

The Italian Startup Ecosystem

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The EU-Japan Centre for Industrial Cooperation

Established in 1987, the EU-Japan Centre for Industrial Cooperation is a unique venture between the European Commission and the Japanese Government. The EU-Japan Centre has its head office in Tokyo and an office in Brussels. The mission of the EU-Japan Centre for Industrial Cooperation is:

- to promote all forms of industrial, trade and investment cooperation between Japan and the EU;
- to strengthen the technological capabilities and the competitiveness of the European and Japanese industrial systems.

TRAINING SCHEMES FOR EU EXECUTIVES

- Get Ready for Japan (training programme, in Japan)
- World Class Manufacturing-mission
- World Class Manufacturing-mission
- Lean Café (sharing of ideas and best practices through monthly webinars on lean issues)
- Lean in Europe : Driving Competitiveness (company visits in the EU focusing on operational excellence and improvement activities)

For more info: www.eu-japan.eu

The EU-Japan Centre for Industrial Cooperation

BUSINESS MISSIONS IN JAPAN

- ICT mission
- Nanotech mission
- Biotech mission

INTERNSHIP SCHEMES FOR EU AND JAPANESE COMPANIES

- Vulcanus in Japan (1-year internship in Japan for EU students & host companies in Japan)
- Vulcanus in Europe (1-year internship in the EU for Japanese students & EU host companies)

OTHER SERVICES

- Step in Japan (logistical support in Japan)
- Enterprise Europe Network (network of supporting organisations for SMEs)
- EU Business in Japan (information on Japan)
- Keys to Japan (business plan drafting support service for European SMEs)
- Tax and Public Procurement (helpdesk for European SMEs)
- EPA Helpdesk (helpdesk for European SMEs)
- Information desk (business inquiries)

The EU-Japan Technology Transfer Helpdesk

The EU-Japan Technology Transfer Helpdesk (“Helpdesk”) is a service of the EU Japan Centre for Industrial Cooperation.

The Helpdesk aims at supporting EU and Japanese companies, universities, research centres and individuals in their steps to search for technologies and understand the mechanics of tech transfer transactions, as well as bridging the knowledge gap about current available technologies from both Japan and the EU. The services are offered through seminars, webinars, videos, presentations, in-person meetings, and so forth.

For more info: www.eu-jp-tthelpdesk.eu

The Startup Ecosystem

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Startup Ecosystem in Italy

- The Italian startup ecosystem is relatively new **if compared to the more mature ones** but thriving and **expanding rapidly, especially in terms of quality and quantity**
- As it is experiencing an important **phase of growth**, it can be seen as a huge opportunity, especially if combined with the available resources and talents
- There is a new generation of companies with high valuations, and scale-ups
- Growth opportunities do not only regard other startups that might enter the Italian market, but the ecosystem itself, making it attractive for corporates to contribute to the creation of an open innovation-driven environment

Key Startup Cities in Italy

Milan, Rome, Turin

Connected Country Ecosystems

Main links with France, Spain, United Kingdom, Germany

Growth opportunity factors

Access to sophisticated technologies

Access to talent

Growing access to capital

Relatively low production costs

Challenges & opportunities

- A slimmer bureaucratic process could enhance the various growth stages
- Building stronger global outlook and appeal to foreign investors
- Broader and growing involvement of the private sector, from SMEs to large corporates
- Various incentives supporting innovation (e.g. Brevetti +)
- More favorable tax policies for startups

Focus Industries

Foodtech



Sustainable farming methods, sustainable packaging, food waste reduction

Healthtech



Pharma and life sciences sectors have been a major driver of growth, innovation and value creation

Mobility & Manufacturing



Air freight and logistics, mobility, and transportation infrastructure, 3D printing



Italian Startup Act (ISA)

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Italian Startup Act (ISA)

- Italy introduced a comprehensive legislative framework (**Law Decree no. 179 of October 18th, 2012**) aimed at fostering the creation and growth of the startup ecosystem
- There currently over **14,000 registered** startups and more than **2,000 innovative SMEs** in the database
- ISA objectives aimed at realizing at **sustainable growth** by enhancing productivity and creating new employment opportunities
- After 5 years from the company foundation, innovative startups may keep benefitting from various incentives by becoming innovative SMEs

The Requirements

The Startups that:

- Have been incorporated for **less than 5 years**
- Have **headquarters in Italy or in another EU/EEA** Member State but with a production site or branch in Italy
- Have an annual turnover of **less than €5 million** and are not publicly traded
- Have not distributed profits
- Have a mission statement concerning predominantly the development, production, and commercialization of innovative products or services with a clear technological component
- Are not the result of company mergers or branching out of existing businesses
- Meet at least one of the innovation-related indicators: Research and development expenditure corresponds to at least 15% of the higher value between the revenues, and the total cost of production; the workforce includes at least 1/3 of PhDs, PhD Students or researchers, or at least 2/3 of the holds a master's degree, the company is the owner or licensee of a patent or it owns a registered software program.

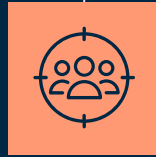
ISA: Main Support Measures

Simplified procedures, and tax exemptions



Some exceptions to general company law

Tailor-made labor regulations



Tax incentives & simplified access to funding opportunities

Access to internationalization support measures

Requirements to be an innovative SME (2015)

SMEs that:

- Have **headquarters in Italy or in another EU/EEA** Member State but with a production site or branch in Italy
- **Audited/certified tax returns**
- **Is not registered as an innovative startup**
- Meet at least 2 of the 3 subjective indicators: it has incurred R&D and innovation expenses equal to at least 3% of the higher value between the turnover and the cost of production; the total workforce includes at least 1/5 of PhDs, PhD Students or researchers, or at least 1/3 holds a master's degree, the company is the owner or licensee of a patent or it owns a registered software program.

Some initiatives

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Other Initiatives and Programs



Source: <https://www.invitalia.it/cosa-facciamo/creiamo-nuove-aziende/smartstart-italia>

Smart & Start Italia

- Supports the creation and growth of innovative startups all across Italy
- It offers:
 - An interest-free loan up to 80% of the eligible expenses
 - A non-repayable grant amounting to 30% of the total loan can be offered, for startups based in Basilicata, Calabria, Campania, and other regions
- More than 2,400 business plans have been presented and more than 1,200 innovative startups have been financially supported as of June 2020.

Other Initiatives and Programs

Italia Startup Visa



For non-EU innovators who are in their home countries, and wish to join the Italian startup ecosystem to establish their innovative business

Italia Startup Visa (ISV)

- Launched by the Minister of Economic Development in 2014
- ISV provided a simple procedure for issuing self-employment entrance visas to non-EU citizens who wish to migrate to Italy to start a new innovative startup.

Source: <http://italiastartupvisa.mise.gov.it>

Other Initiatives and Programs

Italia Startup Hub



For non-EU innovators who are already in Italy,
and wish to prolong their stay to establish an
innovative startup

Source: <http://italiastartupvisa.mise.gov.it>

Italia Startup Hub

- Inspired by the Italia Startup Visa
- It extended the applicability of the accelerated procedure to non-EU citizens already possessing the residence permit
- Foreigners who meet the conditions can convert their residence permit into a "Startup permit for self-employment" without having to leave Italy, and benefiting from the same procedures applicable for the startup visa.

Italian Startups and Japan



Italian Innovation Day

Online Pitch and Matchmaking Event

5 - 6 November 2020

Watch the videos of the event

VIDEO DAY 1

VIDEO DAY 2

Source: <https://live.eventtia.com/en/italianinnovationday/program>



Italian Innovation Day 2020

- The fifth edition (first in 2016) of the Italian Innovation Day brought the most promising Italian startups to Tokyo on **November 5th and 6th, 2020**
- There were pitching presentations, with take-aways and networking opportunities for both investors and innovation driven organizations
- Some of the companies introduced are discussing business opportunities with potential Japanese partners

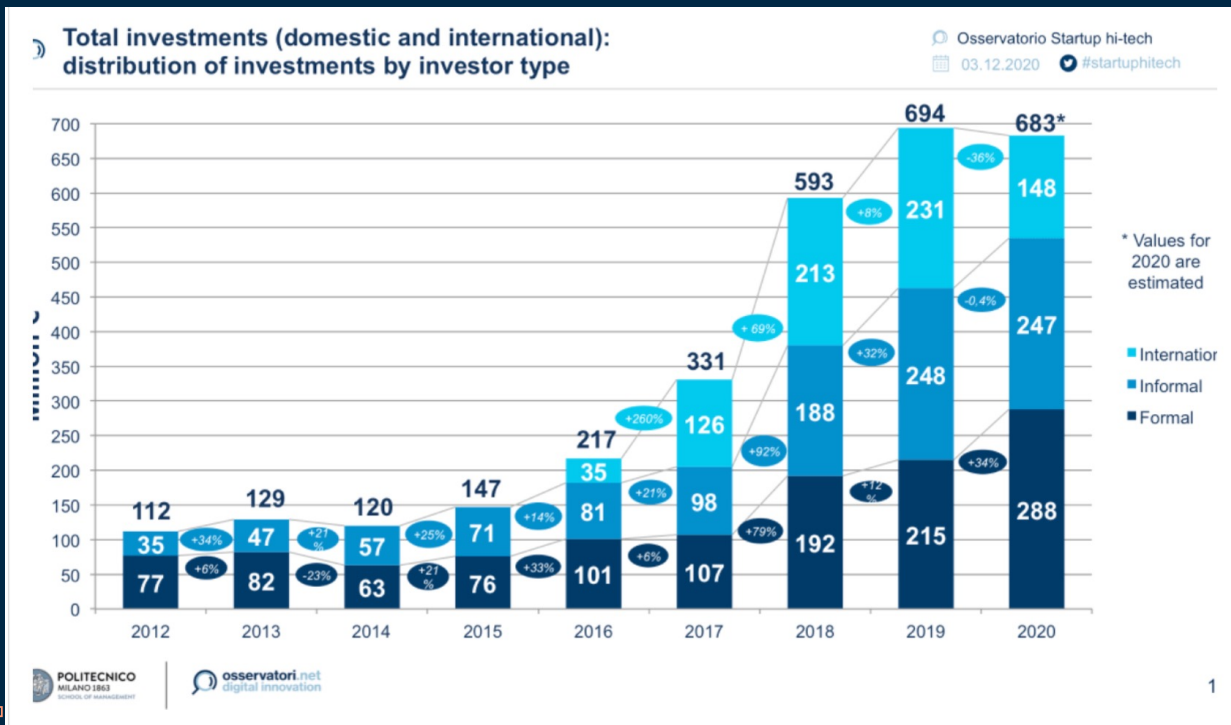
Investment Trends

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Some figures

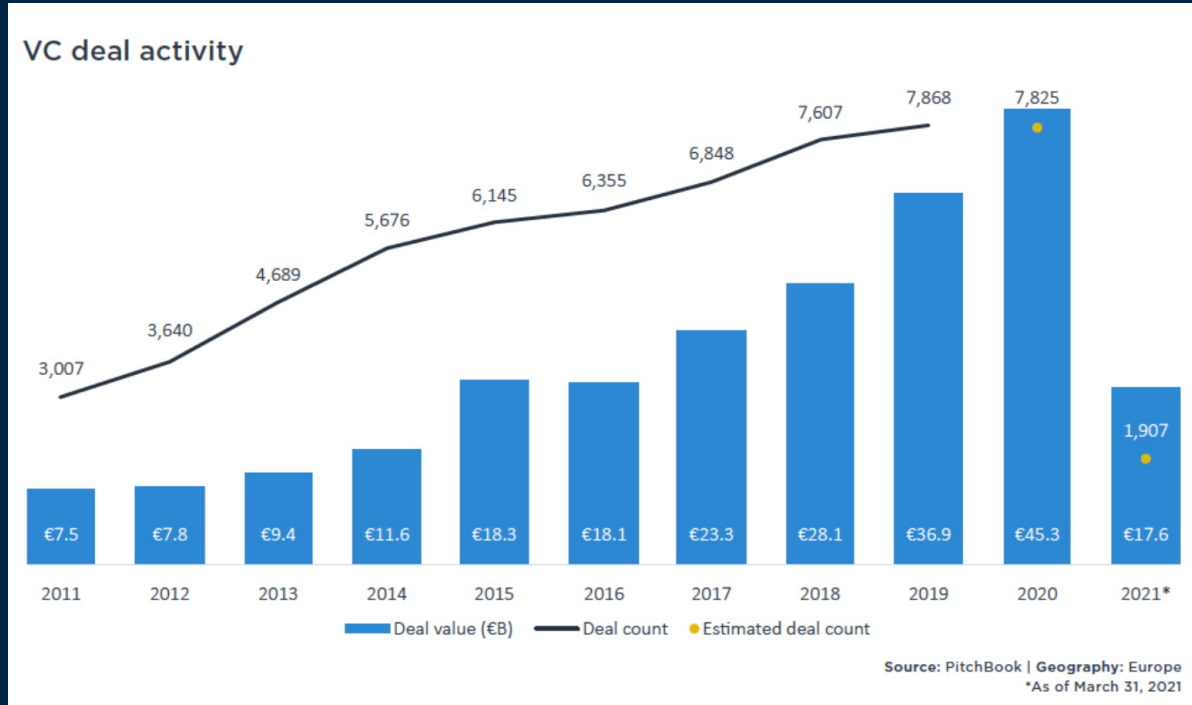
- In the first half of 2021, European VCs' investments surpassed the total (45.1 billion euros) reached in 2020, hitting 47.1 billion euros.
- The total investments in Italian startups and scaleups in the first six months of 2021 reached almost 650 million euro (in the whole of 2020 it was just over 680 millions) moving towards the one billion euro mark
- In the second half of 2021, new and important rounds are about to happen as new funds and operators are ready to start closing the first deals

ITALY



Article: <https://www.startupbusiness.it/investimenti-in-startup-nel-2020-flessione-del-2-rispetto-al-2019/106052/>

VC Deal Activity - EUROPE



Article: <https://www.startupbusiness.it/vc-in-europa-investiti-176-miliardi-di-e-nel-primo-trimestre-2021/107293/>

References

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Magnifico, 2021: <https://startupuniversal.com/country/italy/>

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Italian Ministry of Economic Development, 2019: https://www.mise.gov.it/images/stories/documenti/Executive%20summary%20ISA%2007_2019.pdf

Embassy of Italy Tokyo, 2020:

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Thank you

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