

## **ITALIAN EXPERIENCES AND PERSPECTIVENESS FOR COMPLIANCE AND PERFORMANCE AUDIT ON THE MOST IMPORTANT CASES OF DISASTERS AND CATASTROPHES**

In recent years, the Court addressed several times inquiries on prevention and elimination of consequences of disasters and catastrophes:

- Deliberation n. 95/2000/G –Department of Civil Protection: Activities carried out in Sicily, Calabria, Molise according to Law 496/96; activities carried out in Basilicata following the earthquake of 1998; activities carried out in Campania following the landslides of 1998; activities carried out in Piedmont following the extremely bad weather conditions of 1994; activities carried out in region Marche after the 1997 earthquake.
- Deliberation 3/2003/G –Urgent interventions of public property damaged by the earthquake of 1997 pertaining to the “Sovrintendenza” of Public Works in Umbria.
- Deliberation n. 9/2003/G - Soil and hydrological instability. Actions taken by the Ministry of the Environment in areas with high landslide risk, following legislation acts aimed at speeding up procedures.
- Deliberation n. 10/2003/G - Monitoring of the Civil Protection Department on actions taken following disasters.
- Deliberation n. 26/2005/G - Interventions for prediction, prevention and active fight against forest fires.
- Deliberation n. 5/2009/G - Programs and assistance of the Ministry of Environment for the rearrangement hydro geological and soil conservation (law n. 179/2002 and Law no. 326/2003, Art. 32, paragraphs 9 and 10).
- Deliberation 18/2011/G – Interventions of National Forestry Corp to fight forest fires.

In the current period, the Court is reviewing the activities of the Extraordinary Commissioner appointed by order of the President of the Council of Ministers of 12.3.23 to

overcome socio-economic and environmental emergencies in the catchment of the river Sarno (Campania), which is an area that in 1992 and 1994 was declared as being at high risk of environmental crisis.

The works planned as part of the process of cleaning up to now have reached an advanced level of implementation and are largely completed, except for more complex interventions undertaken in recent times.

The Court's analysis is also aimed to examine the use of resources for interventions, which were included in special accounts registered to the Extraordinary Commissioner.

Then, special attention is directed both at European and regional level to the Abruzzo earthquake occurred in 2009, which has involved not only the city of l'Aquila, but also the same province. The main shock occurred on April 6, 2009 and had a magnitude of 5.9 on the Richter scale. At the end there were 308 victims, more than 1,600 injured and more than 10 billion euros in damages.

Because of the breadth of this earthquake, the European Commission, under the European Union Solidarity Fund, has allocated about 494 million for emergency relief operations and the realization of specific projects.

To this end, in implementing the decision of the Commission's November 11, 2009, on November 20, 2009, an agreement between the European Commission (Commissioner for Regional Policy) and Italy (the Civil Protection Department) was signed. On this basis the Fund contributes to the financing of interventions for providing temporary accommodation and funding rescue services (50 million) for the construction of temporary structures for the accommodation of the displaced population, for C.A.S.E. project (350 million), and for the construction of the temporary housing units - M.A.P.: Moduli Abitativi Provvisori - (94 million).

Under the agreement, the responsibility for individual actions and to implement the grant is with the beneficiary State.

The beneficiary State is responsible for financial control of the grant, it is responsible for the efficiency and correctness of management, in particular it is in charge of establishing and using a separate accounting system that allows the identification of all transactions relating to the grant and the collection of documents supporting documentation for each expense.

The management and control activities carried out by the beneficiary State provide an audit trail that allows comparing the supporting documents transmitted to the Commission with the individual expenditure declarations and allows controlling the allocation and transfer of funds.

The beneficiary State shall organize checks on operations on the basis of an appropriate sample to verify, through a risk analysis, the proper functioning of management systems and controls applied.

Commission officials may carry out, documentary or on-site, of operations financed by the Fund in order to verify the functioning of the management and control systems.

Within six months of the final deadline, the beneficiary State shall send to the Commission a progress report presenting the evidence of costs incurred and charged to the grant received.

Upon the closure of the intervention, the beneficiary State shall submit a statement summarizing the conclusions of checks carried out and express an opinion on the validity of expenditure declared and the legality and regularity of underlying transactions.

Based on this agreement,

- in April 2010, a monitoring visit was made by the Head of the Management Unit of the European Union Solidarity Fund together with the person in charge of the European Commission Regional Policy;
- in October 2010, there has been a visiting delegation of the Parliamentary Committee of Budgetary Control of the European Parliament;
- in January 2011, the execution report and the declaration of validity were transmitted;

- in March 2011 clarification on the declaration of validity was requested by the European Commission;
- in April 2011, the declaration of validity, integrated with the additional information requested, was sent to the Commission.
- On 18 to 19 October 2011, there was also an audit visit by the European Court of Auditors.

The final report will determine whether the project was well planned and designed and has been performed taking into account the economy criterion.

At national level, the Court of Accounts, Regional Section for the Abruzzo, given the scale of public expenditure and the public interest for an adequate control on the special accounts related to the reconstruction, for 2012 has planned control activities over the actual use of resources directed to supply the special account no. 5340 of L'Aquila Provincial State Treasury. The control will aim to verify the effective respect of expenditure procedures (for those expenditure not subject, due to their amount, to the ex ante control of legality and regularity) as well as the respect of economy, effectiveness and efficiency principles of management the resources.

It has to be noted that the phase of the so-called first emergency is managed by the Department of Civil Protection at the Presidency of the Council of Ministers. Then, management is entrusted to Extraordinary Commissioners, appointed by orders of the Council of Ministers, almost always coincident with the representatives' of a regional and local entities (Presidents of Regions and Mayors). These orders constitute the basis of authoritative acts of management and use of funds.

Recently, for the ordinances in question and the acts of Extraordinary Commissioners through which the emergency is handled, an ex ante legality and regularity control of the Court of Accounts was established.