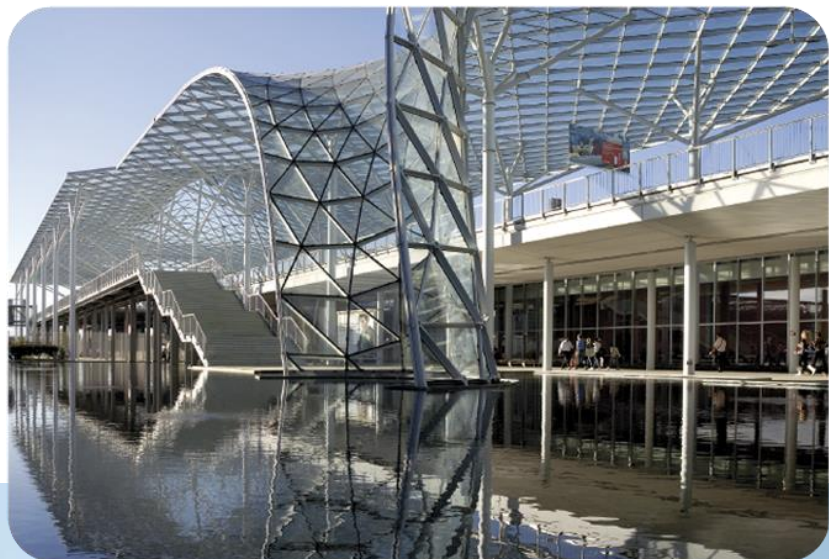




Flexible and innovative solutions **FOR YOUR BUSINESS**

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- Established in 1886
- Working in partnership with the Italian & British Governments
- Comprehensive advice tailored to your business needs
- For everyone trading goods, services or ideas between Italy & the UK



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ITALIANA PER IL REGNO UNITO

ITALIAN CHAMBER OF COMMERCE
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18th May 2020



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Introduction

1. The situation of the ICCIUK and the services it is providing to its business community.
2. Brexit latest news on trade.
3. How COVID-19 is affecting the economy.
4. Approach to the British market.



ICCIUK Organisation and Services

- New emergency page dedicated on our website,
- Help Desk and Brexit Desk,
- Calendar of conferences dedicated to Brexit and trade in the past months,
- Calendar of webinars and virtual meetings,
- Professional advices to Import-Export,
- Commercial and financial services,
- Well established collaboration with the British and the Italian Institutions,
- We support more than 500 members,
- Marketing services,
- Survey of Italian investments in the UK and researches per sectors.



EXPORTING FROM THE UK TO ITALY

- Italy is one of the UK's closest trading partners and biggest export markets, and presents significant opportunities for UK businesses.
- Italy's industrial strategy creates opportunities in innovative industries like cyber security, digital transformation and life sciences. In 2019 the government will launch a national artificial intelligence strategy to promote investment.
- UK businesses are very important to Italy, and investors are committed to their UK projects. There is an appreciation for British professional services, technology and quality consumer goods.
- Total trade between the UK and Italy reached £44.5 billion in 2018, an increase of 3.4% from the previous year.
- Italy is one of our largest export markets. There is high demand for skills in technology and engineering. Some important sectors include defence, aerospace, advanced engineering and life sciences technology.

*Source: Department For International Trade. UK Gov



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ITALIAN CONSUMERS BEHAVIOUR

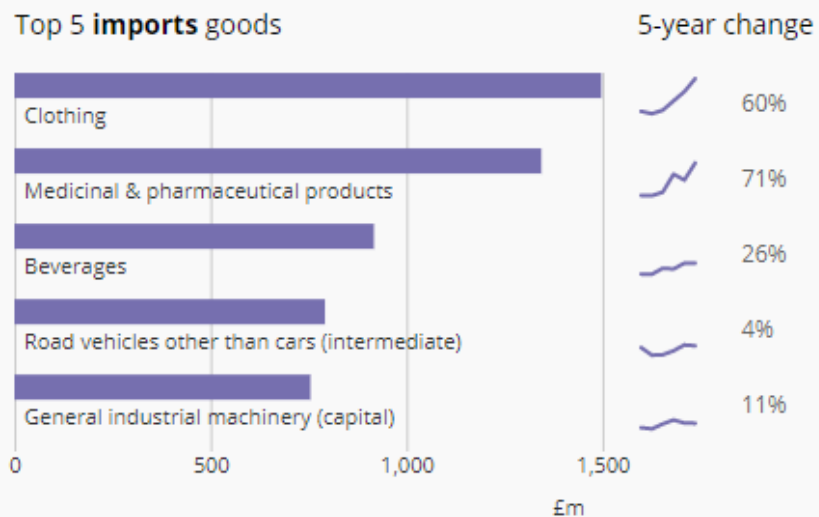
- Italian consumers are demanding of quality products. They will therefore be more concerned about the quality of customer service than about promotions.
- When given the choice, Italians prefer products 'made in Italy'. Novelty is welcomed, especially in the fashion sector. Despite the economy beginning to rebound, consumers remain cautious, partly due to persistent concerns regarding the country's banking sector.
- The ageing population (Italy is projected to have a median age of almost 50 years by 2030) drives an increasing demand for specialist products and services.

*Source: <https://en.portal.santandertrade.com/analyse-markets/italy/reaching-the-consumers>

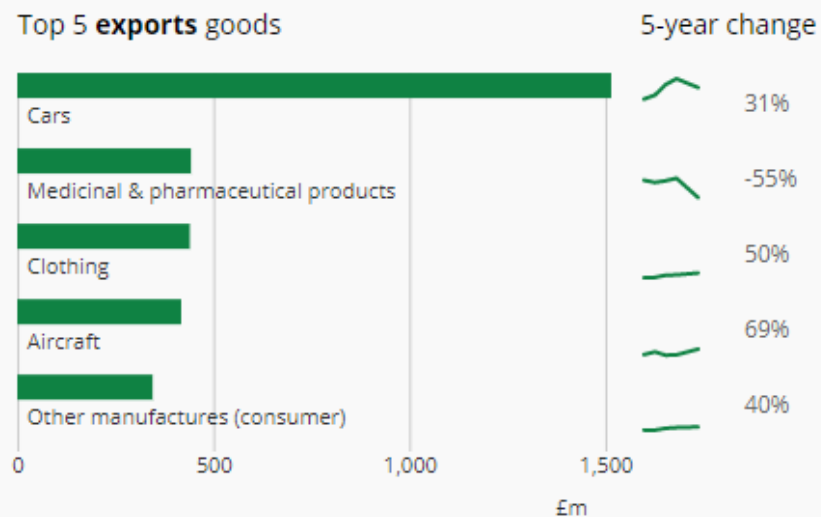


UK trade with Italy 2019

Top 5 imports goods



Top 5 exports goods



Source: UK Trade Statistics, Office for National Statistics



Italy ✕

+

-



Trade in goods 2019



UK trade with Italy 2019

Source: UK Trade Statistics, Office for National Statistics



EXPORT FROM ITALY TO THE UK

- Export to the Uk: mechanical engineering products (20.83%), means of transport (12,31%), fashion (12,17%), agricultural (10,04%), pharmaceutical products(6,4%), interior design (3,9%), beverage (4,28%), chemical products (4,17%), etc.
- Market open to new imported products,
- Interest for direct foreign investments:
 - simplified bureaucracy for investors;
 - efficient infrastructures and transports;
 - risk reduction and incentives for crediting and financing;
 - efficiency and transparency of the legal system;
 - specific agencies working on attracting investments;
- Top destination for internalisation,
- Well established financial sector,
- Labour force and R&D centres.



BRITISH CONSUMERS BEHAVIOUR

- Consumers respond well to advertising and will buy if they see an advantage such as price, quality, superior design, branding or environmental benefits.
- After-sales service is important as consumers do not hesitate to complain and defend their rights. Younger consumers still face a number of financial challenges, including rising house prices and the burden of student debt. Smartphones have become the most popular device to get online and their use has affected a wide range of consumer behaviours.
- Consumers are taking an increasing interest in the ethical practices of the companies they buy from, with many saying that they have abandoned brands due to poor corporate behaviour: according to MediaCom agency, half of UK consumers are willing to pay more for a brand that supports a cause that is important to them. With the ageing population, active later-lifers represent an important consumer segment.



Some Data - Severe Economic Impact on UK and Italian Economy By Coronavirus

- 10% possible fall in UK consumer activity
 - 0.1% new level of UK interest rate

									
Additional fiscal spending	€156 bn	€45 bn	€25 bn	€17 bn	€20 bn	€1 bn	€4 bn	€3.1 bn	€47 bn*
Short-time working	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tax forbearance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Liquidity and guarantees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Source: ING estimates, FT, European Governments

*excluding cost of Job retention Scheme, which could be £3.5bn for every 1m workers affected



Survey of Italian Investments in the UK



The study offers a macro perspective and then develops a more detailed focus on the relationship between Italy and the United Kingdom.

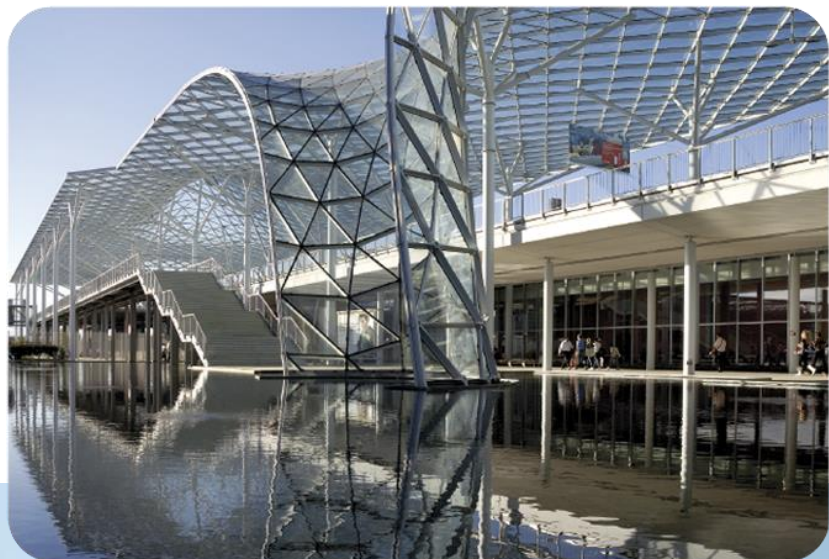
- Chapter 1: Global Foreign Direct Investment (FDI) Trends
- Chapter 2: Investment Trends of the UK and Italy
- Chapter 3: Italian Investment Analysis by Main Industries

The survey latest issue is available on digital and hard copies.





Thank you
for your attention!



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