of the TSI project 20IT06 – “Supporting design and implementation of the Universal Civil Service (UCS) RRP Project, to unlock youth employment opportunities”) to increase the participation of young people in the Universal Civil Service (UCS) programme, simplify procedures and improve the quality of the UCS projects.

Milestone M5C1-15bis is the first step in the implementation of investment 4 and requires the actions to increase the participation of young people, simplify procedure and improve the quality of UCS projects to be carried out. It will be followed by target M5C1-16 concerning the participation of at least 166 670 volunteers in the Universal Civil Service program in the four-year period 2021-2024.

### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled.
2. Copy of the Departmental decree No. 1641 of 12 December 2024 [hereafter referred as “revised act”] concerning the relations between entities and volunteer operators [Disposizioni concernenti la disciplina dei rapporti tra enti e operatori volontari del servizio civile universale], entered into force on 12 December 2024 (date of its adoption) and published in the Department’s website ([Home - Dipartimento per le Politiche Giovanili e il Servizio Civile Universale](#)).
3. Decree of the President of the Council of Minister of 14 January 2019 concerning the relations between entities and volunteer operators;
4. Detailed project description 22IT06 – Supporting design and implementation of the Universal Civil Service RRP project, to unlock youth employment opportunities.
5. Report on the design of indicators and development of a monitoring and evaluation framework – Output 1;
6. Report on existing procedures, processes, and administrative barriers for UCS application for participating individual and entities – Output 2;
7. Recommendation report (including action plan) on reforms to strengthen the quality and effectiveness of the UCS – Output 3;
8. Recommendations on the development of a communication strategy, using behavioural techniques and insights, to improve outreach to intended UCS beneficiaries – Output 4;
9. Summary report on pilot findings – Output 5;
10. Copy of the publication in the official Gazzette No. 143 of 21 June 2023 of the Law No. 74 of 21 June 2023, converting into law Decree law No. 44 of 22 April 2023, entered into force on 22 June 2023 (Art. 1), setting out urgent measures for the strengthening of the administrative capacity of public administrations.
11. 2024 Inspection plan for the implementation of the Universal Civil Service projects, available at the following link: [piano-controlli-2024.pdf](#)
12. Service orders No. 6, 7, 8, 9, 10, 11, 12, 17, 31/2024 of the Department of Youth Policies and Universal Civil Service hiring new personnel for the inspection office of the Universal Civil Service Programme;
13. service order No. 48 of 2 December 2024 nominating two working groups to support in the evaluation and monitoring of the Universal Civil Service Programme.

### 3. Analysis:

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

#### **The following actions shall be carried out: - introduce measures to increase the participation of young people in the Universal Civil Service (UCS) programme(...)**

- On 12 December 2024, the act concerning the relations between entities and volunteer operators of the Universal Civil Service [hereinafter referred to as "UCS"] was revised with the adoption by the Department of Young Policies and Universal Civil Service of the departmental decree No. 1641 [hereinafter referred to as "the revised act"]. In accordance with the national legal framework, the revised act has entered into force on 12 December 2024, date of its adoption and publication in the department's website ([Home - Dipartimento per le Politiche Giovanili e il Servizio Civile Universale](#)) and is applicable to the calls for the selections of volunteers published after the date of its adoption (Art. 10). The revised act replaces the Decree of the President of the Council of Minister of 14 January 2019.
- The revised act includes several novelties compared to the rules set out in the decree of the President of the Council of Minister of 14 January 2019 aimed at increasing the participation of young people in the Civil Service program. In particular:
  - Part 6 of the revised act regulating the rules concerning replacements and vacancies, envisages a more proactive role of the Department in promoting participation and replacements by requiring the Department to publish on its institutional website notices to advertise project vacancies (6.1.1) to which eligible non-selected volunteers can directly apply (6.1.2). This novelty ensures a more efficient replacement process compared to the previous system that was heavily fragmented (part. 3, p. 5 of the decree of the President of Council of Ministers of 14 January 2019) to ensure wider participation and speed-up the whole process (action 1).
  - Part 4.2 of the revised act concerning service hours, improves the flexibility for entities and volunteers to define service hours and simplifies working arrangements, for example by streamlining the typologies of working arrangements compared to the previous system (part 7 of the decree of the President of the Council of Minister of 14 January 2019) and by reducing the minimum number of hours of volunteering per day from 4 to 3, to make it more compatible for instance with other working, studying or family commitments. Moreover, part 4.2.3 of the revised act introduces the possibility to request recuperation days, previously not admitted (part 7.2.2 of the decree of the President of the Council of Minister of 14 January 2019). The revised act also introduces new circumstances for special leave, for example to participate in public competitions or for university reason (part 4.4.2.1 and 4.4.2.2), some of which without time limits (part 4.4.2.1) (action 2). Overall, these novelties allow more flexible arrangements of volunteers to reconcile educational and work commitments as well as family needs, therefore facilitating the participation of young people in the USC program.
- Art. 1 (9bis) of law decree No. 44 of 22 April 2023, converted into law by law No. 74 of 21 June 2023, also introduces a reservation of 15% of places in public competitions for non-managerial roles for volunteers that have concluded the Civil Service program without demerit (action 3).

#### **Introduce measures to simplify procedures to reduce the administrative burden for the implementation of the Universal Civil Service (UCS) programme; (...)**

- The revised act also introduces new simplification measures to simplify procedures. In particular:
  - The new revised act simplifies the procedure concerning replacements and vacancies as already indicated above (see action 1).
  - The revised act reduces the administrative burden for implementing entities and volunteers in the implementation of the civil service programme, for example by reducing the documents to be provided by the volunteer in case of incidents (4.5.1 of the revised act; 10.3.1 and 2 of the DPCM), by ensuring the possibility to download the certificate of participation online in the dedicated webpage (8.1.1.1.) (action 4);
  - Steps were also taken to improve the digitalization of procedures. For example, new features of the system Helios were activated to allow modifications by implementing entities of information related

to Local Project Agents (Operatori Locali di Progetto) and project location directly online ([https://www.politichegiovani.gov.it/comunicazione/news/2022/3/funzionalità\\_gestioneolp/](https://www.politichegiovani.gov.it/comunicazione/news/2022/3/funzionalità_gestioneolp/); <https://www.politichegiovani.gov.it/comunicazione/news/2022/12/nuovafunzione-adeguamento/>) (action 5).

**introduce measures to improve the quality of Universal Civil Service (UCS) projects.**

- Steps were taken to develop a centralized evaluation system for the Universal Civil Service. In particular, the revised act (part. 9) specifies that implementing entities and volunteers are requested to participate in surveys prepared by the Department of Universal Civil service to collect information on projects quality. Results of such surveys are summarized in specific reports published in the Department's website (<https://www.politichegiovani.gov.it/servizio-civile/servizio-civile-in-cifre/>) with the goal of contributing to improve the overall quality of the projects. In December 2024, two specific working groups were created by the service order No. 48 of 2 December 2024 to support in the evaluation and monitoring on the Universal Civil Service programme (Action 6);
- In 2024, new personnel for the internal inspection office of the Department of Universal Civil Service was hired, with the goal of ensuring effective and efficient inspections, as evidenced by the service orders No. 6, 7, 8, 9, 10, 11, 12, 17, 31. A new inspection plan was also adopted and published on the Department's website to enhance accountability and transparency ([piano-controlli-2024.pdf](#)). Inspections will be carried out based on a risk-based approach (para. 2.2 of inspection plan) and through the use of specific checklists (Action 7).

**The actions carried out shall take into account the results of the TSI project (20IT06 – “Supporting design and implementation of the Universal Civil Service (UCS) RRP Project, to unlock youth employment opportunities”).**

The actions carried out take into account the results of the TSI project (20IT06 – “Supporting design and implementation of the Universal Civil Service (UCS) RRP Project, to unlock youth employment opportunities”). In particular,

- Action 1 aimed at improving the procedures concerning replacements and vacancies takes into account recommendation 10 of the report on existing procedures, processes and administrative barriers (output 2) which recommends simplifying the selection process to make it more efficient and less time-consuming. It is also in line with the recommendation on facilitating access to information to enhance the quality of communication included in box 1.5 on the development of a communication strategy (output 4);
- Action 2 aimed at providing more flexible arrangements for volunteers takes into account recommendations No. 14 and 16 of the Report on existing procedures, processes and administrative barriers (output 2) as it allows volunteers to better reconcile educational and work commitments as well as family needs in view of increasing participation in the Universal Civil Service program.
- Actions 4 and 5 take into account recommendation No.4 of the Report on existing procedures, processes and administrative barriers (output 2) that recommends taking advantage of digital means for communication between authorities, entities and young people to reduce time in drafting memos and public documents, and to increase transparency;
- Action 6 takes into account recommendation No. 23 of the report on existing procedures, processes and administrative barriers (output 2) on developing a centralized evaluation system to follow-up with volunteers who have completed the UCS and check the impact of experience on their personal and professional growth and employment;
- Action 7 takes into account recommendation No. 18 and No. 21 of the report on existing procedures, processes and administrative barriers (output 2) and the Recommendation report (including action plan) on reforms to strengthen the quality and effectiveness of the UCS (output 3 – p. 26-27) that recommend increasing resources and personnel for the internal inspection office and adopting a risk-based approach on inspections along with the development of tools such as checklists, Enforcement Management Models and Complaint Management Systems, for greater accountability, uniformity, and transparency, and to enhance the management of resource.

**4. Commission Preliminary Assessment: Satisfactory fulfilled**

## Loan support

### M5C3-12: Start of works for infrastructural projects in the Special Economic Zone

**Related Measure:** Investment 1.4: Infrastructural investments for the Special Economic Zone

**Quantitative Indicator:** Number

**Baseline:** 0

**Target:** 53

**Time:** Q4 2024

#### 1. Context:

The scope of this investment is to ensure the effectiveness of the reform introducing the Special Economic Zone (SEZ), by avoiding further economic development delay in Southern areas with already a productive base.

The infrastructural investments object of the measure are those that are covered in the Decree allocating resources and further specified in the Directorial Decree no. 88/2025 and include: "Last mile" links; Digital logistics, urbanization or energy and environmental efficiency works; Strengthening ports' infrastructures.

Target M5C3-12 requires the start of at least 53 infrastructural projects in the SEZ areas established by the Decree allocating resources.

Target M5C3-12 follows Milestone M5C3-11, which required the entry into force of Ministry Decrees approving operational plans for all eight Special Economic Zones. It will be followed by target M5C3-13 which is the last target of Investment 1.4 and requires the completion of infrastructural projects in the Special Economic Zone.

#### 2. Evidence provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2. Directorial Decree no. 88/2025, entered into force on 19/06/2025, outlining the updated financial breakdown of each project and defining a single identifier (CLP) for each project.
3. Certificates of start of the works for the infrastructural projects object of this measure, signed by the Responsabile Unico di Progetto (RUP), the director of works and the company.
4. Report confirming the start of the works and justifying the percentage achieved, issued on 16/06/2025 by an independent engineer and endorsed by the responsible ministry.

#### 3. Analysis:

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

**The infrastructural projects shall be uniquely identified by their Codice Locale di Progetto (CLP).**

Directorial Decree no. 88/2025, entered into force on 19/06/2025, details the updated list of infrastructural projects financed under Investment 1.4 Infrastructural investments for the Special Economic Zone in Component 3 of Mission 5. This Decree updated and further specified the projects listed in Ministerial Decree 492/2021, which allocated resources to the projects and was previously assessed under Milestone M5C3-11. Each project listed in Annex A, B and C to the Directorial Decree 88/2025 has been uniquely identified by a Codice Locale di Progetto (CLP).

**The works for at least 53 projects established by the Decree allocating resources shall have started.**

The Council Implementing Decision required that at least 53 projects established by the Decree allocating resources have started. Italy provided the certificates of start of works for 52 projects which were established by Ministerial Decree 492/2021 allocating the resources for these projects. These certificates were signed by three parties: the director of works, the contracting company and the Responsabile Unico di Progetto (RUP), and confirmed the successful start of the works of each project. In addition, a single report by an independent engineer has been produced, attesting the start of all the works of all units and their state of implementation. Furthermore, by comparing the projects and their identifiers listed in Annex 1 and 2 to Ministerial Decree 429/2021 with those listed in Annex A, B and C to Directorial Decree no. 88/2025, it is concluded that the 52 projects commenced pursuant to Directorial Decree no. 88/2025 are the same projects as those which were allocated resources pursuant to Ministerial Decree 492/2021, except for one project which was removed because it was no longer completable within the RRP timelines. Whilst this constitutes a minimal numerical deviation of 1.9% from the requirement of the Council Implementing Decision, the overall objective of this target is considered met notwithstanding this minor deviation. On this basis, it is considered that this constitutive element of the target is satisfactorily fulfilled.

Furthermore, in line with the description of the measure: **The infrastructural investments object of the measure are those that are covered in the Decree allocating resources and shall include: "Last mile" links to establish effective connections between industrial areas and the TEN-T railway network; Digital logistics, urbanizations or energy and environmental efficiency works; Strengthening ports' infrastructures in relation to security or access to port.**

As explained above, all the started infrastructural projects include interventions concerning one or more lines set out in the description of the measure, as proved by the following evidence: a) Annex of the Directorial Decree 88/2025 specifying the projects financed under the decree allocating resources; b) and report by the independent engineer. Specifically, the Annex of the Directorial Decree provides an updated breakdown of the projects into three lines of intervention: "Last mile road or railway", "Digitalization of logistics, urbanization or energy efficiency works", "Strengthening port's resilience". Moreover, the report by the independent engineer confirmed that all projects listed in the Directorial Decree falls within one of the three lines of interventions listed in the measure description.

**4. Commission Preliminary Assessment:** Satisfactory fulfilled.

## Loan support

### M6C1-7: Coordination Centres fully operational (second batch)

**Related Measure:** Home as the first place of care and telemedicine

**Quantitative Indicator:** 480

**Time:** Q4 2024

#### 1. Context:

The objective of this investment consists in the large-scale adoption of telemedicine solutions and supporting healthcare innovation, through: i) increasing the number of people treated at home through investment in hardware and increased service provision (sub-investment 1.2.1), ii) the establishment of at least 480 Territorial Coordination Centres (“Centrali Operative Territoriali”) that are intended to link and coordinate various territorial, social-health and hospital services, as well as the emergency-urgency network, and iii) telemedicine to better support patients with chronic diseases (Investment 1.2.3), via specific projects enabling doctor-patient interactions, the creation of a national platform for screening telemedicine projects and the financing of ad-hoc research initiatives on digital health and care technologies.

Target M6C1-7 relates to the sub-investment 1.2.1 and concerns the entry in operation of at least 480 Territorial Coordination Centres, which are the health structures that have the role of ensuring the remote control of the devices provided to patients, support the exchange of information between health professionals, and constitute a reference point for caregivers and patient needs.

The Territorial healthcare reform (M6C1.R1) requires the interoperability of COTs with other infrastructures financed by the RRP such as the Community Health Houses (M6C1.I1.1) and Community Hospitals (M6C1.I1.3). Since the implementation of the respective measures is still ongoing, the operational link of the COTs with such infrastructures will be verified when assessing the final targets related to such measures (in particular target M6C1-3 and M6C1-11 in Q2 2026).

It follows milestone M6C1-5 (Institutional Development Contract approved by Ministry of Health and regions) of Q2 2002, that consisted in the approval by the Ministry of Health of the institutional development contracts for all the regions and autonomous provinces. Such institutional development contract included a set of specific obligations of the Regions/Autonomous Provinces (as the implementing authorities) to guarantee the execution and expected results as regard the Territorial Coordination Centres.

This target represents the final implementation step for this specific sub-investment (M6C1 I.1.2.1) related to the entry into operation of the Territorial Coordination Centres.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. List of the 480 Territorial Coordination Centres (COT) for which works have been completed and that have entered in operation;
3. Operational guidelines to implementing authorities and bodies;
4. Ministerial Decree no. 77 of 23 May 2022
5. For each COT (evidence for sampling):
  - a. Certificate of completion of works and entry in operation (signed by the responsible of the works)
  - b. Corporate Act certifying (“Delibera aziendale”) the entry into operation of a COT signed by the Director-General of the local health institution (“Azienda Sanitaria Locale”)
  - c. Engineer report with technical specifications (Checklist)
  - d. Annexes to the engineer report (including the corporate organizational model)
  - e. Regional (or autonomous province) Act certifying the documentation on the completion of works and entry into operation of the COT signed by the implementing authority (i.e. region or autonomous province)

### 3. Analysis:

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

**The crucial point of this intervention is the entry in operation of at least 480 Territorial Coordination Centres (“Centrali Operative Territoriali”) with the function of coordinating and linking the various territorial, social-health and hospital health services, as well as the emergency-urgency network, in order to ensure continuity, accessibility and integration of care.**

Following the approval of the Institutional Development Contracts for each Region and Autonomous Province by the department of general accounting of the Ministry of Finance dated between 15 and 16 of June 2022 (assessed in the framework of milestone M6C1-5), the Regions have launched the tenders for the interventions related to the healthcare infrastructures, including the Territorial Coordination Centres (henceforth, COT), which are defined as an organizational model with the function of coordinating and linking the various levels of health services. As per Ministerial Decree no. 77 of 23 May 2022, the COT have the function of linking and coordinating the homecare services with the various territorial, social-health and hospital services as well as with the emergency network and the COTs are the health structures that have the objective of ensuring continuity, accessibility and integration of care. As per Ministerial Decree no.77 of 23 May 2022, the COT ensures the continuity, accessibility and integration of care through, inter alia, the coordination of the patient's care among services and healthcare professionals involved in various care settings (such as transition of setting, i.e. admission and discharge from hospital facilities, admission and discharge from temporary and/or permanent residential treatment, admission and discharge from intermediate care facilities or home discharge). Moreover, the COT mobilises the health actors and resources within the care network as well as ensures the tracking and monitoring of transitions from one care setting to another or from one clinical-care level to another. The COT also provides information and logistical support to professionals in the care network regarding district-level activities and service. Furthermore, the COT provides for the collection, management, and monitoring of health data, also through telemedicine tools, within integrated chronic care pathways, of patients receiving home care, and management of the technological platform supporting patient care (telemedicine, teleassistance, e-health tools, etc.), used operationally by Community Health Houses and other district-affiliated services in order to collect, decode, and classify needs. The COT are open and functional 7 days a week.

In line with the requirement above, 480 COT (“Centrali Operative Territoriali”) with the function of coordinating and linking the various territorial, social-health and hospital services, as well as the emergency-urgency network, have entered in operation. In line with the verification mechanism of the operational arrangements, Italy provided a list of the 480 COT that have entered in operation.

Following the selection of a random sample of 60 units from the list of 480 COT that have entered in operation, Italy submitted the certificates of completion of works from the responsible of the works or its delegate, a certificate of entry into operation of the COT signed by its Director-General, an independent engineer report and related checklist and corroborating evidence (annexes to the checklist), and a regional act from the implementing authority (Region or Autonomous Province) validating all the documentation received as regards the completion of works and the entry into operation of the COT.

The engineer report (“signed checklists”), notably, certifies the entry into operation of COT through the confirmation of the structural standards, the organizational model, the technological standards thus allowing to verify that the COT is able to support the exchange of information across health operators, that the COT is able to operate as a structure to link health professionals and patients, including the telemedicine services (e.g. remote control of health devices) and that the COT is able to coordinate and link the various territorial, social-health and hospital health services, as well as the emergency-urgency network. These functionalities have been verified by the independent engineers in the checklist for concrete use cases (for example, if the COT has treated at least one patient remotely, if the COT is linked with at least one structure of the NHS, if the COT has managed at least one transition of a patient, etc.), hence

demonstrating the COTs have entered into operation and have the functions required by the Council Implementing Decision. The evidence provided for the sample confirms that the requirements of the target have been met, and that Italy has completed the works of 480 COT, that they have entered into operation and are able to carry out the functions required by the Council Implementing Decision.

**In line with the description of the measure, the Territorial Coordination Centres are expected to ensure the remote control of the devices provided to patients, support the exchange of information between health professionals, and constitute a reference point for caregivers and patient needs.**

As defined by Annex I to Ministerial Decree no. 77 of 23 May 2022, the COT also has the function of collecting, managing and monitoring of health data, including through telemedicine devices (including for chronic patients), as well as providing informative and logistics support to health professionals concerning the district services. As outlined above, the report of the independent engineer provided for the 60 COTs extracted for the sampling exercise certifies the full entry into operation of COT through the confirmation of the structural standards, the organizational model and the technological standards. The checklist of the report of the independent engineer requires, in the section related to the technological standards, the verification that the COT supports the exchange of information between health professionals, that the COT provides logistic support for the assistance network and that the COT is endowed with a system to collect, process and manage data, including with ICT technologies. In addition, the checklist includes the verification that at least one patient has been already treated remotely, including through provided medical devices. All aforementioned elements from the checklist have been confirmed in the report of the independent engineer, therefore demonstrating that the COTs ensure the remote control of the devices provided to patients and support the exchange of information between health professionals. Furthermore, considering that COTs provide a comprehensive framework for collecting, managing and monitoring health data and supporting the exchange of information between health professionals, thereby enabling the delivery of effective and patient-centred care, it is concluded that COTs constitute a reference point for caregivers and patient needs.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M7-1: Legal framework for the Identification of “renewables acceleration areas”

**Related Measure:** [M7]-[R1]: [REPowerEU] Streamlining permitting procedures for renewable energy

**Qualitative Indicator:** Provision in the law indicating the entry into force of the legal framework for the identification of renewables acceleration areas

**Time:** Q4 2024

#### 1. Context:

The reform consists in the adoption and entry into force of a single primary legislative act (also known as Testo Unico), collecting, compiling and consolidating all norms regulating the deployment of renewables, and superseding all relevant past legislation.

Milestone M7-1 is the first step in the implementation of reform 1 and requires the entry into force of the legal framework for the identification of Renewable Acceleration Areas [hereafter referred as “RAAs”]. It will be followed by Milestone M7-2 concerning the entry into force of the Testo Unico and by Milestone M7-3 requiring the establishment and operationalization of the single-entry digital platform for authorizations related to renewables.

#### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactory fulfilled;
2. Copy of the publication in the official Gazzette No. 291 of 12 December 2024 of Legislative decree No. 190 of 25 November 2024 regulating the administrative procedures for the production of energy from renewable energy sources, implementing Art. 26 (4 and 5), let. B) and D) of law No. 118 of 5 August 2022 [Disciplina dei regimi amministrativi per la produzione di energia da fonti rinnovabili, in attuazione dell’Art. 26, commi 4 e 5, lettera B) and D), della legge 5 Agosto 2022, No. 118], entered into force on 30 December 2024 (Art. 17).
3. Copy of the publication in the official Gazzette No. 116 of 21 May 2025 of Decree Law No. 73 of 21 May 2025, amending Art. 12 of legislative Decree No. 190 of 25 November 2024, entered into force of on 21 May 2025 (Art. 17), establishing a first minimum set of renewable acceleration areas.
4. Mapping of renewable energy potential across the country carried out by the GSE, available at the following link: [Piattaforma Aree Idonee](#);
5. Mapping of the first set of renewable acceleration areas, available at the following link: [GSE-Portale Aree Accellerazione](#)

#### 3. Analysis:

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

**Entry into force of primary legislation setting out the legal framework for the identification of “renewable acceleration areas”.**

Legislative decree No.190 of 25 November 2024, was published in the official Gazzette No.291 of 12 December 2024, and, according to its Art. 17, entered into force on 30 December 2024. Decree law No. 73 of 21 May 2025 was published in the official Gazzette No. 116 of 21 May 2025, and, according to its Art. 17, entered into force on 21 May 2025.

Art. 12 of legislative decree No. 190 of 25 November 2024, as amended by Decree law No. 73 of 21 May 2025, sets out the legal framework and timeline for the future identification of the RAAs, both onshore (to be defined by Regions and Autonomous Provinces) and offshore (to be defined at central government level).

**The legal framework shall: 1) require the mapping of renewable energy potential across the country**

According to Art. 12 (1) of legislative decree No. 190 of 25 November 2024, as amended by decree law No. 73 of 21 May 2025, by 21 May 2025, the Managing Authority for Energy Services (*hereafter referred to as “GSE”*) publishes in its website a mapping of the national territory, identifying the domestic potential and the available areas for the installation of renewable energy plants and their related infrastructure (including grid and storage systems). For this mapping exercise, the GSE takes into account the maritime spatial plans adopted in line with legislative decree No. 201 of 17 October 2016 and makes use of the information and data available from several existing databases and platforms, such as the GAUDI’ platform managed by the electricity transmission system operator Terna S.P.A., and the digital portal managed by the Italian Regulatory Authority for Energy, Network and Environment (ARERA), mapping energy production plans and monitoring interventions in the energy transmission network and connection requests.

**(...) 2) based on the mapping, establish a first set of areas, setting a minimum set for the future identification of renewable acceleration areas;**

Art. 12(7bis) of legislative decree No. 190 of 25 November 2024, introduced by Decree law No. 73 of 21 May 2025, identifies the first set of RAAs – more specifically, industrial areas – setting a minimum for the Regions and Autonomous Provinces that, in line with Art. 12(5) of the above-mentioned decree, could not restrict those areas in the future. These industrial areas have been defined by the relevant regional, provincial or local planning tools. The identification of this first set of RAAs [hereafter referred to as “ex-lege RAAs”] is based on the mapping of renewable energy potential carried out by GSE (Art. 12(7bis), as also indicated in the GSE’s website ([GSE-Portale Aree Accellerazione](#)). The result of the mapping exercise was published on the website of the GSE on 21 May 2025 ([Piattaforma Aree Idonee](#)), as required by Art. 12(1) of Legislative Decree No. 190 of 25 November 2024.

**(...) 3) based on the minimum set of areas, require regions and autonomous provinces to identify renewable acceleration areas by 21 February 2026;**

Art. 12(5) of legislative decree No. 190 of 25 November 2024, as amended by Decree Law No. 73 of 21 May 2025, requires regions to adopt plans identifying RAAs by 21 February 2026. In line with the Council Implementing Decision, Regions can only extend the ex-lege RAAs – that is, they cannot revoke, restrict or otherwise invalidate them (Art.12 (5)). The plans shall be based on the mapping exercise carried out by the GSE and shall undergo a Strategic Environmental Assessment (SEA).

**(..) 4) entitle the central government to exert substitutive powers in case regions or autonomous provinces fail to identify renewable acceleration areas by 21 February 2026;**

In line with Art. 12(5bis) of legislative decree No. 190 of 25 November 2024, introduced by Art. 13 of Decree law No. 73 of 21 May 2025, the central government is entitled to exert substitutive powers in case regions or autonomous provinces fail to identify RAAs by 21 February 2026.

**(...) 5) require the identification of offshore areas for renewables deployment in coherence with maritime spatial plans.**

Art. 12(6) of legislative decree No. 190 of 25 November 2024, as amended by decree law No. 73 of 21 May 2025, requires the central state to adopt a plan identifying offshore RAAs by 21 February 2026, by means of Decree of the President of the Council of Minister. The offshore RAAs are to be identified in coherence with the maritime spatial plans (Art. 12(6)). The mapping of the national territory prepared by the GSE shall take into account those plans for the identification of the domestic potential and the available areas for the installation of renewable energy plants and their related infrastructure (Art. 12(2)).

The assessment of the compliance of Art. 12 of legislative decree No. 190 of 25 November 2025 with the EU directive 2018/2001, as amended by the EU directive 2023/2413, for the purposes of payments from the Recovery and Resilience Facility does not prejudice the assessment by the Commission in any other proceedings regarding the conformity of the national law with the aforementioned legislation.

**4. Commission Preliminary Assessment: Satisfactory fulfilled**

## Non-repayable support

**M7-4:** Adoption of a government report, presenting the outcome of a government consultation with stakeholders to reduce environmentally harmful subsidies.

**Related Measure:** [M7]-[R2]: [REPowerEU] Reduction of Environmental Harmful Subsidies

**Qualitative Indicator:** Adoption of government report

**Time:** Q4-2024

### 1. Context:

The measure aims to reduce environmentally harmful subsidies. Milestone M7-4 concerns the adoption of a government report presenting the outcome of a government consultation with stakeholders to reduce environmentally harmful subsidies. Milestone M7-4 is the first step of the implementation of the reform, and it will be followed by milestone M7-5 (Q2/2026).

### 2. Evidence provided:

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

1. Summary document duly justifying how the milestone, including all the constitutive elements, was satisfactorily fulfilled.
2. Government report on the actions taken to consult relevant stakeholders, the list of the stakeholders consulted, and the outcome of the consultation. The report was adopted via digital signature of a General Director of the Ministry of Environment and Energy Security (MASE) on 13 June 2025.

### 3. Analysis:

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

**The reform shall provide for a reduction of the environmentally harmful subsidies, based on the “2022 Catalogue of Environmentally Harmful subsidies” published by MASE. Adoption of a government report presenting the outcome of a government consultation with stakeholders to reduce environmentally harmful subsidies. The report shall outline the actions taken to consult relevant stakeholders on the reform of environmentally harmful subsidies, including the input received by stakeholders.**

Based on evidence (1) and (2), Italy’s Ministry of the Environment and Energy Security (MASE) has conducted in March 2024, in collaboration with the Manager of energetic services (“*Gestore Servizi Energetici*”), a public consultation on the reduction of environmentally harmful subsidies. The consultation was conducted in the framework of the broader consultation on the draft 2024 National energy and climate plan (NECP), whereby stakeholders were asked two questions on the reduction of environmentally harmful subsidies, namely: (i) “Which environmentally harmful subsidies in MASE’s catalogue do you consider a priority to reform in order to achieve the commitments with the EU?”; (ii) “How can these environmentally harmful subsidies be converted into environmentally favourable subsidies?”. Evidence (ii) includes at pages 12-13 the input provided by stakeholders to the public consultation on environmentally harmful subsidies. On this basis, it is concluded that this requirement of the Council Implementing Decision is met.

**Consulted stakeholders shall include relevant public bodies and private stakeholders.**

Evidence (1) and (2) indicate that the consultation was public and open to anyone, and addressed to associations, businesses, public administrations and, more generally, all stakeholders involved in various ways in the remodulation of environmentally harmful subsidies. Evidence (2) includes the list of stakeholders who have replied to the public consultation on environmentally harmful subsidies, which amount to 32. Those stakeholders include: 19 firms and sectorial associations, such as the industrial and agriculture federations; 4 environmental associations, such as *Legambiente* and *WWF Italia*; 1 labour union (CISL); 2 think tanks (“*Consiglio Nazionale delle Ricerche*”, “*Istituto Bruno*

*Leoni – centro studi*"); 5 citizens. On this basis, it is concluded that this requirement of the Council Implementing Decision is met.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Non-repayable support

### M7-7: Entry into force of primary and secondary legislation

**Related Measure:** [M7]-[R4]: [REPowerEU] Mitigation of financial risk associated with renewable PPAs (Power Purchase Agreements)

**Qualitative Indicator:** Entry into force of primary and secondary legislation

**Time:** Q4/2024

#### 1. Context:

The reform consists in the establishment of a system of guarantees mitigating the financial risk associated with renewable Power Purchase Agreements with a duration of at least three years.

Milestone M7 requires the entry into force of the primary and secondary legislation establishing such a system. No other milestones or targets are associated with this reform.

#### 2. Evidence provided:

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

1. Decree-Law n. 208 of 31 December 2024, entered into force on the 31 December 2024 and published on the Official Gazette n. 50 of 1<sup>st</sup> of March 2025, comprising the primary legislation of this reform;
2. Ministerial Decree n. 152 of 20 June 2025, comprising the secondary legislation of this reform, published on the website of the Ministry of Environment and Energy Security on 30 June 2025.

#### 3. Analysis:

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

#### **Entry into force of primary and secondary legislation.**

Decree-Law n. 208 of 31 December 2024 is the primary legislation and entered into force with publication on the Official Gazette n. 50 of 1<sup>st</sup> March 2025. It establishes a system of guarantees to mitigate the financial risk associated with renewable Power Purchase Agreements (PPA). In particular, the Decree Law 208/2024 (evidence i, Art. 8) identifies the Gestore dei Servizi Energetici (GSE) as the last-resort guarantor in the event that one of the parties in a long-term renewable PPA cannot fulfil the obligations foreseen by the agreement.

Ministerial Decree n. 152 of 20 June 2025 is the secondary legislation and entered into force on 30 June 2025 with publication on the website of the Ministry of Environment and Energy Security (MASE), as provided by Art. 8 of the Ministerial Decree.

**The primary legislation shall provide for the adoption of secondary legislation implementing the requisites i), ii) and iii) below.**

The Decree Law (evidence i) delegates the Ministry of Environment and Energy Security (MASE) to identify through secondary legislation the conditions and mechanisms through which the GSE will take on the role of seller/buyer of last resort, and define the conditions under which parties can access the last resort guarantee. This secondary legislation consists of Ministerial Decree n. 152 (evidence ii).

**The secondary legislation shall identify an institutional entity to take on the role of seller/buyer of last resort, who would take over from the failing counterpart and ensure the fulfilment of the obligations assumed vis-à-vis the performing counterpart.**

The Decree Law 208/2024 (evidence i, Art. 8) identifies the GSE as the institutional entity that takes on the role of seller/buyer of last resort. The Ministerial Decree n. 152 (evidence ii) outlines two scenarios for GSE's intervention.

First, if the buyer defaults on the agreement, the GSE steps in as the buyer (Art. 4, comma 1), purchasing from the seller the agreed quantity of renewable energy at the lowest price established by the most recent auctions to award renewable electricity support incentives for the same technology.

Second, if the seller defaults, GSE acts as the seller of last resort (Art. 4, comma 2). In this case, the GSE sells the agreed quantity of renewable energy to the buyer, applying a price that reflects a reference value that the GSE will define in dedicated operational guidelines (outside the scope of this milestone). The GSE also takes over the availability of the electricity generated by the renewable energy plant linked to the PPA, stepping into the seller's position in the relevant dispatching contract.

By acting as a buyer or seller of last resort, the GSE takes over from the failing counterpart and ensures the fulfilment of the obligations assumed vis-à-vis the performing counterpart.

**[...] require for each operator to guarantee partial coverage of the countervalue of the Power Purchase Agreements by means of guarantee instruments provided on the electricity market;**

The Decree Law 208/2024 (evidence i, Art. 8) introduces the obligation for each operator signing a PPA to guarantee partial coverage of the countervalue of the agreement by means of instruments provided on the electricity market.

The Ministerial Decree n. 152 (evidence ii, Art. 3, comma 4f) also requires operators participating in a PPA to provide a financial guarantee covering a portion of the contract's annual value. This required share decreases as the duration of the contract increases. In the case of default of the buyer or seller, the GME collects this guarantee from the defaulting party and transfers it to the GSE to cover potential costs of acting as a seller/buyer of last resort (Art.3, comma 4i).

**[...] introduce measures to mitigate the risk of default, including requirements and constraints on the bidder and regulatory sanctions in the event of producer's default.**

The Decree Law 208/2024 (evidence i, Art. 8) introduces disciplinary measures in case of default by parties to a PPA contract and delegates to secondary legislation the definition of the requirements and constraints applicable to bidders. In line with this, Ministerial Decree n. 152 (evidence ii, Art. 3, comma 4) sets out specific requirements for participants.

First, all renewable energy PPAs must be negotiated on a dedicated platform to ensure transparency in both negotiations and final agreements (Art. 3, comma 4a), thereby mitigating the risk of default. The platform is managed by the Gestore del Mercato Elettrico (GME), which ensures the alignment between the quantity of energy offered and requested.

Second, only certain actors are eligible to negotiate PPAs on the platform: a potential seller must be a producer that owns either an operating or authorized renewable installation, while a potential buyer must have a registered consumption point ("punto di prelievo") (Art. 3, commas 4b and 4c). Further GSE guidelines will include more detailed criteria for access to the platform (outside of the scope of this milestone).

Ministerial Decree n. 152 (evidence ii, Art. 3, comma 4) also sets out regulatory sanctions in the event of a breach. If either party defaults on their obligations under the PPA, the GME applies the disciplinary measures laid out in the 'Testo Integrato della disciplina del mercato elettrico', previously adopted through Ministerial Decree of 19 December 2003 (outside the scope of this milestone). It also enforces the guarantees provided by the defaulting party and transfers the recovered amounts to GSE (Art. 3, comma 4i).

**Furthermore, in line with the description of the measure, the objective of the reform is to establish a system of guarantees mitigating the financial risk associated with renewable Power Purchase Agreements with a duration of at least three years.**

As mentioned above, Decree Law 208/2024 (evidence i) and Ministerial Decree n. 152 (evidence ii) establish a system of guarantees to mitigate the financial risk associated with renewable PPAs. The Ministerial Decree n. 152 specifies that PPAs covered by the system of guarantees have a duration of at least five years.

This preliminary assessment is without prejudice to the assessment of the compliance of this primary and secondary legislation, as well as of any further operational guidelines that will be released by ARERA and GSE, with EU legislation such as the Electricity Market Regulation 2024/1747.

**4. Commission Preliminary Assessment:** Satisfactory fulfilled.

## Non-repayable support

### M7-14: Award of contracts

**Related Measure:** [M7]-[I4]: [REPowerEU] Tyrrhenian link

**Qualitative Indicator:** Notification of the award of contracts

**Time:** Q3 2024

#### 1. Context:

The investment aims to expand Italy's electricity transmission infrastructure, specifically in the southern region, to facilitate the integration of renewable energy sources into the national grid, by supporting the construction of the "East interconnection line" between Sicily and Campania as part of the "Tyrrhenian link". In particular, it finances the installation of 514 km of the point-to-point direct current (HVDC) submarine cables between Eboli and Caracoli. Milestone M7-14 is about the notification of the award of all the contracts for the works for the laying of the 514 km of cables connecting Eboli and Caracoli.

Milestone M7-14 is the first step of the implementation of the investment. It will be followed by target M7-15, related to the completion of the laying down of the cables. The investment has a final expected date for implementation in 30 September 2024.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Signed framework contract between the implementing entity of the investment (Terna S.p.A.) and the contractor. Technical specifications of the projects.
3. First call-off notice of 4 April 2022, signed on 7 April 2022;
4. Second call-off notice of 7 July 2022, signed on 14 July 2022;
5. Third call-off notice of 9 December 2022, signed on 14 December 2022;
6. Fourth call-off notice of 26 June 2023, signed on 29 June 2023;
7. Sixth call-off notice of 11 December 2023, signed on 13 December 2023;
8. Seventh call-off notice of 12 December 2023, signed on 13 December 2023;
9. Eight call-off notice of 23 May 2024, signed on 28 May 2024.

1.

#### 3. Analysis:

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

#### **Notification of the award of all the contracts for the works necessary for the laying of 511 km of cables connecting Caracoli to Eboli.**

The Italian authorities provided evidence that the contracts for the works necessary for the laying of 511km of cables were awarded. The awards of all contracts have been notified via call-off notices from the implementing entity of the investment, Terna S.p.A , to the contractor, in the context of the execution of a framework contract.

In more detail, a framework contract was signed on 30 November 2021 (evidence 2) having as a subject the supply and installation of 500 kV cables with related accessories and marine electrodes. The framework contract provides for the whole Tyrrhenian link infrastructure and includes the laying of 512.5 km of cable between Eboli conversion station and Caracoli (evidence 2, section technical purchase specification, annex a, page 4: more specifically, approximately

21.5 km of terrestrial cables from Eboli to Torre Tuscia Magazzeno; approximately 481 km of submarine cables from Torre Tuscia Magazzeno to Fiumetorto; approximately 10 km of terrestrial cable from Fiumetorto to Termini Imerese, Contrada Caracoli) as East Link, Pole 1.

The Italian authorities submitted the notification of the award of the contracts in form of call-off notices for the implementation of the framework contract, in line with paragraph 1.5 of the framework contract (evidence 2, page 17). In detail:

The scope of the first call-off notice, sent from Terna to the contractor on 4 April 2022 and signed on 7 April 2022 by both Terna and the contractor (evidence 4), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: project management, system design and executive design of the power cables and realization of the turntable.

The scope of the second call-off notice, sent from Terna to the contractor on 7 July 2022 and signed on 14 July 2022 by both Terna and the contractor (evidence 5), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: executive design and execution of a submarine investigation.

The scope of the third call-off notice, sent from Terna to the contractor on 9 December 2022 and signed on 14 December 2022 by both Terna and the contractor (evidence 6), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: design, installation and on-site engineering supply of cables, supply of fiber optic system, landing point realization.

The scope of the fourth call-off notice, sent from Terna to the contractor on 26 June 2023 and signed on 29 June 2023 by both Terna and the contractor (evidence 7), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: power cables realization, fiber optic system qualification, electrode cable realization.

The scope of the sixth call-off notice, sent from Terna to the contractor on 11 December 2023 and signed on 13 December 2023 by both Terna and the contractor (evidence 9), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: landing point realisation, power cable realisation.

The scope of the seventh call-off notice, sent from Terna to the contractor on 12 December 2023 and signed on 13 December 2023 by both Terna and the contractor (evidence 10), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: power cables after laying tests, terrestrial power cable and fiber optic cable realisation, submarine power cable laying and protection, fiber optic cable protection, diagnostic system supply.

The scope of the eighth call-off notice, sent from Terna to the contractor on 23 May 2024 and signed on 28 May 2024 by both Terna and the contractor (evidence 11), includes works related to the following activities with reference to the East trait, pole 1, of the Tyrrhenian link: spare parts supply and transport for cables, civil works for terrestrial power cable realisation.

**4. Commission Preliminary Assessment:** Satisfactory fulfilled.

## Non-repayable support

### M7-16: Award of contracts

**Related Measure:** [M7]-[I5]: [REPowerEU] SA.CO.I 3

**Qualitative Indicator:** Award of contracts

**Time:** Q4 2024

#### 1. Context:

This investment focuses on modernising electricity transmission infrastructure connecting Sardinia to the rest of Italy, via Corsica, to integrate Sardinia and its' renewable energy sources to the national transmission grid.

It supports the construction of the “Sardinian-Corsica-Italy 3” interconnection project.

M7-16 requires the notification of the award of all contracts for works necessary to complete the construction of the shells of the conversion stations of Codrongianos, Sardinia, and Suvereto, Tuscany.

M7-16 is the first step of the implementation of the investment. It will be followed by milestone M7-17 which requires the completion of the works by 31<sup>st</sup> of August 2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2. Engineering, Procurement and Construction contract, of date 7 May 2024, with reference to tender 0000037886, for the totality of the works needed to complete the Suvereto and Codrongianos main stations between Terna, the implementing partner, and a temporary grouping of contractors (Hitachi Energy Sweden, Italy and France as well as Impresa Pellegrini and Razel BEC), including civil works concerning exterior shells.
3. Contract between Terna and a contractor (Isolver SRL), of date 17 of March 2023, with reference to tender 0000041130, for the preparatory civil works for the construction of the conversion station at Suvereto.
4. Contract between Terna and a contractor (Edildovi SRL), of date 4 August 2023, with reference to tender 0000042338, for the remaining preparatory civil works for the construction of the conversion station at Suvereto (Lotto 1).

#### 3. Analysis:

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

#### **Award of all the contracts for the works necessary for the completion of shells of the conversion stations of Sardinia and Tuscany.**

The Italian authorities provided evidence that the contracts for the works necessary for the completion of the shells of the conversion stations at Suvereto (Tuscany) and Codrongianos (Sardinia) were awarded.

The Suvereto conversion station comprises the so-called ‘brown field’ portion of the project, meaning it is to be constructed in a site which was already being used for another purpose: it previously hosted the electrical station of Suvereto, which will now be replaced by the conversion station. This implies that for the Suvereto station preparatory civil works were necessary on Terna’s site. On the other hand, the Codrongianos conversion station comprises the ‘green-field’ portion of the project, meaning it is to be constructed in a site which had no previous use and thus did not require such preparatory works.

In more detail, regarding the completion of the shells of the Suvereto and Codrongianos conversion stations, the Italian authorities submitted the awarded contracts for the following works to be completed:

- The first set of preparatory works included demolition of existing buildings, excavation works and preparation of soil, sewerage installation, as shown by the first contract signed on 17 March 2023 (evidence iii).

- The second set of preparatory works (Lotto 1) included demolition and creation of new foundations for the electrical equipment of the conversion station, waterproofing of the building and installation of copper conductors and respective electrical connections, as shown by the second contract of preparatory works signed on 4 August 2023 (evidence iv). The engineering, procurement, construction, commissioning contract (EPC), signed on 7 May 2024 (evidence ii), concerns the implementation of all the works necessary for the “turnkey” development and delivery activities of the Converter Stations for the tri-terminal connection between Sardinia, Corsica and the Italian peninsula, collectively called “SA.CO.I 3 Interconnection”. The contractor is responsible for all phases of the works necessary for the final delivery of both the Codrongianos and Suvereto stations, from the engineering and design of the stations to procurement and supply of all equipment needed in the stations, and performance of necessary construction works (p.26-27).

Furthermore, in line with the description of the measure **“Shells” are the external infrastructure of the conversion stations**. The EPC contract (p.44, evidence ii) clearly defines ‘shell’ as the external component of the conversion station.

#### **4. Commission Preliminary Assessment:** Satisfactorily fulfilled

## Loan support

### M7-43: Implementing Agreement

**Related Measure:** [M7]-[I16]: [REPowerEU] Support to SMEs for self-production from renewable energy sources

**Qualitative Indicator:** Entry into force of the Implementing Agreement

**Time:** Q4 2024

#### 1. Context:

The objective of this investment is to incentivise private investment and improve access to finance in Italy's self-production of energy from renewable sources. The public investment will focus on setting up a Facility, the "Support to SMEs for self-production from renewable energy sources", which will improve access to finance for small, micro and medium-sized enterprises for the self-production of energy from renewable sources. Milestone M7-43 concerns the entry into force of the Implementing Agreement between the Ministry of Enterprises and Made in Italy (henceforth, "MIMIT") and the Italian National Development Agency (henceforth, "Invitalia SpA").

Milestone M7-43 is the first step of the implementation of the investment. It will be followed by milestone M7-44 related to the transfer of the relevant resources to Invitalia SpA, and target M7-45 (Q2 2026) related to Invitalia SpA entering into legal grant agreements with final beneficiaries for 100% of the resources of the investment.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. Implementing Agreement Ministry of Enterprises and Made in Italy (MIMIT) and Invitalia SpA signed on 3 December 2024, and later amended by the Implementing Agreement MIMIT INVITALIA SpA signed on 9 June 2025;
3. Ministerial Decree of the Ministry of Enterprises and Made in Italy (MIMIT) of 13 November 2024 including provisions relating to the implementation of the measure;
4. Operational Guidelines of Invitalia for the management of incentives;
5. Organisation, Management and Control Model in accordance with legislative Decree No 231 of 8 June 2001;
6. Invitalia's Ethics Code;
7. Statute of Invitalia;
8. The corporate governance principles adopted by Invitalia;
9. Relevant Circulars on the information system and transmission of data.

#### 3. Analysis

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

The Ministry of Enterprises and Made in Italy (henceforth, MIMIT) and Invitalia SpA signed the implementing agreement on 3 December 2024, modified by the implementing agreement signed on 9 June 2025 (henceforth, "the implementing agreement"). The implementing agreement is in line with all the requirements included in the description of the measure, as explained below.

The foreword section of the Implementing Agreement indicates that the agreement itself enters into force upon signature between the parties (MIMIT and Invitalia SpA).

**This measure shall consist of a public investment in a Grant Scheme the "Support to SMEs for self-production from renewable energy sources" in order to incentivise private investment and improve access to finance in Italy's self-production of energy from renewable sources (RES). The Scheme aims to support micro, small and medium-sized enterprises (SMEs) in the implementation of investment programs aimed at the self-production of energy from renewable sources.**

The foreword section of the implementing agreement related to the scheme “Support to SMEs for self-production from renewable energy sources” specifies that the public investment is a grant scheme to incentivise private investment and improve access to finance for the self-production of energy from renewable sources.

Art. 2(1) of the Ministerial Decree of 13 November 2024 specifies that the public investment at stake is aimed at directly supporting SMEs in the implementation of investment programmes that are aimed at the generation of electricity through solar photovoltaic panels or mini-wind power plants for immediate self-consumption and, as an additional option, the development of electricity accumulation/storage system for deferred self-consumption.

**The scheme shall operate by providing grants directly to the private sector. On the basis of the RRF investment, the Scheme aims at initially providing at least EUR 320 000 000 of grants.**

Section 3 of the implementing agreement and Art.3 of Ministerial Decree of 13 November 2024 indicate that the resources, amounting to EUR 320 000 000, inclusive of the administrative fees for the implementing partner set at 2.5%, are to be transferred to Invitalia S.p.A.

Section 2.1 of the implementing agreement specifies that the type of financial support takes the form of grants (non-repayable contributions) for micro, small and medium-sized enterprises.

**The Scheme shall be managed by Invitalia SpA as the implementing partner. The Scheme shall include the following product lines: - non-repayable contributions amounting to at least 30% of the total investment - for the purchase of systems and related digital technologies, which allow the direct production of energy from renewable sources for immediate self-consumption or through accumulation/storage systems.**

Based on the implementing agreement, Invitalia S.p.A is the implementing partner who manages the measure. Section 2 of the implementing agreement provides for the eligibility of investment programmes, carried out by micro, small and medium sized enterprises. The scheme supports the purchase of new tangible assets and related digital technologies for the self-production of energy from renewable sources, through the installation of solar photovoltaic installations or mini-wind power plants, for immediate self-consumption.

Those investment programmes can also be combined with facilities and storage systems behind-the-meter of the energy produced, for the purpose of the possibility of deferred self-consumption, provided that the storage component absorbs at least 75 (seventy-five) per cent of its energy from the directly connected solar photovoltaic or mini wind power plant, on an annual basis.

Section 2.1 specifies that the non-repayable support amounts to 40% of the eligible costs of the supported programme (for the production of energy from renewable sources for immediate self-consumption) for micro and small sized enterprises, and 30% for medium sized enterprises. In addition, for the programmes that also include the energy accumulation/storage system component, the scheme supports an additional 30% of eligible expenses incurred for the energy accumulation/storage system. Moreover, to receive the support, the beneficiaries are required to perform an ex-ante energy assessment (“Diagnosi energetica ex-ante”) that shall be performed in compliance with Legislative Decree no. 102 of 2014. The costs incurred for such assessment are covered by the scheme for up to 50% of eligible costs.

**In order to implement the investment into the Scheme, Italy and Invitalia SpA shall sign an Implementing Agreement that shall include the following content:**

- A. Description of the decision-making process of the Scheme: The final investment decision of the Scheme shall be taken by an investment committee or other relevant equivalent governing body and approved by a majority of votes from members who are independent from the government.**

Section 1 of the implementing agreement describes the decision-making process of the scheme. Invitalia S.p.A carries out the operations of the scheme, in compliance with the Legislative Decree of 13 November 2024.

Invitalia SpA has the role of assessing the requests for support under this scheme, carrying out the formal eligibility assessment of the submitted programmes as well as drawing the ranking of beneficiaries. For the scheme at stake, the evaluation procedure is described in the “Operational Guidelines of Invitalia for the management of incentives”.

Section 1 of the implementing agreement also specifies that Invitalia carries out independently all the tasks and operations related to the management of the scheme at stake, including those related to receiving and assessing the applications for support, drawing the rank of final beneficiaries, signatures of contracts with third parties (i.e. the

beneficiaries), the disbursement of the grants and their monitoring and control. Invitalia's board of directors ("Consiglio di Amministrazione") must have the capacity to take strategic decisions without external interference, in particular from the Government. This is ensured by rules that clearly delimit the roles and responsibilities of the Board and government authorities, including: Invitalia has adopted an Organisation, Management and Control Model in accordance with legislative Decree No 231 of 8 June 2001, which defines the responsibilities of directors and employees to prevent criminal offences and unlawful interference;

Ethics Code of Invitalia;

- The Statute of Invitalia, defining the responsibilities of the board of directors and role of government authorities.
- the corporate governance principles adopted by Invitalia, assuring the independence and autonomy of the board of directors.

## **B. Key requirements of the associated investment policy, which shall include:**

### **a. The description of the financial products and eligible final beneficiaries.**

As per section 2.1 of the implementing agreement and by means of Art. 8 of Ministerial Decree of 13 November 2024, the **financial support** for this scheme takes the form of non-repayable contributions. The scheme covers up to 30% of the eligible expenses incurred for the supported programme for medium-sized enterprises, and up to 40% for micro and small sized enterprises. Art. 6(4)(d) of Ministerial Decree of 13 November 2024 specifies that the eligible expenses of the programmes (to which the aforementioned rates of support apply) shall be minimum EUR 30 000 and maximum EUR 1 000 000. In addition, for the programmes that also include the energy accumulation/storage system component, the scheme supports an additional 30% of eligible expenses incurred for the energy accumulation/storage system. Moreover, to receive the support, the beneficiaries are required to perform an ex-ante energy assessment ("Diagnosi energetica ex-ante") that shall be performed in compliance with Legislative Decree no. 102 of 2014. The costs incurred for such assessment are covered by the scheme for up to 50% of eligible costs.

The **beneficiaries** of the grants (non-repayable contributions) provided under this scheme are micro, small, and medium-sized enterprises. Section 2.1 of the implementing agreement and Art. 5 of Ministerial Decree of 13 November 2024 specify that for this scheme the applicable definition of micro, small and medium sized enterprises is the one of the Commission Recommendation of 6 May 2003 on the definition of micro, small and medium-sized enterprises (Commission Recommendation (2003/361/EC)). Furthermore, Art. 3 of Ministerial Decree of 13 November 2024 and Section 3 of the implementing agreement specifies that 40% of the resources of the investment are reserved for micro and small sized enterprises.

### **b. The requirement that all investments supported are economically viable.**

Section 2.2 of the implementing agreement explicitly provides that 'all investment programmes supported under the scheme must be economically viable'. Invitalia SpA verifies the economic viability of the supported programmes. For the investment at stake, the economic viability of a programme is defined as the ratio between the amount of the average gross operating margin recorded in the last financial year of the proposing entity and the total amount of the investment programme that is the subject of the application for aid.

### **c. The requirement to comply with the 'Do no significant harm' (DNSH) principle as set out in the DNSH Technical Guidance (2021/C58/01). In particular, in the case of general support to corporates, the investment policy shall exclude companies with a substantial focus<sup>17</sup> in the following sectors: (i) fossil**

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<sup>17</sup> It is considered that a Final Beneficiary has a "substantial focus" on a sector or business activity if such sector or activity is identified as being an essential part of the business activity of the Final Beneficiary respectively in relation to the gross revenue, profit, or client base of the Final Beneficiary. The gross revenue generated from the restricted sector or activity shall, in any case, not exceed 50% of the gross revenue.

**fuel based energy production and related activities<sup>18</sup>; (ii) energy-intensive and/or high CO<sub>2</sub>-emitting industries<sup>19</sup>; (iii) production, rental, or sale of polluting vehicles<sup>20</sup>; (iv) waste collection, waste treatment and disposal<sup>21</sup>, (v) processing of nuclear fuel, production of nuclear energy. Furthermore, the investment policy shall require compliance with the relevant EU and national environmental legislation of the final beneficiaries of the Scheme.**

Art. 6(4)(g) of the Ministerial Decree of 13 November 2023 includes the respect of the Do no significant harm principle by means of Art. 17 of Regulation (EU) 2020/852 and the compliance with the relevant EU and national environmental legislation as an eligibility condition. Furthermore, Section 2.3 of the implementing agreement requires that all eligible programs must comply with the 'Do no significant harm' (DNSH) principle as set out in Article 17 of Regulation (EU) 2020/852 and in the DNSH Technical Guidance (2021/C58/01). In addition, Section 2.3 of the implementing agreement specifies that the companies whose activity are mainly concentrated in the following sectors are excluded and not eligible to receive support: i) fossil fuel based energy production and related activities; (ii) energy-intensive and/or high CO<sub>2</sub>-emitting industries; (iii) production, rental, or sale of polluting vehicles; (iv) waste collection, waste treatment and disposal, (v) processing of nuclear fuel, production of nuclear energy. Moreover, Section 2.3 of the implementing agreement specifies that the investment policy requires the compliance with the relevant EU and national environmental legislation of the final beneficiaries of the scheme.

**d. The requirement that final beneficiaries of the Facility shall not receive support from other Union instruments to cover the same cost.**

Section 1 of the implementing agreement sets that the evaluation procedure of the programmes carried out by Invitalia SpA also verify the prohibition of double funding, by means of Article 9 of the Regulation 241/2021.

Section 2.4 of the implementing agreement sets that final beneficiaries of the scheme shall not receive support from other EU funds to cover the same costs supported by the scheme itself. The compliance with the prohibition of double funding is verified by Invitalia S.p.A at project level. In particular, Invitalia S.p.A acquires a declaration of formal notice, produced by the applicants at the time of submission of the application for support, and verifies its veracity by using dedicated databases and other control tools. For example, beneficiaries are obliged to use electronic billing, dedicated current accounts, as well as keeping proper financial recordings.

**C. The amount covered by the Implementing Agreement, the fee structure for the Implementing Partner and the requirement to invest any unused proceeds of the scheme, including beyond 2026, for the same policy purposes.**

The amount covered by the implementing agreement is EUR 320 000 000. Section 3 of the implementing agreement provides that the fee for the management of the Facility assigned to Invitalia SpA amounts to maximum 2.5% of the amount covered by the implementing agreement.

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<sup>18</sup> Except for (a) assets and activities in power and/or heat generation, as well as related transmission and distribution infrastructure, using natural gas, that are compliant with the conditions set out in Annex III of the 'Do no significant harm' Technical Guidance (2021/C58/01) and (b) activities and assets under point (ii) for which the use of fossil fuels is temporary and technically unavoidable for the timely transition towards a fossil fuel free operation

<sup>19</sup> Including activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks. Where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible shall be provided. Benchmarks established for free allocation for activities falling within the scope of the Emissions Trading System, as set out in the Commission Implementing Regulation (EU) 2021/447.

<sup>20</sup> Polluting vehicles are defined as non-zero-emission vehicles.

<sup>21</sup> This exclusion does not apply to actions in plants exclusively dedicated to treating non-recyclable hazardous waste, and to existing plants, where the actions under this measure are for the purpose of increasing energy efficiency, capturing exhaust gases for storage or use or recovering materials from incineration ashes, provided such actions under this measure do not result in an increase of the plants' waste processing capacity or in an extension of the lifetime of the plants; for which evidence is provided at plant level.

Section 3 of the implementing agreement also specifies that any unused resources as well as resources resulting from withdrawals, including partial withdrawals, of facilities granted or waived, and interests generated by resources transferred to Invitalia SpA shall be used, even after 31 December 2026, for the same policy purposes as those set out in the implementing agreement.

**D. Monitoring, audit, and control requirements, including:**

**e. The description of the implementing partner's monitoring system to report on the investment mobilized.**

Section 4.1 of the implementing agreement ('Description of the implementing entity's monitoring system to report on the financing mobilised') describes the monitoring process carried out through the local information system SIMOCO – Monitoring and Control system in use at MIMIT. The IT system is in line with the Ministry of Economy and Finance ("MEF") Circular No 2 of 18 January 2024, allowing to monitor the physical, procedural and financial progress of projects relating to investments falling within the scope of Italy's Recovery and Resilience Plan. In order to ensure that monitoring data are of high quality, correctness and consistency, the SIMOCO Local Information System provides for specific functionalities to enable prior checks to be carried out on the data to be validated (so-called pre-validation checks). The IT system further allows to transmit data to the ReGiS information system, in accordance with the Ministry of Economy and Finance's Circular No 27 of 21 June 2022, Circular No. 20 of 9 May 2023 and Circular No.2 of 18 January 2024.

**f. The description of the implementing partner's procedures that shall ensure the prevention, detection and correction of fraud, corruption, and conflicts of interests.**

Section 4.2 of the implementing agreement ('Description of the implementing entity's procedures ensuring the prevention, detection and correction of fraud, corruption and conflicts of interest') indicates that Invitalia S.p.A has multiple controls to mitigate the risk of actual or potential conflict of interest, namely: (i) an ethics code; (ii) rules governing conflict of interest; (iii) model organisation, management and control to prevent the risk of committing offences covered by Legislative Decree No 231 of 8 June 2001; iv) it is envisaged the adoption of guidelines on the conflict of interests in line with the ANAC (Anticorruption Authority) recommendations; (5) Invitalia's internal personnel management includes the issuing of self-declarations (DSAN) regarding the disclosure of conflicts of interest, including potential ones. Invitalia verifies on a sample basis the veracity of the DSAN acquired through the use of dedicated databases and other control tools. Moreover, for the supported programmes, at any stage, Invitalia is empowered to conduct controls and inspections.

**g. The obligation to verify the eligibility of every operation in accordance with the requirements laid out in the Implementing Agreement before committing to finance an operation.**

Section 4.3 of the implementing agreement ('Obligation to verify the eligibility of each operation against the requirements laid down in the implementing agreement before committing to finance an operation') of the implementing agreement expressly provides that, in the context of the process of assessing investment programmes with a view to committing to finance an operation, Invitalia SpA has the obligation to verify the eligibility of each operation against the applicable relevant legislation and the requirements laid down in the implementing agreement.

**h. The obligation of carrying out risk-based ex-post audits in accordance with an audit plan of Invitalia SpA. These audits shall verify i) that the control systems are effective, including the detection of fraud, corruption, and conflict of interests; ii) compliance with the DNSH principle, the State Aid rules, the climate target requirements; and iii) that the requirement that final beneficiaries of the Scheme have not received support from other Union instruments to cover the same cost is respected. The audits shall also verify the legality of the transactions and that the conditions of the applicable Implementing Agreement are being respected.**

The Council Implementing Decision required the obligation of carrying out risk-based ex-post audits in accordance with an audit plan of Invitalia SpA. The implementing agreement foresees that audits activities are carried out by

the MIMIT instead of Invitalia. In particular MIMIT's Directorate General for Business Incentives performs an audit of Invitalia's work, based on a risk analysis. These audits shall verify: i) that the control systems are effective, including the detection of fraud, corruption, and conflict of interests; ii) compliance with the DNSH principle, State aid rules, the climate target requirements; and iii) that the requirement that final beneficiaries of the Facility have not received support from other Union instruments to cover the same cost is respected. These audits shall also verify the legality of the transactions and that the conditions of the applicable Implementing Agreement are being respected. The audit plan also foresees controls on final beneficiaries.

Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, the objective of the measure are still met since MIMIT, the Ministry in charge of the investment, will have the required powers and instruments in place to carry-out risk based ex post audits. Section 4.4 of the implementing agreement ('Obligation to carry out risk-based ex-post audits in accordance with an audit plan of Invitalia') describes the checks to verify and monitor the correct implementation of the management and control system, the adequacy of the organisational structure, the compliance of the procedures implemented in accordance with the relevant legislation and, in particular, with the specific requirements of the Council Implementing Decision. MIMIT would also verify and monitor the effectiveness of Invitalia's procedures and compliance with the provisions of the implementing agreements. 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 milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

**E. Requirements for climate investments carried out by the implementing partner: at least EUR 320 000 000 of the RRF investment into the Facility shall contribute to the climate change objectives in accordance with Annex VI to the RRF Regulation<sup>22</sup>.**

Section 5 of the implementing agreement provides that the resources of the investment shall contribute to climate change objectives, in accordance with Annex VI of the RRF Regulation.

Moreover, Section 5 of the implementing agreement specifies that Invitalia SpA shall draft a report on the percentage of financing that contribute to climate objectives in accordance with the methodology laid down in Annex VI to the RRF Regulation.

Section 5 also requires that, to calculate the climate contribution of each project, final beneficiaries provide, for each supported project, a justification of the chosen intervention field (for the climate contribution, as per Annex VI to the RRF Regulation) and a description of the project.

Finally, Section 5 requires the implementing partner (Invitalia SpA) to provide to the Member State a semi-annual report on the implementation of the projects.

**4. Commission Preliminary Assessment: Satisfactorily fulfilled**

**Loan support**

**M7-44:** [The Ministry of Enterprises and Made in Italy has completed the transfer of funds to Invitalia](#)

**Related Measure:** M7.I16 Support to SMEs for self-production from renewable energy sources

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<sup>22</sup> Final beneficiaries associated to specific projects shall be required to provide a justification of the selected intervention field for each project supported, together with a description of the project, for the purpose of the computation of the climate contribution. The implementing partner shall also be required to provide to the Member State a semi-annual report on the implementation of each project/activity.

**Qualitative Indicator:** Certificate of transfer

**Time:** Q4 2024

### 1. Context:

The objective of this investment is to incentivise private investment and improve access to finance in Italy's self-production of energy from renewable sources. The public investment will focus on setting up a Facility, the "Support to SMEs for self-production from renewable energy sources", which will improve access to finance for small, micro and medium-sized enterprises for the self-production of energy from renewable sources.

Milestone M7-44 concerns the transfer of the resources to Italian National Development Agency (henceforth, "Invitalia SpA") by the Ministry of Enterprises and Made in Italy (henceforth, "MIMIT").

Milestone M7-44 is the second step of the implementation of the investment. It complements milestone M7-43 which requires the adoption of the implementing agreement between Invitalia SpA and MIMIT. It will be followed by target M7-45 (Q2 2026) related to Invitalia SpA entering into legal grant agreements with final beneficiaries for 100% of the investment.

### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. A copy of the "account statement - *estratto conto*" of Invitalia SpA signed on 26 June 2025;
3. A copy of the approved payment order – "*Disposizione di pagamento per beneficiario*" for Invitalia SpA signed on 22 April 2025 and executed on 28 April 2025;
4. A copy of the "fund withdrawal order (FWO) - *Ordine di Prelevamento Fondi*" issued by the Ministry of Economy and Finance on 28 April 2025.

### 3. Analysis:

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

#### **Italy shall transfer EUR 320 000 000 to Invitalia for the Facility.**

In line with the requirements of the milestone, the Italian authorities provided evidence of the execution of a transfer of EUR 320 000 000.00 from the Ministry of Enterprises and Made in Italy to Invitalia SpA for the implementation of Investment M7.116.

Specifically, the Italian authorities provided:

- the account statements – "*estratto conto*" of Invitalia's bank accounts (evidence account statement - *estratto conto*" of Invitalia SpA) on its depositary bank, amounting to a total of EUR 320 000 000.00 which certifies the receipt of funds by Invitalia SpA;
- the approved payment orders 'Disposizione di pagamento per beneficiario' which show that the transfers of the resources from the account of the Ministry of Enterprises and Made in Italy to the account of Invitalia SpA were executed on 28 April 2025 (evidence approved payment order – "*Disposizione di pagamento per beneficiario*" ).

In particular, the account statement, the approved payment order and the fund withdrawal order specify:

- The amount of the transfer which is of EUR 320.000.000;
- The beneficiary of the transfer which is Invitalia SpA;

- The motivation for the transfer which is the funding of the measure “*Support to SMEs for self-production from renewable energy sources*”

Finally, the account statement of Invitalia SpA specifies the depositary bank of Invitalia’s account which is a private bank located in Milan.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

## Loan support

### M7-46: Definition of the terms of reference

**Related Measure:** M7.117 Financial instrument for energy renovations of public and social housing, and low-income and vulnerable households

**Qualitative Indicator:** Entry into force of the act with the definition of the terms of reference of the financial instrument

**Time:** Q3 2024

#### 1. Context:

The objective of this measure is to support energy efficiency improvements in public residential housing units. It involves a public investment in a facility, the "*Financial Instrument for energy renovations of Public Residential Housing*."

The investment aims at incentivizing private investment and enhance access to financing for energy renovations in public residential housing, achieving a minimum 30% improvement in energy efficiency. As part of the Recovery and Resilience Facility (RRF), the initiative provides financial support in the form of grants and loans to Energy Service Companies (ESCOs) to conduct energy renovation projects in public residential housing.

Milestone M7-46 requires the definition of the terms of reference for the financial instrument, which shall target public residential housing and energy renovations.

Milestone M7-46 is the first step of the implementation of the investment. It will be followed by milestone M7-47, milestone M7-48 and target M7-49, related to the adoption of the implementing agreement, the execution of the transfers to the implementing partners and the signing of legal financing agreements with final beneficiaries. The investment has a final expected date for implementation in Q2/2026.

#### 2. Evidence provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled;
2. A copy of Law 207/2024 (*hereinafter referred to as 'Budget Law'*) adopted on 30 December 2024 and published in the Official Journal on 31 December 2024;
3. A copy of the Interministerial Decree on Energy efficiency on Public Residential Housing - "*Decreto Efficiamento Energetico, Edilizia Residenziale Pubblica (ERP)*" (*hereinafter referred to as 'Interministerial Decree'*) adopted on 9 April 2025 by the Ministry of European Affairs, National Recovery and Resilience Plan and Cohesion and by the Ministry of Economy and Finance (*hereinafter referred to as 'Interministerial Decree'*).

#### 3. Analysis:

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

**Define the terms of reference of the financial instrument, which shall target public residential housing and energy renovations.**

Law 207/2024 (*hereinafter referred to as 'Budget Law'*) was published in the Official Gazette No 315 of Italy on 31 December 2024. According to its article 21, entered into force on 1<sup>st</sup> January 2025.

Article 513 of the "Budget law" establishes the financial instrument for energy poverty and defines the terms of reference of the instrument and more specifically, its scope, the implementing partners, the budget of the instrument, the type of support provided, and the eligible interventions.

More specifically, article 513 of the "Budget law" allocates to the instrument EUR 1 381 000 000 and provide for the adoption of an implementing agreement with the implementing partners for the set-up of the instrument.

Article 513 also indicates the implementing partners which will support the implementation of the measure.

The implementing partners are:

- Gestore Servizi Energetici SpA as implementing partner,
- Cassa Depositi e Prestiti SpA as financial partner.

The Interministerial Decree on Energy Efficiency for Public Residential Housing, (hereinafter referred to as 'Interministerial Decree') published in the official website of the Recovery and Resilience Plan Mission Structure "*Struttura Di Missione PNRR*" at the link [Struttura di missione PNRR - Decreti](#). According to its article 15, entered into force on 9 April 2025, following its publication on the Ministry of European Affairs' website.

More specifically, the Interministerial Decree clarify the key elements of the instrument indicated in the "Budget Law". In particular:

- Article 2 of the Interministerial Decree specifies that the purpose of the instrument is to promote private investments and improve access to financing for energy efficiency renovations of public residential buildings, achieving at least a 30% improvement in energy efficiency.
- Article 3 of the Interministerial Decree specifies the eligibility conditions. To be eligible for financial support, these projects must meet the following criteria:
  - Project Requirements:
    - The projects must be implemented through Energy Service Companies (ESCOs).
    - They must target buildings that are entirely publicly owned and equipped with centralized climate control systems.
    - The buildings should be located in metropolitan cities or municipalities with a population of 50,000 or more.
  - Energy Efficiency Improvement:
    - The projects must result in at least a 30% improvement in energy efficiency through one or more interventions as specified in Annex 1 of the decree.
  - Priority Projects:
    - Priority is given to projects on buildings that have not received subsidies from other national or European funding sources in the past five years;
    - Projects should have a design level at least equivalent to a technical-economic feasibility project.
  - Non-Cumulability of Benefits:
    - The financial measures provided by this decree cannot be combined with other European Union-funded contributions, tax credits, or incentives for the same eligible costs;
    - If the projects receive benefits from other non-EU resources, these should not exceed the total costs incurred.
- Article 4 of the Interministerial Decree specifies the financial products that the instrument will be providing. In particular, the financial support is available to the ESCo (Energy Service Companies) responsible for project implementation and comes in two forms:
  - Grant: a subsidy that covers up to 65% of the cost of the planned interventions which is provided by the implementing partner of the Measure (Gestore dei Servizi Energetici S.p.a. – (GSE).
  - Loan: Upon request by the ESCo, a loan can be provided to cover up to 35% of the intervention costs not covered by the grant. These loans are issued by banks that have agreements with the Cassa Depositi e Prestiti (CDP) and are offered at market conditions as determined by these banks based on their internal credit assessment models. The implementation of this component relies on a specific financial line ("Dotazione CDP") within the limits of the available funds.
- Article 5 of the Interministerial Decree specifies that the recipients of financial support are identified as ESCos.

**4. Commission Preliminary Assessment:** Satisfactorily fulfilled.

