Jessica initiative in Sicily
The strategic objective of OP is “to raise the average growth rate of regional economy through the strengthening of attractiveness and competitiveness factors within a framework of environmental sustainability and territorial and social cohesion”.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Objective</th>
<th>Millions of euro</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority 1</td>
<td>Mobility networks and infrastructures</td>
<td>1.418</td>
</tr>
<tr>
<td>Priority 2</td>
<td>Efficient use of natural resources</td>
<td>1.602</td>
</tr>
<tr>
<td>Priority 3</td>
<td>Cultural identity and environmental resources for the development of tourism</td>
<td>1.471</td>
</tr>
<tr>
<td>Priority 4</td>
<td>Research, Innovation and information technology</td>
<td>326</td>
</tr>
<tr>
<td>Priority 5</td>
<td>Competitiveness and development of SME</td>
<td>850</td>
</tr>
<tr>
<td>Priority 6</td>
<td>Urban sustainable development</td>
<td>719</td>
</tr>
</tbody>
</table>
Urban and territorial integrated plan

Priority 1:
- Mobility networks and infrastructures: 1.418

Priority 2:
- Efficient use of natural resources: 1.602

Priority 3:
- Cultural identity and environmental resources for the development of tourism: 1.471

Priority 4:
- Research, Innovation and information technology: 326

Priority 5:
- Competitiveness and development of SME: 850

Priority 6:
- Urban sustainable development: 719

Millions of euro:
- 4
- 45
- 225
- 13
- 1
- 60
- 348
- 286

Territorial integrated Plans: 348
Urban Integrated Plans: 286
Local governments territorial alliances
Setting up of urban plans

2007
1. 09/2007 Approval of the ERDF Operational Programme

First phase
- Establishment of Local Governments territorial alliances

Second phase
- Submission of PISU and PIST proposals and lists of operations

Third phase (after 06/2010)
- The Evaluation Committee analyzes the drafts of projects, proposing, if appropriate, amendments or changes to improve the effectiveness of the operations

2008
1. 10/2009 Approval of the integrated urban plans guidelines

2009
1. 11/2009 Call for proposal for local governments territorial alliances establishment

2010
1. 02/2010 Call for proposal for Integrated Plans and projects
2. 04/2010 First submission
3. 06/2010 Second submission
4. 05/2011 Third submission
### Structures of PISU & PIST

#### PISU
- General information
- Context analysis
- Strategy
- List of operations
- Core operations
- Operations financed by other programmes
- Financial Plan
- Table of functional interdependence
- Organizational and business models
- Interrelation and complementarity PISU - PIST

#### PIST
- General information
- Context analysis
- Strategy
- List of operations for PIST
- List of operation to submit to UDF
- Core operations
- Operations financed by other programmes
- Financial Plan
- Interrelation and complementarity PISU - PIST
- Table of functional interdependence
- Organizational and business models
Reasons to implement Jessica Initiative in Sicily

1. Jessica initiative is based on a revolving approach and supports the implementation of sustainable urban investments

2. Technical and financial expertise from financial institutions is available for sustainable urban investments

3. The contribution of private and financial sector guarantees a leverage effect and additional resources

4. Funds allocated to holding fund are eligible for interim payments
Where are we now?

- **09/2007**
  Jessica Initiative option was foreseen in the operational programme

- **09/2009**
  Feasibility study

- **11/2009**
  Holding fund agreement between Sicily and EIB

- **12/2009**
  Transfer of financial resources to the holding fund

- **02/2010**
  Appointment of the investment board

- **03/2010**
  First meeting of the investment board
Jessica Holding fund investments sectors

Operational Programme

- Energy: €54,868,359
- Transport and urban infrastructures: €68,200,000
- Cultural heritage: €20,000,000
- Tourism: €5,000,000

Jessica Holding Fund Sicily
148,068,359
Past experiences of PPP
Tenders awarded: number of operations

- Project finance Italy
- Project finance Sicily
Tenders awarded: amount of financial investments

- Project finance Italy
- Project finance Sicily

<table>
<thead>
<tr>
<th>Year</th>
<th>Project finance Italy</th>
<th>Project finance Sicily</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1.447</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>1.114</td>
<td>15</td>
</tr>
<tr>
<td>2006</td>
<td>2.162</td>
<td>197</td>
</tr>
<tr>
<td>2007</td>
<td>1.090</td>
<td>11</td>
</tr>
<tr>
<td>2008</td>
<td>257</td>
<td>87</td>
</tr>
<tr>
<td>2009</td>
<td>117</td>
<td>85</td>
</tr>
</tbody>
</table>
The Port of Marina di Ragusa

The port of Marina di Ragusa was built for commercial purposes and it has about 1.000 mooring spaces for boats from 3 to 15 metres.

**Concession**: 60 years

**IRR equity**: 10.17%

**Average debt service cover ratio**: 2.25

<table>
<thead>
<tr>
<th>Total investment</th>
<th>Public grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>69.667.972</td>
<td>34.258.184</td>
</tr>
</tbody>
</table>
Access of local governments to the market of loans
Market of loans

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Debt</th>
<th>New Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>2.188</td>
<td>474</td>
</tr>
<tr>
<td>2005</td>
<td>2.538</td>
<td>579</td>
</tr>
<tr>
<td>2006</td>
<td>2.096</td>
<td>501</td>
</tr>
<tr>
<td>2007</td>
<td>2.080</td>
<td>73</td>
</tr>
</tbody>
</table>

Million
Cassa Depositi e Prestiti 66%
Special public financial institution 7%
Commercial bank 5%
Bond 10%
Other 12%

Market share of lenders
Potential market of Jessica initiative
Market analysis

- Strategic Plans
- Investment plans

PPP Projects

Other Projects
## Potential market

<table>
<thead>
<tr>
<th></th>
<th>Number of projects</th>
<th>Projects with financial dimension quantified</th>
<th>Total investment (Millions of euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ports and reconversion of waterfronts</td>
<td>24</td>
<td>17</td>
<td>1.502</td>
</tr>
<tr>
<td>Reconversion of buildings – industrial and degraded areas</td>
<td>67</td>
<td>45</td>
<td>931</td>
</tr>
<tr>
<td>Energy efficiency, renewable energy and waste management</td>
<td>10</td>
<td>8</td>
<td>56</td>
</tr>
<tr>
<td>Improvement of sustainable mobility</td>
<td>23</td>
<td>13</td>
<td>85</td>
</tr>
<tr>
<td>Creation of support structures for SME development</td>
<td>4</td>
<td>4</td>
<td>58</td>
</tr>
<tr>
<td>Sport and recreational infrastructures</td>
<td>9</td>
<td>7</td>
<td>33</td>
</tr>
</tbody>
</table>
Implementation of Jessica initiative strategy
Instruments

Holding Fund

Urban Development Funds

Equity Funds

Loans

Guarantees

PPP Projects

Market covered by national PPP equity funds

It needs several months to be implemented
Legal framework of PPP in Sicily

Decree 163/06

PPPs under public initiative

Local Governments invite tenders to a restricted/open procedure on the basis of a preliminary draft, a business plan and a concession contract. The Local governments evaluate the received tenders on the basis of the most economically advantageous criterion.

PPPs under private initiative

The project is designed and presented by a promoter on the basis of a Prior Information Notice (PIN) by the Local Governments. Following the selection of the best proposal, the local governments put the promoter proposals out to tender and identify the Concessionaire.

Decree 267/00

Institutional PPPs

Institutional PPPs are the joint public-private enterprises or urban transformation enterprises (STU) that build the infrastructures and manage them.
Thank you for your attention

Patrizia Picciotto
Urban development policy manager
Planning Department
Sicilian Region
patrizia.picciotto@regione.sicilia.it

Cristian Matraia
Public Investment Evaluation Committee
Planning Department
Sicilian Region
cristian.matraia@regione.sicilia.it