

HOW PLACE-SENSITIVE ARE THE NATIONAL RECOVERY AND RESILIENCE PLANS?

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RECOVERY WATCH

WHAT IS THIS PROJECT ABOUT?

The National Recovery and Resilience Plans represent the new framework in which European member states identify their development strategies and allocate European and national resources – with the objective of relaunching socio-economic conditions following the coronavirus pandemic.

This process, initiated as part of the European response to the global health crisis, follows the construction of NextGenerationEU. It combines national and European efforts to relaunch and reshape the economy, steering the digital and climate transitions.

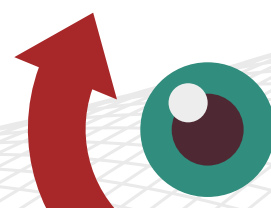
For European progressives, it is worth assessing the potential of these national plans for curbing inequalities and delivering wellbeing for all, as well as investigating how to create a European economic governance that supports social, regional, digital and climate justice.

The Foundation for European Progressive Studies (FEPS), the Friedrich Ebert Stiftung (FES) and the Institut Emile Vandervelde (IEV), in partnership with first-rate knowledge organisations, have built a structured network of experts to monitor the implementation of National Recovery and Resilience Plans and assess their impact on key social outcomes. Fact- and data-based evidence will sharpen the implementation of national plans and instruct progressive policymaking from the local to the European level.

The Recovery Watch will deliver over 15 policy studies dedicated to cross-country analysis of the National Recovery and Resilience Plans and NextGenerationEU. Monitoring the distributive effects of EU spending via NextGenerationEU, and the strategies and policies composing the national plans, the project will focus on four areas: climate action, digital investment, welfare measures and EU governance.



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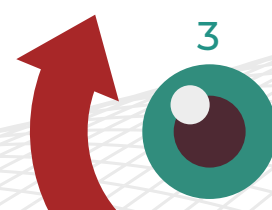
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EXECUTIVE SUMMARY

What is the potential impact of the National Recovery and Resilience Plans (NRRPs) on territorial inequalities and on the sustainable wellbeing of people across Europe, in particular of citizens living in left-behind places? In addressing this general question, it is known that the effects of NRRPs on social and territorial justice in all focus areas strongly depend on their governance, both in design and implementation.

In particular, this depends on:

- whether the strategy is designed so as to overcome sectoral silos and to address the intersection, place by place, of different inequalities (relating to class, gender, ethnicity and geography) and of the ecological and social dimensions;
- whether a place-sensitive (instead of a one-size-fits-all) approach prevails;
- whether a mission- and method-setting role of central authorities is combined with adequate ownership and discretionality by local governments; and
- whether a widespread participation of citizens, communities, trade unions and employees and a true public debate – in short, a renewed democracy – are ensured, in order to extract dispersed information and aspirations, to merge local and global knowledge and to ensure people's commitment.

Exploring and monitoring the design and the actual implementation of NRRP governance is therefore of paramount importance. This is the main task of this policy study. The general research question is therefore “How place-sensitive are NRRPs?”. “Place-sensitive” or “place-based” are the terms used to capture all the main policy features needed for a positive impact on social justice: a policy aimed at giving people in places the power and the knowledge to expand their sustainable substantive freedom by improving the access and quality of essential services and by promoting the opportunity to innovate, thus reducing economic, social and recognition inequalities.

The three NRRPs analysed – Italy, Portugal and Spain – can be defined as “distribution arenas”. In the distribution arenas, many organised interests appear, each acting for itself. Political power lends itself to offer guarantees to all groups that are strong enough to permeate their own demands. Structured groups have access to the policy process outside the institutional paths and nullify any participatory openings of the process, which are created only as symbolic and façade operations. This seems

to be the case for all three national cases investigated, where elements of conflict are not detectable from the sources scrutinised so far. In some cases, a tendency towards “distribution” aimed at satisfying several interests, even sometimes in a compensatory perspective, seems to emerge (for example Italy). In others, a concentration on specific areas – and probably therefore interests – that are economically and politically stronger can be observed (for example Portugal).

A heated debate, or even a balanced, fair conflict, should be ensured through large participation throughout all the stages of strategic planning, starting from the very programme construction. The analysis of this dimension throughout the NRRPs reveals that the conditions for an informed, open and broad consultation on the prioritisation of (both social and territorial) needs and the challenges to be tackled – not to mention the related possible interventions – were not optimal to achieve this. As for the appreciation of a territorial dimension within the plans, it can be said that, in general, this is rather weak. Cross-sectoral policy integration, with a well defined spatial focus taking into account place-specific conditions and challenges and catalysing all relevant interventions in a consistent manner, is limited, and little effort seems to be put into this aspect within these large policy programmes.

However, some differences can be outlined. Italy went further in the identification of left-behind places and their challenges and Spain in the – albeit late – involvement of regional and local governments, while Portugal, as for the official document, is the country in which the territorial aspect is comparatively given less attention in all sub-dimensions considered. Concerning the last dimension scrutinised, that is, governance, the analysis reveals a general weakness in the role of local governments in programming and implementing NRRPs, even if each country is characterised by different approaches. Local and regional actors are not motivated to play a constructive and leading role in the policy; rather they have a passive engagement with the governance arrangements, which are seen as unidirectional and more or less centralised.

Despite the huge differentiated effects of the Covid-19 pandemic, which made evident, once again, how geography matters when dealing with the impacts of any kind of shock, and despite the risk of this crisis widening existing inequalities, as alarmingly stressed by many,¹ the more or less space-blindness of the NRRPs of Italy, Portugal and Spain might severely undermine the efficacy of the plans as well as the overall social and territorial cohesion of these countries.

OBJECTIVES OF THE STUDY

This policy study aims to address the potential impact of the NRRPs on territorial inequalities and on the sustainable wellbeing of people across Europe, in particular of citizens living in left-behind places.

The policy study analyses whether and how the NRRPs of Italy, Portugal and Spain have adopted a place-based perspective, with particular attention paid to territorial cohesion. The three cases were identified on the basis of the emergence of the territorial question as a policy problem; the presence of governments that pose themselves in a different way with respect to the way of conceiving public policies; their differences and the interplay between EU and national policies; and, last but not least, the availability of and access to documents and information useful for investigation and comparison.

Place-sensitive or **place-based** are terms used to capture all the main policy features needed for a positive impact on social justice.

MAIN RECOMMENDATIONS

This policy study makes the following key recommendations:

- The European Commission (EC) should ensure efficient tools for widespread participation, fostering a heated debate, throughout all the following stages of policy implementation (partly compensating for the lack of it in the programme construction).
- An improvement of the foreseen multi-level governance frame is needed in order to allow a proper division of tasks between the EC, national and regional/local authorities, and to redress the move towards centralisation.
- Better risk management of time constraints and, therefore, a better balancing of the implicit trade-offs between tailor-made interventions and spending in envisioning targeted, context-sensitive measures has to be carried out, or at least acknowledged, by both the EC and the national governments.
- A constant, ongoing monitoring of the implications of the measures at the spatial (which areas?) and social (which groups?) levels should be foreseen, adopting a “learning by failing” approach along the implementation.



1. INTRODUCTION

THE THEORETICAL FRAMEWORK: THE PLACE-BASED VISION

Among many researchers and policymakers at the European level, the idea has been consolidated that the effectiveness of public policies depends very much on the involvement of people who live in the places to read in depth the emerging needs and build development strategies. The recovery and resilience plans should respond to this principle, which has been systematised around the place-based approach. This policy study has investigated whether and how the plans of Italy, Spain and Portugal have assumed a place-based stance, analysing the policy structure and methods of implementation.

European countries have entered the pandemic phase while within them territorial inequalities were already widening. The problems of internal cohesion concerned urban centres and peripheries, urban agglomerations and rural areas, large municipalities and small municipalities, industrial districts in crisis and the new headquarters of knowledge economies. In short, the contrast between the places left behind and the places that have benefited from the policies that have supported development and globalisation. As various works have shown, a geography of political preferences gradually overlapped the economic geography of territorial gaps: the places left behind began to strongly express their discontent, choosing to reward the populist far-right political forces, with their promises of social protection and of restoration of order through increasingly closed communities.²

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According to various authors, this dynamic is not the result of chance or inevitable processes, rather the outcome of a series of choices that also concern the way of setting up public policies for territorial cohesion. The dominant policies to date have addressed the issue of territorial cohesion based on a precise policy frame. They are motivated by the idea that there are solutions to development problems that can be standardised and that each territory must follow the path marked by successful territories.³

At the heart of this idea, there are above all two dimensions: the need to intervene in institutional structures, as a pre-condition for the development; and the conviction of the naturalness of the dynamics of agglomeration, which therefore must be supported and promoted.

Accordingly, space-blind institutional reforms have been adopted: small groups of experts and technocrats have decided top down, without any consultation and comparison with the many forms of knowledge widespread in society, to apply standardised solutions to the many problems affecting left-behind places.

Second, territorial policies have continued to passively support urban concentrations, through large public investments in which the states have renounced leadership and autonomy roles to facilitate investment plans for large private interests.

In their blindness towards places, these interventions have reproduced and generated great territorial inequalities, introducing systematic distortions in favour of large urban agglomerations. Faced with the anger that was mounting in these places, policymakers decided to intervene through distributive and compensatory public spending. This has not produced substantive change, rather it has reproduced the longstanding problems and strengthened the conservative local elites.

The advent of the global pandemic, and the consequent strong push for the states to intervene with ambitious recovery and resilience programmes, is an opportunity to change the trajectory of this way of doing cohesion policies and introduce new methods, capable of overcoming underdevelopment traps and intervening by focusing on the diversified needs of the people who live in different places. The possibility of reversing the current disconnect between citizens and institutions therefore takes shape in a policy approach that takes into account all the limits just mentioned. This policy study refers to the

“place-based approach”. It is a structural and granular set of policies, more recently named “policies sensitive to people in places”, aimed at developing and reducing inequalities by promoting economic, social and institutional innovation. The best-known systematisation of this approach is contained in the independent Barca report “An agenda for a reformed cohesion policy”. This report posits that place-based policies are the best way to tackle the “persistent underutilization of potential and reducing persistent social exclusion” in all areas of Europe.⁴ Drawing from an institutional framework, the report interprets underdevelopment as the outcome of either the capacity or the willingness of its local elite or of the centrifugal effect of agglomerations promoted or seconded by public interventions in other places. Exogenous policy action is seen as a way to trigger endogenous changes. A balance is then called for between exogenous and endogenous forces, by which local actors set targets and design projects. In contrast, the external “development agency” sets the general conditions that the former must follow and tailor to specific places.

This approach to places relies on the two central issues of development:

1. **Knowledge and innovation.** In order for us to get out of the traps of underdevelopment, the knowledge embedded in the places, in the people who live there, must come out and combine with external knowledge.
2. **Power and power relations.** The democratically elected local ruling classes are a decisive part of the solution, but they are also often part of the problem, because they are less in favour of change and innovation, fearing being displaced by it.⁵

A third public party, external to the places, must intervene to make room for local knowledge, to bring together knowledge rooted in the places with external knowledge, to prevent economic resources from being used by the local political class to reproduce their own system of conservative power.

The knowledge that supports innovation resides in places and is dispersed among the people who live there: workers; entrepreneurs; researchers; patients; teachers; students; volunteers; and so on. For innovation to occur, a first condition is that these people enter the decision-making processes through a heated, frank, informed and reasonable public discussion. Public debate must be

open to global centres of expertise, both public and private (including large companies), interacting with places and their local knowledge. Extraction of local knowledge, openness to the outside and promotion of innovation processes can generate resistance from local elites, who could see their position become contestable.

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Territorial policies have continued to passively support urban concentrations, through large public investments in which the states have renounced leadership and autonomy roles to facilitate investment plans for large private interests.

”

Precisely for this reason, the intervention of an exogenous public actor acting as a “fair and impartial spectator” with the task of triggering endogenous change is necessary in places where development is blocked. To do this, this actor has to promote spaces of public deliberation where the design of a vision, the formulation of expected results, the identification of monitorable result indicators, the construction of functional projects to achieve the expected results take shape. The public entity must have spending capacity to finance the projects, as a result of the participatory/deliberative process, and have the power of veto and gatekeeping. Spending capacity and veto power are needed so that the external party can succeed in its task, finding the right balance between entrusting the political responsibility of decisions to the local authorities and preventing them from acting as rent extractors or closing themselves in a regressive localism.

1. INTRODUCTION

In summary, therefore, here are the main rules of the game of the external public entity, necessary to initiate the change:

- Promoting a permanent space in which local actors debate needs and solutions in an open and frank way, building a long-term vision and identifying expected results, which can be monitored through result indicators.
- Entrusting public officials with the responsibility for guiding the process, countering the attempts (to be taken into account) by institutions and local elites to compress the space of public debate, to exclude relevant actors, to discuss all the main problems.
- Opening the public space to external and global centres of competence, which bring frontier knowledge and break the barriers to entry for external innovative forces.
- Creating a network between all the places where place-based policy is implemented, to circulate experiences and information, create competition and increase public responsibility.

Thanks to its field activity, the external public entity acquires the necessary knowledge to work on the territorial reorientation of sectoral policies. For its action to be effective, in fact, the external public entity – on top of financing the projects that emerged from the process of public deliberation – must ensure that also its ordinary policies (for education, mobility, health, agriculture, and so on) become sensitive to territorial diversity and that they are modified according to the principle “to different territories, different rules”.

By doing so, the external public actor also gains the trust of the local community and increases the chances of succeeding in its difficult task of balancing powers at the local level.

In order for the national or supranational authority to successfully manage a place-based approach, two technical requirements must be met. First, the authority must be ready to design a policy through a series of incomplete contracts, allowing for learning, adaptation and ongoing reviews: this is an important feature of “democratic experimentalism”. The external public actor must be aware that much of the knowledge on what to do and how to

do it resides in places and is produced during the political process itself. The actual choice of the boundaries of the “place” on which to act – how many municipalities should collaborate in the development of a strategy – must be endogenous to the political process itself: some general criteria must be established on the characteristics to be considered in setting the boundaries (territorial complementarity or homogeneity, the willingness of people and elites to cooperate with each other, common vision, and so on), but their ultimate definition must be left to the political process. Second, a place-based approach – due to its complexity, the high discretion entrusted to public officials, the intensity of multilevel governance and public and private relations, and the need to interact with citizens – is very laborious and requires high skills and a multidisciplinary perspective. It is, therefore, necessary to invest heavily to improve the skills of public administration.

From these notes on the place-based approach, a number of relevant elements have been highlighted, which will be useful in understanding to what extent and how resilience and recovery programmes fit into this perspective, or take on another, closer to the so-called space-blind approach.

Many analyses and reports highlight as a positive element the speed and effectiveness with which countries are implementing their plans. However, the administrative machinery will necessarily take some time to absorb resources, especially in Italy, Portugal and Spain where the Recovery and Resilience Fund (RRF) allocation has been relatively high compared to the GDP. The question is indeed whether the public administration will have the absorptive capacity to ensure that the instalments will reach the real economy, not as quickly as possible, but as effectively as possible, and with a consequent positive impact on the medium- and long-term economic growth. It is basically a trade-off between spending as quickly as possible to support the recovery and ensuring that the RRFs fulfil their long-term development objectives.

A further concern is related to the speed of responses to the pandemic. A top-down application of the regulation’s guidelines with identical measures for all member countries could be indeed justified by the short time that countries have had available for the plan construction. A vision that is designed not so much from the top down but more in line with bottom-up experiments based on national or local strengths would have definitely been more time-consuming and would also

have added the stress of dealing with coordination problems, especially in the consultation process. At the local level, policymakers are in fact more likely to be confronted with all the problems of alignment, of holding out, of coordination between a variety of different, often contradictory stakeholders.⁶

Finally, since social interactions play a key role in a decentralised approach, the lack of in-person connection – due to the outbreak of pandemic – further enhanced a top-down approach. The need for meeting appears to have prompted the adoption of virtual meetings and events which result in mere planned interactions with a consequent lack of casual spillover.

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2. RESEARCH OBJECTIVES: THE NRRPs – TO WHAT EXTENT AND HOW DO THEY INCORPORATE THE PLACE-BASED METHOD?

What is the potential impact of the NRRPs on territorial inequalities and on the sustainable wellbeing of people across Europe, in particular of citizens living in left-behind places? In addressing this general question, it is known that the effects of NRRPs on social and territorial justice in all focus areas strongly depend on their governance, both in design and implementation. In particular, it depends on whether the strategy is designed so as to overcome sectoral silos and to address the intersection, place by place, of different inequalities (relating to class, gender, ethnicity and geography) and of the ecological and social dimensions. Moreover, a place-sensitive (instead of a one-size-fits-all) approach and a mission- and method-setting role of central authorities should be combined with adequate ownership and discretion by local governments. Finally, the effectiveness of NRRPs could be favoured by a widespread participation of citizens, communities, trade unions and employees and a true public debate – in short, a renewed democracy – which extract dispersed information and aspirations, merge local and global knowledge and ensure people's commitment.

Exploring and monitoring the design and the actual implementation of the NRRPs' governance is therefore of paramount importance. This is the main task of this study.

The general research question is therefore "How place-sensitive are NRRPs?" "Place-sensitive" or "place-based" is the term used to capture all the main policy features needed for a positive impact on social justice: a policy aimed at giving people in places the power and the knowledge to expand their sustainable substantive freedom by improving the access and quality of essential services and by promoting the opportunity to innovate, thus reducing economic, social and recognition inequalities. Within this approach, defining "place", that is, drawing its boundaries, is part of the policy process: places will therefore be operationally identified either as individual "local administrative units" or subdivision and alliances of these units; "local government" therefore refers to the government of local administrative units.

The case for policymaking to adopt this policy approach is very general, but it is particularly important for marginalised or falling-behind regions, where the local market and political forces are not enough to move out of an underdevelopment trap and the national and

European policy action is entrusted with the role of triggering endogenous change. This task is at the very core of the RRF, which sets the "promotion of social, economic and territorial cohesion" as its "general objective" (RRF Regulation, art. 3).

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This policy study analyses whether and how the NRRPs of Italy, Portugal and Spain have adopted a place-based perspective, with particular attention to territorial cohesion. The three cases were identified on the basis of the emergence of the territorial question as a policy problem (the question of inner areas in Italy, of the so-called "empty Spain", and the inner rural peripheries in Portugal, as well as the issue of urban peripheries, deindustrialisation, territorial macro-differences between the inner regions of the three countries); on the presence of governments that pose themselves in a different way with respect to the way of conceiving public policies (a technical government in Italy, a centre-left political government in Spain with a significant weight of territorial autonomies, a socialist government in Portugal); on their differences and the interplay between EU and national policies; and, last but not least, on the availability of and access to documents and information useful for investigation and comparison.

Based on these considerations, this policy study tries to answer the following sets of questions.

PUBLIC DEBATE AND PARTICIPATION

Was the NRRP designed through an adequate public debate and partnership? In parliament and in society? What was the quality of public debate: informed (adequate information on objectives, means and theory of change), open (views and knowledge from “outside circles” being searched for), heated (chance for radical voices to speak and to be listened to), reasonable (objections addressed)? Was there any differentiation in the involvement of civic-society organisations, trade unions and employees?

Is there a general provision to guarantee a permanent participation of civil-society organisations, trade unions and employees throughout the whole implementation of the NRRP? If a national “partnership body” is set, what is its quality according to the four criteria defining a high quality public debate? Is information on the opportunities of the NRRP easily accessible, clear and transparent?

TERRITORIAL DIMENSION

Is the territorial dimension (diversity of contexts) properly addressed? For example, is there an adequate provision for left-behind or marginalised places and how are these identified? Is there an attempt to overcome sectoral silos and address the territorial intersection of different life dimensions and inequalities (relating to class, gender, ethnicity and geography)?

How is the territorial allocation of resources designed? For example by setting at national (or regional) level a criterion to be implemented automatically; on a competitive basis; through co-programming, that is, by setting in place a process of dialogue with local levels (namely local administrative units)? Whatever the method, was there an appropriate debate with economic and social partners? Does the allocation take into account in some cases target areas which had been previously designed through co-programming?

In the process of project implementation, what kind of partnership is being put into action, if any? For major public works, is there an active and effective *débat publique* in

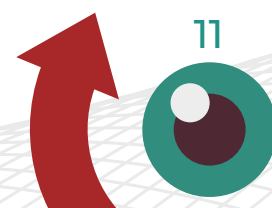
place, whereby alternative views are taken into account? Does it differ from ordinary national procedures? For welfare and climate actions, does implementation include partnership? Of what kind?

MULTILEVEL GOVERNANCE AND PUBLIC ADMINISTRATION RENEWAL

What is the division of labour between national, regional and local governments? In particular: the role of local governments in programming and implementing NRRP? What is the share of resources ultimately managed by local governments? What is the balance between: (a) setting open-ended guidelines, living to the local levels to adjust them to contexts; (b) setting one-size-fits-all detailed rules to be applied at local level? Is the NRRP introducing some lasting reform in the multilevel governance system?

Does the governance of the NRRP within each level of government entrust responsibility to existing directorates in charge of ordinary policy, or to newly created bodies? Whatever is the arrangement, have new managers been entrusted or recruited? From which background? Has there been any public administration permanent reform concerning these features? Alternatively: by which extent (especially for climate action and digital transition) is the responsibility in managing implementation, advising and training being shifted to major corporations?

Is the NRRP task being addressed by recruiting new human resources within public administration? Precarious or long-time jobs? Means and quality of recruitment (according to set standards)? In particular: (a) are the techno-structures of local administrative authorities being strengthened and how?; (b) are the public administrations in charge at national and regional level being strengthened and how? And are organisational competences (namely, the capacity to take discretionary decisions and to work on the field by interacting and supporting local administrative authorities) a focal part of recruitment?



3. THE NRRPs: ITALY, PORTUGAL AND SPAIN



ITALY

ITALY

GENERAL INFORMATION ON THE ITALIAN PLAN

The “Piano Nazionale di Ripresa e Resilienza #Next-GenerationItalia” (PNRR) is the first in absolute value among all European plans. The available resources are equal to €191.50 billion; the grants not to be repaid amount to €68.90 billion (36%), the loans to be repaid at €122.60 billion (64%). The total endowment of the PNRR is €235.14 billion, because €30.64 billion of national resources and €13 billion of the REACT-EU programme are added to the €191.50.

The Italian plan is divided into six missions, corresponding to the six major intervention areas envisaged by the NextGeneration EU, and 16 components. For each component, investments and reforms are foreseen. “Reforms” means those legislative and regulatory acts aimed at making the state administrative machine more efficient and fairer and introducing a series of simplifications and innovations to increase the competitiveness of the country system, simplifying or introducing changes in the regulations in order to make possible and accelerate the implementation of the plan.

The plan is developed around three strategic axes: digital transition and innovation; ecological transition; social inclusion and territorial rebalancing. Within this overall strategy, there are three cross-cutting priorities: gender equality; protection and enhancement of young people; overcoming territorial gaps (with a strong focus on southern Italy). Combatting gender discrimination, increasing the skills, abilities and employment prospects of young people, territorial rebalancing and the development of the south are not entrusted to individual interventions, but are transversal objectives in all the components of the PNRR. Despite this, there is a specific mission (point 5 in Table 1) dedicated to social and territorial gaps, to which about €20 billion are allocated.

The qualitative information relating to the Italian PNRR, which made it possible to draw up the following paragraphs, was collected thanks to the consultation of official documents and interviews with various privileged witnesses, who work in trade organisations and in regional and central state institutions.

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The plan is developed around three strategic axes: digital transition and innovation; ecological transition; social inclusion and territorial rebalancing.

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3. THE NRRPs: ITALY

TABLE 1. Areas of Intervention in the Italian NRRP

MISSION	€ BILLION	COMPONENT	€ BILLION
1. Digitisation, innovation, competitiveness and culture	40.73	Digitisation, innovation, and security in the public administration	9.75
		Digitisation, innovation and competitiveness in the production system	24.30
		Tourism and culture 4.0	6.68
3. Infrastructure for sustainable mobility	59.33	Circular economy and sustainable agriculture	5.27
		Renewable energy, hydrogen, grid and sustainable mobility	23.78
		Energy efficiency and building renovation	15.22
		Protection of the territory and water resource	15.06
3. Infrastructure for sustainable mobility	25.13	Investments in the railway network	24.77
		Intermodality and integrated logistics	0.36
4. Education and research	30.88	Strengthening the supply of educational services: from nurseries to universities	19.44
		From research to enterprises	11.44
5. Inclusion and cohesion	19.81	Employment policies	6.66
		Social infrastructures, families, communities and the third sector	11.22
		Special interventions for territorial cohesion	1.98
6. Health	15.63	Proximity networks, structures and telemedicine for territorial health care	7.00
		Innovation, research and digitalisation of the national health service	8.63

PARTICIPATION

Three phases in which citizens' participation can be strategically activated are distinguished: programme construction (identification of strategic axes, missions and components and definition of spending objectives); implementation (identification of spending devices, mobilisation of beneficiaries, allocation of resources); and monitoring (verification of spending arrangements, problems in identifying beneficiaries, effects of spending with respect to output and result indicators).

In the Italian case, neither the construction phase of the PNRR nor the implementation and monitoring phase were distinguished by the strategic involvement of civil society by the government and programme-management bodies. Initiatives aimed at involving citizens and making the policy process transparent, especially at the expenditure phase, were carried out independently by civil-society organisations. These initiatives only affected public action to a very small extent.

Participation in programme construction

As Cittadinanzattiva and the Forum Inequalities and Diversity have repeatedly pointed out, the citizens' perspective did not emerge even through the ordinary modalities of representative democracy, since even the parliament received the document just 24 hours before its presentation and final approval. At this stage, the social organisations were only able to express their positions through communications and documents that found no opportunity for transparent and public discussion and interlocution. It was only with the transmission of the document to the Commission that an opportunity to influence the document was opened up. The document was in fact made public and the social organisations were able to formally submit observations to the Commission. Initially, however, the targets and milestones transmitted to the Commission were not made public. This meant that citizens' organisations could only make observations on the text of the programme, without being clear on the objectives, the expected results and the related result indicators.

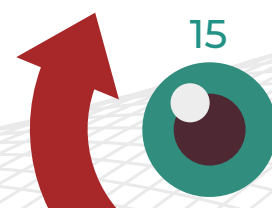
With a decree of the Presidency of the Council, in October 2021 a permanent table of economic, social and territorial partnership was established. It is composed of the representatives of the social partners, the government, the regions, the autonomous provinces, the local authorities, the capital of Rome, the productive and social categories,

the university and research system, civil society and organisations of active citizenship. This body has only consultative power, it is not clear how the active citizenship organisations that take part in it were chosen and it was formed when the construction of the PNRR was already at a very advanced stage. Furthermore, it has not been made public how many times the table met and the minutes of the sessions are not available.

Participation in implementation

When it came to the implementation phase, there were some openings from the point of view of information and therefore the possibility of monitoring by social organisations. The online portal Italia Domani was created, where some information is made public in open-data format. However, the release of data in a format useful for civic monitoring is proceeding very slowly and is still very partial despite the fact that in Italian practice there has been an open cohesion platform for around 10 years.

In addition, the primary implementation device used to allocate resources is itself incapable of opening the deliberative process, which could still be generated starting from the co-planning of expenditure. In fact, the tool adopted is the public tender. The tender is not used as a final tool that serves to implement the planning and construction of development strategies, but makes up for programming and co-planning. The call is not used as a final tool that serves to implement the planning and construction of development strategies, but makes up for programming and co-planning. It compensates for the decision-making process and the beneficiaries compete for access to resources, without being put in a position to participate in a truly equal way. The call provides for the definition of a series of criteria to include or exclude possible beneficiaries and a planning effort by the applicants in order to respond in the best way to the criteria of the call. It is not clear how these criteria are defined – everything happens in the rooms of the competent ministries with respect to the specific measure for which the notice was issued. The methods of selection and destination of resources are also not clear. In the open data there are no documents relating to the evaluation of the projects that have been presented. On some measures, the results of the calls have also been contested through appeals to the TAR (the Italian administrative court), precisely because the lack of transparency has generated mistrust in the process and the widespread belief that there has been political pressure in the allocation of resources.



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Participation in monitoring

The monitoring phase is linked to the previous ones. The link to the construction phase of the programme is represented by how the expected results and the result indicators were identified and how the administrative machine decided to make the measurement criteria and the data to be monitored accessible. The plan provides for “a special informatic system developed by the MEF - Department of State General Accounting as required by Article 1, paragraph 1043, of Law no. 178”, called ReGiS, which guarantees “the simplification of the management, control, monitoring and reporting processes of the financed projects” and allows “at the same time to adhere to the principles of information, publicity and transparency prescribed by European and national legislation”.

This system must allow the verification of the “targets and milestones”, the expected results of the indicators and the implementation deadlines to which the reimbursements are subordinated. But it must also allow one to know in a timely manner the stages of the implementation process that lead from the indications of the plan to concrete interventions. This information, according to the plan, “has access to users of the national institutions involved, as well as the European Commission, OLAF, the Court of Auditors”. It is not clear whether all citizens can have access to this same information. In July 2022, data relating to the implementation of the plan were made accessible on the Italia Domani online portal, which can be downloaded in various formats. However, as the organisation Openpolis pointed out, “the data made available are incomplete and unreliable”. For this reason, Openpolis has decided to make up for the shortcomings of the government by making its open data available to citizens and analysts, obtained by crossing different sources in order to allow everyone to carry out civic monitoring. However, in the absence of a complete and exhaustive release of data in an open and interoperable format, even this “substitute” activity by active citizens is not able to affect what would be necessary. This also derives from the fact that the initial situation of the Italian public administration is characterised by a particular weakness, both at the central level and at the level of local authorities. For many years there has been a block in turnover and austerity policies have been accompanied by a divestment in the public sector.

TERRITORIAL DIMENSION AND COHESION

In the Italian National Recovery and Resilience Plan, the territorial dimension takes on importance in mission 5, “Inclusion and cohesion”, and is addressed in a transversal way in some specific investments relating to other missions. The dimension of territorial cohesion represents one of the transversal axes of the plan. In fact, interventions are found that refer to marginalised areas in different parts of the plan, for example in the reorganisation of schools, in proximity medicine, or as regards the digital divide.

It is interesting to highlight the implicit and explicit definitions used to identify the territories towards which cohesion interventions are implemented. From the types of interventions and the concepts used, a strong fragmentation and a distributive intent of resources can be deduced in order to satisfy many stakeholders who have pleaded the cause of specific territorial representation organisations or specific policy communities. Despite the fact that a strategic public policy dedicated to marginalised areas has been active in Italy for several years (the National Strategy for Inner Areas), the various interventions have only partially been brought back into the context of this strategy. The marginalised areas are identified as: rural areas; mountains; inner areas; villages; small municipalities; the south; and urban suburbs. If specific measures for the urban peripheries and for southern Italy are understandable, the fragmentation of interventions that identify with different definitions and indicators all those territories in which the Strategy for Inner Areas intervenes suggests that during the construction process of the plan many stakeholders have intervened in a non-transparent way to guarantee resources to their own sphere of representation.

Furthermore, most of the resources allocated are distributed through the system of public tenders. Each call establishes the territorial criteria of inclusion and exclusion and the partnership modalities through which the territories that apply must cooperate. In most cases, cooperation between territories is only a rewarding criterion and not mandatory. This means that each municipality, which responds to the territorial criterion identified by the announcement, can apply with its own project, without working on development strategies for a large area and in cooperation with other municipalities in the same territory.

An emblematic intervention was “Investment 2.1: attractiveness of the villages”. The intervention provides for the enhancement of 250 villages, through two lines of action. On the one hand line A affixes €420 million for the relaunch of 21 villages identified by regions and autonomous provinces; line B, on the other hand, €580 million for 229 villages selected through a public notice addressed to municipalities with fewer than 5,000 inhabitants. Municipalities can submit projects in single or aggregate form (up to three municipalities together) and the aggregations can concern neighbouring municipalities or municipalities falling within the same region that share the same regeneration objectives.

As for line A on the one hand, the villages have been identified by the regions through a discretionary choice. As regards line B, on the other hand, a commission selected the projects on the basis of the criteria set out in the public announcement, without, however, making public the scores assignment reports.

About 1,500 municipalities participated in the procedure of line B. Some of the excluded municipalities have asked to be able to access the documents, without receiving a positive response from the Ministry of Cultural Heritage, responsible for the procedure.

Another remarkable intervention is NextAppennino, the programme for the economic and social relaunch of the regions of central Italy affected by the 2009 and 2016 earthquakes, financed by the Complementary Fund to the PNRR for the earthquake areas, with a total budget of €1 billion and €780 million, €700 million of which, for the most part, are available to local companies to support their investments in the territory, this showing the application of a more place-sensitive approach.



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TABLE 2. Place-based measures in the Italian NRRP

MISSION	COMPONENT	INTERVENTIONS WITH EXPLICIT REFERENCE TO MARGINALISED AREAS	TYPE OF MARGINALISED AREA
1. Digitisation, innovation, competitiveness and culture	Digitisation, innovation and security in the public administration		
	Digitisation, innovation and competitiveness in the production system		
	Tourism and culture 4.0	Investment 2.1: Attractiveness of the villages	Municipalities under 3,000 inhabitants
		Investment 2.2: Protection and enhancement of architecture and the rural landscape	Rural municipalities
2. Green revolution and ecological transition	Circular economy and sustainable agriculture	Investment 3.1: Green islands	Islands
		Investment 3.2: Green communities	Unions of municipalities; mountain communities
	Renewable energy, hydrogen, grid and sustainable mobility	Investment 1.2: Renewable promotion for energy communities and self-consumption	Municipalities under 5,000 inhabitants
		Investment 2.2: Interventions on the climatic resilience of networks	Rural areas
	Energy efficiency and building renovation		
	Protection of the territory and water resource	Investment 3.3: Renaturation of the Po river area	Municipalities of the Po river course
3. Infrastructure for sustainable mobility	Investments in the railway network	Investment 1.6: Strengthening of regional lines	Southern Italy
	Intermodality and integrated logistics		

MISSION	COMPONENT	INTERVENTIONS WITH EXPLICIT REFERENCE TO MARGINALISED AREAS	TYPE OF MARGINALISED AREA
4. Education and research	Strengthening the offer of educational services: from nurseries to universities	Reform 1.3: Reform of the organisation of the school system	Rural, mountain, inner areas
	From research to enterprises		
5. Inclusion and cohesion	Employment policies		
	Social infrastructures, families, communities and the third sector	Investment 2.1: Urban regeneration projects	Southern urban suburbs
		Investment 2.2: Integrated urban plans	Southern urban suburbs
		Investment 2.3: Innovative programme of the quality of living	Urban suburbs
	Special interventions for territorial cohesion	Reform 1: Strengthening special economic zones in the south	Southern Italy
		Investment 1: National Strategy for Inner Areas	Inner areas
		Investment 3: Socio-educational interventions to combat educational poverty in the south	Southern Italy
		Investment 4: Interventions for the special economic zones in the south	Southern Italy
6. Health	Proximity networks, structures and telemedicine for territorial healthcare		
	Innovation, research and digitalisation of the national health service		

3. THE NRRPs: ITALY

GOVERNANCE

The organisational and management structure of the Italian plan is very centralised. The Italian government has prepared a governance model of the plan which provides for a central coordination structure at the Ministry of Economy and Finance. This structure must supervise the implementation of the PNRR, and is responsible for sending payment requests to the European Commission, which is subject to the achievement of the expected objectives. Alongside this coordination structure there are evaluation and control structures.

The coordination structure at the Ministry of Economy and Finance carries out centralised monitoring and control over the implementation of the PNRR and is also the contact point with the European Commission for the plan.

A control room has been set up at the Presidency of the Council of Ministers, with the task of ensuring the monitoring of the progress of the plan and the strengthening of cooperation with the economic, social and territorial partnership, and to propose the activation of substitute powers and regulatory changes necessary for the implementation of the PNRR measures.

The individual interventions are implemented by central administrations, regions and local authorities, on the basis of institutional skills, taking into account the reference sector and the nature of the intervention.

To ensure the effective implementation of the PNRR, central administrations, regions and local authorities can benefit from actions to strengthen administrative capacity in two main ways: hiring of experienced staff on a fixed-term basis, specifically intended for the structures responsible for implementing the PNRR initiatives, from design to actual implementation; and support from specially selected external experts, in order to ensure the correct and effective implementation of the projects, and the achievement of the predetermined results.

The selection of temporary staff is facilitated through the implementation of Investment 2.1 "Access" of mission 1 of the PNRR, which allows the Presidency of the Council of Ministers – Department of Public Administration to recruit technical profiles and highly specialised profiles with contracts timed to boost the implementation of NRRP projects.

Furthermore, the administrations can resort to the technical-operational support of task forces activated through public companies, which institutionally support the public administrations in the definition and implementation of public investment policies for development.

In order to implement the PNRR, the Italian government has provided for the hiring of about 24,000 people in public administration. In most cases, these are fixed-term posts, functional to the implementation of the plan, and in particular related to justice reform projects. In fact 22,190 people will strengthen the Trial Office, the technical-administrative staff of the judicial offices, and collaborate on the digital transition of administrative justice. Three hundred technicians are hired to strengthen the Ministry of the Treasury in reporting the expenses of the plan, 1,000 technicians in public administration to simplify the procedures of the public administration and finally only 2,800 technicians to strengthen local authorities.

In this regard, it should be noted that the NRRP funds that are managed directly by local territorial bodies (municipalities, metropolitan cities, regions, local socio-health companies) amount to €66.40 billion, 34.67% of total resources. Many of these entities, in particular the small municipalities, have a very limited number of administrative staff, many of whom approaching retirement. To strengthen these realities, the plan did not envisage a permanent employment for the fixed-term administrative staff, but coaching by professionals and consultants (all work positions necessarily for a fixed term and external to the public administration) through a fund managed by the Territorial Cohesion Agency dedicated to southern municipalities up to 30,000 inhabitants and a fund as part of the National Operative Plan (PON) "Governance and Institutional Capacity" 2014-2020 (PICCOLI) which makes available the economic resources under tender.

To carry out the recruitment of the 24,000 public personnel, the Italian government has enacted two decrees: the so-called PA (Public Administration) Recruitment Decree (converted into law on 6 August 2021) and the PNRR 2 Decree (converted into law on 29 June 2022).

While introducing important innovations into the recruitment methods, the first decree focused only on the needs relating to the plan and on the urgency to quickly close the public competitions blocked by the pandemic. The selection tests were organised through

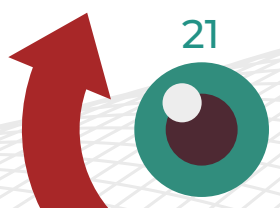
multiple-choice written tests and the aptitudes and skills of the candidates with regard to organisational and managerial aspects were not assessed. The decree was not used to set up a radical change in the public administration, favouring the generational turnover and the entry of new skills aimed at modifying the methods of action of public officials.

Furthermore, since a significant part of the country's projects are implemented by smaller municipalities (27.9 million people live in 7,395 municipalities with fewer than 20,000 inhabitants), many of which do not have the scale to perform some important functions or, even less, to afford the necessary specialised human resources or to know how to hire them. It is necessary that recruitment, in the cases of small municipalities, can only be made by "aggregations of municipalities in stable associated form". Article 3bis of the PA decree goes in this direction, allowing local authorities to organise and manage unique selections in aggregate form. However, it is a concession and not a constraint. It is also necessary for the administrations to be capable of this process, for effective accompanying actions to be envisaged, and for a permanent network to be built between local authorities so that they can exchange experiences.

“

To ensure the effective implementation of the PNRR, central administrations, regions and local authorities can benefit from actions to strengthen administrative capacity by the hiring of experienced staff on a fixed-term basis and through support from specially selected external experts.

”



3. THE NRRPs: PORTUGAL

PORTUGAL



PORTUGAL

GENERAL INFORMATION ON THE PORTUGUESE PLAN

Portugal's recovery and resilience plan (RRP) consists of 37 reforms and 83 investments. They will be supported by €13.9 billion in grants and €2.7 billion in loans, for a total allocation of €16.61 billion, corresponding to 7.85% as a share of the national GDP. 38% of the plan will support climate objectives and 22% will foster the digital transition.

The Portuguese RRP investments are meant to address the objectives included in the six pillars of the RRF. Notably, half of the funds of the Portuguese plan are under two pillars: health and economic, social and institutional resilience (25%), and green transition (24%). Smart, sustainable and inclusive growth and digital transformation account for respectively 23% and 15% of the investments. 8% of the funds are allocated to the policies for the next generation and only 5% to the social and territorial cohesion pillar.

Reforms and investment projects are grouped into three structural dimensions: (1) resilience; (2) climate transition; and (3) digital transition. These include respectively nine, six and five components. The resilience dimension covers two thirds of RRP resources, whereas climate and digital transitions absorb 33% of the total programme funds.

Table 3. RRP components and related investments

TOTAL RRP	16,644 M€
RESILIENCE	11,125 M€
C1. National health service	1,383 M€
C2. Housing	2,733 M€
C3. Social responses	833 M€
C4. Culture	243 M€
C5. Capitalisation and business innovation	2,914 M€
C6. Qualifications and competences	1,324 M€
C7. Infrastructures	690 M€
C8. Forests	615 M€
C9. Water management	390 M€
CLIMATE TRANSITION	3,059 M€
C10. Sea	252 M€
C11. Decarbonisation of industry	715 M€
C12. Sustainable bio-economy	145 M€
C13. Energy efficiency of buildings	610 M€
C14. Hydrogen and renewables	370 M€
C15. Sustainable mobility	967 M€
DIGITAL TRANSITION	2,460 M€
C16. Industry 4.0	650 M€
C.17 Quality of public finances	406 M€
C18. Economic justice and business environment	267 M€
C19. More efficient public Administration	578 M€
C20. Digital schools	559 M€



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Resilience

This dimension focuses on three priorities: (1) the reduction of social vulnerabilities, orienting its action towards people and their skills; (2) the strengthening of the national productive potential, seeking to ensure sustainable and competitive conditions for the business fabric; and (3) ensuring territorial competitiveness and cohesion in a context of adaptation to the current climate and digital transitions.



The priority of reducing social vulnerabilities includes relevant investments and reforms in the areas of health, housing, people support networks and culture.



The priority of reducing social vulnerabilities includes relevant investments and reforms in the areas of health, housing, people support networks and culture. More specifically, the RRP includes four components (see Table 3): the strengthening of the national health service (component C1); the promotion of access to decent housing (C2); the increase and improvement of social welfare for families and children, the elderly and people with disabilities, the implementation of integrated responses to the multiple factors of exclusion that affect disadvantaged communities living in metropolitan areas (C3); and the enhancement of arts, heritage and culture (C4).

As for the second priority, the RRP is designed to be a powerful instrument to catalyse the national economic recovery in a post-pandemic context, taking on the goal of relaunching the economic activity and the level of productive potential and employment (C5) through the capacitation and modernisation of the productive structure, in order to make it more competitive, more resilient to face future challenges, and in general more able to capitalise on the opportunities associated with the dual transition (digital and climate). In a complementary manner, the improvement of the Portuguese education and training system is promoted (C6), via the modernisation of the supply of vocational education and training

institutions, the increase of school and professional qualifications for the adult population, the incentive for the creation of permanent employment, the development of competences for innovation and industrial renewal, adjusting the supply to the transformation of the labour market and to the related new employability requirements, and the increase in the number of higher education graduates, especially in STEAM (science, technology, engineering, arts and mathematics) areas.

Finally, the third priority aims at developing a simultaneously competitive and cohesive national territory. To this end, importance is devoted to the promotion of investments in cross-border road infrastructures and in the connection of areas with economic activities to the main networks (C7). The need to adapt to climate change also implies that the resilience of territories is also achieved by increasing the resilience of forest and water management (C8 and C9).

Climate transition

This dimension concentrates 18% of the total RRP funds and is implemented through six components, which are based on three priorities: (1) a reduction of greenhouse gas emissions between 45% and 55% by 2030, compared to 2005; (2) a 47% incorporation of renewable energy sources in gross final energy consumption; and (3) a commitment to energy efficiency via a 35% reduction of primary energy. These priorities include six components, globally focused on the reduction of carbon emissions from the most relevant areas (sea – C10; industry – C11; built heritage – C13; mobility – C15) and on an increased incorporation of energy from renewable sources (C14), promoting a sustainable bio-economy (C12).



The third priority aims at developing a simultaneously competitive and cohesive national territory.



Digital transition

This dimension concentrates 15% of the total RRP funds and is implemented through five components: transformation of the industrial and entrepreneurial sectors (C16) and improvement of the economic justice and the business environment; digitisation of the public administration (C19) and of the management of public finance (C17); empowerment and digital inclusion of people through education, training in digital skills and promotion of digital literacy (C20).

PARTICIPATION

A strategic plan implies a permanent involvement of civic-society organisations, trade unions and employees throughout all the phases of planning in which citizens' participation can be strategically activated, namely (a) programme construction, (b) implementation and (c) monitoring.

Participation in programme construction

In the first planning phase of the design of a territorial strategy, participation promotes a better identification of strategic axes, missions and components and the definition of spending objectives.

The Portuguese RRP devotes five pages (in Section 3.5 "Partners' Involvement", pp. 237-242) thoroughly outlining partners' involvement. The section is however only focused on their participation in the preparation of the plan.

The RRP is one of the most relevant instruments for the implementation of the Portugal 2030 Strategy. The national RRP also benefited from a previous consultation drawing on the debate developed around the Portugal 2030 Strategy. The plan builds, in fact, on previous work that aimed at preparing a strategy for the 2030 Strategy to establish a medium-term path for the development of the country. This Strategy was:

- the result of an extensive consultation, which began at the end of 2017, and involved consultations with economic and social partners, academia, civil society and regional actors, as well as the consultation of all political parties with parliamentary seats.⁷

What is more, the cornerstones for its definition were also the subject of an agreement between the 21st Constitutional Government and the largest opposition party. This fostered a broad political, social and economic consensus on it. In March 2020, the Covid-19 pandemic made it inevitable to revisit the strategy so as to accommodate short- and medium-term mitigation measures aimed at the recovery and resilience of the economy and society. The task was assigned to Professor António Costa Silva. The document states:

- The need to review the outlined strategy led the government to invite a person of recognized merit with extensive experience in international affairs, Professor António Costa Silva, to prepare a document with the "Strategic Vision for Portugal's Economic Recovery Plan 2020-2030".⁸

The document was presented in July 2020 and was the subject of a broad national debate, through a participatory public consultation process with over 1,100 contributions on all the priorities listed. All public activities and their timeline are clearly summarised in Figure 36 of the document.

The national authorities conducted a structured and collaborative dialogue with the European Commission over a period of six months, advancing the negotiation and drafting of the RRP. This work led to an advancement in the design of the RRP resulting in the publication of a version of the document made available on 15 February for public consultation, a process running until 1 March 2021.

Parallel to this public consultation process, the Portuguese government launched an agenda of consultations with several important actors in Portuguese society, in order to ensure a wider and more comprehensive participation of all sectors of civil society as well as a series of seminars on the different topics addressed in the plan.

To sum up, the consultation process on the RRP document (left aside the previous one on the 2030 Strategy which incorporated it afterwards) was rather articulated. It was carried out on different levels and through different channels:

- A public consultation which gathered 1,700 written contributions, received from various organisations and individuals. Among these, 1,076 came from citizens, 177 from companies and business associations and 32 from third-sector organisations. A graph showing all the contributions by type of institution is provided in Figure 37 of the document.

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- A series of consultations with experts and key relevant stakeholders, including: the Economic and Social Council; Territorial Coordination Council; National Council for the Environment and Sustainable Development; National Council for Social Economy; National Health Council; Advisory Council of the Commission for Citizenship and Gender Equality; Higher Education Coordinating Council; National Education Council and the Council of Schools.
- Eleven discussion seminars on the different policy areas covered in the draft document (forests; poverty and new social responses; resilience of the SNS; housing; qualifications; digital transition; water resources; climate, energy and mobility; bio-economy; infrastructure; industry and innovation), open to civil society and attended by the related ministers.

The RRP ensures that all the contributions will be available in full on the government portal and collected within a report systematising the analysis and identifying the adjustments included in the RRP resulting from the public consultation process. The official document acknowledges the integrations/edits implemented in light of the inputs received. Following the consultations, the government decided to adjust the plan in the following aspects: creating a new component aimed at culture in order to promote the acceleration of the digitisation of the sector and the recovery of heritage as a catalyst for the promotion of tourism; creating a new component targeting the sea economy; and including the component C1 – health investments, aimed at promoting physical and sporting activity as a factor of wellbeing.

Participation in implementation

A large section of slightly more than 50 pages, Part 3 “Complementarities and implementation of the RRP”, is completely devoted to the realisation of all reforms and activities foreseen by the plan, from pre-financing to the means of ensuring the complementarity of funds, from implementation and involvement of partners to control and audit and to communication. Much emphasis is placed on one central objective: the mitigation of the risk of competing or overlapping interventions and therefore the objective of double financing as well as on the prevention, detection and correction of fraud, corruption and conflicts of interest.

The specific aspect of the participation of civil society in the implementation phase is structured, but less outlined and scheduled in its mechanisms compared to the programme construction. Partner and stakeholder involvement in the two distinct phases of implementation and monitoring is not always well separated in its different goals and functions. Namely, as stressed above, identification of spending devices, mobilisation of beneficiaries and allocation of resources in the former; and verification of spending arrangements, problems in identifying beneficiaries, effects of spending with respect to output and result indicators in the latter.

According to the document, “the involvement of social partners and civil society is assumed, during the implementation of the RRP, by the Monitoring Committee”.⁹ From the description of the main tasks assigned to this new body (monitoring the execution of the RRP and of the related information, communication and transparency measures; proposing recommendations for improving the implementation mechanisms; issuing an opinion on the six-monthly or annual monitoring reports submitted by the Recuperar Portugal mission structure and analysing RRP results and impact assessment reports), it seems that it would be more involved in an ongoing and ex-post evaluation of the progress of the activities of the strategic plan (therefore in the monitoring activity) than in their very definition, therefore in the identification of priorities and in the setting of the criteria for selecting and financing the projects. This latter information will be publicly available afterwards on the online portal Recuperar Portugal, which identifies the measures and projects financed or co-financed and, for each project, among other details, the amounts allocated and its modalities; the award criteria and the territorial scope; the promoting entities, including holders and beneficiaries, partners and suppliers; and the bodies responsible for the selection.

As for the identification of spending devices and allocation of resources, a detailed reflection is developed around general principles of strategic coordination that should ensure the complementarity of all available funds, thereby minimising the risk of double financing. The implementation of the plan, its reforms and investments will be contracted by the mission structure with the beneficiaries of the RRP funding, which will be either executors (*direct beneficiaries*, that is, responsible for the physical and financial execution of an investment foreseen in the RRP and enabling them to benefit from funding) or intermediaries (*intermediate beneficiaries*, that is, globally responsible for the physical and financial implementation of an investment foreseen in the RRP,

but whose execution is ensured by third parties selected by them, who are set up as final beneficiaries).

The contracting models will be different according to the nature of the beneficiaries:

- In the case of direct beneficiaries, a normal contract model will be adopted enunciating rights and obligations that bind the parties, with great relevance for the observance of the milestones and targets set in the RRP.
- In the case of intermediate beneficiaries, a more complex model of rights and obligations will be adopted, where the beneficiary binds itself to Recuperar Portugal with milestones and global targets, obtained from the consolidation of investments executed by final beneficiaries.

The mission structure is made up of up to 60 members, who work on an exclusive basis, including a president, a vice president and four project-team coordinators, three of whom will monitor the implementation of the three structural dimensions of the RRP (resilience, climate transition and digital transition), and one from the internal control team. It is not specified what the other members would be or from which entities they will come. No detailed, clear information is provided concerning the involvement of civil-society organisations in the implementation (and, to a lesser extent, monitoring – see below) of the plan. This is more explicitly addressed within the external communication strategy, along the axis on “mobilisation” of potential beneficiaries aimed at fostering a strong participation on their part in the implementation of the RRP, ensuring “the conditions for an informed, agile and rigorous, but uncomplicated participation”.¹⁰ This will be done via dissemination of its operationalisation tools and tenders to be open as well as of the terms and conditions of participation. In this regard, a call is made for works or studies by communication professionals and/or academics positively contributing to the implementation of the plan.

Participation in monitoring

The monitoring process seems to ensure an efficient and effective internal control system, providing for the verification of the physical and financial implementation of interventions, the prevention and detection of irregularities, and the adoption of appropriate corrective measures. As far as external control is concerned,

the above-mentioned National Monitoring Committee includes relevant representatives from social and economic stakeholders and from civil-society organisations and it is supposed to be the main forum for institutional, economic and social partnership. It is responsible for monitoring the implementation of the RRP and its results, promoting its appropriate dissemination to citizens, companies and other organisations, as well as examining any issues affecting its performance and proposing recommendations. More specifically, it will be in charge, among the rest, of supervising information and communication measures and the promotion of greater transparency, actively participating in the definition of the models to be used and proposing recommendations for improving RRP implementation mechanisms.

The National Monitoring Commission is chaired by an independent person appointed by the prime minister and includes the following members:

- nine personalities appointed by the Interministerial Commission of the RRP
- the non-governmental members of the Territorial Concertation Council
- the chair of the Economic and Social Council and the non-governmental members of the Permanent Commission for Social Concertation.

Also, one representative from:

- the Council of Rectors of Portuguese Universities
- the Coordinating Council of Polytechnic Higher Education Institutes
- the National Council for Science, Technology and Innovation
- the National Council for the Environment and Sustainable Development
- the Union of Portuguese Misericordias
- the National Confederation of Solidarity Institutions
- the Union of Portuguese Mutualities
- the Portuguese Cooperative Confederation.

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It is worth noting that, while the social and cooperative sector seems to be largely given voice in the composition of the committee, the business and entrepreneurial sector seems to be under-represented.

The monitoring of the implementation of the RRP will be accessible to all citizens through the transparency portal Recuperar Portugal which will centralise all information on the RRP, updating information on total allocation, contracts signed, tender notices, and contracts in progress by structuring dimension.

In general, if the National Monitoring Committee explicitly involves representatives from the civil society, and the plan foresees their participation in this phase of the planning process, it is not evident how this will operationally work and what instruments it will use to carry out the monitoring activities. What is more, no control of the quality of participation along the whole programming period is contemplated as for the official documents. It is also important to observe that regional or sub-regional levels of government seem not to be included in the participation schemes, therefore they allegedly did not contribute, at least in a direct manner, to the agenda-setting nor to the following stages.

Overall, the involvement of Civil Society Organizations (CSOs) was specifically contemplated and activated in the first design phase of the plan, while the participatory process is given far less attention along the following stages.

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TERRITORIAL DIMENSION AND COHESION

Within Part 4 of the Portuguese RRP, devoted to the “Macroeconomic impact of the RRP”, sub-section 4.5. revolves around “Social and territorial cohesion”. To start with, the document acknowledges the challenges to this goal which still affect the country, from which we can infer how cohesion is interpreted within the strategy. These arise:

- at the level of how the results of economic activity are distributed by society, in order to ensure equal opportunities of access to goods and services compatible with the quality of life and social integration of all citizens, and at the level of the territories, covering the objectives of balanced development, through the creation of wealth from the exploitation of their resources and for the benefit of their populations.¹¹

Looking at the territorial dimension, the main focus is on the two metropolitan areas and the more dynamic regions. Although, in fact, Portugal has witnessed a process of internal convergence among its regions, this is not reflected in an external convergence towards the EU27 average (measured through GDP per capita). The document explains that this is linked to the recent negative performances of the two metropolitan areas, which strongly polarise the country's economic and social development, as well as of other dynamic regions or sub-regions, such as the Algarve, the Leiria region and the Aveiro region. Territorial cohesion is therefore assessed in terms of external regional convergence measured through GDP per capita. This is very clearly reflected in the list of indicators for monitoring social and territorial cohesion during the RRP application period.¹²

All five macro-dimensions (convergence; labour market; education and training; equality and social inclusion; quality of governance) will be assessed at country level against the EU27 average, except only for the first dimension (convergence) in which parameters for macro-regions (North, Centre) and regions are included for monitoring. Internal regional convergence and sub-regional cohesion of marginalised areas – also in light of the urban/core vs. rural/peripheral divide – are not subject of policy attention. This is inconsistent with the consideration given in the text to some aspects which do not appear in the set of indicators, and which should be addressed in any case at a finer scale, that is, the sub-regional level. This is the case for accessibility to public services of general interest. The document

acknowledges that it affects “in a differentiated manner, different areas of the country, particularly with regard to the provision of infrastructure for healthcare and social response networks, both in Metropolitan Areas and in rural or less densely populated areas”.¹³

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Starting from the premise of the diverging performance of the Lisbon region relative to EU regions, the measures fostering innovation, technology and infrastructures are supposed to produce trickle-down effects percolating from the knowledge centres to the whole territory, contributing to the country’s cohesion, seen here, from a city-centric approach, as the result of the growth of its economic engine.

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To cope with this issue, the activities foreseen within climate and digital transitions are supposed to contribute to changing the paradigm of service provision in the near future, both in terms of digitalisation of the provision of and access to some social and health services, and of physical access based on cleaner and more efficient urban-rural mobility. However, the interventions most directly aiming at the promotion of economic, social and territorial cohesion are concentrated in the resilience dimension, and, more specifically, in components C1, C2, C3 and C6, tackling the provision and delivery of lifelong health services and affordable housing, the strengthening of the qualifications and skills of Portuguese people, and the social responses in favour of vulnerable groups (the elderly, children, people with disabilities, or people exposed to poverty and exclusion in metropolitan contexts).

Starting from the premise of the diverging performance of the Lisbon region relative to EU regions, the measures

fostering innovation, technology and infrastructures are supposed to produce trickle-down effects percolating from the knowledge centres to the whole territory, contributing to the country’s cohesion, seen here, from a city-centric approach, as the result of the growth of its economic engine (capital city). Looking inside the four components implicated in achieving this objective, however, the territorial dimension of the interventions is mostly not made explicit and no specific mention to left-behind or marginalised places is detectable. Few exceptions are found in C1 (national health service) and C3 (social responses). In the former, decentralising healthcare competencies to local authorities, focusing on telemedicine and proximity, may positively impact non-core areas. Apart from this, an explicit territorial focus is directed to urbanised contexts, given the aim of strengthening the hospital network in a high-pressure region, the Lisbon one, mainly in suburban areas, which are highly populated, for the most part socially and economically vulnerable and traditionally less financially supported. In C3, except for a general mention to territories that still have lower levels of coverage of social infrastructures and facilities as well as nurseries, the most fragile communities are identified in the ones living in metropolitan areas who typically end up being pushed to peripheral locations where different vulnerabilities are concentrated. Urban peripheries are therefore the privileged territorial contexts of policy action.

As for the official documents, diversity of contexts is scarcely addressed, with essentially no provision for left-behind or marginalised places and, consequently, no special territorial criteria are defined to identify them. The lack of a specific policy focus on the dimension of territorial cohesion produces a non-unified, fragmented set of actions, missing a consistency frame for the achievement of this objective. The territorial allocation of resources is not likely to be carried out through co-programming, that is, by setting in place a process of dialogue with local levels. Remarkably, regional or sub-regional/local level of policymaking, or specific territorial aggregations which can advocate for special needs, do not appear in most of the activities. A little attempt to overcome the territorial intersection of different life dimensions and inequalities is detectable, with some dimensions mostly ignored, for example ethnicity and geography.

And yet, a call for attention towards the country’s inner areas and their mobility issues to be tackled through investments ensuring small connections came from CSOs in the consultation phase.¹⁴

3. THE NRRPs: PORTUGAL

GOVERNANCE

Both instruments of the Portugal 2030 Strategy and the RRP foresee, in their governance model, a political/strategic management shared among ministries that assume coordination responsibilities on similar thematic areas. Specifically, the Ministry of Planning is in charge of the implementation of the 2021-2027 Partnership Agreement, and, at the same time, it is part of the Interministerial Commission coordinating the RRP. The Section "RRP, a plan with simple, solid and participatory governance" (Part I of the document) explains that the governance model of the plan, while ensuring some general principles such as a coordination among actors, simplification, transparency and accountability, participation, results orientation and segregation of functions, is based on a model of "centralised management and decentralised execution".¹⁵

The RRP relies on a four-level governance model:

1. Strategic level, ensured by the RRP Interministerial Commission, chaired by the prime minister and composed of the members of the government responsible for the policy areas concerned.
2. Monitoring level, led by the National Monitoring Commission (see previous section on participation).
3. Technical level, coordinated by the mission structure "Recovering Portugal" (see previous section on participation).
4. Audit and control level, managed by an Audit and Control Committee (CAC), chaired by the Inspectorate General for Finance (IGF).

Table 4. Levels and bodies of governance of the RRP

	FUNCTION	GOVERNING BODY
1.	Strategic policy coordination	Interministerial Commission
2.	Monitoring	National Monitoring Committee
3.	Technical coordination and monitoring	Mission structure Recovering Portugal
4.	Audit and control	Audit and Control Committee (CAC)

The National Monitoring Committee is the only seat of institutional, economic and social partnership. It is responsible for verifying the implementation of the RRP and its results, promoting its adequate dissemination among citizens, firms and other organisations, as well as analysing the factors affecting the performance of its implementation. It can propose recommendations. Also looking through the detailed description of the bodies of governance, the only governing body where the involvement of regional and local partners is mentioned is the National Monitoring Committee, which has, as first task, the monitoring of the implementation of the RRP, developing the initiatives it deems appropriate, in particular at territorial level, involving regional and local actors.¹⁶

The terms and operational instruments of the participation of sub-national levels of government are however not further explained. Broadly speaking, the plan foresees a decentralisation by competences (sectoral), and not towards sub-national levels of government (territorial, following a subsidiarity approach). It seems therefore that the division of labour between national, regional and local governments is very limited, with little to no management of resources by local governments and rather carried out in a top-down manner. As far as the human resources and public administration are concerned, the plan clearly states that the needs in terms of human resources were assessed with reference to the current structures of the managing authorities of the Cohesion Fund programmes.

Since the RRP is a programme focused on performance instead of the traditional financial control (verification of compliance with milestones and contractual targets), it is assumed that the 60 members of the mission structure Recuperar Portugal are adequate and sufficient to guarantee the fulfilment of its responsibilities. The main objective is the improvement of the digital competences of public administration in order to ensure its digital transition. This is mostly foreseen within component 19: Public administration – training, digitalisation and interoperability and cybersecurity, which draws on the Strategy for the Innovation and Modernization of the State and Public Administration 2020-2023. It was elaborated on the basis of a participatory process involving all areas of government, firms, civil-society organisations, higher education institutions, and all municipalities. A strong renewal of public administration in terms of digital transition will be pursued, but a limited recruitment of new human resources within public administration is foreseen to address RRP tasks.



3. THE NRRPs: SPAIN

SPAIN



SPAIN

GENERAL INFORMATION ON THE SPANISH PLAN

Spain's National Recovery and Resilience Plan is one of the biggest financed by the NextGeneration EU (NGEU) recovery instrument. It contains the largest amount, in terms of grants, under the unprecedented EU response to the crisis caused by the coronavirus pandemic.

The country is set to receive €69.5 billion in total, fully consisting of grants, over the lifetime of its plan. In addition, Spain's general state budgets plan investment of €27 billion, aligned with the NRRP. The RRF funding will be supplemented by €12.4 billion from the REACT-EU funds and by the EU structural funds and by the structural funds set out in the 2021-2027 Multiannual Financial Framework.

The NRRP is expected to have a high impact on strengthening Spain's growth potential, employment and economic, and social and institutional resilience. The European Commission's estimates show that the economic impact of NGEU has the potential to increase Spain's GDP up to 2.5% by 2024, boosting the recovery and job creation.

The plan is structured around the four cross-cutting objectives of the green and digital transitions, social and territorial cohesion and gender equality. It is designed to provide a response to Spain's key structural challenges, in line with the six main areas of intervention (pillars) set out by the RRF Regulation.

The balanced set of reforms and investments are contained in ten "lever policies" or policy areas:

1. urban and rural agenda, fight against depopulation and agricultural development
2. resilient infrastructures and ecosystems
3. a fair and inclusive energy transition
4. an administration for the 21st century
5. industry and SME (small and medium-sized enterprises) modernisation and digitalisation
6. promotion of science and innovation and strengthening of the national health system
7. education and knowledge, lifelong learning and capacity-building
8. the new care economy and employment policies
9. promotion of the culture and sports industry
10. tax system modernisation.

These ten policy areas translate into 30 components (see Table 5).

The contributions of the green and digital pillars are significant in terms of reforms and investments put forward (pillars 1 and 2). They represent 39.7% and 28.2% of the recovery and resilience plan's total allocation, respectively. Most components contribute to smart, inclusive and sustainable growth (pillar 3). Several components contribute to the social and territorial cohesion, mostly through measures to address challenges in the labour market and enhance employability, investments on social inclusion and through improvements in the deployment of public services and infrastructure throughout the territory (pillar 4). A significant number of components support health, economic, social and institutional resilience (pillar 5). In addition, other components are designed to support the policies for the next generation (pillar 6). Most of the policies are transversal axes of the plan, that is, for the economy as a whole. However, some of them specifically aim to promote the modernisation of driving sectors, such as trade, tourism, agri-food, health and public administration. Table 5 summarises the coverage of each of the components in the Spanish RRP to one or more of the six pillars.

3. THE NRRPs: SPAIN

Table 5. Coverage of the six pillars of the Facility by the Spanish RRP components

Policy area	Component	Green transition	Digital transformation	Smart, sustainable and inclusive growth	Social and territorial cohesion	Health, and economic, social and institutional resilience	Policies for the next generation
01. Urban and rural agenda, combatting depopulation and developing agriculture.	01. Sustainable urban mobility	•	o	o	o		
	02. Renovation	•		•	•		o
	03. Agri-food and fisheries	•	o		o	•	
02. Resilient ublicructure and ecosystems.	04. Ecosystems and biodiversity	•	o		o	•	
	05. Coast and water resources	•	o		o		
	06. Sustainable long-distance mobility	•	o	o	o		
03. Fair and inclusive energy transition.	07. Renewable energy	•		o	o		
	08. Electricity infrastructure	•	•	o			
	09. Hydrogen	•		o			
	10. Just transition	•		o	•		
04. An administration for the 21st century.	11. Public administration		•	•	o	•	
05. Modernisation and digitalisation of the industrial and SME fabric, restoring tourism and boosting Spain's entrepreneurial nation.	12. Industrial policy	•	•	•		•	
	13. Support to SMEs		•	•	o	•	
	14. Tourism	o	•	•	•		
	15. Digital connectivity		•	•	•		

Policy area	Component	Green transition	Digital transformation	Smart, sustainable and inclusive growth	Social and territorial cohesion	Health, and economic, social and institutional resilience	Policies for the next generation
06. A pact for science and innovation. Capacity-building of the national health system.	16. Artificial Intelligence		•	•			
	17. Science, technology and innovation	o		•			o
	18. Reform of health system		o			•	o
07. Education and knowledge, continuing training and skills development.	19. Digital skills		•	o			•
	20. Vocational training	o	o	o	o		•
	21. Education		o		o		•
08. New care economy and employment policies.	22. Care economy, equality and inclusion		•		•	•	o
	23. Labour market reform	o	o		•		o
09. Boosting the culture and sport industry.	24. Cultural industry			•			
	25. Audiovisual			•			
	26. Sports		o			o	
10. Modernisation of the tax system for inclusive and sustainable growth.	27. Prevention of tax fraud					•	
	28. Tax system reform	o				•	
	29. Effective public spending					•	
	30. Pension system				•		

Source: EU staff working document (2021). The names are short versions of the full titles used by Spain in the RRP.

Key: • investments and reforms of the component significantly contribute to the pillar; o the component partially contributes to the pillar.

3. THE NRRPs: SPAIN

PARTICIPATION

As required by the Recovery and Resilience Regulation, Spain's RRP includes a summary of the consultation process carried out for its preparation and implementation. The objective of the consultation is to ensure the effective implementation of the set of reforms and investments "designed with the potential to transform the country". The Spanish plan clearly states that the government launched a broad consultative process, in which the participation of the social agents has a relevant role, both in the programme definition, as well as in the implementation and monitoring of the plan itself. Different spaces for consultation were defined, to facilitate the public debate and the participation of all the relevant actors: (a) social partners; (b) autonomous regions; (c) local authorities; (d) parliamentary forces; (e) institutions and organisations representing each sector involved; (f) the potential beneficiary companies of the plan; and (g) citizens.

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The Spanish plan clearly states that the government launched a broad consultative process, in which the participation of the social agents has a relevant role, both in the programme definition, as well as in the implementation and monitoring of the plan itself.

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In the preparation of the RRP, Spain did not carry out a public consultation on the plan as a whole but opted instead for targeted consultations that focused on certain measures or policies. These consultations gathered input on specific measures from social partners and stakeholders, including potential beneficiaries of the plan.

A dedicated dialogue table for the RRP was set up to serve as a channel for consultation between the government and social agents. Furthermore, a number of legislative reforms envisaged as part of component 23 (labour market) of the plan envisages reforms which are subject to the social participation process.

As regards the involvement of the production sector in investments to be made, Spain also made use of calls for expressions of interest. Through these calls, the authorities collected a wide range of proposals that will be part of the projects supported by the plan. This innovative instrument ensures an inclusive approach that allows the participation of many economic actors and potential beneficiaries, therefore widening the consultation process.

Finally, although not explicit, it appears from the analysis of the plan that civil society organisations took part in the sectoral consultations as well as dedicated for a of experts and advisory bodies organised by the competent ministries.

While RRP's are prepared at national level to ensure coordination and coherence, ownership of the plan by regions is crucial for enhancing its effectiveness and expected long-lasting impact. To ensure ownership by the relevant actors, it is key to involve regional and local authorities, including stakeholders concerned, throughout the implementation of the investments and reforms foreseen by the RRP.

Furthermore, Regulation (EU) 2021/241 recognises regional and local authorities as key partners to carry out the specific measures within their area of competence. In this regard, Spain has set up a Sectoral Conference for the Recovery, Transformation and Resilience in order to coordinate regions, local entities and the central government in the implementation of the measures.

Also, more than 8,000 local authorities have been included in the dialogue through their representative body, the Spanish Federation of Municipalities and Provinces, which actively participated in the Sectoral Conference for the Recovery, Transformation and Resilience Plan. In this regard, ad hoc meetings and three specific calls for expressions of interest of interest have allowed gathering specific input from local authorities for measures on mobility.

A specific section of the plan is devoted to describing the public consultations of the reforms as a structured

procedure with the aim of gathering opinions, proposals and suggestions from citizens. These consultations should take place at two points in the regulatory process: (1) prior public consultation, in order to obtain the opinion of citizens, organisations and associations before the elaboration of a legislative project; and (2) hearing and public information, with the purpose of obtaining the opinion of citizens who are holders of legitimate rights and interests affected by a regulatory project that has already been drawn up, directly or through the organisations or associations that represent them, as well as of obtaining any additional contributions that may be made by other persons or entities.

Although from the plan it is clear that the opinion of citizens, civil organisations and associations have been considered in the framework of these public consultations, the European Economic and Social Committee (EESC) Resolution on Involvement of Organized Civil Society in the National Recovery and Resilience Plans reveals that the participation of civil society in preparation of the plan has been very limited in Spain, like in almost all countries. The consultation process is not indeed based on formal rules and public and transparent procedures. Unstructured communication and fragmented information do not ensure that effective participation takes place.

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The procedures created for the recovery plan should allow for broad spaces of participation, but the timetable the government has set up may prevent this, at least for the drafting phase.

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Most of the Spanish organisations consulted expressed a general sense of dissatisfaction and the fear that the speed with which the government wants to approve the RRP and the lack of experience with these procedures will make it very difficult to achieve real participation. Basically, on paper, the procedures created for the recovery

plan should allow for broad spaces of participation, but the timetable the government has set up may prevent this, at least for the drafting phase. Moreover, while the government's social dialogue with trade unions and employers is more structured, with other CSOs, such as the third sector, associations or social economy organisations, the dialogue is more ad hoc and multiform.

Also, from the report on the participation of civil-society organisations in the preparation of NRRPs¹⁷ it emerges that the involvement of civil society in preparation of the Spanish plans (NRRP) has been very limited. In general, a great deal of uncertainty emerges around the procedures. CSOs report difficulties in finding out how to get involved and complain about consultation meetings being cancelled at a late stage.

It was also reported that in the Spanish press, information about companies that have presented various numbers of projects, or regions presenting their wish list to the government, was frequently appearing – but information on the procedures was incoherent and non-comprehensive.

Spanish CSOs have been proactive in seeking to engage with the NRRP. Despite their proactive approach, the process of preparation of the plan has been very much centralised and non-participatory. For example, following requests for involvement, the Spanish Business Confederation of Social Economy (CEPES) was invited to the presentation of the draft plan that was made to the regions and social partners, characterised by very general discussions but no substantial consultations. It cannot be said that it was a consultation.

The process of preparation of the plan has been very much centralised even with respect to the regional and local levels. However, after the first phase of centralisation, local and regional authorities get involved with task forces working on the plan.

There is no guarantee that CSOs will benefit from the funds during the implementation of the plans. The commission's proposal for regulation does not indeed indicate which actors can be considered implementing beneficiaries. In this regard, the CEPES asked to become an intermediary body of RRF, as it is the case for the ESF, but this was not accepted. They were promised that some funding would be allocated to the social economy, but it was hard to gather concrete information on this topic.

3. THE NRRPs: SPAIN

TERRITORIAL DIMENSION AND COHESION

The Covid-19 crisis has exacerbated the imbalances that had persisted for several years in Spain. Reducing inequalities and strengthening social cohesion are key to achieving fair and inclusive growth. The Spanish RRP represents a comprehensive and adequate response to the challenges Spain is facing. Through its set of wide-ranging reforms and investments, the plan aims to provide a strategic vision for the whole Spanish economy while addressing its long-lasting vulnerabilities.

Although there is no specific key lever dedicated to social and territorial gaps, the Spanish measures make territorial dimension and cohesion central to the plan. According to the Commission assessment: "Territorial cohesion, together with social cohesion, is one of the four axes on which the plan is built upon, and it is systematically addressed throughout the ten driving policy areas for recovery".

The RRF Regulation recalls that the specificities of regions and their uniform development should be taken into consideration in the implementation of Union policies. However, the resources of the recovery and resilience plan are not allocated on the basis of Spanish regional endowment, and the territorial disparities are not explicitly mentioned in the text. Instead, the plan builds on territorial cohesion based on the uneven distribution of the population throughout the national territory. Therefore, efforts aim at reducing the disparities and unequal opportunities that exist between the densely populated urban areas and the depopulated rural areas. In this perspective, the plan is aligned with the national strategy against the so-called demographic challenge.

RRP measures would provide better conditions for enterprises to set up in rural areas, enhancing economic diversification and job creation in the area. Component 2 (renovation) includes, for example, a dedicated investment to improve energy efficiency in municipalities below 5,000 inhabitants.

Moreover, initiatives in several components aim at promoting territorial cohesion in these left-behind areas, boosting entrepreneurship, improving access to education and supporting the restoration and maintenance of cultural heritage. Component 7 (renewable energy) will support the preservation of natural capital and scarce resources such as water, as well as the deployment and integration of renewable energies, particularly in islands.

Specific actions are designed also to close the digital divide between urban and rural areas. Component 15 is fully devoted to connectivity, with a budget of almost €4 billion. It foresees investments to deploy ultra-fast broadband in certain areas of Spain, particularly in rural areas (€812 million).

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Digital divide is also addressed by measures in component 11 (public administration), which support territorial and social cohesion by digitalising key public services and enhancing access to them in rural areas, and components 20 (vocational training) and 21 (education), which provide educational opportunities in rural areas through digital means.

Several measures support territorial cohesion by reinforcing public services and infrastructure throughout the territory. Component 6 (sustainable long-distance mobility), for example focuses, on inter-regional sustainable mobility, through investments in the European Corridors (€3.2 billion) and the Trans-European Network for Transport programme (€1.8 billion).

The plan is also expected to reinforce the labour market. While components 19, 20 and 21 aim to guarantee the vocational training and digital inclusion of human capital contributing to enhancing the employability of the workforce, component 23 specifically addresses structural weaknesses of the Spanish labour market such as the high unemployment and youth unemployment rates and the widespread use of temporary contracts.



Particular attention paid to social cohesion and inclusion also emerges from the plan in the reinforcement and modernisation of care policies and social services in general.



Particular attention paid to social cohesion and inclusion also emerges from the plan in the reinforcement and modernisation of care policies and social services in general. Component 22 shows a clear focus on inequalities and promotes a change from a long-term care model towards a more person-centred care model. New public facilities and technologies should ensure care throughout the territory, better identify needs and constraints and ensure the enforcement of quality. Other specific actions address the gender gap and support victims of gender-based violence; others improve the effectiveness of social protection, including the capacity of the reception system for asylum seekers.

Finally, industry support measures seek to recover the sectors facing significant losses in output and employment. This is particularly the case for the Spanish regions that have been promoting a service-led growth strategy, like the Mediterranean coast and the Balearic and Canary Islands, where more than 25% of employment is associated with the tourism sector, which has been particularly affected by the pandemic crisis. Component 14 includes specific actions targeted to increase the resilience of these tourism-dependent localities in order to support their transition to a sustainable tourism model.

GOVERNANCE

The governance structure for the implementation of the Spanish RRP is found in Royal Decree-Law 36/2020. It aims at simplifying the national bureaucratic framework to achieve an agile and efficient deployment of the investments and reforms of the RRP, with full respect for EU directives and for the principles of transparency and accountability. The reform also promotes public-private collaboration and defines the coordination of the powers exercised by the different levels of government.

A Commission for Recovery, Transformation and Resilience is at the head of the whole structure, chaired by the president of the government and composed of all ministers, the secretaries of state for the economy and enterprise support, finance, budget and expenditure, social rights, the general secretariat for European funds and the secretary-general for economic and G20 affairs of the president's office. This commission establishes the general policy guidelines for the RRP development and implementation, once approved by the Council of Ministers, and carries out the strategic monitoring of the plan.

To facilitate implementation, a technical committee, composed of 20 members of the public administration and chaired by the secretary general for European funds, provides technical and legal support to the Ministerial Commission and acts as a support body for the responsible authority in the development of its coordination functions.

Chaired by the minister of finance, and with the aim of channelling the territorial multilevel governance of the system, the Sectoral Conference for the Recovery, Transformation and Resilience Plan gathers the representatives of the regional and local authorities (Comunidades Autónomas). Additional representatives of the local entities may also be summoned, through the Spanish Federation of Municipalities and Provinces (FEMP). The Sectoral Conference is in charge of passing information to the commission, which in turn is responsible for the ultimate approval of project proposals received from the technical committee. The organisation of the sectoral conferences is also supported by the Commission for the Coordination of European Funds. Moreover, different ministries are encouraged to create forums to involve the active participation of society in sharing their views, concerns and priorities.

3. THE NRRPs: SPAIN

A monitoring unit has been set up in the Department of Economic Affairs and G20 of the Cabinet of the Presidency of the Government, which will monitor the recovery plan, in order to keep the Spanish prime minister informed of any developments on the RRP implementation.

The General Secretariat of European Funds has been created within the Ministry of Finance, as the authority responsible for the recovery plan. With two general directorates, that of European funds and the new General Directorate of the Recovery and Resilience Plan and Mechanism, the existing General Directorate of European Funds is reinforced and adapted. This unit is in charge of overseeing the progress of the plan, ensuring its effective deployment and coordinating with the other ministries and the other national actors involved in the plan.

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Nevertheless, while regional and local governments have not been particularly involved in the programme construction, they are expected to play a more significant role in the implementation phase. However, a mere executive function could be difficult to carry out if they are just informed of contents which are designed at national level.

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Finally, a control authority has the role of audit authority for NGEU funds. It is embodied by the General Intervention of the State Administration (IGAE) and ensures that the plan is executed in accordance with European regulations.

The multilevel governance of Spain's RRP carries important shortcomings with regards to both the construction and the general implementation of the plan. Nevertheless, while regional and local governments have not been particularly involved in the programme construction, they are expected to play a more significant role in the

implementation phase. However, a mere executive function could be difficult to carry out if they are just informed of contents which are designed at national level.

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That places vary extensively across the national territory and have extremely different needs and potentials whose identification must be considered in the programming phase. A late involvement of local governments does not allow for develop a commitment and a real sense of ownership.

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Two critical concerns arise indeed from such an approach. The first is that places vary extensively across the national territory and have extremely different needs and potentials whose identification must be considered in the programming phase. Second, a late involvement of local governments does not allow for develop a commitment and a real sense of ownership.

In addition, the share of responsibilities at the central, regional and local level is not properly defined in the plan, even for the implementation phase. The text does not outline whether and how the Spanish government intends to enhance administrative capacity at regional and local level. One reform aims at the reinforcement of public administration, but there is no focus on improving administrative capacities at local level. The reform includes the necessary elements for the execution of the plan, while promoting a change in administrative culture, with a consequent positive impact on the medium- and long-term economic and social development. Other reforms have the more general objective of simplification and digitalisation of administrative processes and procedures, as well as reducing the rate of temporary employment in all Spanish public administration.

4. THE NRRPs COMPARED

The relevance of the NRRPs presented by Italy, Spain and Portugal becomes evident when considering their shares in the total resources of the RRF. In terms of grants, the allocations for Italy (€68.9 billion), Spain (€69.5 billion) and Portugal (€13.9 billion) total €152.3 billion, more than 45% of the total maximum grants (€338 billion at current prices).

Figure 2 represents the impact of the RRF funds in the government accounts and the relative shares of GDP. The European Commission's estimates show that GDP impacts depend on the size of the corresponding RRFs, which implies that renouncing the loans available reduces its positive impact. This is the case for Spain, which has not applied for loans and, to a lesser extent, Portugal, which is only using 20% of the maximum amount of loans.

Figure 1. RRF grants and loans allocation

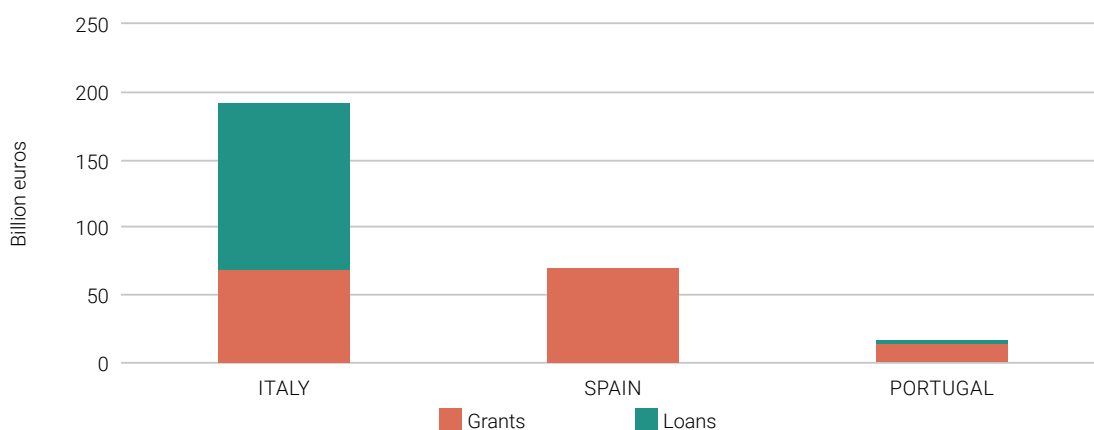
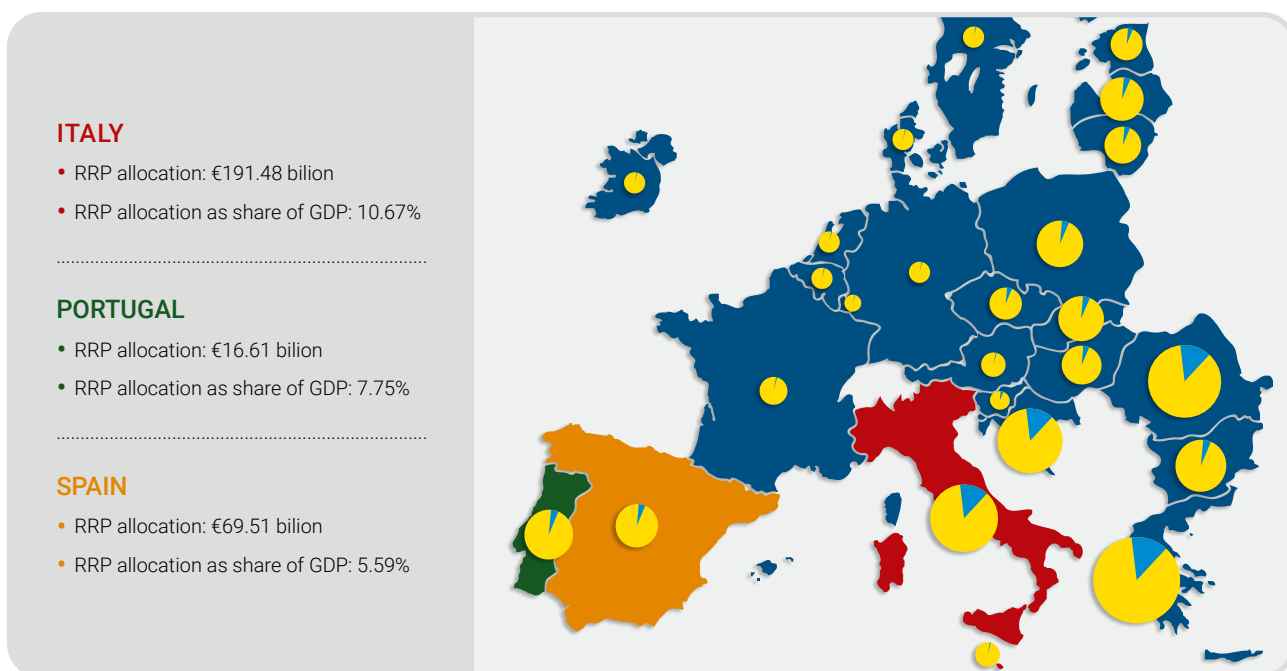


Figure 2. Amounts of RRF funds and GDP share



Note: The map reports the funds allocated via the Recovery & Resilience Facility. The yellow pie chart represents the RRF funds as a share of the country's GDP.

4. THE NRRPs COMPARED

Despite the commission guidelines on how to draft the plans, these remain largely heterogeneous, and their architecture differs both in nomenclature (missions, axes, levers, components) and in the efforts dedicated to the different reforms and investment projects, which in turn address specific challenges of each country. While the plans address country-specific vulnerabilities, they nevertheless show a common pattern and a balance between the pillars set out in the Regulation and the priorities envisaged by each plan.

The three RRP's comply with the minimum investment requirements concerning the climate and digital transition objectives and their own strong combination of reforms and investments aim to cover specific gaps in both issues. Specifically:

- The **Italian plan** consists of 132 investments and 58 reforms. They will be supported by €68.9 billion in grants and €122.6 billion in loans; 37.5% of the plan will support green objectives and 25.1% of the plan will support the digital transition.
- The **Portuguese plan** consists of 83 investments and 32 reforms. They will be supported by €13.9 billion in grants and €2.7 billion in loans. 38% of the plan will support green objectives and 22% of the plan will foster the digital transition.
- The **Spanish plan** consists of 112 investments and 102 reforms. They will be supported by €69.5 billion in grants. 40% of the plan will support the green objectives and 28% of the plan will foster the digital transition.

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The analysis here reveals a gloomy picture, where participation is generally underestimated, even if each country is characterised by different approaches.

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PARTICIPATION

There are many ways to understand participation. Political scientists distinguish forms of participation on the basis of a scale of intensity, ranging from information to empowerment (information, consultation, involvement, co-planning, empowerment). This policy study refers to participation by referring to the possibility and capacity of places and active citizenship to affect the planning, implementation and monitoring of recovery and resilience programmes, through co-planning and enabling tools.

By possibility and capacity, we mean whether states have enabled places and citizens to participate and whether they have allowed them to do so through heated, informed, reasonable and open public debate. Therefore, participation is not intended in its weaker meanings, or as being informed or consulted; to participate is to be enabled to influence the construction of a strategic vision, the programming of resources, the methods of distributing resources through co-planning. Participation is being enabled to express one's needs, because the expertise of those who participate is considered relevant and useful, during implementation, to improve the policy process. It is being able to monitor the implementation in a critical way, so that there is the possibility to intervene in a timely manner and review the things that have not worked.

The analysis here reveals a gloomy picture, where participation is generally underestimated, even if each country is characterised by different approaches.

In the case of Italy, a marked deficiency in participation is noted, which is activated only in a very weak way, through forms of consultation (the permanent consultation table) and online portals that disseminate information. Civil society had no role in defining the plan and is not considered strategic for monitoring purposes. A number of representative organisations were involved in the consultation tables, but they were not mobilised in co-planning mechanisms. Moreover, the consultation tables were created when most of the plan had already been elaborated and defined.

In the case of Portugal, the plan was based on the consultation work activated as part of the Portugal 2030 Strategy. These consultations were very extensive and involved economic and social partners, academia, civil society and regional actors, as well as the consultation of all political parties with parliamentary seats.

To update the strategy and bring it back to the RRP, an extensive consultation was carried out, through surveys, round tables and seminars, including stakeholders and civil society. Following the consultations, the government made known the changes introduced through a portal, acknowledging the results of the participatory process. In the implementation and monitoring phases, this great participatory drive has been downsized. However, the monitoring was entrusted to a third party, which must explicitly involve representatives from civil society. It is not evident how this will operationally work and what instruments it will use to carry out the monitoring activities.

Spain has also activated extensive consultations, focusing above all on individual sectors on which the plan intervenes. In particular, it formalised the establishment of a dialogue table to involve the social partners and local authorities. In addition, it introduced an innovative participation tool to involve the business world: the calls for expressions of interest. Through these calls, the authorities collected a wide range of proposals that will be part of the projects supported by the plan. This innovative instrument ensures an inclusive approach that allows the participation of many economic actors and potential beneficiaries, thus widening the consultation process. Despite these elements, involvement of civil society in the preparation of the Spanish plans (NRRPs) has been very limited. The procedures have always been very formal, without making evident the contributions of the consultations to the improvement of the plan.

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4. THE NRRPs COMPARED

Table 6. Dimension “participation”: interpretative grid

	TYPE OF PARTICIPATION	ACTORS INVOLVED	PARTICIPATION TOOLS
ITALY			
Programme construction	Formal and bureaucratic consultation of the social and territorial partners	The classic social and territorial stakeholders	Consultation table, set up at the Presidency of the Council
Implementation	None – the beneficiaries of the economic resources are passive actors	Beneficiaries as applicants to public tenders	The programming and information is entrusted to the public call
Monitoring	Participation as mere information, moreover not very usable by active citizenship	No civic actors are involved in monitoring	Unidirectional information through an online portal
PORTUGAL			
Programme construction	Formal and informal consultation of the social and territorial partners as well as of individual citizens following the publication of a version of the document made available for 15 days	Civil-society organisations, companies and business associations, third-sector organisations, experts and key relevant stakeholders (mainly national councils), civil society	<ul style="list-style-type: none"> - A public consultation which gathered 1,700 written contributions - A series of consultations with experts from national councils - 11 discussion seminars on the different policy areas covered in the draft document open to civil society and at the presence of the related ministers
Implementation	Formal and bureaucratic consultation mainly aimed at ensuring the complementarity of funds and avoiding double financing fraud, corruption and conflicts of interest (mainly “monitoring” tasks)	No detailed, clear information is provided concerning the involvement of civil society organisations in the implementation (e.g. it is not specified what the other members of “Recuperar Portugal” apart from institutional ones would be or from which entities/reality will come from)	<ul style="list-style-type: none"> - The involvement of social partners and civil society during the implementation of the RRP is foreseen via the establishment of the Monitoring Committee - The mission structure “Recuperar Portugal” (made up of 60 members) is meant to foster broader participation, but in essence it merely provide an ongoing and ex-post communication and public evidence of the interventions
Monitoring	Participation as mere information or formalised and bureaucratized through the Monitoring Committee	Relevant representatives from social and economic stakeholders and from civil society organisations gathered in the Monitoring Committee	Formal proposition of recommendations by the Monitoring Committee
SPAIN			
Programme construction	Targeted consultations that focus on certain measures or policies	Social partners; autonomous regions; local authorities; parliamentary forces; institutions and organisations representing each sector involved; potential beneficiary companies of the plan; citizens	Dialogue table between the government and social actors; sectoral consultations; forums of experts and advisory, organised by competent ministries
Implementation	Expression of interest; ad hoc meetings	Productive sector stakeholders; potential beneficiaries; autonomous communities and municipalities	Call for expression of interest; Sectoral conference of the RRP; Spanish Federation of Municipalities and Provinces (FEMP)
Monitoring	Participation as mere information	No civic actors are involved in monitoring	Unidirectional information through a specific online portal which facilitates access to the possibilities of participation to the target audience

TERRITORIAL DIMENSION AND COHESION

The territorial dimension of policies is increasingly recognised in policymaking processes. At EU level, for instance, in the ex ante assessment of newly proposed initiatives as well as in ex-post evaluation, the potential impacts of the options on different territories and regions (less developed or prosperous regions, cities, rural areas, border regions, overseas territories) is increasingly taken into consideration.

Generally speaking, however, the implementation of a place-based approach has sometimes been weak. Shaping the territorial dimension of policies requires understanding the territorial diversity – key challenges and development perspectives – of different places. It implies giving policy answers not only to the dimension of “what” kind of development is to be pursued, but also to the intertwined matter of “for whom” (both vulnerable groups and places).

The starting point of such a “paradigm” is the territories, with the final aim of tapping into possible, so far unexploited, resources of growth, departing from sectoral approaches and shaping a strategic vision anchored in the place. This means going beyond a mere declination or adaptation of national policies: it entails deep changes linked to the vision of territories relying on a thorough knowledge of their context-specific features and related present and future challenges. Therefore, in order to fully take into account territorial diversity and gain a full understanding of the national complex picture, an in-depth understanding of local assets is essential to designing tailor-made strategies rooted in the territory.

A proper comprehension of territorial features might nurture policy measures directed at specific areas or expected to have specific (for example spatially concentrated) consequences and therefore increase the overall relevance and effectiveness of policies at all scales. Shaping such an integrated, place-sensitive vision often implies a cultural change discarding previous narrower sectoral logics of intervention. Unfortunately, this cultural change does not seem to have occurred in the cases analysed in this policy study. As for the territorial dimension and cohesion, starting from the official documents, we aimed at detecting two main elements pertaining to the appreciation of the diversity of contexts and the level of subsidiarity of the interventions. More precisely: (1) whether the diversity of contexts

was properly addressed (and therefore whether an adequate provision for left-behind or marginalised places is foreseen and how these are identified), whether a holistic approach overcoming sectoral silos was adopted, how the territorial allocation of resources is designed and the mechanisms through which this is operationalised; and (2) the involvement of regional and local administrative units in the programming and management of funds.

Concerning the appreciation of the diversity of contexts and the identification of marginalised areas, to which place-based approaches are supposed to provide an answer, a heterogeneous attention is found across the plans. A number of left-behind places are identified in the Italian plan and, to a lesser extent, in the Spanish one. This is probably a legacy of the fact that in both countries strategic public policies dedicated to depopulating territories were launched (that is, the National Strategy for Inner Areas and the national strategy to tackle the demographic challenge, respectively). Some awareness and policy attention to non-core, peripheralised places and to their main challenge (population decline) emerge in the two documents, although this does not translate into explicit, specific interventions to thoroughly cope with it.

In Italy, the territorial issue is addressed mainly following compensatory logics and outside the methodology of co-planning, far from the methods advocated in a place-based perspective. In Spain, it comes down to few measures targeted at specific areas or communities in rural and coastal areas, with reference to broad national strategies and policies even when addressing regional or sub-regional issues. Portugal departs from the other two cases and from a place-based approach. The diversity of contexts is scarcely addressed, with essentially no provision for left-behind or marginalised places and, consequently, no specific territorial criteria are defined to identify them.

No context-specific peculiar challenges for these areas are therefore identified in the plan and no knowledge is produced or gathered on the matter. The Portugal RRP takes rather a “people first” approach, with attention given to left-behind people (rather than places) and social vulnerabilities. Beyond fragile groups such as the elderly, children, people with disabilities, those with an explicit geographical localisation are people exposed to poverty and exclusion in metropolitan contexts, to which most attention is devoted.

4. THE NRRPs COMPARED

Working with the proper territorial focus is a vital ingredient for a good understanding of today's and tomorrow's challenges, which is in turn crucial for designing relevant policies. The lack of a specific spatial (and, therefore, policy) focus on the dimension of territorial cohesion, and the fact that this is mainly meant to be transversal to other interventions which in the end do not include a consequential problematisation (and differentiation) of the issue in territorial terms, results in all the three plans in a fragmented set of actions, missing a consistency frame for the achievement of the objective of the reduction of spatial imbalances.

Concerning the territorial implications of spending, no more positive considerations can be made. In Italy there are no upstream strategies capable of locally orienting the spending in the allocation of resources, which is implemented through public tenders. Co-programming with regional and sub-regional levels of government in the distribution of funds seems to be missing also in the Portuguese case: contractualisation is the method adopted to this end, but selection criteria are not made explicit, and no spatial privileged or exclusively admitted areas are indicated. The same holds for Spain, where the mechanisms of territorial allocation of resources are not inferable from the document. No explicit mention is made in the text, apart from the participation of autonomous communities and local entities in the policies most linked to their competences made through expressions of interest.

Another, final, important dimension to be considered is the involvement of local and regional authorities and governments along all the stages of the policymaking process, since this affects the ability for left-behind places to express their voice and put forward their needs and prioritise them in the agenda-setting. Different degrees and forms of participation can be found across the plans.

In Italy, municipalities participate downstream in the process as ultimate beneficiaries of some of the plan's interventions, but they were not actively involved in the previous stages of programming when the vision and the related strategic axes were conceived. In Portugal, municipalities are essentially absent across all the phases of the planning, also in the programme construction where instead great efforts to include national councils, stakeholders, civil society, third and business sectors and citizens were done by the central government. In Spain, while regional and local governments

did not directly participate in the programme construction, they are assigned a more significant and active role in the implementation of the plan.

To conclude, it can be said that in general the territorial dimension of the plans is rather weak. Cross-sectoral policy integration, with a well defined spatial focus taking into account place-specific conditions and challenges and catalysing all relevant interventions in a consistent manner, is limited and only a little effort seems to be put on this aspect within these large policy programmes. However, some differences can be outlined. Italy went further in the identification of left-behind places and their challenges; Spain in the (albeit late) involvement of regional and local governments; while Portugal, as for the official document, is the country in which the territorial aspect is comparatively given less attention in all sub-dimensions considered.

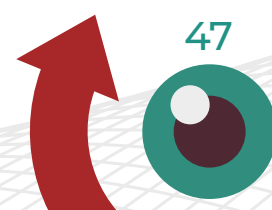
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Cross-sectoral policy integration, with a well defined spatial focus taking into account place-specific conditions and challenges and catalysing all relevant interventions in a consistent manner, is limited and only a little effort seems to be put on this aspect within these large policy programmes.

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Table 7. Dimension “territorial dimension and cohesion”: interpretative grid

	Appreciation of the diversity of context and of left-behind places	Mechanism of allocation of resources	Involvement of sub-national levels of governance
ITALY	The identification of the places left behind is very complex; in particular for marginal rural areas. However, the areas identified respond to the expectations of various pressure groups that have led to the fragmentation of interventions.	Resources are allocated through public tenders, without upstream strategies capable of orienting the spending. It is as if the programming were entrusted to the announcement, when instead the announcement should be only a spending device.	They have been satisfied in the distribution of resources, but they come into play as actors who participate in tenders to win funding.
PORTUGAL	The diversity of contexts is scarcely addressed, with essentially no provision for left-behind or marginalised places and, consequently, no special territorial criteria are defined to identify them. The lack of a specific policy focus on the dimension of territorial cohesion produces a non-unified, fragmented set of actions, missing a consistency frame for the achievement of this objective.	The territorial allocation of resources is not likely to be carried out through co-programming, i.e. by setting in place a process of dialogue with local levels. The implementation of the interventions foreseen within the plan will take place through contractualisation, but selection criteria are not made explicit.	Regional or sub-regional/ local level of policymaking, or specific territorial aggregations which can advocate for special needs, do not appear in most of the activities. They will eventually take part as mere beneficiaries of the contracts that will be produced.
SPAIN	Territorial disparities are not explicitly mentioned in the text. Efforts aim at reducing the disparities and levelling up (unequal) opportunities that exist between the densely populated urban areas and the depopulated rural areas. In this perspective the plan is aligned with the national strategy against the so-called demographic challenge.	There is no explanation of the territorial allocation of resources within the plan. Since regional and local governments have not been particularly involved in the programme construction, the territorial allocation of resources is not carried out through co-programming. As for the deployment of the investments, expressions of interest have been designed for the participation of the autonomous communities and local entities in those policies most linked to their competences.	Central and sub-national authorities cooperate in the Sectoral Conference for the Recovery Plan, and in the Spanish FEMP. The Sectoral Conference is set up with the aim of channelling cooperation between regions, local entities and central government to implement the plan. The role of local governments is mainly executive, while projects are designed at national level.



4. THE NRRPs COMPARED

GOVERNANCE

The effectiveness of NRRPs on social and territorial justice in all focus areas strongly depend on their governance, both in design and implementation. In particular, it depends on the architecture that governs the delivery of policy responses through the plan and how the gap between central and local government is filled.

The architecture of policymaking which implements this more modern arrangement has come to be called *multi-level governance*, a system by which the responsibility for policy design and implementation is distributed between different *levels of government* and *special-purpose local institutions*¹⁸ and between different actors – public and private – which independently contribute towards the success of the subnational economy. Such an approach ensures that the different policies work in concert to combine both top-down (EU, national) and bottom-up (regional, local) policy interventions. Policy packages need indeed to be tailored to specific national, regional or even local contexts, by taking into consideration the sheer variety of factors in diverse geographical locations that may affect the potential returns of intervention. Only by making policies that are both place- and people-based will a strong case for regional development intervention be made.¹⁹

Exploring and monitoring the design and the actual implementation of NRRPs' governance is the main task of this policy study and is probably the most crucial aspect to be taken into consideration. In fact, it has the potential to influence the success of all parts of the national plans. The analysis here reveals a general weakness of the role of local governments in programming and implementing NRRPs, even if each country is characterised by different approaches. Local and regional actors are not motivated to play a constructive and leading role in the policy, rather they have a passive engagement with the governance arrangements, which are seen as unidirectional and more or less centralised.

The organisational and management structure of the Italian plan is characterised by a strong centralisation, with the top role of the presidency of the council and the operational role assigned to the central administrations of the state. The lower levels of government are only recipients of economic resources and passive actors of reforms. The governance structure of the Spanish RRP can be defined as an informed centralised structure where the involvement of the regional and local actors and the

other stakeholders is more systematic. On the one hand, although there is no system in place to ensuring that the consultations outcome is then incorporated in the projects themselves, it is more likely that in the Spanish case all the perspectives are properly and regularly considered. On the other hand, while Spanish consultations occur in a separate body, the Italian plan envisages the involvement of relevant actors directly where the deliberation occurs. The Portuguese RRP describes its governance model as a "centralised management and decentralised execution". Nevertheless, the participation of sub-national levels of government is not further explained. The plan foresees a decentralisation by competences (sectoral) and not towards sub-national levels of government (territorial, following a subsidiarity approach). It seems therefore that the division of labour between national, regional and local governments is very limited, with little to no management of resources by local governments and, rather, carried out in a top-down manner.

To ensure the effective implementation of the delineated plans, part of the existing workforce will necessarily have to shift towards new activities. At the same time, central and local governments can benefit from reinforcement of administrative capacity as the workforce might need to be incremented by hiring new workers.

In order to implement the national RRP, the Italian government has provided for the hiring of about 24,000 people in public administration, mostly related to justice reform projects, and without providing for any relevant methodological innovations in selection procedures.

In Portugal a very limited recruitment of new human resources within public administration is foreseen. The main objective is the renewal of the administrative capacity in terms of competences, and in particular the improvement of digital skills in order to ensure an effective digital transition.

The Spanish plan does not outline whether and how the Spanish government intends to enhance administrative capacity at regional and local level. Nevertheless, some measures include the need for a change in administrative culture, which may have a consequent positive impact on the medium- and long-term economic and social development.

Table 8. Dimension “governance”: interpretative grid

	Level of centralisation and role of local governments in programming and implementing NRRP	Renewal reinforcement of public administration
ITALY	Strong centralisation in the construction and implementation of the plan, with the top role of the presidency of the council and the operational role assigned to the central administrations of the state. The lower levels of government are only recipients of economic resources and passive actors of reforms.	Reinforcement of the public administration, especially linked to administrative justice, but with mainly temporary positions and without major methodological innovations in personnel selection. Lack of attention to capacity-building for local authorities.
PORTUGAL	Decentralisation only of competences, not in a multi-level logic (i.e. towards the sub-national levels of government), but to other national-level bodies. No involvement of local and regional authorities in the formal architecture of the governance model.	Renewal of PA in terms of competences in light of the digital transition will be pursued, but limited recruitment of new human resources within PA.
SPAIN	An informed centralised structure where, on paper, the involvement of regional and local actors and other stakeholders is systematic. Regional and local governments have not been particularly involved in the programme construction; however, they are expected to play a more significant role in the implementation phase.	A reinforcement of public administration is foreseen, but no focus on improving administrative capacities at local level.

CONCLUSION AND KEY RECOMMENDATIONS

Following the work of policy analysts Lowi and Nicholson,²⁰ the three NRRPs analysed can be defined as “distribution arenas”. In the distribution arenas, many organised interests appear, each acting for itself. Political power lends itself to offer guarantees to all groups that are strong enough to permeate their own demands. Structured groups have access to the policy process outside the institutional paths and nullify any participatory openings of the process, which are created only as symbolic and façade operations.

In fact, political power tends to turn to strong groups capable of exercising permanent conditioning, both in the process of constructing the policy and in its implementation phase. The willingness of political power to satisfy all strong interests tends to reduce the incentive for pressure groups to coordinate in larger coalitions to build shared strategic visions through heated, informed, open and reasonable debate. In this sense, the distribution arenas are “non-conflictual”. In fact, Lowi says:

- When the decision of a billion dollars can be disaggregated into millions of measures of a few cents and each of these can be treated independently of the others, the multiplication of interests and access is inevitable, and so the reduction of conflict.²¹

The relations between the players in the distribution arena are thus marked by mutual non-interference, since everyone can negotiate their share with the political power. This dynamic clashes with the place-based approach for several reasons. It does not allow for the construction of spending strategies that go in clear directions and it relegates participation to formal aspects. Moreover, it makes the sectoral dimension prevail over the territorial dimension and there is no reading of the needs that involves citizens who live in the places, but it is the representative organisations that define the needs of their members. Finally, there is no need for a strong and capable public administration, because the public administration has the mere role of translating the demands of organised interests into calls for tenders.

This seems to be so for each of the three national cases investigated, where elements of conflict are not detectable from the sources scrutinised so far. In some cases, a tendency towards “distribution” aimed at satisfying several interests, even sometimes in a compensatory perspective, seems to emerge (for example Italy). In others, a concentration on specific

areas – and probably therefore interests – that are economically and politically stronger can be observed (for example Portugal).

A heated debate, or even a balanced, fair conflict, should be ensured through large participation throughout all the stages of strategic planning, starting from the very programme construction. The analysis of this dimension throughout the NRRPs reveals that the conditions for an informed, open and broad consultation on the prioritisation of (both social and territorial) needs and the challenges to be tackled – not to mention the related possible interventions – were not optimal to achieve this.

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This has to be also linked to a more general move towards centralisation experienced during this last crisis and to a wider debate about the trade-off inherent in balancing tailored-made interventions and quick macro-spending induced by the need to speed up the European post-Covid recovery. In order to mitigate the economic and social impact of the coronavirus

pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions, the Recovery and Resilience Facility, as for its ambition, should therefore complement a mission-oriented policy approach with a place-based one. This implies several crucial challenges at different government scales, as argued by McCann and Soete,²² while linking smart specialisation and mission-oriented policy for sustainable development. In fact, policymaking levels which were not really at the centre of the European integration process such as regions, or totally absent, such as cities and communities, are now likely to play a decisive role. Therefore, McCann and Soete claim that an effective innovation-driven policy requires a proper division of tasks between the EC and national and regional/local governance levels, as well as the overcoming of possible trade-offs involved in prioritising such a green development strategy compared to the more traditional objective of smart growth as put forward in the previous EU strategies.

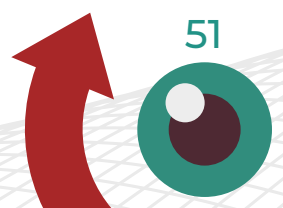
These arguments are especially salient relating to the three dimensions analysed here and their related challenges: ensuring efficient tools for a widespread participation, envisioning targeted, context-sensitive measures and implementing a smooth multi-level governance with an efficient division of tasks between the European, the national and the regional/local authorities.

These objectives, which essentially are the cornerstones of a place-based strategy, would have been instead sacrificed at the expense of a faster response to the crisis, which has strongly limited co-programming, as is evident in the case studies examined, and justified the adoption of a top-down, space-neutral approach. This is also evident when comparing the first guidelines produced by the EC with the second, where territorial aspects, although present in the former, were eliminated in the latter, very likely due to a pressure on spending.

Despite the huge differentiated effects of the Covid-19 pandemic, which made evident, once again, how geography matters when dealing with the impacts of any kind of shock, and despite the risk of this crisis widening existing inequalities, as alarmingly stressed by many (see, among others, Barca and Luongo),²³ the more or less space-blindness of the NRRPs of Italy, Portugal and Spain might severely undermine the efficacy of the plans as well as the overall social and territorial cohesion of these countries.

Given this preliminary evidence, the following key recommendations are made:

- the European Commission (EC) should ensure efficient tools for a widespread participation, fostering a heated debate, throughout all the following stages of policy implementation (partly compensating for the lack of it in the programme construction);
- an improvement of the foreseen multi-level governance frame is needed in order to allow a proper division of tasks between the EC, national and regional/local authorities and to redress the move towards centralisation;
- a better risk management of time constraints and, therefore, a better balancing of the implicit trade-offs between tailor-made interventions and spending in envisioning targeted, context-sensitive measures, has to be carried out or at least acknowledged by both the EC and the national governments; and
- a constant, ongoing monitoring of the implications of the measures at the spatial (which areas?) and social (which groups?) levels should be foreseen, adopting a “learning by failing” approach along the implementation.



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END NOTES

- 1 See among others Barca, F. and P. Luongo (2020) *Un futuro più giusto. Rabbia, conflitto e giustizia sociale* (Bologna: Il Mulino).
- 2 Rodríguez-Pose, A. (2020) "The rise of populism and the revenge of the places that don't matter". *LSE Public Policy Review*, 1(1).
- 3 Barca, F., P. McCann and A. Rodríguez-Pose (2012) "The case for regional development intervention: Place-based versus place-neutral approaches". *Journal of Regional Science*, 52(1): 134-152.
- 4 (Barca, 2009, p. 7) [The Bibliography gives Barca, F. (2009) "Towards a place-based social agenda for the EU". Report working paper. This may need to be swapped for "An agenda for a reformed cohesion policy", with full details (following house style) to be added to the Bibliography. The page number can be omitted from the Bibliography reference].
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- 6 McCann, P. and L. Soete (2020) "Place-based innovation for sustainability". Publications Office of the European Union, Luxembourg, JRC121271.
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- 10 Ibid., p. 258.
- 11 Ibid., p. 278.
- 12 Ibid., Figure 46.
- 13 Ibid., p. 279.
- 14 Ibid., p. 241.
- 15 Ibid., p. 26 [please check this is indeed Ibid., and not a separate document. Note 16 to amend if necessary]
- 16 Ibid., p. 222.
- 17 Civil Society Europe and European Center for Not-for-Profit Law (2020) "Participation of civil society organisations in the preparation of the EU National Recovery and Resilience Plans", December.
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Forum on Inequality and Diversity is an alliance of active citizens' organizations and academic and institutional scholars. It was launched in February 2018 and now counts more than 110 members and project partners. Its aim is to design public policies and collective actions in order to reduce inequalities and enhance everyone's substantive freedom (diversity). The Forum has built alliances and opened a permanent and constructive dialogue with the authorities responsible for decision-making.



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RECOVERY WATCH



RECOVERY WATCH

What is the potential impact of the National Recovery and Resilience Plans (NRRPs) on territorial inequalities and on the sustainable wellbeing of people across Europe, in particular of citizens living in left-behind places? It is known that the effects of NRRPs on social and territorial justice in all focus areas strongly depend on their governance, both in design and implementation.

Exploring and monitoring the design and the actual implementation of NRRP governance is therefore of paramount importance. "Place-sensitive" or "place-based" are the terms used to capture all the main policy features needed for a positive impact on social justice: a policy aimed at giving people in places the power and the knowledge to expand their sustainable substantive freedom by improving the access and quality of essential services and by promoting the opportunity to innovate, thus reducing economic, social and recognition inequalities.

In the context of this research, three NRRPs are analysed – Italy, Portugal and Spain – around three main focus areas which define the place-sensitivity of a country's recovery plan: i) the openness of the public debate and participation in the design and implementation phase, ii) the territorial dimension of the measures included in the plans, iii) the multilevel governance and public administration renewal put forward with the NRRPs.

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