1.

Strengthen administrative capacity to not waste european funds

Strengthen administrative capacity to not waste european funds

The European Union asks member countries that want to access the *"Next Generation EU"* Recovery Plan for a serious investment plan and, at the same time, for reforms. Among the latter, the country specific recommendations for Italy mainly focus on the reform of the Public Administration. Not by chance: to be effective, no investment can be separated from a transparent and efficient administrative machine in the various territorial levels of government.

The post-Covid 19 economic recovery will be a question not only of how much money will arrive in our country, but also and above all of "how" that money will be spent and "by whom". In other words, injecting liquidity, for example to Regions and Municipalities, will not be sufficient to guarantee a widespread and equitable recovery, if Regions and Municipalities do not equip themselves with what in European terminology is defined as "institutional capacity".

In the political debate, however, attention seems to focus almost exclusively on which investment projects to choose – if more for the *green economy* or digitization – and on who will have to manage the related European aid. Okay, but that's not enough. We need to immediately begin to emphasize the strengthening of that "institutional capacity" that Europe requires as an essential condition for the Recovery Fund not to risk being wasted.

The problem is that in Italy, as of today, there is no mapping of that institutional capacity, except for certain categories of data, such as financial statements and personnel. And, therefore, it becomes difficult to strengthen what is unknown.

It is not only the responsibility of the institutions, but also of the citizens, who generally do not care about the functioning of their

Region or Municipality, as if it did not affect the quality of services they receive.

Yet, there is a chance not to miss the train of European funds: beyond the long-standing institutional shortcoming and the frequent superficiality of the public debate, the legislator has long since laid the foundations for the realization of that mapping of the administrative capacity of the PAs. It did so in 2013, with the legislative decree n. 33, the so-called "transparency decree".

It introduced the obligation for all Public Administrations to publish the same information, in a unique format, with the same frequency and in the same section of their respective websites, called "Transparent Administration". This allows to know and evaluate the transparency, efficiency and integrity of each Administration, to compare it with Administrations of the same type, to follow their chronological trend. Each citizen can access the "Transparent Administration" (hereafter "AT") section on the website of their Region and learn about its functioning and performance. For example: what is its spending capacity? What percentage does it reach annual goals at? What are the average delivery times for services? Is home health care widespread? How is public real estate managed? How extensive is its broadband connection? What are the average payment times to suppliers?

In practice, with Legislative Decree 33/2013, the legislator has started a sort of "de facto" database that every Public Administration implements and updates.

Of course, this is not enough: the information published in the AT section is redundant, often technical, published in a messy and confusing way, such that it is hardly usable even for insiders. The conditions set by the European Union in order to allow our country to access the "Next Generations EU" Recovery Plan can be the incentive not to waste the information published in the AT and make it the basis for knowing and strengthening the institutional capacity of our administrations, especially those called to manage incoming European funds.

The Public Rating intervenes precisely in this direction: it allows the data published on institutional websites to be collected, sorted and processed, in order to translate them into a synthetic index of transparency, integrity and efficiency, easily usable by anyone.

The need for an index is very clearly explained by the Commission for the Evaluation, Transparency and Integrity of Public Administration (CIVIT, now ANAC).

"Performance measurement systems are essential tools for improving public services and, if properly developed and implemented, can play a fundamental role in defining and achieving strategic objectives, in aligning with best practices in terms of behavior, attitudes and logistic performance.

Measurement systems take on an even more relevant role in situation of negative economic cycle" at least "for two reasons: the first relating to the satisfaction of citizens'needs and the second relating to the better ability to choose and select by the competent authorities regarding the allocation of resources. As for the first profile (…) the satisfaction and involvement of the citizen constitute the real engine for improvement and innovation processes. As for the second profile, performance measurement makes it possible to improve the allocation of resources between the different structures, rewarding the virtuous and excellent ones and reducing wastes and inefficiencies.

For this reason, this resolution[1] focuses on the concept of *outcome*, that is the public value produced by administrations in the delivery of services for the community."

These are words written in 2010, but which are very topical again.

Applying the Public Rating to Regions is particularly important today, as they are called to play a crucial role in the management of European funds. The results of the analysis carried out in 2020 with the lens of Public Rating make it possible to identify the strengths and weaknesses of each Region, in a comparative key, and therefore to set up an administrative strengthening plan where and as it is necessary.

That plan, without the need to enact new rules, can become one of the most appreciated reforms by the European Union. Sadly known, in fact, for its inefficiencies and waste, Italy has the opportu-

[1] Extract from Resolution n. 89/2010 of the commission for the Evaluation, Transparency and Integrity of Public Administrations: "Guidelines on the parameters and reference models of the Performance Measurement and Evaluation System (articles 13, paragraph 6, letter d) and 30, of the legislative decree 27 October 2009, n. 150)" (page 2).

nity to demonstrate that it has started a serious and consistent process of improving the spending quality, starting with the improvement of the public administrative apparatus.

If Italy starts this virtuous trend – knowing the PAs, supporting them in improving them, distributing European funds on the basis of merit and commitment – it will be able to attract, after the *Recovery Fund*, even private capital, for example institutional investment, and those of international investors. Capital that, like the European ones, invest in a country not only for its projects, but above all for the credibility of its institutions.