

Notice inviting expression of interest for appointment as member of the Board of the Parliamentary Budget Office

Functions of the Office

Chapter VII of Law no. 243 of 24 December 2012 provides for the establishment of a Parliamentary Budget Office (PBO) and regulates its functions and composition (Annex A). Under Law no. 243 of 2012, the PBO's functions are to analyse, monitor, and assess: macroeconomic and public finance forecasts; the macroeconomic impact of major pieces of legislation; the performance of public finance and compliance with budgetary rules; the triggering and implementation of the budgetary correction mechanism and significant departures from objectives arising from exceptional events; the long-term sustainability of public finances; other relevant economic and financial matters.

Composition

The Office is based in both Houses of Parliament and shall operate with full autonomy and independence of judgment and assessment. It shall consist of a Board of three members, one of whom shall serve as Chairperson, appointed jointly by the Presidents of the two Houses of Parliament from a shortlist of ten candidates with national and international expertise in economics and public finances, to be drawn up by the Budget Committees of both Houses with a two-third majority vote of their members. Pursuant to article 16.3 of Law no. 243 of 2012, membership of the Board shall be incompatible with any professional or consultancy functions. Membership shall be for six years, unless revoked for serious breach of official duties, and may not be renewed.

Procedures for the selection of candidates

The procedures for the selection of candidates have been decided by the President of the Senate and the President of the Chamber of Deputies - acting on a proposal from the Chairpersons of the Economic Planning and Budget Committee of the Senate and of the Budget, Treasury and Planning Committee of the Chamber of Deputies, who have sought the opinion of their respective Bureaus extended to the representatives of the Parliamentary Groups -, having heard the Committees on the Rules of Procedure of the Senate and the Chamber of Deputies. Accordingly, interested candidates who fulfil the requirements of recognised independence and proven expertise and experience in the field of economics and public finances at a national and international level must send by 20 January 2014 their expressions of interest, accompanied by the required documentation, to the following e-mail address, requesting a read receipt: upb@camera.it.

Persons submitting an expression of interest must have at least ten years' experience - in the twenty years preceding submission of said expression of interest - working in public or private, national or international institutions in the fields specified in article 18, paragraph 1, letters a), b), c) and d) of Law no. 243 of 24 December 2012 (see Annex A).

Persons submitting an expression of interest must:

- a) submit a signed European-format *curriculum vitae*, including a self-certification clause and a waiver allowing the publication and processing of the data contained therein, with the exception of sensitive information, accompanied by a signed declaration of willingness to serve in the post and a copy of a valid identity document;
- b) and, at the time of submitting the expression of interest, possess the following requirements, for which they must provide evidence by self-certification:
 - 1) hold Italian citizenship or citizenship of a Member State of the European Union and enjoy civil and political rights;
 - 2) not have been dismissed or discharged from employment in public administration in Italy or other European Union country or in an international organisation for persistent underperformance;
 - 3) not have been discharged from employment in public administration in Italy or other European Union country for any cause as provided for by current legislation;
 - 4) hold a university degree or equivalent qualification pursuant to current legislation;
 - 5) not fall under the conditions set out in article 38, paragraph 1, letters *b)*, *c)* and *m-ter)* of Legislative Decree no. 163 of 12 April 2006 (see Annex B);
 - 6) declare that they have no conflicts of interest in relation to the functions of the Parliamentary Budget Office and no ongoing criminal procedures entered in their judicial record;
 - 7) have a good knowledge of both written and spoken English and, in the case of foreign nationals belonging to one of the Member States of the European Union, also possess an excellent written and spoken knowledge of Italian.

The candidate must possess the foregoing requirements on the deadline date for the submission of his or her application. Non-fulfilment of one or more of the requirements above shall disqualify the applicant from selection.

No consideration shall be given to expressions of interest from any person who:

- a) is a member of Parliament, of the European Parliament, of the Council of a Region or autonomous province or a councillor of local government;
- b) is a member of a Government;
- c) has a conflict of interest in relation to the functions of the PBO or is in a position that might impinge upon the necessary requirements of full autonomy and independence of judgment and assessment;
- d) holds executive positions or has significant equity holdings in companies in which the State or other State entities also hold equity, pursuant to article 120 of the

Consolidated Law on Financial Intermediation (Legislative Decree no. 58 of 24 February 1998) [see Annex C].

The foregoing disqualifying conditions shall be applicable if they are in existence on the deadline date for the submission of applications.

The CVs of the persons who have submitted an expression of interest fulfilling the prescribed requirements and who do not fall under any of the above-mentioned disqualifying conditions shall be published on the websites of the Senate of the Republic and the Chamber of Deputies as well as on the website of the Italian Parliament.

The President of the Senate and the President of the Chamber of Deputies, after the relevant Parliamentary Committees have drawn up a shortlist of ten candidates, shall establish the Board of the Parliamentary Budget Office and appoint its Chairperson by means of a decree published in the Official Journal of the Italian Republic.

Appendix:

Annex A

Annex B

Annex C

ANNEX A

Law no. 243 of 24 December 2012

Chapter VII

Independent body for the analysis and monitoring of public finance developments and evaluation of compliance with the budget rules

Article 16 *Establishment of a Parliamentary Budget Office*

1. Pursuant to Article 5.1(f) of Constitutional Law no. 1 of 20 April 2012, an independent body for the analysis and monitoring of public finance developments and evaluation of compliance with the budget rules shall be established. Known as the Parliamentary Budget Office, it shall be based at the Chamber of Deputies in Rome.

2. The Office shall enjoy full autonomy and independence in its judgements and assessments. It shall consist of a Board made up of three members, one of whom shall be the Chair, appointed by a decree jointly adopted by the Presidents of the Senate and of the Chamber of Deputies, who shall choose from a shortlist of ten nominees whose names the parliamentary committees with responsibilities in the area of public finance will have selected on the basis of a two-thirds majority of committee members, in the manner prescribed in the parliamentary Rules of Procedure. The Board members shall be nominated from among persons of recognised independence and proven expertise and experience in the field of economics and public finances at a national and an international level. The Chair shall receive a total salary equal to that provided to the Chair of Italian Competition Authority. Members of the Board shall receive a total salary equal to 80 per cent of that of the Chair.

3. Board members are appointed for one six-year term only. Under penalty of forfeiture of office, they may not engage in any professional or advisory activity, and may not be directors or employees of public or private entities, or hold other public office of any kind. Public sector employees shall be on secondment for the entire term of their membership of the Board. For serious violations of official duties, members of the Board may be removed from office by a decree jointly adopted by the Presidents of the Senate and the Chamber of Deputies on the basis of a recommendation to this effect adopted by a two-thirds majority of the members of the parliamentary committees with responsibilities in the area of public finance, in the manner prescribed in the parliamentary Rules of Procedure.

4. The Chair shall represent the Board, convene its meetings and set the agenda. The Board, with the approval of the Presidents of the Senate and the Chamber of Deputies, shall adopt one or more regulatory texts setting out the rules for its own organisation and operations, the legal status and

remuneration of staff, and the management of costs. Within the limits of its allocated budget, the Office shall provide independently for the costs of its operation, including those of its staff.

Article 17 *The human and technical resources and seat of the Parliamentary Budget Office*

1. The Office shall act with complete autonomy in the selection of its staff, basing its choices solely on merit and competence and its own operational needs.

2. The Office staff shall consist of:

a) permanent staff hired by the Office by means of public competition;

b) staff from the administrations of Senate and the Chamber of Deputies or from government or other public offices who shall be on temporary outplacement for the duration of their appointment;

c) staff selected through public comparative selection procedures for the performance of duties for a limited period of time not exceeding three years whose contract may be renewed once.

3. The formal secondment of staff from government or other public bodies is mandatory and shall be done pursuant to the internal protocols of the body in question, but may also entail the derogation of temporal, numerical and any other restrictions envisaged by the same protocols. The Office may transfer staff seconded from the Houses of Parliament, local governments and other public offices back to their original post. The termination of the secondment of staff from the parliamentary administrations is subject to the approval of the Office.

4. In the first three years of operation, the number of staff may not exceed thirty. Thereafter, the number may not exceed forty.

5. The operations of the Office shall be supervised by a Director-General with specific expertise and experience in the field of economics and public finances, who shall be appointed by the Chair from among the staff, as referred to in paragraph 2.

6. The Presidents of the Senate and the Chamber of Deputies shall concur on making available premises to be used as the seat of the Office along with the necessary equipment.

Article 18 *The functions of the Parliamentary Budget Office*

1. The Office, also on the basis of its own projections, shall perform analyses, audits and assessments of:

a) macroeconomic and public finance forecasts;

b) the macroeconomic impact of major legislative measures;

c) public finance developments, including by subsector, and the compliance with budget rules;

d) the long-term sustainability of the public finances;

e) the activation and use of the corrective mechanism referred to in Article 8 and deviations from targets arising from exceptional events, as referred to in Article 6;

f) other matters of economics and public finances pertinent to the analyses, audits and assessments referred to in this paragraph.

2. The Office shall also prepare analyses and reports at the request of the parliamentary committees with responsibilities in the area of public finances. The Chair, if invited, may also testify before parliamentary committees of the type indicated in the previous sentence.
3. If the Office, in the exercise of the functions referred to in paragraph 1, makes assessments that significantly diverge from those of the Government, then at the request of at least one third of the members of a parliamentary committee with public finance responsibilities, the Government shall illustrate why it believes its assessments should be confirmed, or else align them with those of the Office.
4. The Office shall follow an annual programme of activities, which in any case must include the exercise of the functions assigned to it pursuant to EU Law; the Chair of the Board of the Office shall present said programme to the parliamentary committees with responsibilities in the area of public finances. The analyses and reports produced as part of the exercise of the functions referred to in paragraph 1 shall be adopted by the Board at the proposal of the Chair. The annual programme of activities as well as analyses and reports referred to in the second sentence shall be published on the institutional website of the Office.
5. The Board may establish a Scientific Committee composed of people of proven experience and expertise in the field of economics and public finances at a national, European or international level, whose task shall be to offer guidance on the operational methodology of the Office.
6. For the exercise of the functions referred to in paragraph 1, the Office shall interact with all branches of general government, public bodies and entities under partial state control and require them not only to communicate data and information, but also to cooperate in any way that the Office deems helpful to the fulfilment of its institutional duties.
7. To facilitate the Office in the performance of its institutional duties, the bodies and entities referred to in paragraph 6 shall guarantee access to all databases they have created and/or maintain relating to the economy and public finances.

Article 19 *The funding of the Parliamentary Budget Office*

1. As of the year 2014, an appropriation of €3 million shall be made to each House of Parliament to defray the expenses necessary to the operation of the Office. The foregoing appropriation may be reviewed only by the budget law and after advice has been taken from the Board, and must in any event be sufficient to ensure the effective performance of the functions described in Article 18.
2. The financial management of the Office depends on a budget that shall be approved by the Board of the Office by 31 December of the year preceding that for which the budget refers. The financial report for the Office shall be approved by 30 April of the successive year. Both the Office's preliminary budget and its financial report on the previous year shall be forwarded to the Presidents of the two Houses of Parliament and published as an annex to their financial reports.
3. The operating costs, €6 million per year starting from 2014 as indicated in paragraph 1, shall be covered by means of a corresponding reduction in the projected value of the special current account fund for 2014, which, for accounting purposes, shall be recognised in the three-year budget for 2012-2014 under the "contingency and special funds" programme, which forms part of the "Funds to be allocated" mission in the 2012 estimates of the Ministry of the Economy and Finance. Part of

the sum, €2 million per year starting from 2014, shall be drawn down from the Ministry's appropriation, and the remaining €4 million euro per year as of 2014 from the appropriation of the Ministry of Labour and Social Policies.

4. The Minister of Economy and Finance is authorised to issue decrees to make budgetary changes as necessary.

ANNEX B

LEGISLATIVE DECREE no. 163 of 12 April 2006

Code on public works contracts, public service contracts and public supply contracts implementing Directives 2004/17/EC and 2004/18/EC.

Article 38 *General requirements*

1. The following entities are excluded from participating in procurement procedures for work, service and supply contracts, and may not operate as subcontractors or enter into subcontracting agreements:

a) any entity that is in a state of bankruptcy, compulsory winding-up or pre-bankruptcy arrangement with creditors, except as specified in article 186-*bis* of Royal Decree no. 267 of 16 March 1942, and any entity that is the subject of proceedings for a declaration of the same;

b) any entity against which proceedings are pending for the application of preventive measures as specified in article 3 of Law no. 1423 of 27 December 1956, or any entity liable to one of the causes of disqualification as defined in article 10 of Law no. 575 of 31 May 1965. The disqualification and prohibition from participation shall remain in force if the proceedings relate to: the proprietor or technical director of an *impresa individuale* (a single-person company); the partners or technical director of a *società in nome collettivo* (partnership); the general partners or technical director of a *società in accomandita semplice* (commandite company); directors with powers of representation, the technical director, the sole partner (if a natural person) or the majority partner (where there are fewer than four partners) of other types of company;

c) any person convicted by final judgement, or who has received a criminal conviction that cannot be appealed, or who has been sentenced pursuant to article 444 of the Code of Criminal Procedure for serious offenses against the state or society relating to professional misconduct. A sentence that has been handed down by final judgement for one or more crimes relating to participation in a criminal organisation, corruption, fraud or money laundering, as defined under the EU acts referred to in article 45, paragraph 1 of EC Directive 2004/18, shall also be deemed grounds for exclusion. The exclusion and prohibition shall apply if the sentence or conviction has been handed down to: the proprietor or technical director of an *impresa individuale* (a single-person company); the partners or technical director of a *società in nome collettivo* (partnership); the general partners or technical director of a *società in accomandita semplice* (commandite company); directors with powers of representation, the technical director, the sole partner (if a natural person) or the majority partner (where there are fewer than four partners) of other types of companies and consortia. The exclusion and prohibition shall also apply to persons who have ceased to hold their

company positions in the year preceding the date of publication of the tender, unless the company demonstrates its full and effective non-involvement in the criminal offense. The exclusion and prohibition shall not apply if the offense has since been decriminalised, if rehabilitation has taken place, if the offense was declared no longer punishable after the conviction, or if the conviction has been quashed;

d) any person who has breached the fiduciary rules set down by article 17 of Law no. 55 of 19 March 1990. The exclusion shall last for one year as of the date on which the violation was ascertained, and shall in any case be imposed until the violation ceases.

ANNEX C

Legislative Decree no. 58 of 24 February 1998.

Consolidated Law on Financial Intermediation pursuant to articles 8 and 21 of Law no. 52 of 6 February 1996.

Article 120 *Reporting requirements for major holdings*

1. For the purposes of this section, the “capital” of a *società per azioni* (public limited liability company) shall refer to company shares with voting rights.

2. Parties who hold more than two per cent of the capital of a listed issuer having Italy as home Member State shall notify the investee company and CONSOB.

2-bis. CONSOB may also, through measures whose purpose is to protect investors and safeguard the efficiency and transparency of the corporate control and capital market, take into consideration for a limited period of time lower thresholds than those indicated in paragraph 2, if the company has a high current market value and a highly diluted shareholder base.

4. Taking into account the characteristics of the investors, CONSOB shall adopt regulations regarding:

a) changes in the level of equity holdings referred to in paragraph 2 for which disclosure is mandatory;

b) the criteria used to calculate equity holdings, which shall also consider indirect holdings and equity holdings for which the voting rights belong or have been assigned to a party other than the shareholder;

c) the content of and procedures for public communication and disclosure and any exemptions therefrom;

d) the deadlines for public communication and disclosure;

d-bis) cases in which disclosure is required of holders of financial instruments that include the rights referred to in the last paragraph of article 2351 of the Civil Code;

d-ter) cases in which possession of a derivative instrument renders its owner subject to reporting obligations;

d-quater) situations in which these rules may be waived.

5. If listed shares or financial instruments are not disclosed in the manner prescribed in paragraph 2, then the attached voting rights may not be exercised. In the event of non-compliance, article 14.5 shall apply. The removal of voting rights may also be proposed by CONSOB within the time limit specified in article 14.6.

6. Paragraph 2 shall not apply to equity holdings held by Ministry of the Economy and Finance through companies it controls. The mandatory disclosure shall be the responsibility of the companies controlled by the Ministry.