**

***Ministry of Foreign Affairs and International Cooperation***

***Inter-ministerial Committee for Human Rights***

***Reply to the Call for inputs on promoting and protecting economic, social and cultural rights within the context of addressing inequalities in the recovery from the COVID-19 pandemic***

***January 2023***

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**Reply to the Call for inputs on promoting and protecting economic, social and cultural rights within the context of addressing inequalities in the recovery from the COVID-19 pandemic**

Following the request from the Office of the United Nations High Commissioner for Human Rights, Italian authorities are pleased to provide the following contribution.

The National Recovery and Resilience Plan (NRRP) is part of the NextGenerationEU (NGEU) programme, the EUR 750 billion package agreed by the European Union in response to the pandemic crisis. Italy’s Plan includes investments worth EUR 191.5 billion, financed through the Recovery and Resilience Facility.

In addition to these resources, EUR 30.6 billion are available from the ‘Complementary Fund’, financed through a multi-annual budget slippage which was approved by the Council of Ministers on 15 April 2021 to cover a national investment plan for projects in line with the NRRP‘s strategies.

The Plan is made up of six Missions and has three main objectives. The first is short term in nature and refers to repairing the economic and social damage caused by the pandemic crisis. Secondly, from a more medium/long-term point of view, the Plan tackles a number of weaknesses that have been weighing down on Italy’s economy and society for decades: the long-standing divides between the country’s geographical areas, gender inequality, weak productivity growth and a low rate of investment in human and physical capital. Lastly, the Plan’s resources will go towards driving a comprehensive ecological transition.

The NRRP therefore goes beyond being a traditional investment programme; it is designed to be a real transformative project, with resource allocations being accompanied by a significant package of reforms. These reforms are necessary to overcome the historical barriers that have held back public and private investments over recent decades, together with the structural weaknesses which, for a long time now, have been slowing down economic growth and causing unsatisfactory levels of employment, especially among young people and women.

The NRRP will help support economic recovery, boosting the GDP growth rebound and contributing to keeping income levels high in the years to come. The NRRP will also increase growth potential and productivity through innovation, digitalisation and investments in human capital.

As above mentioned, the NRRP investment plans are made up of 16 components, which are in turn grouped into 6 missions, as illustrated in the table below.

* Digitalisation, innovation, competitiveness, culture and tourism
* Green revolution and ecological transition
* Infrastructure for sustainable mobility
* Education and research
* Inclusion and cohesion
* Health.

The Next Generation EU programme not only provides Italy with the opportunity to complete a full ecological and digital transition, but will also allow the country to catch up where it has historically lagged behind, focusing on people with disabilities, young people, women and the Southern Italian areas.

In order to be effective, structural and in line with the objectives of the European Pillar of Social Rights, Italy’s recovery must ensure equal rights for all citizens, especially those who are currently unable to express their full potential. Prolonged gender inequality and a lack of equal opportunities, whether in terms of religion, disability, age or sexual orientation, are not only a problem for the individual, but also significantly impede economic growth.

This is why the NRRP’s reforms and investments share cross priorities regarding equal opportunities between generations, genders and geographical areas. Projects are assessed based on how they will boost the potential of young people, women and local areas, as well as on the opportunities they provide for everyone, without discrimination.

To pursue the goals of equal opportunities between generations, genders and geographical areas, the NRRP includes measures that make hiring young people and women a condition for being able to carry out the various projects. In particular, specific clauses will be included in calls for funding applications, indicating criteria aimed at meeting these objectives as additional requirements that will be used to assess the services on offer.

The success of the National Recovery and Resilience Plan (‘NRRP’) crucially depends not only on the correct planning and efficient implementation of its measures, but also on its wide array of structural reforms. These reforms are essential to ensure that earmarked funds can be quickly transformed into construction projects, goods and services, encountering as few regulatory, administrative and bureaucratic barriers as possible.

The Plan includes three types of reforms:

 - ‘Horizontal’ reforms – to improve equitableness, efficiency and competitiveness and, therefore, the country’s economic climate. The NRRP’s horizontal reforms include those of the public administration and of the justice system;

 - ‘Enabling’ reforms – to ensure implementation of the Plan and break down barriers to public and private investment. The NRRP’s enabling reforms include a plan to simplify regulations and bureaucracy and a plan to boost competition through the annual market and competition draft law;

- ‘Sectoral’ reforms – consisting of legislative innovations for specific areas of intervention or economic activities. Sectoral reforms are specific to the individual Missions (e.g., simplification of approval procedures for renewable energy projects, or safety legislation for the use of hydrogen).

In addition to the above reforms, there are also other measures that contribute to achieving the general objectives of the NRRP, despite not being included in the Plan itself. These reforms support implementation of the NRRP and include the Government’s plans to streamline and improve the fairness of the tax system and to extend and strengthen the system of social safety nets.

The NRRP governance, as defined by Decree-Law No. 77 of 31 May 2021, has several levels.

The guiding responsibility for the NRRP is assigned to the Presidency of the Council of Ministers. It establishes:

 - a Steering Committee, chaired by the President of the Council of Ministers, with powers of direction, impulse and general coordination on the implementation of the NRRP interventions. Its meetings are attended, in addition to the Ministers and the Under Secretaries of State to the Prime Minister's Office responsible for the issues dealt with in each meeting, by the Presidents of the Regions and the Autonomous Provinces of Trento and Bolzano when issues of regional or local competence are examined, as well as by the President of the Unified Conference, on issues of interest to several Regions or Autonomous Provinces. Representatives of the implementing bodies and of their respective associative bodies and representatives of the economic and social partnership may also be invited, depending on the issue addressed; the Steering Committee periodically reports to the Parliament and the Unified Conference as well as the Council of Ministers;

- a Technical Secretariat at the Presidency of the Council of Ministers, to support the activities of the Steering Committee.

- a Unit for Rationalising and Improving the Effectiveness of Regulation, with the aim of overcoming legal, regulatory and bureaucratic obstacles that may slow down the implementation of the NRRP;

 - a permanent Working Group for the economic, social and territorial partnership composed of representatives of the social partners, the Government, the Regions, the Autonomous Provinces, the Local Authorities, Rome Municipality, productive and social categories, academia and research systems, civil society and active citizenship organisations; it has an advisory competence over matters concerning the NRRP implementation and may report to the Steering Committee any profile deemed relevant to the implementation of the NRRP, also in order to help overcome unhelpful circumstances and facilitate the effective and expeditious implementation of the interventions.

The NRRP monitoring and reporting are entrusted to the Central Service, established at the Ministry of the Economy and Finance (MEF), which is the national contact point with the European Commission for the implementation of the NRRP. A dedicated office has been established at the State Accounting Department in charge for NRRP audit and anti-corruption monitoring functions.

Each Central Administration in charge of interventions provided for by the NRRP identifies (or establishes ex novo) a coordination structure that acts as a contact point with the aforementioned Central Service. So far the operational implementation of the interventions provided for by the NRRP is carried out by the Central Administrations, the Regions and Autonomous Provinces and the Local Authorities, on the basis of the specific institutional competences or of the different ownership of the interventions defined in the NRRP.

Finally, monitoring the economic, social and environmental phenomena on which the NRRP focuses on is a rather significant challenge. An analytical framework has been defined in cooperation with the National Institute of Statistics (ISTAT): within it the NRRP’S measures relate to the Sustainable Development Goals of the UN 2030 Agenda for Sustainable Development.