

What is the level of administrative capacity of Italian municipalities, and how has it changed following the interventions and reforms introduced through the National Recovery and Resilience Plan and Cohesion policy? These questions were at the heart of the closing event of the project, **'Administrative Capacity: Definitions, Measurement, Policies and Economic Impacts'**, which took place at the Scuola Nazionale dell'Amministrazione (SNA) in Rome and online on February 24<sup>th</sup>. The event was opened by SNA's Vice-President, Professor Remo Morzenti Pellegrini. The project, funded by the Italian Ministry of University and Research (PRIN Project), was led by Professor Ugo Fratesi (Politecnico di Milano) and Professor Laura Polverari (Università degli Studi di Padova), and spanned over two years, allowing the project team to develop sophisticated new measures of local-level administrative capacity, assess its impact on policy performance, and undertake detailed case study research on selected Italian municipalities.

Professor Ugo Fratesi and Professor Laura Polverari kicked-off the conference, by outlining the objectives of the research project and emphasising the necessity of new analytical tools that can link administrative capacity to measurable outcomes. Innovative ways of measuring administrative capacity were explored in the first scientific session where a forthcoming publication and several working papers were presented. Prof. Fratesi illustrated a new measurement framework based on project-based open data, while Prof. Polverari outlined the concept of 'administrative throughput', proposed as the missing link between institutional inputs and performance outcomes. To follow, Ugo Fratesi and Pietro Vicari illustrated three more papers on the linkage between human resources quality and local administrative performance, rule compliance in local administrations, and the connection between administrative capacity and land consumption. In her role of discussant, Professor Mara Giua (Università Roma Tre) provided insightful theoretical reflections, highlighting the novelty of the research presented and the policy implications of the research findings.

The second session focused on the results of the in-depth case studies research on selected Italian municipalities. Prof. Laura Polverari and Cristina Zerbinati (Università di Padova) highlighted persistent gaps and the importance of capacity-building measures to be targeted and tailored to each individual context; the interaction between administrative reforms, internal organisational processes and local service delivery, and the impact of political change, and of populist governments, on the local bureaucratic machinery. At the end of the session, Beatrice Carniato and Maria Tereza Zupcu (Università di Padova) presented preliminary evidence from a nationwide survey on municipalities' self-perception of competencies and local capacity-building needs. Prof. Andrea Lippi (Università di Firenze) led the discussion.

A roundtable discussion titled 'The administrative capacity of Italian municipalities before and after the PNRR: challenges and prospects', moderated by Prof. Laura Polverari, closed the event. Among the speakers, Luca Bianchi (SVIMEZ) approached the discussion from a territorial standpoint. He emphasised the policy discontinuity represented by the RRP compared to Cohesion Policy, as well as the strengthened role of municipalities. He also stressed that despite the larger financial allocations to Southern Italy, the implementation gaps with the North appear relatively limited, suggesting a significant administrative effort under strong accountability pressure. Building on the monitoring dimension, Ottavio Ziino (Presidency of the Councils of Ministers) noted that a significant proportion of single project codes (CUPs) are linked to the Italian RRP. When considered separately, these projects demonstrate higher overall levels of progress compared to non-RRP funded projects. He also stressed the need to further strengthen the municipalities' information systems. Giovanni

Crescenzi (Ministry of Economy and Finances) argued that the effects of the Plan on public employment will become clearer over time, and called for investments in more detailed data on staff qualifications and territorial specificities. Reflecting on the broader administrative impact, Pia Marconi (formerly adviser to the Presidency of the Councils of Ministers) observed that the NRRP introduced a results-based working method centred on measurability and performance. The indirect effects of this method on administrative behaviour may prove to be as significant as the formal reforms themselves. Taking a longer-term view of the debate, Professor Alessandro Natalini (LUMSA) described the NRRP as an extraordinary stimulus following years of austerity and emphasised that through the economic conditionalities, the NRRP helped unlock latent administrative capacity. However, he also warned about the sustainability of these gains in the context of shrinking resources. Sabrina Bandera (SNA) emphasised the central role of competences and the need to define and evaluate managerial skills, as well as the importance of measuring their impact beyond the NRRP phase. Finally, Walter Tortorella (IFEL) emphasised the important role that the RRP has had in terms of stimulating inter-institutional cooperation and giving municipalities a more direct access to funds, while noting the high level of European administrative requirements accompanying implementation.

The main messages from the whole event can be summarised the following:

- Administrative capacity can be measured in a more granular way than has been possible hitherto using project-level open data. The research team developed a more sophisticated measurement of the administrative capacity of Italian municipalities, which shows that the relationship between administrative inputs and administrative outputs is not linear, as is often assumed.
- What ultimately matters is having the right people performing the right functions at the right time – what has been defined as *administrative throughput*, namely the way in which public administrations mobilize and organize their resources.
- The performance of Italian municipalities appears significantly more differentiated than the conventional North–South divide would suggest.
- The NRRP provided a strong impetus to municipalities, assigning them an active role and generating noteworthy levels of performance. This was in itself a strong stimulus to strengthen administrative capacity. In this respect, the Italian RRP has been an important policy laboratory.
- Italian municipalities demonstrated their ability to rise to the challenge while confronting persistent constraints in terms of budgetary and recruitment capacity. The capacity-building measures on offer represented an important response, which was nevertheless partial and largely temporary: municipalities had also to rely on internal reorganization, temporary staff, outsourcing, and inter-municipal cooperation, implementing a number of stop-gap measures to be able to perform.
- Looking ahead, continuing to invest in competencies and in the organisational and subjective aspects of public work will be crucial to address the remaining structural weaknesses of Italian municipalities.