

Country Reports

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Updates from Italy, Portugal, Romania, Spain



GIORGIO CORNO
Avvocato, Solicitor,
Studio Corno, Milan



ITALY HAS A MODERN AND COMPETITIVE LEGAL SYSTEM TO FACE NOT ONLY INSOLVENCY, BUT ESPECIALLY, THE FINANCIAL CRISIS



Italy: Major amendments to insolvency and restructuring law

Italy has a modern and competitive legal system to face not only insolvency, but especially, the financial crisis.

In order to further improve the present regulations, on 28 January 2015, the Italian Ministry of Justice established a Commission which will study how to reform the Italian insolvency and restructuring proceedings.

By 31 December 2015, the Commission shall propose amendments to the present rules, aimed at:

- a. evaluating the impact of the reform of the European Insolvency Regulation (EIR) no. 1346/2000, specifically providing general regulation

- b. of insolvencies of groups of companies;
 - c. coordinating the rules of insolvency and restructuring proceedings with those regarding telematics civil proceedings (*processo civile telematico*);
 - d. promoting an early approach to financial crisis;
 - e. revising the rules regarding preventive agreements with creditors (*concordati preventivo*) and, specifically those regarding restructuring the debtor's enterprise (*concordati preventivo in continuità aziendale*), in order to preserve employment agreements; make more simple and rational the rules regarding financing to companies facing financial distress; establish pre-preferential and secured creditors; define the classes of creditors;
 - f. making liquidation proceedings faster;
 - g. allowing the opening of procedures concerning liquidation of overindebted debtors upon request from the creditors;
 - h. reforming the rules regarding large insolvent companies (*amministrazione straordinaria*); and
 - i. simplifying the rules of secured claims, and allowing the granting of floating charges.
- The Commission is made of academics, members of the ministry of justice and court judges, among whom is Luciano Panzani, head of the Rome court of appeal, a well known and long standing member of INSOL Europe.