



ITALIAN CHAMBER OF COMMERCE
AND INDUSTRY FOR THE UK

London, Manchester & Edinburgh

Business opportunities in Italy – UK trade relations

5 March 2024

**CDP Business Matching
“Italy Meets UK”**

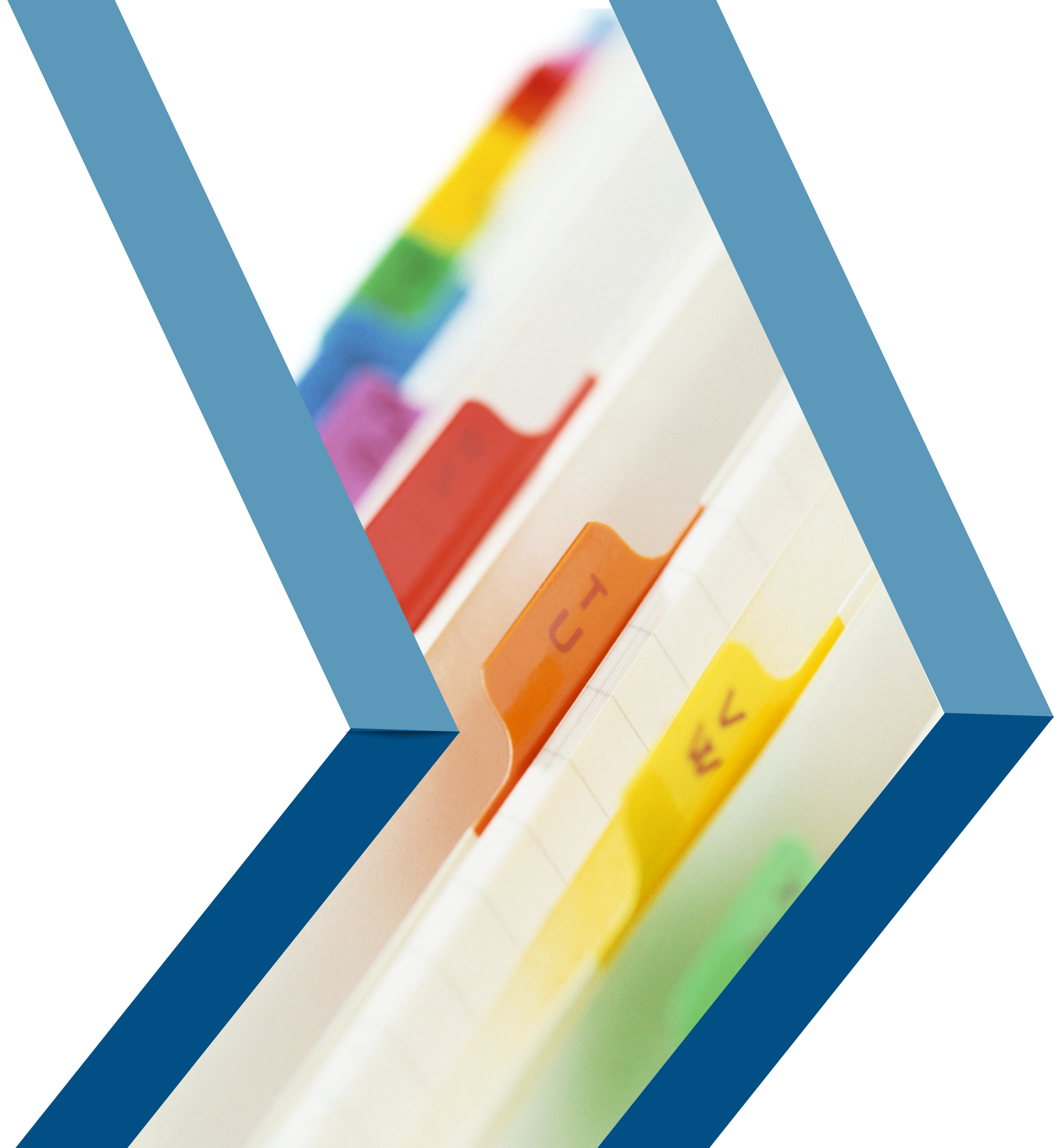


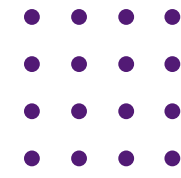
www.italchamind.org.uk



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1. ABOUT THE ICCIUK

Founded in 1886, the Italian Chamber of Commerce and Industry for the UK (ICCIUK) is a private, not-for-profit, membership organisation that represents the local Italian-British business community and promotes business relationships between Italy and the UK.

The ICCIUK is a member of Assocamerestero, the world association of Italian bi-national chambers, and is affiliated with the Council of Foreign Chambers in the UK.

Our offices are based in London, Edinburgh and Manchester.



VALUE & MISSION

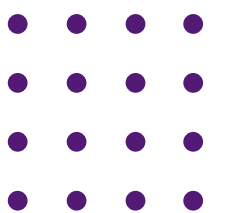


OUR MISSION

We provide knowledge and tailor-made assistance to companies exploring the prospects of bilateral trade and investment between the two countries, thanks to our vast network of members and partners.

OUR VALUE

We bring businesses together and facilitate meaningful connections between business leaders in Italy and UK.



Membership Benefits

We have over 200 members from different industries and a large business network based in the UK and Italy.

We help Italian companies enter into the UK market, from the early stage of establishing their business, through to finding suitable commercial partners, and gaining exposure via:

Marketing & Communication

- ✓ Social media
- ✓ Monthly newsletters
- ✓ Chamber Magazine and publications

Events & Networking

- ✓ Networking events
- ✓ Members introductions
- ✓ Open days and new members presentations

Knowledge & Tailor-Made Assistance

- ✓ Informative seminars
- ✓ Sector-oriented events (workshops, trade missions)
- ✓ Q&A sessions with government representatives and experts

bip.

ITA
AIRWAYS

PIRELLI

HERNO

OBICÀ

Mozzarella Bar, Pizza e Cucina

RF

GIORGIO ARMANI

ROCCO FORTE
HOTELS

Barilla
The Italian Food Company. Since 1877.

SINCE 1867
FILIPPO
BERIO

ARI
UP

FIAT

bsi.

IC
InfoCamere
Innovare è Crescere

dit

Ferrari

BRUNELLO CUCINELLI

INTESA  SANPAOLO

Poltrona
Frau
1912

FERRERO

Services

The ICCIUK offers multiple services, providing professional support for business development.

Our services include:



Business Services

- Company incorporation
- Registered address
- VAT and PAYE registration
- Company information
- Professional support (legal, fiscal, IT)
- Process agent services
- Translations
- Hostess services



International Business Matching

- Market information and orientation
- List of Italian or UK commercial contacts
- Business partners research and matching
- Agent search
- Participation in trade missions in Italy and UK



Events & Communication

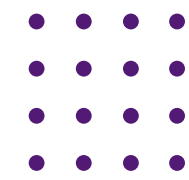
- Businesses products and services promotion via e-shots and marketing campaigns
- Organisation of promotional, informative and networking events (seminars, webinars, press conferences, trade events, gala dinners...)



Hot Desks & Meeting Rooms

The ICCIUK offers unique opportunities to its members, providing:

- hot desking space
- two meeting rooms
- conference room for up to 50 guests at our London offices.



2. UK-ITALY TRADE RELATIONS

As two significant economies, they have engaged in extensive bilateral trade in various sectors such as automotive, machinery, and food products.

However, the landscape shifted with the UK's departure from the EU, leading to the negotiation of new trade agreements.

Despite this change, both countries remain key trading partners. **The Trade and Cooperation Agreement** between the UK and the EU now governs trade relations post-Brexit, providing a framework for continued collaboration while addressing challenges such as regulatory divergence and customs procedures.



THE ROAD TO ITALY-UK TRADE AGREEMENTS



2. EU-UK Trade and Cooperation Agreement (TCA)

1 May 2021 entered into force

Regulates the relations between the UK and EU, and therefore also between Italy and the UK.
An international agreement which deals not only with trade in goods and services but with numerous other subjects.

1. Brexit Referendum

23 June 2016

Activation by the UK of art. 50 of the Treaty on European Union, which regulates the voluntary and unilateral withdrawal of a country Member from the EU.
It entered into force on 1 February 2020 and a transitional period was then agreed to operate until to 31 December 2020.

3. UK-Italy Export and Investment Promotion Dialogue

8 February 2023

Aimed at establishing a structured mechanism of consultation and collaboration between companies, institutions and bodies responsible for internationalisation, with a focus on the most innovative sectors with high development potential, including green economy, advanced technologies and life sciences.

4. Memorandum of Understanding on Bilateral Cooperation between Italy and the UK

27 April 2023

Aimed at strengthening dialogue and strategic cooperation between the two countries on some topic considered fundamental such as:

- the strengthening of energy security
- the fight against climate change
- the achievement of economic growth in an open trade environment
- the prioritisation of sustainable development.

3. SOME DATA FROM THE SMART INSTITUTE REPORT

To better understand risks and opportunities of Brexit (and post-Brexit) for Italian companies and professionals.

The Report analyses the flows of people, trade in goods and services and foreign direct investments, comparing the annual data with the 2014-2015 average – the two-year period before the referendum on the United Kingdom's exit from the EU.

01

Flows of people

02

Trading of goods

03

Service trade

04

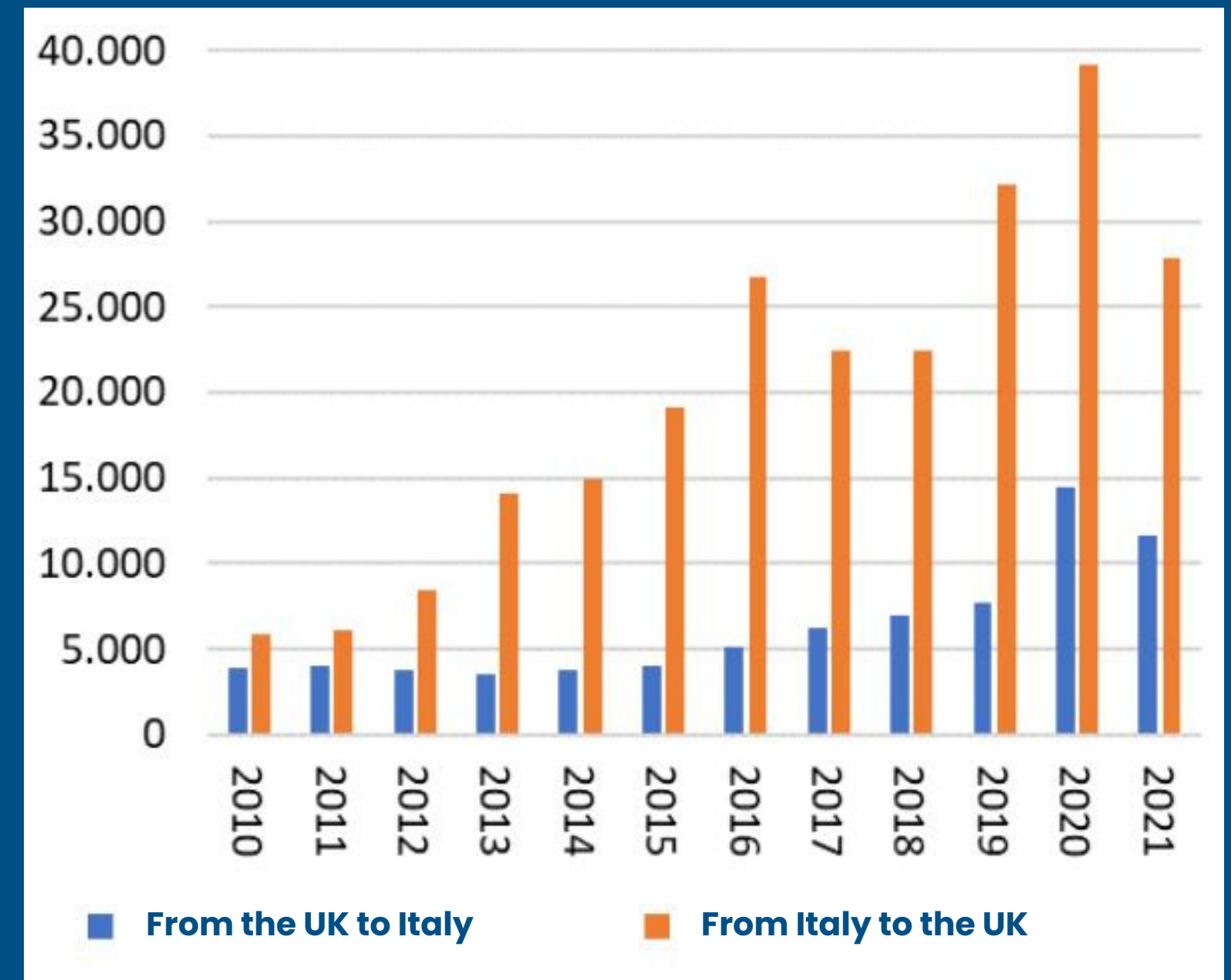
Foreign Direct Investment (FDI)

FLOWS OF PEOPLE



Transfers of residence have increased both from Italy to the United Kingdom and in the opposite direction.

These flows peaked in 2020, the year where both variables recorded record values in the period reference (2010–2021).



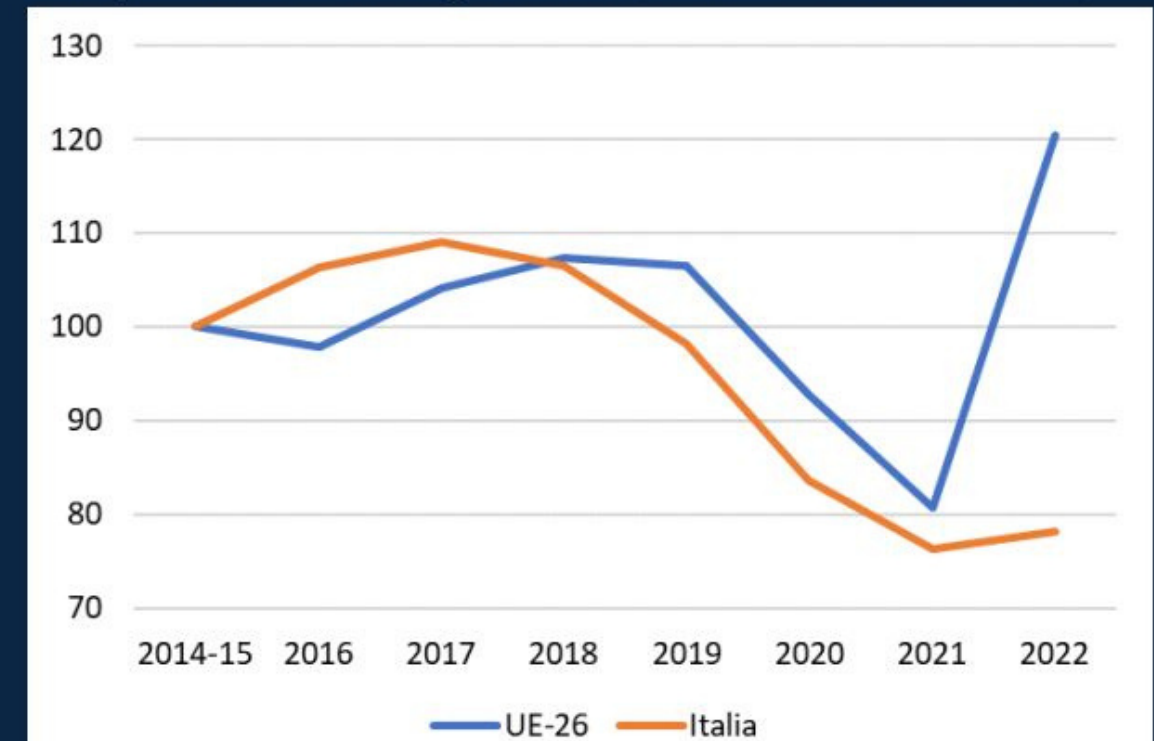
TRADE OF GOODS



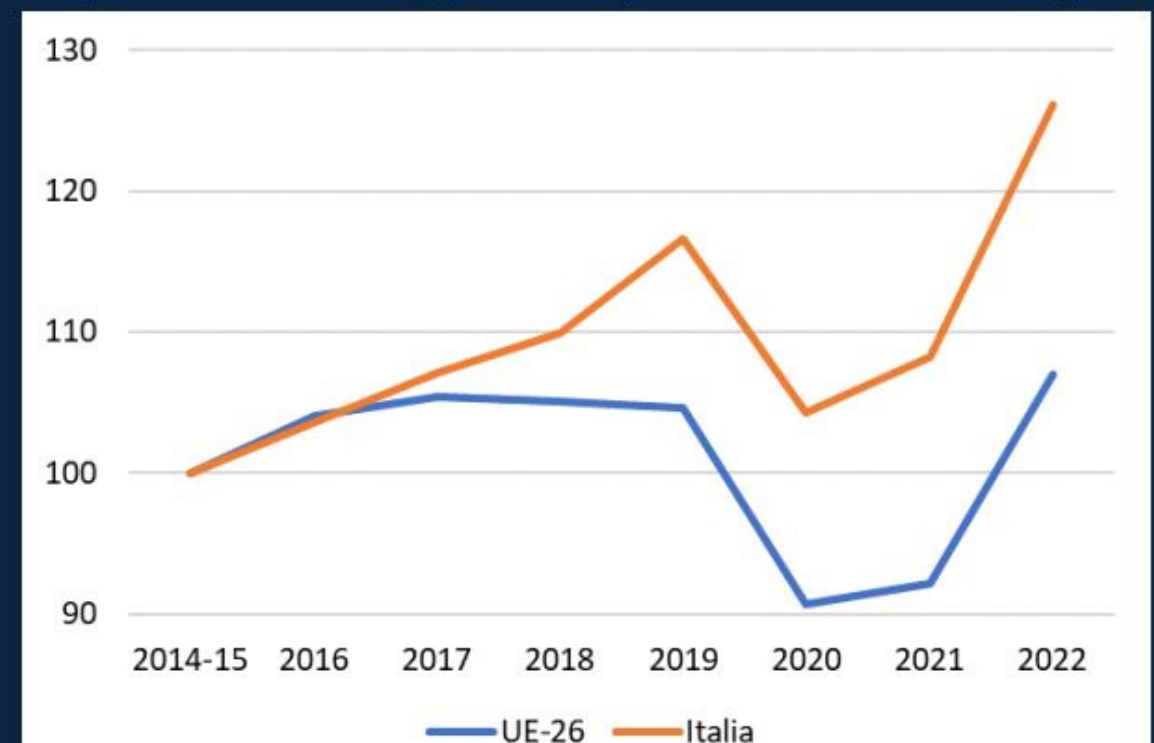
The 2022 figure for British exports to Italy is decreasing (over 20% lower than the 2014-15 average) while towards other EU countries it is rising sharply compared to the 2021 and 20% higher than the 2014-15 average.

Italian exports to the UK instead recorded growth. From July 2022 to June 2023, Italy recorded a trade surplus with the UK of 18.4 billion euros, 64% higher than the 12-month surplus that they range from July 2015 to June 2016 (11.3 billion euros).

Export di beni del Regno Unito (media 2014-2015 = 100)



Import di beni del Regno Unito (media 2014-2015 = 100)

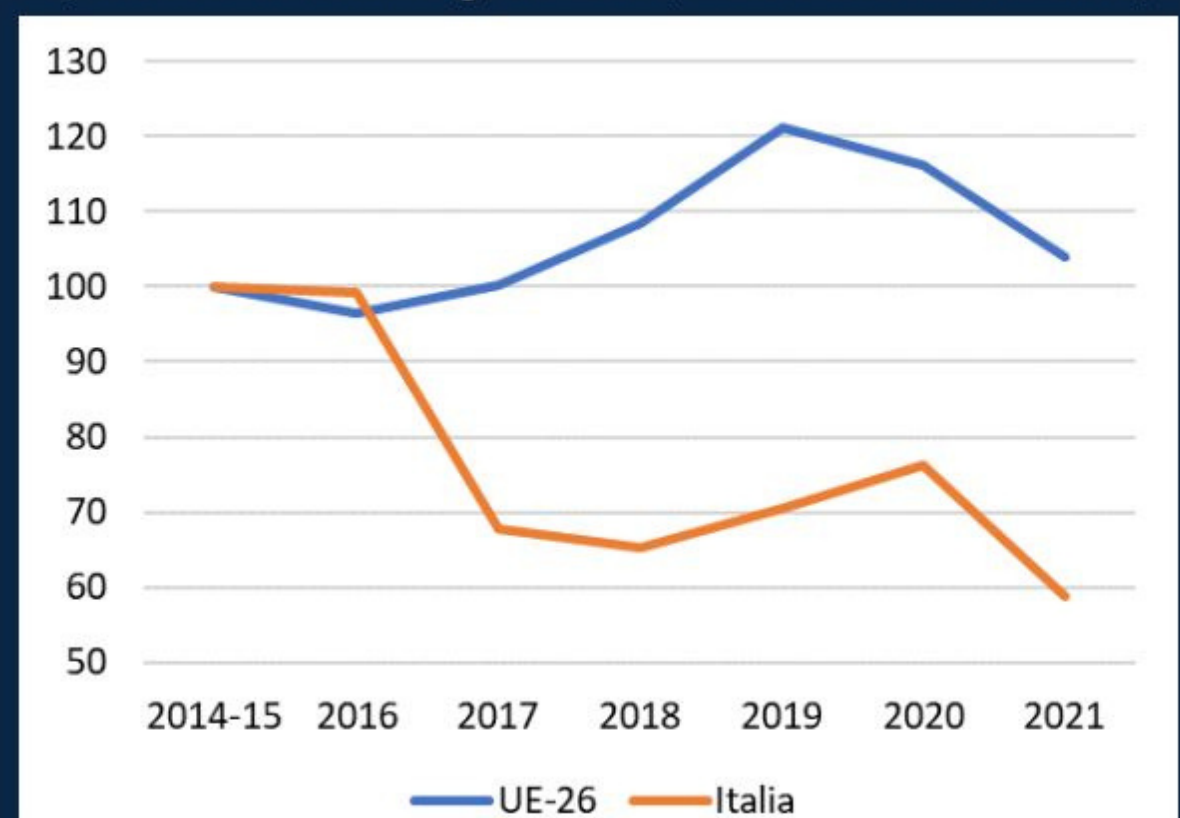


SERVICE TRADE

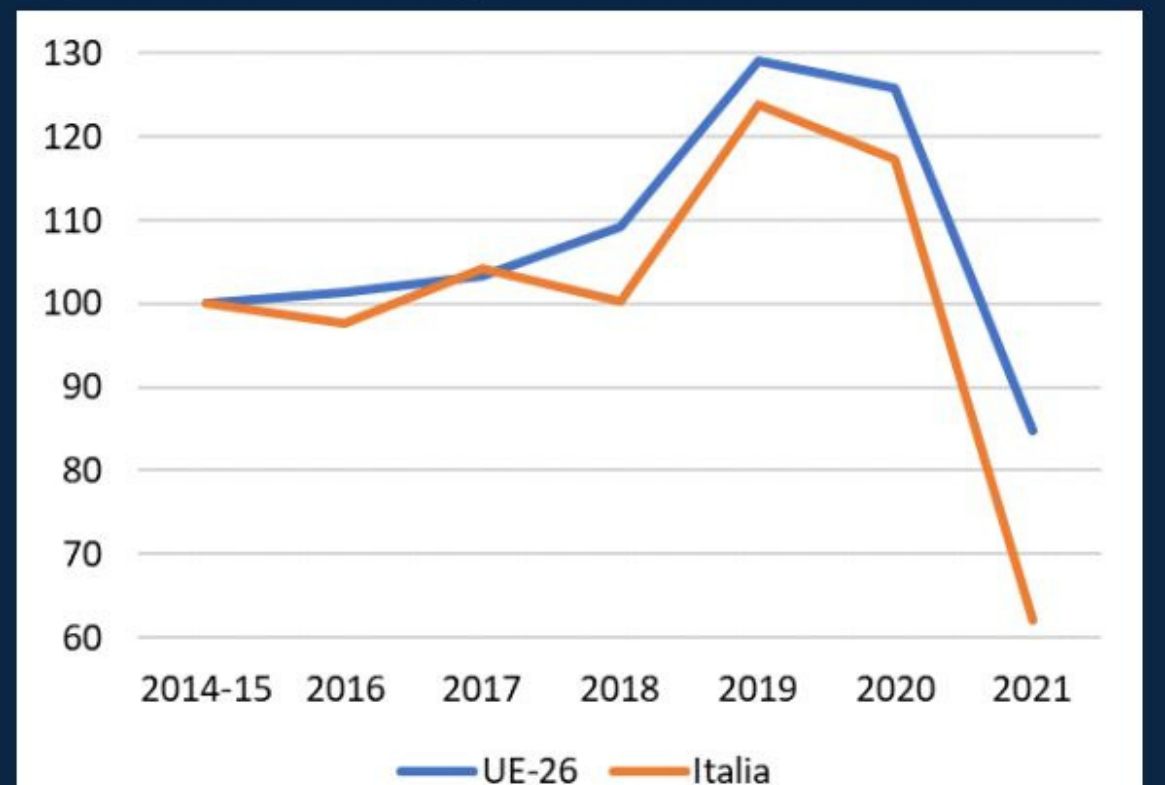


For trade in services, the value data for 2021 shows a sharp decline both for British exports to Italy and for Italian exports to the United Kingdom, in line with the trend between the United Kingdom and the other countries in the 'EU.

Export di servizi del Regno Unito (media 2014-2015 = 100)



Import di servizi del Regno Unito (media 2014-2015 = 100)

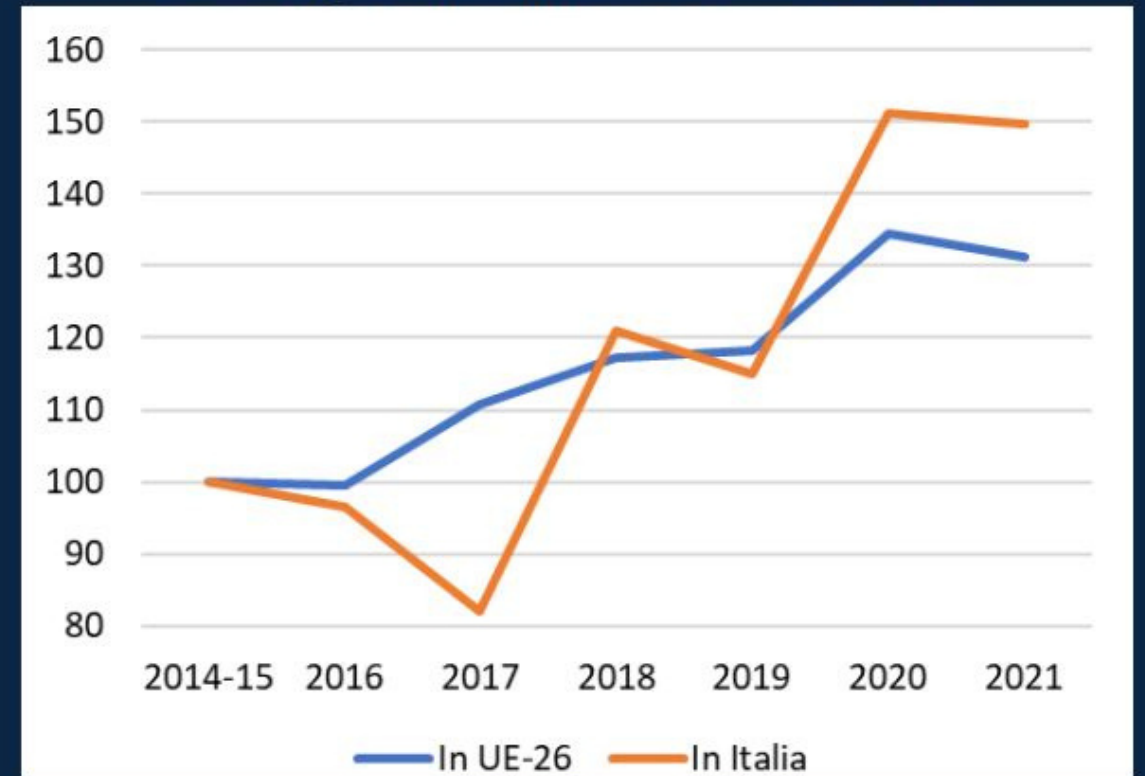


FOREIGN DIRECT INVESTMENTS (FDI)

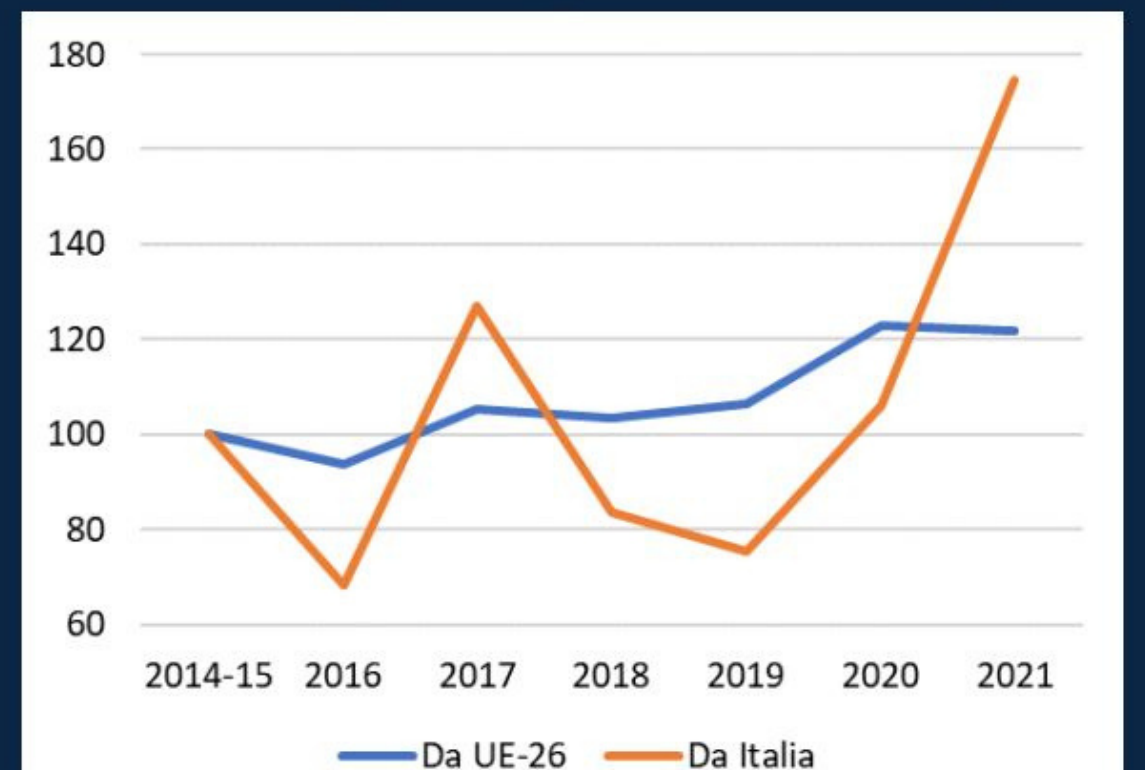


With regards to Foreign Direct Investments (FDI), the stock is growing compared to the 2014-15 average. Italian FDI into the UK and British FDI into Italy grew more than that to and from other EU countries.

IDE dal Regno Unito (media 2014-2015 = 100)

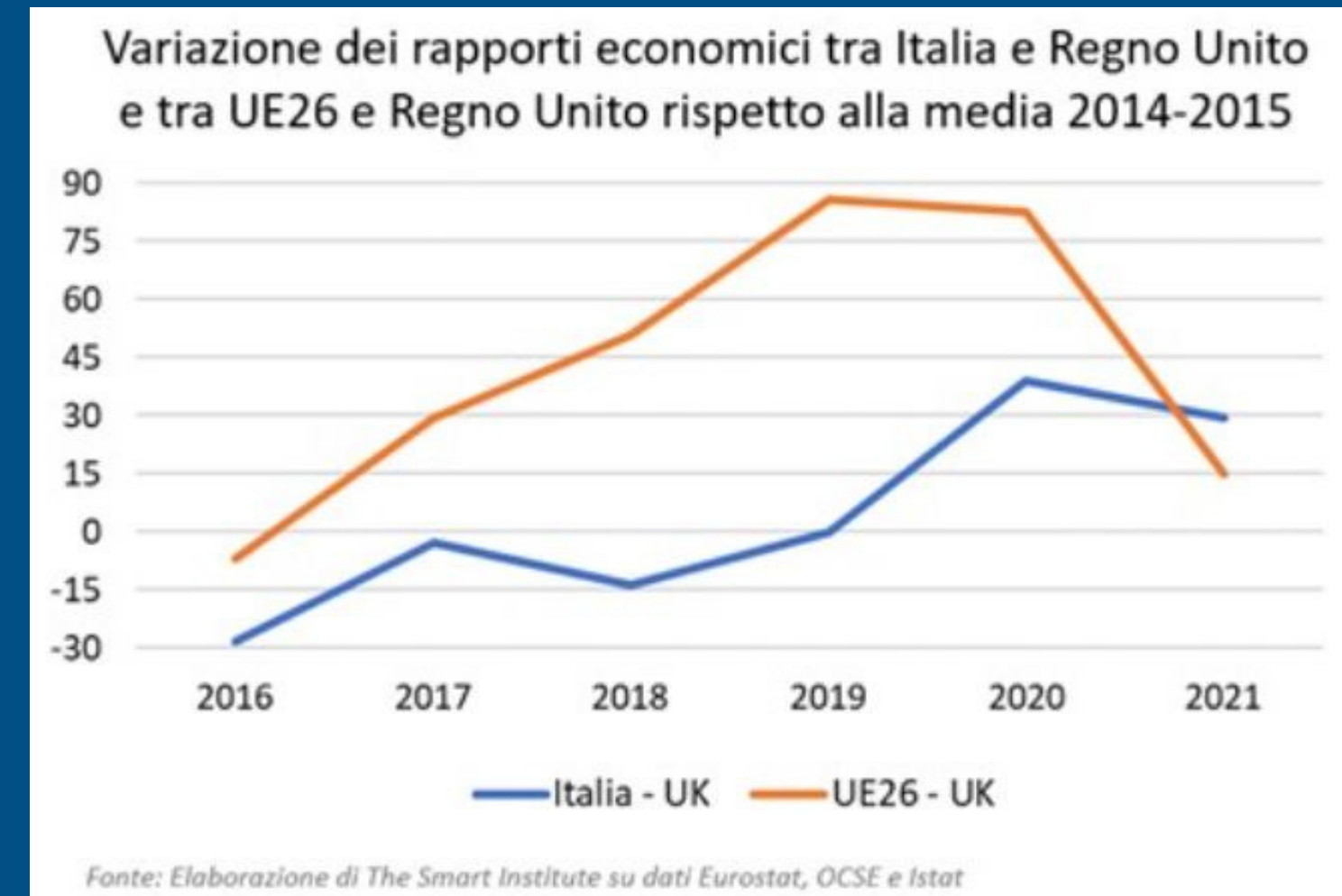


IDE verso il Regno Unito (media 2014-2015 = 100)



BREXIT SHOCK INDEX

- An index was developed in the annual report to assess bilateral ties between Italy and the United Kingdom, consisting of three variables: goods trade, services trade, and FDI.
- Annual changes in each variable relative to the 2014-2015 average were used to create the Brexit Shock Index.
- In 2021, the Brexit Shock Index for Italy-UK relations indicated an **overall economic improvement** compared to the pre-referendum period, with a positive value.
- Similarly, EU 26-UK relations displayed a positive trend, albeit slightly lower than Italy-UK relations.
- Notably, both scenarios witnessed an increase in FDI alongside significant declines in goods and services trade.





Get in Touch

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