



**Filippo Addarii**

**Citizens participation in urban regeneration  
and infrastructural projects:  
not a straight path forward**

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**Thesis: Citizens**  
participation re-centred on  
economic and financial  
agency – technology is a  
tool & politics is over



**2008 crisis: people's  
savings stopped feeding  
into the real economy**

**The challenge:** to re-establish  
the positive feedback loop  
economic expansion – jobs –  
savings – investments –  
innovation... and back again

# **Need for alternative source to financing (social) infrastructures and urban regeneration beyond public funding**

- housing, health, education: engine for local socio-economic development
- collapse public funding from 2008 and constrained by Stability Pact
- attraction vast investment capital with long term and anti-cyclical return

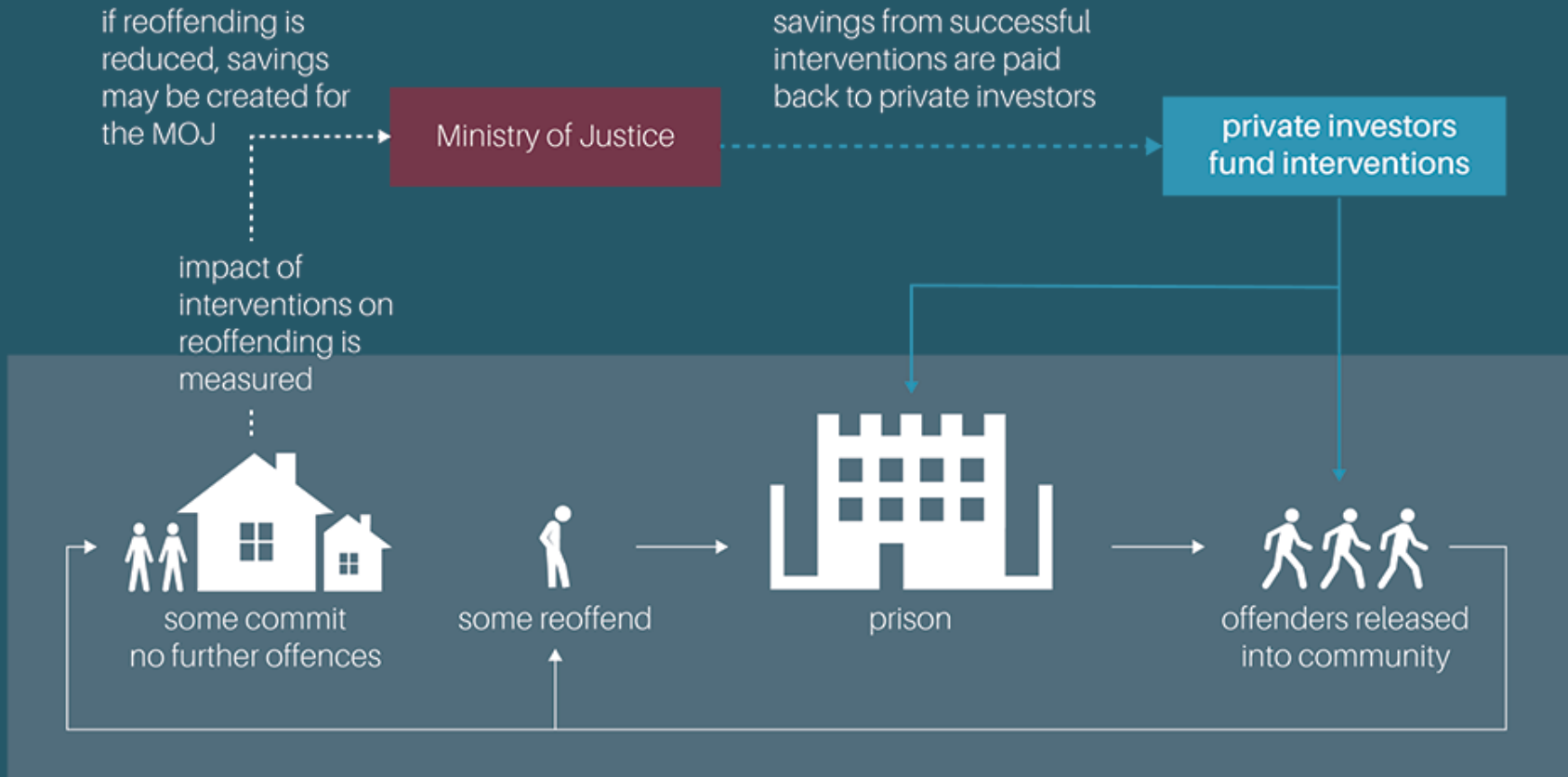
**The opportunity:** concession (PPP) for designing, financing, building and operating the new hospital of Treviso (Northern Italy) by private company (Lendlease)

- 21 years project
- €250m value / 80m from capital market
- private company open to innovation

# Social Impact Bond (SIB) of Peterborough

*Payment for success or by result*

the Peterborough Social Impact Bond to reduce reoffending



## **Background in Italy: social bonds**

- UBI bank raised €878m since 2012
- capital provision for the bank at discounted rate in exchange of devolution to initiative of public interest
- 2.10% return for investors
- 0.5% devolution to eg non profit org (max €100'000) – total 4m since 2012



## **Initial plan for Treviso hospital:**

- creation investment product such as project bond for people, families and local stakeholders to finance their own community infrastructure
- 5% return for investors – good investment
- investment in better services
- cheaper capital for developers

## **Plan B:**

- cheaper price on capital by banks (80m) in exchange for commitment by developer to invest for community impact
- competition between banks to provide cheaper loan (licence to profit)
- access to Juncker Plan – EIB

## **Results Plan B:**

- €2m savings from cheaper loan to capitalise a new impact fund for new health services
- new funding for entrepreneurship & jobs
- greater value of the overall investment and community
- forced banks to do their job: providing capital to new enterprises

## **Community participation:**

- identification of local needs and opportunities for investments
- monitoring and reporting on results (accountability and effectiveness)
- joining in investment

## **Tech powered participation (to be explored):**

- peer-lending and crowd-funding
- blockchain to enhance community trust and accountability



# PLUSVALUE

Aligning Public & Private Interests

[filippo.addarii@plusvalue.org](mailto:filippo.addarii@plusvalue.org)

PlusValue  
London, UK  
[www.plusvalue.org](http://www.plusvalue.org)