

## **Social Banking for Social Development** **A Global Conversation with Marco Morganti**

On Thursday the 29th of September, we had the pleasure to have Mr. Marco Morganti, the CEO of Banca Prossima, as our guest.



Banca Prossima is a social bank that takes into account also the “Social economy” and aims to include in the banking system also the third sector of society, so including also those 27 millions Italians that depend on services and all the employees in the third sector (currently 1 million in Italy). Mr. Morganti studied Renaissance philology at an Italian university, and he was one of few people in Italy to

take that course at the time. In the year 2000 he started working at Poste Italiane and 3 years later, in 2003, he started his journey in the banking world. He started working in a special department at Banca Intesa (now Intesa Sanpaolo) where, years later, in 2006, he launched a very special and unique program which changed the bank from being an ethical bank to being a social bank. His work allowed the bank to change the customer ranking criteria in order to allow more people to be bankable.

In his talk, Mr. Marco talked about how banks in 2004 did not give credits to students because from the banks’ perspective it was too risky to provide students with loans marking them as “not bankable”. The innovation of Banca Prossima was to include students and third sector subjects in the banking system by considering them as bankable and by using the guarantee fund system. It was no longer an individual action but a collective one as for their aim was to enlarge the banking criteria.

Whereas other banks at the time considered students the “worst” customers in terms of bankability, Banca Prossima believed that actually students were the best customers for the future. This idea has been confirmed by statistics which demonstrate clearly that Banca Prossima has the lowest rate of non-repaid student loans as Intesa Sanpaolo (the banking group Banca Prossima is a part of) has a 6.3% NPL while the average Italian NPL is 13%.

Summing up, Mr. Morganti’s speech really helped us become more aware of the possibilities we have as students; also he gave us a few ideas about how to invest the money we take as a loan and opened our eyes to the big market we can get ourselves into to empower us.

Mohammed Almalla, Lavinia Apicella