

ITALY COUNTRY REPORT





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1. GENERAL INFORMATION

Official Name	Italian Republic
Population	60.359.546 (IMF 2019)
Language	Italian
Area	301.338 km ²
Capital	Rome
Major Cities	Milan, Naples, Torino, Genoa, Palermo
Government	Parliamentary Democracy
President	President, Sergio Mattarella
Currency	Avro (€)

Main International Organizations of which it is a member:

European Union (EU), European Union (EU), World Trade Center (WTO), United Nations (United

Nations - UN), Council of Europe), North Atlantic Treaty Organization (NATO), International Monetary Fund

(IMF), Organization for Economic Cooperation and Development (OECD).

1.1. Geographical Location

Italy is located on a peninsula extending from the south of Europe towards the Mediterranean inland in a northwest southeast direction. It is surrounded by the Mediterranean Sea to the south and west, the Adriatic Sea to the east and the Alps to the north. Sicily and Sardinia islands in the Mediterranean and many small islands around the peninsula belong to Italy. The town of Campione, which is located on the lake shore in the part of Lake Lugano in Switzerland in the north, is officially the territory of Italy, although it is completely separate from the Italian territory.

Italy has a land border with France in the northwest, Switzerland and Austria in the north, and Slovenia in the northeast. It also has borders with two independent countries within its territory. One of these countries is the religious capital of the Catholic sect, the Vatican State in Rome (0.44 km²), the other is the oldest living republic of Europe and Florence is 100 km. is the Republic of San Marino (481 km²) located to the west of it.

In addition to these countries, it can be said that the Adriatic countries Croatia, Bosnia-Herzegovina, Montenegro and Albania, the Medi-

terranean countries Greece, Tunisia and Malta are neighboring countries to Italy, although there is no land border between them.

Italy's 1,150 km from north to south. Since it has a geography that extends throughout the region, the climate varies from region to region. In summer, almost every part of the country is sunny except for the high parts of the north, and the highest temperatures during the day are around 30 degrees. In winter, temperatures vary from region to region, from 0 in Milan, to +10 in Rome, and to +20 in Sicily and Sardinia.

1.2 Political and Administrative Structure

Italy's regime is a republic that operates with multi-party and parliamentary democracy. Italy's policies are established in this context. The executive power is in the hands of the council of ministers, and this board is chaired by the president of the country. It is run jointly by the legislature, the national assembly and the council of ministers. The judiciary is independent of the legislative and

executive powers. Italy has been ruled as a democratic republic since June 2, 1946. Prior to this, the royal system in the country was abolished as a result of a referendum. The Italian Constitution entered into force on 1 January 1948.

The President of the Italian Republic (Italian: Presidente della Repubblica) is elected every seven years by the

national assembly and a small number of regional representatives. In Italy, the presidents are obliged to represent the unity and integrity of the country in a neutral manner and retain most of the rights previously given to the kings of Italy. The President of the Republic is in charge of ensuring the functionality of all these in the midst of the legislative, executive and judicial powers. He also carries out

duties such as appointing administrators, presiding the judiciary and being the commander-in-chief of the country's army. The prime minister, who will emerge from among the elected parties, appoints the president and gives the prime minister the task of forming the cabinet. Approval of the cabinet depends on the vote of confidence in the national assembly.

The bicameral system is used in Italy and these councils are elected by the people by voting. While there are 630 seats in the people's assembly, the

number of seats in the senate is 315. In addition, a small number of lifetime representatives are also present in the Senate. Every Italian citizen over the age of 18 can participate in the voting to elect representatives to the People's Assembly in Italy. However, the minimum age for voting when electing members of the senate is determined as 25. Both houses are elected for a 5-year term. However, the president has the right to dissolve parliament in certain states of emergency. One of the distinctive (su-

generis) features of the Italian Parliament is that Italy also grants representation rights to Italian citizens living abroad permanently.

Italy is divided into 20 regions (plural: regioni, singular regione). Five of them have autonomous status allowing them to enforce laws to solve local problems; Aosta Valley, Friuli-Venezia Giulia, Sardinia, Sicily, Trentino-Alto Adige / Südtirol. The country is divided into 96 provinces (provinces) and 8,047 komuni (comuni).

1.3 Population and Employment

Despite the population growth, Italy is one of the countries with the lowest birth rate in the world. In fact, the population growth of the country increases with immigration from abroad. Besides, Italy is the country with the oldest population in the world after Japan and Germany and the aging of the population will continue. Between 2010 and 2030, the

very old population (80+) is expected to increase by 56%.

It is estimated that more than 23 million of the population exceeding 60 million in 2019 will be the labor force and the ratio of the unemployed to the labor force is estimated to be 10.3%. While the rate of immigrants in the country to the total popula-

tion was 7% in 2010, it is expected to double in 2030 and reach 13.6% of the total population. 3.9% of the population is employed in agriculture, 28.3% in industry and 67.8% in the services sector. Italy is a qualified country with a low-wage technical workforce below the Eurozone average.

1.4. Natural resources

In the early 1970s, it was a major producer of pyrite (from Tuscany, Maremma), asbestos (from Balangero mines), fluorite (found in Sicily) and salt. At the same time, self-sufficient in aluminum (from Gargano), sulfur (from Sicily), lead and zinc (from Sardinia), Italy has lost this position since the early 1990s. The country does not have significant deposits of iron, coal or oil. A moderate amount of natural gas reserves have been discovered in recent years, especially in the Po Valley and the open sea Adriatic Sea, making it the country's most important mineral resource.

Italy is one of the world's leading producers of pumice, pozzolana and feldspar. Marble, another well-known mineral resource of Italy, is the world famous white Carrara marble, especially from the Massa and Carrara quarries in Tuscany. Most raw mate-

rials needed for production and more than 80% of the country's energy resources are imported (99.7% of solid fuels, 92.5% of oil, 91.2% of natural gas and 13% of electricity). Due to the dependence on imports, Italians pay about 45% more for electricity than the EU average.

Italy operated four nuclear reactors until the 1980s, but after the Chernobyl disaster in 1986, the government shut down existing nuclear power plants and halted ongoing projects after the 1986 Chernobyl disaster. However, the national energy company Enel, which continues to work on its nuclear power program abroad, currently operates seven nuclear reactors in Spain (via Endesa) and seven in Slovakia (via Slovenské elektrárne), and in 2005, Électricité de France for a nuclear reactor. It has made an agreement with France. With

these agreements, Italy has achieved access to nuclear power and direct participation in the design, construction and operation of facilities without placing reactors on Italian soil.

In the last decade, Italy has become one of the world's largest producers of renewable energy, the second largest producer country in the European Union after Germany and the ninth producer country in the world. The country is also the fifth largest energy producer in the world in solar energy. Renewable resources account for 27.5% of all electricity produced in Italy (hydropower 12.6%, solar with 5.7%, wind 4.1%, bioenergy and 1.6% geothermal resources). The rest of the national energy demand is met by fossil fuels (38.2% natural gas, 13% coal, 8.4% oil) and imports.

2. GENERAL ECONOMIC STATUS

Basic Economic Indicators

	2018	2019	2020	2021	2022	2023	2023	2023
GDP (Current Prices - billion \$)	2.086,7	2.001,5	1.848,2	2.111,7	2.207,9	2.280,1	2.333,4	2.387,8
GDP Growth (Fixed Prices -%)	0,8	0,3	-10,6	5,2	2,6	1,7	0,9	0,9
Per Capita National Income (Current Prices - \$)	34.500	33.159	30.657	35.062	36.690	37.916	38.821	39.738
Consumer Price Inflation (avg,%)	1,2	0,6	0,1	0,6	0,9	1	1,2	1,4
Ratio of Current Balance of Payments to GDP (%)	2,5	3	3,2	3	3,1	3	3	2,9
Ratio of Government's General Net Debt to GDP (%)	122,9	123	148,8	146,1	144,7	143,4	142,6	141,5
Ratio of Total Investments to GDP (%)	18,3	18	16,3	18,2	18,8	19,3	19,4	19,7
Ratio of Unemployment to Total Workforce (%)	18,3	9,9	11	11,8	10,8	10,3	10,2	10,2
Population (million)	60,48	60,36	60,29	60,23	60,18	60,14	60,11	60,09

Resource: IMF

Italy, which is Europe's 4th and 8th largest economy in the world, is a founding member of the European Union. The country also belongs to the group of industrialized countries called the G8, along with the USA, Germany, England, France, Canada, Japan and Russia.

Italy owes its strong economic structure to small and medium-sized companies that have more family businesses than other industrialized countries and are managed by these families, which have come together in industrial groups. These firms have developed expertise in various cate-

gories of capital and consumer products. While large-scale companies mostly gather in Northern and Central Italy, small businesses operating mostly in the field of agriculture and tourism operate in Southern Italy.

- Italy is the 8th largest economy in the world among 195 countries as of 2020, according to current prices (IMF-2020).
- According to the Human Development Index, Italy ranks 29th among 189 countries in the world (UN-2018).
- According to the Economic Freedom Index, Italy ranks 74th among 180 countries in the world (The Heritage Foundation-2020).
- Italy ranks 30th among 141 countries in the world in terms of Global Competitiveness (World Economic Forum-2019).
- In terms of Ease of Doing Business, Italy ranks 58th out of 190 countries in the world (World Bank-2019).

The manufacturing sector is very strong in the Italian economy. In the manufacturing sector for the last 30 years, it is the 2nd largest producer of Europe in the world and the 5th country in the world with a trade surplus in manufacturing exports. Major industries include automotive, shipbuilding, chemicals, furniture, clothing and

textiles, leather goods and footwear, food processing, ceramic products, parts and machinery.

Another strength of the Italian economy is the development of areas called "industrial zones", where many companies in the same sector, each specialized in another branch of

production stages, coexist in tight economic relations. Today, there are more than 200 industrial zones in Italy. The country has a diverse export structure, and its global competitiveness, know-how superiority and innovation in major sectors have created the "Made in Italy" brand.

3. FOREIGN DIRECT INVESTMENTS

3.1. Outlook of Foreign Direct Investments

The ratio of total investments to GDP in the country, which is estimated to be 18% in 2018, is expected to be 17.7% in 2019 and 18.4% in 2024 (IMF-April 2019). Italy ranks 21st among countries attracting foreign direct investment (UNCTAD) with \$ 17.08 billion in 2017.

The Italian Investment Agency-Invest

in Italy, under the umbrella of the Italian Ministry of Economic Development, opened the Italian Trade Office (ICE-ITA) in Istanbul in 2015, the first of its 9 promotion offices in the world, and this is London, New York, Singapore, Tokyo, Dubai, San Francisco, Beijing and Hong Kong followed.

Italy is the second largest manufac-

turer in Europe after Germany and the 8th largest manufacturer in the world. It is also the fifth country among the G-20 countries with a surplus in manufacturing industry trade. It is the second largest manufacturer of machinery after Germany and the third largest manufacturer in Europe in the pharmaceutical industry.

Foreign Direct Investment Statistics (June 2020)

Data	2015a	2016a	2017a	2018a	2019a	2020b	2021b	2022b	2023b	2024b
FDI Entering the Country (billion \$)	13.3	25.7	11.1	39.6	29.2	19.0	23.7	26.1	26.9	27.7
Entering FDI (% of GDP)	0.7	1.4	0.6	1.9	1.5	1.1	1.2	1.3	1.2	1.2
FDI (Share in Gross Fixed Capital Investments, %)	4.3	8.0	3.2	10.6	8.1	6.3	7.2	7.1	6.5	6.3
Out of the Country FDI	-15.7	-14.1	-11.8	-39.8	-27.6	-30.4	-26.8	-28.1	-29.5	-31.0
Net FDI	-2.4	11.6	-0.7	-0.2	1.6	-11.4	-3.0	-2.0	-2.6	-3.3
FDI Stock	460.4	469.3	546.5	554.0	573.6	592.6	616.4	642.5	669.4	697.1
FDI Stock Per Capita (\$)	7,601	7,736	9,007	9,138	9,474	9,802	10,210	10,662	11,129	11,615
FDI Stock (% of GDP)	25.1	25.0	27.8	26.6	28.7	33.5	31.8	30.9	30.2	29.8
World Share in Terms of FDI Entering the Country (%)	0.41	0.98	0.55	4.93	2.72	1.83	2.20	2.33	2.31	2.31
World Share in terms of FDI Stock (%)	1.75	1.67	1.82	1.73	1.68	1.79	1.80	1.80	1.81	1.81

Source: The Economist Intelligence Unit, a: actual, b: estimated

State aid is concentrated in six geographical regions (Basilicata, Calabria, Campania, Puglia, Sardegna and Sicilia), which are relatively less

developed in Italy and are considered as first priority (Objective 1) according to EU criteria. In addition, some special regions in the development

need in Abruzzo, Molise and Central and northern Italy benefit from the assistance first of all "objective 2".

3.2. Foreign Investment Legislation

Many foreign companies in Italy invest in the distribution and marketing of their products. As export can be done directly without intermediaries, the presentation of products in the Italian market is made through independent agents and brokers or authorized agents and distributors. In addition, it is possible for foreign companies to open a branch or a representative office, to establish a joint venture, a 100% foreign capital company or a subsidiary.

The Italian incentive system is carried out in accordance with the EU acquis in the field of state aid and the norms in this framework and is directed mostly to the underdeveloped regions in Italy and to support SMEs. However, support mechanisms implemented for some specific purposes such as R&D and internationalization activities

of companies also play an important role in the system.

The support provided within the incentive system mostly consists of "soft loans", long-term low-interest loan opportunities provided within the scope of programs and projects, a small number of grants are especially for the investment expenditures of companies in less developed regions, SMEs and international promotion activities. It is used for professional organizations, Chambers and export consortia.

The Italian government promotes free enterprise and free trade. In addition, there is no registration or pre-authorization system for foreign investments, but the minimum nominal capital amount to be invested according to the establishment area of activity and

company types has been determined.

Banks, insurance companies, stocks and investment intermediary institutions must meet the criteria and conditions determined by EU Directives. Foreign investors can benefit from the existing incentive mechanisms, but for this they must be organized as a joint stock company (s.p.a) or (s.r.l) limited liability company.

You can find detailed information about business establishment and investment opportunities at (www.invitalia.it) and information about investments and supports (www.simest.it, www.finest.it, www.ice.it, <http://www.investinitaly.com/en/>) web addresses.

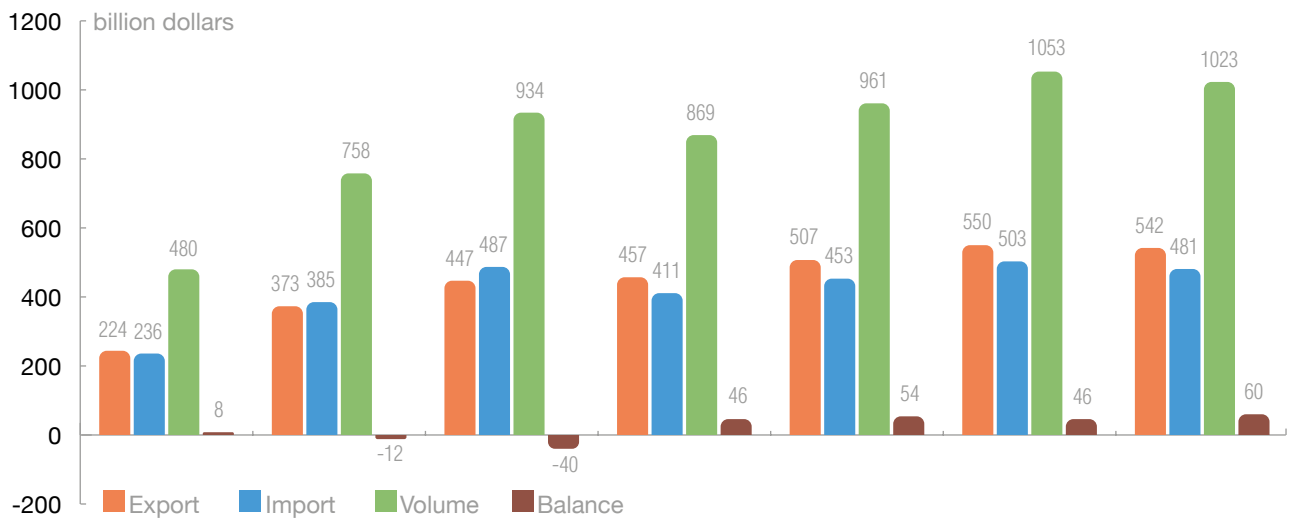
Free Zones

There are only two free trade zones in Italy. These are Venetian Port and Trieste Port.

4. FOREIGN TRADE

GENERAL SITUATION *Country's Foreign Trade*

Italy's Foreign Trade Indicators (billion dollars)1053



Source: Trademap-www.trademap.org

When we look at Italy's exports, it is seen that there are products that require medium technology such as machinery, transportation equipment, metals and chemicals. In addition, labor-intensive products that form the backbone of Italian small and medium-sized enterprises such as food and beverages, textiles, clothing, leather, shoes and ceramics have an important place in Italy's exports.

Although the share of EU member countries in Italy's exports has been decreasing since 2001, this rate is still above 50%. Germany ranks first in Italy's exports.

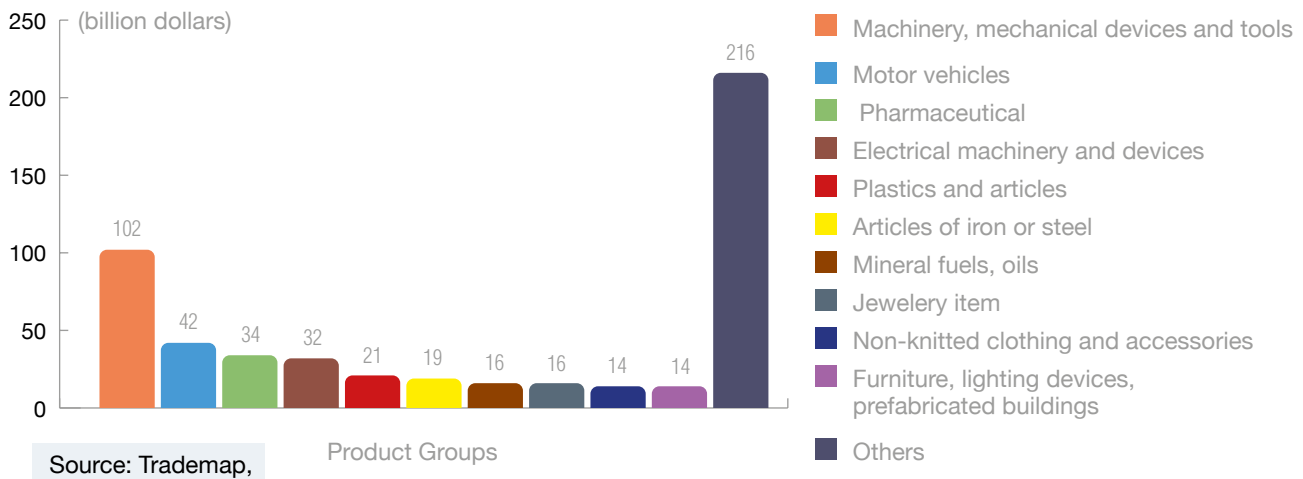
The main import items of the country are crude oil, petroleum oils and gases, automotive and auto supply industry products, chemicals, medicines, minerals and non-ferrous metals, machinery and equipment.

The share of EU countries in Italy's imports is around 60%. Germany ranks first in Italy's import.

4.1. Foreign Trade with the Reputation of Major Products

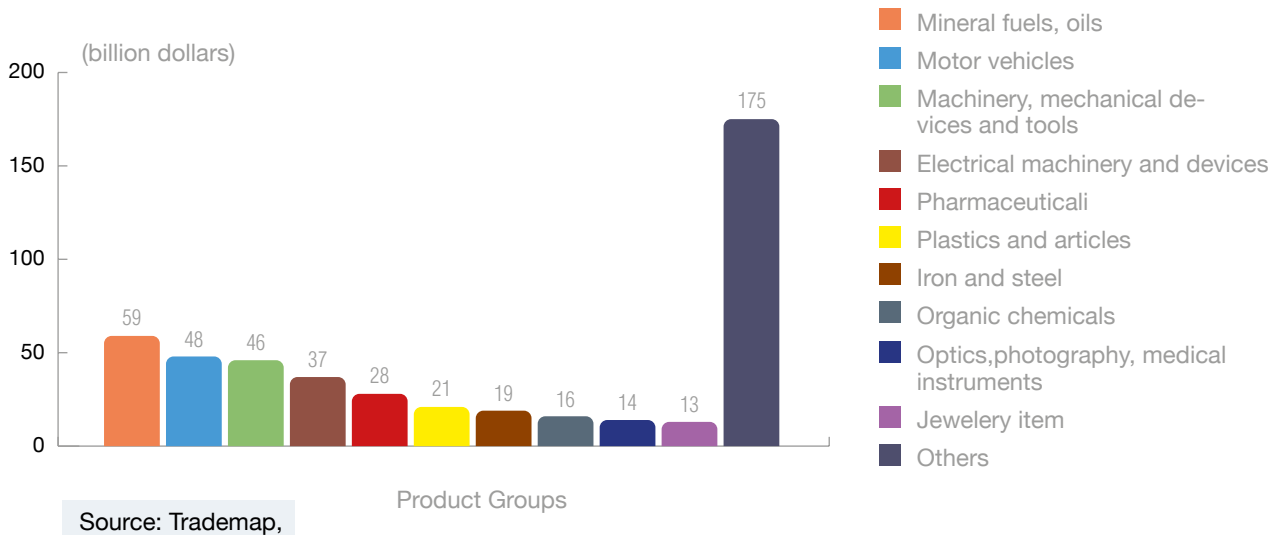
Main Product Groups in Italy's Exports-2019

Export



Main Product Groups in Italy's Imports-2019

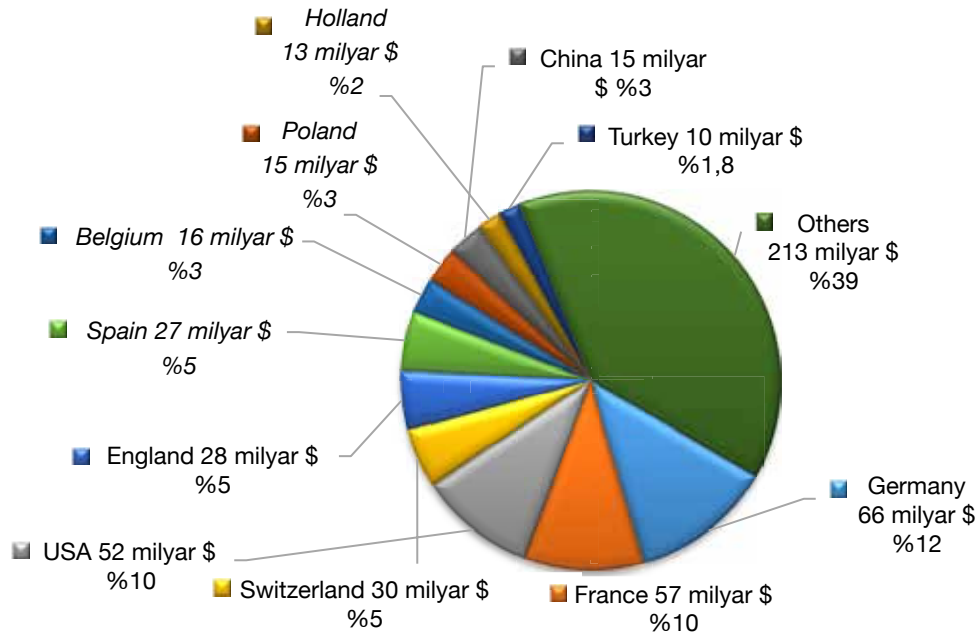
Import



4.2. Foreign Trade by Major Countries

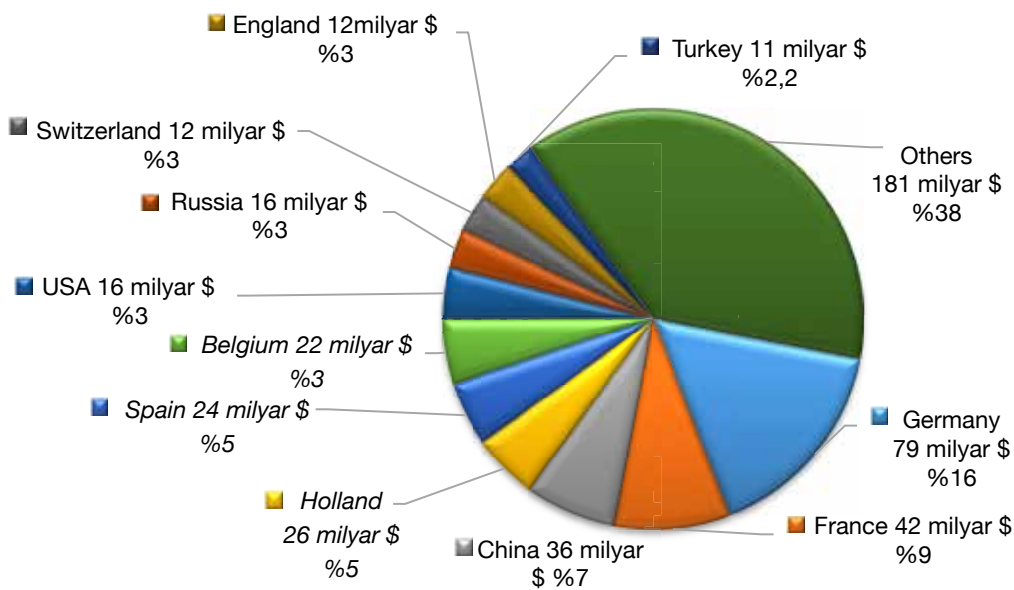
Italy's Exports by Country-2019 (billion dollars;%)

Export



Italy's Imports by Country-2019 (billion dollars;%)

Import



5. TRADING WITH TURKEY

General situation

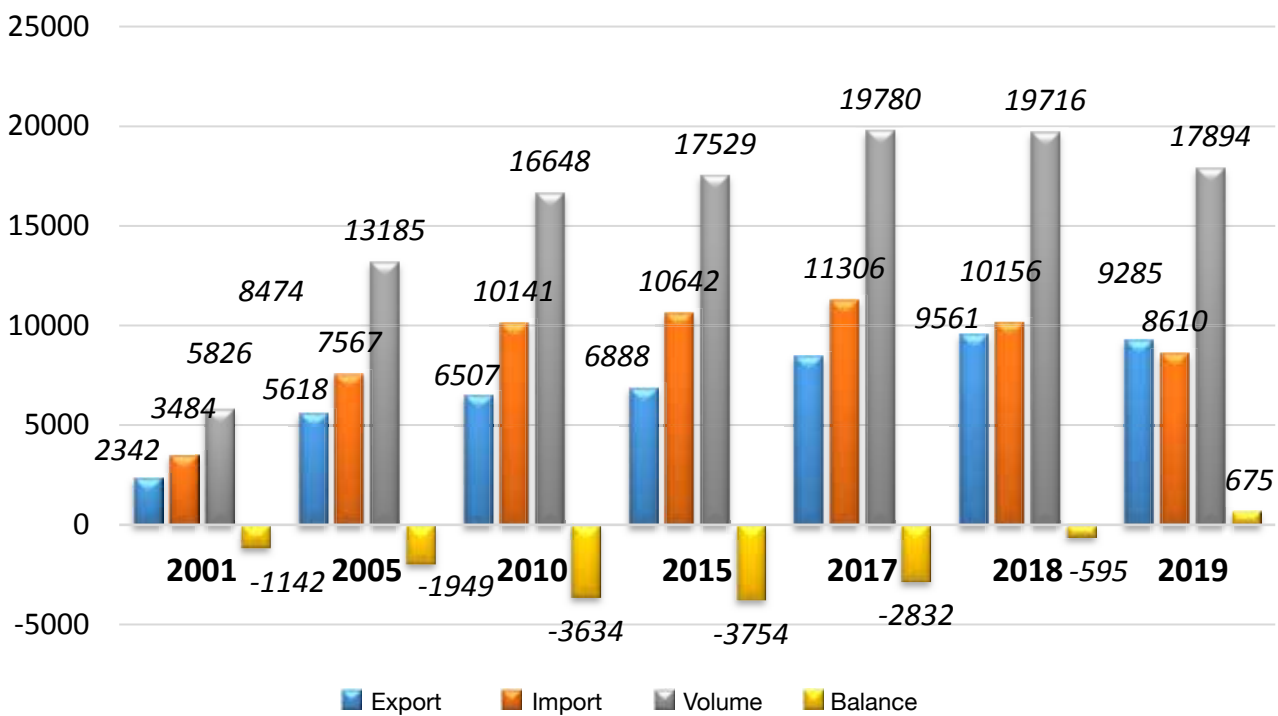
Italy supports Turkey's EU membership from the beginning of the country, is one of Turkey's most important trading partners. Turkey's proximity to Italy, creating an important center for access to the market where Turkey's neighbors, makes an important investment and trading partner for Italy. Among the most developed econo-

mies of the European Union, relations between Italy and Turkey and complement each other. Textile, apparel, leather, machinery manufacturing, food processing and chemistry sectors are very open to the cooperation of Italian companies. In addition to these sectors, packaging, mining, furniture, automotive sub-industry,

electronics, security systems, jewelry, communications, engineering, logistics, metal processing, shipbuilding, energy, transportation, environmental projects, defense industry, health, financial services and tourism sectors are also has the potential to cooperate.

Foreign Trade of Turkey-Italy

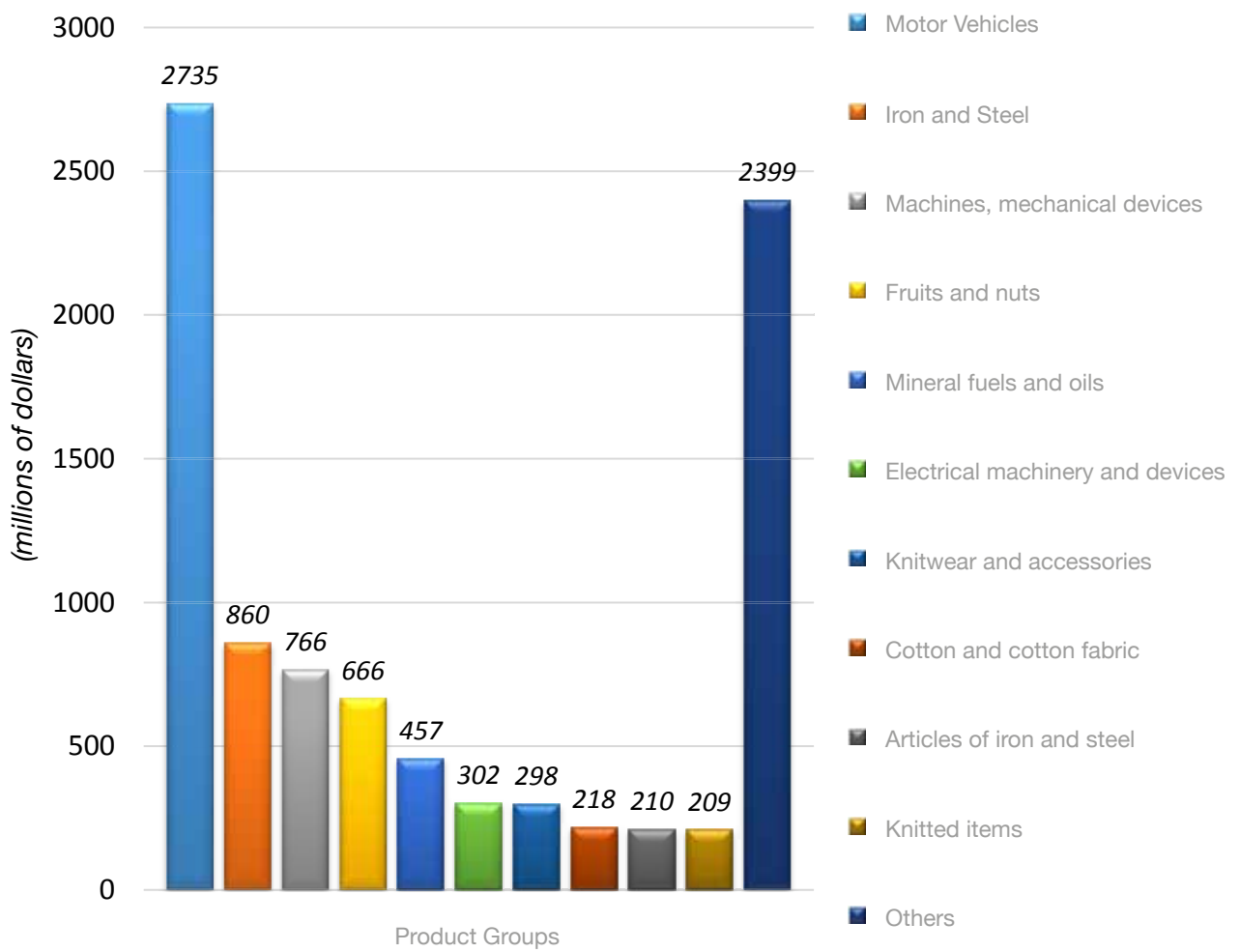
Trade between Turkey and Italy (USD million)



Resource:TUIK

5.1. Major products in Turkey's exports to Italy

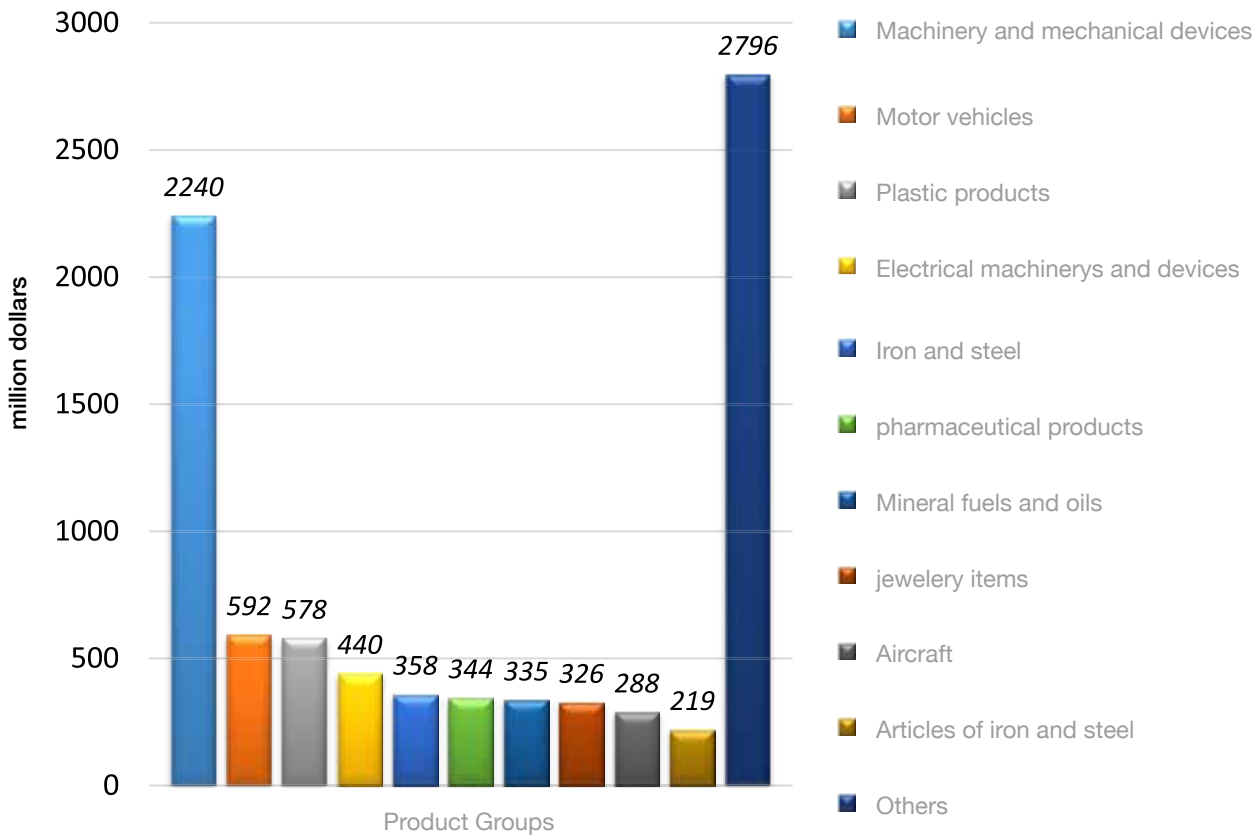
Turkey's exports to Italy, Major Product Groups in 2019



Resource: TUIK

5.2. Major Products in Turkey's imports from Italy

Major Products in Turkey's imports from Italy
Groups 2019 (millions of dollars)



5.3. Investment Relations

Turkey's \$ 4 billion worth of total foreign investments made abroad in 2018, Italy is # 9 with \$ 32 million and 0.8% share (CBRT). In 2018, Turkey has received a total of \$ 6 billion investment received from abroad. Italy's share is in third place with 509 million dollars and 8.5% share. (CBRT)

Italian firms in Turkey, mainly in the food industry, garment, chemical products, electrical and electronics, machinery manufacturing, furniture, iron and steel, automotive; In the service sector, it is observed that they focus on trade, tourism, communication, banking and investment financing.

Turkey has more than 50 affiliate or subsidiary of Italy registered companies. Especially in Northern Italy, many businesses belonging to Turkish citizens operate. However, these enterprises are smaller in size compared to those in other European countries.

6. ISSUES TO BE CONSIDERED IN THE MARKET

6.1. Business Culture

As in other Mediterranean countries, the most effective method to enter the market in Italy is to have a face-to-face meeting.

Due to the fact that foreign languages are not widely used throughout the country, the use of interpreters may be required in bilateral commercial relations. The common foreign lan-

guage in business circles is English. It is customary to shake hands when starting, ending or reaching an agreement in the country. All agreements are written and signed. Firms located in Northern Italy are more bound by the rules of commercial contracts between the two parties than companies based in Southern Italy.

It would be appropriate to have one side of the business cards printed in English and the other in Italian. Social and cultural relations are at the forefront in Italian culture. For this reason, Italians like to mention artistic and cultural issues when talking about business.

Use of Money

Since January 1, 2002, Italy's official currency is the euro (€). Credit cards are widely used in Italy, especially in big cities.

6.2. Passport and Visa Procedures

Passport or identity card is sufficient for European Community citizens to enter the country. The Italian visa is issued by the Italian Embassy or

Consular Departments abroad. Italy tourist visa duration is maximum 90 days for a year. Citizens of countries where there is

no visa application have a temporary entry right provided that they do not exceed 90 days and not work.

6.3. Official Holidays and Working Hours

- New Year (January 1st)
- Religious Holiday - Epiphany (January 6)
- Religious Holiday - Easter (March / April) * subject to change.
- National Holiday - Independence Day (April 25)
- Labor Day (May 1)

- National Holiday - Republic Day (June 2)
- Religious Holiday- S. Pietro e Paolo (June 29, Rome only)
- Religious Holiday - Assumption (August 15)
- Religious Holiday - All Saints' Day (1 November)

- Religious Holiday - Clean Society Day (8 December)
- Religious Holiday - Christmas (25 December)
- Religious Holiday - St. Stephen's Day (26 December)

Weekly working hours in Italy are 40 hours in total. Employees have the right to take 30 working days off per year.

Working hours in Italy are generally as follows:

Banks: Monday-Friday: Morning (08.30- 13.30) - Afternoon (14.30-16.00)

Official Offices: Monday-Friday: Morning (08.00- 14.00) - Afternoon (14.30-16.00)

There are no lunch breaks in department stores, supermarkets and hypermarkets.

6.4. Language Used and Local Time

According to Greenwich, Italy is +1 hour ahead of GMT in autumn and winter (depending on sundial). In the spring and summer seasons, it is +2 GMT ahead of the legal hour application. Autumn and winter in Italy local time according to Turkey after 2 hours. In the spring and summer, the time difference decreases to 1.

The official language of the country is Italian. Italian is also the official language of the European Union, San Marino, and the Vatican State, as well as spoken in Malta and Switzerland. The regions in which bilingual languages are spoken in Italy are as follows:

- Valle d'Aosta Region: French
- Trentino-Alto Adige Region: German
- Friuli-Venezia Giulia: Slovenian and German

6.5. Accommodation and Other Matters

Being an important tourism country, Italy has a wide and quality hotel network. It is possible to easily access rental car services at airports and hotels in the country.

Likewise, restaurant services are of high quality and developed. It is possible to find all kinds of local and foreign food and beverages in large supermarkets. Due to the increase in the number of Muslim immigrants in recent years, "halal" products have also been sold in some supermarkets. The Italian retail market is the fourth largest retail market in the EU. 70% of the population lives in cities, but the population is spread over small cities. A total of 5 million people live in the city centers of Rome, Milan and Naples, which are the three major cities, and a total of 10 million people (16% of the population) when the suburbs of these cities are taken into account. This situation causes shopping stores to be small in scale.

Retail sales also contracted due to the slowdown in population and income growth. It is thought that the high unemployment rate in the country, the tight consumer credit conditions and the increase in online sales especially among the young popula-

tion are effective in the decrease in retail sales.

The share of food, beverage and tobacco expenditures in private consumption expenditures is higher than in other high income EU countries such as England, Germany and France.

The dominance of small family businesses, regional disparities and inequalities can create additional difficulties in business operations.

The Italian market is complex and, in some cases, lacking in transparency for new entrants due to the legal structure. The dominance of small family businesses, regional disparities and inequalities can create additional difficulties in business operations.

The prerequisite for entering the Italian market is to cooperate and act jointly with Italian companies. Finding the right Italian trade partner is the most important part of establishing a commercial activity in Italy. The ideal Italian partner should already have communication networks and a good understanding of local business and legal practices. For technical products, it is also of great importance

that the potential partner has the capacity to provide after-sales service to Italian consumers.

Especially in order to prevent debt collections with small-scale private companies due to the length of the legal process and to protect against frequent company fraud, a connection with a new company (especially companies in Southern Italy) should be carefully investigated and reliable channels should be preferred for payment method.

It is of great importance to cooperate with a reliable law firm, especially in case of a decision to open a branch and representation office, considering the long process of establishing a company, the process of obtaining work and residence permits, and the slow operation of the bureaucracy.

It is beneficial to maintain commercial relations with Italy in the form of agency and distributorship. Agency and representation offices are perceived as an extension of the company abroad according to Italian laws and are subject to tax only on the income they earn in Italy. There are no restrictions on the transfer of income and profits to the parent company.

6.6. Transport

In Italy, which has a 20 thousand kilometer railway network, the most suitable domestic transportation vehicle is trains. It is possible to reach by high speed train between all developed cities in the north and up to Naples in the south. The journey from Milan to Rome, which is 500 kilometers, takes only 3 hours.

There are a total of 42 airports for

passenger traffic in the country. Strategically important airports; Milan Malpensa, Rome Fiumicino and Venezia. The airports of national importance; Alghero, Ancona, Bari, Bergamo, Bologna, Brescia, Brindisi, Cagliari, Catania, Comiso, Crotone, Cuneo, Florence, Foggia, Genoa, Lamezia Terme, Lampedusa, Milano Linate, Napoli, Olbia, Palermo, Pantelleria, Parma, Perugia, Pescara, Pisa, Reggio Calabria, Rimini, Rome

Ciampino, Salerno, Taranto, Turin, Trapani, Treviso, Trieste, Verona (<https://www.enac.gov.it/aeroporti/infrastrutture-aeroportuali/aeroporti-in-italia>).

There is a developed and wide road network in the country. Big cities are effectively connected by highways. The most important ports of Italy, a sea country, are; Gioia Tauro is Genoa, La Spezia, Taranto, Livorno

7. INFORMATION ABOUT THE MARKET

DISTRIBUTION CHANNELS

Distribution channels are very important in the consumer market in Italy. The number of wholesalers, retail stores, multinational supermarkets and outlets in the country is quite high.

As in all industrialized countries, the structure of distribution channels in Italy has undergone a technological change and online sales techniques have developed rapidly.

As in other western European countries, price in Italy is the most important determinant of the pur-

chasing decision. Reliability, quality of goods and after-sales services play an important role in the success of companies that want to operate in the country in the field of marketing.

In the country market, the most important competitors are other EU countries, the USA and Japan. The high technology and high quality of these countries' products, as well as the support of EU-sourced exports by governments within the scope of trade development activities, flexibility in payment terms and after-sales

services, joint promotion activities and the adaptation of products to local market needs are factors that increase competition in the Italian market. comes to the fore.

Large stores and supermarkets occupy the most important place in retail distribution in Italy.

In addition to these, in recent years, the number of large supermarkets specialized in various sectors and the number of outlet store chains operating in the form of franchising has been increasing in the country.

CONSUMER PREFERENCES

Regional economic and cultural differences in the country affect the purchasing behavior and habits of the consumers as well as the purchasing decisions and marketing techniques of the distributors.

However, product and service quality stands out as an important criterion in the purchasing decisions of Italian consumers. After-sales services offered in technical products make a difference on consumer preferences. The majority of Italians shop in traditional supermarkets and street markets. With the economic crises experienced, Italian consumers have acquired a frugal spending culture. For this reason, consumers have turned to shopping from discount markets.

It is observed that the demand for cheaper "private label" products marketed by the markets under their own names is increasing. Luxury product sales are negatively affected by this process. However, as their financial situation improves in the medium and long term, Italian consumers

are expected to return to their old consumption habits. This shows that branded products will be preferred more in the Italian market in the medium and long term.

Recently, there has been an increase in the number of hypermarkets and supermarkets in Italy. Supermarkets, which are increasingly preferred by consumers due to their product variety and long working hours, also offer suitable opportunities for young consumers, as they also offer the option of online shopping.

In addition, a healthy lifestyle has gained importance for Italian consumers in both food and non-meal consumption products. Although consumers' purchasing power has decreased due to the recent crisis in the country, the demand for sports equipment, healthy life, sports and fit-

ness centers is increasing as their desire for a healthy life is increasing day by day. In addition, as obesity problems are widespread, the tendency to diet products is increasing. With the increase in the number of elderly people in the country, the demand for vitamins, anti-aging cosmetic products and cosmetic products against hair loss has also increased. Comfort has come to the fore among young Italian consumers in the ready-made clothing and footwear sector. The desire to follow the fashion is mostly seen in older consumers. In addition, the intensity of the working life of the young generation and long working hours cause an increase in the habit of shopping online for clothing. Credit cards are widely used in Italy, especially in big cities.

SALES TECHNIQUES AND FACTORS AFFECTING SALES

Although consumer protection legislation has been implemented in the country since 2005, Italy continues to lag behind other EU countries in consumer rights. In recent years, with the entry of foreign companies to the

market, customer satisfaction has become more important.

In the country, "customer loyalty" and addition efforts are carried out by department stores, shopping centers and hypermarkets, through shopping

cards, discounts and customer-specific promotions. On the other hand, new sales techniques such as direct marketing, postal sales, telephone marketing and electronic commerce are becoming increasingly common.

7.1. Packaging, Packaging and Labeling

The EU has regulated for the packaging of certain products in standard quantities. Council Directive 80/232 / EC regulates the dimensions that product packaging should have. Related directive; Available at

(<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31980LD232:EN:HTMLJ>)

EU and Packaging, Packaging, Labeling

With consumer protection in mind, only products that comply with EU labeling legislation are allowed to be marketed within the EU. EU labeling legislation, food, household items, shoes, textiles, etc. It sets mandatory labeling standards for sectors.

Packaging and packaging must be carried out in accordance with the rules set by the EU in order to protect consumer health and the environment. The main EU legislation on packaging and packaging is:

- Directive 94/62 / EC (OJ L-365 31/12/1994); General rules on packaging and packaging waste,
- Directive 75/106 / EEC (OJ L-42 15/02/1975) and 80/232 / EEC (OJ L-51 25/02/1980); Special rules on package sizes (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31980LD232:EN:HTMLJ>),
- Regulation (EC) 1935/2004 (OJ L-338 13/11/2004); special rules for materials that come into contact with foodstuffs,
- Directive 2000/29 / EC (OJ L-169 10/07/2000); phytosanitary rules to be applied to packages made of trees and other plants.

Packages marketed within the EU must meet general rules for environmental protection as well as special provisions to avoid any risk to consumer health (EU Labels: https://ec.europa.eu/info/business-economy-euro/product-safety-and-requirements/eu-labels_en).

Although the EU has not yet made it mandatory in the member states, it has developed an Eco-label regulation. Information on the Environmental Label can be obtained from the link (<http://ec.europa.eu/environment/ecolabel/>).

The competent authority regarding packaging in Italy is the General Directorate of Market, Competition, Consumer, Audit and Technical Regulations before the Ministry of Economic Development.

Ministero dello Sviluppo Economico (Ministry of Economic Development)
Direzione generale per il mercato, la concorrenza, il consumatore, la vigilanza e la normativa tecnica (General Directorate for Market, Competition, Consumers, Surveillance and Technical Rules)

Address: Via Sallustiana 53 00187 Roma

Phone: (+39) 06 4705 5309 / 06 4705 5500

E-mail: dgmccvnt.segreteria@mise.gov.it ; dgmccvnt.dg@pec.mise.gov.it

Link: <http://www.sviluppoeconomico.gov.it>

The competent authority for goods and products that come into contact with foodstuffs is the General Directorate of Hygiene, Food Safety and Nutrition before the Italian Ministry of Health.

Ministero della Salute (Ministry of Health)
Direzione generale per l'Igiene e la Sicurezza degli Alimenti e la Nutrizione (General Directorate of Health and Food Safety and Nutrition)
Ufficio VI - Igiene delle tecnologie alimentari (Office VI: Hygiene of Food Technologies)

Address: Viale Giorgio Ribotta 5 00144 Roma

Phone: (+39) 06 5994 6616

E-mail: segreteriaadgsan@sanita.it

Link: <http://www.salute.gov.it/>

It is the Department of Food Safety, Nutrition and Veterinary Public Health under the Health High Institute.

Instituto Superiore di Sanità (ISS - Health Institute)

Dipartimento di Sicurezza Alimentare, Nutrizione e Sanità Pubblica Veterinaria Department of Food Safety, Nutrition and Veterinary Public Health)

Address: Viale Regina Elena 299 00161 - Roma

Phone: (+39) 06 4990 2462 / 06 4990 2330

E-mail: dipspvs@iss.it

Link: <http://www.iss.it>

The content of the labels must be at least in Italian. In line with EU legislation, there are specific provisions for different types of products (foodstuffs, textiles, cosmetics, medical devices, etc.).

7.2. Applications Related to Product Standards

Technical Legislation of the European Union on Products

In order for a product to enter the European Union (EU) market, it must be produced in accordance with the technical legislation, which consists of regulations and directives and published in the Official Journal of the EU, EURLEX, and must meet the conditions for placing on the market. A member that does not have a common regulation with the EU's technical legislation, the general legislation that sets the basic rules, as well as the regulations and directives (e.g. toys, machines, elevators, medical devices, building materials, chemicals, etc.) It consists of the legislation (stationery products, furniture, watches, etc.) that countries make their own regulations.

Our country harmonizes the technical legislation and system of the EU on products in accordance with the Customs Union that entered into force in 1996. In this context, Turkey is the EU's CE marking, notified bodies, market surveillance and control, the EU's common areas without a regulation on the mutual recognition of rules and the sectoral legislation has been transferred to the national legislation. Our country also follows the sectoral legislation renewed in the EU and transfers it to its domestic legislation.

In our country, the list of notified bodies assigned under the EU legislation is currently published in the EU's New Approach Notified Body Information System (NANDO- <http://ec.europa.eu/growth/tools-databases/nando/>).

As a result, Turkey is in relation to which it conforms with the EU or unregulated areas in the sectors of Turkish products, additional testing / certification to without the need subjected to equal treatment with EU origin products and the free movement of goods principle should be subject to import controls covered. In this context, the products produced in Turkey is equivalent to the level produced in EU product safety and quality. For detailed questions on EU technical legislation, you can contact us at (abteknik@ticaret.gov.tr).

EU and Product Standards

Some products, regardless of their origin, are restricted by some legislation due to the obligations imposed by the European Union. On the other hand, there are various guarantee systems that specifically support just competition for all countries of the Union. ISO 9000 series and HACCP is an application that guarantees quality and brings the competitive factor to the forefront. According to the ISO 14000 series and OHSAS 18001 technical specifications on the environment, the certificate for preventing occupational accidents has become more important day by day. Although it is not mandatory to obtain a GLOBALGAP (formerly EUREPGAP) certificate, it is a preference for purchasing products.

In accordance with EU rules, some industrial products must comply with the EU technical legislation in order to enter the EU market. CE marking is one of the applications in this scope. Many industrial products must have the CE Mark (https://ec.europa.eu/growth/single-market/ce-marking_en). The manufacturer is responsible for placing the products on the market with CE mark. However, if the manufacturer or the manufacturer's authorized representative is not in the European Union, the importer must fulfill this responsibility. In other words, the importer has to guarantee that the imported products comply with EU norms.

Accreditation and market surveillance procedures regarding the marketing of products are carried out in accordance with the EU's Regulation No. 765/2008. The aforementioned legislation regulates controls in EU customs, CE conformity marks and accreditation, as well as provisions on the minimum effects of market surveillance in member states and are implemented in cooperation by member countries.

Food Law is implemented with the regulation numbered EC 178/2002, which determines the framework of general principles and basic regulations regarding food throughout the EU. With this regulation, which entered into force in 2002, the EU Food Safety Authority was established and the mandatory procedures for food safety were determined. The regulation is generally known as the General Food Law and includes regulations on the traceability of food (Article 18). The main headings determined by the General Food Law came into effect in January 2005.

Marketing standards regarding the quality and labeling of fresh fruit and vegetable products offered to the market throughout the EU were determined on 28 October 1996 by the decree numbered EC 2200/96 issued within the framework of the EU Common Agricultural Policy. Products that do not meet the standards stipulated by this law cannot be put on the market and removed from the market. Other products whose quality standards are set within the framework of EU marketing standard regulations include fresh and chilled fish (EC 2406/1996), eggs (EC 1028/2006), olive oil (EC 1019/2002) as well as nuts (EC 1284/2002).) and walnuts in shell.

Authorized institutions regarding "Food and Feed safety and Marketing standards" in Italy are presented below.

The competent authority on "food and feed safety" is the General Directorate of Hygiene, Food Safety and Nutrition before the Italian Ministry of Health.

Ministero della Salute (Ministry of Health)
Direzione Generale per l'Igiene e la Sicurezza degli Alimenti e la Nutrizione (General Directorate for Hygiene, Food Safety and Nutrition)

Address: Viale Giorgio Ribotta 5 00144 Roma

Phone: (+39) 06 5994 6616

E-mail: segreteriadgsan@sanita.it

Link: <http://www.salute.gov.it/portale/home.html>

The competent authority in controlling the marketing standards of plants, fruits and vegetables is the General Directorate of European Union and International Policies under the European and International Policies and Rural Development Department under the Ministry of Agriculture, Food and Forestry Policies of Italy.

Ministero delle Politiche Agricole, Alimentari e Forestali (Ministry of Agriculture, Food and Forests)

Dipartimento delle politiche europee e internazionali e dello sviluppo rurale (Department of European and International Policies and Rural Development)

Direzione generale delle politiche internazionali e dell'Unione europea (General Directorate for the European Union and International Policies)

PIUE IV - OCM unica e produzioni vegetali (PIUE IV - WTO unique and Vegetal Production) PIUE V - Ortofrutta e olio di oliva (PIUE V - Fruit and Vegetable, and Olive Oil)

Address: Via XX Settembre, n. 20 I-00187 Roma

Phone: (+39) 06 4665 4026 / 06 4665 4204

E-mail: piue4@politicheagricole.it ; piue5@politicheagricole.it

Link: <http://www.politicheagricole.it>

The competent authority in controlling the marketing standards of food products of animal origin is the General Directorate of European Union and International Policies under the European and International Policies and Rural Development Department under the Ministry of Agriculture, Food and Forestry Policies.

PIUS VI - Animal Production Sector (PIUE VI - Animal Production Sector)

Phone: (+39) 06 4665 4044

E-mail: piue6@politicheagricole.it

Link: <http://www.politicheagricole.it>

9- LEADING FAIRS

	EXHIBITION	SECTOR	CITY	DATE
1	DENIM PREMIERE VISION	TEXTILE, FABRIC. DENIM	MILANO	44341
2	EXPO RIVA SCHUH	SHOES, SLIPPERS, SANDALS, BAGS	RIVA DEL GARDA	44360
3	GARDA BAGS	BAGS AND ACCESSORY	RIVA DEL GARDA	44360
4	COSMOPROF WORLDWIDE BOLOGNA	COSMETIC PRODUCTS, PERFUMERY, SKIN CARE AND PERSONAL CLEANING PRODUCTS	BOLOGNA	44448
5	EIMA INTERNATIONAL 2021	AGRICULTURAL MACHINERY AND SPARE PARTS, AGRICULTURAL TECHNOLOGIES, IRRIGATION EQUIPMENT, FORESTRY EQUIPMENT	BOLOGNA	44488
6	ENLIT 2021-22 INTERNATIONAL ENERGY FAIR	ENERGY, ELECTRIC TECHNOLOGIES	MILANO	44530
7	HOSTMILANO 2021	INDUSTRIAL KITCHEN, CATERING AND HOSPITALITY SECTOR	MILANO	44491
8	MICAM MILANO	INTERNATIONAL SHOES FAIR	MILANO	44263
9	ENOLITECH	OLIVE GROWING AND OLIVE OIL PRODUCTION TECHNOLOGIES	VERONA	44304
10	SOL&AGRIFOOD	FOOD FAIR	VERONA	44304
11	MACFRUT	AGRICULTURE AND LIVESTOCK FAIR	RIMINI	44320
12	ROMA SPOSA	INTERNATIONAL WEDDING CLOTHES FAIR	ROMA	44210

ROME EMBASSY OF THE REPUBLIC OF TURKEY

Address: VIA PALESTRO 28, 00185 Roma -Italia

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Fax: 00 39 06 494 15 26

ambasciata.roma@mfa.gov.tr

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MILAN CONSULATE GENERAL OF THE REPUBLIC OF TURKEY

Address: Via Antonio Canova 36-40, 20145 Milano-Italia

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ITALY EMBASSY

Address: Atatürk Bulvarı n. 118 06680 Kavaklıdere Ankara

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ITALY CONSULATE ISTANBUL

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11- PLACES TO VISIT IN ITALY

Italy is one of the most beautiful countries in the world in terms of places to visit. There are dozens of places that can be visited from north to south. You can spend an extraordinary time not only in the developed big cities, but also in the villages that consist of only a few streets and have magnificent natural beauty.

Italy, which is bordered by France, Switzerland, Austria and Slovenia, is compared to the shape of a boot with its earth map. Although most of the settlements are located on the Italian Peninsula, there are also many settlements in Sicily and the Sardinia Islands in the south of the country.

There are very important regions to see in Italy, which has been home to many important empires such as the Roman Empire for centuries. With all these natural beauties and historical artifacts, Italy is one of the first places to be seen by those who have never been abroad.

You can spend your first abroad experience in this country with in-city and out-of-town transportation facilities, accommodation facilities, wealth of places to visit, tourists traveling all over the country throughout the year, and locals who are used to tourists.

With a trip to Italy, you both increase your self-confidence and have the chance to discover one of the most beautiful geographies in the world. So which regions should you add to your list of places to visit in Italy?



Rome

The first place that comes to mind when Italy is mentioned, Rome is the capital of the Lazio region and the Rome province. Being the most important city in Italy today with its population of approximately 3 million, Rome has one of the most rooted histories in the world.

The Vatican, the independent city where the Pope, the spiritual leader of the Catholics, lives, is also within the city boundaries, which experienced its most active days during the Roman Empire.

Add Rome to your list of places to visit in Italy, with many beautiful sightseeing spots such as the Coliseum, Roman Forum, Trevi Fountain, Pantheon, Spanish Steps, Santa Maria Maggiore Basilica, Navona Square, Castel Sant'Angelo.

Pisa

Pisa, one of the smallest but most famous places on our list of places to visit in Italy, is located in Tuscany in Northern Italy. Although the central population of Pisa, which lived its brightest period between the 11th and 13th centuries, is approximately 100,000, this number is highly increased by tourists from all over the world.

The Pisa Tower, which is world famous for its slope with the symbol of Pisa, which was once one of the 4 strongest sea republics of the Italian Peninsula. The area where the tower, cathedral and baptistery are located has been on the UNESCO World Heritage List since 1987.

Apart from this area, Caroveno Palace and Museo Nazionale di San Matte are among the most important places to visit in Pisa. If you wish, you can reach this famous city of Italy with a very short train journey from Florence.



Venice

Located in northeastern Italy, Venice is a magnificent city that is the capital of the Veneto region. Unmatched in the world, Venice is built on 118 islands connected by interconnected canals and bridges.

The city, which was the capital of the Republic of Venice in the past, is completely on the UNESCO World Heritage List. Although 56,000 people lived in the center of Venice, which was the center of art and commerce until the 17th century in the 13th century, approximately 20 million tourists visit this famous romantic city of Italy every year.

The Venice Carnival, held in the winter months, is a very different and fun festival. The Grand Canal, St. Mark's Square, St. Mark's Basilica, St. Mark's Bell Tower, Dukes Palace, Rialto Bridge, Accademia Gallery, Santa Maria Della Salute Basilica and Ca D'oRO are the most important places to visit in Venice.





Naples

Located in the Campania region in Southern Italy, Naples is the third largest city in the country after Rome and Milan with a population of approximately 3 million. Naples, which has a history of 2800 years, was the capital of the Kingdom of Naples between 1285 and 1816. Famous for its mafia and the garbage crisis that broke out from time to time, Naples' historic city center is on the UNESCO World Heritage List.

Naples, located 250 km south of Rome, has been renovated many times over the years with major earthquakes. Castel Nuovo Castle, Triumphal Arch, Castel dell'Ovo, Galleria Umberto I, Teatro San Carlo, Palazzo Reale and Museo Archeologico Nazionale are among the most important places to visit in the city.

Florence

Located in Northern Italy, Florence is one of the most important cities on our list of places to visit in Italy. Florence, the capital of the Tuscany region, is one of the most important trade and art centers in Italy and Europe. The city, which is built around the Arno River, also hosted the Kingdom of Italy for a while.

While walking around the city where famous artists such as Leonardo da Vinci and Michelangelo were raised, you get the feeling of visiting an open-air museum.

The most important places to visit in Florence, the birthplace of the Italian Renaissance, include the Duomo Square, Florence Cathedral, Giotto's Bell Tower, Saint Giovanni Baptistery, Ponte Vecchio, Santa Croce Basilica, Santa Maria Novella Basilica and Uffizi Gallery.



Milan

Located in the Lombardy region in Northern Italy, Milan is one of the richest and most developed cities in Europe. The central population of Milan, which is the commercial, cultural and fashion center of the country, is approximately 1.3 million.

It is possible to reach the city, where Italian elegance and culture is at its peak, by train from important places such as Turin, Venice, Rome and Florence. Although it is not a city preferred by tourists, there are many important places to visit in Milan.

Piazza del Duomo, Duomo Cathedral, Palazzo Reale, Galleria Vittorio Emanuele, Museo Teatrale alla Scala and Via Montenapoleone are the most important points of the city.



Pompei

Pompei Ancient City, located in the Campania region, just near the city of Naples, is one of the most important historical sites in our list of places to visit in Italy. Famous for its ancient city ruins, the region welcomes visitors from all over the world every year.

Pompei is a place under volcanic ash and slag with the activity of Mount Vesuvius on 27 August 1979, along with Hercules. Pompei, which has many stories about it, is a place that was discovered randomly in 1748 and has been continuously studied since.

It is of great importance in obtaining many guiding information about the city life of the Roman Empire of the period. The main road, the basilica, the city center and the forum are the main places to see in the ancient city of Pompei, which is on the UNESCO World Heritage List.

Siena

Siena is located in the Tuscany region, in Central Italy. With its local flavors, artworks, museums and its magnificent medieval view, Siena is one of Italy's most tourist-drawing cities.

The gray stone Florence represents the Renaissance, while Siena represents the Middle Ages with its red and brown toned structures. Located 70 km south of Florence, Siena hosts 2 important horse races every year. Held a total of 2 times in July and August, horse races called Palio are held between the city's districts and attract great attention from tourists.

Piazza del Campo square, the heart of the city, Palazzo Pubblico, the Gothic town hall and the Torre del Mangia, Duomo, Pinacoteca and Palazzo Salimbeni are among the most beautiful places to visit in Siena.



Verona

Another famous city in Northeast Italy, Verona is one of the important tourism centers of the region. With its architectural, cultural and historical riches, Verona is on the UNESCO World Heritage List.

Known as the city of William Shakespeare's famous work Romeo and Juliet, Verona is located close to cities such as Milan and Venice. The Roman Arena, Casa di Giulietta (House of Juliet), Piazza della Erbe and the Basilica of San Zeno Maggiore are among the highlights to be seen in this beautiful city.

RESOURCES

- REPUBLIC OF TURKEY MINISTRY OF COMMERCE
- TURKISH MINISTRY OF FOREIGN AFFAIRS
- ITALY EMBASSY ANKARA
- ITALIAN CHAMBER OF COMMERCE AND INDUSTRY ASSOCIATION
- DEIK (FOREIGN ECONOMIC RELATIONS BOARD)
- TSI (Turkstad)
- ITC – TRADE MAP
- SKYSCANNER
- IMF
- I HAVE SEEN, TRAVEL WEB PAGE



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