From these evaluations came the legislator intention to start the privatization process of the companies supplying LPT services and to promote (whenever possible) the overcoming of the monopolistic structure and the introduction of competitive procedures for the allotment of the provision (establishing a preference for tender calls and against direct allotments). In other terms, the reform goals include the improvement of the productive efficiency, by means of a regulation that provides adequate incentives to the monopolist behavior. Also they aim for the improvement of the allocative efficiency through the introduction of competition, in an actual or potential form according to the circumstances, inside a sector such as the Italian LPT, which was traditionally supported by the service supplied by consortiums or firms owned by the local bodies or by the concession of the provision to private companies through direct negotiation, appearing in such a way like a local monopolies system where even the weakest form of competition has been missing.

## D. ACHIEVED RESULTS

The complete evaluation of the results obtained with D.L. n. 422/97 will probably be premature<sup>48</sup>. The law is in fact limited to define issues of general order which are carried out by appropriate regional laws that should be introduced within six months from the approval of the reform. However, it could already be stated that for the first two goals – competence unification for the different transport modes and awarding of financial responsibility to the subjects operating in the sector – the reform appears suitable to produce some good results. On the contrary, with regard to the third goal – introduction of some forms of competition and reorganization of the monopoly zones – this still seems far away and above all the one for which the formulation of the decree law appears to be most inadequate.

The rationalization of the competence between Government and local administrations, and in particular the transfer to the regions of the competence regarding railway services, represents without any doubt an important step towards the planning of the local transport public service in order to minimize the services duplication and gain the benefits of a wider integration among the different transport ways. It should however be underlined how also this step shows still difficulty in being carried out. In fact, until today, only a part of the maturity that should allow the decentralization of the competence on railways has been

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<sup>&</sup>lt;sup>48</sup> It should be considered that the first evaluation relative to the effects of the local transport reform in the UK date back to the second half of the eighties (Kilvington and Cross, 1986; Preston, 1988; Vickers and Yarrow, 1988) for the stage started with the Transport Act in 1980, and to the nineties (among the others Bowers, 1994 and Bishop, Kay and Mayer, 1996) for the stage started in 1986.