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Enhancement, promotion and protection of the 'made in Italy'

The Italian Government draft becomes law

12 January 2024

Enhancement, promotion and protection of the 'made in Italy': the Italian Government draft becomes law

Law No. 206 of December 27, 2023, providing "Organic Provisions for the enhancement, promotion and protection of the 'made in Italy" is entered into force yesterday, January 11, 2024.

The draft was submitted by the Italian Government to the Chamber of deputies on July 27, 2023, and finally approved by the Senate on December 20, 2023, becoming law with its publication in the Italian Official Journal No. 300 on December 27.

From the introduction of a **national day** to the establishment of a **national fund** aimed at the **growth and relaunch of strategic national supply chains**, from the granting of the **3i Voucher for innovative start-ups and micro-companies** to the protection of **'historical' trademarks**: the new legislation brings significant innovations with the intention of supporting the development and modernisation of production processes and functional activities for the growth of the qualitative excellence of the 'made in Italy'.

State, regional and local administrations will be called upon to implement the provisions of the Law within the next **two months**.

The National 'made in Italy' Day and National 'made in Italy' Fund

The new Law establishes the National 'made in Italy' Day on **15 April each year**, dedicated to the celebration of Italian creativity and excellence in public institutions, schools and production sites (Art. 3).

This provision is intended to raise public awareness on issues of the promotion and **protection of the value** and special qualities of Italian intellectual works and products.

Furthermore, to enhance the growth and relaunch of strategic national supply chains, the **National** 'made in Italy' **Fund** is established, with an initial budget of EUR 700 million for 2023 and EUR 300 million for 2024.

The Fund is authorised to invest in the capital of joint-stock companies that have their registered office in Italy and do not operate in the banking, financial and insurance sectors.

The **Ministry of Enterprises and** 'made in Italy' ("*Ministero delle imprese e del made in Italy*" – "**MIMIT**") is therefore called upon to define the access requirements, the types of intervention and the Fund's managing entity.

Incentive measures for industrial property: Voucher 3i

For the year 2024, with authorised budget of EUR 8 million, the new Law grants **innovative start-ups** and **micro-companies** the 3i ("**invest in innovation**") Voucher.

The Voucher can be used for the **purchase of consultancy services** related to:

- i. verification of the patentability of inventions;
- ii. carrying out anteriority searches;
- iii. drafting the patent application and filing at the Italian Patents and Trademarks Office ("Ufficio Italiano Brevetti e Marchi" "UIBM");
- iv. the extension abroad of the national patent application (Art. 6).

Instead, it is left to MIMIT to define the criteria and modalities for implementing the Voucher, as well as, possibly, to identify a managing entity for the related activities.

Trademarks of national particular interest and value

When a company is the owner or licensee of a trademark of national particular interest and value that has been registered for at least 50 years or for which continuous use for at least 50 years can be demonstrated (so-called 'historical trade mark'), the new Law introduces the following procedure, which is aimed at protecting and preserving such distinctive signs:

- i. if the company intends to permanently cease its activity, it must notify MIMIT in advance of the planned cessation (indicating, in particular, the economic, financial or technical reasons for the same);
- ii. once such notification has been received, if the trademark has not been subject of an upon-payment cession by the company, **MIMIT** may then **take over ownership of the trademark free of charge** in order to preserve its protection:
- iii. in this case, MIMIT is authorised to **use this mark** exclusively **in favour of companies**, including foreign companies, **that intend to invest in Italy** or **transfer production activities located abroad to Italy** (Article 7).

In addition, if a **trademark has not been used for at least five years**, MIMIT may still file an application to register it in its own name.

The 'made in Italy' mark

Within 90 days from the date of entry into force of the new Law, MIMIT is required to adopt, by decree, an **official mark certifying the Italian origin of goods**, the use of which is forbidden to anyone, either alone or in conjunction with the term 'made in Italy', except in cases to be established by the Ministry.

In particular, the new Law allows **companies that produce goods on national territory** to affix such a mark on a voluntary basis.

MIMIT is therefore expected to establish:

- i. the graphic forms and types of support allowed;
- ii. the modalities and criteria for authorising the affixing of the mark;
- iii. the product sectors and types of products eligible for application of the regulation;
- iv. the rules to be observed by companies when using the mark;
- v. the technology to be used to guarantee the certification and traceability of the supply chain of the products to which the mark will be affixed (Art. 41).

Fund for the protection of registered geographical indications and Italian agri-food products in the world

The new legislation authorises the budget of EUR 2 million for each of the years 2024 and 2025 to fund activities for the protection abroad of Italian agricultural, food, wine and spirits geographical indications (so-called "GG.II.").

Eligible for funding are, for example:

- i. activities related to the **registration of geographical indications in Third Countries** (or of private trademarks, in the absence of similar legislation protecting GG.II. in the Country of reference), subject to technical evaluation by the Ministry of Agriculture (these activities include those related to the **periodic renewal of registrations**);
- ii. activities related to the **filing of oppositions against the registration**, in **Third Countries**, **of trademarks or other intellectual property rights** requested by subjects other than the *'Consorzi di tutela'* recognised under current legislation or by the Italian authorities, if in conflict with international agreements to which Italy or the EU are contracting parties.

The funding criteria and modalities will be established by MIMIT within 120 days after the new Law comes into force.

Recognition and protection of typical industrial and craft products

Within the next 90 days, the new legislation allows the **regions** to **carry out a recognition of typical Italian craft and industrial productions** that are already subject to forms of registration or protection, or for which the reputation and quality are strongly linked to the local territory (Art. 42 et seq.).

The results of this recognition will be transmitted to MIMIT, which, by decree, will define a **uniformly valid and applicable framework for the nationwide protection of typical products**.

The **producers' associations** (as defined in Art. 44) will adopt products **specifications** for such products (the requirements of which are set out in Art. 45) and will then submit a **declaration of interest** to the competent region for the purposes of the above-mentioned recognition.

In addition, a contribution is granted to the producers' associations for the technical costs incurred in preparing the specification.

Districts of Italian typical products

"Districts of Italian typical products" are defined as "*local production systems* characterised by the synergy of subjects that join for the production of a specific agricultural or agri-food product with a strong territorial value, in order to enhance and promote the Italian typical product on national and international markets" (Art. 39).

The new Law establishes, at the **Ministry of Agriculture**, a **fund dedicated to these districts**, with an initial budget of EUR 2 million.

This fund may be accessed by districts recognised by decree of the Minister of Agriculture, following a proposal from the competent region or autonomous province, after consulting the local authorities involved and considering:

- i. territorial and product development potential in quantitative and qualitative terms;
- ii. representativeness of the product in relation to the territory;
- iii. strategic role of the product within the supply chain.

Sectoral measures: the 100% natural wood supply chain

The new legislation is intended to promote, support and enhance **national strategic supply chains** also through sector-specific measures aimed at enhancing the sustainability of production in the sectors considered.

In fact, concerning the 100% natural wood industry, through the technological and digital development of companies as well as the creation of automated production systems, it is intended to promote:

- the development of sustainable forest management certifications;
- ii. support for forest nursery investments;
- the creation and strengthening of forestry companies and the primary wood processing chain (Art. 8). iii.

For these purposes, a budget of EUR 25 million is authorised for 2024 for non-repayable contributions (EUR 15 million) and low-interest financing (EUR 10 million).

Within two months of the Law coming into force, MIMIT must therefore identify, by decree:

- the beneficiaries of such contributions and financing;
- how the above-mentioned purposes are to be implemented;
- the entity in charge of its management.

Sectoral measures: the natural textile fibre chain and the green and digital transition in fashion

About the sector of textile fibres of natural origin and from recycled and leather-tanning processes, a budget of EUR 15 million is authorised for the adoption of measures aimed at enhancing the value of production processes, with particular attention to the certification of their sustainability in terms of recycling, life-length, reuse, biologicality and environmental impact.

Here too, the specific implementation of the measure is referred to the MIMIT, which, within two months of the Law coming into force, will have to identify, by decree:

- the beneficiary companies:
- the modalities for implementing the incentive measure: ii.
- iii. the entity in charge of its management (Art. 10).

Finally, a further important intervention of the new Law on 'made in Italy' concerns the adoption of incentive measures in the textile, fashion and accessories sectors.

A budget of EUR 10 million is authorised to promote and support investments in the national territory for the green and digital transition in these areas of production.

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