Italy


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1 Foreign Investment Policy

1.1 What is the national policy with regard to the review of foreign investments (including transactions) on national security and public order grounds?

Law Decree no. 21 of 15 March 2012 as amended, and the subsequent implementing regulations (i.e., Law Decree no. 21 of 15 March 2012, Decree of the President of the Council of Ministers no. 85 of 25 March 2014, Decree of the President of the Council of Ministers no. 108 of 6 June 2014, the foregoing, altogether the "**Golden Power Rules**") provide the legal framework governing foreign investments in Italy. Golden Power Rules apply to certain transactions and corporate resolutions addressing defence and national security sectors, as well as networks, plants, assets and contractual relationships deemed strategic for the national interest in other sectors (i.e., communications, energy, transport and high-tech sectors) which require to be notified to the Italian government. The government can then impose specific conditions or, under certain circumstances, exercise a veto in relation to the relevant transaction or corporate resolution, in the event that the investment, transaction or resolution under scrutiny threatens to jeopardise the national security or other public interests.

The issue of the *national interest* in connection with certain *strategic sectors* is kept under high consideration by the Italian government, especially during the recent global emergency due to the COVID-19 pandemic, and a relevant tendency started in the last years of "reshoring operations" (i.e., in contrast to off-shoring, the practice of transferring a business or a manufacturing process that was moved overseas back to the country from which it was originally relocated) after a long period of de-localisations occurred in the past two decades. The COVID-19 pandemic required the Italian government to broaden the scope of Golden Power Rules in an attempt to deal with possible manipulations and speculations on assets considered strategic.

In this context, like in other countries, FDI protectionism has been on the rise in Italy, with screening of inbound investments becoming more frequent together with focusing on new key-sectors deemed vulnerable or critical for national security. In this regard, the Italian government enacted Law Decree no. 23 of 8 April 2020 (the "**Liquidity Decree**"), followed by Decrees of the President of the Council of Ministers no. 179 and no. 180 (the "**New GP Decrees**"), which clarified the scope of the government powers in respect of FDIs.

The Liquidity Decree amended, *inter alia*, the Golden Power Rules by:

(i) expanding the list of specific assets, activities and relationships deemed "strategic", consistently with areas and categories listed under EU Regulation 2019/452 (the "**EU FDI Regulation**") and in addition to those already identified under the Golden Power Rules:
   (a) critical infrastructures, whether physical or virtual, including energy, transport, water, health, communications, media, data processing or storage, aerospace, defence, electoral or financial infrastructures, and sensitive facilities, as well as investments in land and buildings essential for the use of such infrastructures;
   (b) financial, credit and insurance;
   (c) critical technologies and dual-use products as defined in art. 2, no. 1, of Council Regulation (EC) no. 428/2009, including artificial intelligence, robotics, semiconductors, cybersecurity, aerospace, defence, energy storage, quantum and nuclear technologies, as well as nanotechnologies and biotechnologies;
   (d) security of supply of critical inputs, including energy and raw materials, as well as food security;
   (e) access to sensitive information, including personal data, or the ability to control such information; and
   (f) media freedom and pluralism;

(ii) expanding the government's powers to review transactions on its own initiative (*ex officio*) in case of failure by the parties in notifying the transaction; and

(iii) providing an "emergency" discipline to protect the economic strategic sectors from inbound investments, whereby (*a*) any relevant acquisition (*i.e.* controlling interest) by EU entities in any strategic sector, and (*b*) any acquisition by non-EU entities in any strategic sector of voting rights in excess of certain thresholds (10%, 15%, 20%, 25% and 50%) with a value in excess of Euro 1 million, would fall under the scrutiny of the government (and, as a consequence thereof, subject to prior notice to the Italian government pursuant to Golden Power Rules).

Please note that the new rules under the Liquidity Decree (jointly with the New GP Decrees) have a temporary nature which has been extended until December 31, 2021 pursuant to Law Decree no. 56/2021 (or "*Decreto Proroghe*"). Until then, the companies holding assets or with relationships relating to the sectors under (i) above are required to notify to the Presidency of the Council of Ministers any resolution, act or transaction which implies any change in the ownership, control or free availability of strategic assets or modification of their allocation. At the same time, any investor acquiring shares in the companies identified under (iii) above is also required to comply with filing obligations. The main innovation contained in the Liquidity Decree is notably that, for the first time, outside the sectors of defence and national security, investments by EU entities are also subject to filing obligation to the government.

Please also note that the Liquidity Decree provides that the government's special powers in relation to the above new sectors can be exercised only provided that "*the protection of the essential interests of the State, i.e. the protection of security and public order (...) not be already adequately guaranteed by the existence of a specific regulation of the relevant sector*". Reference is made to the relevant regulations addressing banking, finance and insurance or utilities and radio and television.

The regulatory changes aim to comply with the Communication of European Commission dated 26 March 2020, whereby member states were invited "*to make full use, as of now, of the control mechanisms for foreign direct investments*", in order to cope with the risk of attempts to acquire specific strategic businesses and assets, entailing then a "*loss of critical resources and technologies*". The Commission therefore aimed to prevent that during the emergency due to the COVID-19 pandemic; the adverse economic situation in Europe could allow predatory acquisitions in certain key sectors (including the health sector). The Communication highlights that the governments' special powers shall protect national security and public order as they are necessary to ensure security of supply, of essential public services and/or financial stability in the context of the current health emergency, to avoid the risk of European industrial and commercial players (including small and medium enterprises) being transferred or sold at low prices.

1.2 Are there any particular strategic considerations that apply during foreign investment reviews?

The FDI review aims to protect: (i) the essential interests relating to defence and national security; (ii) the public interest relating to the security and functioning of networks and plants and continuity in procurements (energy, transport and communication networks); and (iii) the vulnerability factors that could undermine the integrity and security of networks and transmitted data in the 5G technologies.

Strategic considerations to evaluate the eligibility of the relevant investor pertain, for instance, to the adequacy of the technical, financial and organisational capacity, business plan, prosecution of the strategic activities, continuity in procurements, discharge by the target company of contractual obligations *vis-à-vis* the public administration, national defence, public order and national security, links with third countries infringing democracy and international law, and links with criminal or terrorist organisations (taking reference to the EU official position).

1.3 Are there any current proposals to change the foreign investment review policy or the current laws?

No proposals are currently being discussed. The present emergency framework will continue to protect economic strategic sectors from inbound investments until December 31, 2021.

2 Law and Scope of Application

2.1 What laws apply to the control of foreign investments (including transactions) on grounds of national security and public order? Are there any notable developments in the last year?

See also the answer to question 1.1 above. The Golden Power Rules have undergone several amendments from 2012 onwards. In general, secondary legislation – through decrees of the President of Council of Ministers or decrees of the President of Republic – aim at identifying strategic activities and assets to fall under the scope of the foreign investment review as well as intra-group transactions and operations exempted from FDI review.

As the latest notable development, Law Decree 82/2021 converted into Law 4 August 2021 no. 109, extended the government review to the transfer of cybersecurity assets (*i.e.* high technological intensity assets).

2.2 What kinds of foreign investments, foreign investors and transactions are caught? Is the acquisition of minority interests caught?

Golden Power Rules apply to investments and transactions made in strategic assets, or in entities owning or operating strategic assets or activities (see the answer to question 1.1 above).

The tables here below summarises the type of transactions under review for each strategic sector:

See overleaf

	National Defence and Security	Transport, Energy, Communications	Strategic sectors under Liquidity Decree and New GP Rules (temporary measures valid until Dec 31, 2021)
Investments/ acquisitions subject to filing to the Presidency of the Council of Ministers	Purchase of shareholdings in companies that carry out activities of strategic importance for the national defence and security system.	Three cases: (i) purchase of shareholdings in strategic companies in order to determine the permanent establishment of the purchaser; (ii) purchase of shareholdings granting voting rights or a participation in the share capital of at least 10%, taking into account any shares held either directly or indirectly; and (iii) purchase of more than 15%, 20%, 25% and 50% of share capital.	Three cases: (i) purchase of shareholdings in strategic companies in order to determine the permanent establishment of the purchaser; (ii) purchase of shareholdings granting voting rights or a participation in the share capital of at least 10%, taking into account any shares held either directly or indirectly and provided that the investment value is equal to or over Euro 1 million; and (iii) purchase of more than 15%, 20%, 25% and 50% of share capital.
Investors	EU investors and Non-EU Investors	Case (i): EU investors and Non-EU investors Cases (ii) and (iii): Non-EU investors	Case (i): EU investors and Non-EU investors Cases (ii) and (iii): Non-EU investors
Thresholds	Listed target companies: purchase of more than 3% of share capital. Unlisted target companies: purchase of more than 5% of share capital.	Case (i): control of the target. Case (ii): investment value is equal to or above Euro 1 million. Case (iii): exceeding of the above indicated thresholds.	Case (i): control of the target. Case (ii): investment value is equal to or above Euro 1 million. Case (iii): exceeding of the above indicated thresholds.

	National Defence and Security	Transport, Energy, Communications	Strategic sectors under Liquidity Decree and New GP Rules (temporary measures valid until Dec 31, 2021)
Corporate resolutions and transactions subject to filing to the Presidency of the Council of Ministers	Resolutions or transactions of the shareholders' meeting or the management bodies regarding the following: (i) merger/demerger of the company; (ii) transfer of the company, branches or subsidiaries; (iii) transfer abroad of the registered office; (iv) modification of the corporate purpose; (v) dissolution of the company; (vi) amendment of certain statutory clauses; and (vii) transfer of rights in rem or rights of use in relation to tangible or intangible assets, or the taking on of restrictions on their use, including due to the company being made subject to bankruptcy proceedings.	Resolutions or transactions leading to changes in the ownership, control, or availability of the assets, or the change of their purpose including resolutions of the shareholders' meeting or the management bodies regarding the following: (i) merger/demerger of the company; (ii) transfer of the company, branches or subsidiaries; (iii) transfer of subsidiaries that hold strategic assets; (iv) transfer of the registered office abroad; (v) modification of the company's purpose; and (vi) dissolution of the company.	
Investors	EU investors and non-EU investors		

In addition to the above, please note that – following an amendment to Golden Power Rules in 2019 – any Italian company acquiring 5G technology-based assets or services from non-European entities shall notify the government (which may either exercise a veto or impose certain conditions) the signing of the agreement governing the purchase of: (i) assets or services regarding the design, manufacturing, maintenance, and management of networks relating to broadband electronic communication services based on 5G technologies; or (ii) high-tech components instrumental to the building or operation of networks relating to broadband electronic communication services based on 5G technologies.

2.3 What are the sectors and activities that are particularly under scrutiny? Are there any sector-specific review mechanisms in place?

As of today, specific attention – due among others to the involved public and national security interest, and the consequent geo-political impact – is focused on critical technologies and dual-use items, as defined in art. 2 (1) of the Dual-use Regulation (428/2009/EC), including artificial intelligence, robotics, semi-conductors, cybersecurity, aerospace, defence, energy storage, quantum and nuclear technologies as well as nano-technologies and bio-technologies. Such additional strategic assets and relationships are included in the EU FDI Regulation and better identified in the New GP Decrees. Please also consider the temporary emergency rules provided by the Liquidation Decree and Law Decree no. 56/2021, as referred to in the answer to question 1.1 above.

2.4 How are terms such as 'foreign investor' and 'foreign investment' specifically addressed in the law?

The terms "foreign investor" and "foreign investment" are not specifically defined under the Golden Power Rules. As to the defence and national security sector, in case of acquisition of equity interests, Golden Power Rules apply to any investment unless the investor is "the Italian state, an Italian public administration or any subsidiary thereof". Such a broad scope of application entails that any European investor or even any privately-owned Italian investor might be considered as a foreign investor for the purposes of the Golden Power Rules.

In all other sectors, the Golden Power Rules apply only to investments made by European and/or non-European investors, depending on the relevant sector and the transaction to be carried out. Please see the table in the answer to question 2.2 above.

2.5 Are there specific rules for certain foreign investors (e.g. non-EU / non-WTO), including state-owned enterprises (SOEs)?

The relevance of non-EU investors and related application of Golden Power Rules is better specified in the table in the answer to question 2.2 above. As to the sector of defence and national security, please note that the government must assess, among others: (i) whether the foreign investor is controlled by a public sector administration of a non-EU country, including its armed forces, also as a result of significant public funding; (ii) whether that investor was involved in activities affecting security or public order of a Member State; or (iii) whether there is a serious risk that that investor engages in illegal or criminal activities.

2.6 Is there a local nexus requirement for an acquisition or investment to fall under the scope of the national security review? If so, what is the nature of such requirement (existence of subsidiaries, assets, etc.)?

Yes. The Golden Power Rules as amended by the Liquidity Decree and the New GP Rules require a local nexus, since they apply to direct or indirect acquisitions of shares in, or assets of, companies which are established in Italy.

2.7 In cases where local presence is required to trigger the review, are indirect acquisitions of local subsidiaries and/or other assets also caught?

Yes. The government's review also applies to indirect acquisitions (i.e., acquisitions of shares carried out through a subsidiary or an affiliate, including through other persons or entities with which the investor has entered into a shareholders' agreement) of local subsidiaries and/or assets in the relevant strategic sectors.

3 Jurisdiction and Procedure

3.1 What conditions must be met for the law to apply? Are there any monetary or market share-based thresholds?

The investment review applies to all direct or indirect acquisitions of Italian companies that meet the conditions (including the related thresholds, where applicable) outlined in the table under the answer to question 2.2 above.

3.2 Do the relevant authorities have discretion to review transactions that do not meet the prescribed thresholds?

No, in principle, but the broadening of the scope of application has also resulted in some uncertainty where economic, legal and political considerations may play an important role.

3.3. Is the filing voluntary or mandatory and is there a specific filing form? Are there any filing fees?

Any investment, transaction or resolution falling under the Golden Power Rules (including the Liquidity Decree and the New GP Rules) shall be notified to the government. This does not prevent any investor to voluntarily notify a transaction by requesting the government whether the abovesaid rules apply.

The filing must be made on a standard form which is available on the government website. The form shall be transmitted online by sending a certified email to notificagp@pec.governo.it. No filing fees apply.

3.4 In the case of transactions, who is responsible for obtaining the necessary approval?

As a rule, a relevant acquisition shall be notified to the government by the investor. However, since the resolution of the board of directors approving the sale of the relevant asset is also subject to government clearance, the seller too shall notify, jointly with the investor, depending on the circumstances.

3.5 Can foreign investors engage in advance consultations with the authorities and ask for formal or informal guidance on the application of the approval procedure?

Yes. Preliminary contacts before filing are customary, also with a view to obtain clarity as to the scope of application of the FDI regime.

3.6 What type of information do investors have to provide as part of their filing?

Information to be provided in the filing depends on the type of investment/transaction and the strategic sector.

In case of filing of an acquisition of a share interest, investors shall provide the business plan, the related financial plan, a detailed description of the investor, and any further information that may be necessary for the government to complete the review. In addition, pursuant to Legislative Decree no. 58/1998 (Consolidated Law on Financial Intermediation) should the share interest refer to a listed company, the investor shall disclose to the market its intentions for the subsequent six months along with certain other information. This includes specific information such as the funding for acquisition, whether the investor acts alone or with third parties, whether the investor intends to stop or continue its purchases, etc.

3.7 Are there sanctions for not filing (fines, criminal liability, unwinding of the transaction, etc.) and what is the current practice of the authorities?

In the event of (i) breach of the obligation to notify the government a relevant transaction or a corporate resolution, or (ii) failure to comply with the government's decision (including any condition imposed by the government), the government may always issue a fine equal to twice the transaction value and no less than 1% of the cumulate turnover realised by the parties involved under their latest financial statements.

Please note that Liquidation Decree introduced an ex officio procedure, whereby the Presidency may initiate the review procedure in case of failed filing of the transaction. The 45-day period (see also the answer to question 3.8 below) elapses from the end of the preliminary proceeding aimed at assessing the breach of the filing obligation.

In addition to the above fine, as to consequences of a failure to comply with the government's decision, in the case of FDI involving an acquisition, the voting rights attached to the acquired participation will be suspended as long as the investor will fail to comply. The underlying transaction (as well as the relating resolutions adopted due to the decisive vote of the transferred shares/quotas) will be null and void.

In case of a veto on a specific resolution, should the acquisition already be completed, the government may order the investor to sell the shares within one year. If the investor fails to comply, the government may bring the investor before the court to force their sale. Pending the sale, the investor cannot exercise any voting rights and any resolution adopted and its decisive vote will be null and void.

3.8 Is there a filing deadline and what is the timeframe of review in order to obtain approval? Are there any provisions expediting the clearance?

In all strategic sectors, other than 5G technologies (whose process may last up to 30 days), the timeframe process may take up to 45 days from the filing date. Filing shall be made by the company concerned or, in case of acquisition of shares, by the purchaser, within 10 days and the President of the Council of Ministers then has 45 days to veto the transaction or impose specific conditions. The rule of silence-assent applies; once the 45-days period has expired without the government intervening, the special powers are deemed to not be exercised.

The 45-day term may be extended only once, (i) up to 10 days, if the government requests additional information to the investor or the company, or (ii) up to 20 days, if the government requests information to third parties (e.g. public authorities). If any of the foregoing occurs, the term is suspended and will run again once the information is provided. If the initial filing is incomplete, the 45-day term will start once the missing information is provided to the government.

3.9 Does the review need to be obtained prior to or after closing? In the former case, does the review have a suspensory effect on the closing of the transaction?

Considering the two-phase signing/closing in a customary sale and purchase agreement, it is appropriate for investors to notify right after signing and make the agreement conditional upon full or qualified approval by the Presidency of the Council of Ministers of the transaction. In addition, the agreement shall contain appropriate provisions setting forth the possible negative consequences of a veto and/or adoption of corrective measures.

3.10 Are there any penalties if the parties implement the transaction before approval is obtained? Can the parties close the transaction at global level prior to obtaining local clearance?

Until approval is obtained (i.e. following a 45-day review process, by way of silence-assent) the effects of the transaction are suspended in a way that, in case of acquisition of shares/quotas, voting rights attached to them are suspended. The parties therefore may de facto close the transaction prior to completion of the 45-day term, accepting implicitly, however, that the effects relating to a transaction falling under the Golden Power Rules will be produced following the government's approval. Likewise, a veto or any measure or condition imposed by the government and breached by the parties (i.e. implementation of the "original" transaction disregarding the conditions) would entail the consequences described in the answer to question 3.7 above.

3.11 Can third parties be involved in the review process? If so, what are the requirements, and do they have any particular rights during the procedure?

Yes. The Presidency of the Council of Ministers assisted by a Co-ordination Group, assigns the review of the filing to the ministry in charge, which makes then a proposal to the Presidency. In the context of the review process, certain sector-specific public authorities (i.e., the Bank of Italy, the Securities and Exchange Commission (CONSOB), the Pension Funds Authority (COVIP), the Private Insurance Authority (IVASS), the Transport Authority (ART), the Antitrust Authority (AGCM), the Communications Authority (AGCOM), and the Energy and Environment Authority (ARERA)) shall liaise and co-operate with the Co-ordination Group to facilitate its task, including by exchanging information, which cannot

be withheld on secrecy grounds. Please note that during the review the government may suspend the term and request supplementary information to any third party/public authorities (see also the answer to question 3.8 above). In addition, please also note that the government may also liaise with the European Commission during the review, such circumstance requiring a further extension of the 45-day term.

3.12 What publicity is given to the process and the final decision and how is commercial information, including business secrets, protected from disclosure?

No publicity is given of the filings made, nor of the final decisions setting out the special powers exercised. However, the Presidency of the Council publishes each year for information purposes the decisions adopted in an annual report.

Further to the privacy obligations assumed by the Presidency on the basis of art. 13 of EU General Data Protection Regulation no. 679/2016, the Council of Ministers is bound by a statutory obligation under art. 13 of the Regulation of the Council of Ministers to ensure confidentiality of the minutes of the council meetings.

3.13 Are there any other administrative approvals required (cross-sector or sector-specific) for foreign investments?

In addition to the above, a FDI may require, among others, a filing to the Italian Antitrust Authority (AGCM) for merger control review. Also, depending on the specific sector where the target operates, a FDI may require additional review or authorisation processes by sector specific authorities under domestic or EU legislation. These sectors include banking, insurance and investment services, telecommunications, broadcasting, gas networks and electricity networks. In certain fields, EU and domestic legislation set limits on the acquisition of controlling interests by non-EU persons (e.g., as to TV broadcasters, art. 3 of Law no. 249/1997 provides that authorisations relating to private radio or TV broadcasting may be granted only to Italian or EU persons, while non-EU persons may only acquire control of those companies subject to reciprocity conditions).

Without prejudice and in addition to the foregoing, a merger control review by the European Commission may apply to any investment implying a concentration of companies (i.e., where two or more companies combine by means of a merger or acquisition, as defined under EU law) in accordance with the EU Regulation no. 139/2004. Following a prior filing to the EU Commission the Commission has the exclusive power (the one-stop shop principle) to clear or block a concentration having EU dimension (i.e. where the combined or single aggregate turnover of the enterprises involved exceeds specific thresholds). In this context, Member States may take appropriate measures to protect legitimate interests such as public security, plurality of the media and prudential rules (as indicated above).

4 Substantive Assessment

4.1 Which authorities are responsible for conducting the review?

The Presidency of the Council of Ministries is the main competent authority to conduct the review, assisted by (i) the Co-ordination Group, composed by representatives of the ministries involved in the review process and, when necessary, members of other bodies – including private organisations – whose competence is required for the purposes of the process, and (ii) the competent ministry, considering the specific sector relating to the transaction under review.

4.2 What is the applicable test and who bears the burden of proof?

Depending on the sector and the relevant transaction or resolution, a review of the government will focus on whether and to what extent same transaction/resolution may pose a threat of serious harm to essential interests of defence and national security.

The opposition to a relevant acquisition (e.g. an acquisition of a shareholding in a company carrying out an activity of strategic importance) will be decided only in cases of exceptional risk for the protection of national interests, which cannot be prevented through the imposition of special conditions. In addition, please note that for same acquisition the government – further to the criteria of review set forth under the Golden Power Rules – may permit the transaction exclusively on the basis that this is reciprocated. Indeed, should the government verify that there is a lack of reciprocity between Italy and the country of origin of the prospective investor, the transaction may not be permitted, regardless of any further consideration.

4.3 What are the main evaluation criteria and are there any guidelines available?

Golden Power Rules set forth the evaluation criteria which vary depending on the sector under review. As to defence and national security sector, please see the answer to question 1.2 above.

In case of corporate resolutions or other actions or transactions by the company holding the strategic asset or exercising the strategic activity, the evaluation shall focus on: (i) the relevance of the asset being transferred; (ii) the impact of the resolution/transaction to integrity of the national system of defence and national security; (iii) security of the information regarding military defence; (iv) the international interests of the state; (v) the protection of the national territory; and (vi) relevance of critical and strategic infrastructures.

With reference to agreements concerning the purchase of assets or the provision of services based on 5G technologies, evaluation shall focus – taking into account the relevant EU and international guidelines – on the identification of factors of vulnerability which may undermine the integrity and security of the networks and data that are transmitted.

In the energy, transport, and communications and other critical infrastructures sectors, the evaluation shall focus on the risk of threat of serious harm to public interests relating to the security and functioning of networks and plants and continuity in procurements. The government shall assess substantially the same factors considered in the defence and national security sector.

4.4 In their assessment, do the authorities also take into account activities of foreign (non-local) subsidiaries in their jurisdiction?

Yes, to the extent that foreign subsidiaries are used for the purposes of carrying out indirectly the investment (i.e. acquisitions of shares carried out through a subsidiary or an affiliate).

4.5 How much discretion and what powers do the authorities have to approve or reject transactions on national security and public order grounds?

Considering the review procedure under the Golden Power Rules, and due to fact that the concept of public interest, national security and the related evaluation criteria are subject to interpretation (see also the answers to questions 3.2, 4.2 and 4.3 above), the government has certain leeway for discretion, considered of course that it shall exercise the special powers to the extent strictly necessary for the successful pursuit of the objective. The final decision shall also state the reasons underlying the decision.

4.6 Can a decision be challenged or appealed, including by third parties? Is the relevant procedure administrative or judicial in character?

The procedure relating to the government's special powers is administrative in character but subject to a judicial power. The decision may indeed be appealed at first instance to the Administrative Court of Rome (Tribunale Amministrativo Regionale or TAR), and from there to the Council of State (Consiglio di Stato).

4.7 Is it possible to address the authorities' objections to a transaction by providing remedies, such as undertaking or other arrangements?

Following possible concerns arisen during the review process, as already noted under the answer to question 1.1 above, the government may decide to exercise its special powers by imposing specific undertakings and/or remedies to the transaction. Although no specific provision of Golden Power Rules addresses the interaction between government and parties, nothing prevents the parties to propose on their initiative remedies and/or undertakings to cope with possible concerns of the government, in order to receive the final approval.

4.8 Are there any other relevant considerations? What is the recent enforcement practice of the authorities and have there been any significant cases? Are there any notable trends emerging in the enforcement of the FDI screening regime?

It shall be highlighted that the number of filings of FDIs has increased in the last two years. It appears that in 2020 the government has received about 300 filings, and it is expected to further increase in 2021 due also to the emergency discipline (including the Liquidation Decree and New GP Rules). This, however, does not mean that the Italian system is adopting a strictly protectionist approach. Indeed, also Italian investors, as well as other EU investors, are currently subject to the extension of the Golden Power Rules. Furthermore, it must be emphasised that the government's decisions are subject to judiciary control (see the answer to question 4.6 above) and are monitored by the European Commission to the extent applicable.

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