

## **DOING BUSINESS ABROAD**

### **South Italy – A BRIDGE TO THE EAST**

#### Country Facts :

Population : 20.663.632 m

(Population Italy : 57.888.245 m)

Main exports : machinery and mechanical products, chemical products, textiles, clothing

Main Imports : means of transport, energy minerals, etc.

Southern Italy's strategic location at Europe's South-East border is a bridge between East and West. It offers huge business opportunities, through the Mediterranean, to and from North African markets and the Middle and Far East.

Southern Italy's agricultural and textile products represent the major source of profit, followed by tourism. Since 2000, cross-border trade and inward investment has been encouraged by government and regional grants, and by promotional public events for "Made in Italy" products and services.

Parts of Southern Italy have been included in the EU Structural Funds until 2013, so will continue to receive public funds as an important regional development area.

Among national grants, there are incentives called "contratti di localizzazione" (Location Contracts) aimed at big investment projects (not less 25m euros for each investment) for the sectors of energy production and distribution, services to companies, tourism, and manufacturing. Grants can consist of unsecured funds up to 35% of the amount invested.

Among the regional grants, for instance, both SME's and major enterprises can benefit by "contratti di programma" ("Programme contracts") for investments in production, R&D, and training activities. The grants fund available is 460m euros. This is a fast moving area, and new grants opportunities are opening up all the time.

Every prudent business carries out market research and evaluation before attempting to break into a market. Acquiring knowledge of local laws, regulations and trading practices is an important element in order to obviate potential risk and maximise opportunities.

Studio Chianura, lawyers of Bari, (Chianura@tin.it) work closely with Temple & Co Commercial, Solicitors in Daventry, (who were awarded the East Midlands Business News Legal Services Award 2004) in assisting UK businesses enter the Southern Italy market, by winning investment support from the Italian authorities, as well as in employment, distribution, property investments, and joint venture issues.

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