

## Italy Start-up Visa

The Italian Government's policy for attracting innovative foreign entrepreneurs

### ***GUIDELINES***

Ministry of Economic Development  
Ministry of Foreign Affairs  
Ministry of Home Affairs  
Ministry of Employment and Social Policy

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## Legal framework and the concepts of innovative start-up and certified incubator

On 4 October 2012 the Council of Ministers approved a Decree Law containing “Further urgent measures for the growth of the country” (DL 179/2012). Section 9 of the Decree (articles 25-32) concerns specific measures to foster the creation and development of innovative start-up enterprises, which have now, for the first time, been recognised in Italian law. After the completion of the parliamentary procedure the Decree Law was confirmed, with amendments, as Law 221 of 17 December 2012.

For this type of enterprise, a systematic and detailed framework of reference has now been established. This includes the introduction of significant benefits in areas such as tax, access to bank loans and risk capital investments, the business internationalisation process, and labour law ([summary](#)). These measures encompass the start-up’s entire life cycle – from birth to growth, development and maturity – and place Italy’s legal framework in the forefront with respect to our main European partners.

The law refers specifically and explicitly to **innovative start-ups** to underscore that its target is not any and all new enterprises, but those whose business is closely and strongly linked to innovation and technology. To benefit from the support measures, the innovative start-up must be a capital company, including a cooperative, under Italian law, or else a *Societas Europaea*, and must be domiciled in Italy under Article 73 of Presidential Decree 917 of 22 December 1986. Its shares, or securities representing the capital, may not be listed on a regulated market or multilateral trading system. The enterprise must:

- a) have been operating for at least four years;
- b) have its head office in Italy;
- c) have annual sales of less than 5 million euros;
- d) not distribute profits;
- e) be engaged solely or primarily in technological innovation;
- f) not have been created from a corporate merger or division or following the divestment of a company or line of business;
- g) meet *at least one* of the following additional criteria:
  - a. devote at least 15% of its expenditure to Research and Development (R&D) activity;
  - b. have at least one third of its team composed of PhD students or graduates, or of personnel who have been working in research for at least 3 years; alternatively, at least two thirds should hold a master’s degree;
  - c. be the owner, filer or licensee of a patent, industrial property right, or original software registered with the Società Italiana degli Autori ed Editori (Italian Society of Authors and Publishers – SIAE).

No restrictions are applied with respect to the entrepreneur’s personal circumstances, or the start-up’s sector or sphere of business, or the region of Italy where it will be located – all with due respect for Italian and EU law.

No less important for the development of a robust “eco-system” of innovative businesses is the role played by incubators. These are companies that host start-ups and support business ideas deemed to offer the potential for a high economic return, but which are not yet ready to receive large-scale funding. Law 221/2012 defined **certified incubators** as capital

companies, including cooperatives, that provide targeted incubation and acceleration services designed to support the creation or development of innovative start-ups.

To obtain certification, these structures must meet certain requirements (defined by the [Minister of Economic Development's Decree](#) of 22 February 2013). For example, the incubator must have adequate buildings and equipment, and a technical and management structure of recognised competence. It must also be engaged in collaborative relationships with universities, research centres, public institutions and financial partners. Certified incubators must also have sufficient experience in supporting innovative start-ups.

Certified incubators enjoy some of the special conditions applied to innovative start-ups.

The on-going impact of the legislation will be monitored through the website of the **dedicated section of the Business Register** dedicated to innovative start-ups and certified incubators.

The start-up and incubator support policy is intended to foster sustainable growth, technological development and employment, especially youth employment, the development of a new entrepreneurial mind-set, and the creation of an eco-system more conducive to innovation. Other goals are to encourage greater social mobility and **attract foreign capital and talent to Italy**.

The **Italy Start-up Visa policy** is designed to help achieve this last goal.

It is the characteristics of the “system” (macro-economic, bureaucratic, fiscal) that determine a country’s reputation on the global stage of innovative entrepreneurship. The new equity crowd-funding model, the tax relief on seed and venture capital investments and a reduction of “red tape” are just some of the measures introduced by the “Start-Up Law”. They are steps on the road to making Italy a more hospitable place for innovative enterprises, Italian and otherwise.

These provisions can be made more effective by ensuring that any bureaucratic mechanisms involved in issuing self-employment visas to talented non-EU nationals interested in establishing innovative start-ups in our country are quick and streamlined.

## Italy Start-up Visa

**Measure 44** of the Government's **Destinazione Italia** plan, its systematic policy to attract foreign investment and foster greater competitiveness in Italian companies, refers to "visas as a means of attraction". The **Italy Start-up Visa** is based on the consideration that visas are a strategic lever to attract and retain talent and innovation. They should be used as an incentive for certain strategic categories of individuals – most notably innovative entrepreneurs – to come to Italy.

The Prime Minister's Decree concerning the "*Provisional programming of entry-flows of non-EU workers to Italian territory for non-seasonal work for 2013*" (known as the "**2013 Flow Decree**") incorporates these reflections. The Decree, published in Official Journal 297 of 19 December 2013, introduced a new category of entry to Italy for self-employment: "*foreign citizens [intending] to establish innovative start-ups in accordance with law 221 of 17 December 2012, who meet the requirements envisaged by that same law and who will be entering into a self-employment relationship with the enterprise concerned*" (Article 3).

The Guidelines illustrated in the following pages set out the procedures, the documentation required and the requirements of the various Italian public offices concerned so that they can issue entry visas for self-employment purposes in the "start-up" category referred to in the Flow Decree. The other relevant legislation is Article 26 of the Consolidated Law on Immigration (Legislative Decree 286 of 25 July 1998), Article 39 of Presidential Decree 394/1999 and Interministerial Decree 850/2011.

## Eligibility requirements

**Concept of applicant:** foreign nationals from non-EU countries who intend to establish an innovative start-up on Italian territory as defined by Article 25.2 of Law 221/2012 may apply for an entry visa for self-employment. They may also take advantage of the hosting services offered by certified incubators as referred to in Article 25.5 of the law.

**Required documentation:** to obtain a visa the applicant must submit the following documentation to the diplomatic-consular mission responsible for their region:

### 1. Certificate of No Impediment issued by the “Italy Start-up Visa” Technical Committee:

1.1 An “Italy Start-up Visa” Technical Committee, hereinafter the Committee, has been set up in the Ministry for Economic Development. The Committee’s tasks include evaluating innovative start-up proposals by citizens of non-EU countries and certifying that they meet the criteria for entrants coming to Italy to establish innovative start-ups. For evaluation purposes, applicants are required to complete a [form](#) (which can be downloaded from [italiastartupvisa.mise.gov.it](http://italiastartupvisa.mise.gov.it)) drawn up by the Committee. They should provide their educational and employment history and detailed information regarding their business idea and model, the type of product or service they plan to develop, and their market. They should also provide documentary evidence that they possess the financial resources referred to in point 1.2.

1.2 Documentation demonstrating that applicants possess proven or certified [financial resources](#) of at least 50,000 euros to develop their innovative start-up.

These resources – documentary evidence of which should be included with the application submitted to the Committee – may include funding from venture capital funds or other investors, the investor’s own funding, funding obtained through crowd-funding portals as referred to in the consolidated law on financial intermediation (Legislative Decree 58 of 24 February 1998 as amended by Articles 50-quinquies and 100-ter – equity crowd-funding portals); other funding issued by Italian or foreign government or non-government bodies, or a combination of the above.

The documentary evidence that the applicant possesses the minimum funding required must take the form of one or more letters issued by the banks where the funds are held and/or letters confirming that funding has been provided by venture capital funds, other investors and/or equity crowd-funding portals.

In the case of funding from certified incubators, the value of any services in kind that the certified incubator intends to provide for the innovative start-up may be included in the total amount.

Lastly, the applicant must include a declaration where they undertake to use the funding to establish and operate an innovative start-up.

To obtain a Certificate of No Impediment, applicants should send the documentation referred to in point 1.1 to the Committee in electronic format. They should then submit the original documents to their diplomatic-consular mission along with their visa application and the documents referred to in point 1.4 and points 2 and 3 below.

1.3 In cases where a certified incubator is willing to host the non-EU national on its premises to establish an innovative start-up, and has certified and demonstrated this willingness through an [undertaking signed by its legal representative](#), this undertaking is **sufficient for the Committee to issue its Certificate of No**

**Impediment.** The form to be signed by the incubator's legal representative can be downloaded from *italiastartupvisa.mise.gov.it*. In such cases, the Committee's Certificate serves, essentially, to validate and monitor the establishment of start-ups, since it is the certified incubator that evaluates the start-up proposal itself.

In such cases, applicants are still required to provide the certifying Committee with the documentary evidence of their financial resources as referred to in point 1.2.

The aim, in giving certified incubators a decisive role in the selection procedure, is to concentrate the function of attracting foreign talent in a clearly-defined number of hubs of proven reliability.

A full and up-to-date list of certified incubators can be found on the website of the dedicated section of the Business Register (<http://startup.registroimprese.it/>).

Applicants should submit the Certificate of No Impediment issued by the Committee, together with the documents referred to in points 1.2, 1.4, 2 and 3, to their diplomatic-consular mission along with their visa application.

1.4 Acting on the applicant's behalf, the Committee also undertakes to obtain a **provisional Certificate of No Impediment for entry purposes** from the Questura responsible for the locality in which the applicant intends to set up their business. This procedure takes place electronically.

The Committee can only issue its Certificate of No Impediment once the Questura has issued its own provisional Certificate. Indeed, the Committee's Certificate states that the Questura has issued a provisional Certificate of No Impediment for entry purposes.

1.5 The Committee must reach its decision and either issue (or refuse) its [Certificate of No Impediment](#) within 30 (thirty) days of the date of submission of the complete documentation described in these Guidelines and indicated in the footnotes to the application forms for the Certificate.

The Committee informs the applicant electronically as soon as the Certificate of No Impediment has been issued. It also informs the "Italy Start-up Visa" contact points in the Ministry of Foreign Affairs (head of the Visa Centre), the Ministry of Home Affairs and the Ministry of Employment and Social Policy (Director General for Immigration and Integration Policies) at the same time.

2. Evidence that they have **suitable accommodation**, in accordance with Article 26 of Presidential Decree 445 of 2000 (including in the form of a hotel booking or an offer of accommodation from a third party).
3. Evidence of income earned during the previous financial year in their country of residence. Said income must be higher than the minimum level envisaged by the **law on exemption from co-payment of health costs** (8.400 euros).

Applicants should submit these documents to their Visa Office for evaluation when they submit their application.

Once the diplomatic-consular mission has received the visa application from the non-EU national, complete with the originals of the above-mentioned documents, it should carry out the checks for which the Ministry of Foreign Affairs and its consular offices abroad are responsible and issue a **self-employment start-up visa** with all due speed. The visa, which is valid for **one year**, is included in the quotas envisaged by Article 3 of the "Flow Decree" for 2013/2014 (or subsequent decrees) for entry for self-employment.

For each innovative start-up, a Certificate of No Impediment may be issued to a maximum of 5 (five) individuals. In exceptional circumstances, depending on the nature of the proposed business, the Technical Committee may authorise a higher number of Certificates (but in any case no more than 10 (ten)).



## Evaluation procedure

The “Italy Start-up Visa” Technical Committee was set up in the Ministry for Economic Development by a decree issued through the relevant Directorate. The Committee’s tasks are to:

- certify that applicants meet the criteria for entry to Italy by non-EU citizens to establish an innovative start-up;
- conduct an objective evaluation of innovative start-up proposals submitted by foreign applicants;
- obtain a provisional Certificate of No Impediment for entry purposes from the Questura responsible for the locality in which the start-up will be established;
- obtain “undertaking to host” declarations from certified incubators.

The Technical Committee is composed of representatives of recognised national associations who have close links, each for their own area of expertise, with the start-up “eco-system”. Its members include:

- the Chair of the venture capital committee of the Italian Private Equity and Venture Capital Association (AIFI);
- the Chair of the Association of Italian Science and Technology Parks (APSTI);
- the Chair of the Italian Business Angels Network Association (IBAN);
- the Chair of the Network for the Exploitation of University Research (NETVAL);
- the Chair of the Association of Incubators and Italian Academic Business Plan Competitions (PNICube);
- a representative of the Ministry of Economic Development, who coordinates and organises the Committee secretariat.

The Committee is chaired by the Ministry’s Director General for Industrial Policy, Competitiveness and Small and Medium-Sized Enterprises.

Once it has received the required documentation, which should be set out in a form containing the applicant’s CV, business idea and business plan, and evidence that the applicant has the minimum financial resources required (point 1.2), the Committee issues its **Certificate of No Impediment**.

The evaluation conducted by the Committee (point 1.3) may be replaced by an undertaking by the certified incubator stating that it is willing to host and help the innovative start-up.

Acting on the applicant’s behalf, the Committee also undertakes to obtain a **provisional Certificate of No Impediment for entry purposes** from the Questura responsible for the locality in which the applicant intends to set up their business. This procedure takes place electronically.

The electronic application forms for the Committee’s Certificate of No Impediment or – as an alternative – the form to be used by the certified incubator undertaking to host the innovative start-up, along with any other forms required for the various procedures, are available on the website set up by the Ministry for Economic Development: [www.italiastartupvisa.mise.gov.it](http://www.italiastartupvisa.mise.gov.it).

The forms will also be available on the websites of the Ministry of Foreign Affairs, the Ministry for Economic Development and the Ministry for Employment and Social Policy ([www.integrazionemigranti.gov.it/](http://www.integrazionemigranti.gov.it/)).

## Follow-up procedures

Within eight (8) days of their arrival in Italy, holders of start-up visas must submit a formal application for a residence permit for self-employment purposes, following the same electronic procedures as for self-employment visas. The residence permit will have the same duration as the visa.

The standard conditions for family re-unification apply, as set out in the Consolidated Law on Immigration.

The residence permit for self-employment purposes may be renewed, again following the same electronic procedures as for self-employment visas. To renew their residence permit, applicants must submit an application to the Questura for their locality, complete with the following documentation:

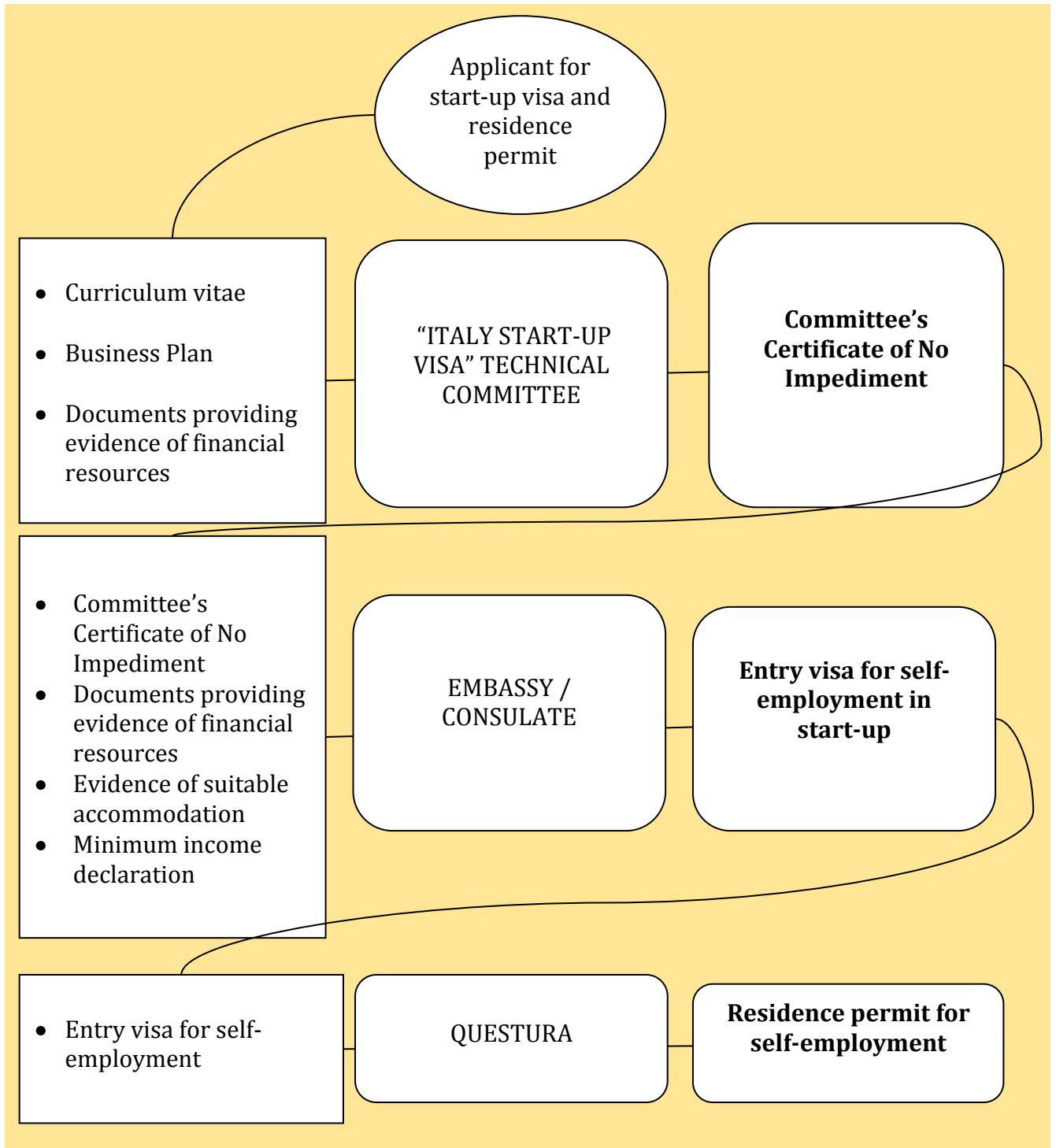
- instrument of incorporation and articles of association of the innovative start-up, and file search report from the dedicated section of the business register as referred to in Article 25.8 of Law 221/2012 (which confirmed Decree Law 179 of 18 October 2012), demonstrating that the start-up meets the requirements of Article 25.2 of said law;
- evidence that the applicant has an adequate annual income from lawful sources.

If, after the visa has been confirmed, the start-up is no longer able to meet one or more of the requirements of Article 25.2 of Law 221/2012, this will not lead to their residence permit being withdrawn.

For the purposes of healthcare provision for holders of start-up visas, the regulations currently in force apply.

## Flow Charts

### Case A – Evaluation conducted by the “Italy Start-up Visa” Technical Committee



**Case B: Undertaking by certified incubator to host the innovative start-up that the applicant intends to establish**

