

Fondazione
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EEFG: “Circular Economy: role and opportunities for the philanthropic sector” Milano, 3-4 aprile 2019

**OVERVIEW OF THE
ENVIRONMENTAL PHILANTHROPIC SECTOR IN ITALY
The role of BOFs – Foundations of Banking Origin**

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Philanthropy in Italy

Support to socially useful activities via financial resources

Most recent data, according to different sources and data flows:

9.1 – 12 billion €

- third in Europe
- most from individuals

Philanthropy in Italy

- ▶ 0.985 billion € from 88 Foundations of banking origin (2017)
[1.037 billion € in 2016]



Public expenditure on Environment in Italy

- ▶ 4.7 billion € committed (2017)
(= 0.7% of Government's total primary expenditure)
[8.3 billion € committed in 2010]
- ▶ **2.6 billion € paid (2017)**



Private donation, bequests, grants, others to Environmental Non Profit Organizations in Italy

- ▶ 43 million € (2011)
(= 1% of total private donation to non profit organization)



Foundations of banking origin for Environment: at present

- 17.8 million € (2017) (=1.8% total grants) (8th place in a 13-sector ranking)
[13.9 million € in 2016 =1.4% total grants]
- Only 30% of BOFs expressed interest in the theme and included it in the Articles of Association
- Only 25 BOFs have awarded grants to support the Environmental Quality and Protection Sector
- Fondazione Cariplo: 14.4 / 17.8 million € of the BOFs system deliberated in 2017 for the Environmental Quality and Protection Sector

Foundations of banking origin for Environment: at present

ENVIRONMENTAL QUALITY AND PROTECTION SECTOR – SUBSECTORS:

- Conservation and protection of natural resources (15 million €, 94 interventions in 2017)
- Environmental awareness and dissemination (2.3 million €, 61 interventions in 2017)
- Control and reduction of pollution (0.3 million €, 5 interventions in 2017)
- Activities supporting the environment (0.14 million €, 17 interventions in 2017)
- Activities supporting animals (0.0065 million €, 4 interventions in 2017)
- Food safety and quality agriculture (0.0065 million €, 3 interventions in 2017)
- Not classified (0.040 million €, 1 intervention in 2017)

Fondazione Cariplo for Environment

(8,2 billion € assets total market value at 31/12/2017)
(160 million € total grants in 2017)

- 19.7 million € for the Environment and other connected Sectors - 98 projects (2017)

Good practices with other foundations:

- ▶ Project Green Jobs
- ▶ Project AGER
- ▶ Project VENTO



Partnerships among BOFs for Environment

The **GREEN JOBS** project aims at increasing youth employability with a “green profile”, including environmental skills in educational paths and non profit organisations, thus facilitating supply-demand match of qualified jobs in the environmental field.

- ▶ Budget Fondazione Cariplo 2015-2018: 2.4 million €
- ▶ Since 2018 Greenjobs became a national project - ACRI and 7 BOFs involved
- ▶ Goals: environment safeguard – unemployment reduction

Partnerships among BOFs for Environment

AGER aims at increasing the competitiveness of agri-food products made in Italy through research projects ultimately enabling economic and environmental sustainability of agricultural chains.

- ▶ Goals: food safety – environmental sustainability
- ▶ From 2008 to 2015: budget 27 million €, 13 foundations involved (AGER1)
- ▶ From 2015 to 2021: budget 7.2 million €, 10 foundations involved (AGER2)



Partnerships for Environment

The aim of the project **VENTO** is to create a 700 km cycle-tourism path from Venice to Turin along the Po river.

- ▶ The project (ongoing) was designed by the Politecnico Milano
- ▶ Participation of 227 institutions (4 Regions, 11 Provinces, 183 Municipalities, Parks, AIPO, ABPO, etc), 107 Associations (including ACRI), nearly 5,000 citizens
- ▶ Fondazione Cariplo has funded the feasibility study and communication initiatives

Foundations of banking origin for Environment: at present...

... (excluding «unintentional actions» and bearing in mind the rigidity of the current classification system)

do not invest much in the Environment.

Despite

- BOFs are considered an important result of the Civic Community and deeply rooted in their origin territories
- BOFs are defined «organising entities of social freedoms». The ultimate goal of the organisation of social freedoms is: to facilitate the full achievement/the **WELLBEING** of individuals within their communities, maximise their own – and all partners' – responsibility towards the production and maintenance of **COMMON GOODS**, according to the sustainability principles

Foundations of banking origin for Environment: at present...

- The Environment is a set of human and natural resources available (**capacity**), interventions/costs required for their reproduction (**functioning**), responsibility for the choices regarding **allocation/renovation** of the resources.
- Environmental **sustainability**: embraces all intervention related to the care of environmental resources
- The set of environmental resources is a **COMMON GOOD** that provides a community identity
- The environment is a determiner of individual's **WELLBEING**, it is a common good and it is one of the three pillars of sustainability
- Therefore: **hope that environment ultimately can become a key driver of the actions of the BOFs system**

Foundations of banking origin for Environment: in the future...

- Update of the classification criteria (could the Agenda 2030 be taken as benchmark/framework for the reclassification at EU/international level?)
- Awareness and responsibility of the role of «institutional investors»: starting with... being a good example of sustainable organisations
- Not only direct grants:
 - ▶ Grants through auxiliary/separate entities (9.6% of grants by the BOFs system)
- Not only grants:
 - ▶ Assets management: “Mission Related Investment” (4.6 billion € in 2016)
 - ▶ Advocacy role

Foundations of banking origin for Environment: in the future...

- «Exchange among peers» (the important role of networks, in particular EEFG)
- Capacity building of the Boards regarding environmental issues
- Efficacy/impact evaluation including the environmental variable
 - of the activities
 - of the organisation (ESG criteria?)
 - of the strategic choices (e.g. Strategic Impact Evaluation), not only ex post but also ex ante and *in itinere*

Foundations of banking origin for Circular Economy

- Not a specific Sector or Subsectors of intervention.
- Possible Sectors:
 - ▶ Environmental Quality and Protection (overall 17.8 million € in 2017)
 - ▶ Scientific and Technologic Research (overall 117.8 million € in 2017)
 - ▶ Education, instruction and training (overall 77.8 million € in 2017)
 - ▶ Local development and social housing (overall 67.8 million € in 2017)
- Role of Cooperation and Social Enterprises
- Not only grants
- MODEL APPLICABLE ALSO IN SOCIAL AND EDUCATIONAL FIELDS (prevent – recirculate resources that would be otherwise wasted and/or would generate additional costs)

SOURCES

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