

Telos A&S drafted a summary of the key recommendations, in the most relevant priority areas identified by the report, of the Working group on economic recovery appointed by Prime Minister Conte in early April and chaired by former Vodafone CEO Vittorio Colao. Admittedly, the working group faced some not entirely negligible challenges in carrying out its duties, as its mandate was somewhat of a moving target.

## 1. Businesses and jobs

### • Urgent measures to support companies

- **Grant criminal immunity to employers in case any employee of a non-healthcare company is infected with COVID-19 on the workplace.**
- Improve legislation on work from home to encourage telework on a permanent basis.
- **Allow the renewal of fixed-term employment contracts due to expire in 2020** by temporary derogation from Decree-Law 87/2018 (the so-called “Dignity Decree”, a flagship measure of the 5-Star Movement limiting the number of times a fixed-term contract may be renewed so as to encourage permanent employment).
- **Renew, if necessary, the measures providing liquidity to businesses** foreseen by the recently adopted Decree-Law 18/2020 and Decree-Law 23/2020.
- Pay outstanding receivables from the public administration and consider upfront payments for public works, especially to SMEs.
- **Amend Decree-Law 23/2020 providing liquidity to businesses to allow the granting of aid to companies presenting unlikely-to-pay exposures but that could plausibly recover.**
- **Encourage by law the renegotiation of commercial mortgages, for instance by reducing property taxes.**
- **Introduce incentives for capital increases, for instance by revamping the so-called Economic Growth Support clause (ACE), a tax break on a company’s income proportional to increases in its equity, with greater benefits for companies investing in the green transition.**
- **Reduce time and cost for capital increases for listed companies.**
- **Encourage investment in SMEs and non-listed companies by temporarily introducing tax incentives for natural persons investing through Undertakings for Collective Investment (UCI /OICR) in non-listed companies.**
- **Allow public entities, e.g. State-owned investment bank Cassa Depositi e Prestiti (CDP), to temporarily and selectively recapitalise companies in difficulty with an annual turnaround exceeding €50 million.**
- Encourage the adoption of tax control frameworks, whereby administrative and criminal penalties would not apply to companies under a cooperative compliance regime or already using a tax control framework or notifying any operation risking to result in a violation of tax rules.

### • Reduce the size of underground economy

- Introduce a voluntary disclosure mechanism for undeclared work, unreported income, and assets illegally held abroad.
- Encourage electronic payments through tax breaks for customers and tax credits for companies.

- Modernise the economic fabric
  - **Encourage technological innovation by strengthening depreciation schemes (the so-called super-ammortamento and iper-ammortamento)**, supporting innovative start-ups and SMEs through tax relief, and stimulating investments in sustainable development and the energy transition.
- Strengthen SMEs and supply chains
  - **Encourage company mergers through tax breaks and goodwill amortisation, with greater incentives for companies in difficulty.**
  - Support Italian export by minimising the impact of COVID-19 on the credit system.
  - **Encourage reshoring through tax incentives.**

## 2. Infrastructures and the environment

- Identify and implement strategic infrastructures
  - Introduce legislation to streamline the implementation of strategic infrastructure, which should be overseen by a Ministry-level unit.
  - Simplify the Procurement Code for infrastructure projects.
  - Eliminate as much red tape as possible in the authorisation process of infrastructure projects.
  - **Negotiate the extension of existing concessions contingent on a binding investment plan, e.g. in the sectors of highways and energy.**
- Speed up the rollout of TLC infrastructure
  - **Develop a plan to complete the implementation of nationwide fibre-optics coverage.**
  - **Move forward with the implementation of a single broadband network, with special regard for the areas characterized by the lack of private investment, and introduce penalties for operators failing to fulfil contractual obligations by the set deadlines.**
  - **Accelerate the development of 5G networks.**
- Invest in energy efficiency
  - Draw up a long-term decarbonisation plan aiming for carbon neutrality.
  - Introduce incentives for the energy transition.
- Promote the sustainable development of transport and logistics
  - Develop a national intermodal transport plan for goods, with a focus on the modernisation of ports and the expansion of the railway network.

## 3. The public administration

- Invest in the digitalisation of public healthcare
  - **Develop a national Digital Healthcare System** based on a dedicated platform, connecting all relevant players and providing the health data of any given patient to authorised operators to allow treatment both at home, in healthcare units, and in hospitals.