The Recovery and Resilience Facility (RRF) is a performance-based instrument for which disbursements are made based on the satisfactory fulfilment of milestones and targets (M&Ts). The Annex of the Council Implementing Decision describes the M&Ts to be implemented by the Member State and envisages indicative timelines for their implementation.

In line with Article 4 of the RRF Regulation (EU) 241/2021, strengthening social cohesion is a key objective of the plan. Of particular relevance for this purpose is the reform to tackle undeclared work foreseen by Mission 5 Component 1 (M5C1), which aims to reduce undeclared work across all economic sectors. Following the adoption of a national plan and a roadmap based on a thorough analysis of challenges across the economy that aims to identify the appropriate indicators (milestone 8 and 9 of M5C1), the reform is expected to introduce the most appropriate measures to shift towards legal and declared work with the commitment to reduce the incidence of undeclared work by at least 2 percentage points in the targeted sectors (target 11 of M5C1).

The Commission works closely with the Italian authorities to support the implementation of the recovery and resilience plan. In line with the RRF Regulation, the Commission will carry out the formal assessment of the fulfilment of the M&Ts after the presentation of duly justified payment requests.

It is to be recalled that employment policies are shared between the European Union and the Member States, in line with the subsidiarity principle. European legislation defines minimum standards in some areas, but the action of national authorities remains predominant.

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