



FONDAZIONE ENI ENRICO MATTEI

REPORT ON ACTIVITIES 1995-96

The Fondazione Eni Enrico Mattei is a non-profit, non-partisan research institution established to carry out research in the field of sustainable development. Recognised by the President of the Italian Republic in July 1989, it has since become a leading international research centre. Since 1990, the Foundation has also provided a home for the offices of the European Association of Environmental and Resources Economists (EAERE).

#### *From the Director*

*The year 1995 was an important turning-point in the activities of the Foundation. For the first time, a substantial proportion of our research was funded externally and much of the research itself was of an applied nature. This has allowed us to expand our activities considerably, indeed there was an increase of 36% over the previous year. This trend will continue to grow and accelerate and we expect to double our research during the present year.*

*The growing call on external funding, largely from international organisations, has also led to a clear distinction between our various activities. Basic research, which deals with general questions, produced 17 workshops, 90 working papers, 3 books. Our applied research, which concerns policy making, was focused on participatory approaches to environmental conflicts, environmental reports - both national and corporate and fiscal reform. We also continued to supply technical support to a number of policy making institutions the United Nations, the UN Commission of Sustainable Development, the Intergovernmental Panel on Climate Change (IPCC), the European Commission, the Treasury, the Ministry of Finance and the Ministry for Environmental Policy.*

*As in the past, the Foundation's activities have been conducted at an international level. Research has benefited from a network of more than 200 experts from prestigious Italian and foreign universities and research centres, while the Foundation's small staff and team of researchers have co-ordinated and circulated the principal results. We now also have two new offices: in Milan at the Palazzo delle Stelline and in Venice at Palazzo Querini Stampalia. The Venice office has been set up in order to organise the local Agenda 21 for the City of Venice.*

*What follows is a presentation of our activities and an overview of our Annual Report for 1995. We believe that a research foundation like ours must operate transparently and with economic and financial efficiency. In doing so we can maintain the two fundamental ingredients of successful research: independence and credibility.*

### Administrative Board

Luigi Meanti - *President*  
 Marcello Colitti  
 Pasquale De Vita  
 Francesco Furci  
 Carlo Grande  
 Lucio Lussu  
 Guglielmo Moscato  
 Vittorio Meazzini  
 Salvatore Russo  
 Daniela Viglione

### Audit Committee

Giovanni Zanetti - *President*  
 Roberto de Stefano  
 Francesco Di Taranto

### Scientific Advisory Board

Umberto Colombo - *President*  
 Carlo Carraro (*University Cà Foscari, Venice*)  
 Francesco Giavazzi (*University Bocconi, Milan and IGIER*)  
 Vittorio Gregotti (*I.U.A.V., Venice*)  
 Sergio Rinaldi (*Politecnico, Milan*)  
 Michele Salvati (*University Statale, Milan*)  
 Ignazio Visco (*Banca d'Italia*)  
 Stefano Zamagni (*University, Bologna*)

### Executive Director

Domenico Siniscalco

### Research Director

Alessandro Lanza

### The Foundation's staff

Giorgio Barba Navaretti, Matteo Bartolomeo,  
 Andrea Beltratti, Bernardo Bortolotti,  
 Elena Bocchino, Oscar De Feo,  
 Luca Del Furia, Marcella Fantini,  
 Cinzia Griggio, Giorgio Guenno,  
 Patrizia Lughezzani, Roberto Malaman,  
 Michele Molinari, Rita Murelli,  
 Gabriella Olgiati, Carolina Pacchi,  
 Marcella Pavan, Emanuela Ragnolini,  
 Federica Ranghieri, Roberta Ranzini,  
 Cristiano Re, Alessandra Ricci,  
 Guo Rongxing, Giuseppe Sammarco,  
 Luigi Serina, Eva Sportoletti,  
 Monica Stracchi, Silvia Tiezzi,  
 Giorgio Vicini.

### Founders

Agip  
 Agip Petroli  
 Agip Coal  
 Eni  
 Enichem  
 Nuova Samim  
 Nuovo Pignone  
 Saipem  
 Snam  
 Snamprogetti

<b>ASSETS</b>	<b>31.12.95</b>	<b>31.12.94</b>
PROPERTY, PLANT & EQUIPMENT		
Le Stelline' building	16.052.469	16.629.202
General facilities	18.176.050	20.871.358
Office fixtures & fittings	47.789.066	67.820.303
Electronic equipment	47.320.170	38.350.155
Under construction (Le Stelline)	13.108.413.480	9.712.649.980
Total	13.237.751.235	9.856.320.998
FIXED INTEREST SECURITIES	31.250.178.621	30.373.472.382
PAYMENTS DUE	1.203.428.691	1.684.855.250
LIQUID FUND	1.994.108.830	248.864.924
ACCRUED EARNINGS	1.141.679.782	1.614.472.256
<b>TOTAL ASSETS</b>	<b>48.827.147.159</b>	<b>43.777.985.810</b>
<b>LIABILITIES</b>		
ENDOWMENT	25.784.442.075	25.784.442.075
CONTRIBUTION FROM FOUNDERS	14.328.625.441	10.745.021.331
RESEARCH FUND	6.675.317.847	6.651.868.105
MANAGEMENT SURPLUS*	431.729.746	23.449.742
<b>TOTAL NET LIABILITIES</b>	<b>47.220.115.109</b>	<b>43.204.781.253</b>
DEBTS		
Suppliers	1.296.113.757	67.714.170
Other debts	310.918.293	505.490.387
TOTAL	1.607.032.050	573.204.557
<b>TOTAL LIABILITIES</b>	<b>48.827.147.159</b>	<b>43.777.985.810</b>

BALANCE SHEET (Lire)

## FINANCIAL REPORT

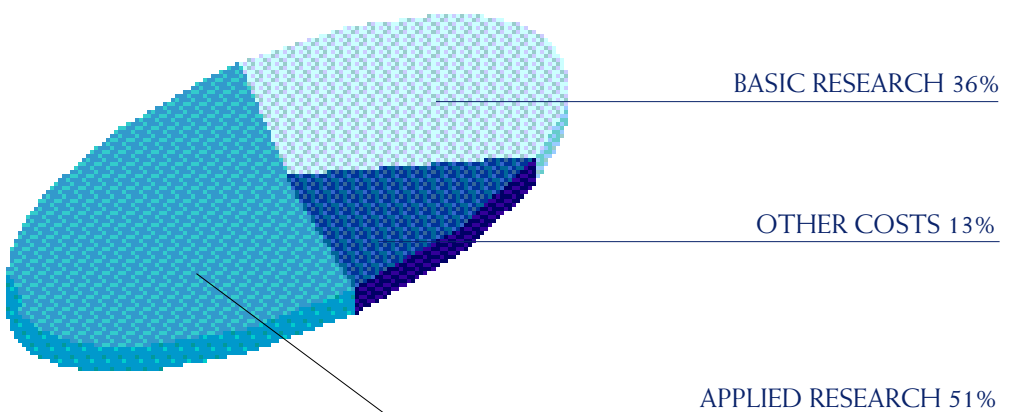
\*The Management Surplus of 1995 has been assigned to the Research Fund.

RATE EXCHANGE  
1 ECU = 2000 Lit.

COSTS		1995	1994
PURCHASES			
	Publications	545.915.050	433.446.138
	Consumables	128.663.042	66.936.398
TOTAL		674.578.092	500.382.536
SERVICES			
	Research	1.854.078.115	1.252.860.392
	Salaries	706.577.565	712.172.341
	Scholarships	258.444.443	264.223.349
	I.T.	116.473.386	120.909.953
TOTAL		2.935.573.509	2.350.166.035
OTHER COSTS		1.362.687.194	901.603.574
DEPRECIATION		52.982.244	204.205.076
OTHER CHARGES		4.537.500	17.816.350
TOTAL COSTS		5.030.358.539	3.974.173.571
REVENUES			
INTEREST INCOME		3.290.550.812	3.163.129.588
RESEARCH CONTRIBUTIONS		1.464.959.908	122.321.384
EXTRAORDINARY ITEMS		706.577.565	712.172.341
TOTAL REVENUES		5.462.088.285	3.997.623.313
MANAGEMENT SURPLUS		431.729.746	23.449.742

## PROFIT & LOSS ACCOUNT (Lire)

### 1995: COST-SHARING



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## GUIDELINES

The objectives of basic research are to open up new fields of study and analysis and the development of the necessary research tools. This area of our work is financed by interest earned on our endowment.

## RESEARCH PROGRAMMES

This activity is divided into four main areas:

- ENERGY AND ENVIRONMENT:  
MARKETS AND POLICIES

(Carlo Carraro, Co-ordinator), is aimed at outlining new approaches to environmental models which are integrated with economic, engineering and climatic information.

- EMPIRICAL ASPECTS OF  
ENVIRONMENTAL ECONOMICS

(Alessandro Lanza, Co-ordinator), attempts to bridge the gap between theoretic and empirical studies of economic growth and environmental quality.

- THE ECONOMY, THE FIRM AND  
INSTITUTIONS

(Stefano Zamagni, Co-ordinator), analyses the role of lobbies on the decision making process, paying particular attention to the problem of self-regulation and the mechanisms for the collecting and distribution of information.



- ECONOMY, TECHNOLOGY  
AND SOCIETY

(Michele Salvati, Co-ordinator), examines the prevailing trends in modern economies with special reference to the main economic, political and social settings.

## GUIDELINES

The principal aim of this area is to transfer the results of our basic research into practical applications. It is primarily financed by contributions from international organisations.

## EUROPEAN UNION PROJECTS

*Economic Aspects of Liability Systems for Remedying Environmental Damage* (DG XI).

## JOULE-THERMIE PROGRAM (DG XII)

*The National Implementation in the EU of the External Accounting Framework.*

## ENVIRONMENT AND CLIMATE PROGRAM (DG XII)

- *Strategies for European Leadership in International Climate and Sustainability Regimes.*
- *Green Taxes: Environment, Employment and Growth.*
- *Green Accounting Research Project II.*
- *Eco-management Accounting as a Tool of Environmental Management.*

## RIBES PROJECT

With the co-operation of WWF-Italy, the Foundation has compiled an index on sustainable economic welfare in the period 1960-1996.

## ENVIRONMENTAL REPORTS

The Foundation has developed a method for the drafting of environmental reports and drawn up guidelines for environmental accounting in Italy and is working on a similar project for China.

In the corporate field, the Foundation has established a **Forum**, which brings together representatives from the private and public sectors as well as environmental groups and academics, to establish common guidelines for the creation of such reports.

The Foundation has also worked on environmental reports for a number of important Italian companies.



## GUIDELINES

The Foundation is active and has become highly skilled in the consensus approach to matters of environmental conflict and voluntary agreements between private companies and public bodies.

It is clear that without a constructive approach aimed at bridging conflicting interest it is very difficult to satisfy the demands of one group without damaging the interests of another.

## AGENDA 21 IN VENICE

Agenda 21, the document adopted by the United Nations' Conference on Environment and Development (Rio de Janeiro, 1992), contains policy guidelines for sustainable development in the next century.

At the request of the City of Venice authorities, the Foundation is supplying technical and scientific support for the realisation of a local Agenda 21.

## MONFALCONE - CONSENSUS APPROACH IN ACTION

The Foundation is currently working on an experiment of the consensus approach involving the construction of a LGN plant in Monfalcone, Italy.



The Foundation has a research network which includes over 200 scholars and researchers, 60% of whom work in foreign universities and research institutions.

#### EUROPEAN ASSOCIATION OF ENVIRONMENTAL AND RESOURCE ECONOMISTS

This is the principal forum for environmental economists in Europe. Its aims are:

- to co-operate in the development and implementation of environmental economics in Europe;
- to promote dialogue between academics, researchers and students;
- to encourage co-operation between universities and research institutions.

#### HUMAN CAPITAL AND MOBILITY

In the context of the European Union's Human Capital and Mobility programme, the Foundation is part of a research network for the management of natural resources. The network involves 8 European institutions and has the objective of increasing what is known about the relationship between economic and environmental activities, at both national and international levels. It also aims to encourage the exchange of ideas and enhance the level of co-operation among researchers.

## NETWORKS

#### LEAD EUROPE PROGRAMME

This is a network of the leading Foundations which exists to promote progress towards sustainable development through joint-sponsorship programmes and exchanges between different countries.

*Chairman:* Umberto Colombo

#### STANFORD UNIVERSITY

The Foundation is part of the *Uncertainty, Expectations and Public Policy* project co-ordinated by Mordecai Kurz of the University of Stanford.

#### EUROPEAN COMMISSION

The Foundation supplies technical support and advice to General Directorates III, XI, XII.

#### INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE (IPCC)

The Foundation contributed to the drafting of the *Report Forming Part of the Contribution of Working Group III to the IPCC Second Assessment Report*.

#### ORGANISATION FOR ECONOMIC COOPERATION DEVELOPMENT

The Foundation is part of the *Informal Working Group on Environmental Industry*.

#### UNITED NATIONS

The Foundation is a part of the *Expert Group and Ad Hoc Working Group on Consumption and Production Patterns and on Financial Issues of Agenda 21*. (Manila & New York, March 1996).

The Foundation also contributed to the *Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting*.

(Geneva, April 1995)

#### ITALIAN MINISTRIES

In the context of the Italian Government's Presidency of the European Union, the Foundation has provided technical support to the Ministry of Finance for the fiscal reform project, to the Budget Committee of the Treasury and to the Ministry of Foreign Affairs.

## BOOKS

C.Carraro, A.Haurie, G.Zaccour

**Environmental Management in a Transition to Market Economy** *Technip*

M.Bartolomeo, R.Malaman, M.Pavan,  
G.Sammarco

**Il bilancio ambientale d'impresa** *Dirola, Il sole 24 Ore*

C.Carraro, M.Galeotti

**Un modello per l'Europa: occupazione, ambiente e progresso tecnico** *B Mulino*

## WORKING PAPERS

In 1995, 90 working papers have been published. The authors are:

G.Abdel-Khalek, E.Amri, K.Anderson, S.Appleton, G.Barba Navaretti, E.B.Barbier, T.Barker, S.Barrett, M.Bartolomeo, A.Beltratti, J.C.Bergh, M.Botteon, A.L.Bovenberg, I.Brouwer, G.Brunello, P.Capros, C.Carraro, R.Cervigni, P.Chander, K.Conrad, C.Constatntatos, P.Dasgupta, F.Daveri, C.Denis, A.Dixit, C.Dosi, J.Eyckmans, R.Faini, Y.H.Farzin, P.Favardin, T.Feenstra, G.Feichtinger, J.A.Filar, V.K.Fitzgerald, E.Fragniere, Z.Gaal, H.L.Gabel, M.Galeotti, M.Gallo, B.Gardiner, G.Geniaux, P.Georgakopoulos, L.H.Goulder, A.Gragnani, E.Grilli, A.Haurie, M.Heal, J.F.Helliwell,

PUBLICATIONS

To request publications and working papers, please contact:

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Please note that working paper abstracts are also available via the Feem's server on Internet:

<http://www.feem.it>



J.Hoddinott, M.Hoel, G.J.Koopman, P.Kort, P.Krishnan, M.Kurz, J.J.Laffont, A.Lanza, J.E.Ligthart, G.Maggi, K.G.Maler, M.Mariotti, J.R.Markusen, K.Max, M.Moretto, I.Musu, R.Paci, I.W.H.Parry, R.Peronaci, G.Perosino, F.Pigliaru, T.Piketty, G.Pireddu, F.van der Ploeg, S.Proost, R.D.Putnam, G.Ranis, M.Rauscher, D.Regemorter, R.Repetto, S.Rinaldi, J.C.Rochet, E.S.Sartzetakis, C.Scarpa, C.E.Schulz, B.Sinclair-Desgagnè, C.Smith, A.Soubeyran, G.Spagnolo, F.Stewart, J.Strand, O.Tahvonen, S.Tiezzi, M.Toman, M.P.Tucci, H.Tulkens, A.Ulph, D.Ulph, P.Verheyen, E.T.Verhoef, D.Wastl, H.Welsch, C.Withagen, H.M.Wu, A.Xepapadeas, G.Zanalda, R.Zapert, A.Zeeuw, S.Zografakis.

Six books forthcoming in 1996.