

**PUBLIC SELECTION BASED ON QUALIFICATIONS AND INTERVIEW FOR THE AWARDING OF NO. 1 EARLY STAGE GRANT LASTING 12 MONTHS FOR CONDUCTING RESEARCH PURSUANT TO ART. 22 OF LAW NO. 240/2010 AT THE CENTRE FOR TERRITORIAL STUDIES "LELIO PAGANI" - CST (SC 13/A4 - APPLIED ECONOMICS - SSD SECS-P/06 - APPLIED ECONOMICS) TYPE A
PICA CODE: 20AR019**

announced with decree of the Chancellor Rep. no. 218/2020 of 20.05.2020 and posted on the official registry of the University on 01.06.2020

RESEARCH PROJECT
"Environmental impacts, pricing and incentives in the water sector"

Research structure: Centre for territorial studies "Lelio Pagani" - CST

Duration of the grant: 12 months

Scientific Area: 13 - Economics and statistics

Academic recruitment field: 13/A4 - Applied economics

Academic discipline: SECS-P/06 - Applied economics

Scientific Director: Prof. Gianmaria Martini

The ever-greater emergence of environmental demands, within civil society, is inevitably destined to also influence legislation on public procurement and services. As for the integrated water service - which, it should be remembered, is a universal public service - a full implementation of managerial models based on environmental protection would be the culmination of an evolutionary path already in existence for many years, as can be "plastically" deduce from the fact that the legislative discipline on this public service is inserted in the corpus of the Environmental Code (legislative decree 152/2006). This implementation, however, can only take place by acting, in a coordinated and harmonious manner, on the economic regulation. It must in fact be considered that, given the known infrastructural delay of the Italian water service compared to the European Union (EU) standards, the present historical phase is characterized by a progressive increase in investments in aqueducts, sewers and purification plants, with a consequent increase in related procurement contracts and, therefore, the related public tender procedures. At the same time, the current approach to water pricing methods (deriving from the outcome of the 2011 referendum, but also from the EU legislator's input) revolves around the principle of full cost recovery, based on which - trying to simplify as much as possible - the service manager can legitimately include in its punctual tariff only the efficient costs actually incurred, and consistent with the items of the tariff method itself. This means that the implementation of environmental criteria in the choice of contractors by the operator can be economically sustainable only if the costs deriving from said implementation can be recovered in the tariff. Given these premises, the research objectives can be summarized as follows: - investigate the impacts of the new regulatory schemes of the water sector - understand if, and how, the current contracting legislation offers contractors effective tools to implement environmental criteria in the tenders, with particular attention to the criterion of the c.d. "Life cycle". This research will therefore have as its object the Legislative Decree 50/2016, with the related modifications and interpolations also recently, as well as the implementing legislation related to it (in turn evolving); - verify the role of the Supervisory Authority (ARERA) in identifying the technical quality criteria of infrastructure works; - outline and estimate the possible environmental impacts and related social costs, at least with reference to sectors of public utility; - verify if existing tariff methods provide for mechanisms capable of enhancing the application of environmental criteria by operators; - implement a proposal to include environmental impact reduction interventions in the tariff.