



The new Italian initiative for social microfinance building on the Spanish experience and the potential for adopting similar approaches in other countries

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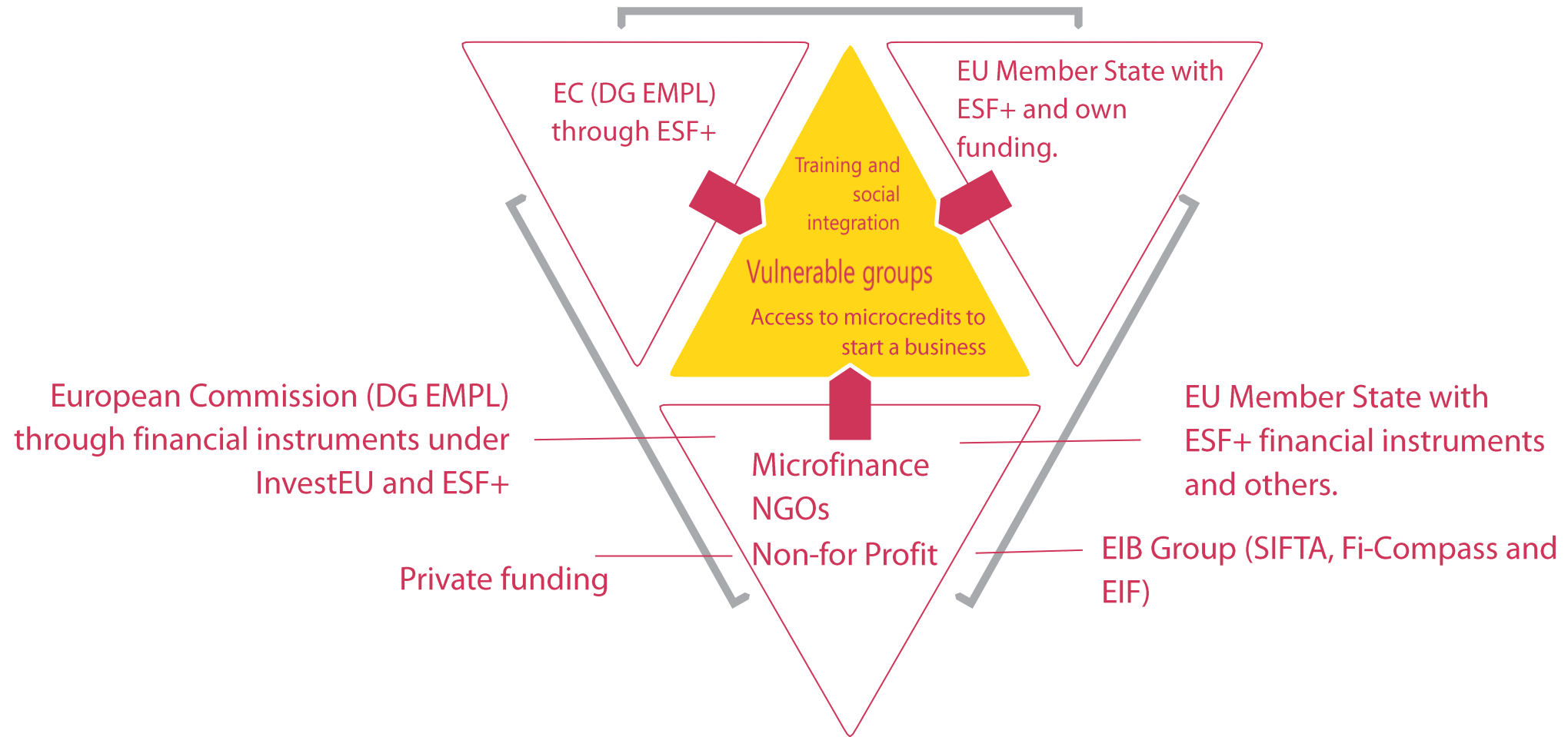


The actors and the instruments in Spain and Italy





The interaction to create the synergies.





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Thank you!



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The long path of microcredit in Italy: from 2008 (establishment of RITMI), to 2014 launch of the new regulation (TUB) to 2024 (amendment of the law and implementing regulations).



Microcredit in Italy

Italian report on financial inclusion and microcredit in Italy



- A large potential demand (financial exclusion rate and territorial divergences) and a supply that is struggling to grow.
- The state of the sector in Italy.
- The report is published annually by Banca Etica, c.borgomeo&co., and RITMI.



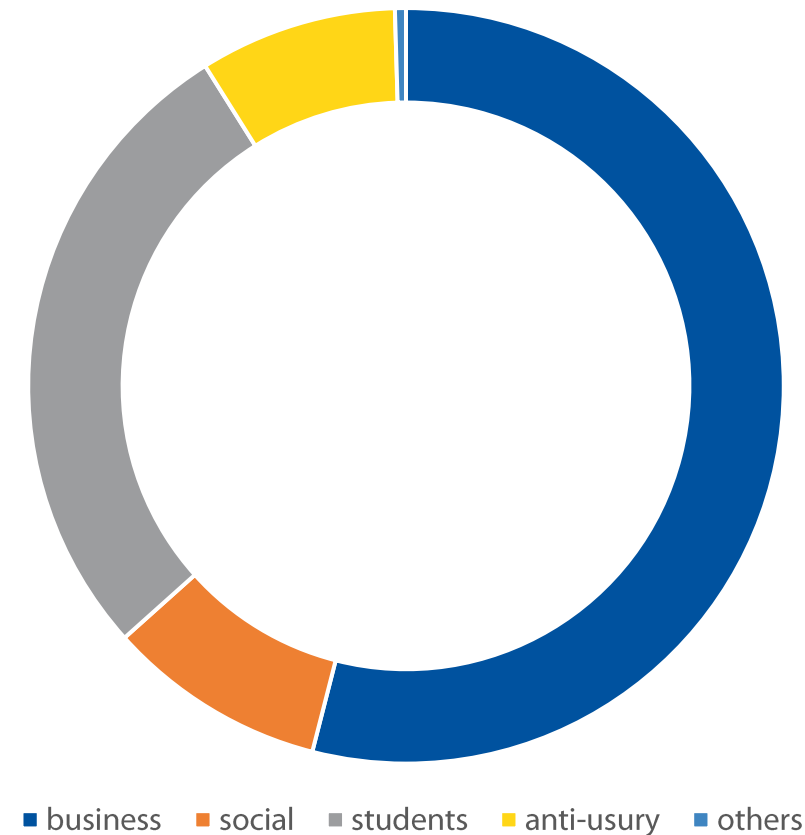
Microcredit in Italy– figures 2022

Report on financial inclusion and microcredit in Italy



- 130 microcredit providers
- 15.679 beneficiaries
- 213,71 million euro
Total amount of loans

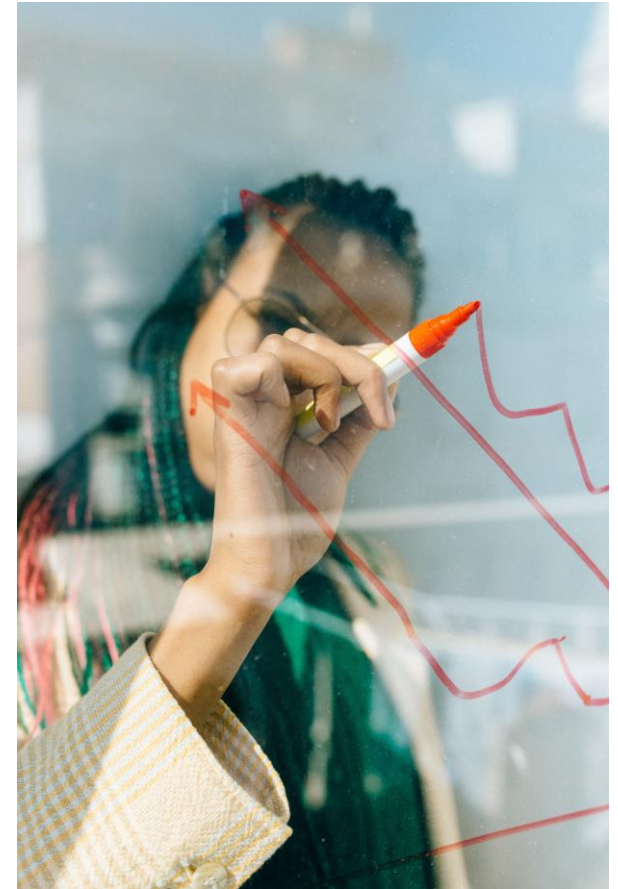
Types of loans





The main problems in the development of microcredit supply:

- The construction of **territorial networks** capable of identifying and directing demand.
- The capacity to provide **non-financial services** (the economic sustainability of the service).
- The difficulties in accessing adequate **funding** instruments for microcredit operators.
- The risk profile of those financed and the lack of adequate **risk management instruments** (guarantee funds).



The main microcredit products in Italy:



- Social microcredit
> max 10.000 €

- Business microcredit
> max 75.000 €
in some case 100.000 €





Building pathways to financial inclusion able to articulate and coordinate the two main products according to financial needs.



Financial exclusion in Italy: **families**

Figures by ISTAT



- **4.4 %** of Italian families do not have a bank account. This means that they have no access to financial instruments (savings or payment).
 - > 1.1 million families, about 2.3 million people
 - > 78,2 % of these families is based in the south of the country.
- According to preliminary ISTAT estimates, in 2023, families **in absolute poverty** stand at **8.5%** of total resident families, corresponding to about **5.7 million individuals**.

Financial exclusion in Italy: **young people**

Figures by ISTAT



Italy is the second country (among the EU27) with the **highest Neet rate**.

- **2,1 million of young people in Italy** are not in education employment or training (NEET).
- 59% of the Italian NEET are **women**.
- The highest numbers are reported in the **south of the country**.

Financial exclusion in Italy: **overindebted people**

Annual Report Banca d'Italia 2023



- In 2022 over than **7 million people are in a situation of over-indebtedness** in Italy.
- In 2023 there were approximately 127,000 households in default on at least one mortgage payment.
- About 198,000 households had to pay an instalment of more than 30% of their income between 2023 and May 2024.

Building pathways to financial inclusion that can articulate and coordinate the two main products according to financial needs.



- Personal financial needs (lack of income from work, unforeseen expenses, healthcare costs, etc.).
- Over-indebtedness situations (prevention of and fight against usury).
- Vocational training and work integration projects.
- Micro-enterprise and self-employment projects.

The main target populations



- Young people under 35 - NEETS
- Women re-entering the labour market
- Migrants
- Unemployed over 50
- Over-indebted and victim of loansharking



The diversity of microcredit providers in Italy.



Microcredit providers in Italy



- Microcredit operators
ex art. 111 (13 operators)
- Financial intermediaries
ex art. 106
- Guarantee cooperatives
- Anti-usury foundations

- MAG and cooperatives
- Associations
- Private companies

Fondazione Welfare Ambrosiano - FWA

Italian experiences



- Heidi Ceffa, General director

The Foundation is a non-profit organization, founded in 2009 by the Municipality of Milan, the Metropolitan City of Milan, the Chamber of Commerce of Milan Monza Brianza Lodi, CGIL, CISL, and UIL. It promotes initiatives for individuals and families with the aim of contrasting transitory forms of difficulties. Its mission is to offer opportunities and temporary economic support to people living or working in the Metropolitan City of Milan in order to facilitate the overcoming of economic difficulties and to foster the development of work and training strategies useful to permanently overcome need. Thanks to the collaboration of a wide network of public and private partners, this economic support is accompanied by counselling, orientation, and training actions.





- Silvia Sinibaldi, Deputy-Director

Caritas Italiana is the pastoral body of the Italian Bishops' Conference whose task is to promote charitable initiatives for integral human development, social justice, and with a special attention to those living in vulnerable conditions.

Areas of intervention:

- promoting charity through concrete actions towards people and communities living under challenging conditions;
- organising and coordinating emergency responses in Italy and abroad;
- carrying out studies and research on basic needs, and on their roots, in order to overcome them;
- educate for peace, dialogue and a culture of welcome;
- promote voluntary work and foster the training of pastoral charity and social workers.



- Emma Amiconi, President

The Foundation is a European think tank established in 2001, based in Rome. The Foundation uses citizenship as a point of observation of the transformations taking place in societies to animate the public debate in Italy and Europe.

The foundation's work is carried out through research, consultancy to private companies, public institutions and civic organisations, policy work, cultural and scientific dialogue, training, and the design and implementation of projects on issues of immigrant empowerment and cultural and educational poverty.



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