

EGYPTIAN POTENTIAL EXPORTS AND TAREGT MARKETS OVERVIEW

**TARGET MARKETS:
ITALY**

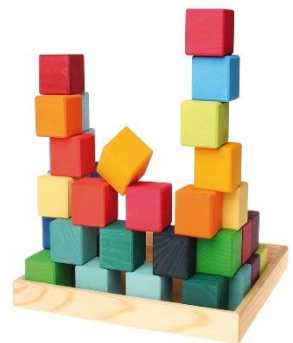
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TARGET MARKET PROFILE - ITALY

COUNTRY OVERVIEW

- **Country:** Italy
- **Capital:** Rome
- **Total Area:** 301,240 sq km
- **Location:** Southern Europe, a peninsula extending into the central Mediterranean Sea, northeast of Tunisia.
- **Chief of state:** President Sergio MATTARELLA (since 3 February 2015)
- **Head of government:** Prime Minister Giorgia MELONI (since 22 October 2022); the prime minister's official title is President of the Council of Ministers.
- **Administrative divisions:** 15 regions
- **Population:** 61,021,855 (2023 est.)
- **Major languages:** Italian (official)
- **Major religion:** Christian 80.8% (overwhelmingly Roman Catholic with very small groups of Jehovah's Witnesses and Protestants), Muslim 4.9%, unaffiliated 13.4%, other 0.9%
- **Life expectancy: male:** 80.46 years, **female:** 85.26 years (2023 est.)
- **Population Growth Rate:** -0.11% (2023 est.)
- **Age structure:**
 - **0-14 years:** 12.08% (male 3,772,041/female 3,600,946)
 - **15-64 years:** 64.61% (male 19,430,217/female 19,997,042)
 - **65 years and over:** 8.35% (2020 est.) (male 3,070,258/female 3,782,174)
- **Currency:** Euros (EUR)
- **Exchange Rate:** Euros (EUR) per US dollar - 0.91 (2023 est.)



ECONOMIC, SOCIAL AND POLITICAL OVERVIEW OF ITALY

POLITICAL OVERVIEW:

Italy became a nation-state in 1861 when the regional states of the peninsula, along with Sardinia and Sicily, were united under King Victor EMMANUEL II. An era of parliamentary government came to a close in the early 1920s when Benito MUSSOLINI established a Fascist dictatorship. His alliance with Nazi Germany led to Italy's defeat in World War II. A democratic republic replaced the monarchy in 1946 and economic revival followed. Italy is a charter member of NATO and the European Economic Community (EEC) and its subsequent successors the EC and the EU. It has been at the forefront of European economic and political unification, joining the Economic and Monetary Union in 1999. Persistent problems include sluggish economic growth, high youth and female unemployment, organized crime, corruption, and economic disparities between southern Italy and the more prosperous north.

The politics of Italy are conducted through a parliamentary republic with a multi-party system. Italy has been a democratic republic since 2 June 1946, when the monarchy was abolished by popular referendum and a constituent assembly was elected to draft a constitution, which was promulgated on 1 January 1948.

ECONOMIC OVERVIEW:

The Italian economy has progressed from being one of the weakest economies in Europe following World War II to being one of the most powerful. Its strengths are its metallurgical and engineering industries, and its weaknesses are a lack of raw materials and energy sources. More than four-fifths of Italy's energy requirements are imported. Nonetheless, the chemical sector also flourishes, and textiles constitute one of Italy's largest industries. A strong entrepreneurial bias, combined with liberal trade policies following the war, enabled manufacturing exports to expand at a phenomenal rate, but a cumbersome bureaucracy and insufficient planning hindered an even economic development throughout the country. Services, particularly tourism, are also very important. At the end of the 20th century, Italy, seeking balance with other EU nations, brought its high inflation under control and adopted more conservative fiscal policies, including sweeping privatization.

Although the Italian economy was a relative latecomer to the industrialization process, business in the north of the country caught up with and overtook many of its western European neighbours. Southern Italy, however, lagged behind. The percentage of the labour force working in agriculture is often taken as an indication of the rate of industrialization and wealth of a nation, and in Italy's case the figures clearly illustrate the grave imbalances existing between north and south. Against an EU average of 5 percent in 2013, 3.6 percent of the Italian population worked on the land, with as many agricultural labourers from the 8 regions in the south as from the 12 regions in the north and centre. Calabria and Basilicata have the largest concentrations of farm labourers.

Although Italy is not self-sufficient agriculturally, certain commodities form an important part of the export market. Notably, the country is a world leader in olive oil production and a major exporter of rice, tomatoes, and wine. Cattle raising, however, is less advanced; meat and dairy products are imported.

ECONOMIC INDICATORS:

INDICATORS	2010	2021
GNI PER CAPITA, PPP (CURRENT INTERNATIONAL \$)	35,080	47,590
GDP (CURRENT US\$) (BILLIONS)	2,136.10	2,114.36
GDP GROWTH (ANNUAL %)	1.7	7.0
INFLATION, GDP DEFLATOR (ANNUAL %)	0.4	0.6
AGRICULTURE, VALUE ADDED (% OF GDP)	2	2
INDUSTRY, VALUE ADDED (% OF GDP)	22	23
EXPORTS OF GOODS AND SERVICES (% OF GDP)	25	33
IMPORTS OF GOODS AND SERVICES (% OF GDP)	27	30
FOREIGN DIRECT INVESTMENT, NET INFLOWS (BOP, CURRENT US\$) (MILLIONS)	7,975	10,508

Source: World Bank

TRADE STATISTICS BETWEEN ITALY AND WORLD

TRADE FIGURES BETWEEN ITALY AND WORLD (USD BILLION)

	2020	2021	2022
ITALY IMPORTS FROM WORLD	426.5	568.2	743.0
ITALY EXPORTS TO WORLD	498.8	615.9	700.3
TRADE BALANCE	72.3	47.7	43

Source: ITC, Trade Map

EXPORTS OF ITALY BY PARTNER COUNTRY (USD BILLION)

IMPORTERS	2020	2021	2022
Germany	64.06	79.76	86.76
United States of America	48.47	58.37	73.12
France	51.62	63.23	69.90
Spain	23.82	30.99	35.77
Switzerland	28.83	32.23	34.60
United Kingdom	25.78	27.69	30.60
Belgium	17.05	21.37	25.61
Poland	15.03	19.45	21.73
Netherlands	13.03	18.02	20.88
China	14.68	18.52	18.59
Austria	10.60	13.72	16.04

Source: ITC, Trade Map

EXPORTS OF ITALY BY PRODUCT (USD BILLION)

CODE	PRODUCT LABEL	2020	2021	2022
'84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	91.2	108.7	113.0
'30	Pharmaceutical products	36.1	36.7	50.9
'87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	38.3	45.8	48.0
'85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . .	31.1	38.2	43.6
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . .	10.2	18.3	33.4
'39	Plastics and articles thereof	20.5	26.5	28.8
'73	Articles of iron or steel	16.6	21.5	24.2
'72	Iron and steel	11.1	19.2	22.2
'71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad . . .	17.4	20.8	21.3
'94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; . . .	12.7	15.9	17.2

'90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical . . .	12.1	15.7	17.0
'62	Articles of apparel and clothing accessories, not knitted or crocheted	11.8	13.9	16.1
'64	Footwear, gaiters and the like; parts of such articles	10.7	13.1	15.2
'22	Beverages, spirits and vinegar	10.9	12.8	13.6
'42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles . . .	9.6	12.2	13.4

Source: ITC, Trade Map

IMPORTS OF ITALY BY PARTNER COUNTRY (USD BILLION)

EXPORTERS	2020	2021	2022
Germany	70.0	91.0	102.1
China	36.8	45.6	65.8
France	35.7	46.2	54.6
Netherlands	25.5	33.1	41.3
Spain	23.3	30.1	34.4
Russian Federation	10.3	22.1	30.7
Belgium	20.8	24.8	28.7
United States of America	16.9	18.7	28.7
Azerbaijan	3.7	10.9	23.3
Algeria	3.6	7.3	21.5

Source: ITC, Trade Map

IMPORTS OF ITALY BY PRODUCT (USD BILLION)

CODE	PRODUCT LABEL	2020	2021	2022
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . .	35.76	75.60	163.15
'84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	43.75	54.69	61.96
'85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . .	36.36	47.72	56.69
'87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	38.38	45.34	49.82
'30	Pharmaceutical products	28.54	30.83	37.12
'72	Iron and steel	14.86	28.49	34.33
'39	Plastics and articles thereof	18.86	27.44	31.79
'29	Organic chemicals	16.62	19.13	24.61
'71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad . . .	17.37	19.03	19.14

'90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical . . .	13.22	15.37	15.97
'76	Aluminium and articles thereof	5.30	8.21	11.50
'38	Miscellaneous chemical products	7.46	9.42	11.38
'74	Copper and articles thereof	5.96	10.69	11.38
'61	Articles of apparel and clothing accessories, knitted or crocheted	6.91	8.56	11.24
'62	Articles of apparel and clothing accessories, not knitted or crocheted	7.50	7.73	10.11

Source: ITC, Trade Map

TRADE STATISTICS BETWEEN EGYPT AND ITALY (MILLION USD)

EGYPTIAN EXPORTS TO ITALY BY PRODUCT (MILLION)

CODE	PRODUCT LABEL	2020	2021	2022
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . .	305	1,036	1,651
'39	Plastics and articles thereof	86	192	322
'76	Aluminium and articles thereof	284	317	292
'31	Fertilisers	103	135	186
'72	Iron and steel	120	360	170
'52	Cotton	50	65	102
'07	Edible vegetables and certain roots and tubers	69	71	92
'28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, . . .	6	20	60
'62	Articles of apparel and clothing accessories, not knitted or crocheted	28	28	56
'29	Organic chemicals	29	54	36
'70	Glass and glassware	21	19	36
'40	Rubber and articles thereof	19	20	32
'12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal . . .	24	20	28
'51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	22	17	20
'08	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere . . .	25	20	20

Source: ITC, Trade Map

EGYPTIAN IMPORTS FROM ITALY BY PRODUCT (MILLION)

CODE	PRODUCT LABEL	2020	2021	2022
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral . . .	220.8	219.2	795.7
'84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	708.6	716.5	653.2
'73	Articles of iron or steel	367.4	194.6	198.4

'85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television . . .	188.4	149.2	193.8
'30	Pharmaceutical products	115.0	151.2	182.1
'39	Plastics and articles thereof	110.6	100.4	109.9
'08	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere . . .	131.1	99.5	103.7
'72	Iron and steel	85.5	105.6	81.8
'38	Miscellaneous chemical products	45.4	30.4	65.1
'48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	66.6	49.0	52.3
'90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical . . .	46.2	55.0	38.5
'87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	75.2	70.9	32.8
'32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring . . .	33.4	32.1	28.0
'25	Salt; sulphur; earths and stone; plastering materials, lime and cement	16.4	21.9	27.6
'74	Copper and articles thereof	16.9	27.6	26.9

Source: ITC, Trade Map

TRADE POTENTIALS BETWEEN EGYPT AND ITALY

(1) POTENTIAL EGYPTIAN EXPORTS TO ITALY

HS CODE	PRODUCT	POTENTIAL VALUE (MILLION USD)
710812	Gold, unwrought, for non-monetary purposes	225
310210	Urea	80
390210	Polypropylene, in primary forms	73
8528Xc	Reception apparatus for television	66
080510	Oranges, fresh or dried	64
720839	Flat-rolled products of iron or non-alloy steel	62
620342	Men's trousers & shorts of cotton	47
610910	T-shirts & vests of cotton, knit/crochet	40
3907Xa	Poly"ethylene terephthalate", in primary forms	34
760120	Aluminium alloys, unwrought	28
760120	Aluminium alloys, unwrought	28
392020	Non-cellular ethylene polymers, in flat shapes	26
510529	Wool, combed, n.e.s.	26
230320	Beet-pulp	22
610990	T-shirts & vests, knit/crochet, n.e.s.	21
720826	Flat-rolled products of iron or non-alloy steel	21
390410	Preparations and charges for fire-extinguishers; charged	18
3004Xb	Medicaments consisting of mixed or unmixed products, for	18

071190	Vegetables & mixtures of, unsuitable for immediate	18
620462	Women's trousers & shorts of cotton	17
290511	Methanol "methyl alcohol"	17
071080	Vegetables n.e.s., frozen	17
740811	Wire of refined copper	16
070190	Potatoes, fresh	15
330210	Mixtures of odoriferous substances used in food & drink	15

Export Potential Map, ITC

(2) POTENTIAL EGYPTIAN IMPORTS FROM ITALY

HS CODE	PRODUCT	POTENTIAL VALUE (MILLION USD)
8703XX	Motor vehicles for the transport of persons, nes	244
3004Xb	Medicaments consisting of mixed or unmixed products, for	238
080810	Apples, fresh	169
848180	Appliances for pipes	80
84XXXa	Other machinery	76
842240	Packing/wrapping machinery, n.e.s.	52
732690	Articles of iron or steel	48
841370	Centrifugal pumps	36
870590	Special purpose motor vehicles, n.e.s	36
300420	Medicaments containing antibiotics, for retail sale	35
3002XX	Human & animal blood, blood fractions & immunological	34
842230	Machinery for filling, closing, sealing, labelling, capsuling &	33
8708XX	Parts & accessories of motor vehicles, n.e.s.	29
392190	Plastics in flat shapes, combined with other materials,	26
761510	Household articles, of aluminium	25
841199	Parts of gas turbines	24
381121	Prepared additives for oil lubricants containing	24
48XXXb	Paper(-board) & articles thereof, n.e.s.	22
6907	Unglazed ceramic flags, paving, hearth, wall tiles, mosaic	22
841869	Refrigerating or freezing equipment	21
843810	Bakery machinery & machineryfor macaroni	21
040690	Cheese	20
30990	Stoppers, caps & lids	20
720851	Flat-rolled products of iron or non-alloy steel	20
392020	Non-cellular ethylene polymers, in flat shapes	20

Export Potential Map, ITC

SOURCES

- CIA Fact Book
- ITC, Trade Map Data accessed on 20/7/2023
- ITC, Export Potential Map Data
- World Bank Economic Indicators

EXPORT DEVELOPMENT AUTHORITY (EDA)
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