

INTOSAI WORKING GROUP
KEY NATIONAL INDICATORS
YEREVAN, 26 - 29 APRIL 2016

THE DEVELOPMENT OF THE WELL-BEING INDICATORS AND THEIR FIRST RESULTS IN THE
NATIONAL CONTEXT.
THE SAIS ATTENTION TO THEIR ECONOMIC IMPACT

The well-being measurement has having large spaces of discussion all around the world and several international experiences give account of the multidimensionality of the well-being and social progress of a society.

At the UN, among other things, it has been recently approved the Agenda 2030 ("Transforming our world: the 2030 agenda for sustainable development") where it has been acknowledged the fact that achieving sustainable development requires simultaneous progress on three fronts: the economic, social and environmental on the whole, in an integrated way.

In the meeting of the WG hold in Bali, in 2014, we presented the path made in Italy starting from the project of CNEL (National Council for Economics and Labour) and ISTAT (National Institute of Statistics).

It was the first institutional experiment to define the extent of the social and individual well-being at the national level and started in 2011 with the aim of developing a multi-dimensional approach of the BES ("Equitable and Sustainable Well-being").

Since its origin, the BES had the purpose to integrate the key indicator that records the level of economic well-being of a Country, the GDP, with other indicators that can provide a more complete picture of the overall well-being.

The BES analyzes the factors that have a direct impact on human well-being and environment through twelve domains relevant for our Country - health, education and training, work and life balance, economic well-being, social relationships, politics and institutions, security, subjective well-being, landscape and cultural heritage, the environment, research and innovation, quality of services - divided into 130 high statistical quality indicators.

The third edition of the "Report on the Equitable and Sustainable Well-being" (BES 2015) describes the whole aspects that contribute to citizens' quality of life.

Briefly, the report highlighted as follows: - the increase of life expectancy, - a stable situation for healthy people, with growing territorial inequalities, but decreasing gender inequalities; - the improvement of the education levels, – the reduction of the gap with Europe, - the growth of cultural participation.

The economic situation has recorded a series of positive signals spreading from the northern regions to the rest of the country, having effects on the family conditions too. The increase of trust in others and in potential support network, but a fall in political participation.

The presence of women in economic and political decision-making has grown, but the distrust of institutions is still high. After a long period of increased predatory crime, the growth of the offenses has slowed down; the violence against women decreased, but its seriousness increased.

There are still criticalities concerning the management of natural resources and environmental quality, but steps have been made on. Actually, positives and negatives are present among the various areas of the Country and among the different aspects that constitute the environmental theme. During the last years, under the input of the European regulations and directives, the monitoring policies of natural systems progress have improved. There are real signs of a concrete evolution.

The importance and usefulness of the BES is indisputable, as it is increasingly becoming a research tool aimed to provide an assessment on each domain trend by an exploratory analysis of the different indicators.

If we consider the quality of public services (domain number 12), the assessment is a complex exercise that involves several types of analysis, the accessibility, the equity and effectiveness. The quality of public utilities – as regards the continuous supplies of power and water in homes as well as the distribution network of methane gas - is slowly improving.

In any case, the selective collection of municipal waste that makes further progress, especially if considered in a long-term perspective.

It is worth remembering that, in our contribution of 2014, we emphasized, from the specific SAIs point of view, the need to identify Key National Indicators that allow to concretely achieving economic assessments and have a perceptible impact on public budgets.

Moving in this logic, we identified the "level of selective waste collection" as an indicator that could adequately respond to this need.

Therefore, recording real effects in this regard, it can indicate we are on the right path. Accordingly, I consider useful to illustrate the state of art.

The environmental document linked to the Stability Law 2016 contains provisions aimed to promote green economy measures.

Many of these measures penalize the waste dumping and promote the selective waste collection, stimulate the reduction of no-recyclable waste, favoring the domestic and community composting (hospitals, districts, refectories, etc).

For this purpose, the Environment Committee of the Chamber of Deputies asked to the Government to fund training courses on composting in order to convince the community to make increased use of this method of organic waste disposal.

Among the best-known measures of this environmental document, there is the prohibition to throw cigarette butts in the street, chewing gum and other small waste, and the return of the voluntary and experimental "returnable" in bars and restaurants, for beer and mineral water producers.

In the circular economy, there are measures to encourage materials saving and recycling by supporting the purchase of products from recycled post-consumer materials or obtained from the disassembly of complex products. With this objective, the Ministry of Economic Development, in agreement with the Ministry of Environment, may enter into appropriate agreements and program contracts with public bodies, companies and associations.

As for the management systems of electrical and electronic equipment (RAEE) waste, it is provided for the recovery and recycling of photovoltaic modules at the end of life

It is also necessary to take into account that Europe has set the goal of achieving by the year 2020 the 70 per cent of recycling of some materials (plastic, paper, wood, glass metals and organic) and the 73 percent of selective recycling.

In addition, it is required to reduce the quantity of municipal waste dumping (less than 150 kg a year per inhabitant), and exactly point to a circular economy that considers waste as a resource, absolutely.

The “*Smartness in Waste Management*” , the first national system of environmental detection addressed to monitor the waste chain, is a tool that goes in this direction, since it allows to constantly follow the municipalities and their environmental performance. It provides local government administrators with a clear and timely picture on the waste cycle within the territory, creating the conditions for better use and development.

Each municipality will then follow the month-to-month environmental and economic performance related to its waste cycle and promote reduction interventions.

In addition, municipalities can communicate with citizens in a simple and transparent way, through a downloadable application on the phone with environmental and economic information related to waste selective collection and recycling in each municipality and consequently change the management decisions based on precise and accurate data.

The "Smartness in Waste Management" follows the Memorandum of Understanding signed between the Ministry of Environment and Energy and Environment Company (a Company that carries out projects and services for Italian municipalities in the environmental field) and will therefore be crucial for the development of the circular economy.

Specifically, it is a tool of governance based on three basic indicators: collection, emissions and economy. A) Collection: waste produced in kg/inhabitant, percentage of selective collection and start-up percentage to recycle. B) Emissions: CO2 tons equivalent produced, CO2 tons equivalent avoided, emissions situation and medium distance of recycling plants. C) Costs: Total cost of the process in euro/inhabitant, cost of treatment in euro/inhabitant and return of the Consortium chain in euro/inhabitant.

The environment future is in sustainability and recycling and the smart city must work towards the objective of improving lives of citizens. Therefore, it is necessary to reduce the costs of selective waste collection and recycle, while allowing new management policies.

The collected materials must be transferred in plants addressed to favor the greater economic and environmental development. This system will initially concern 30 chief towns with the ambition to cover within two years all 108 chief towns.

The significant evolution in Italy, in terms of waste recycling and citizen awareness, is not different, as it might appear natural, in the geo-economic structure of the country, with a result that exceeds the forecasts for the south.

In fact, in the south there are considerable "best practices" examples, such as the City of Salerno and the Region of Calabria.

To identify the performance criteria in order to evaluate the management systems, it should be considered both the phenomena of which it is expected the development: on the one hand the reduction of waste not intended for recycling, and on the other, the level achieved by recycling.

Obviously, under the economic analysis, some aspects are of immediate perception, while others need a considerable time.

Taking into account the first parameter, in fact, the reduction of non-recyclable waste depends on diversification of industrial cycles, different packaging techniques and change of citizens' habits in addition to the improvement of recycling techniques that allows of directing them to a wider set of materials.

It is therefore clear that the evaluations of the impact on national economy are somewhat complex.

Quite different is the parameter relating to the level achieved by recycling, which determines immediate effects on the entities budgets.

To the achievement of 65 per cent (which will be 73 per cent in 2020), it is provided for, in relation to the number of inhabitants, for local government, a share of resources from the incentive fund.

Although all regions can vaunt at least a virtuous common for good management of the waste collection and recycling startup, it is important to highlight that there is a real ranking.

Obviously, it is not possible to compare reality with more than a million inhabitants with those of three thousand ones, but each administration, according to its territorial context, must ensure waste management oriented to the improvement of environmental conditions and economic values that result from the materials recycling.

The Administration shall promote information campaigns and provide an easily accessible service for citizens to acquire increasing awareness of the economic and ecological benefits deriving from the selective waste collection.

Parma (in Emilia Romagna) is the first, among the major chief towns, in terms of results.

In fact, within two years, it has not only increased the selective waste collection, but also reduced the per capita production of 9 per cent and is the first municipality with 200,000 inhabitants to have passed 65 percent of selective waste collection, an example for the larger cities.

To be reported also the cases of Salerno that grazed the 65 percent and established three ecological islands where citizens can throw any kind of waste (except for wet waste) and Cosenza, the chief town that grazed 60 per cent of selective waste collection.

This is the demonstration of how it can achieve meaningful goals (59 per cent, with an efficient service "door to door") also in chief towns of the regions in eternal emergency.

It is important to underline that, after a considerable period in which the start-up of the waste collection systems has determined higher costs and no income for the municipal budget, as companies in charge directly collected the incomes, it has started to record revenues for local entities.

The anti-economic system of the past is essentially overturned and, thanks to separate agreements with the national Consortia for recyclables, local entities begin to have direct revenues that will alternately fund environmental services, or mitigate the taxation.

It is true that real changes consolidated when, with the support of masterly legislation, top and bottom efforts and commitments converge towards shared objectives.

It is true that the environmental awareness and maturity of citizens is an essential prerequisite to overcome as soon as possible the compulsive consumerism in order to convert to a cultural model based on environmental sustainability.