

 Pillar 2.
COMMITMENT OF RESOURCES

THE COMPAGNIA DI SAN PAOLO FOUNDATION

Using the SDGs as a strategic compass

- **Country:** Italy
- **Number of staff:** 389
- **Year of incorporation:** 1563
- **Type:** Independent foundation
- **Endowment:** EUR 7 billion
- **More information:** compagniadisanpaolo.it

The Compagnia di San Paolo Foundation (Fondazione Compagnia di San Paolo – FCSP) is an Italian philanthropic organisation with a funding history that traces back to 1563. The Foundation started when citizens from Turin formed a religiously inspired civic association that aimed to help the poorest people in the city. Today, it is one of the biggest Italian philanthropic grantmakers, with over EUR 180 million issued per year.

Though the Foundation remains focused on promoting civil, cultural, and economic development, mainly in Turin and other cities in Northwest Italy, its reach has expanded both nationally and internationally in recent decades, building national partnerships and supporting European and international cooperation projects. In line with this ‘glocal’ rationale and attentiveness to global megatrends, the Foundation redesigned its work approach to align with the Sustainable Development Goals (SDGs). The Foundation is one of the signatories of the Italian Philanthropy Commitment on Climate Change and an active member of the Foundations Platform 20 F20.

Initial steps on the journey: Identifying the gaps

Since 2020, FCSP has been adopting the SDGs as strategic guidance for its grantmaking. The change was galvanised by the Foundation's new Secretary General, Alberto Anfossi, who invited staff to embrace a systemic approach to FCSP's strategy and fully integrate it with the 2030 Agenda for Sustainable Development.

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“It was a change that also impacted the Foundation structure. We have changed completely”.

— SARA LEPORATI, FCSP HEAD OF MISSION: PROTECT THE ENVIRONMENT

The Foundation's first step was to analyse its past grants and evaluate the extent to which these contributed to meeting one or more of the SDGs. FCSP used keywords in its project management database to cross-check alignment with the SDGs. This mapping exercise was an important step in identifying the areas in which the Foundation had more expertise, was contributing the most, and where more proactive engagement would be needed in the future. Using the SDGs as a compass helped the FCSP team to identify the environmental field as a major gap in its work.

As a foundation that has traditionally focused its efforts on social issues and poverty eradication, FCSP was not funding many environmentally relevant projects and did not have the internal capacity to mainstream the environment pillar in its programmatic strategy. To address this gap and adopt a more holistic approach to the projects it was funding, FCSP rearranged its programmatic approach to fit into three goals: Culture, People and Planet, which are divided into 14 missions. The chart below illustrates the Foundation's framework:



To boost its impact, the Foundation decided to hire an environmental expert to join the team and oversee the Planet Goal. Climate change became one of the key strategic priorities in FCSP's Protect the Environment mission, together with biodiversity loss and preservation, food consumption and energy transition. Staff leadership in these areas, which now includes climate experts, has been key to the Foundation's understanding of where its action is most needed while being adaptable and people-centred. In 2020, investments in the Planet goal represented 29.6% of the grant-making budget, spread into 177 grants with a total value of EUR 49.7 million. The strengthening of this

¹FCSP Annual report 2020, Fondazione Compagnia di San Paolo, 2020,
https://www.compagniadisanpaolo.it/wp-content/uploads/CSP_Annual-Report-2020_WEB.pdf

area had a systemic impact on other goals, as well as the Foundation's grantmaking strategy. FCSP is now working towards a more structured approach to further integrating a climate lens into its work.

From SDGs analysis to mainstreaming climate action

With a clearer understanding of its alignment with the SDGs and its contribution to climate action, FCSP is now moving to the next stage, which involves onboarding its partners on this journey. The Foundation conducted a revision of its grants management system and grants application form. Before this process, grantees were asked, upon completion of projects, how they would contribute to a specific SDG; now grantees are required to address the question before submitting a proposal. FCSP's system now explicitly asks new grantees to indicate which SDGs, and specific targets, their projects aim to contribute towards. Even if an immediate correlation with climate-related goals is not identified, grantees and the FCSP team feel that just encouraging reflection is a useful exercise.

Over the last decade, FCSP has primarily focused on helping its grantees achieve financial sustainability and independence from foundation grants. The SDGs revision process expanded FCSP's focus with grantees to encourage greater impact and deeper understanding of a project's overall sustainability. The grant cycle is now longer, and analysing proposals is more demanding, but grantees' feedback on this process has been very positive. As a result of these changes, FCSP now also offers capacity-building tools to improve grantees' strategic and development planning.

The Foundation has embraced a systemic approach by including the green transition as a transversal element across the whole organisation. The Covid-19 pandemic reinforced that an integrated approach could make initiatives that embrace climate more attractive to different stakeholders. FCSP partnered with another Italian foundation to launch a call for projects that support initiatives that combine sports and nature²; another call focused on innovations to tackle energy poverty³. For example, in 2022 FCSP and AWorld, a UN-backed app to promote individual action on climate change and sustainability launched a campaign to stimulate positive competitiveness and promote measurable initiatives that protect the environment through day-by-day individual actions. Through the app, participants are able to access informative content, register actions that

² "A World and Fondazione Compagnia di San Paolo launch the "Sustainable by Nature" challenge", FSCP, 2022, <https://www.compagniadisanpaolo.it/it/comunicati-stampa/aworld-e-fondazione-compagnia-di-san-paolo-lanciano-la-challenge-sostenibili-per-natura/>

³ "Inclusive Energy Call – Innovators to tackle energy poverty", FSCP, 2021, <https://www.compagniadisanpaolo.it/it/news/bando-energia-inclusiva-innovatori-per-affrontare-la-poverta-energetica/>

positively impact people and the environment and join virtual challenges. The campaign is linked to FCSP's Sports for Nature initiative which, in 2022, selected 18 projects to raise awareness about the importance of doing physical activity in nature, encouraging a more harmonious relationship with ecosystems and helping to accelerate the recovery of sports associations in the Piedmont, Liguria and Aosta Valley regions. The selected projects will also use the app to encourage more people to join in daily sustainable actions. The organisation that mobilises the largest community on the platform will win a prize.

Aligning philanthropic with governmental climate goals

The Foundation believes that aligning its strategy to international and European policies is more effective in terms of the impact it can generate on the ground. A substantive strategic change took place when the European Commission adopted the European Green Deal and launched the Recovery and Resilience Facility. These European policies provided further insights for the new FCSP strategy regarding which areas to prioritise. One example comes from the fact that FCSP's Secretary General serves on the board of the EU Mission: 100 Carbon-Neutral and Smart Cities by 2030⁴. After following the European and subnational climate debates, the Foundation started to identify actions to help the public administration and local communities in Northwest Italy achieve the 2030 decarbonisation targets.

FCSP's next stage of mainstreaming climate into its work is to evaluate its endowments' compliance with ESG (environmental, social and governance) and SDGs criteria. The initial steps indicate that there are margins for improvement and that the Foundation needs a good strategy to divest in the coming decades. FCSP is also exploring ways to better align its operational practices with European and global climate goals. The Foundation instituted a waste management policy and electric recharge stations for cars and e-bikes at its office. It has also selected external suppliers that are compliant with reducing organisations' environmental footprints, such as renewable energy suppliers. The journey is long, but the Fondazione Compagnia di San Paolo is proving its commitment to walking the talk.

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⁴ "The 100 Climate-Neutral and Smart Cities by 2030", EuroCities, 2022,
<https://eurocities.eu/latest/the-100-climate-neutral-and-smart-cities-by-2030/>