

## **CDP: 170 years serving the country**

### **18 November 1850**

CDP's history is deeply intertwined with Italy's economic and social development. Established by the Parliament of the Kingdom of Sardinia on 18 November 1850, it was used by Cavour who understood its potential. After 1861, Cassa Depositi e Prestiti made a significant contribution to the country's economic unification. Its headquarters followed the moves of Italy's capital from Turin to Florence, and then to Rome. The financing of infrastructure (railways, ports, roads, telegraph networks) made it possible to develop the country's capital base, thus contributing to the unification of the internal market and increasing economic productivity.

### **1875: creation of the Postal savings system**

In 1875, CDP was entrusted with collecting postal savings to be used for economic modernisation. This was a very important step. CDP's main lending activities involved financing to municipalities for the construction of roads, schools and water and sewerage systems.

### **The early twentieth century: a model administration**

Savings grew, and so did funding and the institution's importance. In 1910, Cassa Depositi e Prestiti inaugurated its new headquarters in Via Goito, near the Ministry of the Treasury, in Via XX Settembre. The majestic building reflected the reputation that the Institute already had at the time. In the first decade of the century, CDP was now established as a model administration. Indeed, the Italian government promoted its direct participation with a stand of its own in the universal exhibitions being held in those years: Paris 1900, St. Louis 1904, Milan 1906, London 1909, San Francisco 1910, and Turin 1911. CDP received various awards and honours from the international juries at these events.

### **1924: Postal Savings Bonds**

The introduction of postal savings bonds in December 1924 was a decisive step in successfully securing funding. This instrument is particularly suited to the needs of small investors who are drawn to the high

return and the possibility of converting bonds into cash at any time. In the 1920s and 1930s, CDP backed the creation of entities linked to Alberto Beneduce, including IMI and IRI, by subscribing to their initial share capital.

### **The 1950s and 1960s: CDP supports the Italian economic miracle**

CDP's efforts to support reconstruction after the Second World War were significant. The years of the "economic miracle" are an era of intense growth. CDP, directly and indirectly, finances the construction of new national power grids, road and telephone networks. CDP also contributed to the reconstruction following major disasters: from the flooding of the Polesine in 1951 to the Vajont disaster in 1963; from the flooding in Florence in 1966 to the Belice earthquake in 1968.

### **The 1970s to the 1990s: new role, identical mission**

Faced with an economic slowdown, in the 1970s local authorities turned to CDP for help in dealing with growing deficits. The reform passed in 1983 gave CDP more autonomy with regard to capital and accounting. With the formal reorganisation approved in 1999, the Ministry of the Treasury authorised CDP to accept deposits directly from general government and public entities, and also allowed it to place securities through financial intermediaries. By the end of the 1990s, CDP became increasingly involved in financing infrastructure projects.

### **2003: CDP becomes a joint-stock company**

Law 326 of 2003 transformed CDP into a joint-stock company (70 per cent owned by the Ministry of the Economy and Finance, and 30 per cent held by 66 bank foundations). CDP thus left the perimeter of the public administration and became a "market unit" that is required to operate on the market like a private investor, assuming the risks and benefits of each transaction.

### **2006: a "monetary financial institution" like its French and German counterparts**

In 2006, the European Central Bank classified CDP as a "monetary financial institution", like the French CDC-Caisse des Dépôts et Consignations (founded in 1816) and the German KfW-Kreditanstalt für Wiederaufbau (founded 1949). During the 2008-2009 financial crisis, CDP assumed an important counter-

cyclical role in supporting and stimulating investment. Its activities were expanded to include lending to facilitate access to credit for SMEs and support for exports, cooperation with developing countries, and the enhancement of public real estate assets and social housing.

### **2012: the CDP Group is formed**

In 2012, CDP assumed control of SACE and SIMEST, companies that support export and international expansion, and Fintecna, which controls Fincantieri, one of the world's leading shipbuilding groups. The CDP Group was born. CDP intensified the acquisition of equity investments in large state-owned companies, thus becoming an important holding company. Today, these equity investments are organised into five areas: CDP S.p.A. (ENI, Poste, Tim); CDP Reti (Italgas, Snam, Terna); CDP Equity (Ansaldo Energia, Saipem, Open Fiber, Bonifiche Ferraresi, Th Resort); Fsi Investimenti (which includes: Sia, TreviGroup, Valvitalia, Inalca); Fintecna (Fincantieri).

### **2015: A greater role, even at an international level**

In 2015, Cassa Depositi e Prestiti became the Italian Financial Institution for Development Cooperation, playing a strategic role in supporting international cooperation, combining development priorities and encouraging European and Italian companies to play a greater and more active role in emerging and developing markets.

Under the 2016 Stability Law, Cassa Depositi e Prestiti was designated a National Promotional Institution, giving it a key role in the implementation of the Juncker Plan in Italy.

### **2018: CDP in the local areas**

In 2018, a Business Plan was approved which formalises the start of a new phase for Cassa Depositi e Prestiti in which it will play an increasingly proactive role in supporting economic growth and sustainable development. The Plan has triggered a far-reaching transformation and will enable the investment of substantial resources in favour of enterprises and local areas and communities, increasing the number and effectiveness of CDP's actions to support the country's growth.