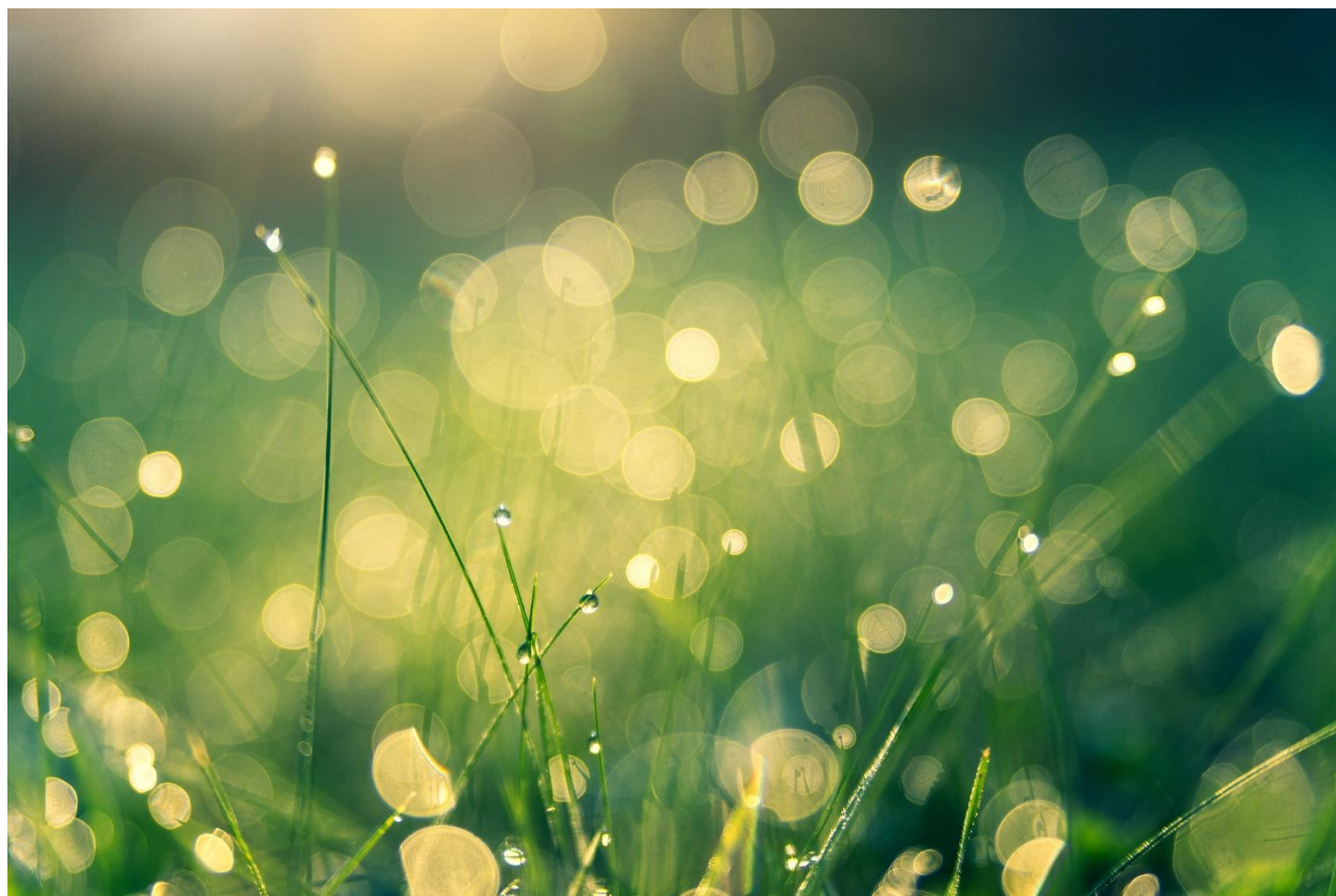




# ***The European Green Deal, Next Generation EU and the PNRR - Acting today and shaping tomorrow***



Published by the EUROPE DIRECT TRAPANI  
2021



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## What is the European Green Deal?

The European Green Deal is sustainable development plan announced by the European Commission in December 2019 to propel **economic growth** while making Europe the first **climate-neutral** continent in the World. The plan involves different strategies to develop all sectors of the economy responsibly, caring for the health and well-being of people through an increased attention to the **environment**.

Climate change and environmental degradation present an existential threat to Europe and the world. To overcome this challenge, Europe needs a new growth strategy that transforms the Union into a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases by 2050, where economic growth is decoupled from resource use and where no one and no place is left behind.

Due to that, the central goal of the Green Deal is to develop a **sustainable economy**, transforming the risks and problems of the present climate situation into opportunities for innovation and growth.

The European Union already has a strong track record in **reducing its emissions** of greenhouse gases while maintaining economic growth. Emissions in 2018 were 23% lower than in 1990 while the Union's GDP grew by 61% in the same period. But more needs to be done, this includes accelerating shifts towards clean energy and sustainable mobility, developing a wasteless economic model and preserving the natural capital of the European Union.

It also involves efforts in international relations. Europe is not alone in the globe and, as a global leader, the European Union must engage and inspire others, through alliances and partnerships to share expertise, influence and financial resources looking to avoid a climate catastrophe.



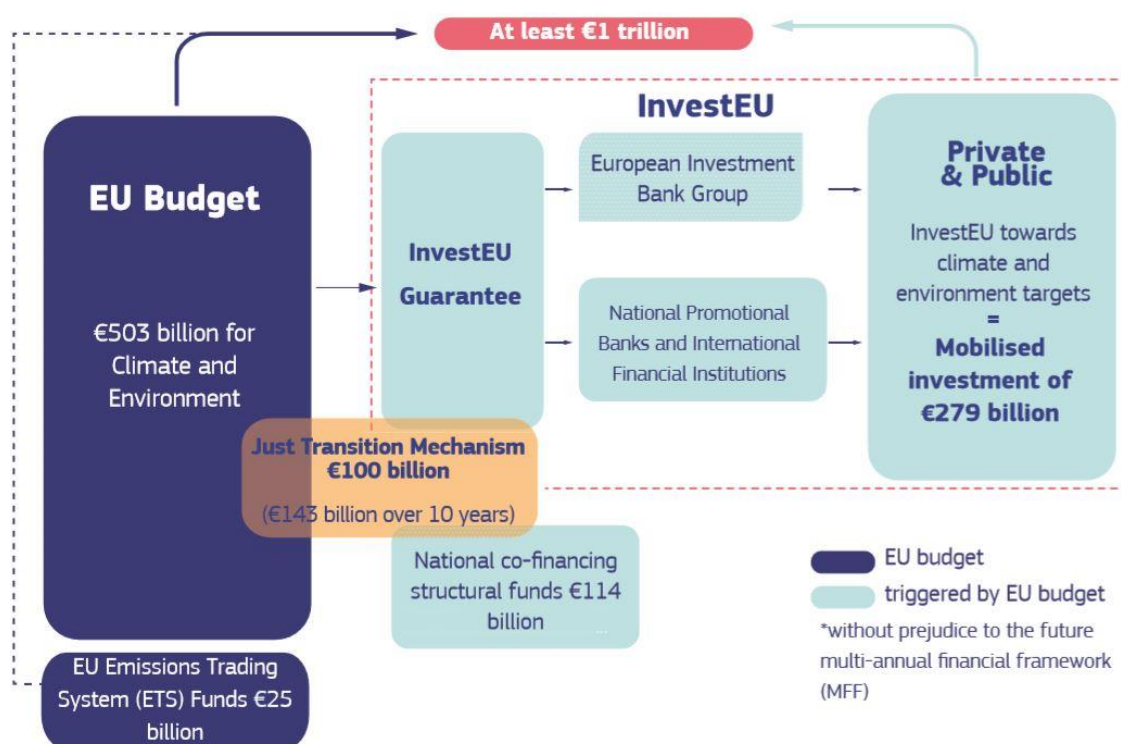


To achieve the goals set by the European Green Deal, the Plan will mobilise at least €1 trillion in sustainable investments over the next decade.

How will the European Green Deal Investment Plan be financed? How will the €1 trillion be mobilised?

Taken together and extrapolated from 7 to 10 years, as well as assuming that the climate target post-2027 will be at least maintained, the EU budget will provide €503 billion to the European Green Deal Investment Plan. This will trigger additional national co-financing of around €114 billion over this timeframe on climate and environment projects.

### WHERE WILL THE MONEY COME FROM?



\*The numbers shown here are net of any overlaps between climate, environmental and Just Transition Mechanism objectives.

The next long-term EU budget will run for seven years from 2021 to 2027 and will invest substantially in climate- and environment-related objectives. The Commission proposed 25% of its total to contribute to climate action and spending on the environment across multiple programmes.

### Transforming EU for a sustainable future!

The European Green Deal set the blueprint for this transformational change. This will create new opportunities for innovation and investment and jobs, as well as:

*'The European Green Deal is our new growth strategy – for a growth that gives back more than it takes away.'*

President Ursula von der Leyen

## **Transforming our economy and societies**

All 27 EU Member States committed to turning the EU into the first climate neutral continent by 2050. To get there, they pledged to reduce emissions by at least 55% by 2030, compared to 1990 levels.

### **Making transport sustainable for all**

The Commission is proposing 55% reduction of emissions from cars by 2030, 0 emissions from new cars by 2035, carbon pricing for the aviation sector among other initiatives.

### **Leading the third industrial Revolution**

Impact on sectors such as energy and transport, and construction and renovation, will create sustainable, local, and well-paid jobs across Europe. Expected to renovate more than 35 million buildings by 2030 and 160,000 green jobs in construction.

### **Cleaning our energy system**

Increase the binding target of renewable sources in the EU's energy mix to 40%.

### **Renovating buildings for greener lifestyles**

EUR 72.2 billion over 7 years in funding for renovation of buildings, access to zero and low emission mobility, or even income support.

### **Working with nature to protect our planet and health**

Restoring nature and enabling biodiversity to thrive again offers a quick and cheap solution to absorb and store carbon with a -310 Mt reduction target for 2030.

### **Boosting global climate action**

EU provides 1/3 of the world's public climate finance and the European Green Deal has already set a positive example and led major international partners to set their own target dates for climate neutrality.

## **The impacts of the pandemic**

### **The state of the planet**

It is no longer surprising to talk about our collective need to take action to change the environmental situation. The global temperature is rising, affecting sea levels and weather patterns, which puts land, agriculture and entire ecosystems at risk.

This affects humans in drastic ways. Heat waves, floods and fires affect the availability of workable land and clean water. This leads to more forced migration, but also to a rise in climate-related deaths.

According to a study by Oxford University, the food-availability impacts alone are expected to take the lives of around 529,000 people each year by 2050.

The root of these problems is greenhouse gas emissions from human activity, from household and transportation energy consumption to industry and agriculture.

We are facing the prospect of climate catastrophe because the way we produce and consume is just not sustainable. The European Green Deal aims at tackling exactly this problematic situation, shifting towards sustainability.

### **What is sustainability?**

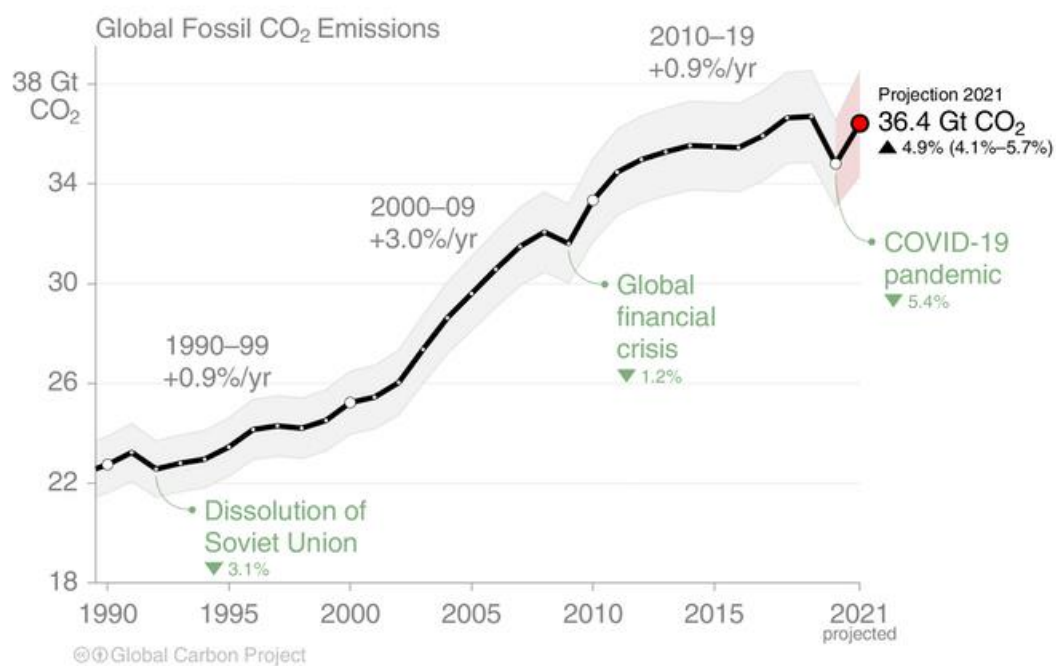
Something sustainable is simply something that can continue to happen. When we think of a sustainable way of life, sustainability is nothing more than allowing for future generations to live as we do.

## The pandemic

The COVID-19 pandemic brought on new challenges to climate action. The global economy has been hit hard, and public resources have been directed at managing

the health crisis. As such, it seems more difficult to direct investments towards the climate crisis. Still so, the European Green Deal has become even more important. The present situation could be a big opportunity to propel the economic plan.

### Global CO<sub>2</sub> emissions, 1990-present: billion tonnes of CO<sub>2</sub> per year



Source: Global Carbon Project

Now may be the best time to promote substantial change. The economic halt may offer an opportunity to change the use of energy in households and industry, as an investment during times of low production. Given travel restrictions, it may also be the best moment to rework production chains based on long-distance transportation into local, circular models, with more efficient use of resources.

#### Pandemics and Climate Change

One of the indirect impacts of climate change is an increase in the chance of epidemic and pandemic breakouts. As the natural environments are lost and agricultural land becomes less available, there is more contact between humans and wildlife, especially bats and rodents, increasing the chance of human contagion by new viruses.



*“The pandemic has taken a heavy toll on the economic and social fabric of our society. But this can serve as an opportunity to build a better Europe, impervious to future crises. The Commission is taking decisive action to shape Europe’s post-coronavirus future with the European Green Deal, our green growth strategy and Europe’s digital decade, our pack of initiatives to make the EU fit for the digital age. These policy responses all have something in common: they require massive investments. With NextGenerationEU and the long-term EU budget, we have the financial power to finance Europe’s green and digital transitions. Citizens, businesses, regions, cities: these EUR 1.8 trillion – or EUR 2.0 trillion in current prices – are for you. They will help you recover, grow and express your talents, for the benefit of the whole EU.”*

## **Ursula von der Leyen**

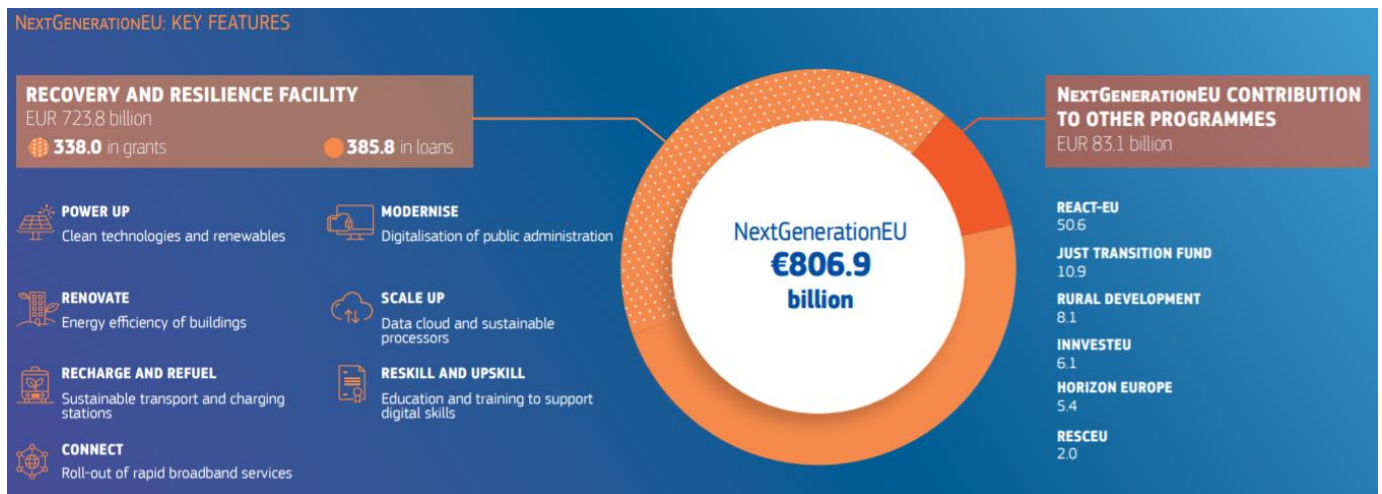
European Commission President



## What is the next Generation EU?

The **Next Generation EU (NGEU)** fund is a European Union economic recovery package to support member states adversely impacted by the COVID-19 pandemic. Agreed to by the European Council on 21 July 2020, the fund is

aims to assist the green transition; digital transformation; smart, sustainable, and inclusive growth and jobs; social and territorial cohesion; health and resilience; and policies for the next generation, including enhancing education and skills.



Source: EU's 2021-2027 Facts and Figures – European Commission

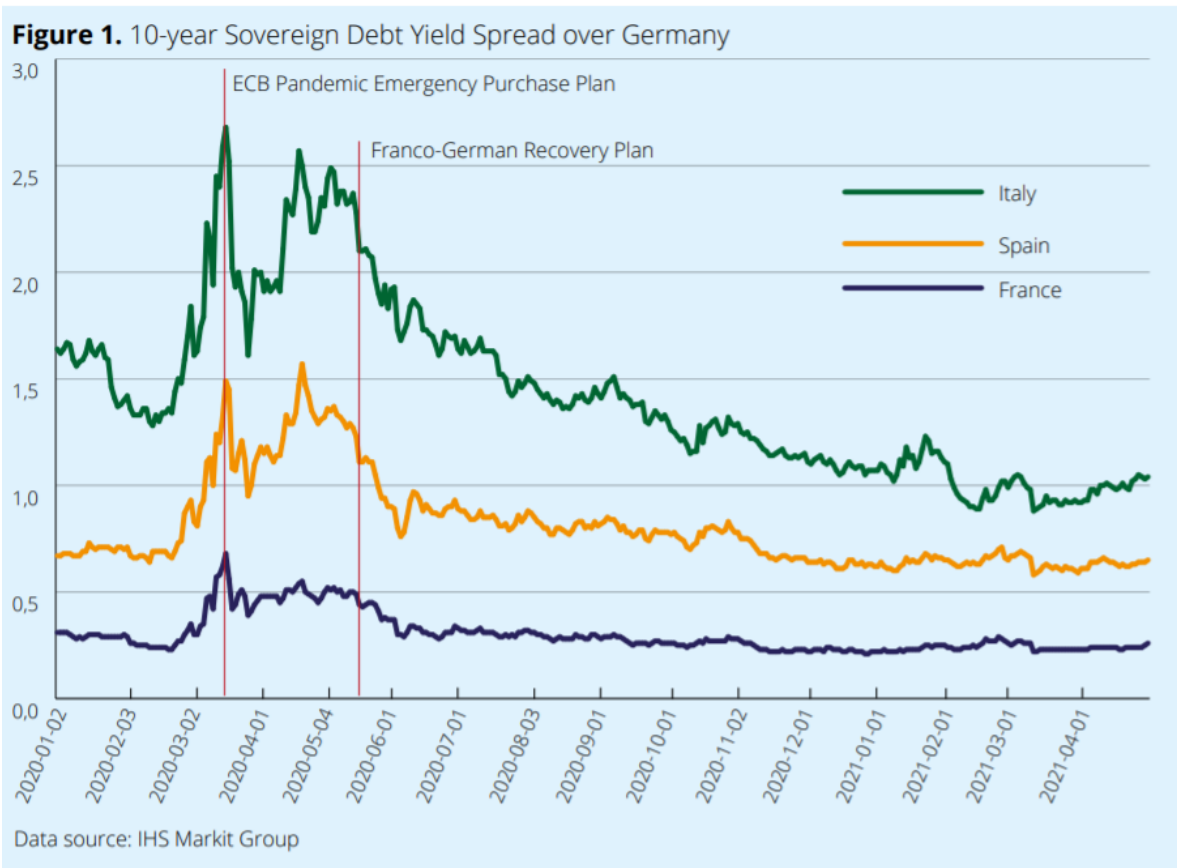
worth €750 billion. The NGEU fund will operate from 2021–2023, and will be tied to the regular 2021–2027 budget of the EU's Multiannual Financial Framework.

The facts and figures shows the main numbers related to this fund that has the following objectives:

1. The **primary objective** is to help its member states repair the immediate economic and social damages caused by the coronavirus pandemic,<sup>[21]</sup> and, additionally, to prepare a better future for the next European generation.
2. **Secondly**, alongside tackling the economic and social impacts of the COVID-19 pandemic, it also

3. The **third objective** is modernizing the European economy. Therefore, more than 50 percent of the funds will be spent on modernization: such as research and innovation via Horizon Europe; fair climate and digital transitions via the Just Transition Fund; the Digital Europe Program; preparedness, recovery, and resilience via the Recovery and Resilience Facility, rescEU; and a new health program, EU4Health.





### What are the Next Generation EU revenue sources?

The funding of the Next Generation EU Agreement relies primarily on two financial mechanisms: the collective issuance of bonds and the revenue sources of the EU budget through which the EU and its member states seek to cover the whole budget expenditure of the recovery package.

The centerpiece of NextGenerationEU is the Recovery and Resilience Facility – an instrument for providing grants and loans to support reforms and investments in the EU Member

States at a total value of EUR 723.8 billion.

Part of the funds – EUR 338.0 billion – will be provided in form of grants. The remainder – EUR 385.8 billion – will be used to provide loans from the EU to individual Member States on favorable conditions, which will be repaid by those Member States. The funds under the Recovery and Resilience Facility will be distributed according to national recovery and resilience plans prepared by each Member State, in cooperation with the European Commission, and in line with an agreed allocation key.

## Does the Next Generation EU impact existing policies?

Yes, NextGenerationEU will reinforce several existing EU programmes and policies, as follows:

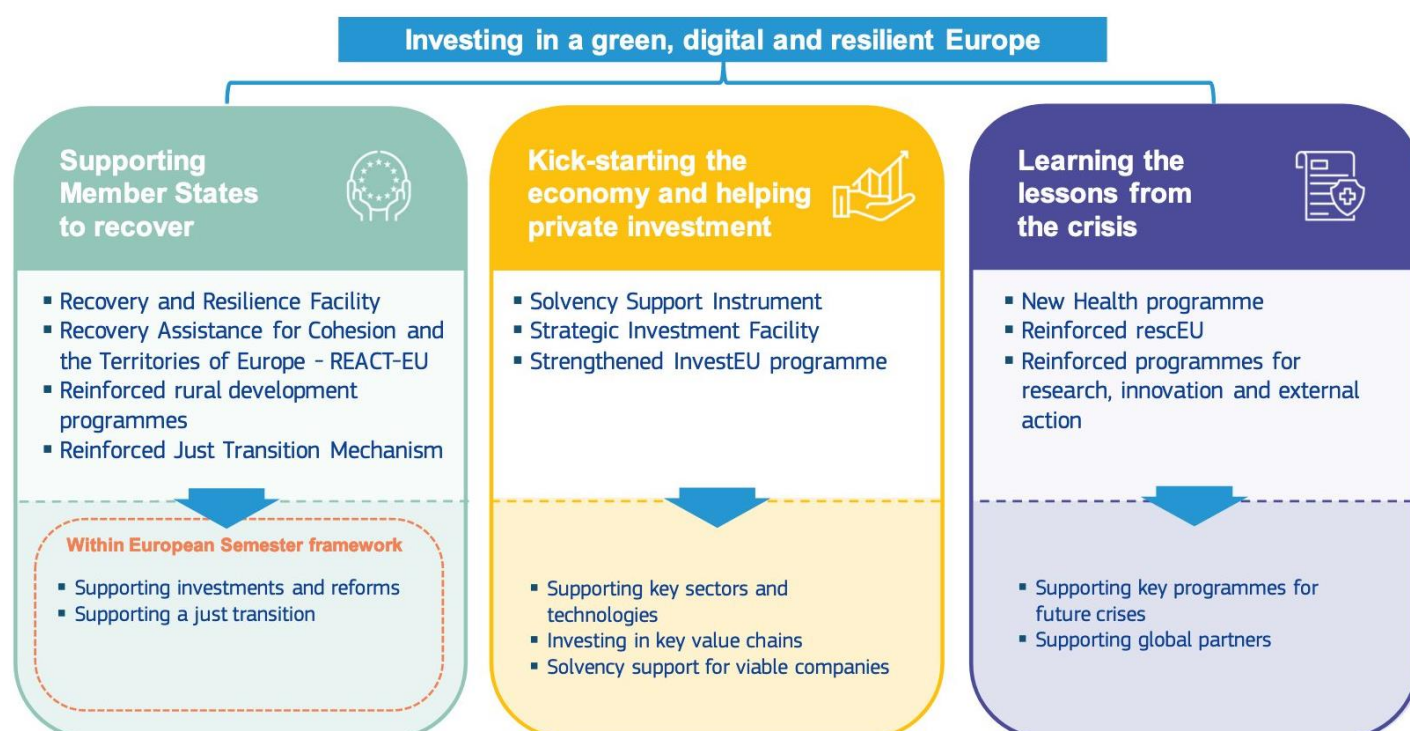
- the **Just Transition Fund**, to guarantee that the transition to climate neutrality works for all;
- the **European Agricultural Fund** for Rural Development, to further support farmers;
- **InvestEU**, to support the investment efforts of our businesses;
- **rescEU**, safeguards that the EU Civil Protection Mechanism has the capacity to respond to largescale emergencies;

• **Horizon Europe**, to make sure the EU has the capacity to fund more excellence in research. To finance NextGenerationEU, the EU will borrow on the markets (see Section 5). Repayment will take place over a long-term period, until 2058. This will avoid placing immediate pressure on Member States' national finances and enable them to focus their efforts on the recovery.

Today, we have successfully conducted the first issuance operation for NextGenerationEU. This will enable us to fund all planned grants and loans for Member States this year. It is a huge opportunity for us."

Ursula von der Leyen, the President of the Commission

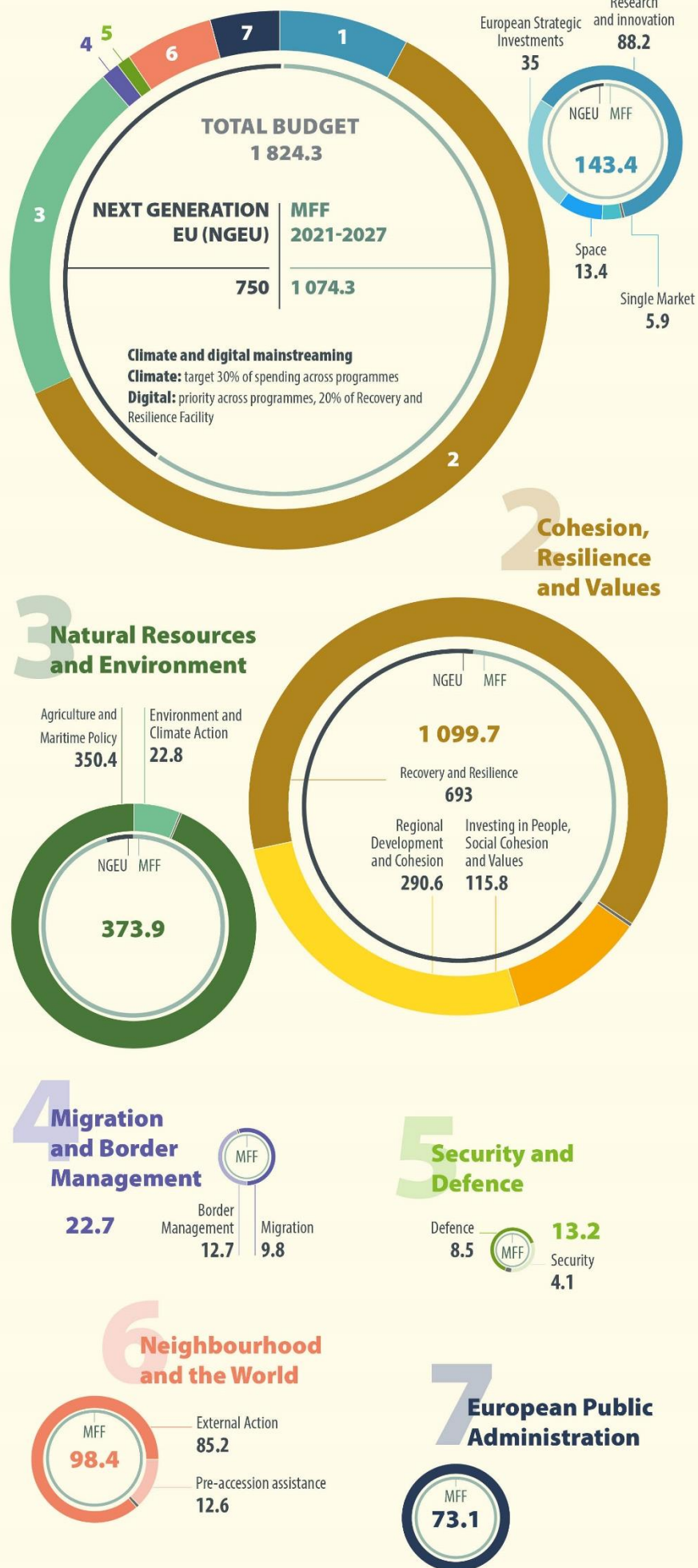
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# Multiannual Financial Framework 2021-2027

## EU expenditure for 2021-2027

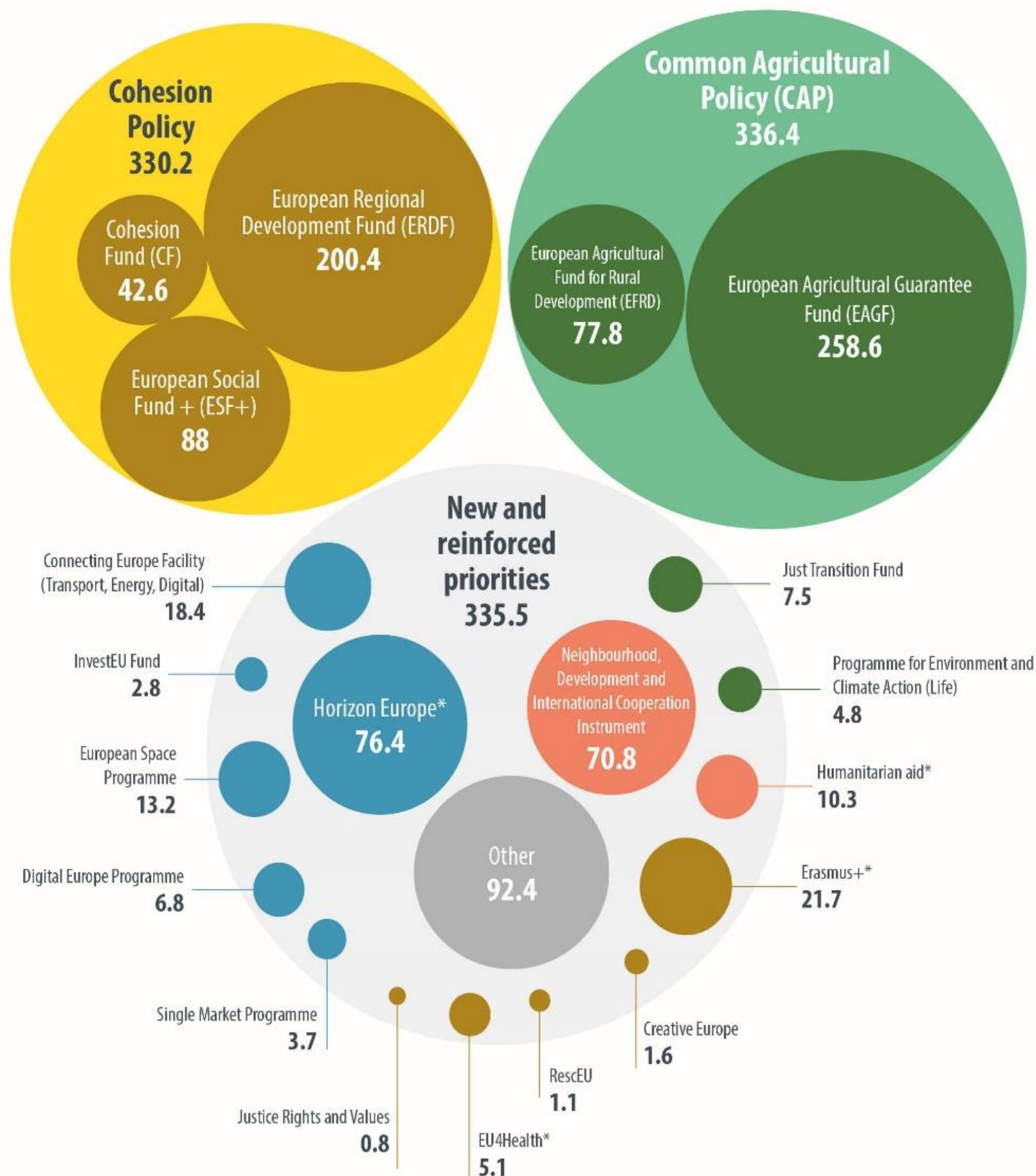
All amounts in € billion (2018 prices)





# Main programmes and funds under the multiannual financial framework

All amounts in € billion (2018 prices)

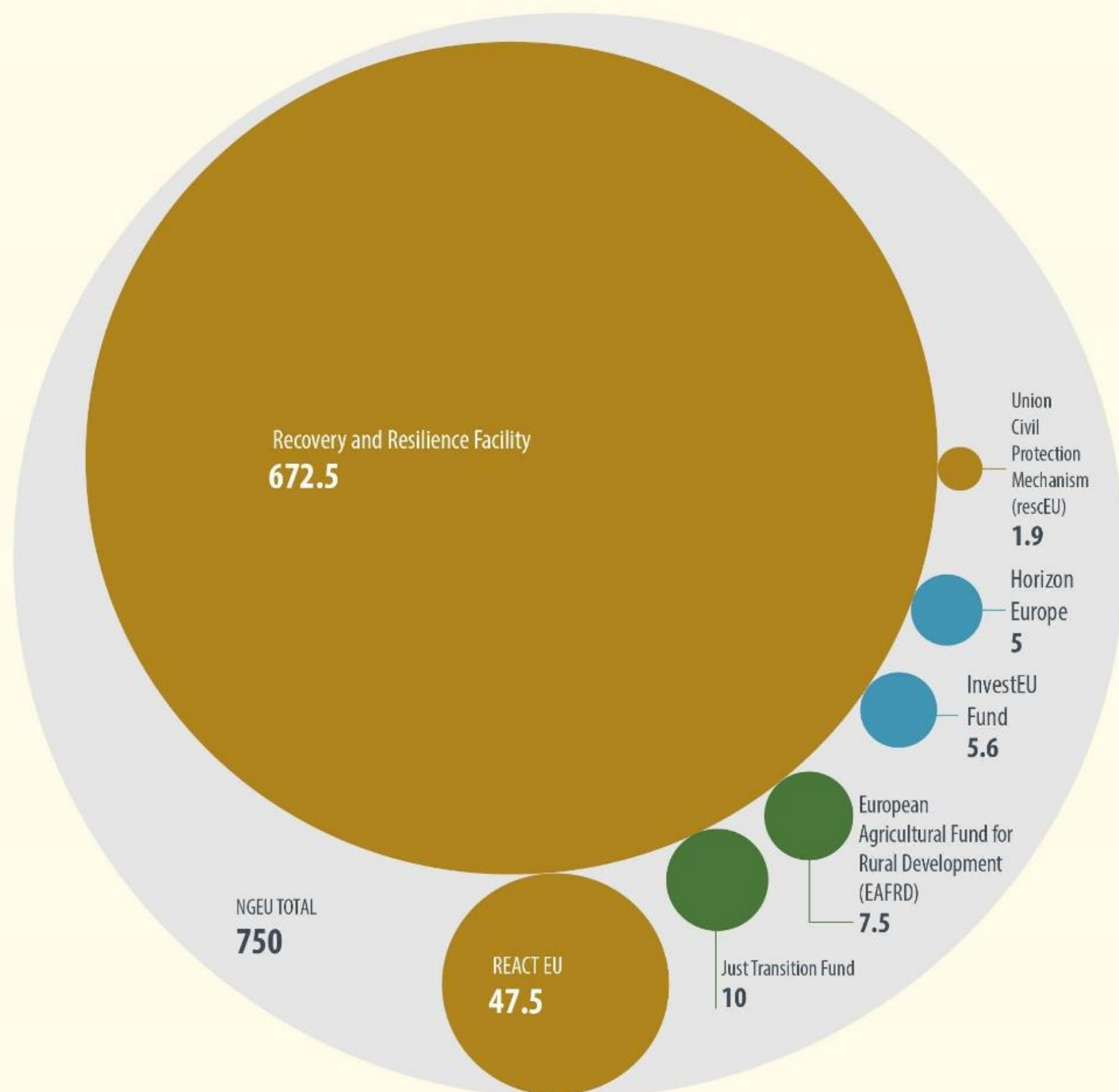


An additional top-up of €12.5 billion over 2021–2027 is agreed with the European Parliament and allocated to: Horizon Europe, Erasmus+, EU4Health, Integrated Border Management Fund, Rights and Values, Creative Europe, InvestEU, NDICI. Top-ups will be mainly funded by revenue from competition fines and de-commitments.

\* of which €500 million from €2.5 billion reallocation from the margins agreed with the European Parliament

# Next Generation EU (NGEU): fueling recovery and resilience

All amounts in € billion (2018 prices)



Council of the European Union  
General Secretariat

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## What is the PNRR?

The National Recovery and Resilience Plan (*Piano Nazionale di Ripresa e Resilienza*, NRRP) was presented by Italy and is part of the Next Generation EU (NGEU) programme.

The plan envisages investments and a consistent reform package, with **€ 191.5 billion** in resources being allocated through the **Recovery and Resilience Facility** and **€ 30.6 billion** being funded through the **Complementary Fund** established by Italian Decree-Law No. 59 of 6 May 2021, based on the multi-year budget variance approved by the Italian Council of Ministers on 15 April.

The total amount of funds envisaged amounts to **€ 222.1 billion**.

A further **€ 26 billion** has been earmarked for the implementation of specific works and for replenishing the resources of the Development and Cohesion Fund by 2032. A total of some **€ 248 billion** will thus be available.

In addition to these resources, there are also those made available by the REACT-EU programme, which will be spent in the years 2021-2023 in accordance with EU regulations. These funds amount to a further € 13 billion.

The Plan is developed around three strategic axes shared at a European level: digitisation and innovation, ecological transition, and social inclusion. It is an intervention that aims at repairing the economic and social damage caused by the pandemic crisis, contributing to addressing the structural weaknesses of the Italian economy, and leading the

country along a path of ecological and environmental transition. The NRRP will substantially contribute to reducing territorial, generational and gender gaps.

## The plan has 6 missions!

### 1. Digitisation, Innovation, Competitiveness, Culture

Allocates a total of € 49.2 billion (of which € 40.7 billion from the Recovery and Resilience Facility and € 8.5 billion from the Complementary Fund) with the aim of promoting the country's digital transformation, supporting innovation in the production system, and investing in two key sectors for Italy, namely tourism and culture.

### 2. Green Revolution and Ecological Transition

Allocates a total of **€ 68.6 billion** (€59.3 billion from the RRF Facility and € 9.3 billion from the Fund) with the main goals of improving the sustainability and resilience of the economic system and ensuring a fair and inclusive environmental transition.

### 3. Infrastructure for Sustainable Mobility

Allocates a total amount of **€ 31.4 billion** (€ 25.1 billion from the RRF Facility and € 6.3 billion from the Fund). Its primary objective is the development of a modern, sustainable transport infrastructure extended to all areas of the country.

### 4. Education and Research

Allocates a total of **€ 31.9 billion** (€ 30.9 billion from the RRF Facility and € 1 billion from the Fund) with the aim of strengthening the education system, digital



and technical-scientific skills, research and technology transfer.

## 5. Inclusion and Cohesion

Provides for a total allocation of **€ 22.4 billion** (of which € 19.8 billion from the RRF Facility and € 2.6 billion from the Fund) to facilitate labour market participation, including through training, strengthen active labour market policies and foster social inclusion.

## 6. Health

Allocates a total of **€ 18.5 billion** (€ 15.6 billion from the RRF Facility and € 2.9 billion from the Fund) with the aim of strengthening local prevention and health services, modernising and digitising the health system and ensuring equal access to care.

### Main actions of the missions

**Recovery and Resilience Plan**  
#NEXTGENERATIONITALIA

**DIGITISATION, INNOVATION, COMPETITIVENESS, CULTURE**

- ✓ 100% of people connected by 2026
- ✓ Fast connections for 8.5 million families and businesses
- ✓ Optical fibre to an additional 9,000 schools through 'Scuola connessa'
- ✓ Connectivity in 12,000 NHS delivery points
- ✓ A digital approach for the relaunch of tourism and culture

MISSION 1 MISSION 2 MISSION 3 MISSION 4 MISSION 5 MISSION 6

**Recovery and Resilience Plan**  
#NEXTGENERATIONITALIA

**GREEN REVOLUTION AND ECOLOGICAL TRANSITION**

- ✓ Waste recycling enhancement >> + 55% electric material  
+ 85% paper  
+ 65% plastic materials  
+ 100% textile material
- ✓ Reduction in drinking water leakage on water networks
- ✓ An additional 50,000 more efficient private and public buildings for a total of 20 million square metres
- ✓ Support for research on the use of hydrogen in industry and transport

MISSION 1 MISSION 2 MISSION 3 MISSION 4 MISSION 5 MISSION 6

MEF Ministero dell'Economia e delle Finanze



# RECOVERY AND RESILIENCE PLAN

#NEXTGENERATIONITALIA

## INFRASTRUCTURE FOR SUSTAINABLE MOBILITY

- ☒ Updating and enhancement of regional railway networks
- ☒ Reduced time on railway lines >>
  - Rome-Pescara 1h20min
  - Naples-Bari 1h30min
  - Palermo and Catania 1h
  - Salerno-Reggio Calabria 1h
- ☒ Investments in green ports

MISSION 1 MISSION 2 MISSION 3 MISSION 4 MISSION 5 MISSION 6



# RECOVERY AND RESILIENCE PLAN

#NEXTGENERATIONITALIA

## EDUCATION AND RESEARCH

- ☒ 228,000 new nursery slots for children aged 0-6
- ☒ 100,000 classrooms transformed into connected learning environments
- ☒ School renovations for a total of 2.4 million square metres
- ☒ Wiring of 40,000 school buildings
- ☒ 6,000 new PhDs as of 2021

MISSION 1 MISSION 2 MISSION 3 MISSION 4 MISSION 5 MISSION 6



# RECOVERY AND RESILIENCE PLAN

#NEXTGENERATIONITALIA

## INCLUSION AND COHESION

- ☒ A national programme to ensure worker employability (GOL)
- ☒ Support for women's enterprises through 'Fondo Impresa Donna'
- ☒ More support for people who are vulnerable, non-self-sufficient or live with disabilities
- ☒ Infrastructural investments for Special Economic Zones

MISSION 1 MISSION 2 MISSION 3 MISSION 4 MISSION 5 MISSION 6





# RECOVERY AND RESILIENCE PLAN

#NEXTGENERATIONITALIA

## HEALTH

- ☒ 1,288 community homes and 381 community hospitals for proximity assistance
- ☒ Home care for 10% of people aged 65 or more
- ☒ 602 new Local Operational Centres for remote assistance
- ☒ More than 3,133 new large pieces of equipment for diagnostics and care

MISSION 1 MISSION 2 MISSION 3 MISSION 4 MISSION 5 MISSION 6



The Plan also includes an ambitious program of reforms to facilitate the implementation phase and, more generally, to contribute to the modernization of the country and make the economic environment more favorable to the development of business activities:

- A **Public Administration reform** to provide better services, encourage the recruitment of young people, invest in human capital and increase the level of digitization.
- A **justice reform** to reduce the length of legal proceedings, especially civil proceedings, and the heavy burden of backlogs.
- **Simplification** measures horizontal to the Plan, e.g., in matters of permits and authorizations and public procurement, to ensure the implementation and maximum impact of investments.

## How it will work and the expected impact

The NRRP will have a significant impact on economic and productivity growth. According to the Italian Government, 2026 will see **GDP rise 3.6 percentage** points higher than in a baseline scenario that does not include the introduction of the Plan.

The governance of the Plan envisages direct responsibility of Italian Ministries and Local Governments for carrying out the investments and reforms that they are to implement within the agreed timeframe, and for the regular, proper and effective management of resources. A significant role will be played by Local Authorities, which are responsible for investments amounting to more than € 87 billion.

The Italian Ministry of Economy and Finance **will monitor progress** in the implementation of reforms and investments and will be the sole point of contact with the European Commission. Finally, a Steering Committee will be set up at the Presidency of the Italian Council of Ministers.



The publication of this information booklet was realized by the information center **Europe Direct Trapani** in collaboration with the European Commission and the Consorzio Univesitario della Provincia di Trapani.

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✓ Receive information of the community policies as well as rights and duties of citizens; ✓ Inform about European finance methods;

✓ Consult the European Union official publications;

✓ Participate in events and initiatives related to the European Union;

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