MORRI ROSSETTI & FRANZOSI

Intl. Monthly Roundup

February 2025

News

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Prof. Franzosi's IP Team joins Morri Rossetti and we become...

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We announce the entry of Prof. Mario Franzosi, Federica Santonocito, and their team of Intellectual Property legal experts, giving rise to **Morri Rossetti & Franzosi**.

Prof. **Franzosi**, **Santonocito**, and their team brings **decades of experience** and a **strong reputation in intellectual property**, with a track record that includes multinationals, major Italian groups, and SMEs primarily operating in the pharmaceutical, automation, luxury, fashion, food, and tech sectors.

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Our Massimiliano appointed as Judicial Administrator of Fema Cooperative

Massimiliano Poppi, following the provision of the emergency judicial control on the **Fema Cooperative** ordered by the Public Prosecutor's Office of Milan, was appointed **Judicial Administrator** of the company.

The Fema Cooperative provides staffing for events and museums, facility management and security services, **employing over 700 workers** and collaborating with cultural institutions of international relevance.

According to the assignment, Massimiliano will monitor **compliance with the rules and conditions of workers**, with particular attention on **salary levels**.

Massimiliano Poppi | Partner
Head of Restructuring and Business Crisis

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Articles
Insights from our professionals on relevant topics

Articles

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HR Tips

A quick look at relevant human resource issues from our Labour Department

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#2 Termination during the probationary period

The **probationary covenant** must:

- be provided in **writing**;
- be formalized **before the execution of the working activities**;
- **specify which tasks** will have to be performed for the purposes of the probation.

When these features are met, during the so-called «probationary period», the employee and the employer may **freely terminate** the employment relationship. However, shall they lack (i.e., **genetic defect**) or if the employee is not allowed to carry out the assigned activities for a reasonable period or to perform the tasks and duties indicated in the probationary covenant (i.e., **functional defect**), the termination on the employer's part would be **unlawful**.

In these cases, the **sanctioning consequences** of unlawful dismissal in ordinary cases of employment relationships apply, which may lead to the employer being compelled to the payment of an **indemnity** or the **obligation to reinstate** the employee, depending on the protection regime granted to the latter.

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Italy Update

Main Italian economic indicators and the most relevant news of the last period

View of Mantua, Lombardy.

Confidence indicators

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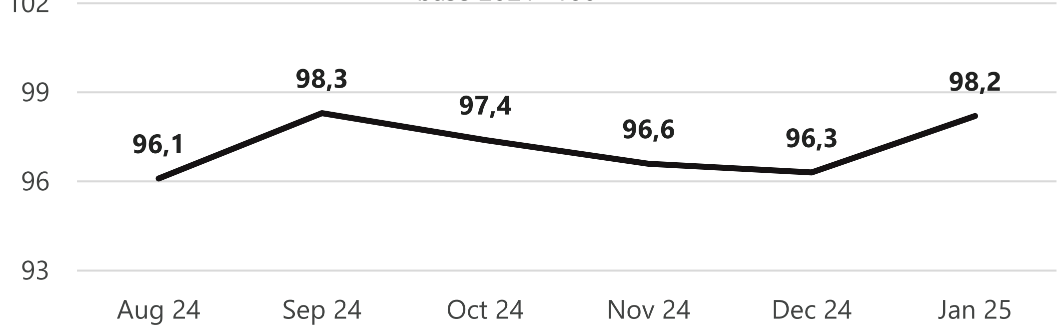
Consumer Confidence Indicator

base 2021=100



Business Confidence Climate IESI*

base 2021=100

* Istat Economic Sentiment Indicator and Business Confidence Climates (Manufacturing, Construction, Market services, Retail trade)

Source: Istat (National Institute of Statistics)

Consumer Price Index

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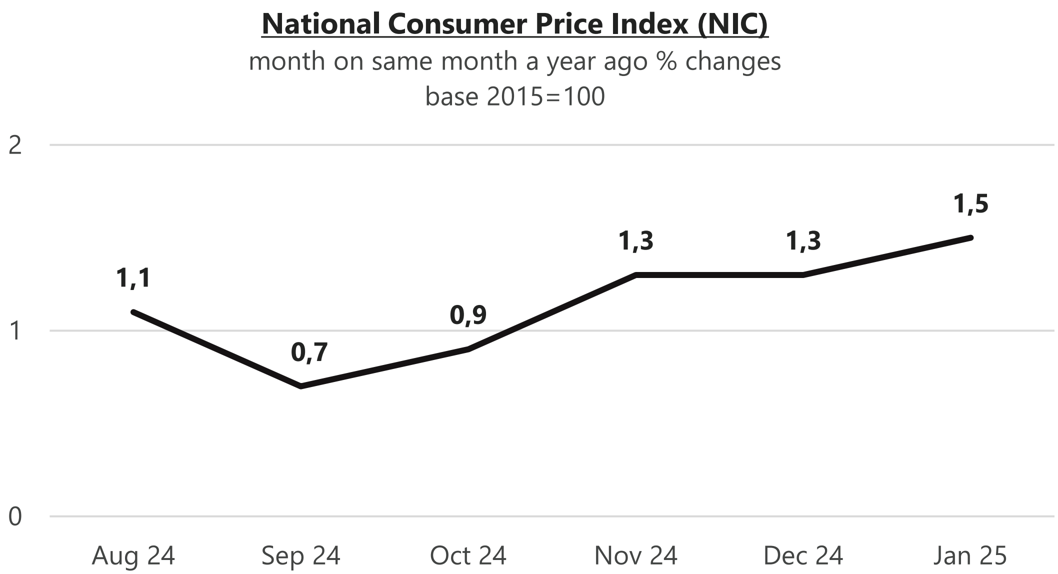

In January 2025 the Italian consumer price index for the whole nation (NIC) was **+1.5% on annual basis** (from +1.3% in December 2024).

The increase of the growth on annual basis of All-item index was mainly due to the prices of Regulated energy products, of Non-regulated energy products and, to a lesser extent, of Processed food including alcohol

On the contrary, the prices of Services related to transport and of Services related to communication slowed down.

Source: Istat (National Institute of Statistics)

Challenges for Italian exports:
German crisis, U.S. duties, and rising energy costs

Italian exports are under increasing pressure, as the ongoing German economic crisis has already caused significant losses, the potential imposition of U.S. duties threatens key industries, and rising energy costs will further burden companies.

While there is considerable concern about the potential **negative effect of U.S. duties** on Italian exporting companies, the impact of the **German crisis** has already been more severe. Over the past two years, this crisis has resulted in a loss of €5.8 billion for Italian exports to the German market.

The U.S. remains Italy's second-largest export market after Germany, accounting for 10% of total exports. Since 2010, **exports to the U.S.** have grown steadily, though they saw a €1.5 billion **decline** in the first ten months of 2024 – still smaller than the drop in exports to Germany.

Adding to concerns, the OCSE warns that a **10% U.S. duty** on all EU products could cut Italian exports by €3.5 billion, with losses potentially rising to €10-12 billion under a 20% duty. Sectors most **at risk** include **pharmaceuticals**, **automotive**, and **shipbuilding**, which have a strong presence in the U.S. market.

In addition to duties and the ongoing German economic crisis, **rising energy costs** present another challenge as they could increase for Italian companies by almost €14 billion by 2025, with the greatest **burden falling on companies** in the country's northern regions.

Source: 'CGIA Mestre' (Italian Association of Craftsmen and Small Enterprises)

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2024 Italian trade balance: slight decline in exports, but growing surplus

In 2024, Italy's exports fell by 0.4%, but the trade surplus rose to €55 billion, driven by lower energy imports and strong non-EU demand, while food and pharmaceuticals hit record highs despite struggles in the automotive sector.

In **2024**, Italian exports recorded a slight decline of 0.4%, bringing the **total exports** to **€623 billion**, just three billion less than 2023. However, the trade balance reached 55 billion euros, a sharp increase compared to €34 billion in 2023, driven by the reduction in gas and oil imports.

Geographically, **non-EU countries** made a significant contribution, with a record trade **surplus of €65 billion** (the United States remains the top market for Italy's trade surplus). In contrast, trade with **Europe shows a deficit of €10 billion**, mainly influenced by the decline in exports to Germany, largely due to the crisis in the automotive sector. On a positive note, **Turkey** stands out as the **fastest-growing market** (+24%), driven by gold exports, which alone added an extra €3 billion compared to 2023.

Among the sectors, automotive experienced a decline, while **food and pharmaceuticals reached record levels**, totaling 60 and 49 billion euros, respectively.

Despite uncertainties linked to new trade barriers, such as the duties announced by the United States, Italy maintains a **stable 2.8% share of global trade**, ranking seventh among the world's largest exporters and standing out as the only **major European manufacturer** to withstand competition from China.

Source: 'Il Sole 24 Ore' (leading Italian economic-political-financial newspaper)

To get in touch

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