



MILANO  
FOR  
AGRIFOOD  
TECH  
2022

MILANO&PARTNERS

# MILANO FOR AGRIFOOD TECH

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THRIVING START-UP  
ECOSYSTEM



INTERNATIONAL  
OUTLOOK




HIGH QUALITY  
OF LIFE



COMPETITIVE  
INCENTIVES

WELCOMING  
AND PROACTIVE  
GOVERNAMENT

**WHY  
MILANO?**



GATEWAY TO  
ITALY AND EUROPE

ONE OF THE  
WEALTHIEST REGIONS  
IN EUROPE

INTERNATIONAL  
FINANCIAL HUB



EXCELLENT  
INFRASTRUCTURE



WORLD-CLASS  
TALENT POOL



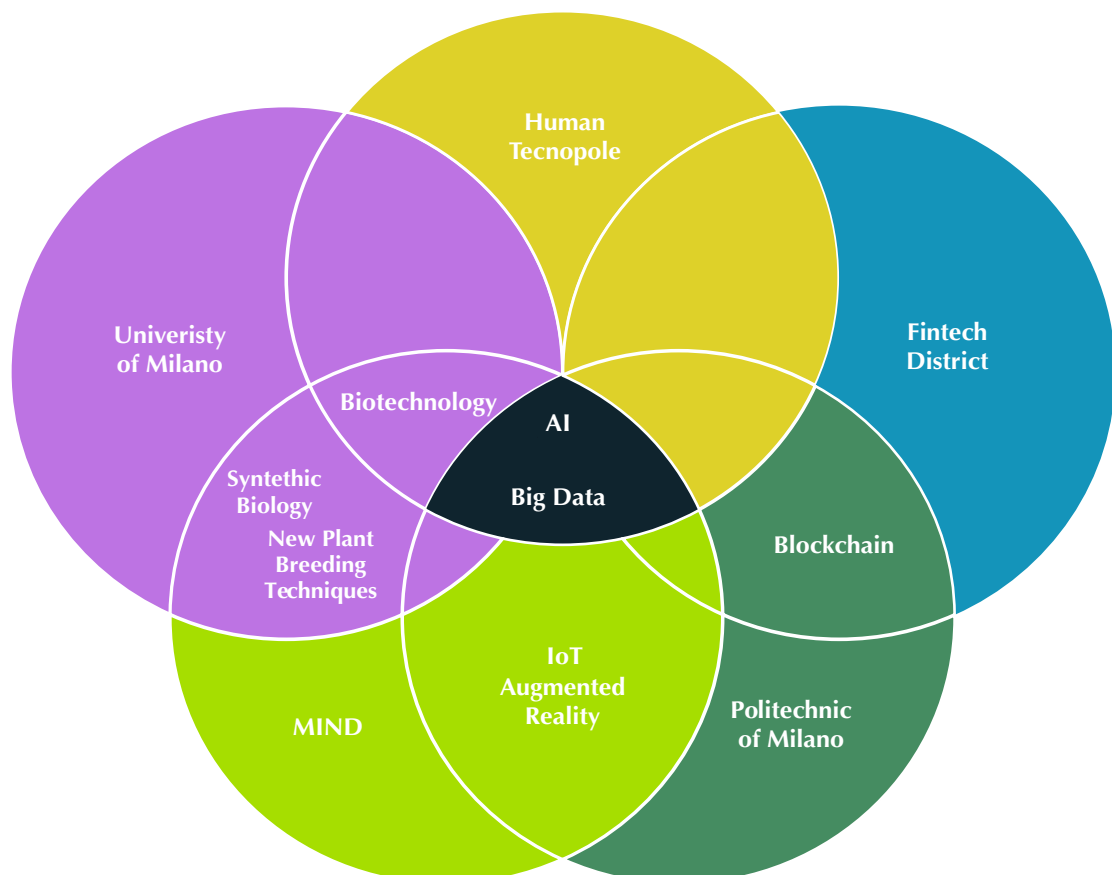
# MILANO FOR A SUSTAINABLE, CONSCIOUS, QUALITY CONSUMPTION

In the past 50 years the food industry experienced unprecedented innovation in food cultivation, farming, distribution and consumption. In the next decade, experts expect innovation will continue unabated. Since hosting EXPO 2015 “Feeding the Planet, Energy for Life”, the City of Milan has positioned itself as a pioneer in addressing food sustainability issues and providing citizens with forward-looking solutions and experimentations. Within the framework of UN Sustainable Development Goals, the Mu-

nicipality of Milan is particularly committed to attaining the eleventh Goal: “Sustainable Cities and Communities”. Making cities more inclusive, safe, durable and sustainable means ensuring affordable housing; an accessible, safe and sustainable urban transportation network; inclusive and sustainable urbanization; progress on air quality and waste treatment; safe and inclusive urban green spaces and public areas: this is what Milano has been doing.

*Source: The Future of Food, Accenture; Comune di Milano*

## AGRI-FOOD TECH MAIN APPLIED TECHNOLOGIES



# NEW CHALLENGES

## POPULATION GROWTH

In 2019 the resident population surpassed 1.6 mln citizens (+50,000 vs. 2018), with 3.2 mln inhabitants in the greater Milano metro area. As Italy's business capital, the daily inflow of commuters swells the city population to over 2 mln people during business hours. The area collects 60% of total inward investment to Italy and continuously attracts talent from other Italian regions and the rest of Europe.

## CLIMATE CRISIS

The City of Milan is strongly committed to reduce pollution and embrace sustainability, as demonstrated by the Air and Climate Plan signed in 2020. The Municipality has implemented various policies to achieve a green transition, from food waste reduction plans to energy saving and alternative mobility, the latter a trend highly accelerated by the pandemic.

## URBANISATION

The Greater Milano Metro Area has 5 mln inhabitants, excellent infrastructures and an integrated transportation system which connects multiple urban and suburban centers and networks. The Covid-19 outbreak hit with unexpected violence Milano, but the city has turned this shock into a new opportunity to boost the city's commitment to

meet sustainable targets and flesh out the idea of a new "normal". An interesting initiative concerns the planting of 3 million new trees by 2030 thanks to the ForestaMi project. Mayor Sala's embracing of the concept of the 15-minute-city - where all the services are accessible to citizens in their neighborhoods - intends to curb car traffic and increase social inclusiveness. Expenditure on public works for urbanisation by 2030 amounts to 2 billion for more than 100 urban regeneration projects. Positive signals also come from the real estate market, since in the first nine months of 2020 Milano attracted real estate investment for about €3.1 mln, underscoring a position of market strength that is destined to increase ahead of the 2026 Olympic Winter Games.

## ACCESSIBILITY

Since 2016, the Municipality has been implementing a Food Policy Plan aimed at reducing food waste and inequality, as well as educating kids to proper nutrition in order to combat obesity and diabetes, e.g. through participation in the "Cities Changing Diabetes" international network. The percentage of people with obesity in Milano is lower than the rest of Italy (31.48% vs. 36.66%), while the children's obesity rate is 20.2% (Italy average: 24.9%). Changing habits, a sedentary lifestyle, time scarcity and rising social inequalities exacerbated by the pandemic make the monitoring of this critical issue imperative, and numerous city foundations and research centers, as well as municipal authorities are fully committed to tackle it.



# ...AND OPPORTUNITIES

## NEW SCIENTIFIC DISCOVERIES AND INNOVATION

Advanced solutions to address the food scarcity challenge and develop new food sources. MIND FoodS Hub is the project entirely dedicated to food sustainability within MIND – the Milano Innovation District, one of the most ambitious hubs for the Life Sciences in Europe. The initiative, in close collaboration with the State University of Milan, aims at promoting R&D projects in the Agri-Food industry as an engine for innovation, development, and social responsibility.

## OPTIMIZATION

Waste reduction systems, smart fridges, tracking codes, AI algorithms, drone mapping, and logistics improvement are some of the technologies adopted to boost yields while consuming less resources. These tools enrich a broader context of pioneering policies which the Municipality has strongly endorsed throughout the years to promote a more sustainable and smart way of living. Italy already ranks 1st in Europe for recycling, and Milano is one of the most environmentally conscious metropolises for waste management and is constantly adapting and improving its model. From Milano Food Waste Policy to national and regional incentives towards energy optimization and Agriculture 4.0 investments, the area boasts a competitive and attractive agribusiness ecosystem.

## GROWING MIDDLE CLASS POPULATION

With a local economy strongly oriented to high added-value sectors, Milano is experiencing an increase in the number of educated individuals with higher spending capacity and quality-oriented consuming habits. Over 60,000 residents are at least college graduates, there is a 69.5% em-

ployment rate (vs. 57.6% in Italy), an average gross annual income of € 33,948 (vs. Italy € 29,278) and a monthly food expenditure per household of about €464/month (+3.9% vs. Italy).

## FOCUS ON HEALTH

New opportunities to develop and supply genuine and transparent food, enhancing the potential small and local businesses by mixing blockchain and fintech solutions with 100% Italian ingredients.

## CITY FARMS, VERTICAL FARMING

Integrated solutions to shorten the supply chain and new retail models. Porta Nuova District, Pirellino, Bosco Verticale as examples of green integration within the urban skyline. Urban horticulture and hydroponic greenhouses powered by the Municipality and local associations.

## GREEN TRANSITION

Implementation of sustainable farming methods and transformation processes. The regional Plan 2020-2023 addresses for instance nitrates pollution in vulnerable areas. Several other regional and municipal incentives and funds are available for the adoption of innovative farming tools, supply chain transparency and safeguard biodiversity. 37% of the incoming Next Generation EU funds will be spent on projects consistent with the European Green New Deal objectives.

Source: *The Future of Food*, Accenture, Geography Index by Osservatorio JobPricing, ISTAT, Istituto Superiore di Sanità



# EU AGRICULTURE, VALUE ADDED

**€575 bln**

Agribusiness accounts for  
25% of Italy's GDP\*

**+2.2%**

+2.2% growth in agricultural  
production over the past  
decade (vs -6.3% in national  
term over the same period)

**28%**

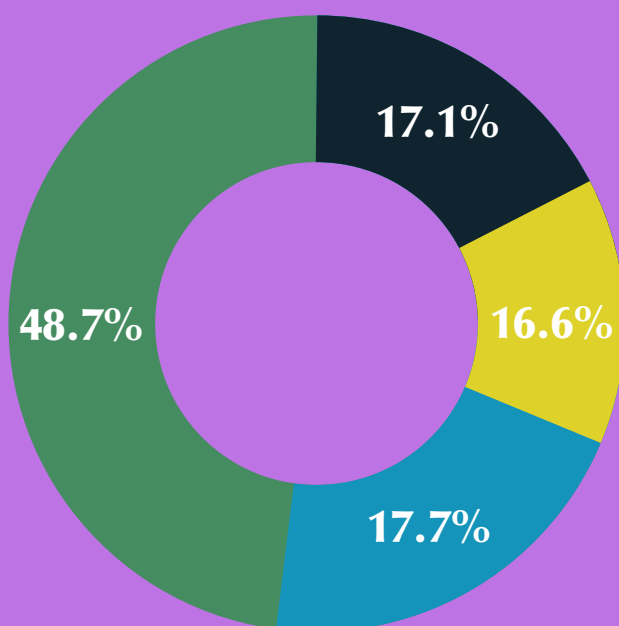
28% Lombardy alone accounts  
for 28% of Northern Italy's  
agricultural production

**50 bln**

Of CAP funds will be allocated  
to Italy until 2027

\*Source: Eurostat, 2021; Istat, 2021; Coldiretti, 2020  
(considers the whole food supply chain from  
production to restaurant)

**Gross Added Value  
(tot. € 177 bln)**



Italy  
France  
Spain  
Others



# ITALIAN CONSUMERS' HABITS

## ITALIAN CONSUMERS HABITS

- 5.5% of the population is vegetarian, 1.3% is vegan
- 17.1% regularly consumes food supplements
- 17% follows a dairy-free diet
- € 3 bln turnover in the nutraceutical sector
- 13.8% eat gluten-free foods\*
- 70.3% orders food delivery

*\*the National Health System recognizes allergy to gluten as a chronic disease and allows those affected (>600,000 confirmed cases in Italy) to deduct the expenditure for gluten-free foods from taxable income*

## "WITHOUT" FOODS IN ITALY

Claims that have most boosted sales in Italy (var. % 2019 on 2018)

- without antibiotics **+62%**
- without added sugar **+9.1%**
- not fried **+6.1%**
- without glutamate **+4.9%**
- without yeast **+1.9%**
- rich in proteins **+5.7%**
- rich in fiber **+6.3%**

*Sources: EURISPES 2021; Osservatorio Immagino GS1 Italy, Nielsen*

## ORGANIC FOOD

The market for organic food products has experienced a steady growth in Europe, reaching a peak value of € 41 bln in 2019. Within this framework, Italy ranks first for the number of companies operating in the sector. In the first half of 2020, organic food consumption in Italy increased by 4.4%, reaching € 3.3 bln. Lombardy Region alone boasts over 56,500 hectares of biological cultivations (+5,1% vs. 2018), with 3,238 organic farmers and manufacturers.

*Source: report "Bio in cifre 2020", Ismea; Coldiretti, SINAB*

## VEGETARIANS AND VEGANS

Almost 7% of Italian consumers qualify themselves as vegetarians or vegans (+25% vs. 2019), with "vegan" being the 2nd most popular characteristic in the Fresh Foods category and the 3rd in the Packaged Foods one. Milano is home to all the main EU supermarket chains. The food retail sector experienced a significant growth nationwide in 2020 due to the pandemic, posting a 14% increase (vs. 2019) in the purchase of vegan and vegetarian dishes. In particular, Lombardy ranked first as the most vegan Italian region.

*Source: Euromonitor, Everli, Il Sole 24 Ore*

# OUR NUMBERS

- Lombardy population: **10 mln** (3rd most populated EU region)
- GDP: **€ 368 bln** (22% of Italy's GDP)
- Per capita GDP (PPPs): **€ 38,500**, above the European (€ 30,000) average
- Registered companies: **815,956** registered enterprises (16% of Italy's total).  
74 enterprises per 1,000 inhabitants (2016), one of the highest rates of entrepreneurship in Europe
- Among the 4 most industrialised European regions.

## 1st region in Italy

for agricultural production: 16.4% of the national agri-food system

## >74

foreign agri-food companies are located in Lombardy employing more than 18,900 people

## 986,853

hectares under cultivation, 70% of the whole territory

## 80

High-efficiency energy performance: around 80 TOEs (tons of oil equivalent) per mln €

## 33%

Of Italy's Agri-food startups which received 53% of allocated funding are based in Lombardy

## € 464/month

Average food expenditure per family (+3.9% vs. Italy)

## € 2mln+

fruit and vegetables exported in the first 5 months of 2020 (+7.8) for a total amount of 1.39 mln tons

## 3,238

organic farmers and operators (20% of the national total)

## 525

beverage companies

## 98

pet food suppliers

### FOOD & BEVERAGE

**CAMPARI**

**Kraft Heinz**

**FARAVELLI**  
THE BEST INGREDIENT

**Heineken**

**GRUPE LACTALIS**

**Zàini**  
1913

**MARTINI**

**Nestlé**

**NUTRICIA**

**CHEMI Nutra**

**PEPSICO**

### LIFE SCIENCES TRADE BODIES AND REGULATORS

**efsa**  
European Food Safety Authority

**FEDERCHIMICA**  
CONFINDUSTRIA

**ASSOLOMBARDA**

**ENA**  
EUROPEAN NUTRITION ASSOCIATION

**Assolatte**  
ASSOCIAZIONE ITALIANA  
LATTIERO CASEARIA

**COLDIRETTI**  
UNIONE DI RIFORMA

**European Commission**  
JOINT RESEARCH CENTRE

**FEDERALIMENTARE**  
Federazione Italiana dell'Industria Alimentare

# SPECIALIZATION

69% of the region's land is destined to agriculture and produces 46% and 42% of the Italian milk and rice, respectively. Milano itself is surrounded by an uninterrupted belt of cultivated land. Lombardy is one of the most advanced regions in terms of digitization and R&D expenditure. The region ranks first in Italy for manufacturing and is the third largest in Europe by number of employees. It has specific competitive advantages in agrifood, aerospace, life sciences, living environments, smart communities, mobility, green chemistry, energy, environment, construction and smart factories.

The **birth-rate** of knowledge intensive (KI) startups in Lombardy is **38.6** every 100,000 residents (vs. <30 in Germany). Startups in Lombardy boast also a high (5.9%) and

medium-high (13.5%) performance of growth, better than those in the Bayern region. Startups related to Industry 4.0 had a birth-rate of 4 every 100,000 residents in 2017, with 1/3 of them experiencing a mid-high growth performance, the best results in Europe. Lombardy currently boasts **34 PDO and PGI** certified food products, **76** including **wines** and **spirits**.

- **Beverages:** over 22,900 cultivated hectares, over 76 certified wine varieties. More than 40 mineral water labels and strong presence of carbonated drinks and juices producers;
- **Fruit and vegetables:** apples, pears, asparagus, maize;
- **Oil production:** 23 oil mills and 1,631 ha cultivated with olive trees. 97.6% of the harvest is destined to oil pressing;
- **Meat and farming:** strong zootechnical vocation and meat processing industry. 10 certified variety of cold cuts;
- **Dairy industry:** 14 PDO certified cheeses (Gorgonzola, Grana Padano, Taleggio, etc). In compliance with the CAP quotas, Lombardy roughly produces 45% of the Italian milk.

*Source: Booklet startup Assolombarda*

*Source: Rapporto Agroalimentare Lombardia, 2020*



With 1.6 mln members, Coldiretti is the major organisation representing agricultural entrepreneurs at the national and European level. It implements advocacy activity and provides technical and fiscal assistance as well as welfare and training services to its associates. Coldiretti boasts a capillar presence over the national territory with 19 regional federations, 97 provincial federations, 5,668 municipal sections plus the Young Entrepreneurship and Female Entrepreneurship networks. Coldiretti Milano Lodi Monza Brianza section gathers 3,300 companies, with a team of experts assisting companies in the day-to-day management of their business, access to funds, and promotion of "Made in Italy" uniqueness and quality through the whole agricultural supply chain, in line with the idea of informed, transparent and aware consumption.

# SPECIALISATION

## Farming And Dairy Industries

Boasting 50% of swines and 25% of bovine animals breed, Lombardy is the leading area for animal husbandry. In 2018, the industry was granted over € 250 mln funds.

With more than 540,000 cows bred in its 5,000 farms (27,000 at the national level), Milano province ranks 6th at the regional level for tons of milk produced. Regional milk demand increased by 5% in the first semester of 2020, while cow meat slaughtery increased by only 0,3%, after negative records in 2019. To preserve the quality of the sector and ensure consumers the best products and fair pay for farmers, traceability is one of the main priorities and is implemented also through the experimentation and use of blockchain technology, which experienced a 111% international growth in 2019. According to the latest report of Osservatorio Smart Agrifood, among the 82 registered projects launched between 2016 and 2019 worldwide, 11% are Italians, displaying the relevance that the country has in the sector and its ability to innovate.

From a broader perspective, with its 5 mln tonnes produced, the region hosts one of the three main cows' milk suppliers among EU-27 regions. Together with Southern (Ireland, 5.7 million tonnes) and Bretagne (France, 5.6 million tonnes) in 2018 it provided 38 % of the total milk production.

### NUMBER OF DAIRY COWS FARMING

(per province): tot. 4,933

- Bergamo 697
- Brescia 1,403
- Como 130
- Cremona 703
- Lecco 85
- Lodi 264
- Mantova 893
- **Milano 263**
- Monza e Brianza 32
- Pavia 94
- Sondrio 291
- Varese 78





# SPECIALISATION

## Agriculture 4.0

In the last two years the Italian agriculture 4.0 Industry has seen a remarkable increase, passing from the 540 mln of turnover of 2020, to 1.6 bln in 2021 (+23%).

Spending on Agricultural machinery and equipment spending (+17%) along with the one for monitoring and control systems, drove the growth. At the same time, the areas cultivated with agricultural tools 4.0 have more than doubled compared to the previous year. Farms also benefitted from the incentives and facilities of the Rural Development Programmes and the Transition Plan 4.0; more than half of them used at least an Agriculture 4.0 incentive.

Among the main areas application of digital tools, Traceability stands out, given that more than half of Italians increasingly search for information related to the traceability of food that buys, as a result of the survey conducted by the observatory Smart Agrifood.

On a sample of around 1,000 farms interviewed, **64% declared to use at least one A4.0 solution (+4% vs 2020)**, 40% rely on management softwares, 23% on smart systems to monitor agricultural machineries, 19% field mapping solutions and precision irrigation. With around

70% of the interviewed companies having already adopted at least one solution, Lombardy Region ranks first in Italy for A4.0 penetration. A4.0 are implemented in particular in the cereal, horticulture and zootechnical sectors.

At the national level, **management and warehouse control softwares** once again retain their leading position as preferred solutions (75%), followed by **handheld devices** (57%), ERP (34%), **cloud and data analytics/big data** (28%).

Over the past few years more than **160 Italian traditional companies** and startups have **developed 415 Agriculture 4.0 solutions**, the majority of which related to blockchain (43%), followed by QRcodes (41%), mobile apps (36%), data analytics (34%) and Internet of Things (30%). Specifically, the main investments have occurred in monitoring and control systems (39%), operational software (20%) and connected machineries (14%), followed by remote soil monitoring (10%), mapping (9%) and decision support systems (5%).

*Sources: Osservatorio Smart Agrifood PoliMi and Laboratorio RISE Research & Innovation for Smart Enterprises of the University of Brescia*

**xFARM**  
TECHNOLOGIES

**xFarm Technologies** is a tech company focused on the digitisations of the agri-food sector, providing innovative tools that can support farmers and stakeholders in the management of their businesses. It offers apps for farm management, connected sensors, support in Digital Transformation projects, algorithms applied to agriculture and training activities for the whole sector. xFarm Technologies supports the work of 130,000 farms belonging to more than 50 supply chains on 1.2 million hectares in more than 100 countries worldwide.

# Young Entrepreneurship

With over 55,00 under-35 entrepreneurs running agricultural companies, Italy is experiencing an agribusiness revival among younger generations, a trend which experienced a +12% increase in the past 5 years.. Half of them hold a university degree. Lombardy alone has 3,400 companies led by under-35, 1/4 of which run by women. Data show that young people's farms have a surface area >54% larger than the average, with a turnover 75% higher than the average and 50% more employees per farm compared to traditional agri businesses.

With the Legislative Decree "Semplificazioni", the Italian government has allocated specific funds to support young entrepreneurship in the sector after Covid-19 pandemic with zero interest rate loans covering 60% of the eligible expenses and non-repayable grants up to 35%. Finally, within the Rural Development Program 2014-2020 (FEASR) framework, the Regional Government has recently approved a budget of €1.5 mln to support young generations developing their activities with single contribution up to €40,000 each.

*Source: Istat, 2019; Coldiretti, 2020; Regione Lombardia*



Founded in 2014 as Supermercato24, Everli is now the main European e-grocery marketplace, with a team of 200 people, over 100 partnerships signed with retailers and CPG companies and more than 100 provinces around Europe served. Besides the headquarters in Verona and Milano, Everli has offices in France (Paris) and Poland (Warsaw). The scale-up, which closed a \$100 mln series C round in 2021, has secured an additional €22m funding in 2022.

# SPECIALISATION

## Packaging



**Lombardy is a leading manufacturing region in Europe: it ranks 1st in machinery and packaging related to pharmaceuticals production and second overall. The region is home to 721 packaging enterprises generating a turnover of € 7.85 bln with 20,926 employees.**

The pandemic outbreak in 2020, and the subsequent partial interruption of catering activities, resulted in an export decrease. However, the simultaneous growth of the food industry, to which around 70% of packaging is destined, through large-scale retailing and food delivery (+230% in March and April 2020), contributed to mitigate losses. Additionally, e-commerce and cleaning products sales were positively affected the demand of corrugated

cardboard and hard and flexible plastic; higher demand for canned vegetables and pet food also boosted the production of metallic packaging.

In the past years Italy has strongly committed to plastic reduction. Since 2018, plastic bags for fruit, vegetables and groceries in general have been banned from supermarkets and shops in favor of more sustainable alternatives such as compostable and reusable bags. In compliance with 2019 EU Single Use Plastic (SUP) Directive, disposable plastic flatware will be banned by 2021. Water bottles will be required to be composed of at least 25% of recycled plastic by 2025.

*Source: Istat; Just Eat, Council of the European Union, CCIA (referring to Ateco codes 17 and 22)*

**XNEXT**  
ADVANCED INSPECTION TECHNOLOGY



**Xnext®** has developed Xspectra, an innovative inspection technology capable of detecting non-conformities in industrial products in realtime. Specifically, Xspectra helps improve food quality by detecting the presence of contaminants such as plastics, bones, cartilage, insects, wood and gum that would otherwise be undetectable by traditional inspection systems. Xspectra is able to detect such contaminants directly in the production line, and in just a few milliseconds can perform a multi-spectral analysis of the product in real time, comparing the energy absorbed by any contaminants and decreeing compliance with the required quality standards.





# SPECIALIZATION

## Silk



White mulberries cultivation started extensively in the XIV Century under the Sforza to boost the breeding of silkworms. During the XX Century, Milano, Monza, Lecco, Como and Varese provinces experienced an impressive growth of factories and businesses for the production and commercialization of silk. In the XIX Century the “Larian Silkroad”, located around the Lake of Como employed over 45,000 people, with 93% of the fields in the Como area under mulberries. The industry was

so prosperous and strategic for the territory that the first world’s highway was built in 1924 to connect these provinces and favor the commercialisation of the precious fabric. Nowadays, silkworm breeding has almost disappeared from Lombardy but the territory maintains its position as a leading silk producer: 80% of the European silk is processed in Como, with 70% of the production exported worldwide as luxury goods.

*Sources: InLombardia; Il Sole 24 Ore*

# MILANO: AN INNOVATIVE CITY

## KEY DATA

**3M**

Inhabitants in the  
Greater Milano area

**30%**

Home to 30% of Italy's  
inward investments

**10%**

of the national GDP  
is generated in the city

**5,876**

restaurants  
(16 Michelin-starred)

**2,458**

innovative startups

**4,878**

bars

**33%**

of Italy's patents

# TALENT BASE

## Milano has highly ranked universities that offer diverse and challenging approaches to education

### A Pioneer City

**EXPO 2015**  
“Feeding the Planet”

Pilot city for the launch of **new products and technologies** (i.e. 5G)

Highly **digitized** and **educated population** with consistent purchase power

**Local policies** addressing school-age children **obesity** and **anti waste** food programs

### Human Capital

**11**  
Universities

**227,000**  
students per year

**10%**  
of which are international

#### SPECIALIZED MASTERS:

- **Food Engineering**  
Polytechnic of Milano
- **BS and MS in Food Sciences and Technologies**  
University of Milano
- **MS in Food Science and Human Nutrition**  
University of Milano
- **MS in Agro-Environmental Sciences**  
University of Milano
- **MS in Biotechnology for the Bioeconomy**  
University of Milano
- **MS in Bioeconomy in the Circular Economy**  
Bicocca University
- **MS in Agri-food Business**  
Univerità Cattolica
- **Master of Management in Food & Beverage**  
SDA Bocconi
- **Digital Transformation & Food Tech**  
Talent Garden
- **MS in Cooperation for rural and agrifood sustainable development**  
University of Milano
- **MS in Food & Wine communication**  
Iulm
- **MS in Food Design**  
PoliMi
- **MS in food & beverage management**  
240RE business school
- **Partnership Bocconi & Credit Agricole**  
Progetto AGRILAB

Milano boasts global level universities: Bocconi University ranks 6th in the world for business and finance; The Polytechnic of Milano ranks 3th in Europe for technology and engineering. Both together with Università degli studi di Milano Bicocca and Università degli studi di Milano are involved in the prestigious [Ellis Program](#). Five countries in the world claim 50% of the world [top 300 Food Science & Technology universities](#) and Italy is one of this with 22 institutes.

Sources: QS World University Rankings; EURISPES 2020; Osservatorio Immagino GS1 Italy, Nielsen; Global Masters in Finance 2021






# THE TECH SIDE OF FOOD





## SPACE ECONOMY AND AGRICULTURE

**As emerged from a study conducted by the Space Economy Observatory of the Polytechnic of Milano, over 50% of the new companies operating in the Space Innovation sector pivots around the agriculture sector, providing solutions aimed at boosting the optimization of resources and productivity.**



## FOODTECH

**Being home to some of the best STEM universities worldwide and a lively Fintech hub, Milano is able to apply the latest innovations and discoveries to its traditional food and manufacturing sectors. Within this framework, it is not surprising that multinationals such as Deloitte, Plug and Play and Talent Garden have decided to launch their FoodTech accelerator programs in the city.**



## PLUG AND PLAY

Plug and Play is the largest open innovation platform in the world and one of the leading early-stage startup Venture Capital. With a no-fee and no-equity model for its 60+ open innovation programs globally, Plug and Play supports corporates in deploying their innovation strategy through collaborations with stage-agnostic startups through a 3-month program that runs twice per year and counts up on average to 15 impressive tech providers! The programs envision networking events, mentorship and workshop sessions and introductions to international VCs. It has 60,000 startups in its network, 1,100+ in its portfolio and partners-up with 530+ corporations worldwide. In 2019, Plug and Play has chosen Milano to set up its first European Food Accelerator program from Silicon Valley in order to connect big corporations to the most disruptive startups on the market and favor their innovation transition. Key partners of the program are Esselunga, Lavazza, TetraPak and from 2022 Barilla. Its The current Food batch includes tech providers servicing the following areas: retail and analytics, supply chain and manufacturing, packaging and product innovation. Since the program inception in 2019, 377 startups have

been top listed for the past batches, from which 69 were admitted to the program.

Plug and Play has also invested in Italian startups such as Babaco Market, an e-commerce company selling and delivering fruits and vegetables that did not pass the aesthetic controls organized by traditional channels and which risk being wasted.

Not only Food, PNP's headquarter in Milano also focuses on the Sustainability and Fintech verticals.

Plug and Play has also supported Wonderflow, a Dutch startup that makes complex data analysis easy and accessible to anyone, by introducing the startup to Lavazza, with whom they have developed a pilot project. This partnership enabled by Plug and Play led to the opening of a new Italian branch for Wonderflow.

Plug and Play has launched an e-commerce accelerator with Facebook and has accessed the mobility space, by launching the Motor Valley Accelerator together with the Italian state-owned CDP Venture Capital and CRIT, a research firm. During the last year, another project with CDP Venture capital was launched: Takeoff, focusing on Aerospace and advanced hardware startups.



# THE TECH SIDE OF FOOD



## SIMBIOSI — INNOVATION CENTER GIULIO NATTA

Located in Giussago (PV), 40 minutes by Milano city center, Simbiosi with its Innovation Center is an incubator of competences and the first biodiversity laboratory in Italy dedicated to Nobel prize Giulio Natta. Formally founded in 2022, on the footsteps of NeoruraleHub, after 25 years of re-naturalization experiments performed since 1996 which drastically increased biodiversity levels (>1 mln trees planted to date), it is now a more than 500 hectares space where innovative and sustainable solutions for the food supply chain are developed. Main pillars are regenerative agriculture, resources and energy saving, and circular economy, specifically addressed in relation to the needs of industry, metropolitan areas and their residents. Simbiosi provides solutions to create a living, thriving and biodiverse ecosystem to improve quality of life and value of agricultural suburbs, turning their mission from food producers to ecosystem and environment service providers for the surrounding cities, making it the first “Environment Producer”. It develops, designs and manages patented solutions and products for their customers also through its incubated start-ups portfolio and innovative companies of their Innovation Center’s network.

## FOODTECH ACCELERATOR - OFFICINE INNOVAZIONE

The **FoodTech Acceleration Platform**, powered by Deloitte and part of Officine Innovazione, is an open innovation platform specialized in the AgriFood-Tech sector. Based in Milan but with a global breadth, FTAP acts as a one-stop-shop for companies operating along the entire food value chain, providing them a tailor-made suite of professional services for delivering **end-to-end innovation projects**. Leveraging on **proprietary methodologies**, an **hands-on approach**, an **extensive ecosystem** - more than 1500 international startups, leading corporates, VCs, and Universities - and **world class track records**, FTAP has the capabilities to **design** and **deploy successful corporate-startup pilots** under target areas such as midstream tech, circular economy, disruptive food and alternative beverages, agritech, automated commerce and innovative packaging. Since 2018, the Platform has supported many **top food corporates** (including Amadori, Cereal Docks, Cirfood, Epta) and **international startups** in the joint development of **30+** industrial pilots, business and tech validation projects and MVPs in-store and FTAP’s alumni have raised in total **more than €90 million** so far.



# EVENTS & FAIRS

**Milano is internally renowned for its lively and rich offer of events throughout the year. The city has its own convention bureau, YesMilano Convention Bureau and hosts Fiera Milano, one of Europe's largest trade fair systems, which annually organizes over 75 major events. While the most famous Fashion Weeks and the Design Week with their hundreds of side events also offer numerous convivial opportunities and become the occasion for the launch of new products, food finds its own space during several dedicated events, from Seeds&Chips - The Global Food Innovation Summit, which hosted Obama in 2018, to other dedicated events like Milano Wine Week, and Milano Food City.**

## TUTTOFOOD

One of the main national and international points of reference for the food sector development, TUTTOFOOD is the B2B exhibition for the entire agri-food ecosystem. Global and innovative, it gathers producers and distributors of quality products from the entire food and beverage supply chain, from distributors to large-scale retailing, proximity stores, food service providers and chefs. An event that looks to the future and develops innovation in line with consumer trends and market dynamics. A business and content platform for the world's entire food community, where food tradition meets innovation.

## HOST

Already at its 42nd edition, HostMilano is the international exhibition dedicated to the world of food service and hospitality. Taking place every two years, it offers everything needed to build a successful business, from raw materials to intermediate products, from machinery to equipment, from furnishings to tableware, with one eye firmly focused on trends, technologies and innovation.

## VINITALY

Vinitaly is one of the most renowned international wine and spirits exhibitions and competitions that takes place every year in Verona, only 2 hours from Milano. The event is exclusively for wine professionals featuring an average of 3,000 wines from several dozen countries. Four days of major events, technical, prestigious vertical and walkaround tastings, specific theme areas, as well as focus meetings analyzing the main markets.

## CIBUS

Cibus is the reference event of the Italian agrifood sector, a large showcase with international visibility with conferences and round tables on current topics for the Food and Retail industry. Exclusively dedicated to the main players and professionals of the agri-food sector, Cibus features an offering of Made-in-Italy food products that is unique and complete with a 4-day exhibition that is effective and dynamic, and enriched by activities and events organised to analyse innovations and latest market trends. It takes place every year in Parma, 1 hour far from Milano.





# FOOD ACCESS DIGITALIZATION



**The pandemic profoundly changed consumer habits and is impacting both on the way food is consumed and served.**

## PUSH TO DIGITALIZATION

Before COVID 19, Italy experienced a 54% year-on-year growth in the adoption of fintech services. This push to digitalisation, particularly in regard to payments and access to services, was significantly boosted by the emergency. The concept of food supply has never been more linked to online platforms, apps, codes, scanners, and tracking. In the city of Milano, internet penetration across the city population is close to 99%.

As the economic and innovation capital of Italy, Milano has always been a pioneer in the adoption of new technologies and used by companies as the perfect testbed for new trends before their launch at the national level and foodtech is not exception.

## FOCUS ON HEALTH AND ACCESS

- Italy's functional foods market is the largest in Europe and the country is second in the world (after the US) in scientific production applied to nutraceutical.(source: ALISEI).In 2018, Milano's ALISEI National Technological Cluster for Life Sciences partnered with the National Technological Agrifood Cluster, C.L.A.N., to support research and technology transfer in the nutraceutical and functional foods field.
- Concerns over phytosanitary standards in the global supply chain. Preference for local products and support to small businesses
- Emerging necessities to provide food to risk categories and avoid long queues and crowded gatherings



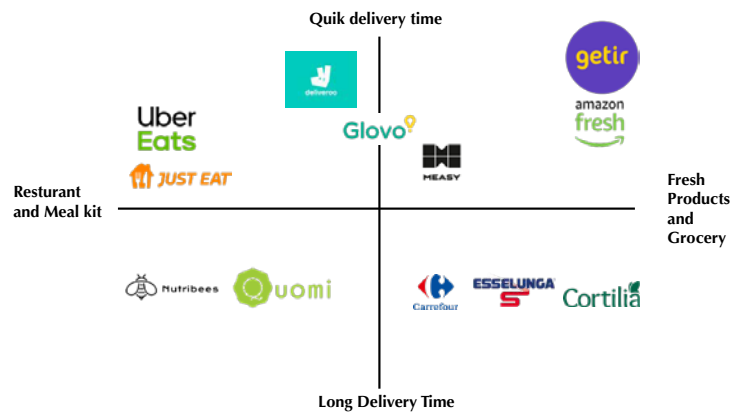
# COVID-19 AND THE FOOD SUPPLY CHAIN

## Food Delivery

Due to 2020 and 2021 lockdowns, household food consumption in Italy rose by €10 bln. Food delivery platforms experienced an unprecedented expansion with 1.3 mln new users reaching an overall number of about 29 mln, with an estimated industry value of about €1,5 bln (+59% vs 2020). Within this framework, Milano ranks first in Italy for number of users.

With its plain surface of 181.8 sq km and an excellent network of streets and infrastructures, mixed with a very high digital penetration (99%), the Municipality of Milan is the preferred destination in Italy for food delivery services. Latest examples are the choice of Milano as the testbed for Amazon Fresh and Getir.

Consistently with the plan of increasing the liveability of the city and embracing green mobility, 35 km of cycle lanes have been realized between April and October 2020, with a total of 50km expected to be completed by Summer 2021. The main players currently are: Amazon, Just Eat, Deliveroo, Glovo, Uber Eats, Esselunga, Carrefour, Cortilia, Tannico, Cosaporto and MyMenu, among others. AssoDelivery estimates the presence of >1,400 riders in the city. Among the most ordered categories there are sushi, hamburgers, Chinese, bio, and vegan food.



### FOODY '25

Foody Mercato Agroalimentare Milano - the first wholesale market in Italy and among the most important markets in Europe - will become an agri-food hub, pole of attraction for companies and professionals of the agri-food chain. The Foody 2025 project represents a progressive investment plan that will allow to develop a strategic area for the entire agri-food chain. The development project includes: two new Fruit and Vegetable Pavilions; logistic and productive platforms that will be a reference point for goods handling activities; a renewed Palazzo Affari and support services such as laboratories and food training centers. The Market will also benefit from a production-cooling plant of condensation water and production of energy from renewable sources for a more sustainable management and in line with the Sustainable Development Goals.

Foody will offer innovative services for operators and consumers, designed according to the values of quality and food safety, environmental sustainability and innovation and designed to meet the needs of Italian and international companies and professionals operating in the food industry.

Source: PwC Trade Lab, Il sole 24 ore; Deliveroo, AssoDelivery

# MILANO FOOD POLICY

## Five priorities for a sustainable development

Milano has been the **EU food capital** since **Expo Milano 2015**, based around the theme “Feeding the Planet, Energy for Life”. The world fair revived and further boosted the city’s international vocation and role as leading European stakeholder for ambitious socioeconomic policies. In this context, “The Milan Charter (“Carta di Milano”) and the **Milano Urban Food Policy Pact** were signed by millions of citizens and over 200 cities worldwide.

Milano Food Policy was founded on **five priorities**:

1. ENSURE HEALTHY FOOD AND WATER FOR ALL CITIZENS
2. PROMOTE THE SUSTAINABILITY OF THE FOOD SYSTEM
3. PROMOTE FOOD EDUCATION
4. FIGHTING AGAINST FOOD WASTE
5. SUPPORT SCIENTIFIC RESEARCH IN AGRI FOOD SECTORS

Since its launch, the project, powered by the Municipality and Cariplo Foundation, have developed these five pillars into a permanent set of **concrete initiatives**, coordinated by a new ad hoc institutional body, the **Food Policy Office**. Through its Scientific Research Department, Cariplo Foundation is involved in several innovation programs linked to food, diet and nutrition, and promotes research linked to bio economics and circular economy. Milano chairs the permanent working group “Food” of “Eurocities” network: together with 50 municipalities, the City promotes periodical dialogue between policy makers, food scientists and experts aimed at advocating projects to be submitted to the European Commission, manages EU-funded projects and mentors other cities worldwide.

At the European level, the city is also part of the **Covenant of Mayors**, launched by the EU Commission in 2008, urging cities to act **against climate change** and pollution while increasing energy efficiency. The Pact, renewed in 2015 (“Covenant of Mayors for Climate

and Energy”), raised the goals in terms of **CO2 reduction** to 40% by 2030, soliciting a commitment also in defining concrete action plans against climate change effects.

Finally, Milano is leading with the **Food Trails EU** project, founded within Horizon 2020 program with the aim of bridging researchers, entrepreneurs, policymakers and the civil society in order to develop urban food policy pilot actions in 11 European cities on topics related to the FOOD 2030 research strategy, launched by the European Commission during Expo 2015 to address the food system sustainability.

Contrarily to what one could expect from a modern and expanding metropolis, the city’s strength on food is not limited to policies, innovation, business and research. Instead, the territory hosts **Parco Agricolo Sud Milano**, one of the largest agricultural parks in Europe, covering **37,000** hectares and comprising **61** municipalities of the Metropolitan Area and more than **900** local farmers. 30 farms located inside the agricultural park have been working to establish new local supply chains for food canteen procurement.

### RICE

Italy is the leading European rice supplier (220,000 ha cultivated, mostly in the Northern regions), before Spain (117,000 ha) where the two main producer regions, Andalusia and Estremadura, are often subjected to water scarcity, and Greece (25,000 ha). 90,000 ha in Lombardy are cultivated under rice. The cereal holds great economic and cultural importance in Milano, where 15,000 ha (14% of Lombardy’s total) rice fields are located.

Click [here](#) to see a full map of the **agribusiness system** within the greater **Milano Metro Area**.



# FOOD WASTE



In 2016, Milano undersigned the “ZeroSprechi” (ZeroWaste) MoU, with the goal of reducing waste and collecting leftovers from supermarkets and canteens to redistribute them among people in need through neighborhood food banks around the city. As a result, over 1,300 households have already received support. Although the set targets have been reached, there is still room for improvement and new innovative solutions.

Currently, supermarkets are estimated to generate a 2.3% food surplus: 31% of it is donated to the neighborhood hubs while 69% still goes wasted. Similarly, company canteens produce a 0.8% surplus of food, 75% of which is donated, 25% goes wasted.

## WASTE COLLECTION AND RECYCLING

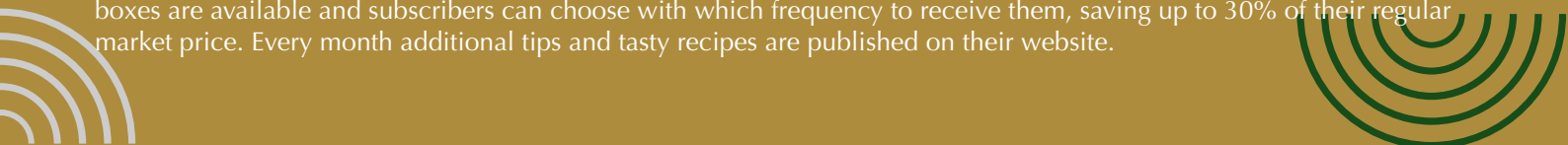
Italy is the first European country in terms of per-capita recycled waste collection (79% vs. EU average 39%, France 56%, Germany 43%), with northern regions leading the ranking. Within this framework, Milano is one of the most virtuous metropolises for the integrated waste management. Thanks to a capillary system of door-to-door collection implemented by AMSA, part of A2A group, in 2020 62.5% of its >700,000 tons of waste were differentiated. This also allows to implement participative and initiatives to “give back” to citizens the outcomes of their efforts, such as yearly free distribution of bags with 10l of natural fertilizer for home gardening use (up to 2.8 tons).

Sources: AMSA

**babaco**  
market



**Babaco Market** is a Milan-based startup delivering boxes of “deformed” fruit and vegetables that could be discarded by customers on supermarket shelves. The products are collected directly from farms and mixes the comfort of home delivery to the reduction of food waste. Additionally, it creates value for small local producers and organic farmers. Two sizes of boxes are available and subscribers can choose with which frequency to receive them, saving up to 30% of their regular market price. Every month additional tips and tasty recipes are published on their website.



# MILANESE ECOSYSTEM



## RESEARCH AND COMPETENCE CENTERS

### OSSERVATORIO SMART AGRIFOOD

Powered by the Polytechnic of Milano. Focus on digital innovations (processes, infrastructures, HW and SW) which are currently transforming the supply chain supporting a favorable ecosystem of interconnected competences.

### FONDAZIONE CARIPLO

One of the world's main philanthropic organizations, the Foundation manages the assets gathered over 180 years by Cassa di Risparmio delle Province Lombarde to carry on its long-standing philanthropic tradition. In addition to supporting initiatives carried out by other nonprofit organizations, Fondazione Cariplo devises and implements its own projects, convening partners and catalyzing resources. Reaching beyond grant-making, the Foundation proactively pioneers projects that promote innovation as well as solutions to problems not adequately addressed by other private or public players.

## ACCESS TO CAPITALS

### SOCIAL VENTURE FOUNDATION GDA

Implementation of direct and indirect activities of impact investing aimed at supporting the growth of the sector and promoting social innovation. The Foundation carries out social venture capital investment through minority shareholding with medium-long terms goals. In collaboration with Cariplo Factory, FSVGDA has launched the initiative Get it!, offering incubation, acceleration and mentoring programs to social start-ups with impact.

### OLTRE VENTURE

First Italian Impact Investment Fund investing 43 mln in companies which create innovative solutions with strong social impact.

### SEMINA

Semina is a project entirely dedicated to support agritech and foodtech startups in their fundraising activity. The project was born from the union of two different entities, the Milano-based equity crowdfunding platform 200Crowd and the Food b2b e-commerce Emerge.





# MIND Milano Innovation District

AGRIFOOD

NUTRITION

PHARMA

LIFE SCIENCES

HEALTHCARE

BIOTECH

DATA SCIENCE

BIG DATA

## MIND FOODS HUB

### THE PROJECT

MIND FoodS HUB proposes an innovative concept for the eco-intensification of agricultural production and for the promotion of dietary patterns for human health and longevity through the creation in the Milan INnovation District (MIND) of a digital FOOD System Hub. The initiative is cofunded by POR FESR 2014-2020 through the Lombardy Region call "Research&Innovation Hub". The aim of the project is to connect infrastructures, know how and different stakeholders for the development of the new approach to the identification, production and sustainable transformation of plant products and derivatives with excellent nutritional profile, as well as their functional validation, to boost Lombardy's know-how for the benefit of its businesses, consumers and interested party.

### PARTNERS

Arexpo, Università degli Studi di Milano, TIM, Istituto Auxologico, Indena Italiano, Molino Filippini, Tecnoalimenti, Agricola Moderna.

**MIND FoodS Hub** want to boost food knowledge and create infrastructures for the study and implementation of different aspects of the Food System as a strategic asset for the city. Through multidisciplinary skills it promotes agri-food research as an engine for innovation, development and social responsibility. The hub brings together synergic excellences of research bodies and private world top-players in the agri-food and related sectors. The hub promotes food quality within balanced and sustainable diets to prevent diet-associated chronic diseases as a starting point to further improve the supply chain, reduce environmental impact and preserve biodiversity. Food production is analyzed and targeted towards

nutritional improvement to cover consumer needs and it is evaluated for its lasting impacts on civil society.

### RESULTS

Started in March 2020, the project has already provided important results that will be further exploited after the project end to maximize overall impact. 15 plant pilots were identified among others to be part of the MIND Foods Basket: blueberry, mulberry, radicchio, rocket salad, lettuce, savoy cabbage, spinach, pumpkin, rhodiola, bean, buckwheat, pigmented potato, pigmented tomato, pigmented rice, pigmented corn. Pilots were chosen based on their nutritional characteristics, importance for the development of sustainable dietary patterns, presence in Lombardy, commercial potential exploitation and for their potential inclusion in varietal catalogues as newly established genotypes. A collection of germplasm information has been also collected in an interactive, web-based database for managing available data with 123 descriptors. Plant pilots have been grown in field, greenhouse or vertical farming. Innovative agronomic protocols and analytical characterization methodologies have been implemented to study their commercial and nutritional relevance. Some of the pilots, were studied through in vitro approaches to obtain a validation of their potential functional activities (e.g. antioxidant, anti-inflammatory, cardio protective). The most promising plant pilots have undergone in vivo functional validations in target groups of subjects, and specifically those with severe obesity (the bean) or in the older subjects (the blueberry). New gluten-free products were

implemented and natural ingredients identified. Moreover, an Italian-Mediterranean dietary pattern which includes the MIND FoodS Basket products has been developed, based on the sustainable EAT-Lancet Reference Diet.

Its feasibility and metabolic and functional effects is under investigation through a dietary intervention study. From the perspective of high/smart technologies in agriculture, an infrastructure with a self-propelled rover carrier, with applications for non-destructive high-throughput phenotyping of plants has been developed. In addition, different business cases have been promoted, such as: a smart labelling solution, the development of an innovative platform for agribusiness supply chain traceability, an innovative model of safe and traceable food delivery, a multi-device application for displaying infographics related to the status of crops, with the integration of various data sources including those from specialized sensors, as well as 3D models to track crop growth.

## AGRITECH

In the framework of Next Generation EU funding scheme, the University of Milan plays a central role within the National Center for the development of New Technologies in Agriculture AGRITECH. The Center with 47 partners, headquartered in Naples, is an unprecedented funding opportunity (320 mln euros) for research in the field of agrifood. In particular, the University of Milan commits to explore new sustainable solutions arising from circular economy and recycling. The overall aim of AGRITECH is to move fast towards the sustainable development of agri-food production, with the aim of promoting adaptation to climate change and reduce the environmental impact in agrifood.

## ONFOODS

University of Milan will have also a significant role in the Extended Partnership action, within the framework of Next Generation EU funding scheme, being part of ONFOODS (Research and innovation network on food and nutrition Sustainability, Safety and Security). The project with its headquarter in Parma and 7 spokes focused on research, involves 26 entities between public and private research institutes and universities and private companies. University of Milan is leader of Spoke 4 focused on research and innovation to improve the quality of food, diet, and nutrition also considering the inter-individual variability of response to the diet and the need for sustainable consumption. ONFOODS has been funded with about 115 mln euros.



The fifth District Hub against food waste opens in Milan: After Gallarate, Isola and Lambrate, together with the Foody Hub within the Milan agri-food market, with the opening of the Hub of the Centre another important node has been added to the network developed by the City of Milan to fight food waste and support food aid operations active in the city. The network has already been awarded the Eartshot Prize 2021 and is currently teaching internationally.





# SKYDECK EUROPE MILAN



UC Berkeley SkyDeck, the global startup accelerator of the University of California, Berkeley (UC Berkeley), along with Cariplo Factory, one of the most important Italian innovation hub specializing in entrepreneurship programs, and Lendlease, a global real estate and investment group, launched SkyDeck Europe, based in Milano (Italy). Startups from all over the Europe will be able to leverage the expertise and resources of SkyDeck's extensive network of advisors, mentors, VCs, and corporations as they grow their businesses in the European startup ecosystem.

SkyDeck Europe set up its program at the newly developed MIND Milano Innovation District, a \$4,5 billion innovation district in the northern Italian city of Milan, which is considered to have the biggest startup ecosystem in the country. SkyDeck Europe was created with the support of two Italian stakeholders: the philanthropic organization Fondazione Cariplo and the Government of the Lombardy Region.

The 6-month acceleration program includes a first quarter curated by the Berkeley SkyDeck team (offered both in-person and virtually) and a second quarter by the Cariplo Factory team. The second quarter of the program takes place at MIND, and offer the resources and networks of some of the best Italian Universities, selected through a tender by Cariplo Foundation. The Universities that will take part in the program are: Milan Polytechnic University, University of Milan, IULM Free University of Languages and Communication, University of Eastern Piedmont "Amedeo Avogadro", University of Insubria, University Institute of Higher Studies of Pavia, and University of Bergamo.

Among the benefits of the acceleration program, each startup receive an investment of €145,000 by Lendlease's private investment fund and have the opportunity to present their project to a network of international investors during a Demo Day at the end of the program.

# FARM HOUSES

**The Milano area is home to over 100 farmhouses (64 of which are owned by the Municipality), testifying the strong rural heritage of the territory. Besides their scenic interest, they play a relevant role in the promotion of organic and sustainable agriculture and some reinvented themselves as agri-tourism and educational players, as well as alternative retailers. The municipal farmhouses are represented by Associazione Cascine Milano. Every year during the event “Cascine Aperte” (Open Farmhouse”, open initiatives to favor citizen participation to the discovery of the sites and slow-living, reflecting on urban development and the integration between the country and the city.**

*Sources: Milano Municipality; Cascine Aperte Milano; Associazione Cascine Milano*

## BLU MARTESANA

Blu Martesana is a >680 cultivated hectares AgriFood Park located 20 km east of Milano, a project launched by 6 entrepreneurs with the shared goal of enhancing the rural territory and its biodiversity through innovation, sustainability and sharing. The involved companies are engaged in the production of cereals and legumes, dairy farming and production of alternative and renewable energy. Consistently with 2030 Agenda, Blu Martesana project aims at eliminating chemical fertilizers in agriculture, engaging a carbon-free strategy through the use of renewable fuel for their farm equipment to reduce soil pollution, and directly generating energy from natural sources and waste.

With a broad offer of innovative solutions and specialized farmers, Blu Martesana network proposes itself as a strategic partner to large distribution companies, with district farms sharing their territorial know-how and industry expertise to produce food in which consumers can fully appreciate the short chain. Additionally, rural properties for the on-site vending of products are available. Partnerships with large distribution is also aimed at waste recovery and transformation to produce green fuel for farm equipment with the goal of becoming the first carbon footprint free territory. The Park hosts also a wellness and open-air sport activities district.

## CA' GRANDA FOUNDATION

Ca' Granda Foundation is a non-profit organization powered by the Policlinico Hospital, from which has received a 30-year usufruct of a € 600 mln-worth agricultural heritage (85 mln m2 with around 100 farmhouses). The Foundation aims at supporting Policlinico in health and biomedical research, reinvesting the resources generated from the domains. It seeks to promote the natural and historical heritage and develop projects on food quality and safety through a short supply chain, the preservation of biodiversity, the implementation of innovative farming technologies, irrigation network maintenance and agritourism initiatives. Finally, the Foundation is responsible for several management matters (i.e. land-registry update, renewal of the expiring agrarian contracts, restoration of hundreds of villas and farm houses, technical and administrative surveillance).

**SELS PROJECT**, in collaboration with Forum Cooperazione e Tecnologia, involves Ca' Granda farmers for the development and implementation of more sustainable forms of farming for the production of biological rice and fodder. Farmers work closely with experts to on two "training fields" to come up with innovative solutions. Another project has seen the collaboration between a farmhouse, students and CNR (Italy's main research council) experts to experiment the impact of new technologies on agriculture. Drones, robots and sensors have been tested and used to improve fruit and vegetable production and their commercialization.

### **DEVELOPMENT FRAMEWORK AGREEMENT "MILANO RURAL METROPOLIS"**

Milano Rural Metropolis is a Framework Agreement for Territorial Development combining private and public efforts to strengthen the traditional rural component of the city within the framework of Milano Food Policy. In 2018, Lombardy Region-funded project "Mater Alimenta Urbes" was launched for the development of short supply chain initiatives, reinforcing the relationship between the city and the countryside through 31 public-private investment projects.

OPENAGRI project will create an "Open Innovation Hub on Peri-Urban Agriculture" in Municipal Farm Nosedo, an ancient farmhouse located in the southern part of the city which will be re-structured and will serve as an innovative living lab for social inclusion, jobs and skills creation, open innovation along the food system while increasing the level of resilience and sustainability of the city. The Municipality established a dedicated office to OpenAgri implementation inside the department of Urban Economy and launched a call for ideas. 18 projects were selected to test their innovative solutions in urban/peri urban agriculture.





# SOCIAL PROJECTS

## CASCINA TRIULZA

Cascina Triulza (Triulza Farmhouse) and Triulza Foundation, historically located inside the site on which MIND Milano Innovation District Development is now expanding are committed in putting social innovation at the center of MIND objectives with a strong engagement of the civil society.

Project “A Farmhouse inside the city of the future” to narrate Cascina Triulza historical heritage, the role of farmhouses in Lombardy agricultural development and sustainability to new generations and companies that will relocate in MIND.

Promocoop Lombardia (part of Confcooperative Lombardia, a network of 2,500 co-operative societies with 99,000 people employed and 8.6 bln turnover) is part of the Federated Innovation, gathering the 32 public and private entities which will lead the development of MIND as an engine for the Country economic revival. Together with Esselunga and Cereal Docks, Promocoop Lombardia will be in charge of the thematic area “Agrifood tech and Wellbeing”. The project aims at developing a reference point for Food innovation and green and digital transition through the engagement of corporates, startups, universities and professionals.

## OPENAGRI

The project will create an “Open Innovation Hub on Peri-Urban Agriculture” in Municipal Farm Nosedo, an ancient farmhouse located in the southern part of the city which will be re-structured and will serve as an innovative living lab for social inclusion, jobs and skills creation, open innovation along the food system while increasing the level of resilience and sustainability of the city. The Municipality established a dedicated office to OpenAgri implementation inside the department of Urban Economy and launched a call for ideas. 18 projects were selected to test their innovative solutions in urban/peri urban agriculture.



## RECUP

Covering 9 municipal markets in Milan and 7 municipal markets in Rom, the Association RECUP aims at fighting food waste and social exclusion. RECUP volunteers collect fruit and vegetables from market stalls which would otherwise get wasted, select the units that are still edible and put them on their stall for the benefit of everyone who collaborates in the activity. In this way, RECUP saves and donates 8 tonnes of food on average each week.



# INDUSTRY AND START-UPS

Milano is a global hub for financial and business services, fashion and design, architecture, engineering, life sciences, food and culture.

7 of the world's top 10 multinational companies operating in the country have their offices in Milano, including Google, Facebook, Microsoft and Cisco. Being Italy's economic capital, Milano is home to 4,700 multinational companies, employing more than 501,000 residents.

The Venture Capital sector has experienced a strong growth. In 2018, VC investments in Fintech Firms were 13 times higher than those in 2017. Milano alone gathers 61,6% of the total VC investments in Italy. In 2021, venture capital financing in Italy exceeded 1 billion euros, a value that has almost doubled (+84%) the numbers of 2020, with 273 transactions (+25%) and an average value of 3.8 million euros (+47%). Lombardy and Lazio the leading regions, B2C the most popular sector. (Lombardy alone gathers 72,8% of the total VC investments in Italy).

## COWORKING SPACES

In Milano there are over 90 coworking facilities.

**Copernico, Talent Garden and Impact Hub**

Milano are among the most popular ones in terms of size and international appeal.

The average monthly fares start from 45€ to 350€ for the most exclusive packages.

*For more information about the coworking space in Milano please visit:*

**STARTUPS-ECOSYSTEM**



Founded in 2018 after 4 years of research and development, **Planet Farms** built the largest vertical farm plant in Europe in Cavenago di Brianza (Northern Milano Area) of about 10,000 m<sup>2</sup>. It began the production of salads & aromatic herbs which supply about 30,000 fresh salad & aromatic herbs bags daily, with a water-saving of over 95%. Five additional facilities are expected in its internationalisation which will touch other European countries and the UK.



# COMPETITIVE BUSINESS ENVIRONMENT



In recent years, the Italian government has introduced reforms to make the country more competitive and attractive for foreign investments. As a result, Italy has now a very generous fiscal regime and incentives package that includes the reduction of the main corporate tax from 27.5% to 24%, a flat-tax rate for income or capital gains on investments earned abroad realized by individual taxpayer and special visas for entrepreneurs that want to start a company in Italy.

In Italy, companies have the possibility to build a team that lasts in time, since Italy enjoys one of the longest employment tenures in Europe (11 years), above the OECD average (10 years). The **2020 Budget Law** introduced new tax incentives with the aim of facilitating the transition to a more **digitalized economy** and promoting industry in Italy. Incentives are available in the form of capital grants, easy-term loans and tax credits and includes tax credits for new investments in tangible and intangible assets,

R&D, employees' training. Furthermore, 2019 Growth Decree introduced a new 18-months **regulatory sandbox** to **promote technological innovation** and facilitate the **development of fintech in Italy**, allowing companies to test new services and products in the financial, credit and insurance sectors. Thanks to these reforms and to the strength of its industry, Italy ranks **8th** in the **Global FDI Confidence Index** (2021).





# ECONOMIC INCENTIVES

## Startups

### Innovative Startups

Startups founded by <5y with < €5m revenues are exempted from certain taxes and access to flexible employment contracts. Either 15% of their costs are in R&D or 2/3 of personnel hold a Master's Degree or they are the owner/licensors/depositaries of a registered patent/software. Tax relief for investors in innovative startups (cap at €1m for individuals, €1.8 for companies).

### Development Contract

For large and innovative investments in manufacturing, tourism and environmental protection for greenfield and expansion projects of more than € 20m (€ 7.5m for food processing) presented by one or more small and medium companies also in joint form. Projects presented by foreign companies providing an investment of at least € 50m gain access to the Fast-Track procedure. Additional funds for Fast-Track will be accessible to companies investing in the Green Economy, Biomedical and Telemedicine sectors.

### Digital Transformation

The incentive supports the digital transformation of SMEs' production systems by financing the adoption of technologies consistent with the Industry 4.0 plan.

## Innovation

### New Enterprises

#### "Zero Interest Rate"

Investment programs with eligible expenses up to € 1.5m to be implemented by micro and small companies established by no more than 12 months and composed, for more than half of members and shares, of people aged between 18 and 35 years old or by women. Program duration not less than 3 years from project completion. Benefits are granted in the form of a subsidized loan (max. 8y) with a zero-interest rate covering up to 75% of the eligible expenses.

### Sabatini Law 2021

The measure subsidized investments in Instrumental Assets by micro and SMEs and is designed to support the purchase (or leasing) of machinery, equipment, plants, capital goods for productive use and hardware, as well as software and digital technologies. Government subsidy plus a public contribution equal to the interests on the loan stipulated with the bank, up to at an annual rate of 2.75% for ordinary investments and 3.575% for investments in digital technologies. Coverage up to 100% of the total, <5y duration for amount between €20k and €4m.

## Human Capital

# FISCAL BENEFITS

## Startups

### Smart&Start Italia

To support innovative startups, established for no more than 60 months with a strong technological dimension. Interest-free loan up to 80% of the total investment (10y repayment). Up to 90% if the startup is composed exclusively by women or people aged <35, or if it includes at least one Italian PhD working abroad and willing to return in Italy.

### Patent Box

50% tax reduction for incomes arising from direct use or licensing of qualified intangible assets: property rights, industrial patents, trademarks, designs and models, etc.

### Tax Credit on Assets

Companies investing in tangible and intangible capital goods accordingly to the Industry 4.0 national strategy can benefit of a wide range of tax credits from 15% (intangible assets) to 20-40% (tangible assets). Companies investing in ordinary tangible assets can benefit of a 6% tax credit.

### Industry 4.0 training

40% tax credit on the cost of personnel employed in training courses for the acquisition and consolidation of skills in "4.0" fields.

## Innovation

### ACE Allowance for corporate equity

To encourage and mitigate the capitalization of companies by cutting net income and mitigating different tax treatments applied to companies funded with debt/equity. The benefit entails a notional deduction from corporate income taxable base on company revenue (IRES) equal to the net increase in the "new equity" employed in the company, multiplied by a yearly determined rate (1.3% for FY 2020).

### Employment

Firms that employ workers under the age of 35 are granted a reduction in the labor taxes for the first three years of their employment, up to a maximum of 3,000 euros per year.

### New Residents

Employees, self-employed, researchers and professors who move to Italy and have not been resident in Italy in the prior 2 years can benefit of a special tax regime with a tax exemption equal to 70% of their incomes for 5 years (extendible under certain circumstances).

## Human Capital





ITALIAN QUALITY OF LIFE

**Milano and its  
attractive surroundings  
offer a modern,  
sophisticated way of  
living, in a safe, open  
and tolerant social and  
cultural environment.  
It is a city that makes  
everyone feel at home  
right away and has  
its doors open to  
foreign investors and  
employees.**

English is widely spoken. Its quality of life is among the best in the world, with high-quality housing, a comprehensive network of international schools, a state-of-the-art healthcare system, a thriving artistic and cultural environment, a unique food scene, and an efficient public transportation system.



# Milano stands at the heart of Europe, connected to all the continent's great cities.

With 3,000 weekly flights to 185 destinations, Milano has efficient and rapid connections with Italy, Europe and the world. The city is two hours by plane to most EU capital cities, and two hours drive from the Alps in the North and the seaside in the South.

Milano has three major airports: Malpensa-MPX for intercontinental destinations, Linate-LIN with convenient connections to European and Italian cities, and Orio al Serio-BGY, which is an operating base for European low- cost airlines.

Milano Central railway station is a major hub for international railway travel, with daily trains to Paris, Munich, Barcelona, Vienna, Bern, Lugano, Nice, and Marseille. The city is also

at the junction of major highways networks, which connect the city to France, Switzerland, Germany, Austria and Slovenia, as well as to the ports of Genoa and Venice-Mestre.

## Intercontinental Direct Flights to:

San Francisco, New York, Shanghai, Hong Kong, Tokyo, Istanbul, Tel Aviv, Riyadh, Abu Dhabi, Cyprus among others.

## At the heart of Europe

High accessibility by train & plane

1,001 Direct weekly trains and high-speed trains to and from EU capitals

3,681 weekly flights to Milano's 3 international airports (2019)





# FIND OUT MORE

**Milano&Partners is the investment promotion agency of the city of Milano, founded by Milano's Municipality and Milano's Chamber of Commerce. In collaboration with Promos Italia, it supports the soft landing of foreign investments in the metropolitan area and promotes Milano's excellence by attracting foreign talents and boosting its competitive environment.**

We support foreign companies and startups expanding their business in Milan with several free of charge services throughout the entire process:

- Facilitating the dialogue with the Public Administration and providing bureaucratic support with visas, permits, and documentation.
- Specialised support accessing national and local fiscal incentives.
- Location scouting.
- Networking with local stakeholders and universities aimed at recruiting specialized human capital and connecting with potential partners.
- Information on the local supply chain (fees may apply).
- Introduction to a selected network of legal, fiscal, labour, and real estate consultants.



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**MILANO&PARTNERS**

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\* Information concerning Companies that are part of the Life Sciences community are updated periodically. We apologize in advance for potential omissions. If you notice any missing or wrong information please feel free to reach out.





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