



Incentives overview for foreign investors

(Large investments)



Large investments

Development contract is the main incentive managed by **Invitalia**. It consists of incentives for **one or more** connected and functional investment projects (including **R&D**) of at least **€ 20 MLN over 3 years**, presented by one or more companies also in joint form, in the following sectors:

- Manufacturing
- Agricultural products processing with a min. € 7.5 MLN investment;
- Tourism;
- Environmental protection.

Projects presented by foreign companies providing a **strategic investment** of at least **€ 50 MLN** can access to **Fast Track procedure**:

- possibility to jump the queue
- ad hoc resources
- time shortening procedures

The development contract includes various forms of **financial subsidies**:

- **non-repayable grant**;
- **soft loan** (max 3+10 years with subsidized interest rate);
- subsidies for interest repayment on loan.

The incentive for **manufacturing** projects depends on the **size** of the company (EU definition) and on the geographical **location** of the project. For example in Sicily region – (**South Italy**) the aid intensity is equal to a maximum of:

- **45%** for **small enterprises**;
- **35%** for **medium enterprises**;
- **25%** for **large companies**.

In **specific areas** of the **Central-Northern regions** of Italy the provided aid intensity is equal to a maximum of:

- **30%** for **small companies**;
- **20%** for **medium companies**;
- **10%** for **large companies**.

Outside the above mentioned areas, **large companies can not apply** for incentives. A 20% aid intensity is recognized for small companies, 10% for medium companies.

R&D activities conducted by **large companies** can be financed **up to 50%** (industrial research) and **up to 25%** (experimental development) despite of geographical location. SMEs can receive higher incentives up to 80%.

This incentive aims at **increasing industrial development** and **employment** growth in areas affected by industrial crisis. It provides funding - grants and loans - for **investment** projects of at least **1.5mln €** aimed at:

- revitalizing industrial activities;
- safeguarding employment levels;
- attracting new investments;
- environmental redevelopment and restoration.

Projects **must provide** for a labor force increase **within 12 months** starting from the date of project approval.

Forms of financial subsidies:

- **non-repayable grant (up to 25%** according to location and enterprise size);
- **soft loan (up to 50%, max 10 years with subsidized interest rate).**

(The effective mix of the funds granted is related to the project investment **type**, to enterprise size and to the geographic **area**. **It can't exceed 75%** of the total eligible expenses).