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**MINISTERIAL-LEVEL CONSULTATIONS ON ENVIRONMENTAL DIMENSION OF
WATER, SANITATION AND HUMAN SETTLEMENTS**

ITALY CONTRIBUTION

ITALY EXPERIENCE IN PLANNING THE WATER SECTOR: FRAMEWORK PROGRAMME AGREEMENTS

Introduction

In the past years the international community agreed on the ambitious objectives aimed at protecting both water resources and public health. In particular water resources appear nowadays to suffer the pressure of anthropic activities on the environment. Italy, from approximately a decade, is working to institute a coherent reference framework for the water resource management policies in which human needs and the protection of natural balances are combined. Notwithstanding the effort and the progresses registered, the actual legislation framework still appears fragmentary, with a considerable dispersion of institutional competences entitled to manage the different sectors of the water cycle. In order to overcome these difficulties and bring back unitarity and rationality to the planning and implementation of interventions in the water sector, the Ministry for the Environment and Territory promoted the issuing of the Framework Programme Agreement (APQ) for the protection of water and the integrated management of water resources between State and Regions.

The Framework Programme Agreements (APQs)

The APQs are implementation tools of the Institutional Agreement Programme (IIP) in the sectors of intervention envisaged by the programme itself. IIP, established in 1997, is the tool with which are established jointly by the Government and the Council of each Region or autonomous Province the objectives to be fulfilled and the sectors in which the joined action of the predicted authorities is essential; the object of the agreement is the collaboration aimed at realising a multiannual plan of interventions of common interest and functionally linked to be carried out in the territory of each Region or autonomous Province and in the framework of state and regional programming. The APQs involve both central and regional/local institutions. They carry out the objectives established in the IIP indicating activities, interventions to be made, with related implementation modalities and deadlines; the designated authority and the related commitments; the financial resources needed, to be applied on the public appropriations or traced through private financing; the procedures and the authorities in charge of monitoring and assessing results. The APQ in particular establishes the subdivision of financial resources, the identification of financing sources and the economic apportionment between the involved subjects.

The APQ system represents therefore the occasion to establish a strong coordination between the central state and the regional administration in which are defined the objectives, the roles, the actions, the usable resources, the priorities, the legal, technical, administrative and financial instruments, the linking mechanisms, the assessment mechanisms, the updating mechanisms. The APQ allows to define bilaterally on an agreement basis the sectoral strategy of governance of waters on a regional scale and of basin, anticipating, if needed, the application of rules and overcoming localisms and obstacles of any kind. Considering this, the APQ represent useful intervention tools for the linking up of the different Governance levels within the reference frameworks, embodied by sectoral plans and programmes and by the national or international sustainable development strategies. Since late 90's the APQ, conceived within pilot projects, experienced a fast development, rapidly becoming an efficient tool for combining the implementation of national development strategies with the devolution process which entrusts more competences and responsibilities to regions. Currently, the signed agreements are more than 160, with a financial commitment of 42 billion of euro. The number and financial flow of APQs increased during the last years, particularly in southern regions and within the "Natural resources" axes, which represents the running up for economic value of signed agreements (24 % out of the total); on the other hand the "water resources" sector represents the biggest item of expenditure.

Within the establishment of a water resources management system in Italy, the APQs demonstrated to be an extremely efficient tool to face the managerial fragmentation of water services (nowadays

Italy offers more than 7800 service suppliers); this fragmentation still represents one of the main obstacles to the full functionality of the Integrated Water Service¹ (SII).

The APQs system for integrated management of water resources

In the “Framework Programme Agreements for water protection and the integrated management of water resources” are included those instruments needed to improve the policies of water management and to finally implement the Integrated Water Service and the community and national obligations with regards to the water supply services, sewages and treatment disposals (including the reuse of reclaimed waste water) applying inter-territorial solidarity policies able to satisfy legitimate needs of end users/consumers with the minimum cost also by recurring to modern and effective instruments such as the *project financing*. The interventions so far carried out within the APQ for the water protection and the integrated management of water resources have been addressed to:

- protect, restore the quality and drastically reduce the pollution of body of surface waters and groundwater;
- stimulate a distinct policy of water resource management aiming at the sustainable use through long term qualitative and quantitative protection of water bodies;
- ensure the fulfilment of the water needs on the entire territory for the various types of use, guaranteeing suitable quality resources;
- promote the reduction of water consumption and the reuse of reclaimed waste waters;
- stimulate the implementation of a reform of the water service management;
- carry out the Integrated Water Service by rationalising the governance, by overcoming the division in sectors linked to the different uses of resources, by reaching efficiency in each sector and a complete operability of the water service;
- promote a wider access of enterprises and capitals in the sector;
- favour the use of project finance;
- promote the reuse of reclaimed waste waters for which the regions must define a regional Programme, taking care of the identification, for each wastewater treatment plant, of the suitable potential use of the reclaimed waste waters.

The interventions identified within each APQ are carried out in three distinct temporal phases, subject to the availability of financing resources that are distinguished in resources available immediately, resources subject to specific performances, and resources at Integrated Water Service expense. The resources available immediately are considered those resources that can be immediately used to cover the expenses of the interventions already defined. The resources subject to specific fulfilments are instead the financial resources whose availability is subject to specific administrative measures that is those already available but whose destination has not yet been specified (the interventions still not chosen). The resources at Integrated Water Service expense are referred to the tariffs applied by the Water Service Authority. Aware of the impossibility to include, within the APQ, all the interventions needed to solve criticalities regarding the Regional supply, sewerage and water treatment, it was decided to envisage the possibility of signing integrative (or sectoral) plan agreements on specific topics or in particular situations.

As to the water sector, 26 APQ were signed up to now, unfolding resources for more than 6,5 billion euros. Integrative Framework Programme Agreements were and will soon be drawn up on specific topics or in situations of particular criticalities, in order to achieve and stimulate the implementation of the required interventions of protection.

¹ The Integrated Water Service is made up by public services of collection, adduction and distribution of water for civil uses, of sewage and waste water purification, organized in Optimal Management Area (ATO).