

# Italy approves its Recovery and Resilience Plan.

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**28 aprile 2021**

Over the last two days, as the 30 April deadline looms, the Italian Parliament approved the Recovery and Resilience Plan as submitted by the government. This is a crucial joint for Italy's future, given that how it will be spent this money will shape the country for years to come. The National Recovery Plan is necessary to receive European support and obtain the Next Generation EU funds that will be distributed by the European Commission. Prime Minister Mario Draghi presented the 222 billion euro Plan to the Parliament, stressing its meaning for the country's future. According to the government's estimations, Italy's GDP will be 3.6% higher and unemployment 3.2% lower in 2026, thanks to the Plan.

Outlining the Plan's goals, Draghi went beyond calling it a mere tool to steady the national economy following the harrowing experience of the pandemic. The Plan will be an opportunity to address Italian historical weaknesses and project Italy towards a greener future. This also means that investments will be backed up by a strong reform effort. The money will be spent on infrastructure, especially in the South: approximately 86 billion, both European and Italian funds, will be used to improve the road and train networks, promote digitalisation and a greener approach to the economy.

Twenty-seven percent of the total resources will be used on digitalisation, innovation, competitiveness, and culture. Better digital infrastructure will benefit entrepreneurs and workers, improving the former's efficiency and the latter's expertise. Italian tourism as a whole will be more ecologically sustainable and more appealing.

"Green Revolution and Ecological Transition" is the name of the second main objective. It deals with issues of sustainable agriculture, circular economy, energy transition, and sustainable mobility, the energy efficiency of buildings, water resources, and pollution. All of this represents the most daunting undertaking of the Plan, especially when taking into account its transversal nature. The government earmarked more almost 70 billion for this crucial endeavour.

The Plan acknowledges that a healthier economy is also reliant on the quality, education, and happiness of its workforce. Research and development, universities and lower education, family-oriented programs, and city development will absorb a total of 55 billion euros. Of course, the country is still grappling with the pandemic and its aftereffects, so the public health system will also see a sizable investment.

When outlining the reform Plan, Draghi first addressed the need for a complete overhaul of civil and penal court cases. Italian judicial authority is often too slow, and lengthy process trials are often cited by foreign entrepreneurs as one of the foremost reasons why they are reluctant to invest in the country. This hostility to judicial lethargy is closely entwined with the byzantine nature

of Italian bureaucracy, another system Draghi is bent on hasten and simply. A leaner bureaucracy and normative framework will also benefit businesses and competition between them. Much hinges on the Plan's success. Implementing such vast measures and properly use the funds is going to be quite a challenge. There are reasons to be optimistic: never before such an extensive overhaul of the Italian economy and legislation has even been proposed, but it can count on the staunch commitment of the government and a large parliamentary majority. As Draghi said, all of this can and will be accomplished because, when facing an emergency, we can trust Italians to work and build together a better future.

Source: ANSA