

Introduction

Italy is a country located in Southern Europe comprising the boot-shaped Italian peninsula and a number of islands including Sicily and Sardinia. Neighbouring countries include Austria, France, Holy See, San Marino, Slovenia, and Switzerland. Italy has a strategic location dominating central Mediterranean as well as proximity to Western Europe across the Adriatic Sea. The government system is a republic. The chief of state is the president, and the head of government is the prime minister. Italy has a diversified industrial economy, which is divided into a developed industrial north, dominated by private companies, and a less-developed, welfare-dependent, agricultural south. Italy is a member of the European Union (EU).



Note: Representative Map

Population

Italy has 60,656,000 inhabitants according to estimates current as of January 1, 2016 (*ISTAT*) Its population density, at 201 inhabitants per square kilometre (520/sq mi), is higher than that of most Western European countries. However the distribution of the population is widely uneven. The most densely populated areas are the Po Valley (that accounts for almost half of the national population) and the

metropolitan areas of Rome and Naples, while vast regions such as the Alps and Apennines highlands, the plateaus of Basilicata and the island of Sardinia are very sparsely populated.

The population of Italy almost doubled during the twentieth century, but the pattern of growth was extremely uneven due to large-scale internal migration from the rural South to the industrial cities of the North, a phenomenon which happened as a consequence of the Italian economic miracle of the 1950-60s. In addition, after centuries of net emigration, from the 1980s Italy has experienced large-scale immigration for the first time in modern history. According to the Italian government, there were an estimated 5,000,073 foreign nationals resident in Italy.

Economy

Italy has a diversified economy, which is divided into a developed industrial north, dominated by private companies, and a less-developed, highly subsidized, agricultural south, where unemployment is higher. The Italian economy is driven in large part by the manufacture of high-quality consumer goods produced by small and medium-sized enterprises, many of them family-owned. Italy also has a sizable underground economy, which by some estimates accounts for as much as 17% of GDP. These activities are most common within the agriculture, construction, and service sectors.

Italy is the third-largest economy in the euro zone, but its exceptionally high public debt and structural impediments to growth have rendered it vulnerable to scrutiny by financial markets. Public debt has increased steadily since 2007, topping 135% of GDP in 2015, but investor concerns about Italy and the broader euro-zone crisis eased in 2013, bringing down Italy's borrowing costs on sovereign government debt from euro-era records. The government still faces pressure from investors and European partners to sustain its efforts to address Italy's long-standing structural impediments to growth, such as labour market inefficiencies and tax evasion. In 2014, economic growth and labour market conditions continued to deteriorate, with overall unemployment rising to 12.7% and youth unemployment around 40%, but Italy began to recover in 2015, with marginal growth and a slight reduction in unemployment.

Key Economic Indicators of Italy during 2015

GDP	\$2.171 trillion
REAL GROWTH RATE	0.8%
PER CAPITA	\$35,700
COMPOSITION	household consumption: 60.7%, government consumption: 19.4%, investment in fixed capital: 16.7%, investment in inventories: -0.2%, exports of goods and services: 30.1%, imports of goods and services: -26.7%

International Trade

EXPORT	\$454.6 billion
MAJOR EXPORT PARTNER	Germany 12.8%, France 10.7%, US 7.2%, UK 5.3%, Switzerland 4.7%, Spain 4.6% (2014)
IMPORT	\$389.2 billion
MAJOR IMPORT PARTNER	Germany 16.1%, France 9%, China 7.3%, Netherlands 5.8%, Spain 5%, Belgium 4.5%

Source: CIA Fact book

INDIA-ITALY BILATERAL TRADE

INDIA EXPORT	US \$4,217.59 Million
MAJOR EXPORT ITEM	engineering products, textiles and clothing, production machinery, motor vehicles, transport equipment, chemicals; foodstuffs, beverages, and tobacco; minerals, nonferrous metals
INDIA IMPORT	US \$4,072.21 Million
MAJOR IMPORT ITEMS	engineering products, chemicals, transport equipment, energy products, minerals and nonferrous metals, textiles and clothing; food, beverages, tobacco
INDIA HANDICRAFTS EXPORT	41.84 US\$ million

Source- DGCI&S Kolkata

The international financial crisis worsened conditions in Italy's labor market, with unemployment rising from 6.2% in 2007 to 8.4% in 2010, but in the longer-term Italy's low fertility rate and quota-driven immigration policies will increasingly strain its economy. A rise in exports and investment driven by the global economic recovery nevertheless helped the economy grow by about 1% in 2010 following a 5% contraction in 2009.

The Italian government has struggled to limit government spending, but Italy's exceedingly high public debt remains above 115% of GDP, and its fiscal deficit—just 1.5% of GDP in 2007—exceeded 5% in 2009 and 2010, as the costs of servicing the country's debt rose.

INDIA'S EXPORTS OF HANDICRAFTS TO ITALY (2014-2016)

US\$ Mill

Sl. no	Items	2014-2015	2015-16	Growth rate
1.	Wood wares	6.64	6.446	-2.92
2.	Imitation jewellery	4.77	5.72	19.92
3.	Art metal ware	4.09	6.59	61.12
	Shawls as art ware	8.10	8.39	3.58
	Zari and Zari goods	0.07	0.08	14.29
4.	Hand knitted and crocheted goods/ Embroiders	0.00	0.00	0.00
8.	Hand printed textiles and scarves	2.32	2.56	10.34
9.	Miscellaneous items	11.60	12.06	3.97
	Total	37.59	41.84	11.31

Source- DGCI&S Kolkata

India is also a major trading partner of Italy. India exported US \$4,217.59 Million of Goods to Italy during 2015-16 while imported US \$4,072.21Million during the same time period. The value of Indian handicrafts export to Italy was 41.84 US\$ million in 2015-16 which was (0.99)% share of the total export to Italy.

Italy

SL No	ITEMS	DETAILS
1	LOCATION OF COUNTRY	Southern Europe, a peninsula extending into the central Mediterranean Sea, northeast of Tunisia
2	GOVERNMENT & ADMINISTRATION	parliamentary republic
3	HEAD OF THE GOVERNMENT	Matteo Renzi, prime minister
4	CAPITAL OF THE COUNTRY	Rome
5	CLIMATE AND TEMPERATURE	predominantly Mediterranean; alpine in far north; hot, dry in south
6	TIME	+0200 UTC
7	ECONOMIC REGION/ZONE	Europe
8	NEIGHBOURING COUNTRIES	Italy is bordered by the Adriatic Sea, Tyrrhenian Sea, Ionian Sea, and the Mediterranean Sea, and France, Switzerland, Austria, and Slovenia to the north
9	AREA COVERED	301,338 sq km
10	OFFICIAL LANGUAGE	Italian
11	LANGUAGE SPOKEN	Italian
12	POPULATION IN 2015	61,855,120
13	RELIGION	Christian 80% (overwhelmingly Roman Catholic with very small groups of Jehovah's Witnesses and Protestants), Muslim (about 800,000 to 1 million), Atheist and Agnostic 20%
14	ELECTRICITY SUPPLY SYSTEM - VOLTAGE	281 billion kWh
15	AIRPORTS	129
16	MAJOR PORTS	Augusta, Cagliari, Genoa, Livorno, Taranto, Trieste, Venice
17	GDP PER CAPITA	\$35,700
18	CURRENCY	British pounds
19	EXCHANGE RATE	1 US\$= 0.90 Euro(As on June 2016)
20	LABOUR FORCE	25.54 million
21	MAJOR STATES	Florence, Milan, Venice, Naples, and Rome
22	BUSINESS CITIES	Roma,Milano,Napoli,Torino

23	INDUSTRY ASSOCIATION AND CHAMBER OF COMMERCE	<p>The Indo-Italian Chamber of Commerce and Industry (IICCI) OfficeNo.501 - 5th Floor,349 Business Point,Western Express Highway,Andheri (East),Mumbai 400069 Maharashtra,India Tel:+91 (22) 6772 8186 - 90 Fax:+91 (22) 6772 8191 / 6772 2716</p> <p>Email:iicci@indiaitaly.com WebSite: www.indiaitaly.com</p> <p>The Indo-Italian Chamber of Commerce and Industry (IICCI) c/o Embassy Of Italy 50-E Chandragupta Marg (Entrance through Nyaya Marg) Chanakyapuri New Delhi - 110021 Tel:+91(11)2688 2156 Fax:+91(11)2688 2156 Email:iicci.delhi@indiaitaly.com</p> <p>The British Chamber of Commerce for Italy Via Dante, 12, 20121 Milano, Italy Telephone:+39 02 877798 Fax:+39 02 86461885 Email:bcci@britchamitaly.com http://www.britchamitaly.com/en-WR/</p> <p>Association of The Italian Chambers of Commerce Overseas Via Flaminia, 21, 00196 Roma Tel : 00396 3215660 Fax : 00396 3210253 E-mail : assocamerestero@italchambers.net Website : www.assocamerestero.com</p>
24	HOLIDAYS - NATIONAL/PUBLIC	<p>January 1st - New Year's Day January 6th - Epiphany March 28th - Easter April 25th - Liberation from Nazi-Fascism May 1st - Labour Day June 2nd - Republic Day August 15th - Assumption of Mary/Ferragosto</p>

		<p>November 1st - All Saints' Day December 8th - Immaculate Conception December 25th - Christmas Day December 26th - Saint Stephen's Day</p>
25	ITALY EMBASSY IN INDIA	<p>Mr. LORENZO ANGELONI Ambassador Address: 50 E Chandragupta Marg, Chanakyapuri, New Delhi - 110 021 Tel +91 - 11 - 26114355 Fax +91 - 11 - 26873889 E-mail ambasciata.newdelhi@esteri.it Website- www.ambnewdelhi.esteri.it</p>
26	INDIAN EMBASSY IN ITALY	<p>Mr. Anil Wadhwa Ambassador Address: Via XX Settembre, 5 Rome, Italy Tel: 0039 064884642-3-4-5 Fax: 0039 064819539 E-mail: gen.email@indianembassy.it Website - www.indianembassyrome.in</p>
27	CONSULATE GENERAL OF INDIA IN ITALY	<p>Mr. Charanjeet Singh Consulate General of India Piazza Paolo Ferrari 8 20121 Milan, Italy Tel: (0039) 02 80 57 691/ 02 86 53 37 Fax: (0039) 02 72 00 2226/ 02 86 45 1458 Email: cgi.milan@consolatoindia.in Website - www.cgimilan.in</p>
28	TRAVEL INFORMATION	<p>Visit Italy http://www.italia.it/</p>
29	PLACES OF TOUISTS INTEREST	<p>Colosseum, Venice Canals, Pompeii, Leaning Tower of Pisa, Lake Como, Amalfi Coast, Florence Duomo Santa Maria del Fiore, Cinque Terre, Vatican City, Roman Forum, St Mark's Basilica, Pantheon</p>
30	TRADE FAIRS AND EXHIBITIONS HELD RELATED TO HANDICRAFTS	<p>HOMI MILANO ,MILAN, ITALY 16-19 SEPTEMBER, 2016</p>
		<p>AF / L' ARTIGIANO IN FIERA 2016 Milano,Italy Dec. 03 - 11, 2016</p>

	<p>KREATIV 2016 Bolzano Italy Sept. 16 - 18, 2016</p>
	<p>HOMI MILANO 2016 Milano,Italy Sept. 16 - 19, 2016</p>
	<p>CASA SU MISURA 2016 Verona,Italy Oct. 01 - 09, 2016</p>
	<p>CASA MODERNA 2016 Udine,Italy Oct. 01 - 09, 2016</p>
	<p>COMOCREA 2016 Cernobbio (CO),Italy Oct. 24 - 25, 2016</p>
	<p>HABITAT 2016 Ferrara,Italy Nov. 12 - 13, 2016</p>