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Contact: Maria Kayamanidou and Ignacio Puente González

E-mail: Maria.Kayamanidou@ec.europa.eu and Ignacio.PUENTE-GONZALEZ@ec.europa.eu

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Giuliana Gemelli
Maria Alice Brusa

DISCI - Department of History, University of Bologna
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1 Contextual Background

1.1 Historical background

The philanthropic tradition in Italy is strong, and it dates back to to medieval times, when the Church started to support, coordinate and control the problems of the poor. Driven by the need to manage a huge heritage, the Church began to consider the concept of a legal person, regardless of whether there was or not a universitas personarum or a universitas rerum (for example, a foundation!). Many pious institutions, on the initiative of Church institutions, as well as of private citizens, aimed at charities whose main goals consisted in the donation of food and clothes for poor people, as well as in collecting dowries for girls in need. All these institutions enjoyed tax exemptions.

In the last few centuries, due to the transformations that have occurred in most European countries and mainly in the United States, foundations have assumed a more structured configuration and have become progressively independent from religious institutions.

In the second half of the 19th century while Germany and France initiated legislation which aimed at a wider liberalisation for associations to be gained through administrative local process (registration by judicial powers), in Italian ‘anomaly’, which characterised associations’ legislation, became increasingly in evidence. The starting point was in 1848 with the Statuto Albertino, in which the authorisation procedure was aborted. The peculiarity of the Statuto Albertino was overwhelmed by the orientation of the Italian government to close down associations if they were suspected of being a threat to public order. It was a very ambiguous set of rules that represented in themselves an authoritarian interpretation of the balance between State power and individual freedom of association. The final decision about the existence of associations was ultimately in the hands of judicial power (the magistratura).[1]

The reason for such an ambiguous statement in the Albertinian Code was to inhibit by law what the law itself was unable to produce at the level of civil society. Intermediate entities between the State and the limited organisational powers granted to the private sector, were classified in a juridical no man’s land, as ‘amphibious’ entities, the enti morali, deprived of any juridical status, except for the fact of being administrated by the State through its magistratura. The introduction of the legal form of foundations as institutions of public utility in the Civil Code of 1942 did not change de facto their juridical nature. Foundations can come into existence only through an act of concession, through which the public authority bestows a legal personality (White Paper on Foundations in Italy, 2003: 25): This legislation is still waiting for an in-depth structural reform.

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This orientation was overwhelmed by the attitude of the Italian State towards the Church. Despite legislation that was meant to contain the expansion of Church institutions (enti canonici) and to attract, within the framework of public law, institutional bodies situated at the border between non-confessional and confessional aims, the growth of a new social set of practices and institutions, called ‘beneficenza’, generated and consolidated an ambivalent institutional framework. Those bodies, the opere pie, belonged to the same juridical framework as the enti morali and were placed under the control of the public administration. In most cases, the opere pie and the enti morali acted as bureaucratic entities. In the worst cases, private or strictly political interests dominated them. They existed in Italy until the last decades of the 20th century, when the opere pie were suppressed and the IPAB Istituzioni pubbliche di assistenza e benevolenza were privatised and rapidly transformed into Foundations – by maintaining, however, their original culture and political aims, which was the result of special decrees, not of any general, revised legislation. In the last twenty years ‘the real effect of laws in transforming public bodies into foundations is that of creating new form of public-private partnership’, by developing legislation designed to reduce the role of the public sector as well as the financial burden of the State in dealing with the social problems and concerns of civil society. In Italy, philanthropy is still a synonymous with the old ‘beneficenza’. Outstanding Italian scholars and personalities in the world of foundations gave credit to this conceptual assimilation. [2]

In Italy, scientific academic entrepreneurship is not very well developed for several reasons, including the role of the control of political parties over scientific policies and the lack of legitimacy of science policy as a constitutional factor. Actually, even at the present time, the interaction between research and innovation within the framework of foundations’ activities, despite recent initiatives, needs to be structured: it appears as a scattered or an uneven pattern. It is a matter of fact that a very recent report on the new orientation of foundations, above all bank origin foundations, in developing this framework, and particularly regarding technological transfer, states that: ‘while the available knowledge is growing as well as the institutional actors who are ready to exploit it from the economic perspective, the number of actors who have to be coordinated in order to succeed is also growing. The focus is only on the technological aspects and this means that the interest is mainly and even exclusively on the applied dimension of this process, rather than in its complex implications on society as a whole’. From the point of view of institutional configurations of foundations in Italy, one should once again recall historical factors. After World War II, in Italy, despite the creation of few American-style foundations and their emerging role of attracting the leading personalities who represented the social faction of the changes in the Italian élite, there was not only a collapse of large-scale research programs, both in natural and social sciences, but also an ongoing crisis in the few private research institutions which, using the legal and institutional pattern of foundations, tried to facilitate dialogue between universities, private institutions and the government, and to enhance institutional competitiveness in the private and public sector as a pattern in policy-making strategies. Instead of producing a snowball effect, by using foundations as conveyors, catalysts and drivers, innovative experiments in institutional and scientific policies were isolated and oriented towards producing phenomena that one can define as recurrent enclosure effects in innovation strategies. [3]


3 Gemelli, G. op. cit.
1.2 The legal and fiscal framework

Concerning the foundations' fiscal laws, in Italy there exists as detailed, specific legislation that controls specific institutions, such as family foundations or bank origin foundations, but, since 1942, global legislation concerning the so-called third sector is still waiting for its own legislation and the relevant reform of the constitutional acts. In Italy, a foundation must be established through a public deed by a public notary or by testament. The deed must include the article of incorporation and the statutes of the institution specifying the name of the foundation, the registered office, its mission and the available assets. Only when the foundation is formally established can the process of becoming a legal entity be performed by the founder; this process makes the foundation completely independent from its founder and beyond their control. In general, foundations differ in several aspects, above all in their structural and organisational models. Differences emerge in their organisation in relation to the acquisition of a legal personality at a national or regional level, and in relation to the quantity and tasks of the statuary bodies. From the point of view of legal personality, there are two possible procedures: foundations with national recognition, which are set up at government regional offices such as prefectures, and foundations added to the register of legal entities, established by the Regions (or even by the Autonomous Provinces). With regard to their internal structure based on their statute, foundations generally operate with a limited number of organs: about 70% of them claim to have only four statuary bodies. With regard to the President and the Board of Directors, the organs most frequently at work are the College of the Auditors of Accounts, the Vice President and the Director. [4] In Italy, foundations, like the rest of the non-profit sector, are not subject to any preferential tax regime, because their nature is not, according to the Italian State, a valid reason to generate tax incentives. One could say that foundations in Italy, despite the absence of specific global legislation, have a specific legal status based on the role played by foundations as being ‘socially meritorious’. In addition to the benefits provided to nonprofit organisations and specifically to foundations related to the payment of direct and indirect taxes, national tax law grants subsidies to foundations that make donations or grants to nonprofit organisations, which are active in particularly worthwhile areas from the point of view of social needs and/or economic development. [5]

Foundations should provide and meet the specific requirements in their deed according to the Legislative Decree 460/1997, which include:

- The exclusive pursuit of goals of social solidarity and the prohibition from carrying out activities other than those mentioned in the statute.
- The prohibition from distributing profits or surpluses and the obligation to use them for institutional activities.
- The obligation to donate the Foundation's assets to other nonprofit organisations in case of dissolution, and the obligation to write and publish an annual financial statement.

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4  Moreschi, B. op. cit., pp. 18-19
The law provides significant tax benefits, including:

- Total exemption from tax and regional tax only in what concerns the institutional activities and related (non-business) activities.
- VAT exemption for hospital services, nursing, education and training, and social and health services in general.
- Exemption from stamp duty and the obligation to issue receipts (only for institutional activities).
- Simplification of accounting.
- Exemptions and concessions from various municipal taxes, and provincial, regional and capital income.

With regard to the most important legislative reforms, the decree of the President of the Italian Republic N° 132/03 is particularly significant for foundations because it recognises for those foundations which carry out ‘scientific research activities of particular social interest’ a role which is similar to NPOs. The President’s amendment is a clear expression of an attempt to give greater unity to the complex world of the third sector in terms of taxation. At the same time, it also reveals the lack of any global, coherent legislation concerning the nonprofit sector. With specific regard to research goals and activities, Article 3, Decree No. 132/03 states that foundations, according to their statutory rules, operate directly or through universities, research organisations and other foundations that can also directly carry out those specific activities. In the first case the presence of appropriate operational structures such as professional resources, and appropriate forms of financing is required. In the second case, the relations with third parties should be governed by conventions, which should establish specific guidelines.\[6\]

1.3 The foundation landscape

How many foundations are there in Italy? How many of these are actually operating? None of these questions have a satisfactory answer due to the inadequacy and the fragmentary nature of the available sources. In addition, the numbers are uncertain and a simple declaration of the legal existence of a formal foundation does not automatically certify that it is operating. In order to have a general idea of the number of foundations in Italy we still refer to the survey carried out in this field of research by the Fondazione Giovanni Agnelli.\[7\] At the end of 2005, according to the ISTAT – Istituto Nazionale di statistica – database, the most recent statistical national survey on foundations, there were 4 720 foundations active in Italy, showing a significant increase in comparison with the late 1990s, when there were around 3 000. The most recent census survey on the entire third sector, again by ISTAT, and published in 2013, revealed that the number of foundations created in Italy in the last few years has experienced exponential growth.

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7 Demarie, M. op. cit., p. 18
If the transformation of a large number of public institutions into ‘foundations’ (frequently as a label rather than an institutional reality) certainly contributed to this significant increase, we cannot ignore the positive effects produced by the debate concerning their legal patterns and configurations. The debate has certainly contributed to the emerging role of modern foundations more aligned with international models, such as corporate foundations as well as family foundations and private independent foundations.

### 1.4 Types of foundation

The traditional nineteenth-century distinction between associations and foundations in Italy does not explain the complexity of their institutional and political framework at present. Since the end of the last century it frequently occurs that institutional entities that are not foundations, have nevertheless indicated in their title the label of foundation. Ironically, foundations are not obliged to put this label in their title.

Two are the most common types of foundations in Italy: the first type are operating foundations, which are equipped with one or more operational structure, aimed at the achievement of their purpose, while the second type, grantmaking foundations, are institutional bodies which reach their mission and aims by providing grants.

Community foundations have been established more recently and are less developed and widespread compared to the types of foundation described above. They have also developed institutional patterns

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8 Barbetta, G.P. op. cit., p. 24
and organisational models that are not according to international patterns, that is, the Anglo-Saxon type, which is horizontal rather than ‘vertical’ and quite bureaucratic, as in the Italian context. A growing trend, which is in contrast with the rest of Italy, where the number of foundations is decreasing, and especially in the South, where it has decreased from 19% to 14.9% (according to the ISTAT survey of 2005). These data were confirmed by a more recent study on the entire third sector by ISTAT, which we got from its main conclusion. The 9th General Census on Industry and Services in 2011 registered 301,191 nonprofit institutions representing 6.4% of the legal-economic bodies active in Italy. This was the most dynamic sector in the 10-year period between the two censuses, with a growth registered in 2001 higher than that of the business sector. Comparing the number of institutions with a resident population, the North East is by far the geographical area where this sector is most widespread (64.9 institutions per 10,000 inhabitants). In addition, the Centre (55.8) and the North West (52.6) are well represented, while the islands and the southern part of the country show lower indicator values (44.4% and 35.7%, respectively). The sector of activity with the largest number of institutions is culture, sport and recreation, with over 195,000 institutions, equal to 65% of the national total. Welfare and civil protection, with over 25,000 institutions (8.3% of the total) represent the second largest sector of activity, followed by labour relations and interest representation (5.4%), education and research (5.2%) and Health (3.6%). The remaining sectors account for 12.5% of nonprofit institutions. In terms of average size, the health sector is the largest, with about 14.5 employees and 30.8 volunteers per institution. Economic development and social cohesion is the only sector where the number of employees is higher than that of volunteers.

Table 2:

<table>
<thead>
<tr>
<th>Geographical area</th>
<th>Operating %</th>
<th>Granting %</th>
<th>Both %</th>
<th>Total 100 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>North West</td>
<td>55.5</td>
<td>16</td>
<td>28.5</td>
<td>2,087</td>
</tr>
<tr>
<td>North East</td>
<td>48.7</td>
<td>21.3</td>
<td>30</td>
<td>978</td>
</tr>
<tr>
<td>Centre</td>
<td>39.3</td>
<td>22.5</td>
<td>38.2</td>
<td>951</td>
</tr>
<tr>
<td>South</td>
<td>46.6</td>
<td>26.6</td>
<td>26.8</td>
<td>704</td>
</tr>
<tr>
<td>Italy</td>
<td>49.5</td>
<td>20</td>
<td>30.5</td>
<td>4,720</td>
</tr>
</tbody>
</table>

Foundations currently active in Italian territory are mostly newly established institutional entities. One should consider, however, as already emphasised, that the largest portion of foundations are the product of the process of the privatisation of public institutions. Thus, compared with the rest of Europe, founda-

10 B. Moreschi (a cura di), Le fondazioni in Italia, anno 2005, collana Informazioni, Roma, Istat 2009, p. 15
tions in Italy are, from many perspectives, fairly anomalous. Despite the fact that there is a distinction between grantmaking foundations and operating foundations, not only are the former significantly reduced in number, but also most of the so-called grantmaking foundations are functioning as mixed foundations. According to the survey of the Fondazione Giovanni Agnelli, only the 5% of foundations are truly grantmaking. This survey is not really recent and does not consider the increasing number of corporate foundations that act as grantmaking entities, but it is a matter of fact that the complex world of foundations in Italy is fundamentally organised on the model of operating foundations (including ‘think tank’ institutes), which can obtain different sources of funding, including public funding, and which can also work in cooperation with other public entities, not to speak of political organisations at a local and national level. One of the main problems encountered by the survey of the Giovanni Agnelli Foundation concerns the strengthening of the size of foundations’ assets in Italy. This aspect, which justifies the limited number of grantmaking foundations, is clearly shown by a statistical study: less than 3% of Italian foundations have assets higher than EUR 25 million, while almost 60% have below EUR 600 000, and 30% have nearly EUR 100 000. From an organisational point of view, institutions engaged in R&D are grouped into four categories: government departments, universities, businesses and nonprofit institutions. In 2005 in Italy around a half of the spending on R&D was carried out by firms (50.4%); the rest of the spending was done by public research institutions and universities (47.5%, or EUR 7.413 billion) and only a small percentage by nonprofit institutions (2.1%) [11].

Table 3: Expenditure on R&D in Italy according to institutional sector – 2005

<table>
<thead>
<tr>
<th>Institutional sectors</th>
<th>EUR millions</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Institutions</td>
<td>2 722</td>
<td>17.8</td>
</tr>
<tr>
<td>Private Institutions (Non-profit)</td>
<td>233</td>
<td>1.5</td>
</tr>
<tr>
<td>Companies</td>
<td>7 293</td>
<td>47.8</td>
</tr>
<tr>
<td>University</td>
<td>5 005</td>
<td>32.8</td>
</tr>
<tr>
<td>Total</td>
<td>15 252</td>
<td>100</td>
</tr>
</tbody>
</table>

In general, the main research foundations in Italy seek to create partnerships and synergies with other agencies and organisations at a local, regional, national and international level, in order to carry out projects that are genuinely innovative and experimental in nature.

Italian R&I Foundations often operate by activating multi-annual programs, aimed at achieving specific goals which are cultural and scientific in nature, through a series of complex activities, which are primarily research and the communication/promotion of culture. The Ministry of Education is the public entity that, in Italy, plays the most important role in supervising and activating research institutions, including funding activities through national and international programs.

The largest umbrella organisation of Italian foundations is ACRI (Italian Association of Foundations and Savings Banks), but it represents only bank origin foundations. Established in 1912, ACRI represents the joint-stock savings banks and the foundations of banking origin that came into existence in the early 1990s as a result of the enactment of the so-called ‘Amato’ Law, no. 218/90.

The Italian bank origin foundations are classified as nonprofit, private and autonomous entities, which are involved and active in socially-oriented and economic development undertakings. There are 88, and they have substantial resources available to them, which are deployed in diverse, balanced and profitable investments. They use the income generated through the wise and balanced management of investments to accomplish their institutional purpose, which aims to provide support for various collective-interest sectors (art and culture, education, research, support for the underprivileged, local community develop-

12 Barbetta, G.P. op. cit., p. 25
ment etc.) through projects which are the expression of both private and public nonprofit entities. The 88 bank origin foundations are different in size as well as in their local, national and even international activities.1 Their role is that of promoting development, not only within the territories where they are based and where they have deep roots, but also across the entire country. Their role is carried out in two ways – as institutions that provide philanthropic resources both to nonprofit entities and to local beneficiaries, and also as important institutional investors.

In addition, an umbrella association, the CNFU (National Coordination of Academic Foundations), supports university foundations. The CNFU was created to carry out the coordination of the System of Italian University Foundations, respecting the autonomy of individual university foundations. The CNFU promotes and strengthens the study of the specific problems of university foundations, their bodies of reference and the territory in which they operate. The CNFU represents their needs and their guidelines. The CNFU collects data, makes proposals concerning foundations’ economic systems and public administration, encourages them to support the development of institutional activities, and, in particular, of the instrumental activities concerning the support of teaching strategies and research activities in science and technology, based on the university system.

1.5 Research and innovation funding in Italy

During the last decade, Italian R&D activities have increased moderately, reaching 1.25 % in 2011. Overall, the R&D outcomes both in the public and private sectors have increased over the last decade, but only to reach levels that remain very far from those of other European countries, particularly within the framework of the relations between research and technological innovation, by developing a trend towards specialisation in low-technology-intensive products.

Without any doubt, in Italy the main priority in the field of R&D is to generate momentum and stimulate commitment towards increasing R&D strategies based on improving and supporting the business framework as the main agent for innovation and economic structural change. [13]

The European Innovation Scoreboard is the main instrument of measurement used by the EU to generate a ranking of European countries with the largest and most promising capabilities in the field of innovation. The EIS is based on 26 statistical indicators and makes use of the RIS (Regional Information Survey), which quantifies regional innovation at a European level. Italy, compared to other European countries, has a very low ranking within the framework of European Innovation. The core board, and more generally the Italian ranking in research and innovation, is far from reaching the level of the other advanced economies. Nevertheless, Italy shows a good performance regarding human capital (high growth in the number of doctorates, despite the limited impact in terms of job opportunities), and demonstrates a good ability to exploit the results of research abroad (revenue from the sale of licenses and international patents), but, paradoxically, appears weak in the entrepreneurial system that enhances and exploits them. In particular, the country shows an increasing decline in expenditure on innovation, is poorly connected to research and development, as well as a decrease in cooperation between cross-border firms. We need to make a
systematic evaluation of the impact of the economic and financial crisis on this field compared to other historical periods, as well as to other countries on which the crisis had a similar impact to Italy.

After the Second World War, Italy was characterised by a process of reconstruction and economic and social development, along with accelerated industrialisation, the expansion of public research, particularly in the fields of physics, chemistry, nuclear physics and electronics, and, in terms of production, the emergence of high-tech industries in sectors such as chemicals, pharmaceuticals, electronics and aeronautics. The continuous development of the science and technology system was reflected in an increase in expenditure on R&D both in absolute terms and in relation to the GDP. The ratio of expenditure on R&D compared to the GDP increased progressively up to a 1.3 % share in 1990; but from the mid-1960s most of the large-scale industrial firms in the fields of electronics, telecommunications, energy, and medical and public health research entered a period of decline which reached a level of 1.1 % in 2005.

Expenditure on R&D by public bodies and businesses in Italy in 2006 amounted to EUR 15.599 billion, equal to the amount from the previous year when expressed in real terms. The data in Table 3 show that, during the period 2002-2005, expenditure expressed in real terms decreased by 1.5 %.

The relationship between R&D expenditure and GDP during the period 2002-2005 was maintained, despite some modest fluctuations, at around the 1.1 % level. [14]

Table 5: Expenditure on R&D compared to the GDP in Italy

<table>
<thead>
<tr>
<th>Year</th>
<th>Current price values (EUR millions)</th>
<th>Values at constant prices 2000 (EUR millions)</th>
<th>% Change from previous year (constant 2000 prices)</th>
<th>Ratio R&amp;D/GDP (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>14 600</td>
<td>13 714</td>
<td>4.1</td>
<td>1.13</td>
</tr>
<tr>
<td>2003</td>
<td>14 796</td>
<td>13 460</td>
<td>-1.8</td>
<td>1.11</td>
</tr>
<tr>
<td>2004</td>
<td>15 252</td>
<td>13 510</td>
<td>0.4</td>
<td>1.10</td>
</tr>
<tr>
<td>2005</td>
<td>15 599</td>
<td>13 513</td>
<td>0.0</td>
<td>1.10</td>
</tr>
</tbody>
</table>

The institutional sectors that we have so far considered are: public institutions, universities, business and nonprofit institutions. The last one, according to the latest census by ISTAT, are generating a continuous wave of growth and economic impact, but we still need a comparative estimate with all the other sectors, as well as an in-depth analysis of the impact of this growth within the specific framework of research and innovation. While we are still waiting for this in-depth analysis, we can say that in 2006 the public sector still generally appeared as leading and represented 48.3 % of the national budget for R&D (EUR 8.133 billion) (see Table 6). [15]

[15] Ivi, p. 18
This amount was mostly intended for universities (58.8%) and institutional bodies in public research (30.9%), but a significant proportion was also devoted to firms, to which public support consisting of 8.2% of the total expenditure was allocated (this figure should be integrated with 80.2% self-financing), while the rest came from foreign sources, typically companies (11.6%). The Italian business sector, in turn, supported only 40.4% of Italian research expenditure.

The EIS – European Innovation Scoreboard 2013 survey over the last five years places Italy among ‘Moderate innovators’, with performances below the EU average and with three structural challenges to be addressed: financial innovation, talent mobility, and technology transfer from research to market.

What characterises this somewhat negative situation in Italy is, on the one hand, the still negligible role of risk capital among the sources of financing in R&I and, on the other hand, the inadequate experience in terms of relationships between companies and the research community, as well as the modest coordination concerning technology transfer. More specifically, regarding the interfaces (e.g. subjects or procedures) capable of interacting productively, companies are either missing or playing a limited role. The same limits appear when one analyses the performance of researchers and/or funders of research and innovation projects. The debate about the division of tasks in order to ensure the dialogue is still open represents a very critical question. What is clear is that, while on a global scale there are established practices and standardised contracts through which the process of promoting matches between scientists and innovators/firms and between them and lenders in other relevant sectors is already set up, in Italy, with a few exceptions, obsolete procedures are still at work and de facto prevail.

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16 Ivi, p. 20

One of the elements that characterises this Italian structural weakness is the scarcity of industrial research. The strategy stated by Europa 2020, which indicates a target expenditure on R&D equivalent to 3 % of the GDP, is the strengthening of private funding in research in order to have at least two thirds of the total R&D expenditure coming from the private sector (business and private nonprofit). If this target has been achieved by most of EU countries, Italy is still characterised by the relatively strong role of the public sector in the field of research. In particular, in 2009 Italian companies carried out R&D with a total expenditure of EUR 10.2 billion (53.3 % of the national total), universities EUR 5.8 billion (30.3 %), the public sector EUR 2.5 billion (13.1 %), and finally the private nonprofit institution sector EUR 634 million (3.3 %). In terms of GDP, Italy’s weakness in the private sector is confirmed, with a ratio of private companies’ expenditure on R&D equal to 0.7 % of the GDP, almost half of the European average (1.2 %). [18]

In the case of Italy (which ranks 1.1 %), the percentage of 3 % is below the target to be reached for various reasons: the reduced size of the scientific public system, which should undergo considerable expansion in a relatively short time; the specialisation of the business sector in traditional technologies that do not require large investments in R&D and, above all, the lack of national policies that should really give a higher priority and larger financial resources to science and technology policies. [19]

It should, however, be noted that in recent years some important changes have been taking place: during the period 2004-2009 the relationship between the public and private sectors in terms of the total expenditure on research changed, and underwent an increase of 12 % in corporate spending, while public spending shrank by 7 %.

Over 70 % of industrial research, as stated above, is focused in the northern part of the country, and especially in Lombardy, Piedmont and Emilia-Romagna. Another component of this strong polarisation is the positive and increasing role of the nonprofit sector, which, however, is based mostly (more than 75 %) in the northern part of Italy, especially in Lombardy. [20]

18 http://www.istat.it/it/files/2013/03/11_Ricerca-e-innovazione.pdf p. 236
19 Sirilli, G. op. cit., p. 56
20 Ivi, p. 238
2.1 Identification of foundations supporting R&I

Based on origins, history, cultural tradition, amount of resources, sectors and patterns of intervention, number of employees and geographical distribution, Italian foundations make up an extremely complex landscape. Foundations seem to have their own distinct institutional ‘personality’, each with its own tradition and roots. However, they present some common behaviour: they share a culture that privileges individual action and leadership, as well as links with the political framework, at a local level. Italian foundations are an expression of autonomy, self-government, and sometimes give the impression of living in quite an isolated world, despite their – actually, few - umbrella organisations. The rationale of creating a database for Italian foundations started with the selection through the Internet of the most important organisations at work within our territory. In fact, with the exception of the ACRI and a few other organisations that coordinate another type of foundation (like ASSIFERO), there is no database, which has produced recent data since the 2005 Istat survey. The 2013 ISTAT census on the third sector analysed the entire sector, and we are waiting for a specific analysis of the role of foundations. After an initial check of the general umbrella organisations present in Italy, which, however, do not show a specific distinction for R&I foundations, the search continued through the selection of individual foundations, which were then contacted individually. The key words for identifying foundations, in addition to research and innovation, were development, improvement, industrialisation, progress, economic growth etc. Additionally, there is no database that performs a distinction between actual research and development foundations and those that support research and development, although, according to the results, we can say that in Italy the latter certainly prevails. This research has allowed the identification of research and development 122 foundations which we believe reflect the criteria required by the EUFORI Study. This number does not include the 88 foundations grouped by ACRI, which we had originally considered excluding from this research. The reasons we opted for this include several factors, the chief among them being the fact that the foundations of banking origin often spend most of their energy and their funds on cultural projects, art or architecture, while scientific research and technological innovation is at the core of the activities of a small number of banking origin foundations which, in general, are still struggling to find a specific area for an institutional commitment. Scientific research remains, for bank foundations, except in few cases such as Fondazione CARIT, Fondazione CASSAMARCA, Fondazione Monte dei Paschi di Siena and Fondazione Cassa di Risparmio di Trento e Rovereto, quite marginal, with an average of about 5 % - 7 % of the total contributions allocated. Even in cases in which the role of research and innovation is stated as a mission, there is always a strong emphasis on issues as ‘Public health, preventive and rehabilitative medicine’, aimed at improving the efficiency and quality of hospital facilities in the area of reference and the performances of the health services and primary care provided by them (such as the purchase of technological equipment for laboratories, diagnostic activities as well as surgery departments). We contacted

several foundations and asked them to publish and broadcast about the EUFORI Study (snowball strategy) in order to strengthen and increase the amount of information collected, but the idea of a common effort to boost this process did not make a real impact. Actually, the database created for this project is probably the most complete in Italy, in addition to the 88 banking foundations grouped under the umbrella organisation ACRI.

2.2 The survey

All the foundations listed on the database received a phone call and an email to inform them about the EUFORI Study, in order to prepare the right groundwork for them to receive the information letter from the VU University. During the telephone conversation, we asked for the name of a contact person to whom emails could be sent, which was usually the head of innovation and research sector. Only in rare cases did the foundations provide a generic email (e.g. info@...), while in most cases the email address provided was precisely that of the referent in that sector.

Out of 122 foundations catalogued, only 44 responded to the questionnaire. The percentage of foundations that filled in the survey questionnaire totalled 36.07 %. Only 40 foundations indicated that they support research and scientific innovation.

After a first analysis of the responses received from the Italian foundations, in order to obtain an acceptable response rate we called the most important foundations on the database a second and even a third time, and sent another email to the others.

2.3 The interviews

In order to develop the qualitative part of the study, we selected six foundations which presented the relevant aspects in terms of performing best practice, as well as having transparency policies, including, in most cases, online balance sheets and social reporting. We also considered a foundation which does not exist anymore as an operating foundation, but has had a strong impact in terms of stimulating and promoting research in genetics in the Mediterranean area, and is still active: the Eurogene Foundation continues in fact to coordinate training and advanced research in genetics.

Unfortunately, the willingness of the foundations’ executives and program officers to participate in face-to-face interviews did not have a great impact. In general, we were asked to carry out a written interview instead of interactive interviews, even by phone or via Skype. There were some exceptions, such as the Foundation Isabella Seràgnoli and the Telethon Foundation, which are among the most important foundations supporting health policies and bio-medical research on Italian soil.

The choice of foundations interviewed was carried out according to criteria which allowed us to gain a general overview of the landscape of R&I in Italian foundations, although de facto this was based on a few examples which had a sufficient time-scale level of activities. It is too early and we need more data to analyse the recent and expanding role of bank origins foundation in their specific fields (see below). We therefore identified one corporate foundation (Fondazione IS), which is an exception in our country, espe-
cially for its ability to create strong connections with institutional, local and regional, private and public organisations, as well as to promote and enhance community-oriented activities and projects that achieve high standards of excellence, reproducibility and long-term sustainability.

We also selected another foundation which is part of an international network; Fondazione Cenci-Bolognetti – Istituto Pasteur. The Institute Pasteur International Network links 32 institutes, united by the same missions, the same culture and the same values. The Istituto Pasteur – Fondazione Cenci Bolognetti joined the global network in 1970. We also selected one of the most important Foundations in Italy that promotes excellent research standards by selecting projects based on merit which are carried out by public entities as well as by private nonprofit organisations; the Fondazione Telethon. Another foundation, which represents a particular case study, because it is based on the collaboration between heterogeneous subjects, is the Fondazione FIORGEN. In the field of economic research, energy and technology, we selected the Fondazione FEEM, whose mission is to improve through research the quality of decision-making in the public and private spheres, with a specific focus on international cooperation on a wide range of climate change, sustainability, energy and economic issues. Finally, we selected, as one of the rare foundations in southern Italy supporting research and innovation, the Fondazione Ri.Med, and a foundation which, despite not being a large institution, is quite competitive in the field of biomedical research in the pediatric sector, The Fondazione Monza e Brianza per la mamma e il suo bambino. Unfortunately in this case it was also not possible to obtain detailed and direct information, except from their website.
3 Results

3.1 Types of foundation
The total number of foundations that responded to the questionnaire sent for the EUFORI project was 44 out of 123 identified on Italian soil.

Excluding the three foundations that do not carry out research and some incorrect data, 24 foundations supporting R&I in 2012 specialised in research (see figure 1), while the share of exclusively innovation-oriented foundations was negligible, with just one foundation. The graph and the resulting data reflect quite well the Italian situation in the field of research and technological innovation. Italian researchers are among the first in Europe for productivity in terms of publications in international journals. This means they possess a wealth of advanced knowledge and scientific skills, which are the starting point for generating innovative technologies. Unfortunately, Italian companies, which should be the principal transformers of technical and scientific knowledge into technology ready for the market, are mostly micro, small and medium-sized enterprises, with only a few large ones. In addition, the competitiveness of most of these companies operating in sectors such as technology, at least at the level of their products, is, mainly dependent on the efficiency and the innovation of their processes and systems production and other non-technological factors.

Figure 1: Types of Foundation by R &I
As a percentage of a total number of Foundations (N=44)

Source: EUFORI Survey

Less than 50 % of the foundations that responded to the questionnaire are exclusively focused on innovation and research. Nearly 30 % (27.87 %) indicated they were mainly focused on R&I, and the remaining 27.78 % instead allocated its funding mainly to other projects. The figure that emerges from the survey also confirms the findings from the analysis of banking foundations, which, as we have seen prefer financing, in most cases, local cultural projects.
In Italy, foundations that operate in the field of R&I are predominantly operating, while a much smaller number is grantmaking, and only three carry out both activities. Most of the foundations that responded to the questionnaire prefer distributing their funds to R&I, with a predominance going to applied research. Only one foundation allocates 20% of its expenditure to research, while the remaining 80% goes to other purposes.

The strong tradition of foundations in Italy is confirmed by the presence of institutions that date back to the 1920s, either as the year of establishment, or the year of registration. Even if most foundations date from the beginning of this century, it must be repeated that the increase in the number of foundations in recent years has been supported by the process of privatisation of public institutions which has happened in Italy in relatively recent times. In view of this process, not all the foundations established in recent years can be considered as genuinely new, as is often the case with institutions of very ancient origins which have passed from the public to the private sector (See chapter 1).
3.2 Origins of funds

3.2.1 Financial founders

The two main groups that represent the financial founders of the foundations we selected are private individuals or families and the public sector, which usually constitute a unique financial founder (See figure 5).

In the event that the financial founder is a university, the foundation usually works in collaboration with the public sector, while in rare cases with private individuals or families. The number of foundations that have a hospital as their financial founder (only one and in collaboration with other bodies) or a research institute (two) is rather limited.

Generally a governing board (with appointed members or elected members) is in charge of defining a foundation’s annual strategy.

Moreover, if we consider the data obtained from the questionnaire sent to foundations, the gap between the public and private sector is less relevant.
3.2.2 Income

According to the ISTAT survey specifically devoted to foundations, in 2005 revenue totalling EUR 15.6 billion, with an average amount for each foundation of about EUR 3.3 million was declared. Regarding the sources of financing, foundations recorded their revenue as being predominantly from the private sector, while much less came from public sources.

If we compare these data with the amounts from our survey, we can say that the trend has generally continued. The total number of foundations that declared the value of their income for the year 2012 was 21 out of 44. Only three foundations declared a total income exceeding EUR 20 million. The largest group comprised foundations that have a total income of between EUR 1 million and EUR 8 million, namely nine foundations. The remaining six foundations declared amounts under EUR 1 million. The total income in 2012 of the 21 Italian foundations that answered completed the questionnaire was EUR 518 199 675.30 within a range of EUR 150 000 and EUR 257 606 000.

<table>
<thead>
<tr>
<th>Statistics Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of foundations</td>
</tr>
<tr>
<td>Mean in Euros</td>
</tr>
<tr>
<td>Median in Euros</td>
</tr>
<tr>
<td>Total income in Euros</td>
</tr>
</tbody>
</table>

Source: EUFORI Survey
If we also take into consideration the data from our interviews, for example the Foundation FEEM, we can say that the total revenue for 2012 totalled EUR 7,855,816. Contributions from founders and ENI companies represented the main source of funding for the annual budgets, accounting for 59% of the total revenue in 2012. FEEM is an example of a foundation whose largest share of income comes from companies.

The analysis of the sources of income is based on the results of the EUFORI Survey, because in Italy an official database does not exist that can integrate our sources.

<table>
<thead>
<tr>
<th>Source of income</th>
<th>Amount in Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from an endowment</td>
<td>20,174,869</td>
</tr>
<tr>
<td>Donations from individuals</td>
<td>276,952</td>
</tr>
<tr>
<td>Donations from for-profit corporations</td>
<td>8,429,000</td>
</tr>
<tr>
<td>Donations from other nonprofit organizations</td>
<td>3,603,687</td>
</tr>
<tr>
<td>Income from government</td>
<td>699,790</td>
</tr>
<tr>
<td>Service fees, sales etc.</td>
<td>115,278,179</td>
</tr>
<tr>
<td>Other</td>
<td>9,562,293</td>
</tr>
<tr>
<td>Unknown</td>
<td>344,233,077</td>
</tr>
<tr>
<td>Total income</td>
<td>518,199,675</td>
</tr>
</tbody>
</table>

Source: EUFORI Survey
The principal source of an original endowment of a foundation in Italy is ‘Donation of money from initial founder(s)’. The sources ‘Property (i.e. land or/and buildings)’ and ‘Legacy/bequest (all type)’ are more or less at the same level. Shareholdings (securities) from initial founder(s) are the least common source of an original endowment for a foundation in Italy. According to the EUFORI Study data, patents, proceeds from privatisations or others are not a source of a foundation’s original endowment.

A more specific analysis of foundations with income from government subsidies and grants shows that, despite the government being one of the main financers of foundations, there are not often government representatives on the governing boards or the supervisory board, and the government’s influence on decisions concerning the allocation of funds is very limited.

### 3.2.3 Assets

The total assets of Italian foundations in 2012 was EUR 328 848 560.63 (out of 13 foundations ranging from EUR 50 000.00 to EUR 32 246 737). If we consider the total assets of foundations that indicated the value of their assets in the EUFORI questionnaire, we can draw the conclusion that, in general, foundations, in terms of the percentage of their total activity focus their resources into long-term investments in securities (e.g. bonds, common stocks and/or long-term notes).

![Figure 8: Total assets according to category in Euros, 2012](image)

*As a percentage of the total number of foundations (N=14)*

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR 0-100 000</td>
<td>7%</td>
</tr>
<tr>
<td>EUR 100 000-1 000 000</td>
<td>7%</td>
</tr>
<tr>
<td>EUR 1 000 000-10 000 000</td>
<td>14%</td>
</tr>
<tr>
<td>EUR 10 000 000-100 000 000</td>
<td>36%</td>
</tr>
<tr>
<td>EUR 100 000 000-1 000 000 000</td>
<td>29%</td>
</tr>
<tr>
<td>Do not want to answer</td>
<td></td>
</tr>
</tbody>
</table>

Source: EUFORI Survey

<table>
<thead>
<tr>
<th>Statistics assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of foundations</td>
<td>14</td>
</tr>
<tr>
<td>Mean in Euros</td>
<td>25 296 043.13</td>
</tr>
<tr>
<td>Median in Euros</td>
<td>2 693 000</td>
</tr>
<tr>
<td>Total Assets in Euros</td>
<td>328 848 560.63</td>
</tr>
</tbody>
</table>

Foundations have often assumed a role of substitution due to the chronic lack of strong institutional investors, which still represents an anomaly and a specifically Italian handicap compared with more advanced economies and financial systems, but with which Italy has to compete. For foundations, long-term investments seem to be the best way to make significant progress in the various fields of development (training,
research, social housing, infrastructure, innovation and the environment). They are necessary for growth, competitiveness and social cohesion, but they cannot always be financed from public budgets burdened by the crisis, and therefore increasingly they need the competition of private investors and lenders.

3.3 Expenditure

3.3.1 Total expenditure

The percentages generated from the analyzed data, reveal that foundations in Italy have preferred to make investments in research, while expenses for innovation have been few, sometimes at level zero. If we consider the values in the pie chart we can say that in Italy several million Euros have been spent to stimulate research. Despite that, it is difficult to find Foundations with expenditures for research over 4.000.000 €. It’s easiest to identify Foundations that allocate expenses for research below 2.000.000 €. Concerning the total expenditures for Innovation, in 2012, have not been planned at all for more of 3.000.000 €.

Figure 9: Distribution of assets
As a percentage of total (known) assets

![Pie chart showing distribution of assets]

Source: EUFORI Survey

<table>
<thead>
<tr>
<th>Distribution of Assets</th>
<th>Assets in EUR millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>9 793 884.47</td>
</tr>
<tr>
<td>Long-term investments - securities</td>
<td>30 353 091.39</td>
</tr>
<tr>
<td>Long-term investments – fixed assets</td>
<td>13 078 480.75</td>
</tr>
<tr>
<td>Long-term investments – special funds</td>
<td>1 934 804.23</td>
</tr>
<tr>
<td>Other</td>
<td>63 444.76</td>
</tr>
<tr>
<td>Unknown</td>
<td>273 624 855.02</td>
</tr>
<tr>
<td>Total assets</td>
<td>328 848 560.63</td>
</tr>
</tbody>
</table>

3.3 Expenditure

3.3.1 Total expenditure
Figure 10: Total expenditure according to category in Euros, 2012
As a percentage of the total number of foundations (N=24)

![Pie chart showing the distribution of total expenditure in Euros.]

- EUR 0-100 000 Euros: 5%
- EUR 100 000-1 000 000 Euros: 26%
- EUR 1 000 000-10 000 000 Euros: 59%
- EUR 10 000 000-100 000 000 Euros: 5%
- EUR 100 000 000 Euros or more: 5%

Statistics expenditure

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of foundations</td>
<td>24</td>
</tr>
<tr>
<td>Mean in Euros</td>
<td>19 679 695.71</td>
</tr>
<tr>
<td>Median in Euros</td>
<td>2 492 417.00</td>
</tr>
<tr>
<td>Total expenditure in Euros</td>
<td>373 914 218.44</td>
</tr>
</tbody>
</table>

Figure 11: Distribution of total expenditure according to research, innovation and/or other purposes
As a percentage of total known expenditure (N=18)

![Pie chart showing the distribution of total expenditure.]

- Expenditure to Research: 62%
- Expenditure to Innovation: 18%
- Expenditure to other purposes: 20%

Source: EUFORI Survey

<table>
<thead>
<tr>
<th>Expenditure on</th>
<th>Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>29 532 724.44</td>
</tr>
<tr>
<td>Innovation</td>
<td>9 255 789.26</td>
</tr>
<tr>
<td>Other purposes</td>
<td>8 569 930.74</td>
</tr>
<tr>
<td>Unknown</td>
<td>326 555 774.00</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>373 914 218.44</td>
</tr>
</tbody>
</table>
The particularly high value of the ‘Unknown’ category and the subsequent inability of six foundations to allocate their costs to research, innovation and other areas in the Italian case may have several explanations. One of the main causes is that in Italy foundations, particularly bank origin foundations, that are the wealthiest, do not practise capital risk directly and tend to leave the responsibility for innovation and decision-making in capital risk to other organisations, such as research institutes. Another cause can be traced in the very nature of some foundations such as IRCCS (scientific institutes for hospitalisation and care), which are hospitals of excellence whose main goal is to carry out clinical research and the management of health services. These foundations have quite a significant research dimension, but their predominant policies remain health services and disease diagnosis. Therefore they do not produce a lot of expenditure.

Last but certainly not least, there is the issue of dissemination. Even if in the questionnaire it was explained that all types of support for research were included in the survey, dissemination, which appears to be the main goal of these foundations to the detriment of scientific research, seems to justify their inability to accurately allocate funds to research, innovation and other purposes. If we consider the amounts declared in the EUFORI survey, and the high value of the ‘unknown’ category, all these aspects are relevant in explaining the substantial lack of expenditure data in the questionnaire

### 3.3.2 Research

The research area in which Italian foundations mainly operate is applied research. The percentages of expenditure confirm these data, revealing that the majority of foundations (according to the valid data) used between 75 %–100 % of their funds for applied research.

About 60 % of the research-oriented foundations support basic research, while more than 80 % deal with applied research. The overlap between the two types of foundation, calculated on the basis of the survey data, is 50 %.

**Figure 12: Distribution of expenditure on research; basic vs applied**

As a percentage of the total number of foundations (N=24)

67 %

83 %

Basic research

Applied Research

Source: EUFORI Survey
The difficulty of sharing funds and the limited amount invested by the government in research activities should be considered a relevant factor in explaining the low ranking of research as a national strategic issue compared to other European countries. The picture of the reality of Italian science as a whole as revealed by assessments by several international organisations, such as OECD, conceals some serious problems that must be analysed and addressed before they cause a general collapse of the entire research system in Italy. The first of these problems concerns industrial research, and the second is Italy’s very low degree of attractiveness as a country where research can be carried out.

In Italy, little is spent on the scientific research industry, and financial resources dedicated to the research industry in general are particularly scarce. Also, from the OECD statistical data, we can see that while Italy has 67% of the OECD median for public spending on research, it has just 50% for industrial investment in research. In fact, basic research has the advantage of a greater distribution of expenditure compared with applied research. Instead, it seems that there is no predominance in terms of the percentage of the total research expenditure going to scientific projects and programs, or to research-related activities. There is still a very high value for the ‘Unknown’ category, which seems to be characteristic of all of the survey’s results.

<table>
<thead>
<tr>
<th>Distribution of expenditure on research</th>
<th>Direct vs research-related</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct research (N=12))</td>
<td>11 343 606.94</td>
</tr>
<tr>
<td></td>
<td>39 %</td>
</tr>
<tr>
<td>Research-related (N=11)</td>
<td>8 969 399.19</td>
</tr>
<tr>
<td></td>
<td>30 %</td>
</tr>
<tr>
<td>Unknown</td>
<td>9 219 718.31</td>
</tr>
<tr>
<td></td>
<td>31 %</td>
</tr>
<tr>
<td>Total expenditure on research</td>
<td>29 532 724.44</td>
</tr>
<tr>
<td></td>
<td>100 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Distribution of expenditure on research</th>
<th>Basic vs applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic research (N=13)</td>
<td>14 590 166.85</td>
</tr>
<tr>
<td></td>
<td>49 %</td>
</tr>
<tr>
<td>Applied research (N=13)</td>
<td>10 326 617.59</td>
</tr>
<tr>
<td></td>
<td>35 %</td>
</tr>
<tr>
<td>Unknown</td>
<td>4 615 940.00</td>
</tr>
<tr>
<td></td>
<td>16 %</td>
</tr>
<tr>
<td>Total expenditure on research</td>
<td>29 532 724.44</td>
</tr>
<tr>
<td></td>
<td>100 %</td>
</tr>
</tbody>
</table>

### 3.3.3 Innovation

Italy is still dramatically behind in terms of the picture that emerges from the reports of the European Commission dedicated to the countries' ability to innovate, which is also confirmed by the EUFORI survey. Our country invests less than half of all its competitors in research (about 1% of the GDP). This gap is only partly explained by the fact that our industrial structure largely comprises small and medium-sized enterprises. Investment in research has been continually sacrificed at the expense of the future of the country. The weaknesses consist of the low numbers of doctoral students from outside Europe and the few innovative companies that collaborate with others. The strengths are instead only to be found in international scientific co-publications.
Even the lack of cooperation between small and medium-sized innovative enterprises, which is wholly inadequate in the entire peninsula, with rare exceptions, is a real reason for concern for Italy in the field of innovation, as well as private investment in R&D, where Italy is mostly below the EU average.

Of the 21 foundations that responded to the questionnaire for the EUFORI study, only seven indicated that they allocate a percentage of their expenditure to innovation, but only six also provided the amount they spent, with a total of EUR 9 255 788

### 3.3.4 Changes in expenditure

Compared to the previous fiscal accounting year, half of the Italian foundations reporting in the EUFORI study increased their expenditure on R&I. The data reveal that than seven foundations out of 22 maintained the same amount of spending, and even that four foundations decreased their expenditure.

These data, certainly not positive, also indicate the percentage of increase in expenditures. In only one case it is equal to 100 %, but usually it is between 1 % and 20 %.

**Figure 13: Changes in expenditure on research and innovation compared to the previous year**

As a percentage of the total number of foundations (N=22)

- **Increased**: 50%
- **Decreased**: 18%
- **Remained about the same**: 32%
- **Just started to support R&I**: 0%

**Source: EUFORI Survey**

**Figure 14: Changes in expenditure on research and innovation, expectations for the following year**

As a percentage of the total number of foundations (N=22)

- **Increased**: 59%
- **decrease**: 9%
- **Remain about the same**: 32%
- **Discontinued**: 0%
3.4 Focus of support

3.4.1 Beneficiaries

Since this analysis only applies to grantmaking foundations, the number of responses is lower if compared with other questions. The data are particularly significant, as they show, above all, what is not funded or is excluded from funding by foundations in Italy.

Certainly the education sector (public and private) is the one in which a lack of funding is the most evident, while research centres and public research bodies are still the principal beneficiaries for a number of foundations. While public HEIs still receive a reasonable amount of funds from foundations, although less than 50% of their funding, the private education sector is completely excluded from funding.

3.4.2 Research areas

Foundations in Italy mostly support medical science, while the field of natural science, i.e. mathematics, physics, astronomy, chemistry and so on can be in ranked second place. It is important to emphasise the inadequate role played in Italy by research areas, which theoretically should play a primary role; agricultural science and, especially, engineering and technology, in some cases are funded even less than the humanities.

Figure 15: Research areas
As a percentage of the total number of foundations, multiple answers possible (N=26)

<table>
<thead>
<tr>
<th>Research Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical sciences</td>
<td>73%</td>
</tr>
<tr>
<td>Natural sciences</td>
<td>31%</td>
</tr>
<tr>
<td>Social and behavioural sciences</td>
<td>27%</td>
</tr>
<tr>
<td>Humanities</td>
<td>19%</td>
</tr>
<tr>
<td>Engineering and technology</td>
<td>15%</td>
</tr>
<tr>
<td>Agricultural sciences</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: EUFORI Survey
3.4.3 Research-related activities

The dissemination of research is certainly the main activity supported by foundations in Italy. A good level is reached also by the field of infrastructure and equipment, i.e. laboratories, research centres etc., as well as technology transfer. Research and activities related to civic mobilisation or advocacy have less support.

Figure 16: Research areas
As a percentage of total known expenditure on research

- Natural Sciences (N=1)
- Engineering and Technology (N=1)
- Medical Sciences (N=4)
- Agricultural Sciences (N=0)
- Social and Behavioral Sciences (N=7)
- Humanities (N=1)
- Other (N=1)

<table>
<thead>
<tr>
<th>Expenditure on</th>
<th>Amount in Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural sciences (N=1)</td>
<td>220 000</td>
</tr>
<tr>
<td>Engineering and technology (N=1)</td>
<td>200 000</td>
</tr>
<tr>
<td>Medical sciences (N=4)</td>
<td>5 260 417</td>
</tr>
<tr>
<td>Agricultural sciences (N=0)</td>
<td>0</td>
</tr>
<tr>
<td>Social and behavioural sciences (N=2)</td>
<td>7 838 540</td>
</tr>
<tr>
<td>The humanities (N=1)</td>
<td>49 000</td>
</tr>
<tr>
<td>Other (N=1)</td>
<td>100 000</td>
</tr>
<tr>
<td>Unknown</td>
<td>15 864 701</td>
</tr>
<tr>
<td>Total expenditure on research</td>
<td>29 532 724</td>
</tr>
</tbody>
</table>

Source: EUFORI Survey

Figure 17: Research-related activities
As a percentage of the total number of foundations, multiple answers possible (N=19)

- Dissemination of Research: 95%
- Infrastructure and Equipment: 53%
- Technology Transfer: 37%
- Research Mobility and Career Development: 37%
- Science Communication/Education: 32%
- Other: 26%
- Civic Mobilisation/Advocacy: 16%
- Not specified in to categories: 0%

Source: EUFORI Survey
3.4.4 Changes in expenditure on research and research-related activities

When comparing the past five years and 2012, the foundations in Italy that have expanded their funding into different research areas are those operating in medical science (from 16 to 19 foundations), which is consistently the most-funded research area, and in social and behavioral science (from 4 to 7). Some exceptional foundations have supported more than one research area in the past 5 years.

Concerning research-related activities, we can say that there has been no increase in the foundations that support them. Only in the field of infrastructure and equipment in Italy can we see a shift from seven foundations to ten.

<table>
<thead>
<tr>
<th>Expenditure on</th>
<th>Amount in Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research mobility and career development (N=5)</td>
<td>3 615 812</td>
</tr>
<tr>
<td>Technology transfer (N=2)</td>
<td>2 992 093</td>
</tr>
<tr>
<td>Infrastructure and equipment (N=4)</td>
<td>3 832 559</td>
</tr>
<tr>
<td>Dissemination of research (N=7)</td>
<td>1 078 117</td>
</tr>
<tr>
<td>Science communication/education (N=1)</td>
<td>732 961</td>
</tr>
<tr>
<td>Civic mobilisation/advocacy (N=0)</td>
<td>0</td>
</tr>
<tr>
<td>Other (N=2)</td>
<td>1 293 110</td>
</tr>
<tr>
<td>Not specified into categories (N=0)</td>
<td>0</td>
</tr>
<tr>
<td>Unknown</td>
<td>15 991 342</td>
</tr>
<tr>
<td><strong>Total expenditure research</strong></td>
<td><strong>29 532 724</strong></td>
</tr>
</tbody>
</table>
3.5 Geographical dimensions of activities

3.5.1 Geographical focus

This study has revealed that the geographical distribution of expenditure with respect to the percentage of total expenditure on research and innovation has a purely regional or local character, and does not reach a national level. The data clearly express the geographical limits within which Italian foundations work. Only in very few cases do their activities include European areas, and even fewer are involved in international programs. One foundation that operates in other EU countries has reported difficulties in terms of political and intellectual property rights.

Figure 19: Geographical focus of support
As a percentage of total (known) expenditure on research and/or innovation (N=20)

Source: EUFORI Survey

<table>
<thead>
<tr>
<th>Geographical level</th>
<th>Amounts in Euros</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local/Regional level</td>
<td>12 316 266</td>
</tr>
<tr>
<td>National level</td>
<td>4 330 931</td>
</tr>
<tr>
<td>European level</td>
<td>3 586 840</td>
</tr>
<tr>
<td>International level</td>
<td>1 800 936</td>
</tr>
<tr>
<td>Not allocated</td>
<td>16 753 540</td>
</tr>
<tr>
<td>Total expenditure on R&amp;I</td>
<td>38 788 514</td>
</tr>
</tbody>
</table>

3.5.2 The role of the European Union

The data emerging from the questionnaire reveal that the role of the EU in relation to foundations should, in particular, endorse collaboration with foundations in projects, as well as providing fiscal facilities and, to a lesser degree, provide a legal framework and structure to enhance collaboration.
3.5.3 Contribution to European integration
Italian foundations contribute to European integration especially with regard to the encouragement and support for joint research projects within Europe

Figure 20: Role of the European Union
As a percentage of the total number of foundations, multiple answers possible (N=24)

<table>
<thead>
<tr>
<th>Role of the European Union</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborate with foundations in projects</td>
<td>71 %</td>
</tr>
<tr>
<td>Providing fiscal facilities</td>
<td>62 %</td>
</tr>
<tr>
<td>Evaluate projects from Foundations</td>
<td>46 %</td>
</tr>
<tr>
<td>Providing a structure to enhance collaboration</td>
<td>46 %</td>
</tr>
<tr>
<td>Providing a legal framework</td>
<td>46 %</td>
</tr>
<tr>
<td>Investing in an information infrastructure by...</td>
<td>42 %</td>
</tr>
<tr>
<td>Contribute to awareness raising about foundations</td>
<td>42 %</td>
</tr>
</tbody>
</table>

Source: EUFORI Survey

3.6 Foundations operations and practices
3.6.1 Management of foundations
A governing board with appointed members is the main body in charge of the management of Italian foundations; in other cases this role is played by a governing board with elected members and only rarely is it played by the original financial founder.
Concerning the number of governing board members, Italian foundations usually have governing boards with fewer than 10 people. Only in rare cases do they exceed 15, while none of the foundations which completed the questionnaire reached 20 members.

The data presented in the questionnaire reveal that 3 foundations have over 3,000 professional paid staff (FTE), 4 foundations between 1,000 and 3,000, and 4 between 150 and 500 (FTE), but the majority (14 foundations) have over 50 employees.

### 3.6.2 How do grantmaking foundations support research?

This question is applicable only to foundations that support grants; consequently the number of responses is limited compared to the other questions.

In general, foundations in Italy are characterised by a lack of evidence showing how grants have been spent after funded projects have been completed, taking into account the fact that most of the granted projects are on a short-term basis, although they are frequently renewed. The practice of funding each organisation only once does not seem to be particularly widespread in Italy. For a few years the practice of applying the venture philanthropy model has been developing in a small number of foundations, including bank origin foundations (see below).

### 3.6.3 Engagement in partnerships

The principal partners of Italian foundations that aim to develop joint research are other foundations, universities and hospitals; whereas limited importance is devoted to programs developed by others nonprofit organisations. Partnerships are developed because of pooling expertise and/or sharing infrastructure, and for increasing impact. The need to relate these partnerships to increase legitimacy is considered to be of minor relevance.

**Figure 22: Partnerships**

As a percentage of foundations, multiple answers possible (N=23)

- Yes, with Universities: 74%
- Yes, with research institutes: 61%
- Yes, with companies: 61%
- Yes, with foundations: 57%
- Yes, with non-profit organisations: 52%
- Yes, with Hospitals: 48%
- Yes, with governments: 30%
- Yes, with other: 4%
- No: 22%

Source: EUFORI Survey
3.7 Roles and motivation

3.7.1 Roles

In Italy the role of foundations in the domain of R&I is often ‘complementary’ (a complement to public/other programs/aims), or ‘substituting’ (a substitute for public/other programs/aims). Therefore, it is not surprising that, as the data reveal, foundations in Italy play a small role in initiating and starting up original projects with the expectation that other public or private institutions will take over once the innovation seed money granted by the foundations themselves takes effect. It is also very unusual that Italian foundations play the role of competitors, or even aim to compete.

Figure 23: Motivation partnerships
As a percentage of foundations, multiple answers possible (N=18)

Source: EUFORI Survey

Figure 24: Roles of foundations
As a percentage of the total number of foundations according to role

Source: EUFORI Survey
3.7.2 Motivations (in-depth interviews)

There are, however, a few exceptions that we have selected following the rationale of institutional excellence, as well as their location on a national level in order to give an overview of the geographical dimensions. One should keep in mind the asymmetrical density of foundations between the northern and the southern regions of Italy. Thus, the level of ‘representation’ of innovative practices should be considered within the framework of this asymmetry.

Among the examples of innovative practices and activities of foundations in the field of research and innovation with specific reference to institutional configuration as well as successful partnerships, we have selected the following foundations:

**The IS Foundation**

The IS Isabella Seràgnoli Foundation. The Seràgnoli family has long been committed to charitable work and this philanthropic vocation has grown and strengthened over the years as the new generations have taken over. Indeed, philanthropy became a family affair when Enzo Seràgnoli and his cousin Ariosto, co-founders of the G.D. Company, consciously recognised the precarious socio-economic situation of the workers in Italy at the end of the Second World War. In the following years, the family’s social engagement brought about a comprehensive approach to several issues, mostly related to supporting culture, community development, research, education and healthcare. When in 2003, Isabella Seràgnoli established the IS Foundation, providing philanthropic activities with a formal framework, and the consolidation of their social and cultural capital became the foothold and cornerstone of all their subsequent activities. Since then, the IS Foundation has worked at the intersection of several focal areas, maintaining a portfolio of interconnected initiatives. In order to create a true systemic change, the IS Foundation seeks and adapts the best operating practices adopted nationally and internationally by the business community and the nonprofit sector, believing that ‘smart’ means of achieving goals in a cost-effective manner – doing good, doing well – can be borrowed by acting in an entrepreneurial manner, as well as through the benchmarking of policies and practices embraced by scientific and cultural institutions around the globe. The IS Foundation operates on a nonprofit basis, in the public interest and pro bono in several fields, including the arts, culture, education, scientific research, healthcare and so on, by leading, coordinating and controlling grantmaking activities, development projects and several consolidated companies, mostly second-level foundations. While the strategic and constituency-based funding focus is managed at a senior level, operating foundations functionally connected to the holding company – the IS Foundation – uphold an executive profile:

- The Hospice Foundation (healthcare) and ASMEPA (research and education) both deal with palliative care.
- The Gruber Foundation (healthcare), which manages a residential facility and an outpatient clinic for eating disorders.
- The MAST Foundation (art, technology and innovation), which provides various services to the G.D. company, as well as to the community.

Besides managing strategy, the effective coordination of activities and the division of tasks, the IS Foun-
ITC Foundation is in charge of providing its subsidiaries with share services and functions such as financial management and administration, accounting and control, purchasing management, and ICT management. Fundraising activities and communication are also governed at a central level. In terms of human resource management, although the IS Foundation is in charge of HR management and policy, building divisions or departments with relative autonomy and leaving only crucial decisions to be made by the central governing institution, may become a realistic option in order to cope with the quick growth the IS.F Group has been facing lately. The IS Foundation and its second-level entities are governed by dedicated boards which approve the annual budgets (with the backing of an independent audit committee), provide supervisory functions, and serve as key sources of expertise in developing and evaluating projects. As mentioned previously, partnerships and interacting with other sectors of society are the IS foundation’s most important achievements and reasons for excellence and innovation.

Seeking the widest social return on investment, the IS Foundation promotes networks of heterogeneous institutional bodies – government agencies, universities, research centres, private players, civil society, companies and the business community – on most issues and at several levels of co-partnership. Interventions in the healthcare sector in particular are consistently developed through public-private partnerships, aiming at matching supply with demand and offering the highest quality standards for free to patients and their families.

Finally, we should mention a rare policy in the Italian context, i.e. policy-making based on transparency policies; the IS Foundation’s policy-making processes are inspired by pivotal issues such as effectiveness, accountability and transparency, both internally – by committing to the mission, setting high standards and removing information/communication asymmetries – and externally, involving community representatives in decision-making processes and circulating annual reports (to stakeholders, shareholders, authorities and the community in general).

**The Eni Enrico Mattei Foundation**

Fondazione Eni Enrico Mattei (FEEM) is an independent foundation officially recognised by the President of the Italian Republic in 1989. FEEM was founded by Eni and nine of its subsidiaries with an initial endowment of EUR 13 million. FEEM is a player in promoting innovative projects since it is not a grantmaking institution supporting research, but conducts independent research using its own human capital and coordinated programs based on several streams of research that are up to date in spite of their age, frequently in cooperation with international institutions and agencies. FEEM’s research staff includes experienced international research leaders with key responsibilities in the design and implementation of projects, senior and junior residential researchers working in the offices of Milan, Venice and Viggiano, and research associates, typically affiliated to a university or to other research institutions and involved in specific projects. FEEM has worked at national and international levels with and for several policy institutions, such as the United Nations, the European Environmental Agency and the World Bank. With regard to funding, the largest sponsor of FEEM’s research activities over the years is the European Commission, in particular through its RTD framework programs. Successful research is primarily a cooperative venture, and FEEM has always strived to create strong links with the international scientific community and partnerships with
leading institutions. Built up over the years by involving the best researchers and top research institutions on various projects, the international research network allows FEEM to remain acquainted with state-of-the-art scientific knowledge, to spread its results more widely and involve its human capital in international interaction. FEEM’s global footprint is quite impressive: today, FEEM is linked via joint projects, partnerships or associations with over 600 research institutions operating in 90 countries around the world. It is worth mentioning that over the years, FEEM has also contributed to the creation of a number of thematic networks and associations, such as the European Association of Environmental and Resource Economists (EAERE). Concerning pilot projects, we should mention that the starting point of FEEM’s research is the realisation of the high level of complexity of the problems emerging in the global economy, and more particularly the economic and energy situations in terms of corporate and cultural responsibility. In 2012 FEEM consolidated its research activities into three research programs: i) ‘Climate Change and Sustainable Development’, ii) ‘Energy: Resources and Markets’, and iii) ‘Economy and Society’.

The research programs concerned with ‘Climate Change and Sustainable Development’ address the two inter-related issues of climate change and sustainable development, as well as a corollary of key topics in the field of environmental economics. The research program concerned with ‘Energy: Resources and Markets’ is carrying out socio-economic analysis in a vital area which will become even more strategic in the coming decades. The research programs concerned with ‘Economy and Society’ promote a multidisciplinary approach to scientific research on the human and social dimension of economic progress and civilization. The research projects have dealt with, inter alia, the new sources of competitiveness in the global economy, the third sector’s contribution to welfare progress and employment, and Euro-Med cultural and political issues.

Climate can be considered as being at the innovative core of FEEM’s research outcomes. On the mitigation side, FEEM is positioned at the forefront of international research through the use of the energy-economy-climate WITCH model (http://www.feem-web.it/witch/), specifically designed to assist in the study of the socio-economic dimensions of climate change and to help policy makers understand the economic consequences of climate policies. On the impact side, FEEM investigates the impacts of climate change on the world economy with ICES (http://www.feem-web.it/ices/), a model designed to assess the final welfare implications of climate change which captures the production and consumption substitution processes at play in the socio-economic system as a response to climate catastrophes. On the adaptation side, FEEM has introduced an endogenous adaptation sector, although in a very aggregated way, within the WITCH model (AD-WITCH), also accounting for innovation and its role in shaping dynamic adaptation strategies. Finally, FEEM has excellent know-how in the dissemination of theoretical and applied research.

As in the case of the IS Foundation, we should emphasise that FEEM’s policy-making makes specific reference to transparency policies. Through the rigour of its research, FEEM aims at improving the credibility and quality of decision-making in the public and private spheres.
The Telethon Foundation

The Telethon Foundation is a major Italian charity focused on rare genetic diseases. Telethon was founded in 1990 by a patients’ association, the Italian Union for Muscular Dystrophy (UILDM), an initiative inspired by – but not affiliated with – popular television marathons promoted in the USA and France. Telethon’s mission is to advance biomedical research towards the cure of rare genetic diseases, otherwise neglected by major public and private investments. Their ultimate goal is to make therapies available to all patients in need. To this end the Foundation funds mission-oriented research strictly selected through a merit-based evaluation process and pursues cooperation strategies with private and public institutions to achieve full therapeutic development of the obtained results. Telethon relies on donations from the public through major fundraising events (such as a television marathon in December) and diverse fundraising initiatives throughout the year. Telethon’s governance originally consisted of a Committee (Comitato Telethon Fondazione Onlus) in charge of the selection and funding of extra-mural research and of a Foundation (Fondazione Telethon) in charge of managing intramural research. With regard to partnerships and interaction with other sectors of society (government, civil society, companies, nonprofit organisations, universities) the Telethon Institute for Gene Therapy (Tiget) in Milan was created in 1995 through a joint venture with Ospedale San Raffaele (a private, nonprofit hospital).

In recent years, the Telethon Foundation has established partnerships with pharmaceutical companies and biotech companies; these agreements were created to promote collaboration with the industry towards the translational development of research lines carried out by the Telethon institutes (TIGET in Milan and TIGEM in Naples). The goals set by these partnerships aim at the ultimate clinical development and registration of therapies in order to make them available to all patients in need. Concerning areas of research/action and their international impact, currently 50 % of funds support translational research projects. In terms of genetic deceases, Telethon-funded research is internationally recognised as having contributed significantly to the global advancement of research on genetic diseases in the last 24 years. In particular, in the field of ex vivo cell therapy, the Telethon Institute for Gene Therapy in Milan has established a leading role in the international arena with three successfully completed trials (Ada-Scid, metachromatic leukodystrophy and Wiskott Aldrich syndrome) and its forefront research on lentiviral vectors. With regard to institutional alliances, Telethon’s involvement in international alliances is increasing over time and provides strong opportunities for networking and collaborations.

The transparent management of funds and careful control of expenses are applied to fulfill their promises to patients and for continued support from donors. All funding decisions are subject to peer-review and evaluation by an international Scientific Committee and by ad-hoc review panels. All financial reports by the Telethon Foundation are published yearly on the foundation’s website. All policies and official positions released by the Telethon Foundation are also published on the foundation’s website. Telethon appears particularly innovative in its relationship with stakeholders. Telethon’s mission in fact includes the involvement of patients and their associations in the fight against hereditary diseases.
The Ri.MED Foundation

Established in 2006, the Ri.MED Foundation is probably the most important foundation in southern Italy, whose aim is promoting, supporting and carrying out research leading to innovation in clinical practice in the fields of biotechnology, regenerative medicine, new drugs and vaccines, new-generation medical devices, and therapies for brain disorders. Ri.MED also aims to foster economic well-being by creating jobs and business opportunities at a local, national and international level. Based in Palermo, Sicily, the Ri.MED Foundation is an international partnership, whose members include the Italian government, the Sicilian regional government, Italy's National Research Council (CNR), the University of Pittsburgh and the University Of Pittsburgh Medical Center (UPMC). Biotechnology is one of the world’s fastest growing industries, and Ri.MED will help advance the biotechnology industry in Sicily and beyond through its Biomedical Research and Biotechnology Center (BRBC). BRBC is the first phase of a wider plan for a campus that could potentially include a medical school and a hospital. The Ri.MED Foundation’s BRBC will help affirm a central role for Italy and Sicily in the development of new medical therapies, biomedical products and devices, and diagnostic tests. It will also improve life expectancy and quality of life for the citizens of Italy and the world, and enhance Italy’s position in the international scientific community. Italian researchers are famous the world over, and in a number of fields – from pure science to mathematics to the social sciences. Its biotech research centre will help Italy to retain some of its best medical and scientific talents and attract some of the world’s top researchers to Palermo. Unfortunately, we were not able to gain more information through a direct interview with the executives of the Foundation. Nevertheless, we decided that it was important to provide information about a Foundation from the few that provided a balance sheet report and practise transparency policies, particularly because it involves southern Italian organisations and researchers.

The European Genetic Foundation

Another Foundation that we selected, and where we conducted an initial interview with the Founder, Professor Giovanni Romeo, did not produce the documents or the further integration that we required. It is a matter of fact, however, that this Foundation, which used to be extremely active in innovative research, since the strong impact of the economic and financial crisis is no longer operating. EFG was a nonprofit organisation founded in 1995 by a group of researchers who were involved in the activities of the European School of Genetic Medicine. The European School of Genetic Medicine was set up in Sestri Levante (Genova, Italy) in 1988 by Professor Victor A. McKusick (Baltimore, USA) and Professor Giovanni Romeo (University of Bologna). The EGF originally found its natural location in Ronzano at the CUEM (Euro Mediterranean University Center), a wonderful landscape with peaceful surroundings in the hills of Bologna. Over the last decade, thanks to the quality of its projects and its credibility, EGF has been awarded several grants of over EUR 10 million both by the European Commission and by national institutions. EGF coordinates projects in research, knowledge transfer and the development of Information and Communication Technologies (ICT). Thanks to these funds, EGF has managed to provide more than 700 fellowships to graduate and post-graduate students and to launch a series of projects aimed at transferring knowledge to the countries of the southern Mediterranean rim. The difficulty generated by the economic crisis represented a serious limit to the expansion of the foundation, particularly concerning their project of building new structures in Ronzano, which demanded a large investment of funds and resources. The plans for building the structure are still valid, but need new investors.
Finally we would like to add a brief description of three more foundations which are involved in innovative strategies:

**Fondazione Cenci Bolognetti – Istituto Pasteur** is a nonprofit foundation that was established thanks to a generous gift from Princess Beatrice Fiorenza Cenci Bolognetti. The Foundation has belonged to the Institute Pasteur International Network since 1970 and is proud to have a long tradition of excellence in biological research and in particular in the field of biotechnology. Since the 1980s, large training programs and several initiatives aiming to promote science in society have supported scientific research activities.

**Fondazione Farmacogenomica FiorGen** was founded in 2003, with the purpose of scientific progress, cultural development and social solidarity. The Foundation is a special case study since it is based on the collaboration between different institutional subjects, such as the Centre for Magnetic Resonance (CERM) at the Scientific Polo of Sesto Fiorentino, the Biomedical Polo Careggi (both University centres of Florence), the Chamber of Commerce, Industry and Handicrafts of Florence and the Ente Cassa di Risparmio di Firenze (Bank). The Foundation promotes studies whose aim is to exploit the knowledge of the structure of the human genome in order to identify targets for more effective therapies, new indicators of disease and responses to drugs, and to develop innovative drug therapies which are designed to take into account the genetic diversity of individual patients.
Due to the asymmetric and uneven configuration of research and innovation foundations in Italy, it is difficult to draw an overall map of the entire landscape. We were forced to work by focusing on a few relevant examples which fulfilled the criteria indicated by the research guidelines.

A relevant example in this respect is The Monza and Brianza Foundation per la mamma e il suo bambino (for mother and child) MBMB, which is particularly interesting and relevant because of its innovative configuration and activities. It should be taken into consideration despite the fact that it was not possible to collect detailed information through direct interviews, since it is one of the few research and innovation institutions in our country in which the criteria of challenging performances and transparency are at play. The Foundation is active in several fields of biomedical research, and assistance in pediatric diseases. Haematological diseases represent the framework of its excellence both in research as well as in assistance. The Foundation includes a department of pediatric onco-hematology, a unit for bone marrow transplantation, a day hospital for thalassemia, as well as a very advanced service for psychosocial support. Its innovation policies and programs attract the interest of pharmaceutical companies, as well as of national research bodies in terms of funding and research implementation. All their infrastructure is located at the San Gerardo Hospital in Monza (near Milano), which is an outstanding institution in cancer therapy, particularly concerning pediatric diseases. The legal framework and institutional configuration is based on a reciprocal autonomy and strong collaboration and integration between public entities (the hospital and university) and not-for profit/private bodies (including Comitato Maria Letizia Verga and Tettamanti foundation). The core of the Foundation’s activities is, along with research and cures, the care of young patients and their families through the support of civil society and volunteers. The rationale for the Foundation’s activities is ‘horizontal solidarity’, their proximity to people in need based on a strict collaboration between the private-public sectors and on economic and financial autonomy. The Foundation was created in 1979 by the Comitato Maria Letizia Verga for the study and cure of pediatric leukaemia, which includes researchers, medical doctors, parents and families in order to reach the best cure solutions and the best quality of life. The Centro di Ricerca Matilde Tettamanti’s research centre collaborates with The Azienda Ospedaliera San Gerardo di Monza, which represents the fourth public hospital for research activities in Lombardia, in strict collaboration with the Facoltà di Medicina e Chirurgia Università Milano Bicocca.

A general consideration that might explain why our research should focus on individual examples, rather than on the description of a general and coherent landscape, is that in order to have a larger and more articulated picture of research and innovation in Italy, we should also have included research institutes that are not foundations, but research centres or associations with different sizes and scopes, and which develop cooperation with public and private bodies, as well as universities. We should not forget that the diffuse nature of institutions named as ‘foundations’ in several fields of activities – not only research and innovation – is a quite recent phenomenon in Italy, and the legislation, as mentioned previously, is far from
being completely formed or defined. It should be stressed, however, that in the last ten years there have been a few foundations such as COTEC that, without directly developing research and innovation projects, produce reports, organise conferences about technology transfer, and contribute to enhancing the collaboration between private and public bodies including medium-sized and small companies and universities.

During our survey, we looked at the role of two important institutions, at least at the level of advanced research in technology, as well as the dissemination of results: the creation and the activities of the Italian Institute of Technology (IIT), located in Genova, and the recent development of activities in the field of R&D by a small number of bank origin foundations.

The IIT is a network of departments at the Central Research Laboratories in Genoa in the fields of advanced robotics, drug discovery, and the development of nanophysics, neuroscience and brain technologies, as well as Network Centres such as the Centre for Neuroscience and Cognitive Sciences, the Centre for Genomic Science, or the Centre for NanoScience and Technology. Despite a clear picture and concise report of its activities and scientific publications, its six-year report did not give any information about funding. It is actually a very concise report, 20 pages long, including pictures, for six years of activities. It is a matter of fact that, from the point of view of funding, the Institute’s creation was the matter of some debate because it was creation based on the ‘transplant’ of the endowment of the IRI Foundation, which has since been dissolved. We should also remember that the Institute has been the subject of ongoing criticism about its lack of transparency for several years after its creation. Nowadays, the Institute seems to have reached a maturity and has impact in terms of innovative research as well as technology transfer. However, we were not able to measure this transformation. In fact, it was not possible at all to evaluate the changing patterns of the Institute, since despite several attempts to contact them (phone calls, messages), there was no possibility of either gaining the required information or of obtain an interview.
5 Conclusions

5.1 Main conclusions
The quantitative analysis revealed that despite the good number of foundations listed in our study, most of them did not cooperate in a detailed inquiry because of the lack of a well-structured database or of transparency policies. Moreover, we were concerned by the impossibility of creating a clear picture of the field of analysis, which would allow a comparison between old roots and new outcomes. A crucial, but to some extent ambivalent, example is the role of the Ministry of Education and Research (MIUR) in activating research and innovation, which is basically very promising, but in practice does not allow an in-depth quantitative study. Another important example is the creation of bank origin foundations, with their large-scale financial potential in contrast with the low income of most of the R&I foundations listed in our study.

5.2 The strengths and weakness of the R&I foundation sector in Italy
Despite a few emerging cases of ‘good practice’ in supporting research in the technology and biomedical fields, bank origin foundations represent a very asymmetrical and uneven institutional framework, frequently and recently characterised by scandals (the most recent concerns one of the biggest Italian foundations, the Monte dei Paschi di Siena) as well as by the fact that practically no foundations directly promote innovative research.

Moreover, their institutional ambivalence between the statutory definition of private entities and their ‘practical’ behaviour as public agencies, which frequently deals or interacts with political issues and local or regional public powers, has produced an increasing level of criticism. Some examples, among many others, are: an article published on 24 October 2011, and the clear statements by the economist Tito Boeri, published in one of the most important Italian newspapers ‘La Repubblica’ on 25 January 2013. For more detail on the juridical consequences of the behaviour of bank origin foundations and their configuration, based on a substantial lack of transparency, there is the the illuminating essay by Simona Siani, published in the professional journal, ‘MAGISTRA’ in 2002.

Nevertheless, we should consider that quite recently a large debate within the ACRI ASSOCIAZIONE CASSE DI RISPARMIO, which was focused on technological transfer, led to an attempt to change the landscape in terms of the central issues that are at the core of foundations’ policies. From this debate and a large inquiry initiated by three researchers from the University of Bologna, technological transfer has represented since 2008 the core of a strategy to promote research as a key issue in bank origin foundations’ main mission and aims. The inquiry involved 12 foundations, 9 large-scale and 3 middle-sized, with a total of 56 % of the entire bank origin foundation system, specifically devoted to supporting research activities, and involving venture capital funds such as TT Venture, Toscana Innovation and Principia. Their aim is the
creation of new companies with high-level performance in technological innovation. In the abovementioned case, the participation of bank origin foundations is over 50%. This new model of engagement implies the growing role of bank origin foundations in the market of ‘Seed Capital and Early Stage’, with an involvement which also implies the mobilisation of foundations’ endowments. This orientation is new, but the technique of granting is quite traditional: the main practices are support for instrumental bodies – 29% of granting and 17% to non-instrumental agencies based on the ‘old’ practice of donations and public calls. The main sectors of activity are ‘Istituzioni di trasferimento tecnologico (TT)’ (TT institutions); ‘parchi tecnologici, incubatori, acceleratori d’impresa’ (technological parks, incubators, businesses accelerators and attractors); resource allocators; and grants to applied research.

The TT institutions are principally engaged in the development and application of new technologies or products, having their own facilities and researchers that work synergistically with businesses and universities. Examples include: the Istituto Superiore Mario Boella, and the companies Nesting, Renew and Siena Biotech TinNOVA, DemoCenter-Sipe, CESECA, and the Centre for Regenerative Medicine ‘Stefano Ferrari’. The technological parks, incubators, businesses accelerators and attractors have as their main activity providing high-tech enterprises with scientific facilities and services (information, advice or brokerage) to facilitate and accelerate development. Examples are Toscana Life Sciences, Sitcam-Emas, Veneto Nanotech Start-Cube, and Fondazione Filarete. The resource allocators have as their main activity providing high-tech enterprises with financial resources either through investments in capital or through grants. Examples are: Ager, Lagrange, Start-Cup Veneto, Biofund and venture capital funds.

We should also point out that the grantees within the framework of the new policies of bank origin foundations are still traditional recipients: universities and public research centres with a strong concern for applied research to be disseminated and integrated within companies. One of the recipients is the the Ic-com laboratory at the Centro Interdipartimentale Grandi Strumenti fellowship program Ismett. The main recommendation in order to evaluate this process within the framework of the exponential increase in the creation of foundations in Italy, as stated by the most recent ISTS census, we need a disarticulation and in-depth analysis of the data concerning foundations within this large-scale survey.

5.3 Recommendations

The conclusions and recommendation of our report are mainly based on the evaluation of the recurrent asymmetry, not to say ambivalence, which concerns, apart from the few exceptions listed in the in-depth analysis, the main part of Italian foundations which focus their mission on research and innovation including in recent times bank origin foundations: the main recommendation is the need to close the gap between the ‘old’ juridical and institutional framework, in which a lack of transparency and pluralistic participation is still in evidence, and the new impetus towards innovation, in which the old practices in terms of grantmaking procedures still prevail.

Another recommendation is, with a few exceptions, the necessity to overcome the lack of or the limited development of foundations which directly are engaged in research as major or exclusive actors, without an intermediary in the public sector (MIUR) or in the private sector (bank origin foundations). Old wine in new bottles? Or even according to the classical dictum ‘le mort continue to saisir le vif?’