


## ITALY

ITALY	
<p>MedioCredito Centrale (MCC), part of the UniCredit Group provides national and regional financing programmes (loans, guarantees and equity) for enterprises in Italy. The Italian national agency for inward investments and economic development Invitalia also provides financing programmes to businesses.</p> <p>Please consult the following websites to find public programmes in Italy providing financing to entrepreneurs and businesses: <a href="http://www.invitalia.it">www.invitalia.it</a> and <a href="http://www.mcc.it/">http://www.mcc.it/</a></p>	
	
EQUITY	
<i>Programme</i>	<b>Capitale Di Rischio (Venture Capital)</b>
<i>Characteristics</i>	The scheme facilitates access to risk capital for SMEs in disadvantaged areas and new enterprises by providing public advances to banks and financial intermediaries for acquisition of holdings and temporary minorities. Funding is provided for innovative development projects, high technological impact or ICT related projects (including network applications, innovative software, multimedia content development and interactive training at a distance).
<i>Total Amount committed</i>	€70 million for development projects of products or services in the ICT field €132 million for innovative development projects, high technological impact and to strengthen the capital of SMEs located in Objective 1 and 2 areas
<i>Result of any evaluation</i>	Feedback from MCC indicates a low uptake – little appetite for risk capital
<i>Application procedure</i>	Businesses apply through the scheme manager MCC Spa or approved financial intermediaries administered by Ministry of Productive Activities (Ministero dello Sviluppo Economico) : <a href="http://www.incentivi.mcc.it/capitale_di_rischio/capitale_di_rischio.html">http://www.incentivi.mcc.it/capitale_di_rischio/capitale_di_rischio.html</a>
<i>Restrictions</i>	Eligible companies are: <ul style="list-style-type: none"> <li>• SMEs (according to the EU-definition, i.e. fewer than 250 employees and below €50 million turnover) located in Objective 1 and Objective 2 areas;</li> <li>• New businesses (less than 3 years in operation) located across Italy;</li> <li>• Limited liability companies;</li> <li>• Financially solvent.</li> </ul>
<i>Terms</i>	Shares must be newly issued and equal to or greater than 20% of the share capital. Maximum of 7 years duration. Institutions can take up to 50% of a new issue up to a maximum of €2.06 million for a single application.
<i>Contact</i>	<b>Uni credit MedicoCredito Centrale</b> Email: <a href="mailto:gestionefar@mcc.it">gestionefar@mcc.it</a> ; <a href="mailto:nbuonfiglio@mcc.it">nbuonfiglio@mcc.it</a> MCC Spa (Servizio Fondi di Garanzia, Phone : 0647912280, fax 0647912557
<i>Link</i>	<a href="http://www.incentivi.mcc.it/capitale_di_rischio/capitale_di_rischio.html">http://www.incentivi.mcc.it/capitale_di_rischio/capitale_di_rischio.html</a>
EQUITY	
<i>Programme</i>	<b>Fondo Italiano d'Investimento</b>
<i>Characteristics</i>	Fondo Italiano d'Investimento is a partly state-owned fund investing directly or indirectly in the risk capital of already established Italian SMEs. It mainly provides financial support to expansion operations. The fund invests in companies that prove financial solidity and that have significant potential to create value. The Fund has been created in 2010 and is 12.5% owned by the Ministry of Treasury

	and Finance.
<i>Total Amount committed</i>	A first closing of €1,200 million has been completed in November 2010. End of 2011, 18 direct investments and 9 indirect investments have been realised with total approved commitments of €417 million.
<i>Result of any evaluation</i>	Not available
<i>Application procedure</i>	Please find the contacts on the following website: <a href="http://www.fondoitaliano.it/en/contacts.shtml">http://www.fondoitaliano.it/en/contacts.shtml</a>
<i>Restrictions</i>	The fund does not invest in the following companies: <ul style="list-style-type: none"> <li>• Speculative-type publicly traded companies;</li> <li>• Start-ups;</li> <li>• Real estate companies;</li> <li>• Companies that supply financial services in general;</li> <li>• Failing companies;</li> <li>• Companies undergoing bankruptcy proceedings or that are subject to turnaround processes.</li> </ul>
<i>Terms</i>	Fondo Italiano d'Investimento invests directly or indirectly into the capital of SMES. <ol style="list-style-type: none"> <li>1) Direct investments: <ul style="list-style-type: none"> <li>• The Fund invests mostly in minority positions;</li> <li>• Target companies have a turnover between €10 million and €250 million;</li> <li>• Innovative projects and projects that have the potential to create new jobs are especially targeted.</li> </ul> </li> <li>2) Indirect investments via fund of funds in non-publicly traded financial instruments: <ul style="list-style-type: none"> <li>• Investments will consist of shares in private equity funds (UCIs) or shares in financial companies;</li> <li>• The fund's investment will not exceed 50% of the commitment of each fund and/or financial company.</li> </ul> </li> </ol>
<i>Contact</i>	Fondo Italiano d'Investimento SGR SpA Via F. Turati 16/18 20121 Milan  Tel. +39 02 63532.1 Fax. +39 02 63532.222
<i>Link</i>	<a href="http://www.fondoitaliano.it/en/">http://www.fondoitaliano.it/en/</a> <a href="http://www.fondoitaliano.it/cms-assets/documents/47145-347215.annual-report-2011.pdf">http://www.fondoitaliano.it/cms-assets/documents/47145-347215.annual-report-2011.pdf</a>
<b>GUARANTEES</b>	
<i>Programme</i>	<b>Fondo Centrale di Garanzia (Central Guarantee Fund for SMEs)</b>
<i>Characteristics</i>	Guarantee fund for business which can be used for leasing and real estate, working capital, the acquisition of equity, loans investments and other operations.  The Central Guarantee Fund does not intervene in the relationship between the bank and the company and therefore interest rates, repayment terms, any request for additional guarantees on the part not covered by the Fund and other terms remain in the agreement scope of the bank and the company.
<i>Total Amount committed</i>	The fund was refinanced to the value of €1,500 million for the period 2008-2012. In late 2011, it was confirmed that the fund would be granted €400 million per

	annum for the period 2012-2014.
<i>Result of any evaluation</i>	Not available
<i>Application procedure</i>	<p>Generally companies cannot apply directly to the Fund (except in particular geographical areas). The company's bank/financial institution or a consortium of joint lenders shall apply to the fund. The application is processed by the Fund Manager, assessed by the Committee of the Central Guarantee Fund and if successful granted by the bank. Only companies based in Sicily, Calabria, Campania or Puglia can directly apply to the scheme.</p> <p>Their application is processed by the Fund Manager, if granted the notification of confirmation of the warranty is submitted to the bank together with the funding application and funding must be granted by the bank within three months of the confirmation date.</p>
<i>Restrictions</i>	<ul style="list-style-type: none"> <li>• Eligible are SMEs (according to the EU-definition, i.e. fewer than 250 employees and below €50 million turnover) in any sector excepting agriculture, fisheries, financial sector, transport (not including businesses transporting goods by road), automotive, shipbuilding, synthetic fibres, the coal industry and the steel industry;</li> <li>• It is not possible to guarantee funding for the acquisition of vehicles registered in the Public Motor Vehicle Registry. This restriction also applies to road haulage companies, and so the Fund cannot be used for the purchase of trucks etc.;</li> <li>• The Guarantee Fund for SMEs is intended for companies "economically and financially sound" evaluated on the basis of criteria that vary depending on the sector of activity and the enterprise accounting regime of the applicant. The assessment of credit generally relates to the financial information (or tax returns) in the last two years or cash flow forecast for start-up businesses. For the consolidation of operations and liabilities in case of acquisition of the participation the fund acquires more information about individual loans;</li> <li>• Some regional exclusion exists. De minimis rule applies.</li> </ul>
<i>Terms</i>	The maximum amount guaranteed by the Fund per company, which can cover up to 80% of the requested funding, is €1.5 million
<i>Contact</i>	<a href="http://www.fondidigaranzia.it/impres.html">http://www.fondidigaranzia.it/impres.html</a>
<i>Link</i>	<a href="http://www.sviluppoeconomico.gov.it/index.php?option=com_content&amp;view=article&amp;viewType=1&amp;idarea1=593&amp;idarea2=0&amp;idarea3=0&amp;idarea4=0&amp;andor=AND&amp;sectionid=0&amp;andorcat=AND&amp;partebassaType=0&amp;idareaCalendario1=0&amp;MvediT=1&amp;showMenu=1&amp;showCat=1&amp;showArchiveNewsBotton=0&amp;idmenu=1550&amp;id=2016429">http://www.sviluppoeconomico.gov.it/index.php?option=com_content&amp;view=article&amp;viewType=1&amp;idarea1=593&amp;idarea2=0&amp;idarea3=0&amp;idarea4=0&amp;andor=AND&amp;sectionid=0&amp;andorcat=AND&amp;partebassaType=0&amp;idareaCalendario1=0&amp;MvediT=1&amp;showMenu=1&amp;showCat=1&amp;showArchiveNewsBotton=0&amp;idmenu=1550&amp;id=2016429</a>

<b>GUARANTEES</b>	
<i>Programme</i>	<b>Cassa depositi e prestiti (CDP)</b>
<i>Characteristics</i>	<p>Cassa depositi e prestiti uses debt instruments to provide support to SMEs in Italy. By providing a larger base of capital to private banks, CDP makes possible for Italian banks to lend a greater amount to SMEs. Loans whose funding is obtained from CDP are channelled through participating private banks.</p> <p>In 2012, a new SME credit line has been launched with additional €10 billion. Further €8 billion to finance capital expenditure and working capital requirements increase (SME Investments) and €2 billion reserved to the purchase by the Banks of receivables by SMEs in the Public Administration (SME Receivables – PA).</p> <p>The group Cassa depositi e prestiti is a joint-stock company 80% controlled by Italian government. Cassa depositi e prestiti also owns 12.5% of Fondo Italiano d'Investimento.</p>
<i>Total Amount committed</i>	Since 2009, up to €18 billion of credit is extended to SMEs and 80,000 companies have received financing through private banks.
<i>Result of any evaluation</i>	Not available
<i>Application procedure</i>	<p>Applicants fill in a document that can be uploaded from the following website to apply to a SME PA Credit or a SME Investment Credit:  <a href="http://portalecdp.cassaddpp.it/cdp/OperatoriFinanziari/SostegnoallePMI/NuovoPlafondPMI/index.htm">http://portalecdp.cassaddpp.it/cdp/OperatoriFinanziari/SostegnoallePMI/NuovoPlafondPMI/index.htm</a> (select the requested credit and see section: informazioni per le PMI).</p> <p>The applicant will also find the listing of the partner institutions on the website.</p>
<i>Restrictions</i>	Terms and conditions of the Financing SMEs are negotiated and determined by the banks in their autonomy. The preliminary proceedings and resolutions interiors are in no way affected by the CDP. The Lender shall examine the requests and decide whether to grant a credit, assuming the risk.
<i>Terms</i>	See section above.
<i>Contact</i>	<p>Servizio PMI, Territorio e Ambiente            Responsabile            Valter Menghini            Tel. +39 064221.4168</p> <p>Referente            Paolo Belli            Tel. +39 064221.4233            PMI@cassaddpp.it</p> <p>Nuovo Plafond PMI            Fax +39 064221.5555 - 064221.5556</p>
<i>Link</i>	<a href="http://www.cassaddpp.it/imprese/pmi.html">http://www.cassaddpp.it/imprese/pmi.html</a>
<b>REGIONAL GRANT/LOAN SCHEME</b>	
<i>Programme</i>	<b>Contratto di sviluppo (Development contract)</b>
<i>Characteristics</i>	The programme is aimed at SMEs and large businesses and provides grant funding, subsidised loans or interest rate subsidies to finance the following activities: capital investment projects and research and experimental development projects.
<i>Total Amount committed</i>	Total envelope: €400 million since September 2011

<i>Result of any evaluation</i>	Not available
<i>Application procedure</i>	Businesses submit the completed application form and supporting documents to Invitalia, which assesses the applications and provides the funding. Link to the application form: <a href="http://www.invitalia.it/site/ita/home/incentivi-alle-impresе/contratto-di-sviluppo.html">http://www.invitalia.it/site/ita/home/incentivi-alle-impresе/contratto-di-sviluppo.html</a>
<i>Restrictions</i>	Eligibility criteria are as follows: <ul style="list-style-type: none"> <li>• Businesses in manufacturing, mining, energy supply, tourism, trade, hospitality, catering, ICT and certain businesses in the service sector (e.g. transport, storage, call centres, private security services, travel agencies etc.);</li> <li>• Capital investment projects: any size of business in Calabria, Campania, Puglia and Sicily, or SMEs (according to the EU-definition) across Italy;</li> <li>• Research and development projects: businesses across the Italy;</li> <li>• Foreign businesses with a permanent office in Italy.</li> </ul>
<i>Terms</i>	<ul style="list-style-type: none"> <li>• Support is available in the form of grants related to assets (capital grants), a contribution to expenses (operating grants), subsidised loans, interest rate subsidies, or any combination between them;</li> <li>• The amount of the investment can range from €7 up to €30 million;</li> <li>• The grant can cover up to 75% of the eligible cost depending on business size, sector and location.</li> </ul>
<i>Contact</i>	Email: <a href="mailto:info@invitalia.it">info@invitalia.it</a> Phone from Italy, Monday to Friday from 9:00 to 18:00: 886 848 886
<i>Link</i>	<a href="http://www.invitalia.it/site/ita/home/incentivi-alle-impresе/contratto-di-sviluppo.html">http://www.invitalia.it/site/ita/home/incentivi-alle-impresе/contratto-di-sviluppo.html</a>
<b>GRANTS AND LOANS</b>	
<i>Programme</i>	<b>Autoimprenditorialità (self-employment)</b>
<i>Characteristics</i>	Self-employment promotes the creation of new companies or the expansion of existing companies by providing grants and loans. The incentive is only aimed at initiatives carried out in the following regions: Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sardinia and Sicily. It is implemented by Invitalia, the National Agency for inward investment promotion and enterprise development, an agency that is mandated by the government to boost the country's competitiveness, particularly in the South, and to support strategic sectors in their development.
<i>Total Amount committed</i>	Annual planned amount in 2010 : €100 million
<i>Result of any evaluation</i>	Not available
<i>Application procedure</i>	Applications are evaluated on a rolling admission basis.

<p><i>Restrictions</i></p>	<p>Creation of new businesses: the initiative is aimed at new companies (including cooperatives of production and labour):</p> <ul style="list-style-type: none"> <li>• Largely made up of young members,</li> <li>• Of which the capital is coming from persons aged from 18 to 35 years old,</li> <li>• Located in the territory of application of the law on the 1 January 2000, or within the prior 6 months of the reception date of the application.</li> <li>• The legal, administrative and operational scope of the company must also be located in subsidised territories.</li> </ul> <p>Expansion of existing businesses : the initiative is aimed at companies (including cooperatives of production and labour) that:</p> <ul style="list-style-type: none"> <li>• Comply with the previous requirements regarding the share capital composition and business location on the reception date of the application and over the past 2 years.</li> <li>• Are in operation for at least 3 years (from the date that Invitalia receives their application),</li> <li>• Are economically and financially sound.</li> </ul> <p>With regard to extensions, companies that have already benefited from Autoimprenditorialità or Autoimpiego initiatives in the past must comply with the investment programme for subsidies' eligibility criteria at least 3 years before the new application and must be in compliance with loan payment instalments.</p> <p>Initiatives eligible for support must be in the following areas:</p> <ul style="list-style-type: none"> <li>• The production of goods in agriculture, industry and crafts;</li> <li>• The production of business services (services for the government are not eligible).</li> </ul> <p>Activities in the commercial, social health, steel, shipbuilding and synthetic fibres are excluded. The projects in the field of agricultural production and processing of agricultural products must be compatible with the Rural Development Plans (RDPs).</p> <p>The activities must be carried out for at least 5 years from the actual start date of the business. For at least 5 years, the company must also maintain the legal, administrative and operating scope in the territories subsidised.</p>
<p><i>Terms</i></p>	<p>The subjects are eligible for aid providing the following benefits :</p> <ul style="list-style-type: none"> <li>• Grants and soft loans for investment, according to the limits set by the European Union;</li> <li>• Grants in account management , according to the limits set by the European Union;</li> <li>• Technical assistance during the implementation of the investment and start-up initiatives.</li> </ul> <p>The initiative supports the creation of new companies or the expansion of existing companies belonging to “young” entrepreneurs. It supports investments that do not exceed €2.5 million for the creation of new businesses and €500,000 for the expansion of an existing business.</p> <p>Please see details on the following website:  <a href="http://www.invitalia.it/site/ita/home/incentivi-alle-imprese/autoimprenditorialita-d.-lgs.-1852000-tit.-i/normativa.html">http://www.invitalia.it/site/ita/home/incentivi-alle-imprese/autoimprenditorialita-d.-lgs.-1852000-tit.-i/normativa.html</a></p>

<i>Contact</i>	Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa via Calabria, 46 00187 Rome  For information, call the blue line 848 886 886 Monday to Friday from 9:00 to 18:00 or write to <a href="mailto:info@invitalia.it">info@invitalia.it</a>
<i>Link</i>	<a href="http://www.invitalia.it/site/ita/home/incentivi-alle-imprese/autoimprenditorialita-d.-lgs.-1852000-tit.-i.html">http://www.invitalia.it/site/ita/home/incentivi-alle-imprese/autoimprenditorialita-d.-lgs.-1852000-tit.-i.html</a> <a href="http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:127:0044:0048:FR:PDF">http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2010:127:0044:0048:FR:PDF</a> (European Union Gazette, 2010, page 2)

Corporate Income tax rate incentives	Capital Gains tax rate incentives	Dividends tax rate incentives	RDI tax incentives	Equity tax incentives	Other relevant tax incentives (e.g. social charges...
(1) Regional tax incentives	Not relevant	Not relevant	(2) RDI Tax incentive	Not relevant	(3) Social contribution reduction for SMEs (4) Interest rate incentives

(1) A more tax favourable regime is provided, under certain conditions, for SMEs operating in certain Southern Italian Regions (so-called "ZUF"): IRES (corporate income tax rate) and IRAP (The Regional Business Tax) exemption is provided for the first 5 Fiscal Years from the acceptance of the request and other benefits are provided for real estate tax (IMU) and social contribution purposes

Source: <http://www.invitalia.it/site/eng/home/business-environment/italian-tax-system.html>

(2) Volume-based deduction rate of 10% for R&D expenses, which can increase up to 40% if R&D is carried out together with universities or public research organizations; eligible expenses are all current R&D costs as well as expenses for R&D machinery and equipment. The deduction is calculated from the tax payable up to a maximum of €50m of eligible R&D. The Italian scheme does not allow refunds or carry-over for unused credit.

Source:

[http://www.nesta.org.uk/sites/default/files/the\\_impact\\_and\\_effectiveness\\_of\\_fiscal\\_incentives.pdf](http://www.nesta.org.uk/sites/default/files/the_impact_and_effectiveness_of_fiscal_incentives.pdf)

(3) SMEs hiring trainees during the period 2012-2016 are exempted from the payment of the related social contributions for the first three years

Source: <http://www.invitalia.it/site/eng/home/business-environment/italian-tax-system.html>

(4) SMEs are entitled to benefit from 0% rate mortgages in case of projects related to the production of handcrafted goods, the transformation of agricultural products or other activities aiming at improving young enterprising initiatives. However, such investments cannot exceed the amount of €1,500,000

Source: <http://www.invitalia.it/site/eng/home/business-environment/italian-tax-system.html>

<b>Corporate Income tax rate*</b>	<b>Capital Gains tax rate*</b>	<b>Dividends tax rate*</b>	<b>VAT General*</b>
27,5% + 3,9% (IRAP = imposta regionale sulle attività produttive)	1,375% / 27,5%	20%	22%

(\*)Those rates apply in general situations and might defer in some specific cases.