

5.1. Governance Structure and Human Resources

AGCOM Bodies

The Communications Regulatory Authority (AGCOM), established by law no. 249 of 31 July 1997, is a complex institution, which in compliance with article 1, paragraph 3 of its founding law, is made up of four bodies: the President, the Commission for infrastructure and networks, the Commission for services and products and the Board. Commissions made up of AGCOM President and four Commissioners, as well as the Board, made up of AGCOM President and eight Commissioners, are collective bodies.

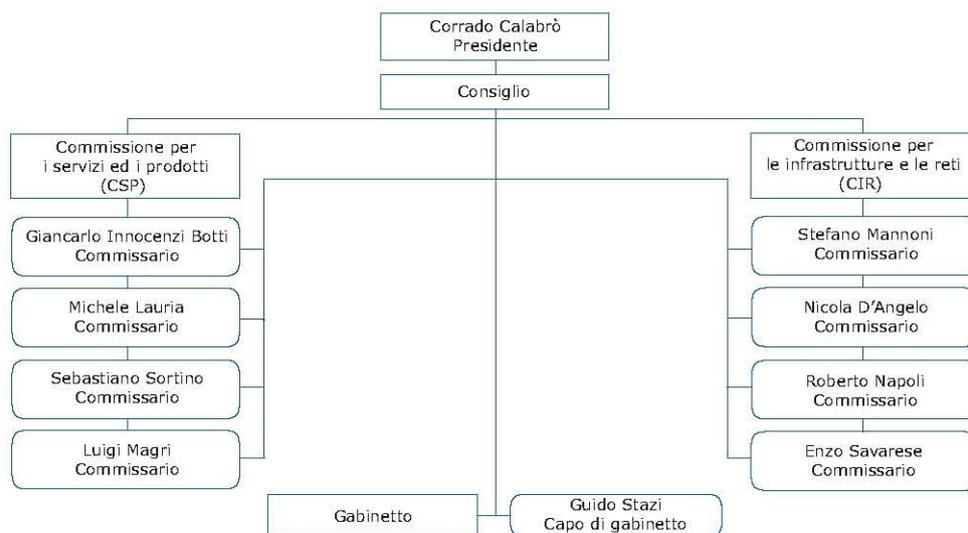
The strict distinction among the various bodies can be seen in the different investiture procedures of the members and in the exercise of their own competences, which define the different roles and responsibilities. The President is in charge of the co-ordination and management, being the sole connecting body.

AGCOM's President is appointed by Italian Presidential decree adopted upon proposal by the Prime Minister in agreement with the Minister of Communications, after submittal of the appointment to the competent parliamentary committees which, if they so decide, may have the appointee to appear for a hearing. Commissioners are elected by the Parliament and appointed by Italian Presidential decree. They are not named by the Leaders of the Chamber of Deputies and the Senate, as is the case for other independent Authorities, but they are elected, as is the case for the Personal Data Protection Authority, with a limited vote, half by the Chamber of Deputies and half by the Senate. It should be mentioned that these elections have another peculiar feature, in that each Member of Parliament and each Senator expresses his or her vote by indicating two names, one for each of the two Commissions making up AGCOM. Moreover, the law establishing AGCOM identifies the personal requirements of its appointed members and term of office, and defines the cases of incompatibility. Lastly, in listing AGCOM's numerous responsibilities, the law as aforementioned directly attributes them to each of the three collective bodies, while providing for the possibility that AGCOM's Board, in exercising its exclusive regulatory power, may redistribute the duties and responsibilities among the various bodies. It should be pointed out that AGCOM's Board has already acted in this sense at the time of the approval of the first regulation concerning its organization and functioning, returning to within the Board several responsibilities initially entrusted to the Commissions, so as to guarantee the broadest representativeness in the decision-making processes.

The President represents AGCOM. The Regulation concerning its organization and functioning envisages that the President convenes the meetings of the collective bodies, decides the agenda and presides such meetings. He makes sure that resolutions are implemented and, in extraordinary instances due to need and urgency, the President is entitled to adopt measures to be submitted to the relevant collegiate body for its approval during the first subsequent meeting which will be carried out.

AGCOM President, Corrado Calabrò, was appointed by Italian Presidential decree on 9 May 2005, adopted upon proposal of the Deputy Prime Minister in agreement with the Minister of Communications, on the basis of the opinion of the relevant parliamentary committees. On 16 March 2005, the Senate elected Giancarlo Innocenzi Botti and Michele Lauria as Commissioners in the Commission for Services and Products, and Stefano Mannoni and Roberto Napoli as Commissioners in the Commission for Infrastructure and Networks. On 16 March 2005 and 5 May 2005, the Chamber of Deputies elected Gianluigi Magri and Sebastiano Sortino as Commissioners in the Commission for Services and Products, and Enzo Savarese and Nicola D'Angelo as Commissioners in the Commission for Infrastructure and Networks. The appointing presidential decrees were published on the Italian Official Gazette no. 108 of 11 May 2005.

Figure 5.1. AGCOM Bodies and Cabinet



Corrado Calabrò - President

Board

Commission for Services and Products (CSP)

Commission for Infrastructure and Networks (CIN)

Giancarlo Innocenzi Botti – Commissioner

Stefano Mannoni – Commissioner

Michele Lauria – Commissioner

Nicola D'Angelo – Commissioner

Sebastiano Sortino – Commissioner

Roberto Napoli – Commissioner

Gianluigi Magri – Commissioner

Enzo Savarese – Commissioner

AGCOM Cabinet

Guido Stazi - Cabinet Head

Source: AGCOM

AGCOM Structure

AGCOM strengthened the organizational model adopted at the end of 2005 and that took effect on 1st February 2006. The new structure enabled to shift the focus from an organization by functions to one by subjects, thus favouring the integration of the preliminary functions “ratione materiae” (electronic communications, audiovisual contents, consumers’ protection, etc.) with significant effects on the reduction of the time necessary to AGCOM to intervene.

By virtue of the distinction between policy and control functions and management functions, Article 12 of the Regulation concerning its organization and functioning defines AGCOM administrative organization. At the top of the administrative structure there is the General Secretary, playing the role of legal and institutional “hub” connecting the activities carried out by the organizational units and the policy and management functions of the President and of the collective bodies. As a matter of fact, the General Secretary reports to AGCOM bodies as to the overall running, performance and efficiency of the structures. He looks after the planning and strategic control, taking into account priorities and guidelines set by the collective bodies. The General Secretariat is responsible for the functions concerning international and EU relations, communication as well as planning and management of IT systems and monitoring of administrative and accounting activities. In order to foster better connections with the structure, for the benefit of the activities carried out by the President and the Commissioners, AGCOM's Cabinet operates in synergy with the General Secretary. In particular the Cabinet deals with institutional relations, relations with consumers’ associations and Regional Committee for communications, as well as with the organizational support to the National Council of users, to the control bodies and to the ethical Committee.

AGCOM organizational structure is made up of 1st level organizational units which, in turn, are organized in 2nd level offices, divided between the Naples-based head office and the Rome-based operational secondary office, for a total of 43 management positions. Also with a view to enforce provisions of the digital administration code, AGCOM adopted a number of measures concerning IT, technology and procedures aiming at improving performance for users (citizens and companies) in terms of costs, quality of services and timeliness.

By means of contracts and agreements entered into with CNIPA and other public administrations, AGCOM started an innovation process with a wide use of communications and IT technologies in the internal and external procedures. In particular, investment programmes for the IT management are being implemented at full speed for the interoperability with the networks of other administrations and for the streamlining of procedures to access the Register of Communications Operators. Furthermore, specific projects have been started to enable the electronic access to AGCOM's databases by the Co.Re.Com. and to assist citizens and companies in their relationships with AGCOM (contact centre, website).

Figure 4.2. AGCOM Structure

Departments	General Secretariat	Services
	General Secretary	
	Roberto Viola	
Department of Electronic Communication Networks and Services	Deputy General Secretary	Legal Service
Vincenzo Lobianco	Antonio Perrucci	Nicola Gaviano
Department of Audiovisual and Multimedia Contents		Inspection and Registry Service
Laura Aria		Nicola Sansalone
Department of Market Analyses, Competition and Structures		Service for Political Communication and Solving of Conflicts of Interest
Antonio Perrucci		Laura Aria (<i>ad interim</i>)
Consumer Protection Department		Administration and Personnel Service
Federico Flaviano		Alberto Natoli
Studies, Research, and Training Department		
Fulvio Ananasso		

Source: AGCOM

Human Resources

Activities concerning the completion of AGCOM staff structure continued with great intensity, as modified with resolution n. 315/07/CONS, adopted in pursuance of art. 1, paragraph 543 of Law no. 296 of 27 December 2006.

Competition procedures have been completed for the recruitment of eight managers of second level, starting stage, having financial, legal, technical and legal/sociological competences to be employed with open-ended contract as well as those concerning the employment of thirty young university graduates with three-year fixed-term working contracts.

Whilst the procedure, started in accordance with article 43 of the regulation concerning the legal and economic treatment of AGCOM personnel, for the promotion to manager at starting stage – second level for eight additional function positions, is still under way.

Moreover, in compliance with art. 1, paragraph 519, of Law no. 296 of 27 December 2006, n. 296 and art. 3, paragraph 90 and subsequent ones, of Law no. 244 of 24 December 2007, it was stabilized personnel with fixed-term working contract having the necessary qualifications; personnel in service, coming from public administration bodies became established in AGCOM through mobility procedures.

Finally a selection was started for thirty young university graduates, to be trained through application for a one-year period in AGCOM offices; whereas four young graduates qualified as freelance journalists to be trained within the activities of the Office in charge of communication and media relation have been selected.

AGCOM Staff

AGCOM staff structure, with the adoption of resolution no. 315/07/CONS, is composed of 419 employees divided among the different grades as follows:

Table 5.1. Overall AGCOM manning

Managers	43
Officers	226
Operating staff	115
Executive staff	35
<i>Total</i>	419

Source: AGCOM

As at 15 April 2009, members of staff on duty, divided according to different types of employment (permanent, fixed-term contract, secondment) for each grade, taking into account provisions set forth in article 1, paragraphs 18 and 19, of law no. 249/97 and amendments thereto set forth in article 3, paragraph 67 of law no. 350/2003, are described in the following table 5.2.

Table 5.2. Staff on duty as at 15 April 2009

Grade	Permanent	Seconded/ Temporarily transferred from other administrations	Fixed-term contract	Total
Manager	11	7	4	22
Officer	147	4	2	153
Operating staff	93	2	4	99
Executive staff	20	1	2	23
Total	271	14	12	297

Source: AGCOM

5.2. The Ethical Committee

AGCOM's activity is aimed at the solution of intricate problem areas whose particular sensitivity depends also on the involvement of considerable economic interests of those working in the communications sector.

Therefore, in compliance with provisions set forth in art. 1, paragraph 9, of law no. 249 of 31 July 1997, AGCOM Board adopted the Code of Ethics with the aim of defining the general principles of loyalty, impartiality, diligence, and personal integrity, as well as some specific behavioural and ethical rules AGCOM employees and members must comply with. Resolution no. 18/98/CONS of 16 June 1998, which approved the Code comes immediately after the resolution for the approval of regulations concerning organization and functioning, administrative management and accounting, terms and conditions of employment and wages of staff proving the importance that AGCOM attached since the beginning of its activity to the compliance with the principles and behavioural and ethical rules by its employees and members.

Among the obligations envisaged by the Code of Ethics confidentiality plays a key role and binds all members and employees to strictly maintain the upmost professional secrecy about the preliminary, inspectorial and investigation activities which are being carried out by the Authority's bodies.

Other equally important rules of the Code of Ethics concern the conduct at work, the conduct in social life, the duties of impartiality, the prohibition of accepting gifts or other benefits, the conflict of interests and the corresponding obligations of abstention, the relations with media and the prohibition of carrying out collateral activities.

The Ethical Committee was set up on 13 April 1999 since, in AGCOM's opinion, it was absolutely vital for the Authority to rely on a corporate body of the highest level and calibre in charge of assessing the proper enforcement of the Code's rules and from which it could receive assessments, advice and information in principle on sensitive and complex matters related to institutional ethics. Furthermore, the Authority entrusted expressly the Committee with the duty of formulating criteria and guidelines in order to settle actual cases submitted to the Board's decision, which, in turn, can ask the Committee, upon proposal by the President, opinions on the conduct of its member.

Upon proposal of the President, the AGCOM Board appoints the Committee made up of three members, choosing them from among persons of well-known independence and moral authority in compliance with provisions set forth in art. 11 of the Code of Ethics.

Members are in office until the ordinary expiry of the term of office of the AGCOM members who had appointed them.

Following the death, last year, at the beginning of October, of the President Emeritus of the Constitutional Court, Leopoldo Elia, who has eminently chaired the Committee for a long time, thus contributing significantly with his experience to the activity of a body of great significance for AGCOM, the Committee is currently made up of the President Emeritus of the Constitutional Court, Riccardo Chieppa, as President, the President Emeritus of the Constitutional Court, Franco Bile, and the deputy Chairman of the Council of State, Pasquale De Lise.

Figure 5.3 The Ethical Committee

The Ethical Committee	Riccardo Chieppa	Pasquale De Lise	Franco Bile
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Source: AGCOM

The Committee performs its duties upon request by the Board or also ex officio. Upon examination of each single case, the Committee reports to the Board for the decisions falling under its competence concerning the starting of disciplinary procedures against employees.

In order to promote an increasingly improved running of the Authority, the Committee can propose amendments and integrations of such provisions and rules of conduct laid down in the Code of Ethics, if deemed as appropriate. In this regard, the Committee has undertaken careful examination and assessment of the effectiveness of the provisions contained in the Code and of their compliance with the situations they intend to regulate.

5.3. The Control System

Two important collective bodies, the Guarantee Commission and the Internal Control Service, based on the regulations concerning the administrative and accounting management and organization of AGCOM, are in charge of the activities of monitoring the administrative and accounting compliance and of the activities related to the strategic control respectively.

In compliance with article 42 and amendments and integrations thereto, the Guarantee Commission is responsible for monitoring the compliance of the administrative structure with laws and regulations. The Commission carries out the control of financial management activities and of contractual procedures, cash inspections and checks on statements, at least every three months, and it prepares a relevant report in which it expresses its opinion on the balance sheet structure and the annual report.

In particular, the Commission controls the consistency of the accounting records with the results shown in the annual statement, as well as the compliance of the management procedures.

The Commission is made up of Francesco Sernia (President) and Marcello Taddeucci and Germana Panzironi (members). It carries out its activity in full autonomy from AGCOM offices, even if in a spirit of close co-operation, and it expresses opinions and reports directly to the President and to the Board.

The three members of the Commission are proposed by the President and chosen by the Board from among judges of the Council of State and of the National Audit Office, of the higher ordinary courts and among top-level public managers, who are also retired. They hold their office until the expiry of the term of AGCOM Board members who appointed them.

Figure 5.4. *The Guarantee Commission*

Guarantee Commission	Francesco Sernia	Marcello Taddeucci	Germana Panzironi
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Source: AGCOM

In compliance with art. 25 of the regulation of organization and functioning, by means of a comparative evaluation of costs and returns the Internal Control Service carries out important tasks to verify the achievement of the objectives set by the law, by the regulations and by AGCOM directives.

The Service is in charge of verifying the cost-effective management of public resources and based on the cost-efficiency principle; moreover, it controls the impartiality and success of the administrative activities carried out by AGCOM's Offices. Furthermore, the Service monitors management acts and advises the offices as to any critical situation, which may emerge, suggesting the useful and appropriate solution in order to overcome them.

For the performance of these vital tasks, the Service can ask any information or data deemed as useful as well as have access to administrative documents and acts.

The Service carries out its activity in a spirit of co-operation with AGCOM offices, but in a position of full autonomy and in the respect of the mutual competences. Every six months, it prepares a report on the results of inspections, analyses and assessments carried out. Upon request by AGCOM, it can also prepare reports on a shorter term or express opinions.

The Service reports directly to the President and to the Board and is made up of Professor Luciano Hinna, as President, Raffaele Maria De Lipsis and Massimo La Salvia as members.

The members of the Service are appointed by the AGCOM Board, upon proposal of the President, their term lasts two years and it can be renewed. Members are chosen among people not belonging to AGCOM, and who are experts on evaluation techniques and management control.

Figure 5.5. *The Internal Control Service*

Internal Control Service	Luciano Hinna	Raffaele De Lipsis	Massimo La Salvia
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Source: AGCOM

5.4. The Budget

In the light of the projections for the 2009 financial year and of the comparison with data for 2007, AGCOM final balance for 2008 is characterized by a decrease in the revenues and an increase in the expenditure items.

By examining data highlighted in the 2008 final balance, revenues – net of clearing entries – total € 66,155,332.98 versus expenditures for € 62,681,969.76. By comparing the above-mentioned data of the 2008 final balance with the corresponding data of the 2007 final balance, it emerges that revenues decreased by 1.3% (about € 892,000) whereas expenditures increased by 1.67%, hence within the planned inflation ceiling for 2008 determined at 1.7% by Economic and Financial Planning Document (Documento di Programmazione Economica e Finanziaria, DPEF) notwithstanding an increase of 17 employees and the subsequent effects in terms of charges.

In more detail, the different types of revenues are divided as follows:

1. The state subsidy of € 3,158,028.58 as set forth by law no. 244 of 24 December 2007 (2008 budget law), net of the aforementioned reduction decided by the Ministry of Economy. In this connection, law no. 203 of 22 December (2009 budget law) sets a contribution of € 2,607,000.00 for the year 2009 under art. 6 *b*) of law 249/97 which established AGCOM. Such contribution entails a further reduction of € 551,028.58 compared to the contribution for 2008, and it includes the contribution for activities related to law no. 215 of 20 July 2004, art. 9, paragraph 3, on the conflict of interests;

2. The amount of € 61,639,046.43 concerning AGCOM's own resources which represents the payment made in 2008 by the operators of the market of competence. In this connection, there is a decrease of about 1.2 million euro compared to the corresponding types of revenues in 2007. Resolution no. 693/08/CONS of 26 November 2008 confirms – also for 2009 – the amount of the above-mentioned contribution at 1.45 per thousand of the revenues resulting from the last financial statement approved by each operator;

3. Finally, interest receivable for the year, the payment for the issuing of the authorizations for satellite broadcasts and collections, refunds and miscellaneous revenues total € 1.358.257,97.

On the expenditures side, final appropriations (net of clearing entries) for the 2008 financial year total € 72,480,650.00, whereas liabilities account for 86 %, namely € 62,681,969.76.

Payments in accrual account, totalling € 64,738,355.83 account for about 84% of liabilities.

In the aggregate, expenditure arrears total € 39,639,887.50.

In order to understand the dynamics of the financial statement the analysis of the following institutional duties and lines of activity is important:

– Staff costs: as at December 2008, employees are 290 entailing an outlay of € 33,124,549.50 equal to about 53% of total expense, net of clearing entries;

– Expenses for activities delegated to Regional Committees for communication, in compliance with law no. 249 of 31 July 1997, (item 1.02.1010) entailed financial resources for € 1,287,444.93;

– Expenses for the regulatory account auditing and universal service (item 1.09.1184): they are included in the obligations concerning institutional duties and determined liabilities for € 1,799,270.00 for the year 2008;

– Expenses for the monitoring of television broadcasts (item 1.10.1210): they entailed charges for € 1,150,000.00

For the budget for the year 2009 as well, AGCOM's attention on the activities as aforementioned is confirmed, analysed from the viewpoint of the financial resources allocated.

As far as the control system is concerned, the correctness of the administrative and accounting management is guaranteed by the establishment of a Guarantee Commission, to supplement the internal controls, envisaged by Article 42 of the regulation concerning the administrative management and accounting.

In particular, in compliance with article 4 of the aforementioned regulation, as amended and integrated by resolution no. 374/05/CONS of 16 September 2005, and with reference to the financial statement, among its duties, the Guarantee Commission makes the audit of the documents concerning the financial management, at least once every three months it carries out cash inspections and checks on statements; it expresses its opinion on the draft budget as well as on the annual report, paying particular attention to the consistency of the results in the report itself with the accounting records and to the fairness of management procedures (cf. paragraph 5.3.).

5.5. Documentation Services / Database

The dynamics characterizing technological, market and regulation scenarios concerning electronic communication produced a widespread increased interest in the services offered by AGCOM Documentation Centre, which, by collecting, studying and disseminating information materials, provides answers to the growing knowledge and updating needs of those who work and study in this sector.

In order to meet quickly and comprehensively the requests of documents received and to favour a continuous circulation of data and information, in 2008, the documentation centre increased significantly the co-operation and resource sharing with both study and documentation services of parliamentary and government institutions and various public and private institutes and research centres. These forms of co-operation turned out to be very useful to take into consideration suggestions useful for the updating of the scientific library managed by the Studies, Research and Training Department that, in addition to rely on in-house resources, it urges, above all, the active participation and the involvement of AGCOM personnel, the main user of the service. By putting together these internal and external contributions the collection of volumes and periodicals gain importance as well as highly specialized character.

This type of approach enabled to continue an established and qualified process of enrichment the result of which is represented by an increase of the size of the library which, to date, relies on over 3,750 essays and 145 both Italian and international current periodicals.

To continue the activities carried out during the previous years, also the library assets acquired in 2008, have been collected, organized, catalogued and made available not only for in-house personnel but also for a qualified external public made up of scholars and researchers which represent a strong user-base of the service.

The catalogue of the works available currently includes essays, periodicals on financial, legal, sociological and IT issues on the world of communications. Moreover, the catalogue includes also works of general consultation such as encyclopaedias, codes and *Official Journals* of the Italian Republic and the European Community from 1986 up to the present.

The Documentation Centre has a computerized file created using the main cataloguing software on the basis of standard card-indexing, subject, and classification rules, enabling searches by author, subject, title, key word or also of full-text type, in order to find the most comprehensive information on the topic of interest.

With a view to offering additional legislative or economic paths of research and reading to in-house users the Centre makes available a service to access various on-line databases (currently numbering around 30). Such service can be accessed through any workstations connected to AGCOM's Intranet.

In 2008, following the approval of AGCOM resolutions to promote relations with Italian Universities also by means of new agreements (Cf. paragraph 3.3), new activities of study have been started, which, by making use of the contribution provided by specific university courses, aim at the definition and the subsequent creation, within the Documentation Centre, of a new service of data warehousing with the ambitious aim of the setting up of a Permanent Monitoring Centre of data on communication markets.