



Italy Report

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Sustainable Governance Indicators 2022

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Executive Summary

After 2008, Italy experienced one of its most serious economic crises, with negative effects on industrial performance, employment and government budgets. National and international confidence in the economy and in the ability of the Italian state to face big external shocks had been seriously damaged. Post-crisis recovery was slow. Illegal immigration, with thousands of refugees arriving across the Mediterranean Sea, added new challenges. This fostered a strong growth in populist and anti-establishment parties. Following the electoral promises of these parties, the cabinet that formed after the 2018 elections, and supported by Salvini's League (Lega) and Di Maio's Five Star Movement (Movimento Cinque Stelle), adopted a confrontational attitude toward the European Union and its budgetary rules.

Contrary to the expectations of governing parties, their spending policies did not boost Italy's slow recovery and isolated the country in the crucial EU decision-making forums. Relations with EU authorities became strained and international financial markets were scared, producing a significant increase in the interest-rate spread between Italian and German state bonds. The populist coalition could not last for long and a more prudent second Conte government, supported by the Five Star Movement and Democratic Party, adopted a more pro-European policy. This heterogeneous coalition, however, proved insufficiently strong to face the severe consequences of the COVID-19 pandemic that developed through 2020. In February 2021, it collapsed.

The lack of a viable majority coalition induced the head of state to call Mario Draghi to form an emergency cabinet supported by a grand coalition of all parties, with the exception of Brothers of Italy (Fratelli d'Italia, FdI). The international prestige of the prime minister and the need to guide the implementation of the first steps of the Recovery and Resilience Plan (PNRR) in order to obtain substantial EU funding from the Next Generation EU program afforded the new prime minister a strong dominance over the coalition parties throughout 2021.

The new cabinet has been able to restore internal and international confidence in Italy. By the end of 2021, it has significantly contributed to a much speedier economic recovery than was expected in the spring. In addition, a strong vaccination campaign effectively contained COVID-19 contagions by the end of the year.

Several of the new judicial and public administration provisions adopted by the Draghi government have raised positive expectations about an improvement in public sector performances. Since this is one of Italy's most relevant weaknesses, it is paramount to see whether these initial steps will be pursued over the coming months (and years).

The large amount of funds made available to Italy through the Next Generation EU program are enabling the country to significantly increase capital investments in material and digital infrastructure, and in the fields of environmental transition and education. This promises to compensate for the exceedingly low levels of past EU funding.

However, some of the country's most serious problems are still not sufficiently tackled.

The relationship between the central government and local authorities has not yet found a satisfactory equilibrium. A clearer division of responsibilities is required, sufficient funds must be made available to local authorities to fulfill their functions and mechanisms of accountability must be improved.

The demography of the country with an aging population and a very low birthrate poses a serious threat to the future sustainability of Italy's pension and welfare system. Fiscal support for families with children has been increased, but is still too low. The so-called citizenship income represents a start at addressing the problem of poverty, but the bureaucratic implementation of this measure is still under review.

The labor market is still too polarized between protected and non-protected sectors of the population, and lacks the flexibility to adapt to rapid economic changes. Young people and women are the most exposed to the negative impacts of this situation.

The education system shows significant weaknesses with regard to resources, infrastructure, quality of personnel and ability to provide the skills required by the economic system.

Corruption continues to be a key factor undermining the quality of the public administration. It distorts public service provision and economic activity, and inhibits modernization. Some progress in addressing this problem has been made, but efforts must continue.

The more active and cooperative attitude adopted by the Draghi government in the European Union is re-establishing a more positive relationship between Italy and the European Union.

The Draghi government has shown a greater capacity to design and steer policies compared with previous governments. However, only the next years will show if this shift in governance style is temporary or marks a real change.

Key Challenges

The COVID-19 pandemic hit the Italian economy hard, triggering the default of many small and medium-sized enterprises, reducing occupation levels, and increasing the pessimism of families and economic actors. The strong action of the new Draghi government and the first impact of Next Generation EU funds have significantly changed the outlook, and in 2021 economic growth unexpectedly surged. The Italian system's real strengths (strong family bonds, high household saving rates, the resilience of small- to medium-sized businesses, and several dynamic manufacturing and export-oriented sectors) have contributed significantly to this recovery.

However, this should not obfuscate that important challenges still lie ahead.

The key tasks any Italian government should address today include a serious overhaul of the governance and administrative apparatus, a thorough reform of the relationship between central government and local government authorities, the implementation of focused economic reforms and of sustainable social policies, and a steadfast effort to improve the quality of education and research.

The central-state administration should be made a more effective instrument for the implementation of policies, as well as for evaluating their effectiveness. A substantial improvement in recruitment procedures, particularly for senior civil servants, should play a crucial role in this regard. Careful performance evaluation processes for all levels of public administration, a greater level of accountability for senior civil servants, and the simplification of norms and procedures should be a priority. The judiciary should be actively encouraged

to accept reforms which would increase its professional quality and ability to ensure timely justice. Politicization within the judiciary should be strongly discouraged.

Special attention should be given to improving the organization and stability of the Prime Minister's Office (PMO) in order to make it a more effective tool for steering and coordinating cabinet decision-making. The accumulation of heterogeneous functions in this office should be discouraged. Nonstrategic functions should be transferred from the PMO to other government bodies, so that the PMO can focus on important policymaking issues. More opportunities should be provided for independent experts and open consultation to improve the quality of policymaking. Here, there is a need to implement new arrangements for the policy advisory system. Greater emphasis should be given to strategic and innovative policymaking approaches. Finally, ex post evaluation should be introduced as a necessary task in every legislative and regulatory policy act.

The relationship between central and local governments must be brought to a more satisfactory equilibrium. Central government must respect the spheres of regional and municipal government autonomy, and ensure that local governments have sufficient and predictable resources to carry out their specific functions. At the same time, a higher degree of fiscal responsibility must be required from local governments.

Economic policymaking needs to promote a more dynamic and growth-oriented economy. This will require further economic liberalization, and the curtailment of monopolistic and oligopolistic power. In addition, business regulation should be simplified to encourage startup businesses. Economic policy must also focus on reducing the excessive gap between on the one hand the comparatively dynamic regions and sectors, which have reached high levels of productivity and employment, and on the other hand the more backward ones, where a lack of innovation, high levels of unemployment and illegal job conditions prevail. This will require significant improvements in physical and financial infrastructure in some areas, as well as an extraordinary effort to enhance the quality of education facilities (with special attention to technical and professional schools). Resources devoted to encouraging young people to establish new innovative businesses should be increased. The government, business associations and trade unions should share responsibility for achieving these goals, which will require an economic culture of cooperation and pragmatism.

More flexible and effective labor policies aimed at increasing the participation of young people and women in the workforce should be pursued. As immigrants form an increasingly large proportion of the workforce, the management of immigration, and the effective integration and protection of immigrants' rights must receive greater attention. A high priority should be put on shrinking the illegal job market, which has grown too large. A more realistic path toward citizenship should be adopted in order to facilitate integration. Regarding immigrants, there is a need to seriously reframe public debate on the issue, given that in recent years immigration has been framed as an issue of sovereignty.

Improving the education system should be accorded higher priority. Greater flexibility and openness in the education system will be necessary in order for the system to respond to changing societal needs and to make it an effective instrument of social integration. After years of severe budget cuts, universities and research centers need to be given sufficient resources to enable them to recruit more young people and qualified foreigners. Improving the average skill levels in the workforce, while shifting to a knowledge-based, innovative economy, would increase economic competitiveness. The deep north-south divide in school performance should be given thorough consideration, with policies designed to address this gap.

Italy should participate actively in EU and international venues. Building closer and more cooperative relationships with neighboring countries, and identifying common agendas rather than focusing on narrow national interests would allow Italy to exploit its geopolitical potential more effectively.

Party Polarization

Polarization of the party system increased over recent years as a result of a greater divide between anti-establishment parties (e.g., the Five Star Movement) and mainstream parties, as well as between pro-EU and euroskeptic parties (e.g., Matteo Salvini's League). The unsuccessful results of the first Conte government, which was supported by the Five Star Movement and the League, combined with the challenges arising from the pandemic crisis have somewhat mellowed the positions of the more extreme parties. The two most radicalizing themes – immigration and European fiscal rules – have lost most of their salience, at least temporarily. The need to face the consequences of COVID-19 and to effectively exploit Next Generation EU funding fostered the creation of a grand coalition supporting the Draghi government. With the

exception of the rightist Brothers of Italy (Fratelli d'Italia, FdI), all the other parties have agreed to work together under the new government. Both the Five Star Movement and the League have come to accept without excessive resistance the policies of the new government. There is, however, the probability that with the approaching of the 2023 election date tensions within the large coalition will increase. (Score: 6)

Sustainable Policies

I. Economic Policies

Economy

Economic Policy
Score: 7

The period under review saw dramatic political changes, which led to important economic policy changes. The second Conte-led government – supported by the Five Stars Movement, the Democratic Party, and several smaller parties of the left and center – faced, between the end of 2020 and the beginning of 2021, increasing internal difficulties and was widely perceived as unable to face the economic challenges deriving from the COVID-19 pandemic. More specifically, the first draft of the Recovery and Resilience Plan (PNRR), which was presented in January 2021 and outlined how Italy would profit from the substantial amount of funding allocated to the country by the Next Generation EU program, was seen as insufficiently specific. There were also serious doubts about the ability of the Conte government to ensure the implementation of the final plan. The government crisis and the formation of a new cabinet under the guidance of Mario Draghi – which is supported by a grand coalition that includes all the important parties, except Fratelli d’Italia (Brothers of Italy, FdI) – led to a deep change in economic policies. The new government swiftly revised the PNRR and submitted it in time to the European Commission. The final version of the plan strengthened the weight of economy stimulating investments and delineated a number of structural reforms (in the field of legal and administrative procedures, and digital and environmental transformations) with the purpose of eliminating obstacles to economic recovery. The economic policy and the effective management of the pandemic crisis contributed to an economic recovery which proved to be one of the fastest in Europe by the end of the year.

Labor Markets

Labor Market
Policy
Score: 7

Traditional labor market policies in Italy have proven largely inadequate to addressing the challenges of economic crises. The main measure to combat the effects of the pandemic crisis has been the “cassa integrazione,” a furlough scheme which temporarily subsidizes the salaries of workers, either partially or fully, who are made idle by private companies. The aim is to discourage companies from dismissing employees. By freezing occupation, this instrument reduces the incentives to innovate of firms.

The dramatic impact of the pandemic crisis on the Italian labor market was one of the most difficult challenges for government during the review period. The second Conte government mainly tackled the challenge with defensive measures. Increasing the availability of the existing “cassa integrazione” and prohibiting dismissals from work were the main measures adopted. This strategy, however, protected only a proportion of the workforce. Young people and women often employed in less regular jobs were more easily dismissed. The Draghi government in spite of resistance defined a time limit to these policies and prioritized investments as a way of boosting the economy. This gradually led to an improvement in occupation levels. However, the decent results of 2021 cannot be considered certain due to the expected recovery of the economy. The government also revised the citizens’ income policy, which was introduced by the first Conte government. The revisions made the requirements for granting the citizens’ income more stringent in order to reduce disincentives to entering the labor market.

Taxes

Tax Policy
Score: 6

The Italian tax system continues to be stressed by the need to sustain the combined burden of high public expenditures and of interests on the huge public debt accumulated in past decades. It is also defined by its inability to significantly reduce the very high levels of tax evasion or the size of the black economy. As a result, levels of fiscal pressure have remained very high over the years (42.4% in 2019, according to the OECD) and the tax burden is far from equitable. Fiscal pressure is very high on those households or companies that do regularly pay taxes, and is very low for all those who can and do evade taxation (e.g., many businesses and large numbers of independent contractors and self-employed professionals). Families with children have very limited exemptions. Labor and business are also heavily taxed, which results in fewer new businesses and job opportunities. Italian tax policy provides limited incentives and no compelling reason to declare revenues. The monitoring of and fight against tax evasion within this system are insufficient and far from

successful. One of the biggest problems is that the system results in significant competitive distortions that benefit non-compliant earners. As the antiquated land register has yet to be reformed despite repeated promises, inequities in the property-tax system continue to persist.

One of most significant measures introduced by recent governments has been the online system for submitting income-tax declarations, the “730 precompilato,” which has gained usage year by year. The online system replaces paper forms for the majority of income taxpayers, and makes it easier to double-check tax returns. The generalized shift to electronic invoices and the new VAT payment method have also increased the effectiveness of fiscal oversight.

After limited changes were introduced by the two Conte governments, such as a limited tax reduction (to a 15% rate) for self-employed workers (“partite IVA”) with earnings below €65,000 and write-offs for technological investments, the Draghi government has sent to the parliament a proposal for an encompassing fiscal reform. This reform should streamline the jungle of fiscal rules and exemptions. In the meantime, the government has introduced some generalized tax reductions for lower and middle-to-lower income rates. It has also renewed strong fiscal incentives for improving the energy sustainability of buildings.

Overall, the Italian tax system is able to generate a sufficient amount of resources, but is still in need of deeper reform to increase horizontal equity, reduce obstacles to competitiveness and facilitate foreign direct investment.

Budgets

Budgetary Policy
Score: 6

Italian governments have struggled over the past years to pursue budget consolidation during an era of prolonged economic stagnation. Fiscal policies have gradually reduced yearly deficits and produced a strong primary surplus. Yet because of the slow economic growth, attempts to reduce the huge debt stock (by selling, for example, public properties or stocks of state-owned companies) have had little success or have been postponed. The improved climate on the international markets and European Central Bank policies have yielded a sharp decline in interest rates for Italian long-term treasury bonds. This had eased the country’s budgetary pressures prior to the pandemic crisis. The acceleration of economic growth through 2017 and 2018, slowed the growth in public debt.

However, the pandemic crisis dramatically changed the situation. The need to support economic activities during the pandemic has necessarily required a

huge increase in deficit spending and public debt. The Draghi government, taking advantage of EU funds and of the supportive monetary policies of the ECB, has continued this public spending policy, but has firmly reoriented expenditures to infrastructural and digital investments in order to promote a speedier growth rate (although the implementation of these interventions is still on its way). This strategy has so far paid off as the Italian growth rate in 2021 has significantly exceeded expectations. This also enabled an initial reduction in the public debt stock, which is forecast to continue to decline for the next few years (NADEF 2021).

Citation:

http://www.dt.mef.gov.it/modules/documenti_it/analisi_programmazione/documenti_programmatici/nadef_2021/NADEF_2021.pdf

Research, Innovation and Infrastructure

R&I Policy
Score: 6

In recent years, Italian governments' research and innovation policies have been weak, underfunded and not strategically coordinated. The policy of linking university funding to the quality of research outputs has been continued and slightly strengthened over recent years. This policy is intended to incentivize universities to generate more quality research. Fiscal policies to promote investment in technological innovation in industry, introduced in 2016, gained momentum in 2017. The "Piano Nazionale Industria 4.0" program running from 2017 to 2020 was a very successful attempt to catch up with the rate of economic innovation in other OECD countries.

During the height of the pandemic crisis, the second Conte government was not in a position to strengthen research and innovation policies. In 2021, under the Draghi government, the Ministry of University and Research (MUR) was able to allocate to the field of research a significant amount of the Italian Recovery and Resilience Plan (PNRR) Next Generation EU funds. More specifically, the plan aims to invest around €6.9 billion in applied research, which will connect universities, public research institutions and private firms, and push them to work together toward innovation.

Citation:

<https://www.mur.gov.it/it/news/mercoledi-29122021/pnrr-pubblicati-i-bandi-le-infrastrutture-di-ricerca-e-le-infrastrutture>

Global Financial System

Stabilizing
Global Financial
System
Score: 7

The government and other public financial institutions (e.g., the Bank of Italy) have been generally supportive of international and European policies oriented to improve the regulation and supervision of financial markets. Typically for Italy, the government and the Bank of Italy have preferred a collective

working style within the framework of EU and G7 institutions rather than embarking on uncoordinated, but highly visible initiatives. The Draghi government has strengthened this position and has used the international prestige of the prime minister to play a more active role in this field.

All in all, the high international reputation of the Italian prime minister and his professional background have been a catalyst for international negotiations. A clear example of this is the establishment of the minimum global tax during the G-20 meeting held in Rome under the Italian presidency.

II. Social Policies

Education

Education Policy
Score: 6

The Italian education system is a predominantly public system headed at the national level by the Ministry of Education, Universities and Research (MIUR). MIUR dominates education policy, including hiring and funding. Regional and municipal school authorities have some power with respect to the curricula, physical infrastructure and resource management. Private education in Italy is limited and consists primarily of religious schools. Italy also has a handful of private universities with a prestigious reputation (e.g., Bocconi, LUISS, Cattolica). The education system is, in principle, open to everybody without discrimination. Tuition fees are excised only at the tertiary level and are comparatively low. However, given the scarce amount of resources allocated for scholarships or similar support mechanisms for financially needy students, access is socially discriminatory at the upper secondary and tertiary levels. The share of individuals who do not complete their studies is above the OECD average.

Per student spending at all levels of education is close to the OECD average, but due to the smaller percentage of students, the global expenditure as a share of GDP is significantly lower than the OECD average. Moreover, the level of expenditure has been almost flat for the past 10 years. When education expenditure is measured as a percentage of total public expenditure, Italy shows one of the lowest rates among OECD countries.

The ability of the education system to provide an adequate number of skilled workers, particularly in specialized fields, is insufficient – a situation that is often lamented by private firms.

In terms of tertiary education spending, Italy lags behind even more significantly. The share of education expenditure allocated to the salaries of teachers, professors and technical staff compared to the share for capital expenditures and research funds, is above average. This is not because salaries are particularly high, but because capital and research funds are very limited. Selection of school personnel is still not sufficiently meritocratic. Although there are significant areas of high-quality education at both the secondary and tertiary levels, overall quality could be improved. The number of university graduates is comparatively low and growing very slowly.

The allocation of public resources to universities has increasingly incorporated a mechanism linking government funding to academic research and teaching results. This has had significant effects with regard to stimulating a more competitive and quality-oriented university system.

During the pandemic emergency, the education system has been put under severe stress and regional differences in coping with it have clearly emerged. Southern regions proved much less effective in providing distance learning when needed and school abandonment levels have been higher than average (Openpolis).

The Draghi government is now directing more resources to the education system thanks to Next Generation EU funds. Overall, €31.9 billion in investment has been pledged to improve all educational sectors (starting from kindergarten). Furthermore, various reforms should be approved in 2022, including a new recruitment and career system for schoolteachers, while university teaching is likely to be significantly liberalized.

Citation:

on school abandonment: <https://www.openpolis.it/perche-sullabbandono-scolastico-resta-ancora-molto-da-fare/> (accessed 5 January 2022)

Social Inclusion

Social Inclusion
Policy
Score: 7

The impact of the pandemic-induced economic crisis on the incomes of a significant percentage of households and the high levels of unemployment – particularly among young people and women – has had a substantial negative effect on social inclusion. The gap between the more protected sectors of the population and the less protected ones has grown.

The traditional instruments of social protection (e.g., those guaranteeing unemployment benefits for workers with permanent labor contracts) do not

cover a large part of the newly impoverished population. In general, allowances for families with children are rather small, and do not compensate for the costs of raising a (large) family. The problem of poverty is thus particularly serious for young families with children, especially where only one adult is employed. Some of the pensions of the elderly are also extremely low.

The progressive tax system and a series of deductions and benefits for low-income individuals – which should have accomplished redistributive functions – only partially to work in this direction (ISTAT 2021). The system's redistributive efforts have been curtailed by the rise in tax rates and the erosion of benefits and deductions.

An initial policy response to this situation was the citizens' income ("reddito di Cittadinanza," RdC), which was introduced in 2019 by the first Conte government. This instrument replaced a range of previously uncoordinated measures with a (variable) income to every person under a given economic threshold. For people able to work, the allowance is conditional upon the acceptance of a job proposed by an employment center. As of October 2021, 1,686,416 families and 3,790,744 individuals have received this allowance. Although insufficient to cover all persons in poverty (and less favorable to families with children and foreigners), this measure is a positive step in the direction of more inclusive social policies. The new "assegno unico per i figli" (children's support), which was approved under the current Draghi government, compensates somewhat for the shortcomings of the RdC.

Cross-regional differences continue to exist. On average, local social programs in the north of the country can deliver benefits three times higher than those in the south.

Italian family networks still constitute the most important, though informal, instrument of social welfare. The high percentage of home ownership helps protect many Italians from absolute poverty. Housing problems, which would be insurmountable for many young people, are to some extent mitigated by family rather than public support.

The rate of inclusion of women in positions of economic and political leadership has improved somewhat due to new rules requiring a more balanced representation of women in executive positions. Italy also performs better than the OECD average with regard to gender gaps in income (OECD 2019).

Citation:

<https://data.oecd.org/earnwage/gender-wage-gap.htm>

on critical aspects of the RdC see: <https://www.lavoro.gov.it/priorita/Documents/Relazione-valutazione-RdC-final.pdf> (accessed 2 January 2022).

Health

Health Policy
Score: 7

Italy's national health system provides universal comprehensive coverage for the entire population. The healthcare system is primarily funded by central government, though healthcare services and spending are administered by regional authorities, which are highly autonomous with respect to designing their own organizational system. On average, the services provided achieve medium to high standards of quality. A 2000 WHO report ranked the Italian healthcare system second in the world and a recent Bloomberg analysis also ranked the Italian system among the most efficient in the world. A 2017 study published by *Lancet* rated the Italian system among the best in terms of access to and quality of healthcare. However, due to differences in local infrastructures, cultural factors, and the political and managerial proficiency of local administrations, the quality of public healthcare varies significantly across regions. In spite of similar levels of per capita expenditure, services are generally better in northern and central Italy than in southern Italy. In some areas of the south, corruption, clientelism and administrative inefficiency have driven up healthcare costs. In these regions, lower quality levels and typically longer waiting lists mean that wealthier individuals will often turn to private sector medical care. Regional disparities also lead to a significant amount of health tourism heading north. The existing system of national quality standards (correlated with resources), which is meant to be implemented across regions, has not yet produced the desired effect of reducing the quality divide between the north and south.

To contain further increases in healthcare costs, payments to access tests, treatments and drugs exist. Although these payments are tied to income levels, they nevertheless discourage a significant number of the poorest residents from accessing necessary healthcare services. Similarly, additional medical services are only partially covered by the public healthcare system, while only basic dental healthcare is covered.

Preventive healthcare programs are effective and well publicized in some regions (especially in Tuscany, Veneto and Emilia Romagna, and other northern and central regions), but are much weaker and less accessible to the average healthcare user in other regions (e.g., Calabria and Sicily).

During the COVID-19 pandemic, some weaknesses in the healthcare system emerged. It became clear that in some regions (especially in Lombardia, Piemonte and Friuli Venezia Giulia, and in most southern regions) the organizational delivery of healthcare was too heavily centered on large, high-

quality hospitals, while proximity assistance delivered by family doctors and local hospitals was insufficient.

Citation:

<http://www.who.int/whr/2000/en/>

<http://www.bloomberg.com/visual-data/best-and-worst/most-efficient-health-care-2014-countries>

[http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(17\)30818-8/fulltext](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(17)30818-8/fulltext)

Families

Family Policy
Score: 5

Italian society has traditionally relied very much upon its very strong family institutions. The family (often in its extended version) remains even today a major provider of welfare for its weakest components – children, young couples with precarious jobs and elders. Within the family, significant amounts of economic redistribution take place, and important services are provided, such as the care of preschool age children by grandparents. Partly because of this reliance, state support for families has generally been weak. Apart from relatively generous rules on maternity leave (paid for by social insurance) and limited tax deductions for children, the state has not offered much. Public daycare facilities for preschool children are available on a limited scale and vary significantly across regions. Private firms and public offices have only recently started offering similar services, with some support from the state.

The lack of more significant policies has contributed to the limited (albeit slowly growing) participation of women in the workforce and the low overall employment rate, while also contributing to a very low birth rate, which continues to decline.

New and innovative Scandinavian-style concepts (e.g., parental leave) that go beyond maternity allowance are not widely implemented. The whole childcare sector, and indeed the state of the public debate over the ability of women to combine work and children, lags behind that in wealthier and more progressive European countries. The decreasing transfers of financial resources to regions and municipalities during previous governments mean that many institutions and projects working in family support have run out of money and may have to cut back services significantly.

However, the new citizen's income can to some extent provide help for needy families even if it is not specially tailored for them. Under the second Conte government, the "Assegno Unico per i figli" project (a single, unified allowance for children) was launched. The project, which was finalized under the Draghi government, will provide an allowance for every child from birth to the age of 21.

Citation:

<https://www.redditicittadinanza.gov.it/> (accessed 2 January 2022)

<https://www.inps.it/prestazioni-servizi/assegno-unico-e-universale-per-i-figli-a-carico> (accessed 2 January 2022)

Pensions

Pension Policy
Score: 5

With the 2011 Fornero reform of Italy's pension policy, which increased the retirement age to 67 years, reduced benefit levels for higher income groups and linked the age of retirement to rising life expectancies, the pension system achieved a satisfactory level of sustainability. Thanks to this reform, no further major reforms of the retirement system would have been needed, at least in the next few years, to ensure its sustainability – despite the demographic imbalance between the aged and the young.

The current situation, however, is less positive from the point of view of intergenerational fairness, as the younger generations will receive significantly smaller amounts upon retirement. This problem is exacerbated by the late or uncertain entry into the labor force of younger cohorts, which is a structural problem of the Italian labor market and was aggravated by the economic effects of the COVID-19 pandemic. In addition, the large number of permanently unemployed people (particularly, women) also face receiving little to nothing in terms of a pension.

The problem of poverty prevention, which exists today for an already significant share of the population, will be even more relevant for today's younger cohorts when they reach retirement age.

Supplementary pension schemes have to date played only a limited role in the pension system and fiscal policies adopted to encourage them have not been sufficiently bold. Recent data suggests, however, that the importance of supplementary pension schemes is gradually increasing.

The Draghi government has limited the effects of the so-called Quota 100 (changed in quota “102”) reform introduced by the first Conte government in 2019, which allowed some exceptions to the Fornero reform and enabled some people to retire early. It has also promised to deepen the overhaul of the existing system and introduce greater flexibility provided it would not damage the sustainability of the system.

Integration

Integration Policy
Score: 6

Large-scale immigration is a relatively new phenomenon in Italy compared to other countries in Europe. In recent years, the number of legal (mainly from new EU member countries) and illegal immigrants has increased significantly, making immigration one of the hottest political issues. Issues associated with immigration have been cast in negative or even xenophobic rhetoric by some parties (especially by Salvini's League) during electoral campaigns, with immigrants portrayed as dangerous social elements.

Policies dealing with the topic have concentrated more on controlling illegal immigration and temporarily hosting refugees than on integration. Past provisions for the large-scale regularization of immigrants, especially those working for and within families, have not been repeated. As a consequence, a large number of immigrants are still involved in the underground economy, and are thus exposed to economic exploitation, dangerous working conditions and a lack of respect for their rights. In general, it is clear that in some sectors entrepreneurs and families are only able to operate by using the high number of migrants available to work. Agriculture, the building industry, private elderly care services, many childcare services and private cleaning services are dependent on legally or illegally employed immigrants. Access to citizenship for immigrants remains problematic. Discussions on the issue of the "ius soli" (i.e., granting Italian citizenship to children with a migrant background born in Italy) have been tense, and legislative proposals on the matter have ultimately failed to win parliamentary approval.

The school system has proved to be a positive factor in the process of integration, but schools have not received sufficient resources for achieving the best results in this field. Public housing policies have been weakened by the budgetary constraints. As a result, in many cities there are ghetto-like areas where immigrants live in extremely poor housing conditions. The universal healthcare system has in general been fairly effective in providing medical treatments also for immigrants. Charitable organizations, in particular organizations linked to the Catholic Church (e.g., Caritas), have contributed significantly to assisting and integrating migrants.

The efforts of successive Italian governments to promote a common European policy to address the phenomenon of migrations in the Mediterranean and to redistribute migrants have so far been ignored or opposed. The Draghi government has adopted a more flexible attitude toward illegal immigrants reaching Italy and – in view of the labor demands of some important economic sectors – it has significantly expanded the quota of legal immigrants to be admitted in Italy (Decreto flussi).

Citation:

on the decree for immigration quotas see: <https://www.lavoroediritti.com/leggi-e-prassi/decreto-flussi-2021-2022-testo> (accessed 5 January 2022)

Safe Living

Internal Security
Policy
Score: 7

With the exception of some regions of southern Italy where mafia-type organized crime can have a serious impact on the security of certain sectors of the population (for instance entrepreneurs and shop owners) internal security is sufficiently guaranteed. Homicide rates have generally declined, and are today among the lowest in Europe. According to official statistics, the same applies to crimes such as thefts and robberies (ISTAT). In spite of this, feelings of insecurity are significant, particularly in some city peripheries.

The public has a moderately high level of confidence in the security forces. However, the segmentation of security forces (Carabinieri, Polizia di Stato, Guardia di Finanza, Polizia Municipale) might result in some inefficiencies and accountability issues. Italian security agencies have to date been fairly successful in preventing terrorist attacks.

Citation:

ISTAT official crime statistics: http://dati.istat.it/Index.aspx?DataSetCode=DCCV_DELITTIPS (accessed 5 January 2022)

Global Inequalities

Global Social
Policy
Score: 6

The Italian government's engagement in promoting socioeconomic opportunities internationally has generally been rather limited. Over the years, Italy has provided less in international aid than most other European countries.

The amount of help provided to developing countries is expected to rise in 2021 after three years of decline. However, at 0.24% of GNI, it will remain well behind the 0.3% level of 2017 (OECD and Donortracker 2021).

On a more qualitative and organizational level, Italy has generally stressed the importance of fighting hunger, and developing food production and distribution. Probably because of this activism, Italy hosts three major UN food agencies, the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD), and the World Food Program (WFP).

During the COVID-19 crisis of the last two years, Italian governments have given strong support to the European vaccine donation initiative to poorer countries (COVAX).

Seeking to address the rapid increase in immigration across the Mediterranean, along with the humanitarian catastrophes produced by this increase, the Italian government has proposed an EU “migration compact,” which would expand long-term EU help to African countries and develop bilateral agreements for the regulation of migration.

Citation:

most recent data on international help:<https://donortracker.org/country/italy> (accessed 5 January 2022);
<https://data.oecd.org/oda/net-oda.htm> (accessed 5 January 2022)

III. Environmental Policies

Environment

Environmental
Policy
Score: 7

Italy was not an early mover in the field of environmental policies compared to other European and OECD countries, but in a number of aspects its environmental record has significantly improved. For instance, Italy ranks above average in its performances for CO2 emissions in comparison to GDP. In the field of renewable energies, where Italy traditionally fared reasonably well thanks to its large hydroelectric (and geothermic) plants, the promotion of new sources (e.g., solar or wind energy) has been very effective in recent years thanks to generous incentives. The transition toward renewable energy has gained momentum and renewable energy sources now supply between 32% and 35% of total electricity demand (data from GSE). Strong fiscal incentives for sustainable house building and renovations have been in place over the last few years.

Forest areas have been growing significantly in recent years and biodiversity is above the European average.

In other dimensions, such as water efficiency, Italy fares less well. Disparities between northern or central Italy, and southern Italy remain significant. Some waste emergencies (e.g., in Rome, Naples, Palermo and other places in southern regions) have demonstrated in recent years the lower performance of some local and regional authorities in environmental matters. The absence or inadequacies of purification plants still affects parts of the coastline and rivers. As with other oceans, the Mediterranean is polluted by microplastics.

Recycling rates have increased very significantly in central and northern Italy. According to Reuters, Italy ranks very highly in Europe for recycling. Recent

ISPRA data also indicates significant improvements in southern Italy where recycling rates had traditionally lagged behind.

Erosion, flood and earthquake prevention should be a high priority for the government, as the geology of the Italian peninsula means that the country is very exposed to natural disasters. After the recent 2016 earthquakes, the government is launching a long-term investment policy to promote public and private rebuilding.

Climate change has and will have a huge impact on Italy. The country has among the highest numbers of cars per capita in the world, and this combines with poor short-, medium- and long-haul public transport to make life in cities difficult. It also compromises the transport of goods and persons across Italy. Smog, particulate matter, poor air quality and traffic jams undermine the quality of life significantly, especially in large cities.

The Draghi government has set ambitious goals for and assigned a large proportion resources from the PNRR to an environmental transition.

Citation:

on renewable electricity sources see: <https://www.gse.it/dati-e-scenari/monitoraggio-fer/monitoraggio-nazionale/settore-elettrico> (accessed 2 January 2022)
<http://www.isprambiente.gov.it/it/archivio/notizie-e-novita-normative/notizie-ispra/2015/05/produzione-rifiuti-e-differenziata-i-dati-di-tutti-i-comuni-italiani-sono-online>
<http://www.asvis.it/rapporto-2017/>
<https://it.reuters.com/article/topNews/idITKBN1CE1D5-OITTP>

Global Environmental Protection

Global
Environmental
Policy
Score: 7

The contribution of the Italian government to international efforts in the field of global environmental protection has been generally positive. Italy has been supportive of coordinated international actions, including the recent COP26 Paris conference, but in general has not played a significant leadership role. This is due to the fact that the political weight and financial resources of the Ministry of Environment have not been very high while the attention of the government and the priorities of Italy's prime ministers have been diverted to internal matters and economic recovery.

In selected fields, however, Italian policies have been more innovative. A good example is the mechanism of the national consortium for the recycling of packaging (CONAI), which has enabled Italy to exceed European 2020 targets in this field. This relates to a considerable proportion of plastics production and offers an efficient model for other countries. With regard to the maritime environment, in 2019, Italy joined France and Spain's proposal to create a Mediterranean emissions control area (ECA).

Under the Draghi government, Italy's willingness to contribute to international efforts in this field has increased significantly. At the October 2021 G20 meeting, which was chaired by Italy, the prime minister and the minister of environment played an active role in promoting more ambitious environmental goals (e.g., deadlines for CO2 reduction and for preventing global warming) and affirmed Italy's strong support for COP26. These public statements demonstrate Italy's attitude toward sustaining global environmental policies.

Citation:

<http://www.conai.org/chi-siamo/risultati/>

Robust Democracy

Electoral Processes

Candidacy
Procedures
Score: 9

The registration procedure is fair and no unreasonable exclusion exists. In order to present a list of candidates, new parties without parliamentary representation have to collect between 400 and 1,500 signatures, depending on the size of the electoral district. Parties already represented in parliament are exonerated from this duty.

The age to qualify for local political office is the age of maturity (18 years); for the Chamber of Deputies, it is 25 years; and for the Senate, it is 40 years.

The number of signatures requested for registration of parties creates some obstacles to new and small parties, but similar small obstacles are accepted in many democracies to avoid non-serious candidacies. The validity of the process is controlled by independent judicial offices. From time to time there have been disputes over the validity of some of the signatures collected by the largest parties. The procedures for selecting candidates vary from party to party, but the use of primaries is increasing, especially among center-left parties, making them more open and democratic.

Media Access
Score: 8

A significant portion of television channels are still owned by a single political leader, Silvio Berlusconi, and demonstrate a special favor toward him and his party. Overall, however, the media offers a reasonably fair treatment of all political candidates. The most important national newspapers and privately owned television broadcasters offer fairly equal access to all positions. State television maintains a generally neutral position.

Access to television by parties and candidates is regulated by a law (Law 28/2000) that provides for equal time for each party during electoral campaigns. An independent oversight authority (Autorità per le Garanzie nelle Comunicazioni) ensures that the rules are followed and has the power to levy penalties for violations. This power is effectively used. The public television service is controlled by a parliamentary committee, which reflects the composition of the whole parliament. Although the government in office typically attracts more airtime than the opposition, the treatment of the different parties by the public broadcaster is fairly balanced overall. In the

print sector, the large variety of newspapers both with and without a clear political orientation provides sufficiently balanced coverage of all positions.

As the role of electronic (internet) and social media in political contests continues to grow, politicians and parties can rely increasingly on these new forms of media to reach citizens and voters more directly. This fact makes political players more independent from large media groups and public media.

The registration of citizens for electoral purposes is done automatically by municipal offices and there are no significant problems with this procedure.

Voting and
Registration
Rights
Score: 9

All citizens are notified via mail at home of their voting rights and supplied with the relevant information. Citizens are entitled to appeal to independent judicial bodies if they are mistakenly excluded from registration. Citizens living abroad are also entitled to vote. Italian citizens residing abroad must enroll in a special register and can choose to vote in Italy or to vote by mail. Four special electoral districts exist for different parts of the world. There are no significant complaints about the process.

Polling stations are very numerous and typically very near to places of residence. National elections take place on two consecutive days, which increases the opportunities for working people to vote. Turnout has diminished significantly in recent years but is still among the highest in Europe.

Party Financing
Score: 5

State financing was regulated until February 2014 by a 1993 law (Legge del 10 December 1993 no. 515) and was monitored by an independent judiciary organ – the Court of Accounts (Corte dei Conti) – which checked the accounts provided by parties and could levy penalties for infringements.

A new reform (Law 21 February 2014, no. 13) has significantly reduced public financing for parties. It has introduced a new regime of fiscal exemptions for private contributions and created a new oversight institution, the “Commissione di garanzia degli statuti e per la trasparenza e il controllo dei rendiconti dei partiti politici,” whose members are nominated by judicial bodies. The new system only became fully effective in 2017. The main financial source should be the “due per mille” policy, which enables citizens to nominate a political party to receive 0.2% of their income tax. So far, this system has proven highly unsuccessful. In 2015, only 1.1 million out of 41 million people who paid income tax (2.7%) exercised this option. This number slightly rose to 1.3 million in 2020, a sign that Italians’ sympathy for political parties has not significantly increased. A total of approximately €15 million was disbursed to parties from this source (Open Polis 2022). The volume of private donations is also very low despite tax advantages, consisting mostly of contributions of their parliamentary salaries by members of parliament. An important source of party funding are the resources distributed by the two

chambers to parliamentary groups, totaling approximately €50,000 for each member of parliament. A portion of these funds are transferred to the party organizations.

Existing rules governing the public and private financing of parties, as well as the current system of enforcement, do not produce a fully transparent system. The degree of transparency given to private contributions is largely left to the parties, and in many cases is minimal. In recent years, cases of individual or institutional abuse, or even fraud associated with the public party funding, have emerged in almost all of the political parties.

Citation:

<https://www1.finanze.gov.it/finanze3/2xmille/index.php?tree=2018AADUEXM0101>

Open Polis report: <https://www.openpolis.it/come-sta-andando-il-2x1000-ai-partiti/> (accessed 11 January 2022)

Popular Decision-
Making
Score: 7

The right to promote referendums and petitions is enshrined in the constitution at the national level of government, and is replicated in most of the regions through regional statute. Referendums may be authorized also at municipal and provincial levels. Ordinary referendums, which can only abrogate existing laws or part of them, have taken place rather frequently at national level. In order to launch a referendum, the proposal must collect at least 500,000 signatures and the referendum is only valid if there is a turnout of at least 50%. There are some limited restrictions to the issues that can be submitted to a referendum.

Referendums have had a substantial impact at national level, including ending the use of nuclear energy following the Chernobyl disaster. In some cases, however, the effects of a successful referendum have been overturned by parliamentary laws, which while paying formal respect to the referendum results, have in practice reestablished some of the old, abrogated rules in a new form.

Confirmative referendums may be promoted on constitutional reforms approved without a two-thirds parliamentary majority. A recent case was the referendum of December 2016, which rejected the broad constitutional reform promoted by the Renzi government or the 2020 referendum which confirmed the decision to reduce the number of parliamentarians. Consultative referendums were promoted in October 2017 by the Lombardy and Veneto regions, to increase regional autonomy. The final decision, however, will depend on the outcome of negotiations between the central state and regions.

Citizens can also promote legislative initiatives and in some regions and municipalities instruments of deliberative democracy (citizens' juries,

deliberative polling) are available, but these instruments do not have legally binding effects. At local and regional levels, popular decision-making is rarely used effectively.

Access to Information

Media Freedom
Score: 7

Traditionally, parties and governments have exercised political influence over the public broadcaster and largest media organization, Radiotelevisione Italiana (RAI). Governing parties interfered in its personnel policies, and controlled its organizational frameworks and resources. Some space was, however, always guaranteed to opposition parties.

The Renzi government's reform of RAI increased the powers of the CEO, while reducing the powers of the board, which has typically comprised representatives of the main political parties. This somewhat reduced political parties' direct influence over RAI, but has opened the door for greater government influence. Under the Draghi government, nominations to senior RAI positions have reflected a stronger merit-based component.

RAI has enjoyed abundant funding, combining a mandatory subscription from every person that owns a TV set and advertising revenue.

While the privately owned Mediaset channels continue to be subject to the political influence of Mediaset's owner, Berlusconi, the increasing importance of other channels has balanced things out.

As for print media, newspapers and magazines are in general much more independent of government influence and able to ensure a broad spectrum of opinions.

The role of other digital and social media (e.g., Twitter and Facebook) is growing rapidly as a generation of younger politicians makes increasingly heavy use of them. But television still maintains its central role for a large part of the Italian public, which often is not reached by new media.

Media Pluralism
Score: 7

The Italian media system is more balanced today than in the past. In television, the earlier duopoly between public television (RAI) and private television (controlled by Berlusconi's Mediaset) is now less exclusive. Sky TV and La7, as well as other national television and digital broadcasters, offer alternative sources for news. As for print media, the presence of three or four significant groups ensures a satisfactory degree of pluralism. Overall, one can say that all political opinions of some relevance in the political spectrum receive fair media coverage. Understandably, the largest parties obtain more space than the smaller ones.

Access to
Government
Information
Score: 7

It would be difficult to say that certain positions are not published or are marginalized, especially in the case of newspapers. One of the big issues in Italy is still the predominance of television; newspapers, radio programs and electronic media can't fully counterbalance its influence. One large television company, Mediaset, continues to exercise significant influence over electoral campaigns, but with the decline of Berlusconi's political prominence, the influence of Mediaset has become less important.

The first freedom of information act was introduced by Law No. 241 in 1990. Its provisions were amended and made less restrictive by Law No. 15 of 2005; further corrections were added in 2013. Disclosure can be denied only under specific circumstances (such as national security, protection of privacy), which must be explicitly identified by administrative offices. Special offices (Uffici Relazioni con il Pubblico, URP) dealing with requests for access to information have been established in all administrative offices, both national and local. Access has been made easier and more effective by the Decreto Legislativo 25 maggio 2016, n. 97, which significantly extends the range of publicly accessible documents, the so-called FOIA (Freedom of Information Act).

Both judicial and non-judicial mechanisms of appeal exist, and are increasingly used. Among these is the Commission for Access to Public Documents (Commissione per l'Accesso ai Documenti Amministrativi) of the presidency of the Council of Ministers, which hears appeals when requests for information disclosure have been denied, and can ask public administrative bodies to reconsider their decisions. However, the commission, which comprises both parliamentarians and technical officers, has limited coercive powers; its impact is mainly through moral suasion. The commission makes an annual report to parliament. The most recent report as of the time of writing, covering 2019, identified a continuing increase in the number of citizens' appeals and documented the body's responses. Regional administrative tribunals can judicially enforce the disclosure of documents. In spite of this regulatory and organizational progress, the propensity of public administration to provide the answers in due time is still far from being fully satisfactory either because of bureaucratic inefficiency or because of a reluctance to disclose internal matters. A recent report by an Italian NGO found that only 35% of information requests received a response within 60 days.

Citation:

http://www.funzionepubblica.gov.it/sites/funzionepubblica.gov.it/files/Decreto_legislativo_trasparenza.pdf

<http://www.funzionepubblica.gov.it/foia-7>

<https://www.commissioneaccesso.it/media/56762/relazione-2019.pdf> (accessed 390 December 2021)

Civil Rights and Political Liberties

Civil Rights
Score: 6

The legal system includes detailed constitutional provisions and a series of ordinary laws that provide an articulated protection of a broad set of rights. Strongly independent courts serve in principle to guarantee their implementation. In practice, however, inefficiencies in the judicial administration, the heavy backlog of many courts and the consequent length of judicial procedures can make the protection of civil rights (both personal and property) less effective. After years of discussion, and upon the request of supranational institutions, Italy finally introduced a law against torture (law n. 110, 14 July 2017). However, the law has been criticized by UN authorities for being too restrictive.

The legal protection of the rights of immigrants, especially if they are illegal, is far from satisfactory. Some cases of police violence are reported. Actions by the security agents of the various authorities (including the state police and prison surveillance personnel) sometimes seem to contradict the principles of the rule of law. Immigrants and homosexuals sometimes experience discrimination.

The set of restrictive law-and-order policies (Law Decree 4/10/2018 n. 113 and Law Decree 14/06/2019 n.53) dealing with matters of immigration and public demonstrations approved by the first Conte government under the political influence of Lega leader Salvini and criticized by the president of the republic were mellowed by the second Conte government (Law Decree 21 October 2020, n.130).

The Draghi government has corrected the norms introduced by the first Conte government concerning statute-of-limitations rules with the purpose of reducing the duration of judicial procedures.

Citation:

http://www.camera.it/leg17/522?tema=reato_di_tortura

<https://www.gazzettaufficiale.it/eli/id/2018/10/04/18G00140/sg>

<https://www.gazzettaufficiale.it/eli/id/2019/06/14/19G00063/sg>

<https://www.gazzettaufficiale.it/eli/id/2020/10/21/20G00154/sg> (accessed 30 December 2021)

Political Liberties
Score: 9

The protection of the complete array of political liberties is enshrined in the constitution and guaranteed by an independent judiciary. During the period of observation, no significant cases of infringement were attested. The right to worship is fully guaranteed to all religious groups and an increasing number of minority groups have been able to use the opportunities offered by agreements with the state to facilitate its implementation. However, some practical problems connected with the freedom of worship, like enjoying the special

fiscal treatments guaranteed to religious groups or building places of worship, have not fully disappeared. These problems have been more relevant for Islamic groups, to some extent because of political fears and hostility, but also because of their more uncertain legal status.

During the pandemic crisis, only limited restrictions were applied to the rights to assemble and hold political rallies.

Non-discrimination
Score: 7

At the legal level, anti-discrimination norms exist and are sufficiently developed. Their implementation is sometimes not equally satisfactory. This happens in particular in the field of physical and mental abilities, of gender or for some cases of ethnic minorities (the Roma, for instance). In principle, Italy has a very inclusive model for integrating physically and mentally disabled persons. However, in some regions, the system lacks financial resources.

Italy's constitution and the political reality grants considerable political autonomy and cultural rights to regions with non-Italian or non-mainland minorities and majorities, such as Val d'Aosta, Trentino and South Tyrol, Sardinia and Sicily, as well as to ethnic groups with ancient roots such as the Alberesh, which originated in Albania. Some municipalities have democratically elected assemblies to represent migrants in local decision-making processes.

The Department for Equal Opportunities, which reports to the president of the Council of Ministers, has improved efforts to monitor gender discrimination in the public administration on a regular basis. The department's 2018 report indicates that – with some exceptions – significant gains have been made in gender representation in the higher levels of state administration. The percentage of women among the top ranks of the central administration reached 46%. Levels are lower in universities and among independent authorities. Gender representation in the business sector is generally less satisfactory, but improving. Much greater progress has been achieved in political institutions such as parliament, assemblies and the cabinet. Eurostat data indicates that the gender pay gap in Italy (5%) is well below the EU average (16%).

Discrimination against immigrants is widespread, particularly with regard to illegal immigrants. Whereas immigrants generally enjoy access to the healthcare system, their rights in other areas – labor relations in particular – are not well protected.

Citation:

<http://www.pariopportunita.gov.it/wp-content/uploads/2018/10/tabella-andamento-temporale.pdf>
<https://ec.europa.eu/eurostat/statistics->

[explained/index.php/Gender_pay_gap_statistics#Gender_pay_gap_levels_vary_significantly_across_EU](https://www.euro-observatory.org/en/explained/index.php/Gender_pay_gap_statistics#Gender_pay_gap_levels_vary_significantly_across_EU)

Rule of Law

Legal Certainty
Score: 6

The actions of the government and administration are systematically guided by detailed legal regulations. Multiple levels of oversight – from a powerful Constitutional Court to a system of local, regional and national administrative courts – exist to enforce the rule of law. Overall, the government and the administration are careful to act according to the existing legal regulations and thus their actions are fundamentally predictable. However, the fact that legal regulations are plentiful, not always consistent and change frequently reduces somewhat the degree of legal certainty. The complexity of regulations (which are sometimes contradictory) creates opportunities for highly discretionary decision-making and the conditions for corruption.

The government has backed efforts to simplify and reduce the amount of legal regulation, but has yet to obtain the results expected. The pandemic emergency has led to the introduction of many new rules and regulations, which are often confusing for the authorities that are responsible for applying them and for citizens.

The excessive burden of regulations and inefficiency of local authorities too often requires that, in order to face critical situations, exceptional powers are granted to special authorities (“commissari”) who are not properly monitored. This often results in arbitrary decisions being made.

Judicial Review
Score: 8

Courts play an important and decisive role in Italy’s political system. The judicial system is strongly autonomous from the government. Recruitment, nomination to different offices and careers of judges and prosecutors remain out of the control of the executive. The Superior Council of the Judiciary (Consiglio Superiore della Magistratura), a representative body elected by the members of the judiciary (and partially by the parliament), governs the system and prevents significant influence by the government. Ordinary and administrative courts, which have heavy caseloads, are able to effectively review government actions, and order correctives if necessary. The main problem is the length of judicial procedures, which sometimes reduces the effectiveness of judicial control (Council of Europe report 2020). Successive governments have made some efforts to increase the efficiency and speed of the judicial system. The Draghi government has devoted special attention to these aspects. Digitalization of procedures has been promoted.

At the highest level the Constitutional Court ensures the conformity of laws with the national constitution. It has often rejected laws promoted by current and past governments. Access to the Constitutional Court is reserved for courts and regional authorities. Citizens can raise appeals on individual complaints only within the context of a judicial proceeding, and these appeals must be assessed by a judge as “not manifestly unfounded and irrelevant.” The head of state, who has the power to block laws approved by the parliament that are seen to conflict with the constitution, represents another preemptive control.

Council of Europe CEPEJ evaluation report 2020: <https://rm.coe.int/rapport-evaluation-partie-1-francais/16809fc058> (accessed 31 December 2021)

Appointment of
Justices
Score: 8

According to the present constitution, members of the Constitutional Court are appointed from three different and reciprocally independent sources: the head of state, the parliament (with special majority requirements) and the top ranks of the judiciary (through an election). Members of this institution are typically prestigious legal scholars, experienced judges or lawyers. This appointment system has globally ensured a high degree of political independence and prestige for the Constitutional Court. The Constitutional Court has frequently rejected laws promoted by the government and approved by the parliament. The court’s most politically relevant decisions are widely publicized and discussed by the media.

Corruption
Prevention
Score: 6

The Italian legal system has a significant set of rules and judicial and administrative mechanisms (with *ex ante* and *ex post* controls) to prevent officeholders from abusing their position, but their effectiveness is doubtful. The Audit Court (Corte dei Conti) itself – one of the main institutions responsible for the fight against corruption – indicates in its annual reports that corruption remains one of the biggest problems of the Italian administration. The high number of cases exposed by the judiciary and the press indicates that the extent of corruption is high, and is particularly common in the areas of public works, procurement and local building permits. It suggests also that existing instruments for the fight against corruption must be significantly reconsidered to make them less legalistic and more practically efficient. With the reforms of previous governments, the Anti-Corruption Authority (ANAC) has been significantly strengthened and its anti-corruption activity progressively increased. The annual reports of the ANAC offer very detailed analyses of corruption cases (ANAC, *Relazione annuale*). The Draghi government has promoted a reform of the public procurement system, with the goal of simplifying and speeding up procedures (*Relazione PNRR* page 41–42). This reform also includes a special agreement with the Anti-Corruption Authority, which enables it to verify effectively the regularity of public contracts.

In general, the ongoing reform of public administration should further contribute to the reduction of administrative abuses.

Citation:

<https://www.anticorruzione.it/-/relazione-annuale-2020> (accessed 31 December 2021)

<https://www.governo.it/sites/governo.it/files/RelazionePNRR.pdf> (accessed 31 December 2021)

Good Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 7

The concept of strategic planning is not particularly developed in Italian governmental and administrative culture. This is in part due to the fact that governments have been predominantly preoccupied with coalition problems and that the administration is still very much guided by a legalistic culture. Nevertheless, some progress has been made under recent governments. Recent government programs have been more detailed, and have become significant instruments for organizing and planning government activity. Within the government office (called the Presidency of the Council of Ministers, or Presidenza del Consiglio), a special department guided by a minister without portfolio has been created to oversee the implementation of this program. This department produces regular reports on the program's implementation status.

The financial aspect of strategic planning has historically been somewhat more developed, as the Treasury has to implement rigorous budgetary stability goals and works within a triennial perspective.

The configuration of the first two cabinets of the 2018–2023 legislature was based on rather incoherent majorities (the Five Star Movement and the Northern League for the first one, and the Five Star Movement and Democratic Party for the second) and with a prime minister who wielded little political clout compared to the coalition party leaders. This left little space for policy-focused strategic planning. Since the beginning of 2020, the COVID-19 emergency has increasingly distracted the second Conte government from strategic planning.

The Draghi government – thanks to the strong personality and authority of the prime minister, and under the pressure of the implementation of the Recovery and Resilience Plan (PNRR) – has significantly improved the mechanisms of

Expert Advice
Score: 5

strategic planning. A strategic and coordinating unit (Cabina di Regia) under the Presidency of the Council of Ministers has gained a crucial role in the monitoring and driving of government actions linked to the PNRR. At the same time, however, it is still not sufficiently clear whether the strong centralization of PNRR guidance will be successful not only in the design (as it has been), but also in the implementation of the PNRR.

Italy lacks a strong tradition of regular government consultation with non-governmental academics. A small group of partisan experts selected by the prime minister and other ministers frequently offer strategic and technical advice. However, independent experts are rarely consulted in a transparent way. Important legislative proposals do not benefit from an institutionalized, open and transparent consultation process. In the finance, culture and labor ministries the role of external experts is more established. Independent academic experts have in the past been involved in the spending review, but only on a short-term basis.

The current Draghi government has given a prominent role to non-partisan experts by assigning them four important ministries (environmental transition; infrastructure; technological innovation and digital transition; and university and research). Generally speaking, the policy advisory system in Italy is not very inclusive and it is based only on bureaucratic expertise combined with partisan advisers.

Interministerial Coordination

GO Expertise
Score: 7

The Prime Minister's Office (PMO) as a rule evaluates all draft bills before they are submitted to the Council of Ministers for approval. This scrutiny, however, mainly deals with legal aspects (which to a significant extent also concerns compatibility with European laws), as the PMO itself does not have the size and the systematic sectoral expertise that would allow it to scrutinize policy in detail. This means that intervention by the PMO is in general more reactive than proactive. As a result, corrections to the legislative proposals of the government are often necessary prior to parliamentary approval. Important draft bills are in general scrutinized by the office with regard to the effects a bill may have on the cohesion of the majority coalition. A detailed scrutiny of the financial implications of each bill is conducted by the Treasury, which has a kind of preventive veto power.

With the new Draghi government and the strong political leadership exercised by the new prime minister, the PMO's control over the content of draft bills has significantly increased. The greater control is also due to the need to respect the strict requirements of the Recovery and Resilience Plan, which affect a large part of the legislative initiative.

Line Ministries
Score: 7

The Prime Minister's Office is in principle regularly kept informed of the development of policy proposals generated by line ministries. With regard to the policy proposals of particular political relevance for the government, the consultation process starts from the early stages of drafting and is more significant, involving not only formal but also substantive issues. In the fields less directly connected with the main mission of the government, exchanges are more formal and occur only when proposals have been fully drafted. Under the Conte government, control over line ministries was weaker than in previous governments, given the political weakness of the prime minister and the lack of ideological cohesion of the coalition. Ministers responded more readily to their party leader than to the head of government. The new government guided by Draghi has substantially increased the degree of coordination between line ministries and the PMO.

Cabinet
Committees
Score: 8

A significant number of policy proposals require de jure scrutiny by a Council of Ministers committee or even the explicit consent of a plurality of ministers. In a number of cases, this is only a formal exercise and the Council of Ministers committees are not an important mechanism. It is more significant that a number of important issues are de facto dealt through consultations among a few ministers (and their ministerial cabinets) before being brought to the Council of Ministers or are sent to this type of proceeding after preliminary discussion in the council. These consultations, which usually include the Treasury, typically avoid conflicts in the Council. Discussions of policy proposals in Council of Ministers meetings are typically very cursory. Most problems have been resolved beforehand, either in formal or informal meetings.

Under the Draghi government, the ability of cabinet committees, some of them guided by the prime minister himself or by the finance minister, to review and coordinate proposals of strategic importance has significantly increased compared to previous cabinets.

Ministerial
Bureaucracy
Score: 7

Before every Council of Ministers meeting there is a preparatory meeting – the “pre-consiglio” – where the heads of all legislative ministerial offices filter and coordinate the proposals to be submitted to the Council of Ministers meeting. The head of the Department for Juridical and Legislative Affairs of the Presidency of the Council of Ministers chairs these meetings. Proposals on which there is no agreement will rarely make it to the Council of Ministers. Further informal meetings between ministerial officials take place at earlier stages of drafting. However, the bureaucracies of individual ministries are normally protective of their prerogatives and are not keen to surrender autonomy. Under the Draghi government, the PMO has regained its coordination ability, which had declined under the Conte cabinets.

Informal
Coordination
Score: 8

The Draghi government has added to its more formal coordination mechanisms, such as the “cabina di regia” that was established by law decree n. 77 of 31 May 2021, regular informal meetings with the leaders of the parties supporting the governmental majority. These informal meetings have effectively reduced conflicts within a very large coalition.

Citation:

Law-Decree n. 77: <https://www.gazzettaufficiale.it/eli/id/2021/07/30/21G00118/sg> (accessed 12 January 2022)

Digitalization for
Interministerial
Coordination
Score: 5

The promotion of digitalization within public administration is one of the main goals of the Draghi government. The process for the creation of a national cloud service to be used by the public sector was launched with law decree n. 77 of May 2021, and a new mechanism of digital monitoring and coordination of governmental activities (REGIS) was established by a decree of the president of the council in September 2021. It is, however, too early to evaluate how efficient implementation will be.

Citation:

for the law decree n. 77 see: <https://www.gazzettaufficiale.it/eli/id/2021/07/30/21A04731/sg> (accessed 29 January 2021)

for the REGIS system see: https://www.mef.gov.it/inevidenza/2021/article_00060/Presentazione-Master-PNRR-PMST2021920STLM03-3.pdf (accessed 29 January 2021)

Evidence-based Instruments

RIA Application
Score: 6

RIAs are in principle required from all ministries and local authorities (under laws 50/1999 and 246/2005). At the national level, RIAs fall under the responsibility of individual ministries. The Prime Minister’s Office (PMO) is responsible for the review and quality control of the whole RIA processes as well as for the coordination of activities associated with an RIA. The Department for Juridical and Legislative Affairs of the Presidency of the Council of Ministers (DAGL) is responsible for the elaboration of RIA methodology. Annual reports are submitted to parliament.

Following reforms adopted by previous governments (a new more comprehensive RIA regulation took effect on 15 December 2017), the current RIA framework prohibits any discussion by the Council of Ministers of a proposal that lacks an RIA. While in the past these rules were not always applied, things have gradually changed, and most normative acts are now accompanied by an RIA unless an exemption has been granted because of the limited relevance of a proposal. The quality of RIAs is still far from homogeneous, and qualified observers have found that while RIAs conducted by independent authorities are in general sound, those of ministerial

departments continue to be rather formalistic (Osservatorio air 2014). A 2018 OECD study showed Italy lagging behind in this field, particularly with regard to ex post evaluations.

The government's report to parliament for 2020 provides a broad documentation of RIA activities, but indicates also the problems arising in implementing them during the pandemic, and suggests the need to re-evaluate RIA procedures and reports. Few ministries have well organized offices, which can perform effective RIAs.

Furthermore, it has to be underlined that without considering the RIA procedures, evidence-based policymaking is still very problematic in the country due to political constraints and to the random use of existing knowledge.

Citation:

Maria Francesca Rocchetti: Impact Assessment in Italy: State of the Art and Patterns of Regulatory Reform: <http://regulatoryreform.com/wp-content/uploads/2015/02/Rocchetti-Impact-Assessment-in-Italy-Sept-2014.pdf>

<http://www.osservatorioair.it/in-gazzetta-ufficiale-il-nuovo-regolamento-di-disciplina-dellair-della-vir-e-della-consultazione/>

https://presidenza.governo.it/DAGL/uff_studi/RelazioneAnnuale2020.pdf (accessed 29 January 2021)

<http://www.oecd.org/publications/better-regulation-practices-across-the-european-union-9789264311732-en.htm>

Quality of RIA
Process
Score: 4

The RIA process is still in its infancy in Italy. The participation of stakeholders remains limited and is not systematically pursued. The annual reports, presented by the Prime Minister's Office to parliament, indicate a gradual improvement in this field. A special government website (www.Consultazione.governo.it) has been created for documenting all consultation processes involving national and local public administrations. The results of consultation processes are still not available for most of 2020 and 2021.

Communication to the public needs to be significantly improved. The impact of RIAs on the policymaking process is still insufficient.

Sustainability
Check
Score: 5

Sustainability checks within the framework of RIA are still underdeveloped but are gradually improving. The reports of the Prime Minister's Office to the parliament show that they are not yet systematically integrated within RIA and they are not exhaustive from the point of view of the indicators included (economic indicators still play a greater role than social and environmental ones). With a decision taken in 2017, the PMO together with the Ministry of Environment will exercise tighter control over the adoption of sustainability criteria in regulation. In line with the policies of the European Union, both the second Conte government and the Draghi government indicated their

willingness to pay greater attention to sustainability criteria in their policies and to integrate SDGs in the RIAs. So far, however, the attention given in RIA reports to this aspect has not improved significantly (Relazione annuale 2020).

Citation:

<https://www.mite.gov.it/pagina/la-strategia-nazionale-lo-sviluppo-sostenibile> (accessed 29 December 2021)

https://presidenza.governo.it/DAGL/uff_studi/RelazioneAnnuale2020.pdf (accessed 29 December 2021)

Quality of Ex
Post Evaluation
Score: 5

Italian governments and parliaments do not regularly conduct in-depth ex post evaluations of policies before promoting a revision of existing or the development of new policies. Any new bill is accompanied by a technical report, which typically discusses existing policies and explains the benefits of the new policy. But only rarely is this the result of an in-depth evaluation process conducted through a public and open debate. It may happen for some of the most controversial reforms after some years of implementation. For instance, this was the case under the Draghi government for the pension reform and the citizenship income, which had been introduced by the first Conte government. In sum, ex post evaluation has not yet become a regularly applied policy instrument, but is conducted in a non-systematic way.

Societal Consultation

Public
Consultation
Score: 5

Consultations with economic and social actors have not been a key priority for recent governments. With their options limited by a difficult budgetary and economic situation, recent governments have been reluctant to involve themselves in long and (according to experience) often unproductive consultations. The Draghi government has conducted some consultations with labor unions on tax and pension policies, but their impact upon final policy decisions in these fields was minor. The need to reach difficult agreements with the majority parties prevailed.

Policy Communication

Coherent
Communication
Score: 6

Italian governments have in general coordinated communication rather weakly. Ministers and even undersecretaries have often been able and willing to express their personal positions without coordinating their comments with the Prime Minister's Office. Under the second Conte government, the prime minister had sought to affirm his communication primacy, but was frequently challenged by the very vocal leaders of the coalition partners. During the Draghi cabinet, the prime minister has asserted a rather clear pre-eminence in the field of government communication. The voices of the other ministers and party leaders have been overshadowed.

Implementation

Government
Effectiveness
Score: 8

The second Conte government, which assumed office in autumn 2019, defined a very broad set of policies in the fields of taxation, labor law, environmental protection, justice and infrastructure. The implementation of these goals, which proved extremely difficult because of internal disagreements among the coalition parties, was further hindered by the pandemic crisis. Meanwhile, the current Draghi government has defined a more parsimonious set of objectives (the implementation of a strong COVID-19 vaccination strategy and the achievement of the tasks mandated by the first year of the Recovery and Resilience Plan) and has largely succeeded in implementing them.

Citation:

for the achievement of the PNRR tasks see: <https://www.governo.it/it/articolo/pnrr-cabina-di-regia-con-il-presidente-draghi/18891> and <https://www.governo.it/sites/governo.it/files/RelazionePNRR.pdf> (accessed 30 December 2021)

Ministerial
Compliance
Score: 8

Coalition agreements between the parties supporting the government are in general the ordinary instrument for guiding ministers in the implementation of the government program. During the life of a cabinet, summits between the prime minister and the leaders of the coalition parties are often used to solve problems arising in the implementation of the program. Under the Draghi government, the need to ensure the timely implementation of the goals set by the Recovery and Resilience Plan has led to an institutionalization of these summits, which now take place regularly and frequently.

Monitoring
Ministries
Score: 8

The monitoring of the implementation of the government program is delegated to one of the undersecretaries attached to the Presidency of the Council of Ministers and supported by a special office of the presidency (Ufficio per l'attuazione del programma di governo). This office monitors the main legislative activities of the ministries and more recently has started to monitor regularly also the implementation activities related to the legislation adopted. The office publishes a monthly report. However, monitoring has tended to be a formal activity that simply documents what has been done rather than being a real instrument of political control. Under the Draghi government, the monitoring of line ministry activities has been significantly strengthened. The State General Accounting Department (Ragioneria Generale dello Stato, RGS) of the Finance Ministry has gained an enhanced role and is responsible for monitoring all activities mandated under the PNRR.

on the monitoring of implementation see: <https://www.programmagoverno.gov.it/media/4514/quinta-relazione-sul-monitoraggio-dei-provvedimenti-attuativi-della-xvii-e-xviii-legislatura.pdf> (accessed 31.12.2021)

on the role of RGS see: https://www.programmagoverno.gov.it/media/1308/20160621_protocollo_inegrato_upg_igb.pdf (accessed 31.12.2021)

Monitoring
Agencies,
Bureaucracies
Score: 5

Autonomous executive agencies are not very common in Italian ministries, but they have increased with time (there are currently around 15 agencies) and their autonomy is quite differentiated (some of them are highly autonomous, while others function as an executive branch of the respective ministry). Although their activities are monitored, this monitoring is neither systematic nor particularly effective. There are some exceptions: for example, the monitoring of the tax agency (Agenzia delle Entrate) by the Ministry of Finance is more effective than many other oversights. The Corte dei Conti – the main Audit Office – performs a systematic monitoring of bureaucratic offices and also of executive agencies but this monitoring is mainly focused on legal and procedural aspects and is much less effective in covering other aspects such as cost efficiency.

Monitoring of regional healthcare agencies, and healthcare expenditure and procurements is theoretically very adequate. This is thanks to the role of the AGENAS (Agenzia Nazionale per i Servizi Sanitari Regionali), which is in charge of monitoring the work of the regional healthcare systems. AGENAS oversees the field effectively, but overall decision-making lacks coherence. As in the case of the standard cost that is not implemented due to the lack of political effectiveness, despite the empirical evidence offered by the monitoring activity of AGENAS.

Task Funding
Score: 7

In recent years, a double and to some extent contradictory trend has taken place in the relationship between central government and local administrations (regions, provinces and municipalities). On the one hand, constitutional reforms, legislative and administrative changes have transferred broader tasks to local governments. This has particularly been the case for regions where the devolution of functions in the field of healthcare has been particularly extensive. On the other hand, however, because of budgetary constraints and strong pressures from the European Union and international markets, the central government has increasingly reduced transfers to local governments in order to balance its own budget. Local governments have tried to resist this fiscal squeeze without great success and have had to increase local taxation. At the same time, the government has reduced the autonomy of municipalities to levy property taxes. As a result, functions delegated to subnational governments are now often underfunded, and local authorities have been forced to cut services.

Under the new Recovery and Resilience Plan (PNRR), resources for local governments, especially with regards to infrastructural expenditures, have been significantly increased. The open question is whether local governments will be able to spend these resources in time.

Constitutional
Discretion
Score: 7

The constitutional and legislative changes, which had substantially increased the powers and scope of regional government activity over the last 20 years, did not make the relationship between different levels of government less antagonistic. Across an increased number of policy fields, central and regional governments have concurrent legislative powers. In these areas, the central state should simply define general guidelines, leaving the articulation of specific legislative contents to regional assemblies. However, the national government and parliament have a tendency not to respect this division of authority, impinging upon the sphere of regional autonomy instead.

For their part, regions often adopt a posture of resistance to national rules. This has produced an exceeding amount of litigation before the Constitutional Court. Tensions between the two levels have also increased as a result of the strained fiscal context. The central government has sought greater oversight over local governments (often perceived as the culprits of unrestrained spending). In order to balance the national budget, central government transfers to local authorities are repeatedly cut. These cuts are typically applied universally, rather than selectively. However, in several emergencies, the national government has given substantial financial aid to municipalities and regions. Moreover, central government has provided the necessary funds whenever local governments have been close to defaulting.

The COVID-19 emergency has fostered a greater degree of cooperation between central government and regional authorities through regular consultation procedures involving the government and the Conferenza Stato-Regioni (State-Regions conference).

Citation:
<https://www.statoregioni.it/conferenza-unificata/sedute-2021/seduta-del-20122021/report/> (accessed 2 January 2022).

National
Standards
Score: 5

Minimal national standards for decentralized public services (e.g., public healthcare and utilities) are agreed upon and set at national level in a number of areas. The permanent conference for relations between the state, regions, provinces and cities (Conferenza Stato-Regioni ed Unificata) is an important forum in which national standards are discussed. However, the implementation of these standards is still far from satisfactory: as the administrative quality of different local authorities varies significantly, standards can differ substantially from one area of the country to another. In many fields (e.g., education and healthcare), the north–south divide remains significant, and seriously affects equality of opportunities and national cohesion. So far, efforts to overcome it have not proven very successful.

Effective
Regulatory
Enforcement
Score: 5

Concerning national standards for utilities (e.g., water, electricity and communications), independent authorities are in most cases responsible for their definition and implementation. Implementation in this field is fairly adequate.

The ability of the government to effectively enforce regulations against resourceful interest groups received renewed attention after the 2018 collapse of the Genova motorway bridge. It has become clear, for instance, that the Ministry of Transport and Infrastructures did not adequately monitor the implementation of the motorway concession agreements by the private companies who were the concessionaires (particularly in the field of investments and security controls). A review of other fields would likely reveal similar problems. So far, no major steps forward have been made to improve the situation.

Adaptability

Domestic
Adaptability
Score: 8

In the medium term, the most significant impact that international, and particularly supranational (EU-related) developments have had upon the structure and working of the government concerns the role of the minister of finance and of the treasury. Because of budgetary requirements deriving from European integration and participation in the euro area, the minister of finance has acquired increasing weight in the governmental decision-making process, exercising an effective gatekeeping role with respect to the proposals of line ministries. Consequently, the prime minister and the finance minister gained a more central role in the implementation of the government program, guiding the most important decisions, while other ministers assumed a secondary role.

Under the first Conte government (2018–2019), this trend appeared to be reversing itself. The political influence of the prime minister and finance minister was reduced to accommodate the policy initiatives of the two party leaders of the coalition, who made little effort to respect Italy's international and European obligations. However, the second Conte government has backed somewhat away from this mode of operation and, with the increasing need to obtain European support during the pandemic crisis, the role of the finance minister has gained new weight. This trend has been significantly reinforced by the Draghi government, and the large funds attributed to Italy by the European Commission and the Next Generation EU program. The role of the prime minister and of the finance minister have become crucial in steering the implementation of this program.

International
Coordination
Score: 7

The ability of Italian governments to take a leading role in international efforts is generally limited. This is in part due to the country's size, but also to the fact that Italian politics tends to focus on internal matters. Moreover, frequent changes in political leadership have made it difficult to provide a strong and

clear position in international efforts. There have been occasional exceptions when the government has been more active on a specific issue (e.g., the abolition of death penalty, or in the promotion of peace talks in the Middle East). With regard to the immigration crisis, Italian governments have tried to promote a sharing of responsibility among EU member states.

The first Conte government adopted a rather confrontational attitude toward the European Union and the main EU member states, which undermined its international actions. In contrast, the second Conte government increasingly adopted a more cooperative approach toward the European Union. Furthermore, the current Draghi government has significantly strengthened this cooperative attitude toward the European Union and at the same time with the new Biden administration. Thanks to the international prestige of the prime minister, Italy has played a more active role in various international forums, such as the G20 and COP26, and the current government has deliberately given the international arena much greater attention compared to previous governments.

Organizational Reform

Self-monitoring
Score: 7

Traditionally, the attention paid to the internal organization of the government machine has been selective and sporadic. No systematic monitoring was accomplished on a regular basis. The spending review initiated under the Monti government, and continued by the Letta, Renzi and Gentiloni governments, reformed this field somewhat. Reforms have focused mainly on financial issues, but have also involved the monitoring of institutional arrangements of government (with particular attention given to the structures of local government). However, many of these review exercises' proposals for a deeper restructuring of government have not been seriously implemented. After limited past reforms that increased the ability to monitor the government program, little attention has been paid to a serious restructuring of the Prime Minister's Office. Reforms introduced under the Conte government only marginally affected the state bureaucracy's low level of productivity. The Draghi government – because of its specific mission and as a consequence of the rules imposed by the Next Generation EU program – has developed more effective instruments for monitoring the activities of ministries, administrative units and local governments, and to measure their effectiveness in implementing the actions prescribed by the Resilience and Recovery Plan (PNRR). From this point of view, 2021 has been a very positive year.

Citation:

http://www.funzionepubblica.gov.it/sites/funzionepubblica.gov.it/files/Valutazione_DLgs_25_maggio_2017_n74.pdf

<https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legge:2021-05-31;77!vig=>

Institutional
Reform
Score: 7

Despite several years of public debate, successive governments have been unable to significantly improve the effectiveness and efficiency of central government. The attempt of the Renzi government to introduce a broad constitutional reform was strongly rejected in the referendum held in December 2016. The reform had aimed to reduce the delays caused by veto powers originating from the perfect bicameralism, and redistribute powers between regional and central governments to make the responsibilities of each level clearer. The rejection of the reform demonstrated the difficulties of introducing broad reforms.

While the previous path toward constitutional reform was abandoned after several failed attempts, the current Draghi government has adopted a softer strategy to improve its policy capacities. A greater concentration of decision-making powers in the hands of the prime minister and of the prime minister's staff has been coupled with a regular and more effective mechanism of consultation with the leaders of the parties supporting the government. It remains to be seen if such arrangements will continue under a new government.

II. Executive Accountability

Citizens' Participatory Competence

Political
Knowledge
Score: 6

Existing public opinion studies indicate that only a minority of citizens (about 35%) are significantly interested in politics and that about a similar percentage talks regularly about politics and follows TV programs featuring political debate. A large majority (85%), however, regularly follows the TV news where political news has a significant weight. While data show that the level of sophistication and knowledge about parties, personnel and composition of government is not low, data concerning levels of information about policies are not easily available. They probably vary greatly depending on the policy field.

In certain areas used by parties to define their positions (especially major economic and fiscal issues, education, healthcare, immigration and foreign policy), levels of information are fairly high. On other policies, the amount of knowledge drops significantly. As Italian politics are fast-moving, unstable and strongly personalized, it is naturally difficult for citizens to be well informed about the contents of government policymaking. Television – by far

the most significant information source in Italy – does not provide in-depth information. Over the last two years, attention to COVID-19 specific policies has been rather high.

Citation:

Vincenzo Memoli, How Does Political Knowledge Shape Support for Democracy? Some Research Based on the Italian Case, in *Bulletin of Italian Politics*, Vol. 3, No. 1, 2011, 79-102

Open
Government
Score: 5

According to the Freedom of Information principle established in 1990, and further extended in 2013 (Law decree no. 33) (FOIA-Governo), citizens have access to all administrative acts with limited exceptions. A government commission oversees the full application of this right. The frequency of access and the response rate are regularly monitored (Osservatorio FOIA).

The government does not have a systematic and comprehensive policy of making information easily accessible for citizens in such a way as would enable citizens to hold the government accountable. The Presidency of the Council of Ministers and the ministries themselves maintain web pages that publish information about government activities. However, the information published on these websites often provides a sequence of events (e.g., meetings of the ministers and press conferences) rather than data-rich documentation.

Citation:

<https://foia.gov.it/normativa/cose-il-foia> (accessed 20 December 2021)

<https://foia.gov.it/osservatorio/monitoraggio/articolo/monitoraggio-sullattuazione-del-foia-2020> (accessed 20 December 2021).

Legislative Actors' Resources

Parliamentary
Resources
Score: 8

Members of parliament can draw on significant resources of highly qualified personnel to monitor the activities of the government. The permanent staff of both chambers is quite large and is selected through highly competitive mechanisms. Most staff members possess highly qualified legal expertise. The parliamentary staff regularly produces studies on issues and reforms under discussion. A special office of the parliament (the Ufficio Parlamentare di Bilancio, Upb), created in 2015 following the Fiscal Compact Treaty and successive decisions of the European Council, is now responsible for providing parliamentarians with a detailed evaluation of the government's fiscal proposals. The two chambers have quite extensive libraries. Members of parliament also have at their disposal resources for hiring personal parliamentary assistants. The selection of these assistants is much less merit-based and their quality highly variable. Whether in general members of parliament are really interested in using systematically the available resources

for monitoring the government is another matter. Probably only a minority fully utilizes these resources.

Citation:

<http://www.upbilancio.it/pubblicato-il-rapporto-sulla-politica-di-bilancio-2022/> (accessed 20 December 2021)

Obtaining
Documents
Score: 8

Parliamentary committees are comparatively powerful. They can significantly amend legislation and they have extensive oversight powers. Committees also have the right to ask for documents from the government. Delivery of the documents may not always be prompt, but there is no significant evidence that the government fails to comply.

Summoning
Ministers
Score: 9

Article 143 of the Chamber of Deputies' rules of procedure enables parliamentary committees to summon ministers or undersecretaries for hearings. Similar rules apply for the Senate. Summoning ministers and undersecretaries is a regular practice, and they normally comply with such requests. From time to time, however, compliance is delayed.

Summoning
Experts
Score: 9

Parliamentary regulations provide for the right of committees to invite any person able to provide important information (art. 143, 144 Regolamento Camera dei deputati). They can also ask the government to command special studies from the National Statistical Office (ISTAT) (art. 145). The rights of committees are not limited, and committees frequently use this opportunity to summon experts. This also reflects the fact that the Italian committee system plays a more prominent role in the legislative process than do committees in other European parliamentary regimes. Special parliamentary commissions may be established to investigate particular topics. These parliamentary commissions can also summon experts to give evidence. Recently, a joint parliamentary commission of inquiry on the banking system was established and senior officials from the Banca d'Italia were summoned.

Task Area
Congruence
Score: 8

The tasks of committees and ministries mostly coincide. However, there are a few cases where more than one ministry is overseen by a single committee. For instance, this happens with the Presidency of the Council and the Ministry of the Interior, for the Ministry of Cultural Affairs and Ministry Education, and for the Ministry of the Environment and Ministry of Public Works). Parliamentary committees have instruments at their disposal enabling the effective monitoring of ministries' activities.

Committees meet frequently and their members are assisted by highly qualified technical personnel. However, parliamentarians are not always

interested in fully exploiting their monitoring prerogatives. Often, they prefer to concentrate either on issues with high media visibility or of local relevance rather than on the more important administrative processes taking place far from the spotlight.

Media

Media Reporting
Score: 7

The space allocated to political themes in Italian media is quite significant in the most important mass media brands (the three main national newspapers, *Corriere della Sera*, *la Repubblica* and *Il Sole 24 Ore*, which have print and online versions; the state television channels, RAI1, RAI2, RAI3 and RaiNews; the three Mediaset channels, Canale 5, Italia 1 and Rete 4; and two other private TV channels, Skynews and La7). Television time (both public and private) allocated to political themes is substantial. For instance, the La7 channel alone averages approximately 10 hours per week of political content. A large part of this time is devoted to debates and talk shows involving politicians, journalists and experts, and to covering the most important aspects of current political controversies.

However, detailed, in-depth analysis of government decisions is much rarer, and debates tend to focus on the personality-driven dimensions of power politics. National newspapers provide more in-depth coverage of government decisions, often providing detailed dossiers on their content. Some radio and internet programming gives high-quality information in advance. The broader public has no access or does not seek access to these media.

Parties and Interest Associations

Intra-party
Decision-Making
Score: 5

With regard to intra-party democracy, Italy's major parties differ significantly. At one end of the spectrum lies the Forza Italia (FI) party, which was previously called *Popolo della Libertà* (the People of Freedom Party), where decision-making and leadership selection are both fundamentally dominated by its leader, Silvio Berlusconi. Requests to adopt primaries to designate candidates for leading positions at national and subnational levels were recurrently aired but have always been stopped by Berlusconi. The situation is rather different in the main center-left party, the Democratic Party, where leadership has in past years been selected through primaries open not only to party members but to anyone willing to subscribe a declaration of support for the center-left coalition. A similar procedure was sometimes adopted for the selection of parliamentary candidates.

The Movimento Cinque Stelle (Five Star Movement, M5S) has introduced new mechanisms of online direct consultations for decisions and for candidate

selection. At the same time, behind the scenes (and sometimes openly), movement founder Beppe Grillo has maintained a very strong steering and veto role. Internal opponents have found it very difficult to win a platform to voice their positions, and dissidents have frequently been expelled from the party.

Northern League party activists and members selected their current leader, Matteo Salvini, through primaries in 2017. The party is now totally dominated by its leader.

Overall intra-party democracy in Italy's political system is not well established and shows a large degree of variation across parties. In particular, it seems difficult to balance an increasing personalization of leadership and the preservation of internal debate. Discussions about regulating the internal dynamics of political parties are recurrent, but have not been implemented.

Association
Competence
(Employers &
Unions)
Score: 7

The big-interest associations (employers' associations and trade unions) have developed research units which regularly use experts and rely upon scholarly knowledge. Their proposals are often detailed and based upon substantive policy know-how. However, it must be noted that trade unions generally have a rather conservative outlook, and are reluctant to adopt innovative policies in the areas of labor relations or pensions.

Employers' associations (the most important of which being Confindustria) in general adopt a more innovative perspective, and are less defensive of the status quo. However, their policies are much more prudent on issues associated with increasing economic competitiveness or reducing government subsidies. In recent years, two of the largest trade unions (CISL and UIL) have shown a somewhat greater willingness to negotiate with the government and employers' associations over measures designed to increase the flexibility of labor relations.

Association
Competence
(Others)
Score: 6

The landscape of non-economic interest organizations is increasingly rich and diversified. But only few of them are able to formulate articulated policy proposals. Most operate in a reactive mode instead. Among the most professional associations, some religious (e.g., Caritas or Comunità di S. Egidio, which deal mainly with poverty and immigration policies), humanitarian (e.g., Emergency) and environmental groups (e.g., Legambiente, FAI and WWF) deserve special mention, and are able to provide well-articulated, expert analysis. An increasing number of single-issue movements are gaining ground in Italy, and are contributing to policymaking in their respective areas.

There are also a series of foundations and think tanks in the field of international affairs (IAI, ISPI), social and economic problems (Censis or Fondazione Agnelli) producing critical studies and conducting oversight activities. With COVID-19, medical field foundations have increased their activity and visibility. Their infrastructure, resources and personnel are in general limited.

Independent Supervisory Bodies

Audit Office
Score: 7

General auditing functions are conducted in Italy by the Court of Accounts (Corte dei Conti), which oversees all administrative activities. The court regularly reports its findings to the parliament, but cannot be said to be accountable to the parliament as it is an independent judicial body. The court can review *ex ante* the legitimacy of executive acts (although its decisions can be overruled by the government) and is responsible for the *ex post* review of the state budget. The court oversees the financial management of publicly funded bodies. It is protected from political influence; its judges remain in office until they are 70 years old and cannot be removed without cause. Judges are nominated through national competitive exams, and members of the court nominate the court president. The court has a highly skilled professional staff. Citizens may access court decisions via the internet, at no cost, shortly after decisions are rendered.

In April 2014, the parliament created the Parliament Budgetary Office (Ufficio parlamentare di bilancio), which is tasked with assessing the government's macroeconomic and fiscal forecasts and monitoring compliance with national and European fiscal rules. This new body plays a particularly important role during the budgetary session and enables the parliament to have its own independent source of information in evaluating government proposals. Over the years, this office has demonstrated its increased independence by criticizing the budgetary policies of the government and in some cases (as in 2016 and 2018) openly contesting some of the government's economic forecasts.

<https://www.upbilancio.it/rapporto-sulla-politica-di-bilancio-2022/>

Ombuds Office
Score: 4

Italy does not have a national ombuds office. In 1990, a national law provided for the establishment of municipal ombudsman offices, but this provision was abolished in 2010. Some functions are performed by regional ombudsman offices (Difensore civico). Through questions and other oversight instruments, members of parliament perform with significant vigor an analogous advocate's function with regard to issues and complaints raised by citizens (Russo and Wiberg 2010).

Citation:

Russo, F. & M. Wiberg (2010). Parliamentary Questioning in 17 European parliaments: Some steps toward comparison. *The Journal of Legislative Studies*, vol. 16(2), pp. 215-232

Data Protection
Authority
Score: 8

The Italian data protection authority (Garante per la protezione dei dati personali) is an independent administrative authority set up under the Privacy Law (Law No. 675 of 31 December 1996). It has powers of inquiry and authorization, and can redress grievances. It can moreover inflict pecuniary sanctions.

Its four members are elected by the parliament for non-renewable seven-year terms. They cannot be re-elected. The authority has extensive powers and enjoys a high degree of independence.

Citation:

<https://www.garanteprivacy.it/documents/10160/0/Data+Protection+Code.pdf>

<https://www.garanteprivacy.it/web/guest/home/attivita-e-documenti/documenti/relazioni-annuali>

<https://www.garanteprivacy.it/documents/10160/0/Annual+report+2017+-+Highlights>

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