

Introduction saving banks

Savings Banks were created in the early years of the nineteenth century as institutions with two souls: one providing banking services and the other more closely dedicated to cultural and beneficence. In the nineties, the evolution of banking norms strengthened their credit company character, transforming them into joint-stock companies; while the strongly philanthropic role was entrusted to Foundations of banking origin. Today's Savings Banks have two important links with these Foundations: assets, because the Foundations often hold share-equity, but more especially values, with their common commitment to the communities they serve. This commitment traces its roots back to the original savings banks born more than a century ago and has a positive, social and economic goal.

Today the Savings Banks are private, commercial companies, controlled by the Civil Code and by banking norms, just like other banks. They are, however, characterised by the closeness they have to their communities, supporting their development and reinvesting the savings collected there through the classic banking model. Small industries, artisans and farmers, as well as families, make up their privileged clientele. At the end of 2016 there were about thirty savings banks active, with 3,519 branch offices, 28,797 employees, 162.4 billion euros in total assets, 126.8 billion in direct deposits and about 11.3 billion in shareholders' equity. The other savings banks have since become the core of some of the biggest Italian banking groups.

History

Founded in the early nineteenth century, the Savings Banks were engaged in two areas. They were institutions pursuing both credit and charitable activities in their local communities. During the 1990s they were subjected to profound and radical changes that resulted in a significant reformation of their organisational, legal and institutional structures.

Prompted by the 1st and 2nd Directives on credit, concerning freedom of establishment and banking de-specialisation, the transformation and modernisation process of the Italian banking system gained momentum, and law no. 218 dated 30 July 1990 (the "Amato" law), was passed along with the relevant implementation decrees. Therefore, in accordance with this law, the Savings Banks transferred their banking activities to ad-hoc joint-stock banking companies. (the new Savings Banks). Once this transfer had taken place, the original Savings Banks were converted to Foundations assuming all the socially-oriented and charitable tasks provided for by the statutes of the Savings Banks.

The new joint-stock Savings Banks are business enterprises governed by the civil code and the banking laws. They operate on an equal footing with all other banks operating in the credit sector. Around twenty of them have kept their names. Other Savings Banks, on merging with other banks, changed their original names giving rise to some of the leading Italian banking groups.