

# XPRESS CASE STUDIES ON BARRIERS TO INVESTMENTS IN RENEWABLE ENERGY SOURCES – ITALY –

This case is based on an interview with a public employee in a municipality in Italy. This case is selected on the basis of the tender about the modernization and efficiency improvement of municipal building heating systems and energy service management. The interview served as a training lesson for the interviewee who is quite competent when it comes to single procedures that fall into his realm of activity but is largely lacking more general concepts under which to subsume his daily practice. A procurement “strategy”, overall sustainability goals, and an overarching vision he does not consider his domain. That is the task of the political leadership. *“The introduction of innovate criteria for the award is attributable to a political choice of the previous Administration. It was a political decision.”* This is the unfortunate distinction between the technical staff and the political leadership which serves too often for abdicating any responsibility on the part of the “tecnici”, even though factually they have large decisional leeway, being on their posts as “dirigenti” or “responsabili” for years and decades, while the politicians, mayor and deputy mayors come and go.

The interviewee is aware of the Sustainable Energy and Climate Action Plan and of the Sustainable Urban Mobility Plan but does not consider it his task to actively work towards their goals. He will do so when told. Otherwise *“we stick to what is the regulation on Public Works”*. He feels most at home in the energy field with efficiency in public lighting because it is the most circumscribed field of action that guarantees immediate savings and usually is realized with the help of some big ESCO that takes the whole process into its hands.

In the case of this city, as opposed to the next case in Italy (case 4) it will not be enough to inform and train the staff in innovative procurement procedures, the technical personnel first would need an awareness of the responsibility they have for a sustainable future of their territory, the possibilities they have to act and then – and only then – would it make sense to build capacity in doing things, for example procurement, in an innovative way.

The case has been selected for the award criteria. The evaluation criteria of the technical offer concern “technological upgrading aimed at energy saving also through the use of renewable energy sources” and “greater energy savings expressed in kW-h/year obtained compared to those proposed by the Promoter in the Feasibility Project”.



## Analysis of the current situation

### a. Sustainability strategies, energy related strategies

This municipality is a signatory of the Covenant of Mayors since 2012. In 2016 it renewed its objectives by adhering to the Covenant of Mayors for Climate and Energy with targets up to 2030.

The municipality will transform its energy use by reducing demand and encouraging local generation. These benefits will also help alleviate fuel poverty and create local jobs and more sustainable communities. The municipal policies will be focused on the residential and transport sectors. The municipality will boost the renovation of the buildings, with the update of the Building Code, fixing new targets and promoting the refurbishment with local incentives. Regarding the transport sector, the municipality is going to adopt a Sustainable Urban Mobility Action Plan, to be able to tackle with efficacy this big and difficult sector and to identify correctly the main challenges and the proper solutions.

In relation to the energy-related strategy, the interviewee stated that the City Council is focusing a lot on the efficiency of public lighting and heating systems. As regards the use of photovoltaic solar energy, some interventions have been carried out related to the specific opportunity for the realization of these projects.

### b. PP strategy or regulations

The municipality does not have a general policy on sustainable procurement, it complies with current legislation and there is no awareness that procurement could be an instrument to promote sustainable development. If the interviewee is typical for the staff of the administration – and he probably is – there is not only a profound distinction between the political staff, mayor and deputy mayors, that decide and the technical staff that executes these decisions but there also seems to be lacking any attempt on the part of the political leadership to create some understanding for the decisions it takes among those that execute it. The idea that the technical staff has merely an executive role and need not understand what it is doing seems to be held by both, the politicians and the technicians.

The interviewee was not able to report on the involvement of SMEs in the pre-tender phase.

Related to public procurement and SMEs, most of the calls published by the municipality are awarded to SMEs.

## Barriers and drivers

- There are not particular barriers identified, SMEs «*as long as they have the minimum qualification required by law*» can participate in the public tenders since they are open tender procedures.
- A success factor for SMEs to be suppliers of the municipality is for the most part that they are local SMEs. The presence on the territory helps for a better organization of the work.



- Probably also helps because they can do the work directly and not subcontract to third parties with increased bureaucratic procedures and costs.

### *Summary and Discussions*

This municipality unfortunately seems to be typical for a large part of the small and medium-sized local public administrations in Italy where more or less illuminated mayors and deputy mayors formulate policies that are then executed by the technical staff with little understanding and even less interest in what they are executing. Any innovative process would have to address the political side of the administration and work its way to the technical staff.

