

# Invest in Italy: The right opportunity



**ITALIAN TRADE AGENCY**

ICE - Agenzia per la promozione all'estero e  
l'internazionalizzazione delle imprese italiane

# Top Global Economy

# ITALY

## CONSISTENTLY RANKED IN THE WORLD'S TOP TEN

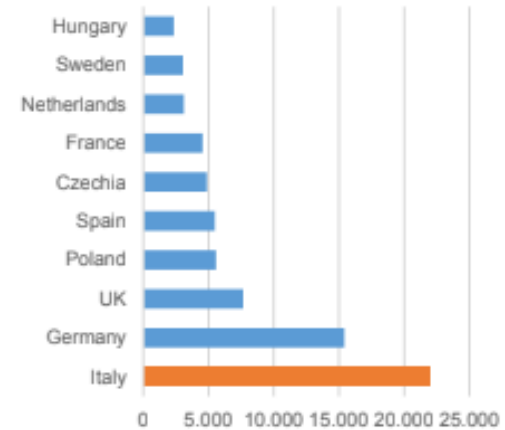
-  largest manufacturer in Europe
-  largest economy in Eurozone
-  largest manufacturer in World
-  number of UNESCO World Heritage Sites
-  international overnight stays in Europe
-  tourist destination in World

# Machinery Industry in Italy

## Key figures

- 118.6 bln € turnover (2<sup>nd</sup> in Europe)
- 81.7 bln € export (+ 2% vs. 2017, 17,6% of total export)
- 129 bln € production value
- 21,921 companies (1<sup>st</sup> in Europe)
- 448,533 employees (2<sup>nd</sup> in Europe)

## Top 10 European Countries per n. of machinery-related companies

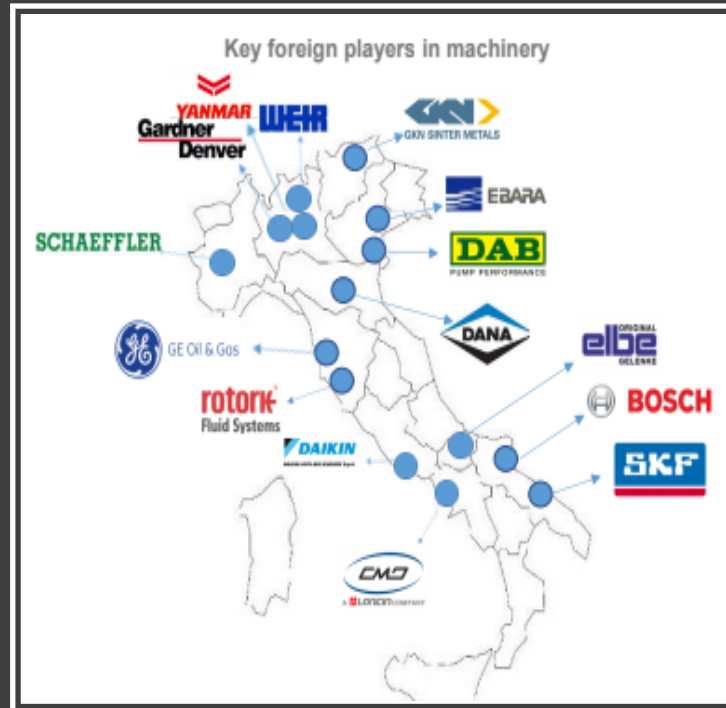


## Features and strengths

- Long and prestigious manufacturing tradition
- Strong elements of creativity
- Highest technological standards
- Extraordinary flexibility in customized products
- Export-driven production
- Strategic hub to export worldwide

## Success stories

- **Ebara:** industrial plant in Vicenza
  - Revenue: 110 mln €
  - Employees: 550
- **Dana:** industrial plant in Reggio Emilia
  - Revenue: 200 mln €
  - Employees: 980
- **Bosch:** 19 branches and 4 R&D centers in Italy
  - Revenue: 2,5 bln €
  - Employees: 6.014
- **SKF:** 12 productive plants in Italy
  - Revenue: 1 bln €
  - Employees: 3.500



## Key numbers

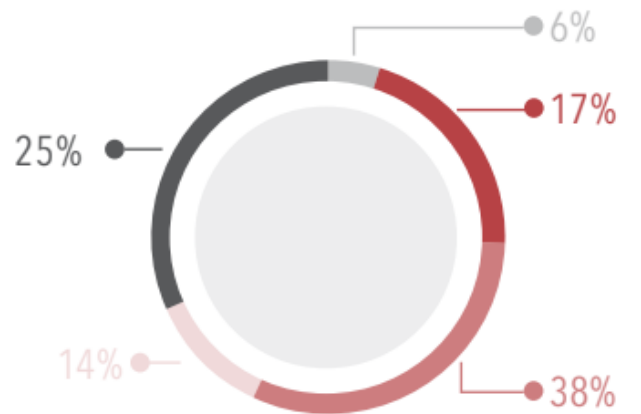
- 741 foreign companies
- 31.9 bln € turnover
- 92,214 employees

# Foreign Company in Machinery Sector

# Sector Breakdown of Industrial District.

SECTOR BREAKDOWN OF INDUSTRIAL DISTRICTS

(2016, %)

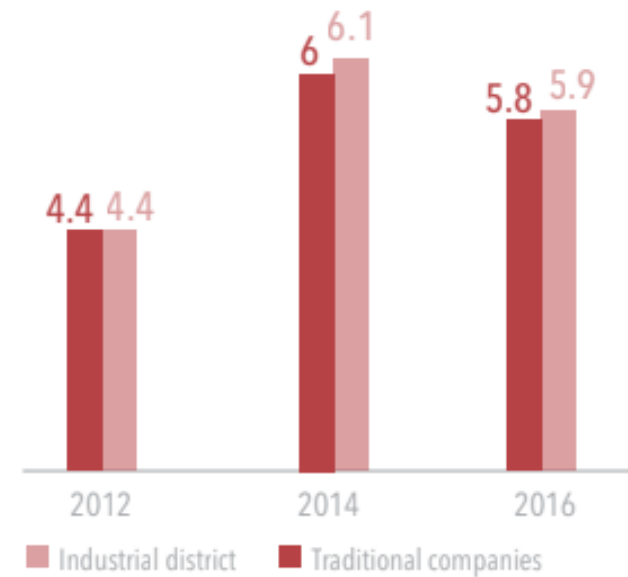


- Food products
- Clothing and shoes
- Home furnishings
- Mechanical machinery
- Other

Source: Banca Intesa San Paolo

PERFORMANCE (AVERAGE ROI)

(2011-2016, ROI, %)



Source: Banca Intesa San Paolo

## AVIATION



With 170 mln passengers expected in 2018, Italy confirmed its 4<sup>th</sup> place in Europe for traffic volumes and is one of the few countries among the major European markets that recovered the level of passenger traffic recorded before the global financial crisis.

With a total of 42 airports, 10 of which are included in the European core network, the Italian airport network offers 1 airport every 1.27 mln residents and every 6,400 square km.

By 2030, passenger air traffic is forecasted to nearly double to 300 mln passengers.

€9 bln invested in the strengthening and upgrading of Commercial Airport hubs.

## MARITIME



The Italian maritime infrastructure includes more than 40 major trade ports located along 8,122 km of coastline, 21 of which offer international line services (14 are part of the European strategic network).

This way, Italy is able to offer both gateway services for the Mediterranean Sea trade flows as well as transshipment functions for international container traffic.

Italy is the leading European country in Roll-on/Roll-off traffic for number of ship owners (157) and number of ships (2,700).

1<sup>st</sup>

in Europe for number of cruise passengers

3,7 mln cruise passengers embarked and disembarked in Italy

1<sup>st</sup> in Europe as home port with a 29% market share

1<sup>st</sup>

in Europe for overall number of passengers

3<sup>rd</sup>

in Europe for total tonnage handled

## ROAD



With 6,600 km of motorways and 21,500 km of national roads, Italy represents 10% of the European roads network. We are third in Europe for motorway density (22.1 km of motorway line per 1000 square km), ranking above the European average and countries like France and the UK.

Road transport recorded was equal to 58.7 bln vehicles-km.

## RAIL



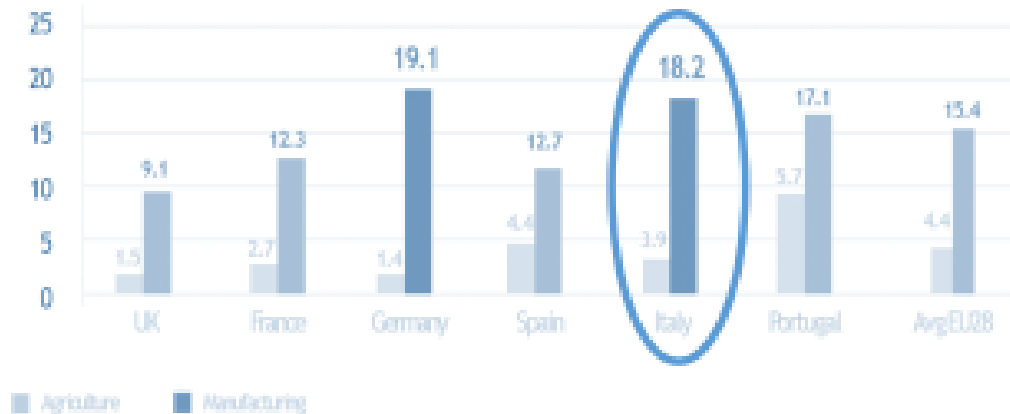
Every year, 852 mln passengers (4<sup>th</sup> place in Europe) and nearly 92 mln tons of goods (5<sup>th</sup> place in Europe) travel on the Italian railway system (2014).

The Italian railway system is an advanced and capillary infrastructure system which is superior to the European average in terms of percentage of electrified lines and equipment systems harmonized with European interoperability standards.

# Strategic Gateway, Logistics Transport

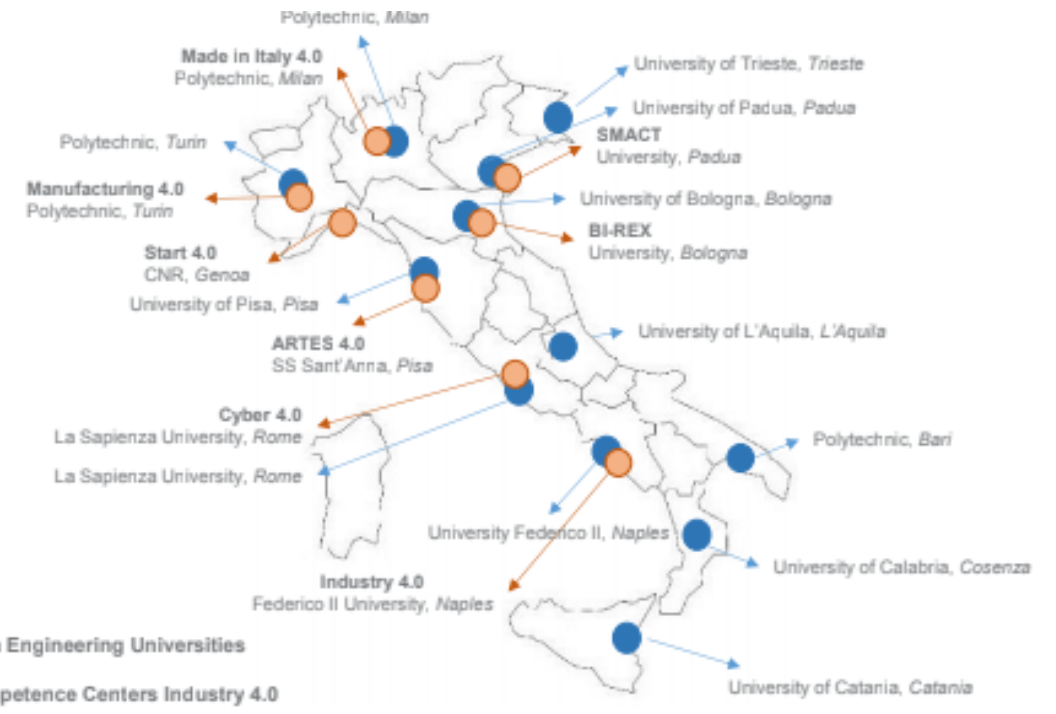
# R&D AND TECHNOLOGY

High Technology-Intensive activities: European Manufacturing  
(% Employees holding technology-intensive activities)



- 2<sup>nd</sup> best country for Tech-Intensive activities applied to manufacturing
- Ranks above the EU average (+15,4%)

Source: Science, Technology and Innovation Database, Eurostat



Source: QS World University Rankings

# Academic Human Capital



3<sup>rd</sup> most represented country in the EU and the 7<sup>th</sup> worldwide



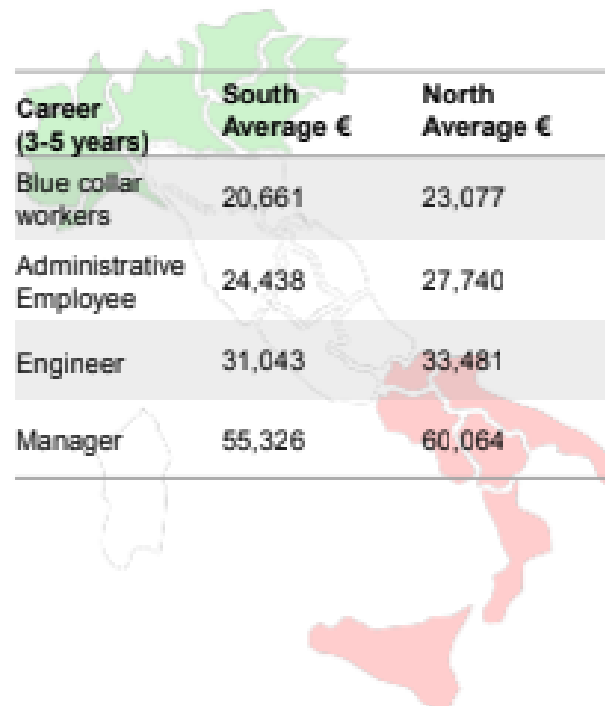
## ENROLLMENT - ITALY - 2018/2019

	Economics and Management	Engineering (Electrical, Industrial, Mechanical)
Bachelor's programs	354,349	163,761
Master's and above	108,447	28,118

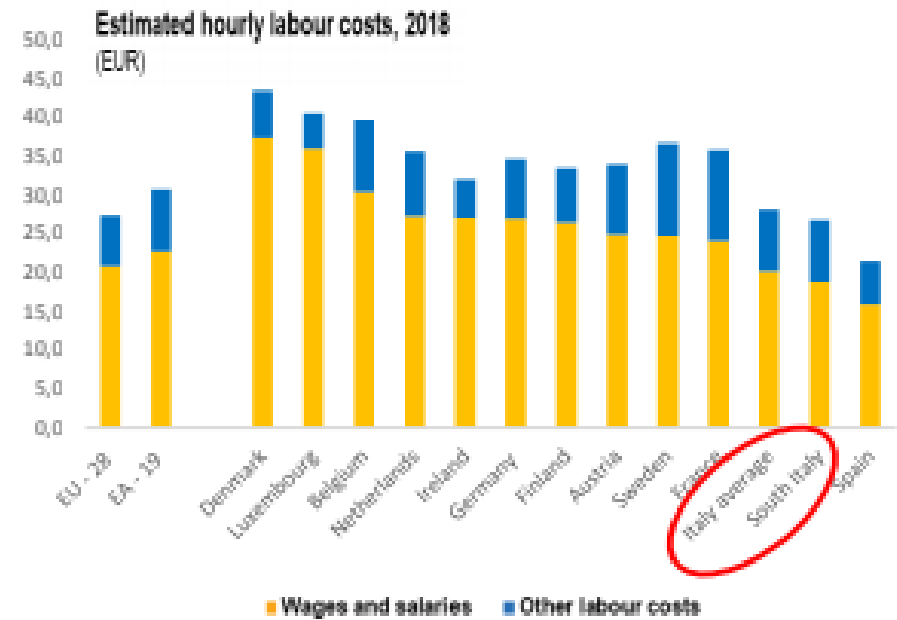


# Labour Cost

Annual salary in North and South Italy, 2019



EU Top economies salary, 2018



• Among the top 2 most competitive countries for salary level

# Incentives and Fiscal Benefit



## R&D investments

- Innovation Agreements
- Large project R&D: *Italian digital agenda* and *Sustainable industry*



## Fiscal benefits

- Fiscal exemption on capital investments
- Patent Box
- Tax credits (Industry 4.0, Machineries, R&D, innovation)
- Industry 4.0 training
- Employment bonuses



## Large investments and Area of industrial crisis

- Development contracts
- Incentives for investments in distressed areas

# Services and Support

- **Invest in Italy**, the brand under which ITA and Invitalia work together, is a **One Stop Shop** offering a wide range of free of charge services.
- Invest in Italy coordinates **Regional Authorities** which can also support foreign investors with local services such as:
  - ✓ Subsidized industrial areas scouting;
  - ✓ administrative and bureaucracy issues;
  - ✓ connections and partnerships with local stakeholders.



# For Further Information

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investinitaly.com

investinitalyrealestate.com

ITA

Trade Promotion Section of the Embassy of Italy in Israel

"The Tower Building" 17<sup>th</sup> floor

3, Daniel Frisch St. 64731 Tel Aviv

T+972.3.6918130 F +972.3.6962812

[telaviv@ice.it](mailto:telaviv@ice.it)

[www.ice.it](http://www.ice.it)

Dorit Zipovsky Ezer:

Responsible for investments attraction to Italy