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**Address by President
Nicola Zaccheo**

**Chamber of Deputies
27 September 2021**

ART

Distinguished Guests, Ladies and Gentlemen,

Let me firstly thank the President of the Republic for having received us last Friday and for the honour that he has accorded us to present him this Report. I wish to thank the President of the Chamber of Deputies for hosting us today. I thank the Vice-President of the Chamber of Deputies, the representatives of the Parliament, the Government, the Authorities that are attending today and all those who follow us in streaming.

This address, whereby I am about to present the eighth annual Report of the Transport Regulation Authority, is the first since the new Board, the second one since the establishment of the Authority, took office on 28 October 2020. The Members of the Board, Carla Roncallo and Francesco Parola, whom I wish to thank as of now for sharing their commitment in the Board of the Authority, join me in addressing this audience.

VIII annual Report of the Authority and the appointment of the new Board

The context of the sector in which I present this annual Report remains, unfortunately, still characterised by the continuing effects of the Covid-19 pandemic, despite an acceleration of the vaccination campaign and a significant reduction of contagion.

The context: the persistence of the epidemiological emergency

The impact of the pandemic on the supply and demand of transport services in 2020 has been devastating for all modes, leading to a dramatic decrease in traffic volumes compared to 2019.

I refer to the annual Report for a detailed analysis of comparison data.

The effects of the pandemic, some of which will continue, alas, to play out in the medium and long term, vary depending on the transport modes and segments, and are determined, besides the measures adopted to restrict

mobility and limit production activities, by a widespread perception of the risk of contagion that is associated with collective mobility; this has led, at least in the most serious stages of the crisis, to a marked preference for individual mobility over public transport.

We have witnessed an unavoidable change in lifestyles. In this framework, it may reasonably be assumed that, even when the pandemic can be considered over, the “new normal” of collective mobility will not be a return to the *status quo ante*.

The “new normal” of collective mobility

Nonetheless, it can be reckoned that pre-Covid traffic volumes will be gradually recovered, obviously with differences across travel modes and reasons, with a likely more sustained recovery of collective mobility related to education and work and a more limited one for medium to long distance journeys.

Given the widespread perception of risk by users in sharing their travel experience, which has been also significantly highlighted in the context of a survey conducted by the Authority in 2020 with a focus on the behavioural aspects of users of public transport services “before and after” the outbreak of the pandemic, the recovery of public transport will strongly depend on citizens regaining confidence in collective transport as a form of safe mobility, both for local and medium to long distance journeys.

This objective will be also pursued by developing multimodality, with the integration of collective mobility and individual non-motorised and/or shared mobility, that is facilitated by the digitalisation of services, the deployment of info-mobility services and by Mobility-as-a-Service (MaaS) platforms.

Relevant in this respect are the choices made by individuals in the

emergency phase regarding the use of alternative transport modes, including multimodal, and their readiness, as expressed in the context of the above-mentioned survey conducted by the Authority, to consolidate these choices in the post-emergency phase.

The pandemic emergency poses new challenges to all public authorities, including independent regulatory authorities. Faced with the effects of the crisis, the role of the regulator increases in importance and influence, as evidenced, at the EU level, by the constant referral to independent regulators by governments and their agencies for the purpose of ensuring a methodologically rigorous basis for the assessment of the necessary extraordinary measures of public intervention.

Upcoming challenges for the Authority

Against this background, ART's role remains crucial to guarantee that the measures approved to support the sector under its remit be granted in a fair and non-discriminatory manner. Meanwhile, regarding concessions, it is also necessary to ensure that the keeping of economic and financial balances, though heavily affected by the pandemic, be pursued in accordance with transparency principles and based on objective methods, so as not to circumvent the principle of operational risk-taking by the concessionaire.

In order to be able to exercise their role effectively, it is essential for regulatory authorities to maintain their independence. In compliance with the principle of equidistance from the parties, the Transport Regulation Authority must gain the most accurate possible understanding of the current and foreseeable developments in the areas under its remit, primarily through data collection, consolidation and strengthening of the "ability to listen" to the stakeholders; in doing so, the Authority shall keep transparency and independence as the guiding principles of its action,

"Independence" as a guiding principle

while reinforcing its role of guarantor of an efficient mobility for the benefit of all operators, as well as increasing its activities of assessment of the effects of regulation.

The tragedy of the pandemic can and must now turn into an opportunity for rebirth.

The NRRP and the role of
the Authority

The National Recovery and Resilience Plan (NRRP) is an extraordinary tool for a new start and, above all, boost of our economy. The NRRP dedicates one of the six missions of which it is composed to “transport infrastructure for sustainable mobility”, providing for substantial funding to be committed to projects that will allow the country to take a big step forward in a broader relaunch and modernisation initiative.

Cutting across all areas of intervention will be the issues related to environmental sustainability, as well as social and economic sustainability, which will involve the Authority’s engagement in the definition of measures designed to foster public policies that encourage new mobility systems in accordance with the EU Green Deal.

The above resources add up to the measures of support and compensation which are strictly emergency-related, adopted by the national legislator for productive activities, that are aimed at the economic recovery of the country. In this case, too, the Authority demands to play a role in proposing objective, non-discriminatory and user-friendly evaluation processes.

The set of these initiatives, which account for unprecedented public intervention in the economy, could lead to structural changes in the markets of interest to the Authority.

In this context, ART is the natural candidate, as a third and independent party, to assess, based on objective and pre-determined criteria, whether the principles of equity and non-discrimination of the planned investments are met, as well as to supervise the use of these resources in the transport sector, in accordance with the powers already conferred upon it and exercised by the Authority when assessing economic and financial plans and validating investments.

The Authority could also contribute to the analysis of the consistency of these investments with the guidelines drawn up by the Government, both in the current start-up phase and in the coming years, during the actual implementation of projects and works.

In the discharge of these important functions, ART could benefit from the consolidation of its regulatory powers, as provided for in the NRRP section dedicated to the *"strengthening of antitrust enforcement powers and of sectoral regulatory powers"*, which we hope will be covered by *ad hoc* rules in the annual draft competition law.

On the other hand, in the above-mentioned evolving scenario, new challenges arise for regulation. Its aims, content and tools need to be adapted, for instance by acknowledging the eligibility for inclusion in the tariff of extraordinary charges, although necessarily net of subsidies and in accordance with the principles of relevance, transparency, and non-discrimination of users.

Since the beginning of our mandate, we had the opportunity to discuss these issues in different national contexts, as well as within the OECD *milieu*. They point to the very nature and objectives of independent economic regulation, certainly demand further inquiry and are subject to careful evaluation by the Authority, including in its practice, on the occasions in which it is called upon to address questions raised by acting

New instruments and challenges for economic regulation

The first part of the Report

administrations.

The topics mentioned above and the *“economic regulation of transport in times of pandemic”* are addressed in the first chapter of the Report preceding the actual report on the activities carried out by the Authority in the period of reference, in this edition running from the 1st of June 2020 to the 5th of August 2021.

Let me now turn to the presentation of the activities performed in the period under review, that is necessarily short and will follow the same breakdown used in the annual Report: regulation of access to infrastructure, regulation of services and users’ and passengers’ rights.

[The annual Report](#)

Concerning the regulation of access to infrastructure, let me start from motorways. In the absence of new awarding procedures, the Authority’s measures concerned existing concessions.

[Access to infrastructure](#)

[Motorway infrastructure](#)

In particular, the definition and adoption of the toll charging systems for the three concessions granted to the company *Concessioni Autostradali Lombarde spa* (CAL) has been completed, whereas the activities related to the routes managed by the public company *Autostrade Siciliane (CAS)* are currently underway.

As regards consulting activities, the Authority has delivered the opinions requested by the Ministry of Infrastructure and Transport, now Ministry of Sustainable Infrastructure and Mobility (MIMS), on the updating of the economic and financial plans of the concessions granted to the companies *Autostrade per l’Italia spa*, *Tangenziale esterna di Milano spa*, *Autostrade dei Fiori spa* (both the A6 and A10 sections) and *Autostrade valdostane spa*.

The activities carried out by the offices of the Authority highlighted economic, accounting and financial issues, as well as instances of non-compliance in the application of the toll charging system adopted in 2019, that led to the Authority's verification and qualified opinion on the conformity of the new financial plans with the above system.

The issue is not new, but it is of renewed relevance: the difficulties in managing the concession relationship often lie in the concession arrangements themselves; in no case may a contractual relationship escape a possible revision where the position of the parties is manifestly unbalanced, especially if one of them represents the public interest. In such situations, the regulator can be part of the solution by providing the awarding entity with methods, systems and indicators to determine values, costs and returns that are defined *ex ante*, on a general basis, and that comply with principles of objectivity, transparency and efficiency.

Finally, I would like to mention the launch, by Decision No 77/2021, of a new procedure for the definition of "*tendering schemes to be applied by motorway concessionaires*" for the award of services provided on the motorway network under concession, including supply of fuels and lubricants, as well as catering services (so-called oil and non-oil services) and, upon the adoption of recent legislation, also electricity recharging, and the provision of compressed natural gas (CNG) and liquefied natural gas (LNG) services. The related regulatory measures are expected to be adopted in the first months of next year.

Regarding access to airport infrastructure, following the extraordinary negative impact of the pandemic on the air transport sector, by Decision No 68/2021, the Authority decided to postpone to the 1st of January 2023 the application of the new airport regulatory models that had been

approved in 2020 (Decision No 136/2020).

By the same decision, on account of the acceptance of earlier requests by the managing bodies of the Milan airport system and Bergamo, Naples, and Catania airports for an extension to 2021 of the 2020 charges, the Authority considered it appropriate to grant the same option to all airport managing bodies also for the two-year period 2021-2022, having regard to their objective difficulty to draw up, in the current context, sufficiently reliable traffic estimates.

The models, as approved in 2014 and updated in 2017, have been used for the compliance checks of the proposals for airport charges review that, in the period covered by this Report, were submitted by the airports of Palermo, Cagliari, Genoa, Verona, Olbia and Bologna, whose tariff period regulated on the basis of the measures adopted by the Authority had already expired, as well as for the Apulia airport network, regulated for the first time on the basis of the same models.

Decision No 68/2021 mentioned above, however, maintained in force some provisions of Decision No 136/2020, namely those relating to airport networks and systems and the measures implementing the extension of the competence of the Authority to the airports under programme contracts “in derogation” (Rome, Milan, and Venice). Concerning these airports, the Authority has swiftly carried out its supervisory activities and taken steps to resolve disputes with carriers concerning annual airport charges review while requiring in one case a recalculation of the charges.

Relevant in this respect is the recent conclusion of a Memorandum of Understanding with ENAC, which provides the basis, *inter alia*, for the coordinated exercise of the technical and economic regulatory powers conferred upon ENAC and the Authority, respectively.

In the light of the measures taken by the Authority, we therefore trust that the appeals against the decisions concerning the review of the airport charges regulatory models and the ensuing actions – which, albeit deferred, are still pending – will be withdrawn as soon as possible.

Likewise, we believe that we have contributed to providing useful information to the competent structures of the Presidency of the Council of Ministers in view of the desirable prompt conclusion of infringement procedure No 2014/4187, that was initiated by the European Commission against Italy concerning the implementation of Directive 2009/12/EC on airport charges.

Having regard to railway infrastructure, the Authority looks forward to receiving an access charges proposal from the national infrastructure manager that can be considered to comply with the regulatory model in force and that is suitable to manage the current framework and the development prospects of rail transport services markets. Concerning the latter, it was not deemed appropriate to update the relevant charging model given the current market situation and based on a body of case-law that largely confirmed the legitimacy of the regulatory system and methodology applied, and that was further consolidated in the period of reference, as detailed in the Report.

Railway infrastructure

Any improvement of the charging model may, however, be assessed in the short to medium term based on the regulatory experience gained in the first multi-annual period of its application, and in the light of the development prospects of the rail transport services markets.

In the same area, besides the implementation of the regulatory measures

concerning ancillary services, which are instrumental to rail transport operation, and in addition to the monitoring of their execution, I would like to report completion of regulatory action on the technical contents of the Network Statement (NS) of interconnected regional railway infrastructure, including those managed by entities other than *Rete Ferroviaria Italiana spa* (RFI); this led to the adoption of NSs, the technical content of which has finally been harmonised by the above-mentioned infrastructure managers.

Another important activity performed by the Authority in the period under consideration, concerns its ongoing regulatory action on the separation of the management functions from the transport services on the same networks, which also involves the responsibilities of the regions concerned.

Finally, I wish to underline our commitment to continue to accompany infrastructure managers in the adoption, in the short to medium term, of access charging systems that are fully in line with the principles of cost-relatedness, as derived from EU sectoral legislation.

An outstanding job was the harmonisation of the technical content of the NSs, carried out on eleven of these complex documents that were subject to scrutiny, indications and requirements issued in 2020.

Again, regarding rail transport, it is worth mentioning the adoption, within the framework of the instruments supporting the crisis caused by the epidemiological emergency, of an EU regulation allowing the infrastructure manager to defer, reduce or waive all or part of the railway infrastructure access charges, as well as to receive financial compensation for the ensuing loss of revenue (Regulation (EU) 2020/1429 of the Parliament and of the Council of 7 October 2020). These provisions contain temporary

derogations from the sectoral rules contained in the Recast Directive and in the Fourth Railway Package, which warrant a uniform legal basis for the adoption of extraordinary measures, such as those already provided for, at the national level, by Article 196 of Decree-Law No 34 of 19 May 2020 (so-called “Relaunch decree”); in this respect, the Authority also played a role in their implementation, by providing the necessary comments and recommendations to the national railway infrastructure manager and the awarding Ministry.

The above-mentioned EU regulation exemplifies a useful result, which can be pursued through an increased level of ‘communitisation’ of EU transport legislation; yet, the latter remains at present highly heterogeneous and, in some areas, such as motorways, completely absent: this characterisation contrasts with the growing salience of the concepts of multimodal mobility and interconnecting networks and, furthermore, with the idea of setting up an EU transport regulatory body, which would deserve careful consideration.

Special attention has been paid to the issue of access to port infrastructure, this falling among the strategic objectives adopted by the new Board in the first months of its mandate.

Port infrastructure

On this matter, in their monitoring activities, the offices of the Authority have thus far recorded an unsatisfactory level of compliance with the measures laid down by Decision No 57/2018 of 30 May 2018 concerning concessions and authorisations for port operations and regulatory accounting.

Furthermore, the above activities have shown the difficulty of acquiring, as in other areas, information and data that are necessary for regulatory purposes, also with a view to greater transparency.

This difficulty has been addressed by strengthening the interaction with the relevant Ministry, which has granted access to the Information System of the maritime State Property (*Sistema Informativo del Demanio, SID*), including data on the concessions of areas and docks inside national ports, though the system is still being uploaded by various Port Network Authorities (*Autorità di Sistema Portuale, AdSP*); with the latter we have undertaken a direct dialogue with a view to increasingly fruitful interaction and collaboration.

Still in the port area, worth noting is the recent confirmation by the MIMS of the Authority's mandate as the independent body in charge of handling complaints and imposing sanctions in relation to the charging policy of services rendered in ports. Thereby, the administration has implemented Regulation (EU) 2017/352 of the European Parliament and of the Council of 15 February 2017 establishing a framework for the provision of port services and common rules on the financial transparency of ports; this issue, too, has been the object of an infringement procedure of the Commission, which could now be closed.

It remains to be ascertained whether the perimeter of the services concerned – which excludes mooring, pilotage and towage from the Authority's area of intervention and assigns them to a newly established entity within the MIMS – is consistent with the objective set out in the Regulation to entrust an independent entity with the task of receiving complaints on the implementation of the provisions of the Regulation by the competent parties, and of imposing penalties, if any.

Let me now turn to the second set of subjects, concerning the identification

The regulation of services

of public service areas, awarding methods and definition of the tariff criteria to be applied to public transport services provided by different modes, both regional and local (local public transport or LPT), and national.

In the rail and road transport sector, except for medium to long distance and international open-access segments, similarly to other EU countries, services remain open exclusively to competition *for* the market, with a prevalence of direct or in-house management, though with a few exceptions.

Accordingly, the relevant acts of the Authority focus on economic regulatory measures concerning all the awarding procedures provided for under the law, and on the drafting of Public Service Contracts (PSC) schemes to be awarded either by tendering procedure or directly, that are performed by in-house or State-controlled companies.

*Awarding procedures and
PSC schemes*

On the other hand, tendering and awarding procedures require the definition of the areas in which the services are subject to public service obligations, as well as the quality standards to be included in the contracts, the source and type of compensation, the size and nature of the lots and, for regional rail transport, the criteria for drawing up the economic and financial plans and the “plans for achievement of regulatory objectives”, in the cases of direct or in-house awarding. All these issues, that are covered by already existing regulatory measures of the Authority, have been subject to intense monitoring in the period of reference of this Report.

The latter does not consist in the mere verification of compliance with regulatory measures; it is rather functional, by means of providing advice and observations to guide and support the work of awarding administrations and entities, to establishing conditions for further development of the market and better use of public resources for the

benefit of citizens and users, who should be able to avail themselves of services that respond more effectively in terms of quality, quantity and distribution.

Regarding maritime cabotage, I would like to highlight the launch of procedures to provide services ensuring territorial continuity between the peninsula and the islands, which have been subject to market checks by the MIMS and by the regions of Sardinia and Sicily, within their respective competences.

Maritime cabotage

The well-established presence of competing operators and their stated interest in continuing to guarantee adequate levels of service enabled to consider the situation of market failure as overcome and to pursue the liberalisation of 4 out of the 10 lines that were previously recipients of State aid.

To the contrary, it has not been possible to open up to competition *in* the market maritime services of regional and local interest that, nonetheless, will be regulated by very binding Public Service Contracts, in accordance with the rules laid down by the Authority for this sector, too.

All new Public Service Contracts (PSC) that have been concluded in compliance with the Authority's measures in the various sectors of public transport by road, rail and sea, currently include efficiency and quality objectives (measured through dedicated Key Performance Indicators — KPIs), effective monitoring and control systems, mandatory disclosure obligations of the information to be provided to the awarding entity and the community, adequate protection tools for users, including compensation, and flexible systems so as to adapt to the developments of markets and demand.

However, the regulation of services is not limited to PSCs alone, as it starts much earlier, during the stages of identification of public service needs, definition of awarding lots, planning and scheduling.

Structure of networks and services

That is the background to the opinions delivered in 2020 by the Authority to local administrations. These contain a constant call for designing the structure of networks and services according to the actual needs arising from demand, also and above all, the demand which today, due to the lack of alternatives or behavioural habits, turns to private transport while it could rather be attracted towards public and collective transport, for its intrinsic greater environmental sustainability.

Turning to current issues, in response to the needs expressed by contracting companies and awarding entities, the Authority deemed it appropriate to take into consideration the effects of the pandemic on the operation of the sector.

Thus, regulation on awarding procedures for LPT services by rail and road have been revised to streamline the related requirements and provide for the testing of interactive reporting tools via the Authority's website.

Further, guidance has been provided on the economic management of the existing Public Service Contracts and the implementation of ART's decisions in the context of the pandemic.

In another respect, especially at present, LPT is a test ground for sustainable mobility and multimodal integration models. As you know, this issue has been accorded priority attention by the Government, that has placed infrastructure sustainability and mobility services at the core of sectoral policies. The effects and implications of these policies on people's lives and on productive activities clearly showed that the balance between the underlying interests is complex, both from an environmental and, necessarily, from an economic and social point of view.

Sustainable mobility and multimodal integration

The new mobility models are equally of great interest to the Authority and the new Board has included the thorough examination of the related regulatory issues among the strategic objectives of its term of office.

Finally, I would like to mention the indications provided by the advisory technical Committee on local public transport, as established at the MIMS by Ministerial Decree of 4 January 2021, which, in its final report, calls for ART's role as "*coordinator of the network of regional regulators*", once the functions of awarding entities have been centralised at the regional level.

The third set of issues - the protection of passengers' and users' rights - is related to the Authority's exercise of *ex ante* regulatory functions and oversight of the implementation of EU regulations.

Passengers' and users' rights

The definition of the "*the minimum rights and entitlements, including compensation, that may be claimed by users from infrastructure managers and service providers*" – quoting from the legal provisions establishing the Authority – is one of the functions that characterises the statute of the Transport Regulation Authority, including as compared with the other public service authorities set up pursuant to Law No 481 of 14 November 1995.

In a phase of relative maturity of the regulatory body, the Board has decided to enhance the scope of these provisions by entrusting a dedicated Unit with the relevant functions; the latter have, thus far, consisted mainly in the further specification of instances covered by EU protection rules, in

particular concerning (but not limited to) the rights to information and the rights relating to passenger complaints.

This is the case, for example, of the measures adopted in 2021 on the minimum passengers' rights in the submission of complaints for land transport services, which extends the scope of the already existing provisions concerning only rail transport services under public service obligations.

The functions related to the implementation of the EU regulations on passengers' rights in rail, bus, sea and inland waterways transport have also been performed. In this respect, I would like to focus on a twofold aspect.

On the one hand, the experience of the Authority unequivocally points to the need to second the increased awareness of demand for integrated transport services, which contributes to feeding the debate on multimodality, with the integration of the related tools for the protection of passengers' and users' rights. This connection, which may seem linear, requires in fact a specific policy initiative at the EU level.

If the safeguards were integrated, while seconding the specificities that characterize each mode of transport, the opportunity to confer the related executive responsibilities to a single entity would become even more apparent. It would be appropriate to consider transferring the enforcement of EU rules on air passengers' rights to the Authority, thereby charting, in the national practice, the course for the desirable integration of the protection across all modes of transport.

On the other hand, it seems appropriate to highlight that, as from July 2020, the national bodies entrusted with the enforcement of the EU rules on passengers' rights (so-called national enforcement bodies or NEBs) are

the addressees of an EU Commission pilot as a fallout of an infringement procedure initiated against several member States, including Italy, which is now closed. Thereby it had been claimed that national rules allowing transport companies to replace with a voucher the reimbursement for journeys not made due to the pandemic, without obtaining the prior agreement of the passenger, should not remain in force. NEBs are now required to prove that they have been proactive in informing passengers about their rights.

Beside the awareness of the critical market situation that has led to commercial choices which are contrary to the wording of the EU rules, the case exemplified that the difficulties of the sector may not be shifted onto the users of the service, in respect of whom high levels of protection and transparency must be maintained.

Let me take this opportunity to highlight that it is precisely to the protection of passengers' rights that we have decided to dedicate the Authority's first communication campaign, which started on RAI TV and radio channels since July 2021.

Communication campaign

The Board has, in fact, identified the protection of users' rights as one of the core issues of its policy objectives as established at the beginning of our mandate.

As a first step in this direction, and as part of the communication initiatives of the Presidency of the Council of Ministers, the Authority launched its first TV and radio campaign dedicated to the passengers' rights in road and maritime collective transport, with a particular focus on passengers with reduced mobility. The aim has been to address, for the first time and in a straightforward manner, all citizens to inform them of their rights as passengers and to raise awareness of the role played by the Authority, as the body in charge of the proper application of EU regulations, for the

protection of these rights.

To convey these messages, a method of communication has been chosen that is aimed at being as clear and catchy as possible for the public; it displays an amusing spot where travel misadventures are experienced by children disguised as adults.

In addition, three video-tutorials have been made available on the web and social networks, which provide detailed information on the legal protections awarded for each mode of transport falling under ART's remit. This is only the first set of initiatives that we wish to implement in a communication context that brings the Authority closer to the citizens.

Still concerning users' rights, I would like to report the advisory activities carried out by ART, as independent authority for the transport sector, in the context of the procedures challenging unfair commercial practices, that are dealt with by the Competition Authority (AGCM) pursuant to the Consumer Code. In this respect, in the period under review, the Authority delivered its opinions to AGCM on the infringements of consumers' rights concerning maritime, rail and bus transport, and the use of the motorway network. We look forward to an ever-increasing collaboration with AGCM on these issues.

*Users' rights and
consumers' rights*

Let me take this opportunity to advocate closer cooperation among all independent authorities that, together, at this time in history and in the current economic situation, could give a key and decisive contribution to the recovery of the country.

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Concerning the Authority's operation, in the period of reference, several important cases concerning the perimeter of the entities that are subject to the payment of the financing contribution to the Authority, including in the light of the legislative amendments introduced by Decree-Law No 109/2018 (so-called "Genoa Decree") pending before the Council of State were concluded. These entities are now identified as *"all economic operators in the transport sectors in which there has been a regulatory intervention of the Authority"*. Among the significant implications of these rulings are the overcoming of both the distinction between *"direct recipients and beneficiaries"* of the regulation, that was previously applied by the Piedmont Regional Administrative Court, and of the limitation of the obligation to pay the contribution only to infrastructure managers, that has been now extended to all *"mere economic operators"* with effect as of 2019.

Organisation and operation

Financing

As to our internal organisation, the coordination of the Authority's directorates is entrusted to the Secretary-General, whose term of office has been renewed by the Board for the next three years. Let me take this opportunity to express, on behalf of the Board, too, our appreciation for the highly professional skills and technical expertise of the Authority's staff.

On the organisational level, with the establishment of the new Board, important agreements have been concluded, together with trade union representatives, aiming at reconciling the welfare of workers with the improvement of the Authority's performance.

Staff policies and dialogue with trade unions

I wish to emphasise that ART's operation has not been particularly affected by the measures adopted to counter the pandemic, thanks to an organisational model and an effective and efficient IT infrastructure, which has also enabled the complete digitalisation of the processes aimed at measuring administrative performance.

The composition of two bodies, whose mandate had expired, has also been renewed: the Performance assessment committee and the Advisory board. In particular, concerning the latter, the Board has decided to enhance the participation of representatives of universities from other EU and non-EU countries, to which five out of the current members of the Advisory board are affiliated.

The Advisory board

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As I draw to the conclusion, I would like to briefly outline the themes underlying our vision, which have been shared with my colleagues in the Board since the beginning of this new challenging experience.

Vision

We have decided to illustrate these ideas also in a dedicated paragraph in the annual Report to “leave a trail” of our intentions and, above all, of our view of the functions that the Authority will be called upon to perform in the coming years.

In fact, among the first decisions after the inauguration of the Board, we have defined the multi-annual strategic objectives, some of which have already been mentioned in this Report, that will constitute the roadmap of reference for the Authority’s future action, in the various sectors and policy areas.

Multi-annual strategic objectives of the Board

In addition to consolidating the activities initiated by the previous Board, to whose members I would like to convey our greetings and thanks, new policy guidelines have been outlined to strengthen those competences in order to enable the Authority to play a pivotal role in revitalising the transport sector and propose it, as previously argued, as a third and independent body supporting the Government in the achievement of the

objectives set out in the NRRP in the area of transport and mobility.

Efforts have also been made to look “beyond the pandemic” by presenting the future roles that ART will be called upon to play, including in laying the foundation for the development of regulatory frameworks regarding matters that today are identified as “frontier” issues.

Beyond the pandemic

In a nutshell, the measures and priorities identified by the strategic objectives concern, in particular, the following six macro-areas: the port sector and maritime transport, paying very close attention not to create overlaps with Port Network Authorities and in close synergy with the Ministry of Sustainable Infrastructure and Mobility; local public transport (LPT), with particular emphasis on new mobility solutions, such as smart mobility and Mobility as a Service (MaaS), that use innovative web technologies and new economic models aimed at increasing the integration of transport modes; protection of users’ and passengers’ rights, which will be given the highest priority; data-driven regulation, to be necessarily aimed at by the regulatory measures, implying the need to develop analytical skills that require the availability and access to structured and comparable data, if not their direct acquisition from primary sources; consolidated regulation of the transport sector that is more geared towards the implementation of green mobility, through instruments that promote environmental sustainability, with the challenging objective of achieving a real integration of several transport modes, multimodal for users and intermodal for freight, where drivers of sustainability are strongly encouraged; finally, last but not least, digitalisation of services that will be even more deeply rooted in transport, with digital systems for the use of conventional or smart mobility modes, and by developing incentive schemes to encourage managing bodies to use digital technologies.

In this respect, the Authority is already exploring the issues concerning the regulation of digital platforms and innovative technological services, including integrated tariff systems, which will increasingly be covered by incentive schemes, to promote the use of a multimodal mobility that is “tailored” as much as possible to the users’ real needs as well as to the requirement to pursue objectives of environmental sustainability.

* * *

I am now pleased to turn to the acknowledgments.

Acknowledgements

I wish to thank the Parliament, the Presidency of the Council of Ministers, the Council of State, the Regional Administrative Courts of Piedmont and Lazio, the State Legal Office, the national administrations, both at the central and local level, with whom the Authority cooperates regularly, in particular the Ministry of Sustainable Infrastructure and Mobility, the Ministry of Economy and Finance, the Ministry of Economic Development and the other Ministries.

I thank the City of Turin, the *Politecnico di Torino* and the Customs and Monopolies Agency that host us, the Piedmont Region, the *Guardia di Finanza*, the *Arma dei Carabinieri*, the other independent authorities and all the institutions with which we have cooperation protocols in place (AGCM, AGCOM, ANAC, ENAC, ANSFISA, *Guardia di Finanza*, Harbour Offices, *Polfer*, *Arma dei Carabinieri*, Customs and Monopolies Agency, Piedmont Region).

I wish to thank all those who have helped facilitate the prompt involvement of the new Board in the Authority’s activities, allowing full and effective

continuity and no slowdowns of the processes, including the most critical ones.

I would like to thank once again my fellow colleagues of the Board, especially for the climate of great understanding, harmony and cooperation that has been established right from the start of our mandate.

I thank the Secretary-General, Mr Improta, for his precious, continuous, and daily support, the Legal Adviser, Mr Pettinari, the Secretary of the Board, Mr Marchetta, the Guarantor of Ethics, Professor Ranci, the Auditor Committee, and, upon conclusion of its mandate, the Authority's Evaluation and Strategic Control Committee, which I also thank for its excellent work.

I wish the new members of the Performance assessment committee and the newly appointed members of the Advisory board every success in their work.

I thank the legal expert Mr Di Matteo, all the other experts and our assistants. Finally, I would like to thank my spokesman, Mr Bruno, and I express a special thanks to my Head of Cabinet, Mrs Orlando, who more than any other supports me every day.

Yet, I cannot conclude my first annual Report without thanking all the women and men working in ART, for their expertise and daily commitment to the Authority.