

**“UPGRADED SUPPORT TOOL FOR INTEGRATION OF SMEs IN  
EUROPEAN AND GLOBAL VALUE CHAINS”**

**REPORT 9**

**FOREIGN TRADE OF ITALIAN MANUFACTURERS AND  
SERVICE PROVIDERS THAT ARE RELATED TO  
CONSTRUCTION INDUSTRY**



**Co-funded by  
the European Union**

## **Foreign trade exchange of the Italian construction sector**

Based on the volume of foreign trade goods exchange of 1.2 thousand billion Euros, Italy ranks among the leading countries in the world and is among the small number of countries that have exceeded this limit of 1 thousand billion Euros. In 2023, Italy will contribute 2.9% in total world exports, while this indicator on the import side has reached 2.7%. According to these data, Italy is the third largest exporter, as well as the fifth largest importer of the European Union. The importance of the Italian economy for global trade is not as great as in the case of Germany, but it is certainly one of the drivers of exports of the entire economic bloc, along with France and the Netherlands. The crisis expressed in the form of anemic growth of economic activity during 2023 is also reflected on the foreign trade exchange, which is 6.2% lower compared to 2022. The average annual growth rate of exports in the five-year period (2019-2023) was 6.8%, which means that in this period exports grew by about 6.8% on average. On the other hand, this indicator for imports amounted to 8.7%, which shows that imports grew faster than exports.

If we look at the structure of Italy's exports, it can be seen that the largest export products are vehicles, nuclear reactors, pharmaceutical products and electrical machines. Those are final products with a high level of added value that make up practically 40% of Italy's total exports in 2023. This country is also a major exporter of plastic products, an industry that is particularly important and developed in this country. On the import side, in addition to the products of the mechanical and electrical industry, we should also mention mineral fuels, organic chemicals, iron, steel, etc. From this it can be clearly concluded that Italy procures raw materials and components from abroad, and that the production processes of the final products are carried out in the country.

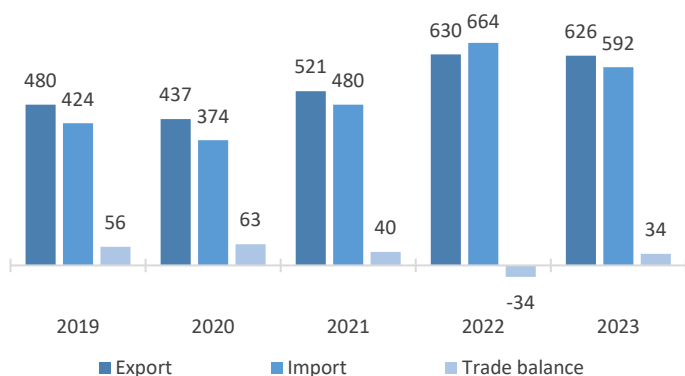
The distribution of the most important trade partners is significantly fragmented, and the largest partners are the USA, China, Switzerland, Great Britain, as well as Euro zone countries such as Germany, France and Spain.

In 2023, Italy's total exports to the world amounted to 626 billion Euros, which is about 0.6% less than in the same period of the previous year, but significantly above the five-year average. The export of the Italian construction sector in the same year amounted to 2.6% of the total export, or 16.3 billion Euros. From the point of view of the total export of Italy, the share of the construction sector is not at a significant level considering that the products of the automotive sector, chemical and pharmaceutical industry have a significantly larger contribution, but it cannot be said that it is not significant either. Of the products of the construction industry, the following products were mostly exported in 2023: ceramic products (4.2 billion Euros); iron and steel (3.5 billion Euros); aluminum (1.7 billion Euros); rolled iron and steel products (1.2 billion Euros), etc. As can be seen, these are products that represent primary or intermediate products in the production process.

On the other hand, Italy's total imports from the world in 2023 amounted to 592 billion Euros and the year-on-year drop in imports of 11% is primarily a consequence of the restructuring of energy supply sources after the outbreak of the Ukrainian crisis in 2022. When it comes to Italy's construction sector, total imports reached 9.6 billion Euros, which is the highest level of imports in the last five years. As a result, a surplus of 6.7 billion Euros was realized in trade in construction products, which is the second

smallest surplus in the period 2019-2023. Of the products of the construction industry, the following products were most imported in 2023: cement (227 million Euros); stone tiles, bricks, etc. products (140 million Euros); cement products (120 million Euros); stone and stone products (116 million Euros); marble; lime etc.

### Italy's foreign trade in goods, in billions of Euros



Source: Trademap.

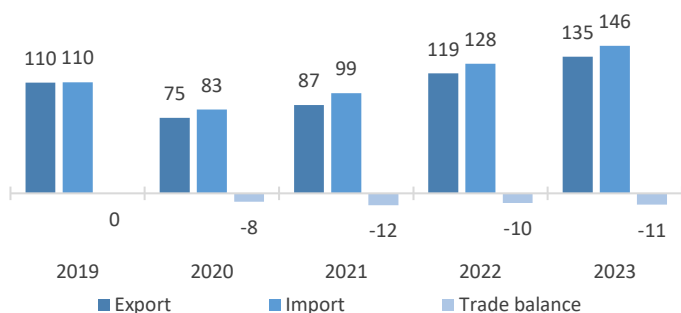
### Foreign trade goods exchange of the Italian construction sector, in billions of euros



Source: Calculation based on Trademap data.

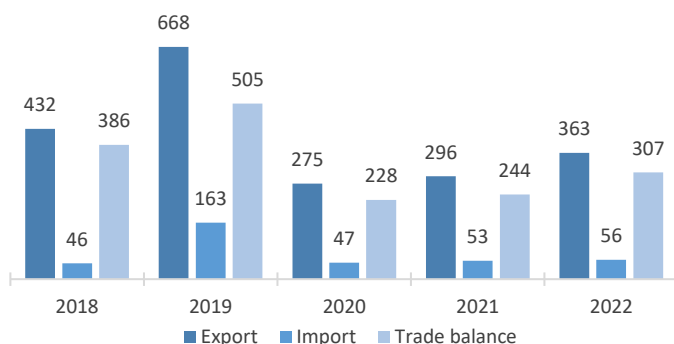
Italy's total foreign trade exchange of services with the world in 2023 amounted to about 281 billion Euros, which is a growth of 14% compared to the previous year. Italy's service sector records a deficit in exchange with the world in the amount of 11 billion Euros in 2023, which is about 14.4% more than in 2022. When it comes to the structure of the export of the services sector, the export of construction services accounts for about 0.3% of the total export of services, and that is a negligible share in the total import of services.

### Foreign trade exchange of the service sector of Italy, in billions of Euros



Source: Trademap.

### Italy's foreign trade exchange of construction services, in millions of Euros



Source: Trademap.

Italy's foreign trade recorded a significant slowdown during the first months of 2024, with the volume of exports and imports declining both quarterly and annually. On the other hand, in 2024, progressive growth of the service sector is being recorded for now, both on a quarterly and annual level. Throughout the year 2024, the Republic Institute of Statistics of Italy expects export growth, but at a very modest pace, that is, an intense struggle of exports for positive growth rates. Despite a moderately favorable trend in consumption and investment, imports are expected to grow at a slower pace in 2024, resulting in an overall annual decline of -0.1%. In 2025, it is predicted that both exports and imports will accelerate, driven by the continuous expansion of the Italian economy and a more favorable international environment. Both export and import flows are expected to grow at a rate of 2.8%.

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This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of WB6 CIF and do not necessarily reflect the views of the European Union.

Title: Upgraded support tool for integration of SMEs in European and Global Value Chains, Report 9 – Foreign trade of Italian manufacturers and service providers that are related to Construction Industry

Publisher: Western Balkans 6 Chamber Investment Forum - [www.wb6cif.eu](http://www.wb6cif.eu)

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