

OpenCoesione: Monitoring Public Spending and its Impact in Italy

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Public Spending Under Spotlight

Cohesion Policy is behind the hundreds of thousands of projects all over the European Union that receive funding from the European Regional Development Fund, the European Social Fund and the Cohesion Fund. The objective of the policy is to reduce the economic, social and development disparities between Europe's very diverse regions and make opportunities available for citizens more equitable, prioritizing those regions that lag in development. In Italy, the projects financed by Cohesion Policy are also funded through the state budget and are concentrated at nearly 85% in the area characterized by the biggest development gaps – the south.

The national government has allocated funds for development in Southern Italy since the beginning of the Italian Republic's history. Over the years, a restricted minority occupying key offices and representing a few personal interests and traditional powers decided the distribution of these funds, careful always to do so in a way that maintains privileges rather than overcomes the infrastructural gap suffered in the southern regions.¹ The result has been long delays in infrastructural and environmental projects. For example, in Sicily only six of the nine biggest cities are linked with two-lane highways (the main Italian highway has three to four lanes, as do most of the central and northern highways). The Salerno-Reggio Calabria highway, which was meant to connect Calabria, Basilicata and Campania, is still under construction after three decades of work. Similar deficits compared to national averages are observed in railroads, waste disposal and other areas of public works and services.

In theory, these problems could be resolved with Cohesion Policy funds, given that Italy is the third-biggest beneficiary country of such funds after Poland and Spain, and one of the countries with the lowest fund-absorption rates.² In 2014, a report by an investigative journalist for the newspaper *Corriere della Sera*, Sergio Rizzo, revealed that only 9% of the European funds allocated for Italy were actually used.³

One of the main reasons, as pointed out by Roberto Perotti and Filippo Teoldi,⁴ is the complexity of the process and the lack of evaluation possibilities for projects financed with structural funds. The best examples are training courses: in five years, over 500,000 training projects received Cohesion Policy funds. "Nobody knows what the effects on jobs are," reported Perotti and Teoldi. In Sicily, over the years, training courses have been subject to a lot of judicial inquiries, quite often political in nature. The last, in October 2016, involved, along with others, a regional deputy convicted of defrauding the EU of €15 million.⁵

So far, four Cohesion Policy programming periods have been implemented in Italy between 1989 and 2013, and a fifth one (2014-2020) has begun. The total sum of resources given to Italy between 2007 and 2013 is about €99 billion, with the objective of funding more than 900,000 projects (€28 billion in European structural funds, €38 billion in national funds, €27 billion in national co-financing, and €5 billion from the Cohesion action plan). During the 2014-2020 programming period, Italy will be the second-largest recipient of funds among EU countries, with an allocation of €43 billion. The total budget – thanks to national and regional co-financing, and additional funds for regional development – rises to €123 billion.

1 Barone Giuseppe, *Le vie del Mezzogiorno: storia e scenari*, Donzelli, Roma, 2002.

L. Mattina (with M. Caciagli), *The Mass Clientelistic Party in Southern Italy: The DC at Catania*, in *European Journal of Political Research*, 7, 1979, pp. 353-375.

2 *Italy and EU funds, more than half of funds still to be spent* (translation ours), <http://www.eurispes.eu/content/l'italia-metà-le-occasioni-perdute-fondi-ue-ancora-da-spendere-più-della-metà-delle-risorse>

3 *Speso solo il 9% degli investimenti Ue: Lo scandalo dei contributi non utilizzati*, *Corriere della Sera*, http://www.corriere.it/economia/12_maggio_12/speso-poco-degli-investimenti-ue-rizzo_4fe7f472-9bfb-11e1-a2f4-f4353ea0a61a.shtml

4 *Il disastro dei fondi strutturali europei*, *Lavoce.info*, July 2014

5 *Formazione professionale, in Sicilia truffa all'Ue da 15 milioni*, *Il Fatto Quotidiano*, <http://www.ilfattoquotidiano.it/2016/10/17/formazione-professionale-in-sicilia-truffa-allue-da-15-milioni-quattro-condannati-tra-cui-un-parlamentare-regionale/3104580/>

The large portfolios dedicated to Italy – combined with the historical lack of transparency, citizens and media having limited oversight on the agencies in charge of the funds, and scarce understanding of whether investment projects respond to local demands – explain why the use of Cohesion Policy is, and will continue to be, a hot topic in Italy. To address this issue, in 2012 the Italian government launched an open government strategy and a project dedicated to opening data on every single project funded under the policy, from large infrastructural grants to small individual student grants. Making this data more freely available would represent a big improvement for the Ministry of Economic Development in terms of self-evaluation and strategic policy planning. Furthermore, the commitment is a first step toward the development of a local system of cross checks on use of the funds.

Bringing Transparency to Cohesion Policy Spending

Italy officially began participating in the Open Government Partnership (OGP) in September 2011, when the Minister for Public Administration and Innovation declared the government's intent to join. In its first National Action Plan (NAP), for the period 2012-2013, Fabrizio Barca, the Minister for Territorial Cohesion, in agreement with Corrado Passera, the Minister of Economic Development, included a commitment to set up an information system on the level of implementation of projects funded by the EU within the Cohesion Policy framework through an already existing project called OpenCoesione (OC).

The initiative had two components. First, an open data component including fully detailed, high-quality, and easy-to-access technical data on the projects funded by the Cohesion Policy that provides a first, "official" interpretation of the data to help citizens understand the original purpose of the policymaker, while getting an inside view of objectives, rationales and policy design. Second, promoting the reuse of public data and information on Cohesion Policy, aimed at increasing the quality of monitoring of OpenCoesione

The OC portal was the first national portal on Cohesion Policy, with information on Cohesion Policy actions at the territorial level, including projects with unique project IDs, locations, funding, implementation timelines, and the actors involved. At its release in July 2012, the portal provided data on 467,257 projects amounting to €33 billion in funding. The 2012-2013 Independent Reporting Mechanism (IRM) Progress Report reviewing Italy's OGP commitments assessed the commitment as completed ahead of schedule, with clear relevance to open government values and a transformative potential impact.⁶ At the time, the OC portal included information on over 650,000 projects, worth €60 billion in funding. The report also found that, alongside the data sets, the website included useful documents and tools for better understanding and using the available data.

According to the IRM report, although this initiative existed prior to Italy's OGP commitment, its inclusion in the action plan helped the OC portal become a benchmark for all government departments to develop a coherent and consistent open data policy, and it provided stakeholders and the government with a tool to foster transparency and citizen engagement on crucial issues.⁷ 79 civil society organizations (CSOs) have been interviewed by the authors on the impact of the publication of the data. The respondents believe that OC's data has had an impact on assessing the effectiveness of Cohesion Policy. 46% considered OC data to be a reliable instrument of evaluation and useful in forming correct perceptions about public institutions among citizens. 78% considered the data important in contributing to creating awareness about EU actions in their territory, and 22% believed that the data is actually useful for spotting and fighting corruption.

Since the completion of the IRM report, the original commitment has been extended. New actions have been accomplished, both on the side of data supply – improving data quality and releasing new access to data and data-visualization tools – and on the side of data reuse and promoting public participation, with two initiatives: A Scuola di OpenCoesione and Monithon. The portal itself also shows continuous and growing activity. Today the portal hosts 960,548 projects, corresponding to €102.1 billion in funds and €54.1 billion in payments.

Citizen Monitoring of Cohesion Policy

The use of OC data is well described in Michele Lo Russo's paper "On the Use/Reuse of Open Government Data About Cohesion Policy in Italy." For the purposes of his case study, Lo Russo attempted to understand the demand side of OpenCoesione through analysis of the portal's traffic flow, an online survey submitted to the portal's users identified through the analysis of data on portal access, and the spin-off initiatives that have been enabled by OpenCoesione. The analysis of the portal traffic flow by Lo Russo demonstrates that demand is strong, stable, and with an upward trend. Since its debut online, the portal has been visited by 950,000 single

6 Independent Reporting Mechanism Progress Report: Italy 2012-13: http://www.opencoesione.gov.it/media/press/Italy_OGP_IRM_Public_Comment_Eng_O.pdf

7 Ibid.

visitors with 1.2 million sessions, generating nearly 4.2 million page displays (an average of three pages for each visitor), 830 daily sessions, each 144 seconds in average duration. Those numbers, according to Alexa, which ranks sites by popularity, make opencoesione.gov.it one of the 25,000 most visited sites in Italy, and one of the 650,000 most visited worldwide.

Based on Lo Russo's analysis, the average user is 55 years old, highly educated, located in urban areas in central Southern Italy. A closer investigation of access trends allows one to identify some interesting user characteristics. 60% use OC to find information about one specific funded project or beneficiary and visit only one page. This trend is confirmed by the data set downloads: 32,000 data sets have been downloaded, the majority related to a single project. About 38% of visitors actively use the portal, with 4.6 pages visited on average, and three-minute sessions. Only 2% use the portal to download open data for any kind of reuse, even if OC data are valued as good quality data and apt for reuse. However, a relevant group, about 40%, mainly respondents from local governments, claim not to be able to get the information they need from data.

In the original strategy for the OC initiative, media and journalists were one of the main targets. Several initiatives have been organized by OC staff for them, with specific lessons on data use and reuse. Nevertheless only 6% of OC users are journalists, with very little local media presence. Finally, OC continues to attract new audiences beyond users already active in Cohesion Policy. Half of the respondents to the online survey were not interested in data about Cohesion Policy before the launch of the portal.

More specific usage cases and examples of how OpenCoesione data is being used for civic monitoring and engagement emerge from spin-off initiatives that were launched after the establishment of the web portal.

OC provides data and information on Cohesion Policy actions at territorial level, and in particular, on projects, funding, locations and thematic areas of the interventions undertaken, as well as parties involved and implementation timing. OC does not provide data on project results in terms of citizens' quality of life nor information on who actually benefits from individual interventions. There is no precise description of "what projects do" besides what can be deduced from their respective titles and from thematic and regional variables associated with each intervention.

In order to increase the quantity and quality of information provided about project results and in order to strengthen data reuse, participation and collaboration,⁸ the OC team launched two spin-off initiatives, conceived to address the aforementioned problems: Monithon and A Scuola di OpenCoesione (ASOC), or OpenCoesione School.

Monithon

Monithon (a combination of the words "monitor" and "marathon") was born out of input from the OC team during the first Spaghetti Open Data hackathon. The OC team proposed dedicating a day to analysis of the OC's data on projects financing refurbishment of Bologna's schools, followed by a visit to assess the implementation of the work.⁹ During the meeting, the working group agreed to use data to produce written reports on the projects through an ongoing civic monitoring process. Such a process needed an ICT tool. The Monithon platform¹⁰ was created as the place where citizens can realize this "innovative and smart combination of open data and civic monitoring," as a Web-COSI report called it.¹¹ During this first phase, the main actors have been the journalist and civic activist Chiara Ciociola, the open data activist Andrea Stedda, the data journalists Cristina Tognaccini and Davide Mancino, Paola Buttiglione from the world of civic activism, and Luigi Reggi, representing the OC team.

The first aim was to promote groups of civic journalists willing to boost the transparency the data already provided "with qualitative interviews with stakeholders, key informants and experts, the collection of quantitative data, the formulation of specific comments, criticisms and suggestions."¹² All the reports and information collected are aggregated and geo-referenced in the portal.

The initial results were extremely positive. About 54 teams produced reports from the time of the launch in

8 "After the launch of OC, the purpose of using the data to foster civic monitoring was always an interest of ours," as per Aline Pennisi, member of the OC's scientific committee.

9 Cfr. Luigi Reggi and Paola Liliana Buttiglione, *Citizen monitoring of cohesion policies and the development of civic communities*, January 2015, Munich Personal RePEc Archive Paper No. 62101, posted February 21, available on <http://mpra.ub.uni-muenchen.de/62101/> (translation ours)

10 See: <http://monithon.it/>

11 Duccio Zola, Grazia Naletto and Sergio Andreis, *How to do (good) things with data. Civil society data-driven engagement for societal progress and innovation*, Web-COSI Report, August 2015, p. 13, http://www.webcosi.eu/images/2015/09/Web_COSI_Deliverable3.6.pdf

12 *Ibid.*

September 2013 to November 2014.¹³ By July 2015, 98 reports had been uploaded to the portal. More than 3,000 people were involved in the first two years of work.¹⁴ Today Monithon hosts 177 such reports.

Furthermore, two big Italian civil society stakeholders monitoring processes (Libera and ActionAid) have adopted Monithon as the framework for their ongoing open data projects.

Libera's Confiscati Bene (literally, "Well Confiscated") is a participatory project developed in 2014 during the Spaghetti Open Data community's hackathon, aimed at stimulating an effective reuse of buildings and other assets seized from the Mafia.¹⁵ In Italy, more than 1,200 assets have been confiscated. The project investigates their current condition and potential, through the analysis of relevant data coming both from official sources and from bottom-up, citizen monitoring initiatives.

ActionAid's Open Ricostruzione is a "tool for public administrations and citizens to guarantee participatory and transparent reconstruction."¹⁶ It makes available all the data concerning funds directed to the Emilia Romagna region after the 2012 earthquake. Furthermore, ActionAid is experimenting data reuse for civic monitoring activities with a pilot program in five municipalities chosen among the most severely damaged. ActionAid adopts, in some cases, the Monithon method in "civic monitoring labs" conducted by Christian Quintili and Francesca Donati.

A consortium composed of ActionAid, Monithon, Transparency International, the Ministry of Cultural Resources, Activities and Tourism, and Gruppo Abele¹⁷ is also implementing an experimental methodology that adds the top-down approach of Integrity Pacts (requiring contractors to sign agreements forbidding them from engaging in corrupt practices) to Monithon's bottom-up civic monitoring practice. The pilot case for this is in Sibari, an ancient Greek colony founded in the VIII century, today a small city in Calabria, one of the poorest Regions in Italy where Cohesion Funds are financing the restoration of two archaeological sites.

A Scuola di OpenCoesione

ASOC, the second spin-off, promotes participation of a specific target of population, stemming from the OC team's awareness that "education is the necessary next stage of open data for engagement."¹⁸

ASOC is an educational competition and a MOOC (Massive Online Open Course) designed for Italian high-school students. ASOC was launched in 2013 by the Department for Development and Economic Cohesion in partnership with the Ministry of Education. The first edition was carried out on an experimental basis in seven pilot institutes during 2013-2014. The total number of schools selected for the 2014-2015 school year rose to 86. The number of schools continued to grow in 2015-2016: 120 schools (out of more than 200 participation requests); about 2,700 students and 220 teachers have been involved. 200 schools will be admitted in 2016-2017.

ASOC builds on the OpenCoesione portal to actively promote the reuse of data by participating schools for the development of civic awareness and engagement of local communities in monitoring the effectiveness of public investment. The education program is composed of six main sessions. The first four aim at teaching innovative and interdisciplinary skills that help students focus on public policies, digital capacity and open data analysis, citizen monitoring and citizen participation, data journalism, and storytelling. During the fifth session, the students visit the key sites of the monitored projects and interview the key players involved in the projects' implementation, and some beneficiaries or other figures considered important for the monitoring process. The sixth step is a final event where students meet local communities and policymakers to discuss the outcomes of their investigations and evaluations.¹⁹

The ASOC team is composed of the community manager Chiara Ciociola, the person in charge of maintaining contacts with all the participating schools, the web editor Marco Guazzo and the web designer Marco Montanari.

¹³ Luigi Reggi and Paola Liliana Buttiglione, *Citizen monitoring of...*, cit.; the same author L. Reggi in a more recent paper changes the number of report to 55.

¹⁴ Reggi, L., & Dawes, S. (2016). *Open Government Data Ecosystems: Linking Transparency for Innovation with Transparency for Participation and Accountability*. In J. H. Scholl, O. Glassey, M. Janssen, B. Klievink, I. Lindgren, P. Parycek, E. Tambouris, A. M. Wimmer, T. Janowski, & D. Sá Soares (Eds.), *Electronic Government: 15th IFIP WG 8.5 International Conference, EGOV 2016, Guimarães, Portugal, September 5-8, 2016, Proceedings* (pp. 74-86). Cham: Springer International Publishing.

¹⁵ See: <http://www.confiscatibene.it/>

¹⁶ See: <http://www.openricostruzione.it/>

¹⁷ Gruppo Abele is a non-governmental organization founded in Turin in 1965 with the purpose of sharing and finding solutions to problems and issues of social exclusion.

¹⁸ OpenCoesione-Monithon application for the OG Awards 2014, http://www.opencoessione.gov.it/media/uploads/documenti/ogp_awards_candidatura_opencoessione.pdf

¹⁹ Chiara Ciociola e Luigi Reggi, *A Scuola di OpenCoesione: From open data to civic engagement*, pp. 26-38, in *Open Data as Open Educational Resources Case studies of emerging practice*, Javiera Atenas & Leo Havemann (ed.), published with the support of Open Knowledge - Open Education Working Group and Universities UK.

More than 100 public events, involving nearly all the 120 ASOC schools, have been organized in 2016. These events represent a sort of “accountability forum” in which the students interact with the local communities, political leaders and administrators responsible for implementing the projects, asking questions and suggesting solutions. 54 schools (59.3%) focused on three themes: Culture and Tourism, Environment, and Research and Innovation. Nine schools (19.7%) selected issues regarding Transport, and nine more Cities and Rural Areas, while the remaining is divided among other topics (employment, social inclusion, digital agenda, instruction, energy, children and elderly care, public administrations, competitiveness, etc).

In May 2016, ASOC published the list of top ten research projects from the competition in 2015-2016.²⁰

The team People of Tomorrow was adjudged the winner. The team students of the Liceo Zaleuco from Locri, a small town in the province of Reggio Calabria, known as the area in which the ‘Ndrangheta, Calabria’s Mafia, is most influential. The teamwork consisted mainly in monitoring the case of a building confiscated from the local mafia. The building was intended to become a youth center. The center was refurbished with Cohesion Policy funds for a total of €789,862.46. The team found that the procedure to assign the administration of the center was blocked because of pressure exerted by the powerful local Mafia. The monitoring process was able to attract attention, unblock, and accelerate the procedure of assignment. The call for tender to administrate the building was published by the public administrations, but no one participated in the tender, probably for fear of displeasing a still active and influential criminal power. The fight of this team of students is not over yet, however. They are still advocating in the media and with citizens and public administrations to obtain a new call and to claim a better future for all the young people from Locri.

The team Work in Progress of Francesco La Cava high school in Bovalino worked on a project for a shelter and help center for refugees and immigrants financed with almost €300,000.²¹ The team experienced the difference between the project on paper and the reality: no furniture, no facilities, only a few empty rooms. The team worked alongside the city administration in order to make the center work, and they eventually succeeded. In May 2016, the mayor announced the opening ceremony. “We have learnt that being active citizens, instead of sitting with our arms folded, can be productive thanks to the results of this collaboration”, note the students involved in the project.”

The two teams, together with three other Calabrian schools, presented their monitoring report on May 9, 2016, Europe Day, in Locri, to an institutional audience composed of four mayors (from Locri, Gioiosa Ionica, Bovalino and Antonimina), and representatives from the regional government.

Also on Europe Day, in Naples, seven schools of the Campania region presented their work to local and regional government officials. One of these, the Andrea Genoino High School (in Cava de’ Tirreni), won third place in ASOC 2015-2016.²² Despite various difficulties in obtaining the data they needed, due, as the team declared, to “a lack of transparency of the local government,” the Boulevard Guys team monitored an €18 million project to cover a trench railroad line. The team reported that the work lasted longer than estimated, that the spending was wasteful, and the result utterly disappointing: “The subway is still under construction, the traffic is not diminished at all, and the railway covering is nothing but a stretch of bare concrete, without any utility but a parking lot.” The team’s work continues, even if ASOC 2015/2016 is over. The students asked for and obtained a special section on the institutional web site dedicated to hosting other monitoring reports. The team is also still training other students and citizens who want to monitor public projects. Last but not least, the team suggested solutions for decreasing traffic that have been put in place by the local administration. The students also met the town council to express their opinion about the project, citing a “lack of transparency about funds and low citizen involvement in the decision-making are two issues to be faced.”

In 2016/2017 the ASOC project will continue to grow. A new call for participation was published in September, and the project has joined the Italian Digital School Plan.

The Impact of Spin-offs

An impact assessment of Monithon and ASOC on local governments and civil society has been conducted through an online survey of civil society organizations, students and teachers that have participated in the projects. The questionnaires explore the projects’ impact on civic awareness and on how citizens perceive public institutions.

20 The full list can be accessed here: <http://www.opencoesione.gov.it/news/articolo/scuola-di-opencoesione-2015-2016-la-top-ten-dei-vincitori/>

21 <http://monithon.org/reports/1040>

22 <http://monithon.org/reports/1084>

Fifteen teachers were interviewed on the impact of OpenCoesione data. More than half of the respondents (53.33%) believe that the OpenCoesione data is very important for civic monitoring. For 80% of the respondents, ASOC also had a big impact on improving students' knowledge of open government. ASOC and Monithon had a very positive impact on promoting digital knowledge in schools (86.67% "very good" and 13.33% "good"). Finally, according to the 80% of the teachers interviewed, the results of the project went well beyond their initial expectations, making them particularly satisfied with the final outcome.

According to the respondents surveyed by the authors, school participation in the ASOC/Monithon framework was satisfactory. Only the 5 % said the participation was not sufficient. Finally, the respondents positively evaluated the collaboration of institutions (politicians, public administrators) in monitoring activities (more than 55% of those interviewed considered it "good" or "very good").

Fifty-five students were interviewed about the ASOC/Monithon project. The questionnaire included questions on students' participation in the projects, and the impact of these projects on the community. In particular, the participation in the ASOC/Monithon project has been very effective in increasing the perception of transparency in public institutions. Around 97% of the students interviewed positively changed their opinion about the transparency of public institutions after having participated in the project. Around 81% evaluated OC as very effective in monitoring the projects. Students also evaluated the team of project experts and politicians as the most active partners during the collaboration period. Participating in a monitoring project strengthened the link between the class and the teacher (62%) and among students (55%).

Expanding Efforts

The next steps for OpenCoesione are outlined in the OpenCoesione Plus commitment in the Italian NAP for 2016-2017. The commitment has one main goal: to examine the funding process. Currently, OpenCoesione publishes information about already funded projects. OpenCoesione Plus will provide information about what happens before fund assignment, including the monitoring of funding opportunities.

Moreover, the working group will focus on the reinforcement of the Technical Group on data quality. During the OC project, institutional collaboration went through the establishment of this group for dissemination and reuse of public data and information regarding Cohesion Policy. The group comprises delegates from all public administrations in charge of programs. Activities are aimed at increasing the quality of monitoring data fed into OpenCoesione according to agreed data standards. To date, Technical Group activities have not been satisfactory for the OC working group.

Another planned intervention concerns the Resolutions of the Interministerial Committee for Economic Planning. These resolutions have not been available to users in an open data format since 2013. The OC working group is pressing the Interministerial Committee for Economic Planning to restart publishing. Finally, the new commitment aims at fostering citizens' participation, mainly through schools' engagement in the ASOC project.

OpenCoesione and the spin-off initiatives illustrate how supply-side open data initiatives can be improved through initiatives aimed specifically at generating and promoting data demand, and by collaboration between authorities and citizens. Furthermore, the case study illustrates how a top-down initiative aiming at stimulating citizens' participation can achieve better results if based on a concrete collaboration strategy with other bottom-up initiatives.

However, such innovation - in a context where government does not always welcome innovations - needs more than citizen participation to gain trust and sustainability. The international approval signaled by the silver award conferred by OGP to OC and Monithon in 2014 has been helpful in leading to a renewal of the commitment in the second and third Italian NAP, and push the ante higher.

The relevant impact of OC and its spin-off initiatives is measurable in terms of civic awareness and engagement, but there is a last link in the chain still to be implemented in order to bolster civic monitoring. Considering that, as the Web-COSI report cited earlier noted: "In Italy there is no legal regulatory framework on public consultations binding public administrations in charge of financing and implementing Cohesion Policies to receive and duly handle citizens' feedback [...] All is left to the good will of those public administrators persuaded by the quality and the value of the initiative." This last link in the chain will be judged by the quantity and quality of feedback provided or action taken by the various levels of government in response to civic monitoring activities that reveal anomalies or problems.

Open Government Partnership

