

The Ente Finanziario Interbancario

210. The Ente Finanziario Interbancario is a joint-stock corporation which was established in 1939 under the name of Ente Finanziamenti Industriali and reorganized under its present form and name in 1949. It has a capital of Lit 10,000 million contributed by a number of Italian public and private credit institutions, Italian finance and insurance companies and foreign financial houses. The latter, which hold about 10 percent of the shares, are S. G. Warburg & Co., Ltd. and Baring Brothers & Co., Ltd. (London), LNT North American Holdings, Ltd. and Transoceanic Development Corporation, Ltd. (Toronto) and Bayerische Vereinsbank (Munich). The largest single shareholder is the Banca Nazionale del Lavoro. The Efibanca is authorized to issue bonds to finance its lending operations but the bulk of its resources is derived from time deposits and from refinancing with the Mediocredito.

211. The Efibanca is administered by a twenty-one-member Board of Directors elected by the shareholders, the Chairman being elected by the Board from among its members. There is an Executive Committee composed of Board members, and the General Manager and Secretary are chosen by the Board, either from among its members or from outside.

212. The Efibanca's principal activities are the granting of domestic loans and the financing of export credits, but it also invests in securities and sets up underwriting syndicates for the placement of industrial shares and bonds. In addition, it is authorized to provide endorsements and guarantees for financial transactions with maturities of at least twelve months, and to acquire a minority interest in Italian and foreign corporations.

The Banco di Credito Finanziario

213. The Banco di Credito Finanziario is a joint-stock corporation established in 1946. Its initial capital was subscribed by three important commercial banks (Banco di Roma, Banca Commerciale Italiana and Credito Italiano) which still possess a controlling interest in the institution (53 percent of the shares). The other shareholders include Italian individual investors (20 percent), various Italian corporations—banks, financial corporations, insurance companies etc. (12 percent) and foreign banks and financial houses—Lazard Brothers of London, Lehman Brothers of New York, Lazare Frères of Paris, the Berliner Handels Gesellschaft (13 percent). The present capital amounts to Lit 14,000 million. The Mediobanca is authorized to issue bonds but at present derives its resources mainly from time deposits and from refinancing from the Mediocredito.

214. The Mediobanca is administered by a fifteen-member Board of Directors elected by the shareholders and a five-member committee chosen from among the Directors. The Managing Director is a member of both the Board and the Executive Committee.

215. Total credits disbursed by Mediobanca from the beginning of its activity up to 30 June 1965 amounted to Lit 695,500 million of which financing of export credits (suppliers' credits and financial credits) accounted for Lit 110,997 million (16 percent).

216. The Mediobanca also invests in overseas trading companies, chiefly through its 87 percent-owned subsidiary, Società Mercantile Internazionale S.A. Milan (Intersomer) which has a capital of Lit 700 million. Intersomer has set up affiliated companies in a number of African countries: Liberia, Mozambique, Nigeria, Southern Rhodesia and Zambia. Mediobanca considers Intersomer as "an efficient instrument for the promotion of trade relations with countries which offer favourable opportunities for Italian products."

TABLE 39.—ITALY, MEOBANCANCA: VOLUME OF EXPORT CREDIT FINANCING (SUPPLIERS' CREDITS AND FINANCIAL CREDITS) AS OF JUNE 30, 1965

Item	Millions of lire
Credits outstanding.....	59,830.8
Repayments.....	51,166.0
Total credits disbursed.....	110,996.8
Credits granted but not disbursed.....	41,996.7
Total (net of canceled credits).....	152,963.5