



STRUCTURE AND OPERATION OF LOCAL AND REGIONAL DEMOCRACY

Italy

Italy
Territorial set-up



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Italy

Situation in 2008

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1. LEGAL BASIS

1.1. Constitutional provisions

The main constitutional texts concerning regional democracy in Italy are:

1) Article 5 and Part II - Title V (Articles 114-133) of the Constitution

2) Constitutional Acts containing the Statutes for special statute Regions:

- Constitutional Act No. 2 of 26 February 1948: conversion into constitutional law of the special statute of the Sicilian Region approved by legislative Royal Decree No. 455 of 15 May 1946
- Constitutional Act No. 3 of 26 February 1948: special statute of Sardinia
- Constitutional Act No. 4 of 26 February 1948: special statute of Valle d'Aosta
- Constitutional Act No. 5 of 26 February 1948: special statute of Trentino - Alto Adige
- Constitutional Act No. 1 of 31 January 1963: special statute of Friuli - Venezia Giulia

3) Constitutional Acts containing amendments and additions to the above-mentioned statutes:

- Constitutional Act No. 1 of 10 November 1971: amendments and additions to the special statute of Trentino - Alto Adige
- Constitutional Act No. 1 of 9 May 1986: amendment to Article 16 of Constitutional Act No. 3 of 26 February 1948 (special statute of Sardinia) with respect to the number of regional councillors
- Constitutional Act No. 2 of 23 September 1993: amendments and additions to the special statutes of Valle d'Aosta, Sardinia, Friuli-Venezia Giulia and Trentino - Alto Adige
- Constitutional Act No. 2 of 31 January 2001: provisions for the direct election of the President of special statute Regions and autonomous Provinces

4) Other Constitutional Acts of regional interest:

- Constitutional Act No.1 of 23 February 1972: amendment to the terms of office of the Sicilian Regional Assembly and the regional councils of Sardinia, Valle d'Aosta, Trentino - Alto Adige and Friuli-Venezia Giulia
- Constitutional Act No. 3 of 12 April 1989: amendments and additions to Constitutional Act No. 1 of 23 February 1972 with respect to the terms of office of the Sicilian Regional Assembly and the regional councils of Sardinia, Valle d'Aosta, Trentino - Alto Adige and Friuli - Venezia Giulia. Amendments to the special statute of Valle d'Aosta
- Constitutional Act No.1 of 22 November 1999: provisions for direct election of the Presidents of ordinary statute Regions' Governments and the statutory autonomy of Regions
- Constitutional Act No. 3 of 18 October 2001: amendments to Title V - Part II of the Constitution

1.2. Main State legislative texts

- Act No. 62 of 2 October 1953 (Constitution and operation of regional organs)
- Act No. 108 of 17 February 1968 (provisions for election of regional councils)
- Decrees of the President of the Republic, Nos. 1 to 11, 14 and 15 January 1972 and No. 616 of 24 July 1977, transferring State administrative functions to regional authorities
- Act No. 43 of 23 February 1995 (provisions for the election of regional councils in ordinary statute Regions)
- Act No. 59 of 15 March 1997 (delegation to the Government for transferring administrative functions and tasks to the Regions and local authorities)
- Legislative decrees transferring State administrative functions to the Regions and local authorities (in particular decree No. 112/1998)
- Legislative Decree No. 56 of 18 February 2000 (provisions for fiscal federalism)
- Act No.131 of 5 June 2003 (provisions for the implementation of Constitutional Act No. 3 of 18 Oct. 2001)
- Act No. 165 of 2 July 2004 (provisions for the implementation of art.122, first paragraph, of the Constitution on the election of regional organs)
- Act No.11 of 4 February 2005 (general provisions on the participation of Italy in the EU legal framework and relevant implementation procedures including, among other things, provisions on the role of Regions and local authorities in the European Union)

2. STRUCTURE OF LOCAL/REGIONAL AUTHORITIES

2.1. Main subdivisions

- Municipalities
- Provinces
- Metropolitan cities
- Regions

2.2. Statistical data

Number of regional authorities

Regional authorities	1950	1992	1999	2007
Regions	19*	20	20	20

* The first Italian Constitution established 19 Regions. Four of these Regions were created before the approval of the first Constitution, while the others were set up later.

Surface area of Italian Regions

Region	Surface area (in km ²)
Abruzzo	10 798
Basilicata	9 992
Calabria	15 080
Campania	13 595
Emilia Romagna	22 124
Friuli-Venezia Giulia	7 855
Lazio	17 207
Liguria	5 421
Lombardia	23 861
Marche	9 694
Molise	4 438
Piemonte	25 399
Puglia	19 362
Sardegna	24 090
Sicilia	25 708
Toscana	22 997
Trentino-Alto Adige	13 607
Umbria	8 456
Valle d'Aosta	3 263
Veneto	18 391
TOTAL No. of regions 20	301 338

Source: www.comuni-italiani.it

Regional authorities	Maximum area (km ²)	Minimum area (km ²)	Average area (km ²)
Regions	Sicilia 25 708	Valle d'Aosta 3 263	14 485.5

Regional authorities and population of Regions in 2001

Region	Population
Abruzzo	1 262 392
Basilicata	597 768
Calabria	2 011 466
Campania	5 701 931
Emilia Romagna	3 983 346
Friuli -Venezia Giulia	1 183 764
Lazio	5 112 413
Liguria	1 571 783
Lombardia	9 032 554
Marche	1 470 581
Molise	320 601
Piemonte	4 214 677
Puglia	4 020 707
Sardegna	1 631 880
Sicilia	4 968 991
Toscana	3 497 806
Trentino-Alto Adige	940 016
Umbria	825 826
Valle d'Aosta	119 548
Veneto	4 527 694
TOTAL 20	56 995 744
Average population per region	2 849 787.2

Source: www.comuni-italiani.it - 2001 ISTAT (National Institute of Statistics) Survey - final data

Valle d'Aosta is the smallest Region in terms of geographical area and population. Sicily has the largest surface area, while Lombardy has the largest population.

2.3. Changes to territorial structures

Merging existing Regions and creating new ones is only possible under the Constitution. The request must come from municipality councils representing at least one third of the population involved and the proposal has to be approved in a referendum by a majority of this population. Regional councils must have been previously consulted.

If they so request, state law makes it possible to separate Provinces or Municipalities from a Region to include them in another, as long as a region referendum is organised. The regional council must also have been previously consulted.

2.4. General units of State administration at regional level and their relationship to regional authorities

Deconcentrated central government units are established at both regional and provincial level. These are headed by officers appointed by the central Government.

In the capital of each ordinary statute Region, deconcentrated offices of the Ministry for Home Affairs - the Prefecture Territorial Office of the Government (*Prefettura-Ufficio Territoriale del Governo*) - are headed by the Prefect who is the main representative of the central Government for the Region. The Prefect is the deconcentrated representative of the Ministry for Home Affairs. As a state representative, he/she exercises his/her functions under directives issued by the Prime Minister or the Ministers responsible for the different portfolios. In carrying out his/her duties, he/she may make use of the existing structures and staff of the Governmental Prefecture territorial offices and of other state offices operating locally.

The State representative at regional level is in charge of a range of activities including:

- ensuring co-ordination of the administrative activity of deconcentrated units of the State operating at local level;
- ensuring respect for the principle of faithful collaboration between central and regional authorities;
- informing the Presidency of the Council of Ministers – National Department for Regional Affairs – and the concerned Ministries of the adoption of regional statutes, as well as the adoption of regional laws and administrative provisions, so that the central Government may evaluate these acts and lodge appeals to the Constitutional Court against them if need be;
- implementing Government measures enabling central power to supersede the power of the Regions (and local organs) to sanction the regional/local body in the event of a violation of international rules, treaties or community law, serious dangers to public safety and security, and whenever central power is required to ensure legal and economic unity throughout the country, in particular the basic standards of welfare related to civil and social rights.

In special statute Regions, the tasks detailed in point 4 are carried out by State organs with regional authority, as set out in the relevant statutes, and the methods used to set them up are defined by the relevant rules.

3. ORGANS OF EACH CATEGORY OF REGIONAL AUTHORITIES

3.1. Deliberative organ

3.1.1. Title and functions

The deliberative organ at regional level is the regional council (*Consiglio Regionale*).

A regional council :

- has legislative power;
- has the power to approve and modify the regional statute (in ordinary statute Regions). Any modification must be approved by the absolute majority of the Council's members in two consecutive rounds;
- proposes legislation to the National Parliament and delivers advice on territorial changes to the boundaries of Regions as well as on the transfer of Municipalities and Provinces from one Region to another (see section 2.3.);
- supervises the regional executive's policies, which can entail the vote of no confidence procedure against the President of the Region;
- elects three delegates from the Region (one for Valle d'Aosta) to the joint Assembly of the two Houses of Parliament for the election of the President of the Republic.

In compliance with regional legislation, the regional council is also entrusted with:

- regulatory power, when afforded by the regional statute;
- approving the regional financial and economic plan, the regional annual and multi-annual budget law, the transfer of funds, and the balance sheets adopted by the regional executive;
- supervising the general management of the region's financial and economic activity;
- supervising the activity of regional agencies, associations and consortia;
- approving general plans for public works and regional public services and their financing;
- appointing the Region's representatives to regional companies, agencies and authorities, in the cases and according to the rules established in the statutes.

In special statute Regions, different rules can be established.

3.1.2. Composition

The regional council is composed of thirty to eighty councillors (depending on the Region's population) whose terms of office are renewed every five years.

3.1.3. Method of election

There is a mixed electoral system (proportional and majority system): four fifths of the councillors are elected from provincial lists. Each voter may choose both the list and the candidate; the remaining fifth of the seats is assigned to the regional list which obtained the majority of the votes. The winning coalition need only obtain (if necessary) a minimum of 55% of the Council's seats, through the "majority premium".

3.2. Executive organ

3.2.1. Title and functions

The executive organ of the Region is the Regional Government (*Giunta regionale*).

It is responsible for:

- implementing the laws and policy directives adopted by the regional council;
- determining the regional budget and the annual balance sheet submitted to the council.

It also has power to act on the following matters, within the limits and procedures prescribed by regional statutes:

- transfer of funds between the various budget sections;
- public work projects, within the limits of the regional plans for public works;
- contracts between the Region and other entities;
- Region's assets and liabilities (though it must report on its actions to the Council), as well as transactions and cases of disposal;
- financial and territorial planning and programming;
- decisions on whether a State or regional law is constitutional and questions of competence.

The Regional Government may also adopt regulations, where this is clearly established by the regional statute.

3.2.2. Composition

This organ is composed of a President and a varying number of members (*assessori*), according to what is provided for in the regional statute.

3.2.3. Method of election and appointment

The President is elected directly by the electorate. This rule is established by the Constitution and will remain in force until Regions adopt their own regulation. Most Regions have enacted regulations on the matter confirming the State ruling.

The members of the Regional Government are appointed by the President of the Region him/herself where the President has been directly elected. They may or may not be Council members. In some Regions, the office of councillor is however incompatible with that of member of the executive.

3.3. Political head of the regional authority

3.3.1. Title and functions

The political head of the Region is the President of the Regional Government. He/she:

- represents the Region;
- performs the functions assigned to him/her by the Constitution, the law and the regional statute;
- leads and is responsible for the Regional Government policy;
- calls and chairs the Regional Government's meetings;
- promulgates regional laws and regulations.

The President also represents the Region in the legal and judicial sphere.

As previously mentioned, he/she also appoints the members of the Regional Government (see section 3.2.3.).

3.3.2. Method of election or appointment

In the past, the Region's President was elected by the regional council. In 1999 and 2001 respectively, two Constitutional Acts, one for ordinary statute Regions and the other for special statute Regions introduced direct election of the President and established that the head of each party list is the candidate for the office of president of the executive. These laws are provisionally applied where regional "electoral" laws are not yet approved. Up to now, however, all regulations approved by Regions have confirmed the general willingness to adopt the direct election system (see section 3.2.3.).

3.4. Causes for dismissal or removal from office

Independent of the system for choosing the Region's President, a regional council is dissolved and the President of a Regional Government is removed for adopting acts that are unconstitutional or which seriously violate the law, as well as for reasons of national security. Dissolution and removal are decided by the Council of Ministers after consultation with the parliamentary Committee for Regional Affairs (20 members from each House of Parliament) and enforced through a reasoned decree issued by the President of the Republic.

A regional council may also be dissolved following the simultaneous resignation of a majority of the Council members.

If the President of the Regional Government has been directly elected, the regional council is dissolved and the executive resigns when a motion of no confidence in the President is approved or the President is removed, suffers permanent disability, dies or voluntarily resigns (principle of *aut simul stabunt aut simul cadent*).

Furthermore, State legislation provides that persons sentenced by final judgement for crimes such as mafia-style association, illicit drug trafficking, manufacturing, importing, exporting, selling or transferring of arms, munitions and explosives, embezzlement, misappropriation of public funds, predatory or co-operative corruption are not entitled to stand as candidate for public office and their election is considered null and void. Persons under judgement or sentenced under an appealable decision are suspended from office.

In special statute Regions, if the President is elected by the regional council, the latter is dismissed if it is unable to form a majority within 60 days of the elections and is therefore unable to exercise its functions. The same applies if the President resigns or the Council does not comply with the central Government's order to replace the Regional Government or the President for violation of the Constitution or the regional statute.

Specific regulations are in force in the Sicilian Region.

3.5. Administrative head of the regional authority

As for their administrative organization, Regions have adopted – through regional laws – the same general principles as for State legislation, and in particular the principle of separation of political and administrative action.

Administration: in general, the regional administrative system is organized into departments, which represent the highest level of administration management. Each department is entrusted with a specific matter and headed by a head of department appointed by the political level. Departments are divided into "regional" or "general" directions, which, in their turn, include a certain number of units, called "areas" or "services".

Political activity: as for his/her political activity, the President of the Regional Government has a body of staff to support him in carrying out his functions.

3.6. Legal provisions concerning the internal structures of regional authorities

The internal structures of regional authorities are governed by regional law.

4. DIRECT CITIZEN PARTICIPATION IN DECISION-MAKING

Citizens can participate in the decision-making process in several ways:

- they enjoy the right to initiatives and referendums both on regional laws and administrative provisions, this right being regulated in the regional statutes;
- regional statutes themselves may be subject to popular referendum if called for within three months of their publication at the request of one fiftieth of the regional electorate or one fifth of the regional councillors. A statute subject to referendum is enacted only if approved by a majority of valid votes cast;
- the merging of existing Regions and the creation of new ones is possible only by constitutional law, but the request must come from municipality councils representing at least one third of the population involved. The proposal has to be approved in a referendum by a majority of this population and regional councils have to be previously consulted (see section 2.3.);
- the splitting of Provinces and Municipalities from one Region to join another one must also be approved by referendum by the majority of citizens living in the Province or Provinces, or in the Municipality or Municipalities involved. The move is enacted through a State law after consultation with the regional council (see section 2.3);
- furthermore, citizens' consultation is necessary for Regions wishing to create (by regional law) new municipalities within their territory or modify their administrative districts and their names.

5. STATUS OF REGIONAL ELECTED REPRESENTATIVES

5.1. Voter and candidate eligibility

Citizens aged of 18 on or before the day of elections have the right to vote. They must be registered on the electoral lists of a municipality within the boundaries of the region.

Citizens aged 18 and older are eligible to stand for office. They must be registered on the electoral list of any Municipality of the national territory.

5.2. Non-compatibility and non-eligibility

Persons with a criminal conviction are not allowed to take up public office.

Other categories of persons who are not eligible by law are : those holding a high position in the police, the armed forces or the judiciary, members of the clergy and civil servants. This rule aims at avoiding any undue influence on the outcome of the vote (*captatio benevolentiae*).

No one may belong concurrently to a regional council, a Regional Government, one of the Houses of Parliament, another regional council or another Regional Government, or to the European Parliament.

In compliance with the constitution, each region approves its own laws on non-compatibility and ineligibility, within the limits of the State legislation. In this regard, the basic principles are:

- a candidate is ineligible when his/her activity or function (taking into account particular situations existing in the Region) is expected to hamper the free choice of electors or to violate equal access of other candidates to elective office;
- a candidate becomes eligible again if he/she removes the causes for ineligibility before the final deadline for presenting his/her candidature;
- Regional councils examine and evaluate the causes for ineligibility for their own members and the President of the executive, while the judiciary decides upon courses of action;
- on the basis of the relevant rules, the President of the Regional Government may not stand for a third election immediately after expiry of his/her second mandate.

5.3. Financing of candidates' campaign in regional elections

State legislation grants political parties and movements compensation funds for expenses incurred during electoral campaigns for the renewal of the regional councils. Payment of these funds, included in the internal budget of the lower House of Parliament (*Camera dei Deputati*), is ensured through a decree of the President of this House.

5.4. Terms

The mandate of regional councillors lasts five years.

If the President of the Regional Government was directly elected by the electorate, his/her election is held at the same time as the regional council's. The President's mandate also lasts for five years. All new regional statutes have up to now approved their willingness to adopt the State regulation on the direct election of the President (see section 3.2.3.).

5.6. Duties and responsibilities of regional representatives

In accordance with both State and regional legislation, regional councillors must make declarations on their personal assets and incomes soon after their election. These are generally published in the Official Journal of the Region.

5.7. Conditions governing regional councillors

The regional statutes define the councillors' functions and their rights (the right to initiate legislation, to form groups, etc.), which are detailed in the Council's internal procedural provisions.

Under the Constitution, regional councillors may not be prosecuted for the opinions and votes they express in the exercise of their functions.

Furthermore, both State legislation and regional statutes prevent regional councillors from having an imperative mandate. This means that the affiliation of a councillor to a particular political party or movement has no legal value, and that the councillor may not be removed from office on the resignation of the party or movement.

Civil servants elected to regional councils are put on unpaid leave for the duration of their term of office. They may choose to keep their emoluments as civil servants instead of the allowance due as members of the Council. This unpaid leave is taken into account for the purposes of seniority and retirement.

Remuneration for regional councillors may differ from one region to another, since remuneration is established by regional law. Most Regions ensure councillors a series of allowances, such as the “function allowance”, that they receive monthly for the whole term and is proportional to that of the National Parliament’s members.

In addition, councillors entrusted with particular tasks receive a special fee called “task allowance”.

Regional councillors are also entitled to allowances for travelling outside the Region’s boundaries, in their capacity as councillor. These are higher when they travel abroad.

They also receive an allowance when they resign or if they are not re-elected. In some cases, this allowance is paid even if they decide not to run for election again.

Furthermore, all Regions ensure a life rent to former regional councillors with established seniority.

Finally, regional councillors enjoy further benefits such as reimbursement for expenses arising from their institutional activity. Because of his/her particularly representative role, the President of the regional council receives higher reimbursement.

Members of regional executives primarily enjoy the same benefits as councillors.

According to the 2007 Finance Act, Regions must adopt, within 6 months of its entry into force (1st January), legislative or administrative measures directed at ensuring cost reduction in political and administrative organs, and in particular at reducing the remunerations and allowances of the members of representative organs, the number of these members, as well as the number of personal staff. In this regard, the Minister for Regional Affairs and Local Autonomies has recently written to the Presidents of the Regions (May 2007) to get information about the first implementation phase of the law and make the appropriate evaluations. Some Regions have already approved measures aimed at reducing costs. During a meeting of the Unified Conference (see section 7.1.3.) the Government and the territorial authorities signed an agreement for the reduction and rationalisation of the costs of elective assemblies, executives’ organs and their personal staff (July 2007).

6. THE POWERS OF THE REGIONS

6.1. Legislative activity

6.1.1. Ordinary statute Regions

Regional legislation must always comply with the Constitution and with the constraints deriving from EU-legislation and international obligations.

In the matters covered by shared legislation (between State and Regions), legislative powers are vested in the Regions, except for the establishment of the fundamental principles, which are laid down in State legislation. It applies to the following matters: international and EU relations of the Regions; foreign trade; job protection and safety; education (preserving the autonomy of educational institutions and with the exception of vocational education and training); professions; scientific and technological research and innovation and support to the productive sectors; health protection; nutrition; sports legislation; disaster relief; land-use planning; civil ports and airports; large scale transport and navigation networks; communication legislation; domestic production, transport and distribution of energy; complementary and supplementary pension systems; harmonisation of public accounts and co-ordination of public finance and the taxation system; management of the cultural and natural heritage, including the promotion and organisation of cultural activities; savings banks, rural banks, regional credit institutions; regional land and agricultural credit institutions.

The matters covered by regional legislative power are those not subject to concurring legislation and obviously those that the Constitution does not expressly attribute to the State legislation.

6.1.2. Special statute Regions

Legislative power of special statute Regions is regulated by the statutes of these Regions. In the special statute Region of Trentino – Alto Adige, legislative powers have also been conferred on the autonomous provinces of Trento and Bolzano.

However, where the 2001 constitutional reform provides ordinary statute Regions with a greater degree of autonomy (as compared to that of special statute Regions), this is also applied to special statute Regions for as long as their statutes are not updated. In this case, the laws of special statute Regions have the same limits as those of the ordinary statute Regions.

6.2. Regulatory activity

Regulatory powers are vested in the State in matters subject to State specific legislation and delegations of such powers may be given to the Regions.

In all other matters they are vested in the Regions.

6.3. Fields of action of the Regions

Field	
General administration	<ul style="list-style-type: none"> - organisation of agencies and bodies under regional authority - regional administrative police - civil protection - promotion of the region both in Italy and abroad - staff and employees administration
Education	<ul style="list-style-type: none"> - planning integration between education and vocational training - functions in matters of the right to education
Health	<ul style="list-style-type: none"> - medical and hospital assistance - citizen and animal health care
Social Welfare	<ul style="list-style-type: none"> - planning and co-ordination of social services
Environment	<ul style="list-style-type: none"> - environmental sustainability - safeguarding of coasts and high environmental risk areas - management of protected natural areas - co-ordination of provincial and municipal competences in noise, atmospheric and electromagnetic pollution - adoption of plans on surveying, risk prevention, preservation and recovery of land - planning, programming and management of water and land resources - safeguarding the landscape - co-ordination of provincial competences in the safeguard of animals and plants - regional planning of waste management
Culture and recreation	<ul style="list-style-type: none"> - enhancing regional cultural heritage - promoting cultural activities - promoting sports and leisure activities - implementing regional plans for theatre, music and cinema
Traffic and transport	<ul style="list-style-type: none"> - programming of public and goods transport services - monitoring local public transport
Economic activities	<ul style="list-style-type: none"> - economic development and productive activities - promoting artisanal activities - industrial programming and support activities - co-ordinating activities of manufacturing plants and business, rationalising related procedures - promoting and supporting markets and fairs - promoting association and co-operation tools in business and support to SMEs - programming interventions in sea-fishing, agriculture and related activities - regulating and promoting energy research, production, transport and distribution (within the limits of regional competence) - planning of and control over research and cultivation of solid minerals and geo-thermal resources - administration of and control over land mineral resources - programming, co-ordinating and monitoring enhancement of tourist resources and reinforcement and requalification of tourist facilities and infrastructures - supervision of Chambers of Commerce, Industry and Craftsmanship
Housing and town planning	<ul style="list-style-type: none"> - establishing procedures for monitoring housing needs - programming public housing - programming, co-ordination and orientation policies for public work

The administrative functions included in the above tables are attributed to the Regions by legislative provisions, rather than directly by the Constitution.

6.4. Proposals and bills leading to important changes in the distribution of powers between the regional authorities and central government

In March 2007, the Council of Ministers approved a draft Bill on delegating powers, designed to change the distribution of powers and functions between central, regional and local authorities. The bill, now lying before the Parliament, establishes, among other things, the principles according to which the administrative functions exercised by the State, which do not have to be uniformly exercised at central level, should be transferred to the Regions and local authorities, namely the principles of subsidiarity, differentiation and adequateness. If approved, the new law would also enable the Regions to transfer to local authorities – in the matters of their competence – their own administrative functions as well as those transferred to them by the State, which do not have to be uniformly exercised at regional level. Finally, the Regions would be enabled to rationalize and simplify local administrative activity, by creating in each territory only one level at which the functions that Municipalities are unable to ensure alone can be exercised in association.

7. INSTITUTIONALISED CO-OPERATION BETWEEN THE CENTRAL GOVERNMENT, REGIONAL AND LOCAL AUTHORITIES

7.1. Co-operation between State and territorial entities

In the seventies, relations between the State and territorial entities were regulated according to a rigid separation of competences. During the following decade an inverted U-turn occurred, characterised by a model of inter-institutional relations based on the principle of co-operation. This system is supported by the Constitutional Court itself, which stated the principle of loyal collaboration.

7.1.1. The Permanent Conference for the relations between State, Regions and Autonomous Provinces

The best example of the Italian State-Regions co-operative model is the Permanent Conference for the relations between State, Regions and Autonomous Provinces, which was set up in 1983.

The Conference is a collegial organ headed and convened either by the President of the Council of Ministers (Prime Minister) or by the Minister for Regional Affairs by delegation or another Minister by special appointment of the Prime Minister. At present the Minister for Regional Affairs and Local Autonomies chairs the Conference.

The standing members of the Conference are the presidents of the 20 Italian Regions and the two Autonomous Provinces, while the Ministers responsible at national level for the matters on the agenda are invited to participate in the Conference sessions, as are the representatives of State administrations and public agencies.

In the past, the primary tasks of the Conference were to deal with the issues of common interest of the State, Regions and Autonomous Provinces, and to give advice, provide information and organise studies. Its role has increased overtime, however, and much power has been conferred to this organ: in particular, it delivers often mandatory advice by the law such as on drafting law decrees¹, legislative decrees² and governmental regulations on matters under the authority of Regions and Autonomous Provinces.

The Conference also promotes and signs agreements and understandings, which is one of the best co-operation tools between the central and regional levels. The Conference receives proposals for appointment of regional members to several representative organs, defines criteria for the distribution of financial resources allocated to the Regions and autonomous Provinces, ensures co-ordination between State and regional planning, as well as data collection and sharing.

7.1.2. The State, Towns and Local Authorities Conference

The State, Towns and Local Authorities Conference dates from 1996 and, like the former one, is a collegial organ. It has consultative status, is endowed with decision-making powers, and serves as the permanent network and meeting point between the State and Local Authorities.

The conference is chaired and convened either by the President of the Council of Ministers (Prime Minister) or, by delegation, by the Minister for Home Affairs or the Minister for Regional Affairs. At present, it is the Minister for Regional Affairs and Local Self-Government who chairs the Conference in the matters falling under his/her authority.

Members of the Conference are the Ministers of the Economy and Finance, Economic Development, Infrastructures, Transport and Health, the presidents of the National Associations of Municipalities, Provinces and Mountain Communities, six presidents of Provinces and 14 mayors, which represent their own category.

As previously mentioned, this Conference co-ordinates relations between the State and Local Authorities. It acts as a consultative organ, promotes information and launches initiatives for better local public services. In some cases, established by the law, it also receives proposals for the appointment of the representatives of local authorities to several organs.

7.1.3. The Unified Conference

In 1997 the Unified Conference was set up to bring together all levels of government, e.g. the State, Regions and Local Authorities.

This Conference is chaired either by the President of the Council of Ministers or by the Minister for Regional Affairs by delegation or by the Minister for Home Affairs acting by special appointment. At present, the Conference is chaired by the Minister for Regional Affairs and Local Self-Government. The standing members of the Conference are the same as for the other two Conferences (see 7.1.1. and 7.1.2.).

¹ A decree with immediate effect, adopted in exceptional and urgent circumstances, and valid for a period of 60 days, unless it is approved by Parliament within this period, in which case it becomes law

² A decree adopted after Parliament delegates a power to the Executive and establishes the framework within which the Executive may operate.

Other members of the central Government and representatives from central and local administrations or public bodies may also be invited to take part in the Conference sessions.

The Unified Conference deliberates, promotes and signs agreements and understandings; it delivers advice (in some cases this advice is mandatory, for example on the draft bill on finance) and appoints representatives from the Regions, Provinces, Municipalities and Mountain Communities to several organs dealing with matters and tasks of common interest.

Among the most recent decisions of this Conference was the setting up of the Standing Committee on Technical Innovation (2006), whose members are appointed by central Government, the Regions and Local Authorities. The Committee provides instruction and counselling about regional and local policies on technical innovation.

7.2. Co-operation between Regions and local authorities

Under the Constitution, each regional statute regulates the Council of Local Authorities, a regional organ with no decision-making power ensuring consultation between the Regions and the local authorities. Although the creation of this Council is compulsory, each Region can determine its composition as well as some of its tasks. For example, some statutes have included the Council of Local Authorities in the law-making procedure, where it delivers compulsory advice in several matters (such as the procedure for approving the budget and the legislative process for delegating regional functions to local authorities). In some cases, the Council also issues proposals for recourse against State laws to the competent regional organs. The regions may then decide whether to apply to the Constitutional Court.

The Council's membership comprises all local authorities. Some regions have also included non-territorial agencies and organisations such as chambers of commerce, trade unions, and so on.

7.3. Associations of regional authorities

Regional authorities may freely associate by forming co-operative bodies to protect their mutual interests.

The most important regional association is the CINSEDO (Centre for Inter-Regional Studies and Documentation), which carries out research activities including surveys, legal studies and seminars on subjects concerning the roles, functions and development of regions. The centre, founded in 1985, also provides technical, logistical and operational support to the Conference of Regions and Autonomous Provinces, comprising the Presidents of all Regions and Autonomous Provinces. The centre periodically publishes information about the legislative, administrative and political activities of the Regions.

7.4. Co-operation between regional and local authorities at international level

Regions are allowed to sign cross-border co-operation agreements and carry out promotional activities abroad within the framework of national policies and the regional sphere of competence. These activities are subject to governmental approval.

In their fields of responsibility and as expressly provided by State legislation, regions may sign agreements with foreign countries and enter into understandings with the local or regional authorities of those countries for the purposes of economic, social and cultural growth of the Region.

The National Department for Regional Affairs of the Presidency of the Council of Ministers and the Ministry of Foreign Affairs examine these agreements and understandings so as to evaluate, according to the different rules, their legal compliance.

Local and regional authorities are free to join the CEMR (Council of European Municipalities and Regions).

8. FINANCE

Under the Italian Constitution, municipalities, provinces, metropolitan cities and regions enjoy revenue and expenditure autonomy and independent financial resources. They may set and levy taxes and collect revenues of their own according to the principle of co-ordination of State finance and the national tax system. Their share of the State tax revenues is proportionate to the size of their territory.

State legislation provides for an equalisation fund – with no allocation constraints – for the territories having a lower per-capita taxable capacity. Revenues raised from the above-mentioned sources enable municipalities, provinces, metropolitan cities and regions to finance fully their ordinary activity.

The State allocates supplementary resources and adopts special measures in favour of municipalities, provinces, metropolitan cities and regions to promote economic development, social cohesion and solidarity, reduce economic and social imbalances, foster the exercise of human rights or achieve goals other than those pursued as part of their ordinary functions.

Municipalities, provinces, metropolitan cities and regions have their own assets, which are allocated according to general principles laid down in State legislation. They may incur debt only as a means of financing investment expenditure. State guarantees on loans contracted for this purpose are not admissible.

It is worthwhile pointing out that the implementation of all these financial provisions is only in its early stages. On 3 August 2007 the Government approved a draft bill for implementing constitutional provisions on regional and local financial autonomy. The bill is now before the Parliament.

8.1. Taxes and charges

Regional tax revenues derive from:

- motor vehicle taxes;
- taxes on State concessions;
- taxes on regional concessions;
- taxes on economic (industrial/commercial/services) activities;
- addition to the State individual income tax;
- share of the State tax on gasoline;
- share of the State tax on transport fuel (only in ordinary Regions) which was introduced by the Finance Act No. 296 of 2006;
- share of VAT.

8.2. Grants from the State to regional authorities

Financial resources transferred from the government to the regions as set out in the national budget - by allocation source (in millions Euro)												
	2002			2003			2004			2005		
	Allocated funds	Struct. %	Variat. %	Allocated funds	Struct. %	Variat. %	Allocated funds	Struct. %	Variat. %	Allocated funds	Struct. %	Variat. %
A) Funding from State taxes	18 292	27.9	9.5	20 025	29.1	9.5	22 535	30.2	12.5	22 573	29.5	0.2
1) Ordinary statute regions	599	0.9	-15.4	600	0.9	0.2	603	0.8	0.5	602	0.8	-0.2
- Fund shared among all regions												
- share of State taxes and interregional compensation and equalisation fund	599	0.9	-15.4	600	0.9	0.2	603	0.8	0.5	602	0.8	-0.2
2) Special statute regions	17 693	27.0	10.6	19 425	28.2	9.8	21 932	29.4	12.9	21 971	28.7	0.2
- share of State taxes and funds replacing cancelled taxes	17 693	27.0	10.6	19 425	28.2	9.8	21 932	29.4	12.9	21 971	28.7	0.2
- funding of functions in the social field (laws on childhood and motherhood)												
B) Fund for Regional Development Plans	625	1.0	-13.7	660	1.0	5.6	1 100	1.5	66.7	669	0.9	-39.2
1) Regional Development Fund												
- non-earmarked shares												
-earmarked shares envisaged by the laws regulating the fund												
2) other allocations for the funding of regional development programmes	625	1.0	-13.7	660	1.0	5.6	1 100	1.5	66.7	669	0.9	-39.2
C) funding for the Health sector	9 071	13.8	-22.7	7 039	10.2	-22.4	8 427	11.3	19.7	11 445	15.0	35.8
D) financial resources for fiscal and administrative federalism implementation	34 814	53.1	7.8	36 999	53.9	6.3	39 272	52.6	6.1	39 502	51.7	0.6
E) allocation for special provisions	2 745	4.2	-33.7	3 391	5.8	45.4	3 331	4.4	-16.5	2 239	2.9	-32.8
F) allocation for the investment and Employment Fund												
Total Transfers	65 547	100.0	-0.1	68 715	100.0	4.8	74 665	100.0	8.7	76 428	100.0	2.4

Source: Ministry of Economy and Finance - State General Accounting Dept.

Financial resources transferred from the government to the regions - as set out in the national budget - by sector (millions Euro)												
	2002			2003			2004			2005		
	Allocated funds	Struct. %	Variat. %	Allocated funds	Struct. %	Variat. %	Allocated funds	Struct. %	Variat. %	Allocated funds	Struct. %	Variat. %
A) Transfer of current accounts	59 831	91.3	1.6	62 612	91.1	4.6	68 491	91.7	9.4	71 775	93.9	4.8
- social and assistance services and vocational education and training	1 577	2.4	70.7	1 998	2.9	26.7	2 189	2.9	9.6	2 332	3.1	6.5
- health	7 987	12.2	-22.7	6 233	9.1	-22.0	7 637	10.2	22.5	10 598	13.9	38.8
- agriculture and landscape	198	0.3	-43.6	101	0.1	-48.9	102	0.1	0.6	103	0.1	1.0
- natural disasters												
- transport	495	0.8	-32.4	491	0.7	-0.8	490	0.7	-0.2	489	0.6	-0.2
- others	49 574	75.6	6.6	53 789	78.3	8.5	58 073	77.8	8.0	58 253	76.2	0.3
B) Transfer of capital accounts	5 716	8.7	-15.2	6 104	8.9	6.8	6 174	8.3	1.2	4 653	6.1	-24.6
- social and assistance services and vocational education and training	53	0.1	-70.8	176	0.2	232.1	237	0.3	34.7	201	0.3	-15.2
- health	1 084	1.7	-22.7	806	1.2	-25.7	790	1.1	-1.9	847	1.1	7.2
- agriculture and landscape	288	0.4	-57.7	499	0.7	73.3	430	0.6	-13.9	300	0.4	-30.2
- natural disasters	217	0.3	-56.1	183	0.3	-15.7	258	0.4	41.0	182	0.2	-29.5
- transport	360	0.5	55.2	452	0.7	25.6	614	0.8	35.9	509	0.7	-17.1
- energy	153	0.2	-0.6	155	0.2	1.3	156	0.2	0.6	140	0.2	-10.3
Environment, culture, sports, tourism	1 099	1.7	8.9	1 148	1.7	4.5	1 199	1.6	4.4	862	1.1	-28.1
- investment and employment fund												
- other	2 463	3.8	-4.8	2 685	3.9	9.0	2 490	3.3	-7.3	1 612	2.1	-35.3
Total Transfers	65 547	100.0	-0.1	68 715	100.0	4.8	74 665	100.0	8.7	76 428	100.0	2.4

Source: Ministry of Economy and Finance - State General Accounting Dept.

8.3. Financial equalisation arrangements

As previously mentioned, State legislation envisages a system based on a type of equalisation fund – with no allocation constraints – for the territories having lower per-capita taxable capacity. This system is not yet applied, and regional and local finance is still regulated according to the old equalisation system which is partly funded by national VAT and distributed to Regions according to their population, fiscal capacity and health services needs. The relevant financial resources are annually established through governmental decree.

8.4. Other sources of revenues

Regions: Consolidated statements of account 2003-2005 (in millions of Euros)

	Results		Variations %
	2004	2005	2005/04
Current Income			
Capital revenue	694	675	-2.74
Transfers:			
families revenue	194	200	3.09
Business enterprise revenue	55	55	-

Source: Ministry of Economy and Finance - State General Accounting Dept.

The Ministry of Economy and Finance (State General Accounting Department) has published the data for the period January – September 2006, as follows: capital revenue 582 million Euros, family revenue 164 million Euros, business enterprise revenue 36 million Euros.

8.5. Borrowing

The Constitution establishes that Regions are allowed to borrow only for financing investment.

Regional authority expenditure in this field must respect certain limits that are fixed annually by the Finance Act.

Regions: global revenue and expenditure statements of Regions and Autonomous Provinces

	Assessments			Commitments			
	2003	2004	Variations % 2004-3	2003	2004	Variations % 2004-3	
Borrowing	12 841	11 918	-7.2	9 266	3 864	-58.30	
				Loans			
				Reimbursements			
				Interests	1 749	1 827	4.46

Source: National Institute of Statistics

Borrowing 2005

Regions	Millions of Euros	%
Piemonte	816	49.22
Abruzzo	115	6.94
Molise	124	7.48
Campania	380	22.92
Puglia	26	1.57
Calabria	5	0.30
Sicilia	9	0.54
Sardegna	183	11.04
Italy	1 6578	100.00

Source: Ministry of Economy and Finance
- State General Accounting Dept.

In 2005, Regions borrowed from the following credit institutes: Cassa Depositi e Prestiti; banca O.P.I., Banca Nazionale del Lavoro, Dexia Crediop S.p.A, Istituto di Credito Sportivo, Banca Monte Paschi di Siena, Banca Intesa, Unicredit Banca, Banco di Sardegna (source: Ministry of Economy and Finance-State General Accounting Department).

Instalments due by the Regions in 2005

Regions	Millions of Euros	%
Valle d'Aosta	18	1.45
Piemonte	227	18.26
Lombardia	61	4.91
Trentino Alto Adige	6	0.48
Veneto	58	4.67
Friuli - Venezia Giulia	64	5.15
Liguria	72	5.79
Emilia Romagna	82	6.60
Toscana	34	2.74
Umbria	29	2.33
Marche	77	6.19
Lazio	34	2.74
Abruzzo	11	0.88
Molise	88	7.08
Campania	60	4.83
Puglia	15	1.21
Basilicata	12	0.97
Calabria	46	3.70
Sicilia	89	7.16
Sardegna	160	12.87
Italy	1 243	100.0

Source: Ministry of Economy and Finance-State General Accounting Dept.

Outstanding debt of Regions at 1st January 2006

Regions	Millions of Euros	%
Valle d'Aosta	142	1.22
Piemonte	2 457	21.07
Lombardia	451	3.87
Trentino Alto Adige	39	0.33
Veneto	533	4.57
Friuli- Venezia Giulia	535	4.59
Liguria	601	5.15
Emilia Romagna	614	5.27
Toscana	259	2.22
Umbria	304	2.61
Marche	855	7.33
Lazio	433	3.71
Abruzzo	82	0.70
Molise	177	1.52
Campania	586	5.03
Puglia	163	1.40
Basilicata	110	0.94
Calabria	308	2.64
Sicilia	1 205	10.34
Sardegna	1 805	15.48
Italy	11 659	100.00

Source: Ministry of Economy and Finance-State General Accounting Dept.

9. SUPERVISION ON REGIONAL AUTHORITIES

9.1. Supervision on regional legislation

The central Government may ask the Constitutional Court for a ruling on the constitutionality of a regional law within 60 days of its publication if it is deemed that the law exceeds regional jurisdiction.

Only the Sicilian statute provides for prior central review of regional legislation. The review is submitted to the Constitutional Court by the Government Commissioner of the Region.

Different rules and procedures are in force for problems of the constitutionality of regional statutes.

9.2. Supervision of the administrative provisions of regional authorities

Since 2001, the legality of administrative provisions of the Regions is no longer subject to central supervision. However, the Constitution establishes that the State can exercise a substitution power in case of specific violations. In particular, the Government may act as a substitute for regional authorities if they violate international rules or treaties or community law; in the event of a serious threat to public safety and security; and whenever such substitution is required to ensure legal and economic unity throughout the country and in particular the basic standards of welfare related to civil and social rights.

The appropriate procedure for exercising the substitution power is defined by law. This establishes that the President of the Council of Ministers, on the proposal of the Minister in charge of the matter, may grant the region an appropriate term for adopting any measures deemed necessary. If the term expires without results, the Council of Ministers meets to decide on the enforcement of these measures – even regulatory – or the appointment of an “ad hoc” Commissioner. The President of the Government of the interested Region participates in the meeting.

In the event of an emergency, if the substitution power of the State cannot be delayed because this would endanger the constitutional guarantees of public safety, security, legal and economic unity), the Council of Ministers may enforce the measures deemed necessary while immediately informing the State-Regions Conference, which may ask for the case to be reviewed.

9.3. Supervision of regional organs

Dissolution and dismissal procedures are discussed in section 3.4.

10. REMEDIES FOR INDIVIDUALS AGAINST DECISIONS OF REGIONAL AUTHORITIES

Individuals who feel they have been adversely affected by an administrative act of a regional authority may apply either to the administrative or judicial authorities.

Administrative appeals are of different types and may be lodged directly with the public administration under a variety of conditions. Judicial appeal, on the contrary, is lodged with a judicial authority, of either an ordinary or an administrative Court.

11. REGIONAL ADMINISTRATIVE PERSONNEL

11.1. Regulations concerning the status of regional staff

The employment relationship of the Regions' personnel is governed by the Civil Code and laws on employment in the private sector, as well as by public law. Where laws, regulations or statutes establish particular rules for civil servants or certain categories of civil servants, these provisions may be circumvented by further collective agreements or contracts.

These collective agreements are negotiated and signed by the civil servants' unions and the National Agency for the Agreements in Public Administration (ARAN), which is responsible for negotiating on behalf of the Government on the legal and economic status of civil servants.

Each agreement remains in force for a two-year term for economic aspects and a four-year term for legal provisions.

The present national agreement on legal provisions for senior executive personnel of the Regions and Local Authorities was signed on 22 February 2006. For the remaining personnel the agreement was signed on 22 January 2004.

11.2. Recruitment

In general, recruitment is carried out through public competition, except for some cases established by law. Italian citizens of both sexes may participate in these competitions on an equal basis, taking into account the qualities required for the access to public office. People of Italian nationality without Italian citizenship may also be entitled to participate.

Recruitment procedures are regulated by a variety of sources such as collective labour agreements, among others.

Personnel may be moved between local and regional authorities or from central administration to local and regional authorities.

11.3. Staffing situation

The following data include the staff recruited by regions and local authorities, whose employment relationship is regulated by the national labour agreement for the Regions' and local authorities' personnel.

Permanent staff (year 2005)

Authorities included in the survey	Number of permanent staff	Number of female staff	Female staff	Retirement rate	Recruitment rate
9 144	589 976	282 774	47.9%	2.95%	1.74%

Source: Ministry of Economy and Finance - State General Accounting Dept.

Part-time staff (year 2005)

Number of part-time personnel	Part-time personnel
47 330	8%

Source: Ministry of Economy and Finance - State General Accounting Dept.

12. REFORMS ENVISAGED OR IN PROGRESS

The reforms, which have taken place over the last few years in the field of local and regional administration, started in 1997 with a State law that enabled the Government to transfer some tasks and functions to the regions (and local authorities). This law and the consequent decrees delegating tasks and functions were aimed at carrying out a large reform of the “administrative federalism” without modifying the Constitution.

The 2001 constitutional reform radically changed the distribution of functions between the state and the regions, in particular in the legislative field. In accordance with this reform:

- the State is endowed with exclusive legislative power in a list of specific issues;
- State and Regions may have concurrent powers in specific matters, whereby the State establishes the fundamental principles and the Regions fill in the detailed provisions (see sect. 6.1.1.);
- the Regions deal with the remaining matters.

In 2003, a new State law brought the above constitutional reform into force. Since then, a variety of regulatory acts have been issued to regulate the functions of the Regions in the legislative and administrative field, as well as their competences in international and community matters.

Further changes are in progress: among them are those mentioned in section 8 of the present report on “fiscal federalism”.