

**Batumi Initiative on Green Economy (BIG-E)
Actions by Italy**

Country: Italy, Italian Ministry for the Environment, Land and Sea

Title:

Preparation of the Catalogue of environmentally harmful subsidies and environmentally favourable subsidies

Focus area 2: Promote the internalization of negative externalities and the sustainable use of natural capital

Description of the action: Cognitive document to support the implementation of the commitments deriving from the European Commission Communication “Europe 2020 - A strategy for smart sustainable and inclusive growth”, the “European semester” recommendations of the European Parliament and Council, of the OECD 2013 Environmental Performance Review of Italy and with the commitments made at the UN. Subsidies are intended in a broad definition and include, among others, tax expenditures, incentives, benefits, subsidized loans and tax exemptions with an impact on environmental.

Action’s timeframe/milestones, as appropriate: Annual. The Catalogue is updated by 30 June each year. The Minister of Environment sends to the Italian Parliament and the Presidency of the Council of Ministers, by 31 July each year, a report on the results of the Catalogue update.

Type of action: Legal, regulatory and policy instruments

Economic sectors: Economy-wide

Reference instruments and sources, as appropriate: Law n. 221, 28 December 2015 (so called Environmental Annex to the Stability Law: “Environmental measures for promoting green economy and natural resources efficiency”).

Expected co-benefits and impact of the outcome: Phasing out of environmentally harmful subsidies and restructuring of environmentally favourable subsidies.

SDGs target(s) that the action may contribute to implement:

a) Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture. In particular: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality (Target 2.4);

b) Goal 6. Ensure availability and sustainable management of water and sanitation for all. In particular: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally (Target 6.3); By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity (Target 6.4).

c) Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all. In particular: By 2030, increase substantially the share of renewable energy in the global energy

mix (Target 7.2); By 2030, double the global rate of improvement in energy efficiency (Target 7.3).

d) Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. In particular: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors (Target 8.2); Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead (Target 8.4); By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products (Target 8.9).

e) Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. In particular: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all (Target 9.1); Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries (Target 9.2); Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets (Target 9.3); By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities (Target 9.4); Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending (Target 9.5).

f) Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable. In particular: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons (Target 11.2); By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management (Target 11.6).

g) Goal 12. Ensure sustainable consumption and production patterns. In particular: By 2030, achieve the sustainable management and efficient use of natural resources (Target 12.2); By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment (Target 12.4); By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse (Target 12.5); Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle (Target 12.6); Promote public procurement practices that are sustainable, in accordance with national policies and priorities (Target 12.7).

h) Goal 13. Take urgent action to combat climate change and its impacts. In particular: Integrate climate change measures into national policies, strategies and planning (Target 13.2).

i) Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development. In particular: By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation (Target 14.6).

j) Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. In particular: By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts (Target 15.9).

Implementation of Environmental Performance Review (EPR) Recommendations, as appropriate: 2013 Environmental Performance Italy – Policy recommendations for environmental fiscal reform, removal of environmentally harmful subsidies and restructuring of environmentally favourable subsidies.

Objectively verifiable indicators, as appropriate: —

Partners: Institute for the Protection and Environmental Research (ISPRA), National Statistical Institute (ISTAT), Bank of Italy, Ministries, Regions and Local Authorities, Universities and other Research Centres.

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**Batumi Initiative on Green Economy (BIG-E)
Actions by Italy**

Country: Italian Ministry for the Environment, Land and Sea

Title:

Environmental Criteria in Public Procurement

Focus area 4: Shift consumer behaviours towards sustainable consumption patterns

Description of the action: Mandatory application of the Minimum Environmental Criteria in public procurement for supplies of products, services and works, which applies to 100% of the tender value for the purchase of goods and services related to energy consumption and for at least 50% for other procurements. "Minimum Environmental Criteria" (MEC), adopted by Ministerial Decree, gives general guidelines to institutions for a rationalization of purchases and provide them with "environmental considerations" linked to the different phases of the procurement to environmentally qualify the supplies along the whole life cycle of services and products concerned. From 2011 MEC entered into force are the followings: furniture (for offices, schools, reading rooms); construction (construction and renovation of buildings); urban waste management (management of public green); energy services (lighting, heating and cooling of buildings, public lighting and illuminated signs); electronic (electrical and electronic office equipment and related supplies, telecommunications equipment); textiles and footwear; catering (canteen service and food supplies); cleaning services.

Action's timeframe/milestones, as appropriate: —

Type of action: Legal, regulatory and policy instruments

Economic sectors: Economy-wide/Inter-sectorial

Reference instruments and sources, as appropriate: Law n. 221/ December 28, 2015 - Environmental Annex to the Financial-Stability Law, provisions integrated into the Procurement Code (Law n. 50 / April 19, 2016).

Expected co-benefits and impact of the outcome: Resource efficiency, circular waste management and energy efficiency.

SDGs target(s) that the action may contribute to implement: Goal 12. Ensure sustainable consumption and production patterns (all Targets).

Implementation of Environmental Performance Review (EPR) Recommendations, as appropriate: —

Objectively verifiable indicators, as appropriate: Percentage of Green Public Procurement, thematic/sectorial indicators to be developed.

Partners: Ministry for Economic Development, Ministry of Finance, National Center for Public Administration Purchases, Regional Authorities, Environmental Agencies, Agency for New Technologies and Sustainable Economic Development.

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**Batumi Initiative on Green Economy (BIG-E)
Actions by Italy**

Country: Italian Ministry for the Environment Land and Sea

Title:

Voluntary scheme “Made Green in Italy” (environmental footprint)

Focus area 4: Shift consumer behaviours towards sustainable consumption patterns

Description of the action: On the basis of the successful experience of the Italian Environmental Footprint Program launched in 2011, a national voluntary scheme in line with EC Recommendation 2013/179/EU (PEF) will be set up (through a national regulation) to increase the competitiveness of the Italian eco-products on national and international markets. Such scheme aims at promoting sustainable patterns of production and consumption, fostering eco-competitiveness of Italian SMEs, improving environmental performance of products and to reduce environmental impacts generated during their life cycle, enhancing citizens’ awareness and promoting sustainable consumption, while ensuring transparency and comparability of environmental performance of products. The draft regulation applies to products made entirely in Italy, or for which the drawing, design, processing and packaging are made exclusively on the Italian territory, as required by Italian national law 166/2009.

Action’s timeframe/milestones, as appropriate: The national regulation defining the implementation of the voluntary scheme “Made Green in Italy” should be released by August 2016.

Type of action: Legal, regulatory and policy instruments.

Economic sectors: Economy-wide

Reference instruments and sources, as appropriate: Law n. 221, 28 December 2015 (so called Environmental Annex to the Stability Law: “Environmental measures for promoting green economy and natural resources efficiency”)

Expected co-benefits and impact of the outcome: Marketing and competitiveness: environmental values associated to a product are an important driver of competitiveness both in domestic and international markets; Relationship with the consumers: the disclosure of sustainability data helps to raise consumer awareness and to guide their choices in a transparent and responsible way; Money-saving: measures to reduce greenhouse gas emissions and water consumption, linked to a good technological renewal strategy, can reduce not only the company’s impact on the environment, but also the production costs, preventing the waste of resources

SDGs target(s) that the action may contribute to implement: Goal 12. Ensure sustainable consumption and production patterns.

Implementation of Environmental Performance Review (EPR) Recommendations, as appropriate: Develop and implement a comprehensive framework for promoting eco-innovation that includes a balanced mix of increased public support for R&D and demand-side measures (e.g. innovation-oriented standards and economic incentives); improve coordination of industrial, innovation and eco-innovation policies across the Government, between the central Government and the regions, and between academic institutions and business sectors.

Objectively verifiable indicators, as appropriate: number of products adopting the Made Green in Italy label.

Partners: —

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**Batumi Initiative on Green Economy (BIG-E)
Actions by Italy**

Country: Italian Ministry of Environment, Land and Sea

Title:

Establishment of the Natural Capital Committee

Focus area 1: Improve measurement and valuation of natural capital

Description of the action: By decree of President of the Council of Ministers upon proposal of the Minister of Environment, the Natural Capital Committee (NCC) shall be set up at the Ministry of Environment.

Action's timeframe/milestones, as appropriate: Annual. The Committee shall transmit, by 28 February of each year, to the President of the Council of Ministers and to the Minister of Economy and Finance a report on the state of the natural capital of the country.

Type of action: Legal, regulatory and policy instruments

Economic sectors: Economy-wide

Reference instruments and sources, as appropriate: Law n. 221, 28 December 2015 (so called Environmental Annex to the Stability Law: "Environmental measures for promoting green economy and natural resources efficiency").

Expected co-benefits and impact of the outcome: Ex ante and ex post evaluations of the effects of public policies on natural capital and ecosystem services.

SDGs target(s) that the action may contribute to implement:

a. Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture. In particular: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality (Target 2.4); By 2020, maintain the genetic diversity of seeds, cultivated plants and farmed and domesticated animals and their related wild species, including through soundly managed and diversified seed and plant banks at the national, regional and international levels, and promote access to and fair and equitable sharing of benefits arising from the utilization of genetic resources and associated traditional knowledge, as internationally agreed (Target 2.5).

b. Goal 6. Ensure availability and sustainable management of water and sanitation for all. In particular: By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally (Target 6.3); By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity (Target 6.4); By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate (Target 6.5); By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes (Target 6.6).

c. Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all. In particular: By 2030, increase substantially the share of renewable energy in the global energy

mix (Target 7.2); By 2030, double the global rate of improvement in energy efficiency (Target 7.3).

d. Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. In particular: Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead (Target 8.4 -Resource productivity-).

e. Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. In particular: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities (Target 9.4).

f. Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable. In particular: Strengthen efforts to protect and safeguard the world's cultural and natural heritage (Target 11.4); By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management (Target 11.6).

g. Goal 12. Ensure sustainable consumption and production patterns (all Targets).

h. Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development (all Targets).

i. Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss (all Targets).

Implementation of Environmental Performance Review (EPR) Recommendations, as appropriate: 2013 Environmental Performance Italy – Strengthen capacity for conducting ex ante and ex post economic analysis of environmental policies.

Objectively verifiable indicators, as appropriate: —

Partners: The Committee is chaired by the Minister of Environment; it includes Ministers of Economy and Finance, Economic Development, Labour and Social Policy, Infrastructure and Transport, Agriculture, Regional Affairs, Territorial Cohesion, Public Administration, Culture and Tourism; a representative of the Conference of the Regions, a representative of the National Association of Italian Municipalities, the Governor of the Bank of Italy, the President of the National Statistical Institute (ISTAT), the President of the Institute for the Protection and Environmental Research (ISPRA), the President of the National Research Council (CNR) and the President of the National Agency for New Technologies, Energy and Sustainable Economic Development (ENEA). The Committee is integrated with selected experts from Universities and research organizations.

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