



Guide

Doing Business in Campania, Italy

Regione Campania / Sviluppo Campania





Doing Business in Campania

I am delighted to present the first "Doing Business" guide dedicated to companies and potential investors in Campania; it marks an important step towards the implementation of the new regional investment attraction strategy and is also perfectly in line with the framework of interventions envisaged by the Italian Recovery Plan (PNRR).

Being fully aware that foreign investments are an essential basis for economic development in the region, particularly in terms of employment requalification and growth, the Campania Region, supported by its economic development and investment promotion agency, Sviluppo Campania, finally equips itself with a "business card" for the promotion of its territory.

The guide provides investors with an overview of the advantages of locating a business activity in the Campania region and contains precise data on its demography, economy, accessibility, key sectors, skills, costs, financial and fiscal benefits.

A part is also dedicated to the new special economic zone "ZES Campania" and to the measures they provides in terms of incentives, tax reliefs and administrative simplification.

It is essential to create a general climate of trust, particularly now that the challenges of the recovery are imminent and could strongly impact the region's competitiveness. Companies and institutions need to work hand-in-hand in order to translate this positive signal into a stimulus for growth and generate a structural change.

Antonio Marchiello,

Councillor for Economic Development, Employment, Regional Properties and Heritage, Regione Campania

Campania – Facts & Figures



Campania is the 3rd most populated Italian region, with 5,712,000 inhabitants, representing 9.6% of the Italian population

109
billion

Campania has a GDP of € 109 billion, accounting for 6,1% of the Italian GDP



Campania has the youngest population in Italy, with more than 20% of its population under the age of 20



Naples, its capital, is one of the three largest metropolitan areas, with more than 3,400,000 inhabitants; the region has another two urban areas, Salerno and Avellino, which count more than 150,000 inhabitants each



Campania exports are worth € 12 billion, up by more than 26% between 2014-19, higher than the national average growth of 19%

2
million

Campania is the 5th Italian region in terms of workforce, with over 2 millions employees, representing 8% of the active population of the country, up by 10% in the last 10 years, higher than the Italian average growth of 4%

40,000
employees

More than 1,300 foreign-controlled companies have chosen to set up in the region, employing over 40,000 people

Coca-Cola


Heineken

accenture

SIEMENS

Among the foreign investors already present in the region, there are many world leaders in their sectors, including: GE, Magna, Denso, Hitachi Rail, Alstom, Aurubis, Saint-Gobain, Ericsson, STMicroelectronics, Schneider Electric, Honeywell, Novartis, Merck, Nestlé, Coca-Cola, Bonduelle, Heineken, Ebro Foods, Crown, DB Schenker, Veolia, Accor, Jumeirah, Accenture, Apple, IBM, CapGemini, NTT Data, Siemens...

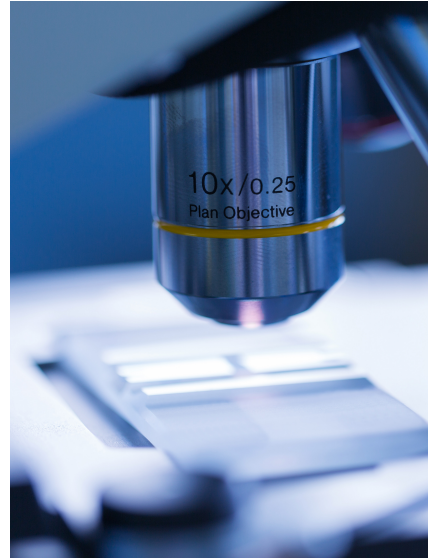
Reasons to setup in Campania

Investments in Campania are driven by diverse reasons:



Localisation and Infrastructure

- National and international accessibility
- Direct access to the Central-Southern Italian market and platform for import/export with Europe and non-European markets



Skills and sectoral ecosystems

- Strong sector-specific ecosystems in manufacturing, logistics, ICT and business services
- Large pool of talent and diversified skills
- Cutting-edge scientific and technological resources to support research activities, in particular in life sciences, ICT, aerospace and materials



Operating costs and incentives

- Low operating costs (in particular labour), compared to Western Europe and to the other Italian regions
- Generous incentives for investments in manufacturing and R&D



Track record

- Presence of national and international leaders
- Recent investments in manufacturing, logistics, ICT and R&D

National and international access

- The Campania region is easily accessible from the rest of Italy and from abroad
- The Campania region and its capital Naples are well connected by motorways and rail links to other major Italian cities
 - For example, from Naples, Rome is just over 1:15 hour away by high-speed train; Florence with 3 hours, Bologna with 3:50 hours and Milan with 5:10 hours
 - Rome is 2:30 hours by car (225 km)
- The international airport, Naples/Capodichino (with the 64% of passengers on international flights), among the top 10 in Italy, provides:
 - links with the main Italian cities – Milan is 1:20 hours away
 - direct links with major European and Mediterranean cities (North Africa, Turkey, Israel, etc), New York and Dubai
- The region also benefits from the proximity to the first Italian airport, Roma-Fiumicino (from Naples, 2:15 hours by car)



Access to Markets



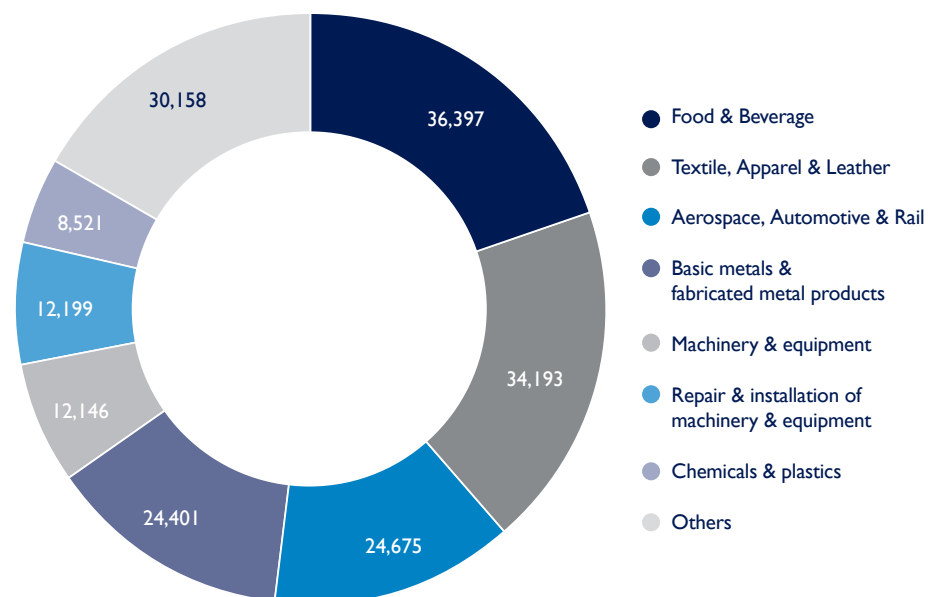
- Campania is an manufacturing and logistics platform that enables to serve both a relevant neighbouring market, Europe and key non-European markets
- Setting up in the region provides instant access, within a radius of 500 km from Naples, to 40% of the Italian GDP, i.e. 5% of the European GDP
- The region's transport infrastructure also facilitates import and export activities to the rest of Europe, the Mediterranean area and the main world markets – in particular, North America and Asia
 - The motorway (A1-A2,A3-A30) and railway networks and 2 multimodal logistic zones facilitate connections with the rest of Italy and with the heart of Europe – France, Germany, Switzerland and Austria
 - 2 ports – Naples and Salerno, respectively #3 and #7 in Italy for container traffic, #3 for ro-ro... – with connections to the Mediterranean area, North & South America, Turkey, India, China

Key Ecosystems

- Manufacturing Sector

- The manufacturing sector in Campania represents a value added of €10 billion, 10% of the regional GVA, with a sharp increase (+23%) between 2012-18, higher than the Italian average growth (+18%)
- It ranks 3rd in terms of number of jobs in Italy, accounting for more than 180,000 jobs, an increase of 4,5%, between 2012-18; a positive growth compared to the national average of -3%
- The region's industry is concentrated in 4 macro-sectors: agri-food (20%), apparel & leather (19%), transportation – automotive, aerospace, railway (13,5%), metallurgy and metal products (13,4%)
- The region represents a significant share of the following 3 macro-sectors in Italy: transport industries (10%, #3 Italian region) – of which: aerospace (21%, #2), railway (19,5%, #1), automotive (12%, #2), food (8,5% of the Italian total, #4), apparel & leather (7,5%, #5)...
- These sectors are also among the most dynamic, not only at regional level but also at national level: apparel (+44% in the years 2012-18), leather (+19%), transport industries (+9%), agri-food (+11,5%), in addition to pharmaceuticals (+49%)

Campania manufacturing sector (nb. of employees)



Key Ecosystems

Services – Transportation & Logistics, ICT and Business services

6.4%
of national total

The logistic sector employs 22,628 people, 6.4% of the national total, up by 14% between 2012-18, higher than the national average of 4.5%



ICT employs 20,000 people, 4.7% of the national total, with a 60% growth between 2012-18 (+5,500 jobs), the best regional performance in Italy

82,200
employees

Professional, scientific and technical activities account for 82,200 employees, representing 6% of the national, up by 12.5% between 2012-18, higher than the national average growth of 11.15%



Financial Services account for 25,000 employees in the region, representing 4.7% of the national total in Italy

Sectoral-territorial qualifications Significant sectoral-territorial specialisations within the region:



Food – processing and storage of fruit and vegetables: Salerno (13.5% of the Italian total) and Naples (7%)



Apparel & leather: Naples (7%) – leather processing: Naples (7%), footwear manufacturing: Naples (5.5%)



Aerospace: Naples (17%), Automotive: Naples(9%), Railway locomotives and rolling stock: Naples (13%)...



Electronics & telecommunications – telecommunications equipment: Caserta (4.7%)

Access to Diversified Skills

- Campania has one of the leading University system in Italy
- The region counts close to 220,000 university students, a number that experienced a growth of 12% between 2013-18, much higher than the Italian average growth of 1%. It welcomes 11.7% of all the students in Italy, a higher share compared to its demographic and economic weight
- 41% are enrolled in scientific degrees (chemical-pharmaceutical, medical, geo-biological, engineering, architecture, agriculture, etc.), 35% in economics, socio-political, law degrees and 7% in language degrees
- Campania has the highest share of students in Italy in the following fields: law (16.3% of the national total), geo-biological (15%), languages (12.8%) and engineering (12.4%)
- 5 of Campania's Universities – University of Naples-Federico II, University of Salerno, University of Sanno, University of Naples-Parthenope, University of Campania-Vanvitelli– are listed in the 4 main international rankings: QS, Times Higher Education, US News & World Report, Shanghai Ranking
- Recently, Campania has also attracted several projects in the field of education & training, developed by leading international groups such as: Apple, Accenture, Cisco, Deloitte..., as well as Italian groups: Leonardo, FS, Intesa San Paolo...
- Campania also has 9 Higher Technical Institutes (ITS), which offer post-diploma technical courses of higher technical training for the various key sectors of the regional economy



Support to Research & Innovation

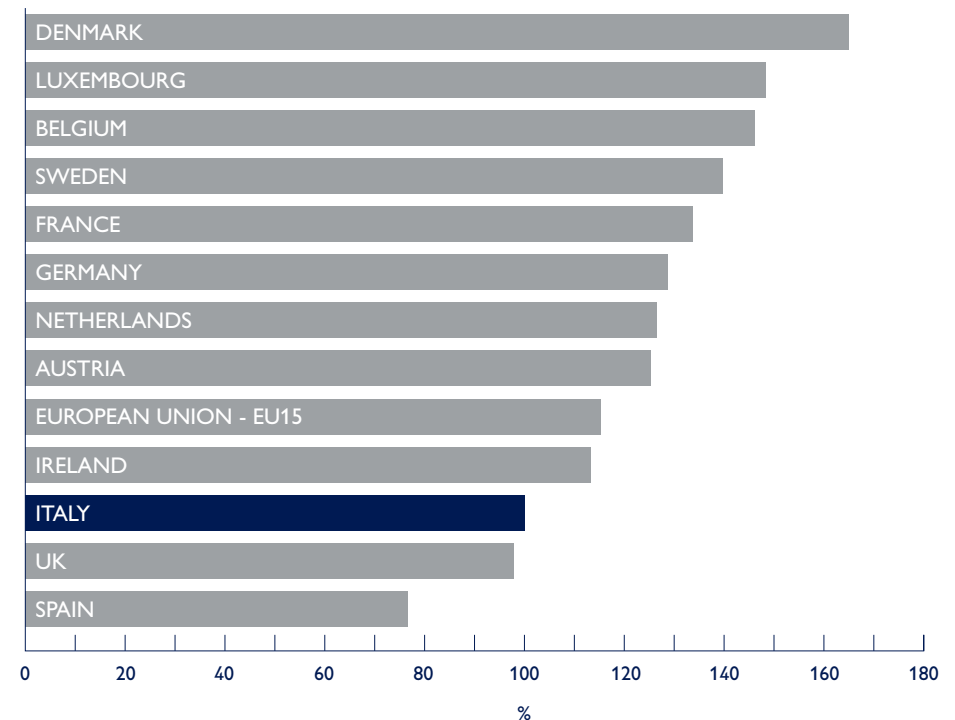


- Campania has an extensive and globally recognised research ecosystem in the fields of life sciences, information & communication technology, aerospace and materials
- Expenditure in R&D amounts to over €1,4 billion, representing 5.6% of the Italian total, up by 8% between 2013-18
- The region counts 21,886 staff dedicated (FTE) to R&D, 6.3% of the Italian workforce, up by 50% between 2013-18, above the Italian and EU average, respectively of +40 and +21%
- R&D has been particularly dynamic in the private sector with an increase of 23.5% in terms of expenses and a growth of 136% in terms of dedicated staff between 2013-18, which is significantly higher than the Italian and EU averages
- Campania is home to several leading organisations dedicated to research: 5 national research centres – the Telethon Institute of Genetics and Medicine (TIGEM), Biogen – "Gaetano Salvatore" Institute of Genetic Research, Anton Dohrn Zoological Station, the Italian Aerospace Research Centre (CIRA), the National Laboratory for Computer Science and Multimedia Telematics "Carlo Savy"; the CNR (16 main offices and 8 secondary ones), ENEA (1 centre), 2 Scientific Hospitalisation and Care Institutes
- Regional Universities are also include 11 research departments "of excellence", of which 5 for Naples-Federico II in: Pharmacy; Molecular Medicine and Medical Biotechnology, Civil, Construction & Environmental Engineering; Electrical & Information Technology Engineering, Economic Sciences & Statistics, 2 for Salerno in: Information Technology; Civil Engineering, 1 for Sannio: Engineering...
- Campania also hosts corporate research centres, such as those of Stellantis (Automotive), Leonardo (Aerospace), Ericsson (Telecoms), Accenture (ICT/ Cybersecurity), Almagora (ICT)...

Cost Competitiveness

- Campania offers some of the most competitive operating costs in Western Europe
- The average cost of labour in Italy is 13% lower than that of Western Europe and is significantly lower compared to its neighbours and main partners: Benelux, France, Nordics, Germany, Austria, Switzerland, Ireland...
 - The cost of labour in Italy is even lower compared to Western Europe in manufacturing, with a differential of 18%, and in information & communication technologies, with a differential of 19%
- Furthermore, the cost of labor in Campania is on average 14% lower than the Italian average cost
- The cost of electricity for industrial use in Italy is 5% lower than European average for the higher consumption profiles
- Sites, whether land and buildings for industrial or logistics projects or offices for service activities, also have competitive costs compared to other regions of Italy

Labour cost - Manufacturing, 2020 (Italy 100)



Incentives

- Campania offers important incentives compared to the entire Western European area for manufacturing, logistics and Research & Development activities
- The level of incentives for manufacturing investments is the highest in Western Europe:
 - up to 40% of the total investment (including industrial equipment, buildings, land...) for large groups
 - up to 50% for medium-sized companies and
 - up to 60% for small businesses
- Tax breaks are also available, such as tax credit for investments in new capital goods, both tangible and intangible as well as contribution exemptions for the recruitment of young people...
- Other subsidies exist to support research and innovation activities, in particular a tax credit for research, development, innovation and design, representing 10% of eligible expenses up to a maximum limit of €5 million

Special Economic Zone (ZES)

- Campania has recently developed a Special Economic Zone called "ZES Campania"
- ZES is managed by a dedicated Commissioner with special powers who can act as the main interlocutor for investments
- Investment programs can benefit from a simplified and fast administrative process thanks to a single authorisation
- Specific incentives for investments are also available in the ZES:
 - 25% tax credit of the total investment, production and real estate, for large groups, 35% for medium-sized companies and 45% for small-size companies, up to €100 million for production and instrumental real estate investments also through financial leasing contracts
 - a 50% reduction in tax on IRES profits for companies that undertake a new economic initiative within the limit of "de minimis"
- A territorial Information System (SIT) dedicated to ZES is able to verify available areas and properties in real time, <https://bit.ly/3x78vxC>
- An assistance service is available by contacting the following email address: zes@regione.campania.it



Key players & Global Leaders

Sectors	Leaders already operating in Campania
Automotive	<ul style="list-style-type: none"> Stellantis/FCA, Magna, Denso, Johnson Controls, Tower International, Cooper Standard, Schloter... Adler, Proma, Sapa, Italcot / Laminazione Sottile, Industria Italiana Autobus...
Aerospace & Space	<ul style="list-style-type: none"> GE Avio, MDBA, OHB-CGS... Leonardo, Telespazio, AIP Italia, Magnaghi Aeronautica, Geven, Dema...
Rail	<ul style="list-style-type: none"> Hitachi Rail, Hitachi Rail STS, Titagarh – Firema, Alstom... FS (Mobility Academy)
Energy & Environment	<ul style="list-style-type: none"> EDF-Edison, Honeywell – Elster, Getra... ENEL, Seri Industrial, Bruno Generators
Chemicals & Pharmaceuticals	<ul style="list-style-type: none"> Novartis, Solvay – Cytec Process Materials, Altergon, Merck, UPMC Hillman Cancer Center... Novamont, Kedrion, Olon, Pierrel, Svas Biosana, ShedirPharma, ReiThera, Materias, Alfa Intes, Genetic...
Food & Beverages	<ul style="list-style-type: none"> Buitoni / Nestlé, Coca-Cola, Bonduelle, Algida / Unilever, Ebro Foods... Ferrero, Zuegg, La Doria, Oleifici Mataluni-Olio Dante, Giaguaro, De Matteis, LGR, Gruppo Petti, Kimbo...
Packaging	<ul style="list-style-type: none"> Boston Tapes / Chargeurs Laminazione Sottile, Seda, Tecnocap, Manucor, Jcoplastic...
Fashion	<ul style="list-style-type: none"> Alma, Capri, Carpisa-Yamamay, Kiton, Harmont & Blaine, Guerriero Produzione Pelletterie, Essedi...
ICT	<ul style="list-style-type: none"> Accenture, Apple, IBM, Sopra Steria, Siemens, Ericsson, STMicroelectronics, NTT Data... Engineering, Zucchetti, Almaviva, Maticmind, Dedagroup, SCAl, Business Integration Partners...



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