

Ministry of Economic Development Ministry of Interior Ministry of Labour and Social Policies



Italia Startup Hub

Guidelines

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How does Italia Startup Hub work?

The Italia Startup Hub programme (http://italiastartuphub.mise.gov.it/) was launched in December 2014 to facilitate the retention of foreign talents who wish to extend their stay in Italy and set up an innovative enterprise. ISH draws inspiration from and complements the Italia Startup Visa programme (ISV), in which since mid-2014 helps to attract innovative entrepreneurs from all over the world.

Both programmes aim to ease immigration procedures from an administrative point of view. Whereas Italia Startup Visa focuses on the issue of entry visas, Italia Startup Hub targets the procedure of *residence permit conversion*. Non-EU nationals residing in Italy who aim to extend their stay to set up an innovative startup can convert their residence permit – obtained for study purposes, for example – into a self-employment type. Hence, there is no need for them to leave the Italian territory, and they can also leverage a special procedure that is digitalised, centralised, and sped-up.

- **Digitalisation**: applicants send their documentation by e-mail (address: italiastartuphub@mise.gov.it). This channel represents the only means of communication with the administration;
- **Centralisation:** the whole procedure of *nulla osta* issue is centralised. One single administration (the Ministry of Economic Development, namely the Directorate General for Industrial Policy, Competitiveness and SMEs, through the Programme Secretariat¹) acts as a one-stop-shop for applicants;
- **Sped-up:** The *nulla osta* for the residence permit conversion is issued within 30 days from application.

Legal references

The Decree of the President of the Council of Ministers of 11 December 2014 (so-called "Decree on Immigration Flows for 2015") set out a legal ground for migrant entrepreneurship policies such as ISV and ISH. Such provisions have been confirmed in all subsequent Decrees on Immigration Flows (for details, please check www.interno.gov.it, "Flow Procedures" section). The decree is to be read jointly with the attached circular, issued by the Ministry of Interior and the Ministry of Labour and Social Policies, which provides detailed information on implementation.

The definition of innovative startup relevant to the purposes of the Italia Startup Hub programme is set forth by Decree Law 179/2012, the so called "Italian Startup Act" (see following Focus).

¹ The Secretariat is managed by Unit VI at the DG for Industrial Policy.

Focus: What is an "innovative startup"?

Decree-law 179/2012, the "Italian Startup Act", defines *innovative* startups as newlyestablished **limited liability companies**, not listed in the stock market or elsewhere, which meet the following requirements:

- they have been incorporated for less than 5 years;
- they have their headquarters in Italy, or in another EU/EEA Member State and at least one branch in Italy;
- their annual turnover does not exceed €5 million;
- they have not distributed profits yet;
- they do not result from a merger, a split-up or selling-off of a company or branch of it;
- their company purpose ("oggetto sociale") refers exclusively or predominantly to the production, development and commercialization of innovative goods or services of high technological value;
- moreover, they need to meet one of the following three criteria ("innovativeness indicators"):
 - at least 15% of the highest value between company's costs and annual turnover is allocated to R&D activities;
 - at least 1/3 of the total workforce are PhD students, PhD holders or researchers;
 alternatively, 2/3 of the total workforce hold a Master's degree;
 - o the enterprise is the holder, depositary or licensee of a registered patent (industrial property) or the owner of a registered software for computers.

There are no specific restrictions with regard to the entrepreneur's age or the startup's business sector.

• For more information: mise.gov.it, "Innovative startups" section (check the policy summary in English).

Who is Italia Startup Hub for?

Italia Startup Hub addresses citizens from non-EU countries who are already in Italy and hold a regular residence permit for purposes other than self-employment, and aim to establish, alone or in a team², an innovative startup in Italy.

To be eligible for the programme, applicants must prove that they have a financial availability of at least €50 000, either coming from personal resources or conferred by third parties, to be invested in the entrepreneurial project.

The following types of resident permit are eligible for the sake of the ISH programme:

- a. residence permit for study,3
- b. long-term residence permit issued by another Member State of the European Union,
- c. residence permit for scientific research,
- d. residence permit for dependent employment,
- e. residence permit for investors (Article 26-bis of the Consolidated Act on Immigration),
- f. residence permit for family reasons.

The residence permit issued under the ISH procedure is a fully-fledged self-employment permit type: it does not constitute a separate category. This means that all the rights and duties related to a standard self-employment permit are fully applicable under ISH residence permit.

Similar to Italia Startup Visa, Italia Startup Hub application is permitted only to foreign citizens who intend to set up a new startup and undertake an *entrepreneurial* role in it. Proof of this role are the possession of capital shares and, at the same time, being actively involved in business' tasks.

² In case of applications from **entrepreneurial teams**, the threshold of €50 000 applies to the project as a whole, not to each individual. However, the Italia Startup Visa Committee reserves the right to reject applications that do not demonstrate a financial availability that is adequate to the proposed scope of activity. Moreover, each applicant must demonstrate, at the time of the issuing of the new permit, that his/her income of the previous year is not lower than €8 500. For further information, please refer to the dedicated section of the ISV Guidelines ("Applications from entrepreneurial teams").

³ ISH also allows converting residence permits issued for internship and/or vocational training. However, according to current regulations, this is allowed just once the internship/training period has been completed (DPR no. 394/99, art. 14, par. 9).

Warning! If the ISH applicant holds a residence permit for (a.) study, traineeship, and/or vocational training or (b.) long-term residents issued by an EU country different from Italy, the participation in the programme is subject to the residual availability of annual conversion quotas, as set out in the Decree on Immigration Flows valid for the concerned year.

Holders of a residence permit of the above-mentioned types are strongly advised to check in advance the availability of sufficient quotas with the **Single Desk for Immigration** of their province of residence. Should quotas be no longer available, the applicant should inform the ISV Secretariat as soon as possible.

Application procedure

Required documents

Applications shall include the following mandatory documents:

1. Business project

- **1a. application form** (download here)

 For applications supported by a **certified incubator**⁴, the application form is replaced by a "declaration of hospitality".
- **1b**. a **pitch deck** presenting the main elements of the business activity, with particular reference to the growth potential of the business and its hi-tech character;
- **1c**. a **business plan** containing a detailed forecast of costs and revenues in the short-medium term, with particular reference to envisaged research and development expenses.

2. Financial resources

- 2a. a signed cover letter (download: Italian; English) stating financial resources availability not lower than €50 000, to be invested in the company's activities.
- **2b**. **Documentary sources proving the declared financial availability**. Please refer to the Italia Startup Visa guidelines for a detailed analysis of the various forms allowed (see section "b. Certification of availability of financial resources").

3. ID documents

- 3a. a copy of a valid passport (main page only);
- 3b. a copy of the valid residence permit currently in the applicant's possession.

The application form (1a) and a template of cover letter for financial resources (2a) are published on the web portal of the programme, "Filing cabinet" section.

⁴ This type of application is evaluated on a preferential basis by the ISV Committee. The candidate should attach just a **curriculum vitae** (for statistical purposes) instead of a standard application form. For further details on this type of application, please refer to the relevant section of the Italia Startup Visa Guidelines.

The evaluation procedure

The administrative procedure leading to the issue of the Italia Startup Hub final clearance (in Italian, "nulla osta") largely follows the Italia Startup Visa scheme. For the aspects not covered in the following paragraphs, please refer to the corresponding sections of the ISV Guidelines, available in the "Filing cabinet" section of the ISV portal.

Applications must be sent to the following e-mail address⁵: italiastartuphub@mise.gov.it. Forms and other supporting documents can be filled out in Italian or English. Any communication between the administration and the candidate (including his/her representatives) will take place in the language in which the application form was completed.

An expert group, the Italia Startup Visa Committee, evaluates *nulla osta* applications. The assessment, which follows the same criteria applied for Italia Startup Visa (see section "**Phase 2: evaluation**" of the ISV Guidelines), is coordinated by the Secretariat of the Committee.

In the event of a positive evaluation issued by the majority of the Committee's members, the Director General for Industrial Policy of the Ministry, in his capacity as Chairman of the Committee, will sign a *nulla osta* authorising the conversion/update of the residence permit.

The authorisation, digitally signed, will be sent to the visa applicant by standard email. A fac simile of the nulla osta is published in the "Filing Cabinet" section of the ISH portal.

Unlike the Italia Startup Visa programme, ISH does not require a preliminary security clearance from a Questura (central police office of the concerned territory). In fact, holding a residence permit proves in itself that the position of the foreign citizen is lawful, making further security checks unnecessary. The procedure is therefore usually shorter than the 30 days generally required by ISV.

In case of a negative assessment by the Committee, the applicant will receive a **notice of rejection of the application**, duly justified. In accordance with general provisions on administrative procedures, the non-EU citizen can submit a written rebuttal within 10 days from the date of receipt of the notice, asking the Committee to re-examine the case (see ISV Guidelines, paragraph "Refusal of application: reasons and safeguards"). In the absence of a reply within the indicated timeframe, the rejection measure becomes definitive. Any notice of rejection issued after an applicant's rebuttal also definitively ends the procedure..

⁵ The certified e-mail address (PEC) italiastartupvisa@pec.sviluppoeconomico.gov.it is also available.

After the nulla osta (clearance) issuing: conversion and renewal of the permit

According to the type of residence permit held by the non-EU citizen, the Committee's *nulla osta* will lead to:

- I. **Residence permit** *conversion* at the Sportello Unico per l'Immigrazione (Single Desk for Immigration) in charge for the area of residence of the applicant, in the case of a type of permit subject to entry quotas, as per the annual Decree on Immigration Flows. This concerns, in particular, residence permits for study, and long-term residence permits issued by another EU Member State.
- II. **Residence permit** *update* at the Questura responsible for the area of residence of the applicant, in case of a type of permit other than the previous ones: among these, the residence permit for dependent work, for scientific research, or for family reasons.

In both cases, the conversion or update procedure will lead to the transformation of the previous permit into a residence permit for self-employment aimed at the establishment of an innovative startup.

The following section provides a detailed explanation of the procedure.

I. Procedure for students, trainees, and long-term residents (so-called residence permit *conversion*):

- 1. Once having obtained the ISH $nulla\ osta$, the non-EU citizen must book a meeting with the Sportello Unico per l'Immigrazione responsible for his/her area of residence on the web portal nullaostalavoro.dlci.interno.it (registration of a SPID account is required). The applicant should click on "sportello unico immigrazione", then on "richiesta moduli" and then fill out Form Z ("Domanda di verifica della sussistenza di una quota per lavoro autonomo e di certificazione attestante il possesso dei requisiti per lavoro autonomo" \rightarrow "Soci, amministratori di società"). After receiving an automatically generated confirmation email with the scheduled date of appointment, s/he should wait for a call by the local Prefettura (more information on the methods of convocation available on the website of Prefettura).
- 2. During the meeting at the Sportello Unico per l'Immigrazione, the conversion applicant must provide:
 - a. copy of the Italia Startup Hub nulla osta;
 - b. residence permit currently held;
 - c. documentation proving suitable accommodation in accordance with the law;
 - d. documentation proving an income higher than the minimum level required by the Italian law for exemption from participation in health care expenditure (€8 500);
 - e. Italian identity card or passport;
 - f. €16.00 revenue stamp.

- 3. After approval by the Sportello Unico per l'Immigrazione, the non-EU citizen will be allowed to file, at a qualified post office ("Sportello Amico"), a so-called "conversion kit" (209 model). The recipient is the Questura responsible for the territory where the application was filed.
- 4. Finally, Questura convenes the non-EU citizen to issue the residence permit for self-employment.

II. Procedure for employees, researchers, or family members of people holding a residence permit (so-called residence permit *update*):

Once having obtained the authorization, the beneficiary fills out the conversion kit ("Modello 209") available at most post offices ("Sportello Amico"). S/he will then send the documentation to the local Questura and schedule an appointment for the withdrawal of the permit.

Residence permit renewal

Up to 60 days before its expiry date, the residence permit for self-employment can be renewed up to **2 years**, and it can be renewed once more for a further 2-year period. After 5 years of stay, the non-EU national can apply for a long-term residence permit, which has no fixed expiry date (permanent residency).

The provisions applicable to participants in the Italia Startup Visa programme are fully applicable to ISH permit holders (see ISV Guidelines, section "How to renew the residence permit").

In particular, applicants shall be aware that renewal is subjected to an obligation to pay a minimum social security (INPS) contribution, which is ϵ_3 600 for all the associate workers of the innovative startup. Similar to ISV, the startup must be already established at time of renewal.

Availability of the beneficiary of Italia Startup Hub authorisation

At the time of the application, the non-EU citizen participating in the Italia Startup Hub programme agrees to make him/herself available for any communication or periodic survey on the progress of his/her business activities, managed by the Secretariat of the programme. Should the startup residence permit holder make him/herself unavailable, the Secretariat will notify the competent authorities of the occurrence.

Within 90 days from the date of the request for an update or conversion, the non-EU citizen undertakes to communicate the following to the ISH Secretariat (italiastartuphub@mise.gov.it):

- the status of the issuing procedure of the self-employment permit, attaching either a copy
 of the receipt obtained at the post office or, in case it has already been issued, a copy
 thereof;
- the founding of the innovative startup and its legal references (company name, *codice fiscale*, date of registration in the special section of the Business Register dedicated to innovative startups, as required by art. 25, paragraph 8 of Legislative Decree no. 179/2012).

If the startup has not been set up yet, the non-EU citizen undertakes to report it as soon as possible;

- his/her current contacts (email, phone number) and address.

The non-EU citizen also undertakes to update periodically the Committee's Secretariat on developments in his/her entrepreneurial career, and to inform the Secretariat of any changes in his or her contacts. The candidate is also required to notify the Secretariat in case s/he has forgone to establish an innovative startup in Italy.

FAQs

Q: I am a foreign citizen resident in Italy and I want to invest in an innovative startup already in existence. Can I use Italia Startup Hub?

No: Italia Startup Hub is reserved to founders of new innovative startups. Non-EU citizens willing to join startups at a later stage after foundation will apply for a standard self-employment residence permit, i.e. the ISH procedure will not apply.

Q: I want to establish an innovative startup together with other non-EU citizens who are not resident in Italy and need a visa. Is this allowed?

Yes, an entrepreneurial team may consist of ISV and ISH applicants together. The general rules governing team applications are applicable: all team members must submit the forms at the same time.

Q: I signed an agreement ("incubation contract") with an Italian certified incubator. Are there any benefits for my ISH application?

Yes. For instance, the value of the *in-house* services offered by the incubator can be included in the calculation of the financial resources available to the entrepreneur. For further details, please refer to the dedicated section of the ISV Guidelines.

Q: I am currently in Italy with a residence permit for elective residence. Can I use Italia Startup Hub to change my status into self-employment?

No: the residence permit for elective residence does not allow conversion. To obtain a permit for self-employment (which includes the "startup" type) you will need to relinquish your previous residence permit and apply for a new entry visa. In this case, we recommend you to consider the Italia Startup Visa programme.

Appendix: Italia Startup Visa and Italia Startup Hub in comparison

	Italia Startup Visa	Italia Startup Hub	= ≠
Target population	Non-EU citizens who are in their country of origin or in another third country and want to move to Italy to establish an innovative startup as defined by d.l. 179/2012, art. 25, c. 2.	Non-EU citizens who are already in Italy, hold a regular residence permit, and want to extend their stay to establish an innovative startup as defined by d.l.179/2012, art. 25, c. 2.	≠
Body in charge of assessment	Italia Startup Visa Committee	Italia Startup Visa Committee	=
Paperwork	 ISV application form presentation deck business plan Proof of financial resources €50 000 Copy of passport 	 Application form + presentation deck + business plan Proof of financial resources €50 000 Copy of passport Copy of the residence permit 	*
Reference email address	italiastartupvisa@mise.gov.it	italiastartuphub@mise.gov.it	≠
Security check	Yes, by the Questura responsible for the applicant's area of residence	No, the applicant already holds a residence permit	≠
Output	Issue of a 1-year "startup" self- employment visa, which then leads to a one-year "startup" self- employment permit	Conversion/update of the previous residence permit into a one-year "startup" self-employment permit	≠
Issued by	 Visa: Italian Embassy/Consulate competent for territory Residence permit: Questura 	Sportello Unico per l'Immigrazione (for study/long term permit conversions); Questura (other types)	≠
Website	http://italiastartupvisa.mise.gov.it/ #ISVhome	http://italiastartuphub.mise.gov.it/ #ISHhome	≈

Find out more:

- Visit the portal: http://italiastartuphub.mise.gov.it/#ISHhome
- Write to us:
 - o italiastartuphub@mise.gov.it
 - o info.italiastartupvisa@mise.gov.it