

INVEST
IN ITALY



THE PERFECT PLATFORM FOR
PHARMACEUTICS INDUSTRY

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ITA
ITALIAN TRADE AGENCY

INVITALIA

COUNTRY OVERVIEW





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INVITALIA

3rd LARGEST EU ECONOMY

Italy has a large and skilled **workforce**.

Competitive **location** for investment. Cheaper than USA and many Western European competitors.

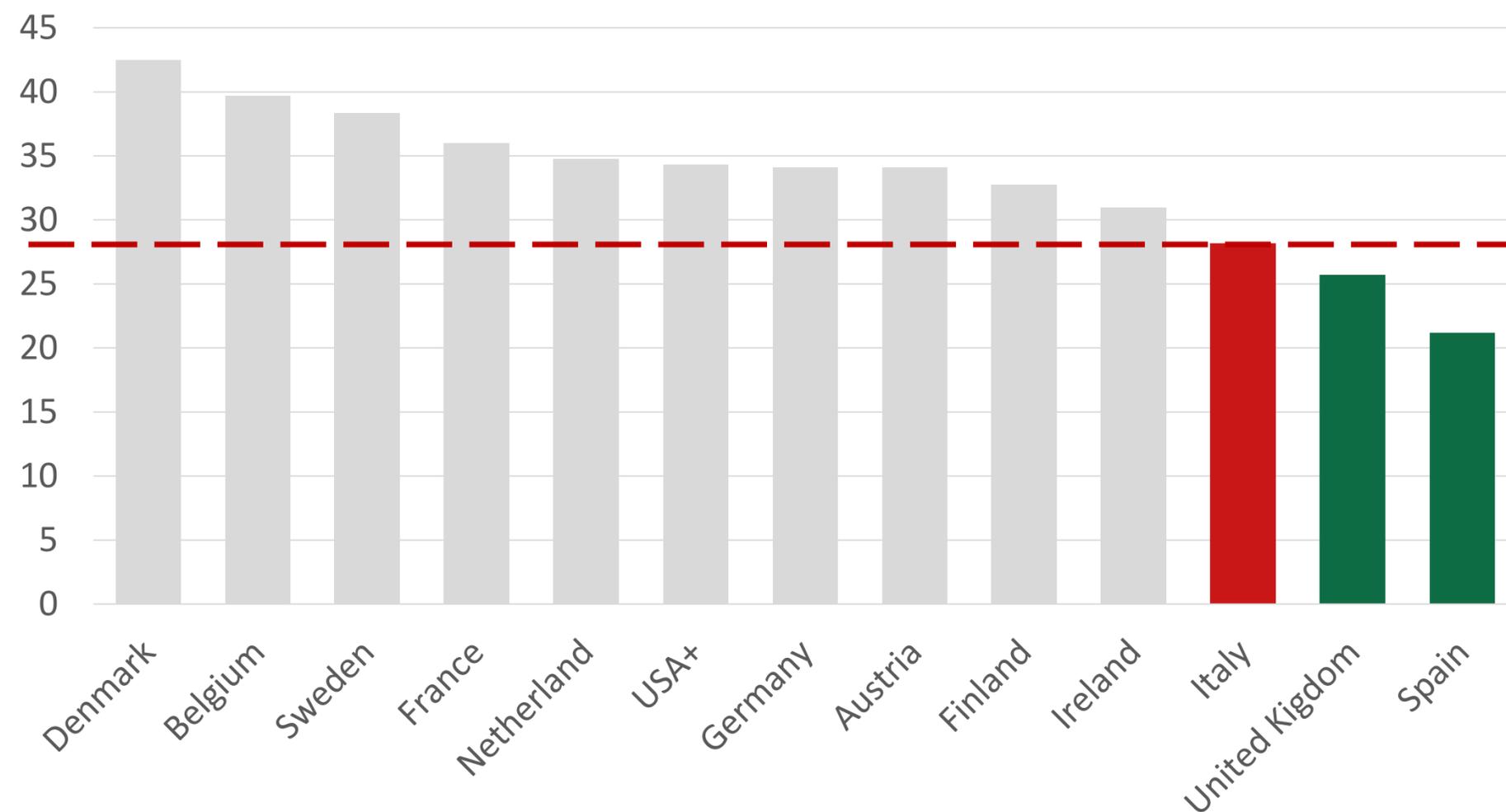
Italy has among the lowest labour costs in Western Europe



LABOUR COST

More cost effective than most of the competing economies

(manufacturing hourly compensation costs; UE €)



3rd LARGEST EU ECONOMY

Italy is open to Technology and 4.0
manufacturing

Italy is the **8th economy in the world**, based on
strong export

Ranks 10th in 2018 for FDI attractiveness, +8
than in 2015



ECONOMIC OUTLOOK

1% GDP growth forecast for 2019

(2018 German GDP 0,6%)

Export increased by 3.5% between 2017-2018

New employment policies IoT based

A new single website portal for incentives to invest now available



CORPORATE TAXATION REFORM

In the last years the Italian Parliament approved **new legislation**, including tax incentives, specifically aimed at making Italy *an attractive location for investment* in manufacturing and R&D.

Among those specific tax incentives, the following are particularly relevant:

- Patent box
 - a 5 year-elective regime will grant a partial tax exemption on income derived from qualifying intangible assets (patents, know-how, trademarks) as long as the Italian company performs R&D activities
- R&D tax credit
 - It provides a 25% or 50% tax credit on R&D incremental expenses (at least equal to € 30 K or more), calculated on a fixed basis given by the average of R&D expenses incurred in the previous 3-years period.
- Tax credits/incentives for the purchase of digital

machinery & industrial equipment (Hyper depreciation 170%-100%-50% and Super-depreciation: over-valuation of investments in newly purchased 4.0 technologies)

Other tax incentives are:

The “Destination Italy” Decree

- created a *specific and dedicated desk of the Revenue Agency* (Agenzia delle Entrate) in order to help and provide information to foreign investors
- enhanced the *tax ruling procedures*, by extending the validity period of the preventive rulings from 3 to 5 years and including also the existence of Italian permanent establishments of foreign companies
- 50% bonus on social security contribution for companies hiring people under 35 recruited in 2019-2020 (100% in Southern Regions)

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PHARMA INDUSTRY

THE MOVE FROM TREATMENT TO PREVENTION, DIAGNOSTICS AND CURE...

The pharmaceutical industry discovers, develops, produces, and markets drugs or pharmaceutical drugs for use as medications: drug discovery, drug development



PHARMA RESEARCH

Scientific and technological Parks ●

PST della Sardegna - Porto Conte

POINT POLO INNOVAZIONE Tecnologica provincia di Bergamo

Polaris - PST della Sardegna - Pula

Parco Scientifico e Tecnologico della Sicilia - Catania

Consorzio PST Multisetoriale Magna Graecia

Pa.L.Mer

Parco Scientifico biotecnologico San Raffaele

Parco Tecnologico Padano

Parco Scientifico e Tecnologico Galileo

Parco Scientifico e Tecnologico della Sicilia - Palermo

CERFITT

Tecnopolo Tiburtino

Tecnopolo di Castel Romano

Fondazione Toscana Life Sciences

Parco Scientifico e Tecnologico Kilometro Rosso

Sviluppumbria

3A Parco Tecnologico Agroalimentare dell'Umbria

AREA Science Park

Polo ICT

Environment Park

Bioindustry Park Silvano Fumero S.p.A.

Friuli Innovazione - Centro ricerca e trasferimento tecnologico

VEGA VEnice GAteway for Science and Technology

DT Sicilia Micro e Nano sistemi

Tech Districts ●

Distretto H-BIO Puglia

Medis – Distretto mecatronico

Di.T.N.E. - Distretto Tecnologico Nazionale sull'Energia

ComoNext

Distretto Agro-alimentare Regionale D.A.Re. Scarl

DHITECH Scarl - Distretto Tecnologico High Tech

Tecnopolo di Mirandola

Imast S.c.a.r.l.

Atcoroglio

Polo Tecnologico di Pavia

Polo tecnologico di Navacchio

Sardegna DistrICT - DT Biomedicina-Tecnologie Salute

Sardegna DistrICT - DT Tecnologie e Comunicazioni

DTA - Distretto Tecnologico Aerospaziale

Habitech Distretto Tecnologico Trentino

Fondazione Torino Wireless

Centro di Biomedicina Molecolare (CBM)

BioTecnoMed

Other Centres ●

Aster

C.R.M.P.A. Centro Ricerca Matematica Pura Applicata

CUSSMAC

Tis Innovation Park

Tecnogrande



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AND UPTODATE, NEW IDEAS...

UNIVERSITIES
FACULTIES AND
DEPARTMENTS

ENGINEERING – CHEMISTRY - PHARMACY – MEDICAL UNIVERSITIES



“ASSOCIAZIONE DISTRIBUTORI FARMACEUTICI” <http://www.adfsalute.it/>



“ASSOCIAZIONE FARMACEUTICA INDUSTRIA” <http://www.afiscientifica.it/>

NATIONAL TECH CLUSTERS

| | | |
|-----------------------------|--------------|---|
| • AEROSPACE TECHNOLOGY | ROME | http://www.ctna.it/ |
| • AGRIFOOD | ROME | http://www.clusteragrifood.it/en/ |
| • GREEN CHEMISTRY | MILAN | http://www.clusterspring.it/home/ |
| • INTELLIGENT FACTORIES | BOLOGNA | http://www.fabbricaintelligente.it/en/ |
| • CLUSTER TRASPORTI | ROME | http://www.clustertrasporti.it/ |
| • LIFE SCIENCE | MILAN | http://www.clusteralisei.it/en/ |
| • SMART LIVING TECHNOLOGIES | ANCONA | http://www.smartlivingtech.it/en |
| • SMART COMMUNITIES TECH | TURIN | http://www.smartcommunitiestech.it/en/ |

What's coming next...

- HERITAGE TECH
- DESIGN, MADE IN ITALY
- SEA ECONOMICS
- ENERGY



ITALIAN TECHNOLOGY INSTITUTE

IIT's production includes **8569 publications**, over **150 European projects** and **17 ERC** (European Research Council) **projects**, more than **500 active patent applications**, **17 established start-ups** and 26 under due diligence.

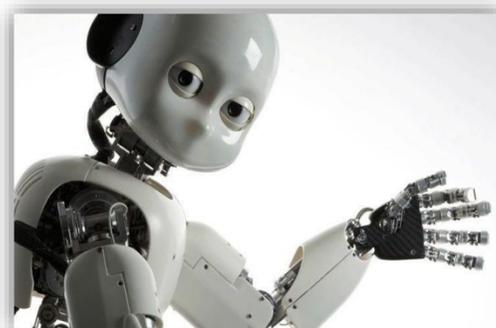
Since 2009, the Institute's scientific activity has been further strengthened with **the creation of eleven IIT research centres in Italy** (in Turin, two in Milan, Trento, Rome, two in Pisa, Naples, Lecce, Ferrara) and **two outstations located abroad** (MIT and Harvard in the US)

11 scientific programs of three types:

Technology Programs, primarily aimed at developing High tech research in collaboration with external entities and industries:
Portable Energy, Robotic Rehabilitation, Graphene

Core Programs, dedicated to the basic research activities traditionally developed by IIT :
Brain Science, Robotics, New Materials, Materials Chemistry

Cross Disciplinary Programs, primarily devoted to high risk-high return research both basic or applied:
Interaction, Health Technologies, Nano-Bio Photonics, Computation



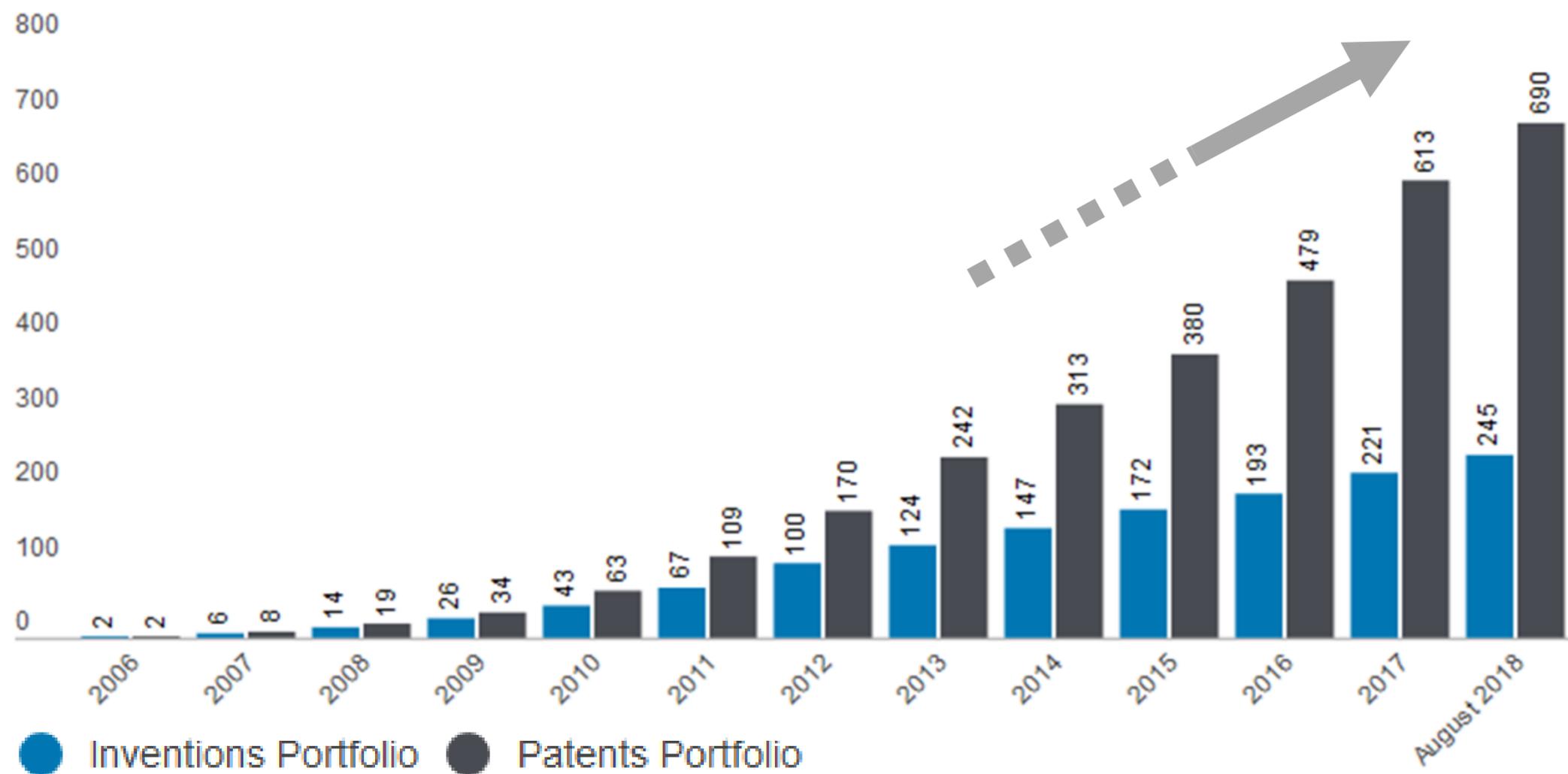
National Foundation financed by the State to conduct scientific research for the purpose of technological development. IIT aims to promote excellence in basic and applied research and to promote the development of the national economy.



TECHNOLOGY TRANSFER

INVENTIONS AND PATENTS

Strong points

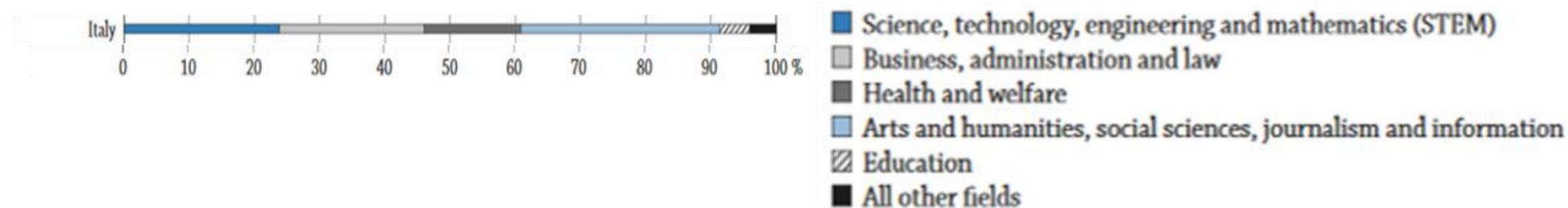


ABUNDANT AND SKILLED WORKFORCE

Italy has some of the world's best engineering universities. Indeed, engineering is the 2nd highest course for enrolment in the country – **225,619** currently studying an engineering discipline.¹

The Technological Departments of the Italian Universities annually produce a pool of graduates with the knowledge and industry experience to immediately enter the work force.

Tertiary-educated 25-64 years old (2016) – Fields of study



The engineering sector currently employs around 417,000 people in Italy.²



Politecnico di Bari



POLITECNICO DI TORINO

And much more.



...RIGHT DEVELOPMENT



ASSOBIOMEDICA

<https://www.assobiomedica.it/it/index.html>



FARMINDUSTRIA

<https://www.farmindustria.it/>



FEDERCHIMICA

<https://assobiotec.federchimica.it/en/home>

FEDERCHIMICA ASSOBIOTEC
ASCHIMFARMA

<https://aschimfarma.federchimica.it/>

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INVEST IN ITALIAN PHARMACEUTICS



2018

ITALIAN INNOVATION DAYS, ASIA AND...



NORTH AMERICA



2019



- BIAT Sections*
- Aerospace
 - Environment
 - Biotechnologies**
 - Greentech
 - ICT
 - Nanotechnologies
 - New materials
 - Mechatronics
 - Smart Communities technologies

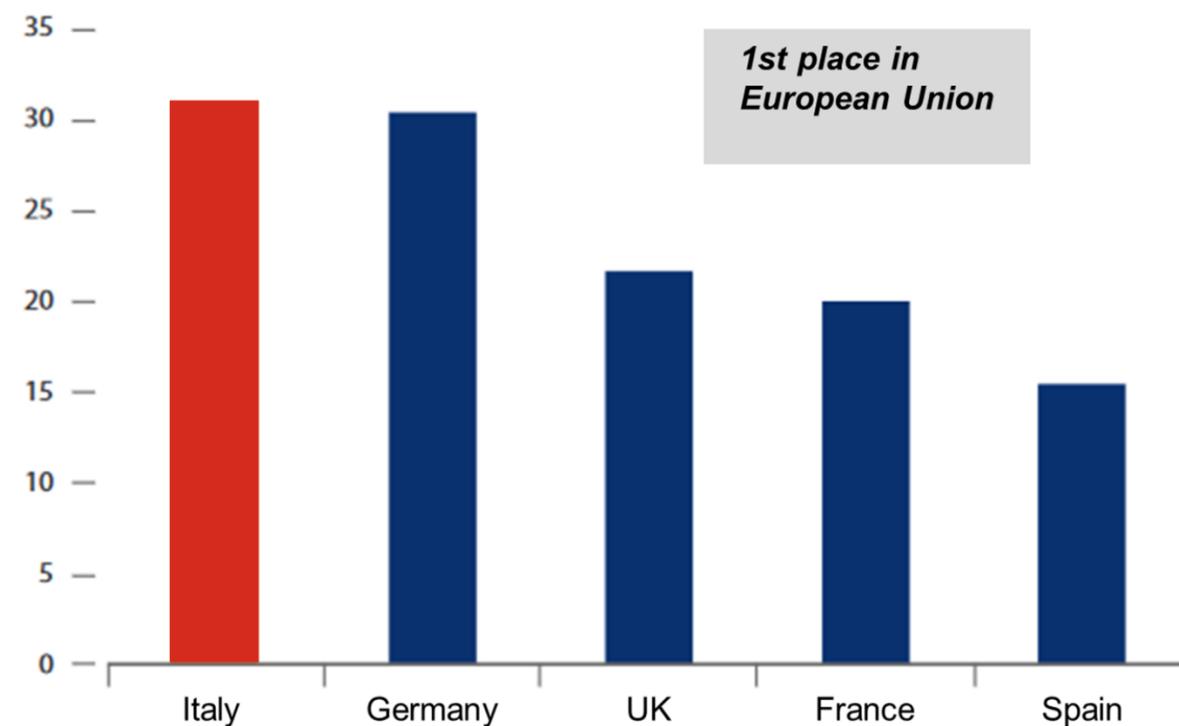




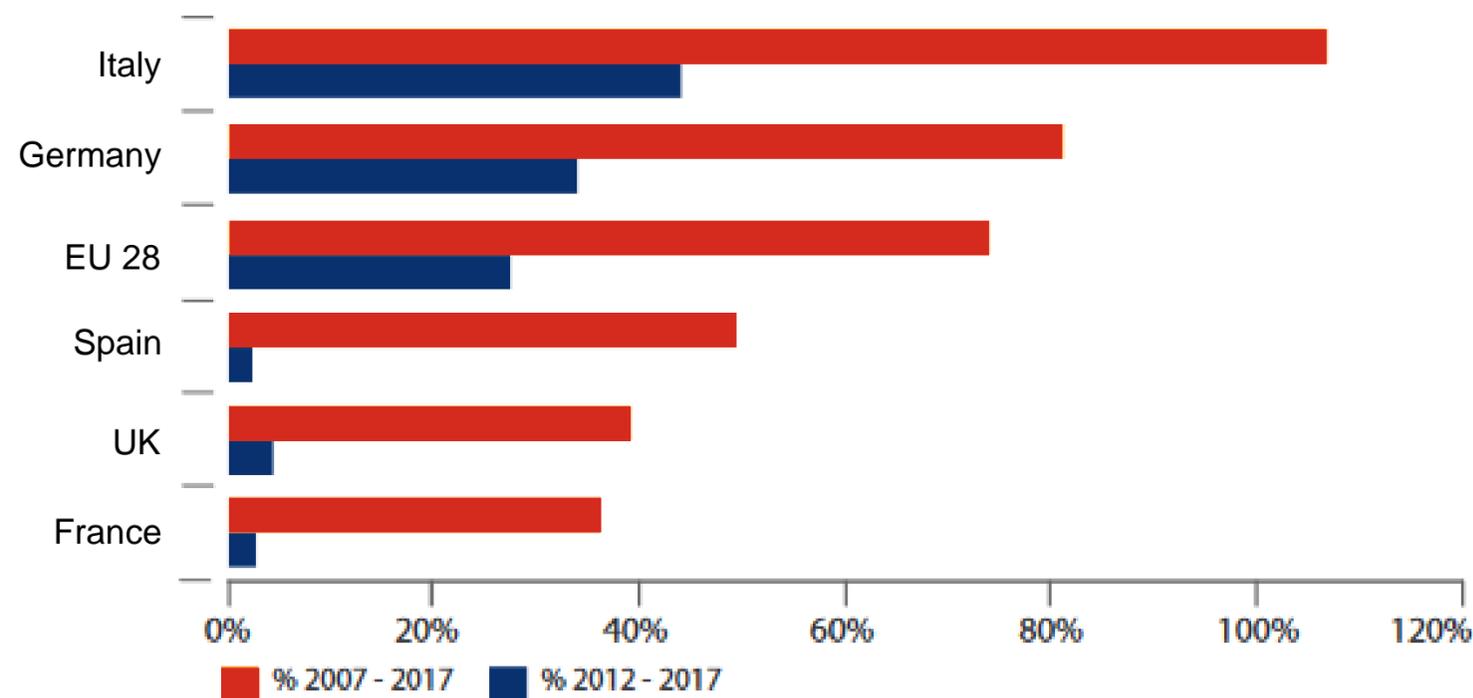
VALUE OF PHARMA PRODUCTION

The data published by Efpia, the European Pharmaceutical federation, show that Italy has become the leading country in terms of value of production in the EU, even surpassing Germany, exclusively thanks to the growth in exports which determined 100% of growth in the last 10 years

(Definite estimates for 2017; blns UE €; %)



Pharmaceutical Export trend 2007-2017 (cumulated change in % point)

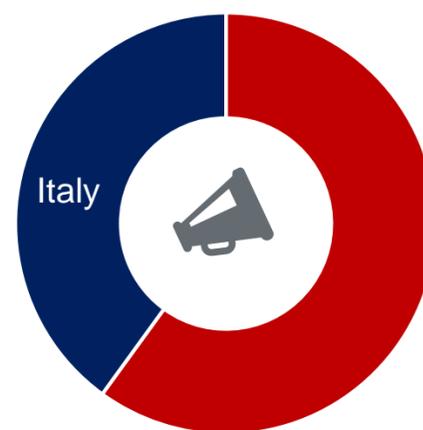
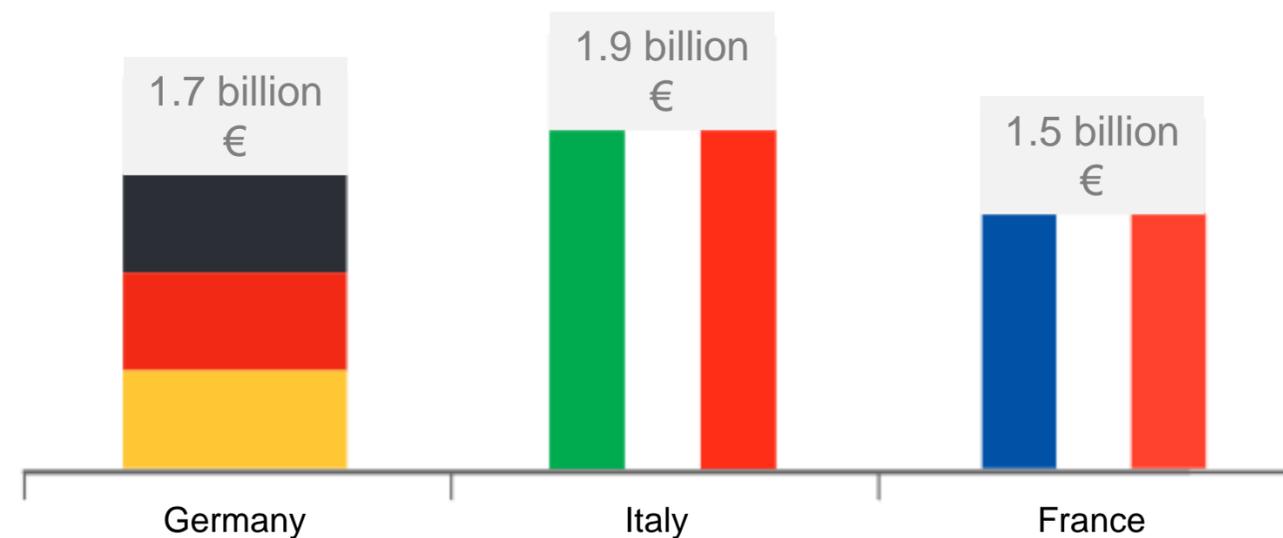




PHARMA FOREIGN DIRECT INVESTMENTS

Italy is first among the major European countries for presence of companies with US and German capital, second for that of French, Swiss and Japanese companies. It is also a global hub for the production of vaccines with regard to companies with UK capital. Italy is first in Europe due to the presence of pharmaceutical SMEs, and European leader in contract manufacturing (CDMO)

Pharmaceutical Contract Development and Manufacturing Organization (CDMO) Ranking

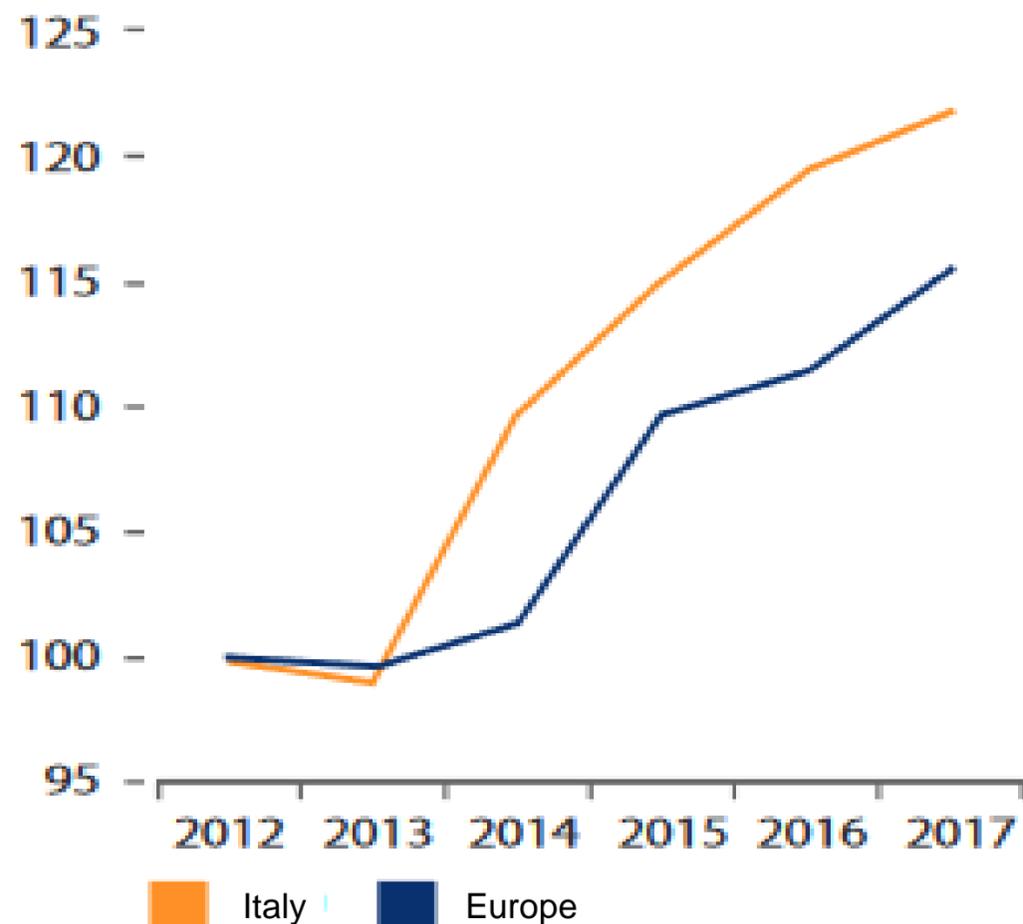


■ Foreign Capital ■ Italian capital

60%
% ON TOTAL
Foreign capital
companies

40%
% ON TOTAL
Italian capital
companies

EUROPEAN PHARMACEUTICAL R&D TREND



WHAT ABOUT RESEARCH

With 1.5 billion invested in R&D in 2017 (7% of the total in Italy), the Pharmaceutical industry is third (among the manufacturing sectors), after Transports and Mechanics, and first for innovative companies and ratio between innovation expenses and employees.

Since 2012 the growth of investments in Research has been 22% (more than in Europe that is + 16%), equivalent to about 300 million more

REGIONAL CLUSTERS AND EXPORT



<http://www.lombardialifesciences.it/en/>



<http://www.lazioinnova.it/il-distretto-tecnologico-delle-bioscienze/>



<http://www.toscanalifesciences.org/en/>



SUBSTANTIAL ADDED VALUE

In the national ranking of the technological poles of all sectors for export in Italy, the first two are pharmaceuticals, Lazio and Lombardy, and the pharmaceutical districts of Tuscany and Campania are respectively in fourth and seventh place. The pharmaceutical sector represents 55% of the total export of Italian technological poles

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NEXT TRADE SHOWS AND EVENT





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THANK YOU