EMIN Context Report
Italy

Developments in relation to Minimum Income Schemes

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What is EMIN?

The European Minimum Income Network (EMIN) is an informal Network of organisations and individuals committed to achieve the progressive realisation of the right to adequate, accessible and enabling Minimum Income Schemes. The organisations involved include relevant public authorities, service providers, social partners, academics, policy makers at different levels, NGOs, and fosters the involvement of people who benefit or could benefit from minimum income support.

EMIN is organised at EU and national levels, in all the Member States of the European Union and also in Iceland, Norway, Macedonia (FYROM) and Serbia.

EMIN is coordinated by the European Anti-Poverty Network (EAPN). More information on EMIN can be found at www.emin-eu.net

What is the Context Report?

In 2014 individual Country Reports were produced under the EMIN project which outlined the state of development of Minimum Income Schemes in the country concerned. These reports also set out a road map for the progressive realization of adequate Minimum Income Schemes in that country. These Country Reports can be found on www.emin-net.eu (EMIN Publications). This Context Report gives an update on the developments regarding Minimum Income Schemes in Italy since the publication of the Country Report.

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The information contained in this report does not necessarily reflect the official position of the European Commission.
Definitions used in the EMIN Project

Minimum Income Schemes are defined as income support schemes which provide a safety net for those who cannot work or access a decent job and are not eligible for social insurance payments or those whose entitlements to these have expired. They are last resort schemes which are intended to ensure a minimum standard of living for individuals and their dependents when they have no other means of financial support.

EMIN aims at the progressive realisation of the right to adequate, accessible and enabling Minimum Income Schemes.

Adequacy is defined as a level of income that enables people to live in dignity and participate in society. Adequate Minimum Income Schemes should be regularly uprated to take account of the evolution of the cost of living.

Accessible is defined as providing comprehensive coverage for all people who need minimum income for as long as they need the support. Accessible Minimum Income Schemes have clearly defined criteria: they are non-contributory, universal and means-tested. They do not discriminate against any particular group and have straightforward application procedures. In order to be accessible, Minimum Income Scheme should avoid:
- administrative barriers and obstacles such as complex regulations and procedures or excessive conditionality,
- any obstacle preventing their implementation

Moreover, Minimum Income Scheme should be highly user-friendly and support the needs of the potential beneficiaries by helping them remove their personal barriers such as the lack of information or any fear of stigmatization and shame.

Enabling, when referred to Minimum Income, means that the schemes promote people's empowerment and their full participation in society, facilitating their access to quality services and inclusive labour markets.
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Section 1: Evolution in laws and regulations regarding national (or regional/local) minimum income schemes

This section indicates changes to the main minimum income scheme in the country since the EMIN1 project ended in 2014, in particular changes to schemes that were dealt with in the EMIN1 project. In countries where several minimum income schemes coexist, please give priority to minimum income schemes for the working-age population. The country report from the EMIN 1 project is available at https://emin-eu.net/emin-publications/

Changes in the legislation and regulations governing minimum income schemes in your country with regard to
- Eligibility conditions (lack of sufficient resources, age requirements, residence...)
- Conditionality of the benefits (willingness to work, other conditions related to personnel attitude of recipients...)
- Levels of payment, uprating
- Links with other benefits
- Governance of the schemes?

Much has changed in Italy since the end of EMIN 1. At that time, the fight against poverty could only count on some regional measures and Italy did not have a national measure as we do today. This new measure is not a universal Minimum Income Scheme yet but it is going in that direction.

The 2016 Stability Law established for the first time a dedicated fund in the national budget for the fight against poverty and social exclusion, with the view of implementing a national measure against poverty by 2018. On March 9th, 2017, the Parliament approved the enabling law¹ establishing an anti-poverty measure called “Reddito d’Inclusione”, i.e. REI (trad.: Inclusion Income), which will be supported through the already approved fund (€ 1.6 billion for 2017 and €1.8 billion for 2018).

An assessment of how the new measure, i.e. REI, functions, is impossible to make since it will start be implemented only at the beginning of 2018, although we may compare it with the provisions of SIA, acronym for Support to Active Inclusion, the still active temporary national scheme targeted to families living in extreme poverty or pregnant women living in poverty, which replaced the SOCIAL CARD².

SIA - Eligibility
SIA provides economic benefits to families in poverty with the following characteristics: 1. at least one member must be underage or, 2. one or more disabled members.
It applies to single persons only in the case of women in poverty expecting a child.
Other requirements are:
- means tested economic condition - below € 3,000
- Italian or EU citizenship (with at least 2 years of residence in the country)
- No EU citizen owning a long-term residence permit

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¹ An enabling law is a law approved by the Parliament whose implementing decrees are to be defined by the government in a later stage
² For more information on the SOCIAL CARD: Emin, Italian Report, 2013, chapter 1.1.
**SIA - Conditionality**

SIA, both in terms of economic benefits and active inclusion measures, is targeted to families with children and to women, single as well, expecting a child. It excludes the many people in poverty who live alone. The benefit depends on the beneficiary’s commitment to participate in a personalised social activation or working scheme designed by the local social services in cooperation with the employment services, the health care services, the educational and training systems and non-profit organisations. The unemployed who receiving the benefits under the Social protection system are excluded by the SIA, because they are just beneficiaries of an economic contribution and of a process to job inclusion. Only if they concluded the period under the social protection system, they can enter in the SIA system if they have the previews requisite obviously.

Furthermore, in order to access the allowance, the family cannot:

- benefit from other relevant welfare or income supports. The case being, these supports must be less than €600 monthly which can add up to 900 if there is a non-self-sufficient person in the family
- receive unemployment allowance of any kind
- own durable goods of value: no component must own vehicles registered for the first time in the 12 months prior to the application or vehicles with a cylinder capacity greater than 1,300 cc or motor vehicles with a cylinder capacity greater than 250 cc registered in the three years prior to the application.

The conditionality is lied to the household economic situation index (ISEE), if that is over 3,000,00 euro the family cannot have the benefits preview by the SIA, and this is independent from to be an owner or a tenant. In fact, the conditionality is on the ownership of motorcycle or car purchased in the last two years.

**Levels of payment and uprating**

The amount of the allowance changes according to the family size and composition: €80 for a family of one member (only if the beneficiary is expecting a child); €160 for two members up to a maximum of €400 for five or more members. The recipients receive the benefit on a bi-monthly basis.

**Governance**

**Evolution with regard to adequacy of minimum income**

SIA was a real improvement compared to the previous provision, i.e. the SOCIAL CARD which was experimented only in 12 cities with more than 250 thousand inhabitants. There is not a big improvement from SIA to REI, although, at this stage, only on paper. The active inclusion process previewed in the guidelines of SIA (established by the Italian Managing Authority) will be the same in REI too. In this measure the economic benefit will include also the single unemployed with an age over 55 years old, only if he is out from any benefit of the social protection system. The household economic situation index will increase changing from the currents 3 thousand euros to 6 thousand in 2018. Any evaluation or comment on a concrete reduction of poverty it is postponed to when the assessment process will be set in motion by the MA. In the month of October 2017, the MA assigned the task to evaluate the implementation of SIA to the National Agency for the Public Policies (INAPP).
For the time being, while waiting for the implementation of REI (2018), we can only compare SIA and REI (as approved but not implemented yet).

**Evolution with regards to the linkage between minimum income schemes, (inclusive) labour markets and (quality) services**

As conceived on paper, the new measure (REI) should have very strong linkages with the active labour market systems, including public employment services and vocational training, social services, education systems that are to go hand in hand with the money allowance, similarly as it was for the SIA. A personalized inclusion project should be built in cooperation with the local job centres, although it is premature to know now how this linkage will be put in place yet.

We underline that regions are the ones that manage employment policies, the result being that each region follows its own different methods in designing and implementing active inclusion measures. The national rule followed by SIA and the National Operational Programme/ Social inclusion funded by the European Social Fund include provisions for the cooperation between the local institutions but it is not mandatory for regions to follow the same process. In addition to this, the reform of the employment centres is at a standstill. Only by surveying the current situation of the employment centres in the 20 regions it would be possible to actually assess what is the state of the art, something that is outside the scope of this project. We would also like to highlight that the Italian system is highly heterogeneous, varying from region to region. This is one of the main problems of the Italian social system which, as stressed by the 2017 CSR, is in great need of rationalization.

SIA was preceded by an anti-poverty measure called SOCIAL CARD, an experimental measure carried out in 12 cities only (Milan, Turin, Bologna, Genoa, Florence, Rome, Naples, Bari, Palermo, Reggio Calabria, Catania, Cagliari). Unfortunately, the managing authority, i.e. the Ministry of Labour and Social Affairs, has yet to publish the assessment of this measure, a document which we hope will be ready and open to the public by the end of the year. The Italian network and many other NGOs think that while the SOCIAL CARD did not help but a few beneficiaries to come out of poverty, it has probably been useful for defining the target groups of future and more inclusive measures - such as SIA and now REI - and the development of monitoring mechanisms.
### NATIONAL LEGAL FRAMEWORK

**FUND TO FIGHT POVERTY AND SOCIAL EXCLUSION (2016 STABILITY LAW – LAW N. 208/2015)**

The Fund establishes SIA, an economic aid (from a min. of 80.00 to a max. of 400.00 euros) for pregnant women and families with children with an economic indicator <EUR 3,000.00 per year. The allowance is linked to a personalized Active Inclusion Project (PON - ESF). SIA started operating on the ground on September 2016.

Art. 3 of the Italian Constitution ("It is the duty of the Republic to remove those obstacles of an economic or social nature which constrain the freedom and equality of citizens, thereby impeding the full development of the human person and the effective participation of all workers in the political, economic and social organization of the country")

The 2016 Stability Law (financial condition for having SIA) established for the first time in Italy a special fund for the fight against poverty and social exclusion in the framework of a National Plan against poverty, as a first step towards the introduction of a national measure of minimum

### EU LEGAL FRAMEWORK

**EU Charter of Fundamental Rights. Europe 2020; Council Recommendation of 24 June 1992 on common criteria concerning sufficient resources and social assistance in social protection systems(92/441/EEC). In 2008, the Commission, Recommendation**

Same that for SIA. Partnership Agreement 2014-2020; Operational Plan on social inclusion; EU Charter of Fundamental Rights.

### ENABLING LAW ESTABLISHING AN INCLUSION MINIMUM INCOME

Basic benefits level (the amount is yet to be defined)

Art. 3 of the Italian Constitution ("It is the duty of the Republic to remove those obstacles of an economic or social nature which constrain the freedom and equality of citizens, thereby impeding the full development of the human person and the effective participation of all workers in the political, economic and social organization of the country")

| **INSTITUTIONS INVOLVED** | [C(2008) 5737] on active inclusion Partnership Agreement 2014-2020; ESF Operational Programme on social inclusion; NRP 2014, etc. | Government (Ministry of Labour and Social Affairs, Ministry of Economic Affairs); 20 regions + 2 autonomous provinces; National Social Welfare Institution (INPS) and the Municipalities at district level | Government (Ministries of Labour and Social Affairs, Ministry of Health, Ministry of Economic Affairs, Administration); 20 regions + 2 autonomous provinces; INPS; Municipalities |
| **GEOGRAPHIC AREA** | National | National | National |
| **BENEFICIARIES** | Households with children and an economic indicator <3.000,00 € Forecast for 2017: 400 thousand families for a total of 1 million 770 thousand people | Same as SIA households with children or unemployed members over 55. The economic indicator is to be established by the implementing decrees | |
| **GOVERNANCE** | Municipalities in partnership with the health, education, training and, employment services. | Municipalities in partnership with the health, education, training and, employment services. | |
| **FUND** | National Fund - 2016, 750 million € - 2017, 1 billion OP Funds (ESF) period 2014-2020 = 486,943,523,00 € | + ESF OP Social Inclusion 2014-2020 | Economic contribution, pre-assessments, access to social services, orientation. Active labour market policies; Vocational training; Education and health esp. for children and Housing |
| **SERVICES PROVIDED** | Economic contribution, pre-assessments, access to social services, orientation. Active labour market policies; Vocational training; Education and health esp. for children and Housing | Guidance and Job placement | Guidance and Job placement |
| **ACTIVE INCLUSION** | | | |
Regional Minimum Income Schemes

For detailed information of the various regional minimum income schemes, see: EMIN Italian Report 2013 table 1.

The SIA, like the REI in the future, did not replace regional minimum income schemes since the Italian Constitution (Art. 117) establishes that social policies are managed by Concurring legislation, “Regions having legislative powers in all subject matters that are not expressly covered by State legislation”. The change lies in the fact that with the 2014-2020 Programming period, Regions devote at least 20% of the ESF to additional poverty mitigation measures to be carried out at national (SIA) level. Whereas in the previous financing program 2007 – 2013 this not were previewed. It is important to remember the Regions distribute the funds to the local level.

In January 2016, immediately after the approval of the 2016 Stability Law establishing the national fund to fight poverty, the Conference of the Regions and of the autonomous Provinces undertook to "accompany the national interventions with policies, such as community service works and other social inclusion programs to be realized with the contribution of the ESF". The Conference undertook as well to: "implement actions and measures to modernise and strengthen the public network for the active policies towards work inclusion and the social services".
Section 2: Use of reference budgets in relation to Minimum Income and/or poverty measures

Reference budgets or budget standards are priced baskets of goods and services that represent a given living standard in a country.

In this section you will find information in relation the recent evolutions of the construction and use of reference budgets in Italy. Information is also given on the usefulness of these reference budgets for policy making or for awareness raising campaigns.


The Italian food basket\(^3\), taking into account the cultural differences in eating habits, indicates the monthly budget required for an adequate food intake by three reference households (consisting of children and people of working age, in good health, without disabilities and living in the capital city). The basket includes a budget for food and for the kitchen equipment required to prepare, serve, consume and preserve this food. Furthermore, it takes into account the necessary budget for physical activity and for other functions of food, such as its social function.

The exact composition of the food basket has been developed in accordance with the national guidelines for healthy nutrition, which were compiled by the National Institute for Food and Nutrition Research in 2003. The recommendations outline ten main principles and give general indications regarding daily and weekly portions for five basic food groups: cereals and tubers; fruits and vegetables; meat, fish, eggs and legumes; milk and dairy products; and cooking fats. The principles recommend for instance to stay active, to eat more cereals, vegetables and fruits and to limit the consumption of fats, sugars and salt to prevent hypertension and the risk of cardiovascular disease.

According to the pricing of the food basket which was conducted in May 2015, the monthly budget required for a healthy diet in Italy is EUR 179 for a single person and EUR 586 for a family of two adults and two children. If the other functions of food are also taken into consideration, such as eating out, holidays, etc., the total monthly food budget amounts to EUR 213 for a single person and EUR 716 for a family of two adults and two children.

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\(^3\) The food basket has been developed on basis of a common methodology in the EU reference budgets network project
Section 3: Implementation of Country Specific Recommendations on Minimum Income and follow up through the Semester process.

As part of the EU Semester process, a number of countries have received Country Specific Recommendations (CSR) on their MIS or more generally on poverty. Country Reports can give interesting indications for countries performance with regards to Minimum Income. Evidence can also be found in EAPN’s assessment of National Reform Programmes 2016. In some countries under a Macroeconomic Adjustment Programme; the Memorandum of Understanding has reference to MI. In this section you find information about developments in response to these reports and recommendations as well as information on how EU funds are used to support developments in relation to Minimum Income Schemes.

Italy received a CSR on poverty (but not on minimum income specifically) in 2014 and another in 2016. The 2014 reads, “adopt and implement the national antipoverty strategy and review and rationalise social spending”, on a par with the 2016 CSR which reads, “to address exposure to poverty and social exclusion, scale-up the pilot social assistance scheme, in a fiscally neutral way, guaranteeing appropriate targeting, strict conditionality and territorial uniformity, and strengthening the link with activation measures”.

The devastating effects of the economic crisis, the globalisation and the rise in migrations, brought an increase in the number of people in poverty on the one hand, and on the other hand the commitments taken with “Europe 2020”, the activism of the anti-poverty organizations and, last but not least, the CSRs on poverty, were all bells of alarm that finally awoke the Italian government to the reality of the situation. In 2015 the Government has considered all the causes and phenomena of this last years both in economic terms and under the pressure and the influence of the organizations against poverty.

As already highlighted, the SOCIAL CARD which was put in place in 2014, was followed by another step forward, i.e. the SIA and, now, the new measure targeted to a larger number of beneficiaries, although still not universal and with a high level of conditionality, excluding people living alone once again. From the beginning of Social card (2014) to SIA and from that to REI the conditionality is progressively reducing, even if they are too much strict. The rise of number of people ask SIA (about 500.000 families) is due by a better and more information allowed to the people to approach to the social services and to a better involvement of the job services, in other words it’s improved the Governance at local level

For the first time since the EU semester began, the 2017 Italian National Reform Programme not only has a long and detailed analysis of poverty and social exclusion in the country but it also outlines very precisely what the country is doing and is planning to do. For the first time after a long time indeed, Italy is drawing up a strategic and integrated plan against poverty. This commitment and renewed attention probably explains the lack of a specific CSR on poverty for 2017– although poverty of children and migrants is mentioned in the preamble, almost as the Commission wanted to make sure, rightly so, that Italy does not forget. The Commission is probably well aware that, although not enough yet, steps forwards in the right direction have been and continue to be made. The Italian network finds very interesting and to the point the 2017 CSR that reads, “Rationalise social spending and improve its composition”, a CSR that keeps being repeated time and time again. The many trials carried out against public and private managers of our social system, particularly in the health care
sector, for corruption show clearly that the irrationality of the Italian social spending feeds a
great deal of the public/private corruption (the fight against corruption being another recurring CSR). Rationalizing the social spending would therefore entail less chances of corruption and, with the same expenditure, more services could be given, maybe even without “improving its composition”.
The 20% of the ESF earmarked for poverty and social exclusion, as already stated, and FEAD are two big assets in the fight against poverty and social exclusion.

Section 4: Social and Political Environment and its impact on the fight against poverty and the evolution of Minimum Income Schemes

In this section there is a brief sketch of the ‘mood’, the atmosphere that exists in relation to poverty, people living on minimum income, and the impact on some specific groups such as migrants, Roma/Travellers, growing nationalist sentiments etc.

As mentioned before, the strong increase and diffusion of poverty is not due to the crisis only, but also to the societal changes the world is going through. Globalization, the ever-increasing flexibility in the labour market, and the growing number of migrants are all having a big impact. Demographics is playing a major role as well: the family solidarity network has weakened due to the increase in the number of separations and divorces, the greater mobility of workers and the constant reduction in the number of family members (women mostly) who care for the old or disabled members of the family.

In this context, the demand for a protection network naturally grows and minimum income schemes can be considered as almost inevitable responses of the social protection systems to the social and economic changes. Unfortunately, Italy lags behind and faces an important delay. As a matter of fact, the various attempts to introduce a universal transfer against the risk of poverty in recent years have all failed, not so much because of the lack of resources but, above all, for a certain mistrust towards this kind of instrument and a very widespread feeling that it cannot work, at least not in Italy. Often, minimum income is perceived in our country as a possible source of dependence or considered as an easy prey to the “hidden economy” or something very difficult to put in place due to the ineffectiveness of our public administration. This is especially true in some areas of the country where poverty is stronger.

As the Italian network often says, in Italy, “to be poor also means to have a lot of free time” since indemnities, benefits etc. are so fragmented that it may take days just to find out the right office, the right person to claim a right such as, for example, the exemption from the health tax, or the discount on transports or that on your garbage or electricity bill.

Anti-migrants or anti-Roma feelings are growing, racists attacks or brawls due to anti-migrant feelings are on the rise, although, generally speaking, Italians have been reacting positively to the immigration challenge. Less to the Roma communities that, although few in number, seem

*During many years we asked a national measure against poverty, like as an adequate minimum income scheme. When we speak on the several attempts we relate on the bills presented in Parliament from 1995 on today that enlivened the Italian debate on this issue. So, we don’t speak about someone (who, like a subject), but with “various attempts” we refer us to a year that is the 1995 (when) from which the debate on minimum income started. See the first Emin 1 report (cap.1)*
to be the scapegoat of every evil. Would a minimum income measure help resolve this? Maybe, but the problem is mainly cultural and there is a bad atmosphere typical of a “war between the poor”, especially in the poorest neighbourhoods of the big cities.

Notwithstanding a rise in anti-migrants and Roma feelings, the scenario seems to be more favourable, especially at governmental and parliamentary level. SIA and REI are two important steps towards a national measure against poverty, although universal and adequate Minimum Income as we believe should be is yet to come.

Section 5: Developments in relation to the Italy EMIN Network

In this section you provide information in relation to the state of development of your National EMIN Network. In particular describing social dialogue/partnership with public authorities and other stakeholders.

The informal network that had been set up for EMIN 1 project was dissolved for the following reasons:

- no longer coincident targets between CILAP / EMIN network and the other organizations belonging to the network;
- Instrumental participation of some organizations that were clearly interested in becoming more visible;
- politicization of some partners;
- difference in opinions. There are, at least in Italy, two different views on minimum income, that easily collide. EAPN, and therefore CILAP, is advocating for an adequate minimum income as a tool for social inclusion; others, as Basic Income Network advocate for the right to a basic income for all, notwithstanding the economic or/and social condition. In the long run, this different point of views generated a rapture not easy to mend.

CILAP EAPN Italia is a non-political network comprising all sorts of organizations, lay or religious but all non-politically committed. This makes it very hard, if not impossible, to work closely with political parties.

Italian trade unions are generally not in favour or minimum income even if they lobby for anti-poverty measures.

Prior to EMIN 2 we had started to work in cooperation with other NGOs, with local and regional authorities that support the issue, with some trade unions’ branches. EMIN 2 gives us the chance to continue and strengthen this networking.