VALE COLUMBIA CENTER ON SUSTAINABLE INTERNATIONAL INVESTMENT
A JOINT CENTER OF COLUMBIA LAW SCHOOL AND THE EARTH INSTITUTE AT COLUMBIA UNIVERSITY

Columbia FDI Profiles
Country profiles of inward and outward foreign direct investment
issued by the Vale Columbia Center on Sustainable International Investment
January 19, 2011
Editor-in-Chief: Karl P. Sauvant
Editor: Thomas Jost
Associate Editor: Ken Davies
Managing Editor: Ana-Maria Poveda-Garces

Outward FDI from Italy and its policy context

by
Marco Mutinelli and Lucia Piscitello*

Italian companies started to invest abroad in the 1960s in search of new markets. However, Italy's outward foreign direct investment (OFDI) performance is quite modest compared with that of other European Union (EU) countries, mainly due to structural characteristics like the low number of large firms, the specialization in traditional low- and medium-technology manufacturing industries and the almost negligible activity in advanced services. The global economic and financial crisis seriously affected the Italian economy. However, the positive trend of Italian OFDI was not interrupted, and in 2009 OFDI flows remained stable compared to 2008. Habitually silent on this policy area in earlier decades, the Italian Government has recently shown a more favorable stance toward OFDI, introducing specific policy measures addressed to small and medium-sized enterprises, which have started to expand strongly abroad – these now constitute almost 90% of Italian multinational enterprises (MNEs).

Trends and developments

Country-level developments

Italy's outward FDI performance is quite modest compared with that ofmost other EU countries. In 2009, the total OFDI stock reached US$ 578 billion (annex table 1). The ratio of its OFDI stock to gross domestic product (GDP) amounted to 27%, which is much smaller than the corresponding ratio for the whole EU (55%) or comparable economies like France (65%), Germany (41%), Spain (44%) and the United Kingdom (76%).[1] Several structural characteristics of the Italian economy play a role in explaining these figures, including the low number of large firms, specialization in "traditional", low- and medium-technology manufacturing industries and the almost negligible activity in advanced service sectors.

* Marco Mutinelli (marco.mutinelli@unibs.it) is Professor of Strategy at the Università di Brescia, Italy. Lucia Piscitello (lucia.piscitello@polimi.it) is Professor of International Business at the Politecnico di Milano, Italy. The authors wish to thank Sergio Mariotti and Stefano Menghinello for their helpful comments on this *Profile*. The views expressed by the authors of this *Profile* do not necessarily reflect those of Columbia University, its partners and supporters. *Columbia FDI Profiles* is a peer-reviewed series.

[1] UNCTAD, *World Investment Report 2010*: Investing in a Low-carbon Economy (Geneva: United Nations, 2010).

Italian companies started to invest abroad in the 1960s in search of new markets and/or export growth. Nevertheless, until the first half of the 1980s, the internationalization of Italian companies remained far lower than that of other large European countries. Outflows started to rise noticeably only in the second half of the 1980s, stimulated by the EU Single Market Program. In this phase, the international growth of Italian firms was also favored by the recovery of competitiveness of large Italian companies and the strengthening of the Italian Lira, whose weakness had previously favored internationalization strategies of Italian firms based on exports rather than OFDI. In addition, protectionist policies previously used to tackle the growing deficit of the balance of payments were relaxed. In addition, policies mainly aimed at the financial support of Southern Italy which had required heavy investments especially by State-owned firms, ended. Thus, the latter could initiate strategies for undertaking multinational expansion and international strategic alliances.[2] This favorable period, during which the significant growth of Italian OFDI was led by market-seeking mergers and acquisitions (M&As) of the largest Italian manufacturing firms (Fiat, Pirelli, Montedison, ENI, IRI, Olivetti), was abruptly interrupted by the sharp depreciation of the Italian Lira in September 1992, when the currency fell nearly 30% against the US dollar and the stronger European currencies.

In subsequent years, the decline in cross-border M&As of large Italian companies was counterbalanced by increasing outward investment by small and medium-sized enterprises (SMEs). The internationalization of Italian SMEs combined both market-seeking strategies, mainly in EU-15 countries, and offshoring strategies, aimed at regaining cost competitiveness. The latter prevailed in low-technology manufacturing industries, such as textiles and apparel, shoes and leather products, furniture and other household products, which together constitute the bulk of "Made in Italy".[3]

Italian OFDI stock increased strongly during the 2000s, from US$ 180 billion in 2000 to US$ 578 billion at the end of 2009. In particular, OFDI flows rose considerably after 2004, driven by a new wave of M&As made by a limited number of large Italian firms (annex table 2). Italian OFDI flows jumped from an average value of US$ 15.6 billion per year in 2000-2004 to US$ 52.6 billion in 2005-2009, peaking at US$ 91 billion in 2007. As a result, the Italian OFDI stock grew by 221% between 2000 and 2009, less than the Spanish OFDI stock (+400%) but much stronger than that of the EU-27 countries (+158%), Germany (+154%), France (+86%), and the United Kingdom (+ 84%).

In 2009, services accounted for 44% of Italian OFDI stock (annex table 3).[4] Industrial products maintained a significant weight (29.5%), while energy products (petroleum, electricity, gas and water supply) accounted for 26.1% of the total, mainly reflecting OFDI by ENI in the oil and gas industry and by ENEL in the electricity sector. Finally, agricultural, forestry and fishing products accounted for only 0.4% of total OFDI stock.

---

[2] R&P-Ricerche e Progetti (a cura di), *Italia Multinazionale. L'internazionalizzazione dell'industria italiana* (Milano: Edizioni del Sole 24 Ore, 1986).

[3] Marco Mutinelli and Lucia Piscitello, "Differences in the strategic orientation of Italian MNEs in Central and Eastern Europe", *International Business Review*, vol. 6, no. 2 (1997), pp. 185-205; Marco Mutinelli and Lucia Piscitello, "The influence of firm's size and international experience on the entry mode choice: Evidence from the internationalization of the Italian industry", *Small Business Economics*, vol. 11 (1998), pp. 43–56; and Sergio Mariotti and Lucia Piscitello, "Localised capabilities and internationalization of manufacturing activities by SMEs," *Entrepreneurship and Regional Development*, vol. 13 (2001), pp. 65-80.

[4] The banking sector is not included.

However, the sectoral breakdown changes significantly when considering the number of employees in foreign affiliates.[5] At the end of 2007, majority-owned foreign affiliates of Italian firms employed nearly 1,421,000 workers. Nearly 806,100 workers (56.7%) were employed in the secondary sector, compared with 583,300 (41%) in the tertiary sector and 31.600 (2.2%) in the primary sector. More than 752,300 workers (52.9% of the total) were employed in the manufacturing sector, where the textile and apparel industry (124,200) and the machinery industry (111,600) employed the largest shares.

OFDI by Italian firms is mainly concentrated in Europe (80% of total OFDI stock in 2009). In the past decade, Italian OFDI has grown faster in the EU-15 countries than in other regions. Italian OFDI remained low in North America (7.5% of OFDI stock in 2009, compared to 11.7% in 2000) and in developing countries (12%). BRIC countries (Brazil, Russia, India, China) accounted for less than 2%. The small average size of the Italian firms crucially hinders expansion toward the fastest growing regions (in particular, China), owing to the severe managerial and financial constraints that SMEs face when expanding abroad, especially into geographically and culturally distant countries.

FDI statistics collected by the Bank of Italy record direct or primary investments undertaken by Italian firms and not indirect investments made via holding companies established abroad. Thus, the distribution of OFDI data does not properly reflect the geographical breakdown of Italian firms' foreign activities. Some Italian firms manage their foreign activities through financial holdings established in the Netherlands and in Luxembourg, which together account for about 36% of total Italian OFDI stock, while their weight measured by the total number of employees in foreign affiliates, gathered by the Italian National Institute of Statistics (ISTAT) as a result of compulsory surveys, is less than 1%.

Data on the employment of foreign affiliates of Italian firms give a more valid representation of the geographical breakdown of their foreign activities. According to ISTAT, foreign majority-owned affiliates of Italian firms in the EU-27 countries employ nearly 655,000 workers, accounting for 46% of the total. The role of countries outside the EU is particularly important for manufacturing activities, which are mainly located in Central and Eastern European countries, as well as in the United States, Brazil and China. A significant presence of manufacturing activities controlled by Italian firms is also recorded in Russia, Argentina, India, Mexico, and Tunisia. The United States ranked first by the number of employees in foreign affiliates of Italian firms in 2007 (147,803), followed by Romania (147,542), Germany (116,875), France (100,719), Brazil (94,048), China (85,439), Poland (82,673), Spain (67,661), and the United Kingdom (55,810).

The corporate players

It is assumed that about 8.000 Italian enterprise groups have at least one foreign affiliate (either majority-owned or 50-50 or minority joint ventures). However, in 2009, only two Italian firms ranked in the top 100 non-financial MNEs in the world (compared with 18 from the United States, 15 both from France and from the UK, 12 from Germany, nine from Japan, five from Switzerland, and three from Sweden). ENI, the largest Italian non-financial MNE, ranked only 17th in the world's top 100 by foreign assets in 2009, while the Fiat Group ranked 52nd. Three Italian firms ranked in world's top 50 financial MNEs: Generali (rank 4), Unicredit (rank 7), and Intesa SanPaolo (rank 28).

[5] Data on foreign majority-owned affiliates of Italian companies are gathered by the Italian National Institute of Statistics (ISTAT) as a result of compulsory surveys. More recent data refer to 2007. See ISTAT, *Le imprese a controllo nazionale residenti all'ester, Anno 2007* (Rome, May 31, 2010).

The market-seeking motive is the most important driver of foreign investments for the few large Italian firms, combined with the resource-seeking motive in the case of ENI, in the oil industry. Efficiency-seeking strategies are often an important motivation of FDI by SMEs.[6] A recent survey of 15,000 European MNEs confirms that less than 40% of Italian firms which have undertaken foreign investment are pursuing strategies explicitly aimed at selling their own products in the host country or at using the investment as an export platform, the most important motive being exporting back to Italy. By contrast, market-seeking strategies are prominent for about 65% of German investors, while export-platform FDI is used by some 45% of French investors.[7]

The breakdown of Italian MNEs by region reflects the long-term structural imbalances of the Italian economy. Nearly 80% of Italy's MNEs are located in the Northern regions; Central Italy hosts less than 15% of Italian MNEs, while the South ("Mezzogiorno") plays a negligible role.

Effects of the current global crisis

The global financial and economic crisis seriously affected the Italian economy similar to other European economies, causing a sharp decline in 2009 of 25% in exports and 5% in real GDP, as well as a fall in profits of Italian companies.

Nevertheless, despite the difficult economic situation of the country, the positive trend of Italian OFDI was not interrupted, and in 2009 OFDI flows remained stable compared with 2008 and divestments abroad[8] did not grow significantly in 2009 compared to previous years. In contrast, most of the other large EU countries, with the exception of France (-8.6%), experienced a sharp decline of OFDI flows (Germany -53.4%, Spain -78.1%, UK -88.5%). It is also worth observing that in 2009 Italian OFDI flows (US$ 43.9 billion) were higher than OFDI flows of the UK (US$ 18.5 billion) and Spain (US$ 16.3 billion) combined, two countries that in the past were among the main foreign investors worldwide.

The policy scene

Until the start of the first stage of the European Monetary Union (EMU) in July 1990, the foreign expansion of Italian firms was hampered by barriers to capital outflows. However, since the late 1980s, the Italian government has introduced specific policy measures aimed at supporting OFDI, particularly addressed to SMEs, which had started expanding abroad although facing severe managerial and financial constraints.

Launched by Act 49/87, Italian OFDI policy rests on four State-controlled agencies: SIMEST (Società italiana per le Imprese Miste all'ESTero – Italian Company for Foreign Joint-Ventures), FINEST (Finanziaria per gli Imprenditori del Nord-EST – Financial Company for North-Eastern Entrepreneurs), ICE (Istituto italiano per il Commercio Estero – Italian Institute for Foreign Trade, also known as Italian Trade Commission) and SACE (Società di Assicurazione e Credito alle Esportazioni – Company of Insurance and Credit to Exports).

[6] See Mutinelli and Piscitello,op. cit.

[7] See Giorgio Barba Navaretti et al., *The Global Operations of European Firms. The second Efige Policy Report* (Bruegel, 2010); see, in particular table 4.6., p. 28.

[8] For a study of Italian firms' divestments, see Sergio Mariotti and Lucia Piscitello, "Is divestment a failure or part of a restructuring strategy? The case of Italian transnational corporations", *Transnational Corporations*, vol. 8(3) (1999), pp. 25-54.

SIMEST[9] and FINEST[10] can acquire shares of up to 49% in the capital stock of joint ventures set up abroad by Italian firms. These shares must be transferred to third parties within eight years of their first intervention. They also grant soft loans[11] for the creation of joint ventures outside the EU and provide professional consultancy and technical support services, such as scouting activities (seeking out opportunities abroad), matchmaking initiatives (locating partners), pre-feasibility/feasibility studies, and financial, legal and corporate assistance related to foreign investment projects in which their subsequent involvement is foreseen. So far, SIMEST has approved more than 1,000 FDI projects, investing more than Euro 1 billion. Moreover, SIMEST has set up a venture capital fund that may be added to its shares in the joint ventures set up in Central and Eastern Europe (excluding EU countries), Asia, Africa and Latin America. Support for 44 FDI projects was approved in 2009.

Advisory services to Italian firms are also offered by ICE, a government agency entrusted with promoting trade, business opportunities and industrial co-operation between Italian and foreign companies. ICE operates through 115 branch offices in 86 countries in the world and through the network of Italian foreign chambers of commerce, which can be found in 75 cities in 40 countries worldwide.[12]

By June 2010, Italy had signed 92 bilateral investment treaties (BITs), 71 of which had been ratified. The first BIT was signed with Chad in 1969, but most BITs were concluded in the 1990s (50) and in the first decade of the 2000s (28). The most recent BIT was signed with Turkmenistan in November 2009.[13] Italy has also entered into double taxation treaties (DTTs) with 86 countries, within and outside the EU, to avoid double taxation on income and property.[14] Draft agreements with additional countries are at the discussion stage. Furthermore, there are forms drawn up unilaterally by the foreign tax authorities that can equally be used to facilitate operations.

Conclusions

Italian OFDI surged in recent years after having stagnated in 2000-2004. It is worth highlighting that this increase continued in the crisis year of 2009. Notwithstanding the crisis, Italian companies have not divested abroad on a larger scale; on the contrary, they continue to grow. The recent trend of Italian OFDI can be characterized by a renewed leading role of larger companies, by an increasing amount of foreign investment in services sectors and by an increasing presence of Italian companies in countries outside the EU, especially in the United States and the newly emerging economies. However, the role of SMEs is also worth emphasizing; they operate independently from large MNEs and hold competitive advantages in high valued added market niches, and carry out M&As abroad as a vehicle to strengthen their position in international value chains, including knowledge sourcing strategies. This specific phenomenon, sometimes called by the press "Pocket MNEs", is possibly the most valuable and original contribution of Italy to global OFDI trends.

---

[9] Founded in 1990 and in operation since 1991, SIMEST is controlled by the Ministry for International Trade and Commerce, along with private share-holders which include major Italian banks and industrial companies. For more information see http://www.simest.it.

[10] The main shareholders of FINEST, founded in 1991, are local administrations of the North-Eastern Italian regions, SIMEST and several banks. For more information see http:\\www.finest.it.

[11] A soft loan is a loan with a below-market interest rate.

[12] For more information see http://www.ice.gov.it and http://www.assocamerestero.it.

[13] For the list of BITs signed by Italy, see http://www.unctad.org/sections/dite_pcbb/docs/bits_Italy.pdf.

[14] For more information see http://www.finanze.it/export/finanze/Per_conoscere_il_fisco/fiscalita_Comunitaria_Internazionale/convenzioni_e_accordi/convenzioni_stipulate.htm

Italian OFDI abroad is expected, at least in the medium term, to evolve in a more similar fashion (both in quantity and in quality) to that of its main international partner and competitor countries.

Additional readings

Banca d'Italia, *Local Economies and Internationalization in Italy*, available at: http://www.bancaditalia.it/studiricerche/convegni/atti/econ_loc;internal&action=_setlanguage.action?LANGUAGE=en.

ICE, *Rapporto ICE 2009-2010. L'Italia nell'economia industriale* (Roma, 2010) (http://www.ice.it/statistiche/rapporto_ICE.htm).

ISTAT, *Le imprese a controllo nazionale residenti all'estero*, Statistiche in breve, 31 maggio 2010, Rome (http://www.istat.it/salastampa/comunicati/non_calendario/20100531_00/).

Mariotti, Sergio and Marco Mutinelli, *Italia Multinazionale 2010* (Rubbettino Editore, 2011).

Useful websites

For FDI policy: www.ice.it/statistiche/pdf/Rapporto_ICE_2010_cap9.pdf

For FDI statistics: www.istat.it; www.bancaditalia.it

For information on Italian MNEs: www.ice.it/statistiche/pdf/Rapporto_ICE_2010_cap9.pdf; http://www.ice.gov.it/statistiche/pdf/Sintesi_Italia_Multinazionale_2008.pdf

* * * *

For further information please contact: Vale Columbia Center on Sustainable International Investment, Ken Davies, 212-854-7269, Ken Davies@yahoo.com

The Vale Columbia Center on Sustainable International Investment (VCC), led by Dr. Karl P. Sauvant, is a joint center of Columbia Law School and The Earth Institute at Columbia University. It seeks to be a leader on issues related to foreign direct investment (FDI) in the global economy. VCC focuses on the analysis and teaching of the implications of FDI for public policy and international investment law.

Statistical annex

Annex table 1. Italy: outward FDI stock, 2000, 2009

(US$ billion)

Economy	2000	2009
Italy	180	578
Memorandum: comparator economies		
France	926	1 720
Germany	542	1 378
Spain	129	646
United Kingdom	898	1 652

Source: UNCTAD's FDI/TNC database, available at: http://stats.unctad.org/fdi/.

Annex table 2. Italy: outward FDI flows, 2000-2009

(US$ billion)

Economy	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Italy	12	21	17	9	19	42	42	91	44	44
Memorandum: comparator economies										
France	177	87	50	53	57	115	111	164	161	147
Germany	57	40	19	6	21	76	119	162	135	63
Spain	58	33	33	29	61	42	104	137	75	16
UK	233	59	50	62	91	81	87	318	161	18

Source: UNCTAD's FDI/TNC database, available at: http://stats.unctad.org/fdi/.

Annex table 3. Italy: distribution of outward FDI stock, by economic sector and industry, 2000, 2009[a]

(Percentage shares)

Sector/industry	2000	2009
All sectors/industries (excluding banking services)	**100.0**	**100.0**
Agricultural, forestry and fishing products	**0.3**	**0.4**
Energetic products (petroleum; electricity, gas and water supply)	**8.0**	**26.1**
Industrial products	**32.3**	**29.5**
Minerals and metals	4.1	2.7
Chemical products	4.7	5.9
Machinery	8.0	9.0
Transport equipment	4.4	2.9
Food products	2.9	2.2
Textiles and wearing apparel	1.8	1.4
Services	**59.5**	**44.0**
Trade and repairs	4.5	3.8
Transports, storage and communication	3.0	0.8
Financial intermediation[a]	35.9	27.2

Source: Banca d'Italia, *Relazione Annuale sul 2009* (Roma, May 31, 2010); Banca d'Italia, *Relazione Annuale sul 2000* (Roma, May 31, 2001) (available at: http://www.bancaditalia.it/pubblicazioni/relann).

a Classified according to the activity of the foreign operator. FDI in the real estate sector and by the Italian banking sector are not included.
b The banking sector is not included.

Annex table 4. Italy: geographical distribution of outward FDI stock, 2000, 2009

(percentage shares)

	2000	2009
World	100.0	100.0
Developed countries	n.a.	88.0
Europe	n.a.	80.0
EU-27	n.a.	76.9
EU-15	n.a.	75.3
Belgium	1.8	3.2
France	10.0	7.9
Germany	6.7	4.7
Luxembourg	12.6	5.5
Netherlands	14.9	30.7
Spain	4.1	13.1
Sweden	0.4	0.2
United Kingdom	8.7	5.7
Liechtenstein	0.1	0.1
Switzerland	6.3	3.0
North America	11.7	7.5
Canada	0.6	0.4
United States	11.1	7.1
Other developed countries	n.a.	n.a.
Japan	0.9	0.4
Developing countries	n.a.	12.0
Africa	n.a.	n.a.
Asia and Oceania	n.a.	n.a.
Latin America and Caribbean	n.a.	n.a.
Argentina	1.5	0.5
Brazil	2.6	1.4
Transition economies	n.a.	n.a.
Unallocated	n.a.	n.a.

Source: Banca d'Italia, *Relazione Annuale sul 2009*, Roma, May 31, 2010; Banca d'Italia, *Relazione Annuale sul 2000* (Roma, May 31, 2001) (available at: http://www.bancaditalia.it/pubblicazioni/relann).

Annex table 5. Italy: principal non-financial MNEs, ranked by foreign sales, 2009

Rank	Company	Industry	Foreign sales (US$ million)	% of total sales
1	ENI	Oil & gas (ENI), engineering (Saipem)	77,016	66.4
2	Exor/FIAT	Motor vehicles and related components (Fiat, Iveco, Magneti Marelli); agricultural and construction machinery (CNH)	53,784	73.5
3	ENEL	Electricity and gas	43,793	50.6
4	Finmeccanica	Aeronautics, helicopters, space, defence electronics and systems, energy and transportation	19,786	78.1
5	Telecom Italia	Telecommunication services	9,189	24.6
6	Edizione (Benetton Group)	Wearing apparel (Benetton); food & beverage and retail services for travellers (Autogrill)	7,752	49.4
7	Luxottica Group	Eyewear	6,841	96.4
8	Italcementi	Cement, ready mixed concrete	5,668	81.3
9	Pirelli & C.	Tyres	5,162	83.0
10	Prysmian	Cables	4,176	80.3
11	Parmalat	Dairy products	4,141	75.0
12	Saras	Petroleum refining	3,836	52.6
13	Indesit Company	Electric domestic appliances	3,000	82.4
14	De Agostini	Publishing, media	2,813	56.2
15	Buzzi Unicem	Cement, ready mixed concrete	2,754	74.0

Source: Politecnico di Milano, *Reprint database.*
1 US$ = 0.737717 euro.

Annex table 5a. Italy: principal MNEs, ranked by foreign employees, 2009

Rank	Company	Industry	Foreign employees	% of total employees
1	FIAT	Motor vehicles and related components (Fiat, Iveco, Magneti Marelli); agricultural and construction machinery (CNH)	109,580	57.7
2	Unicredit	Banking and financial services	109,300	66.2
3	Generali	Insurance	69,366	81.3
4	Edizione	Wearing apparel and textiles (Benetton Group); food & beverage and retail services for travellers (Autogrill)	54,245	75.9
5	Luxottica Group	Eyewear	52,967	87.2
6	ENEL	Electricity and gas	43,087	53,1
7	ENI	Oil & gas (ENI), engineering (Saipem)	40,118	51.2
8	Intesa SanPaolo	Banking and financial services	32,914	31.7
9	Finmeccanica	Aeronautics, helicopters, space, defence electronics and systems, energy and transportation	29,953	41.0
10	Pirelli & C.	Tyres	25,116	84.9
11	Italcementi	Cement, ready mixed concrete	17,179	81.2
12	Parmalat	Dairy products	11,555	83.8
13	Indesit Company	Electric domestic appliances	11,257	69.1
14	Telecom Italia	Telecommunication services	10,285	14,7
15	Prysmian	Cables	10,054	85.9

Source: Politecnico di Milano, *Reprint database.*

Annex table 6. Italy: main M&A deals, by outward investing firm, 2007-2009

Year	Acquiring company	Target company	Target industry	Target economy	Shares acquired (%)	Estimated/ announced transaction value (US$ billion)
2007	ENEL SpA	Endesa SA	Electric services	Spain	45.6	26.4
2009	ENEL SpA	Endesa SA	Electric services	Spain	25.0	13.5
2007	ENEL SpA	Endesa SA	Electric services	Spain	11.6	6.3
2007	EniNeftegaz (ENI SpA 60%, ENEL SpA 40%)	OAO Arctic Gas Company ZAO Urengoil OAO Neftegaztechnologia OAO Gazprom Neft	Oil and gas field exploration services	Russian Fed	100.0 100.0 100.0 20.0	5.8
2008	Finmeccanica SpA	DRS Technologies Inc	Defense electronics	United States	100.0	5.5
2007	ENEL SpA	Endesa SA	Electric services	Spain	9.99	5.5
2008	Generali SpA-Central & Eastern	PPF Group-Central & Eastern	Insurance	Czech Republic	100.0	4.9
2007	ENI SpA	Dominion Resources-Exploration Assets	Oil and gas field exploration services	United States	100.0	4.8
2009	ENI SpA	Distrigaz	Distribution of natural gas	Belgium	100.0	4.5
2007	Mediaset-Telecinco (with Cyrte Fund e Goldman Sachs Private Equity)	Endemol	Broadcasting	Netherlands	33.0	3.6
2007	ENI SpA	Burren Energy	Extraction of petroleoum	United Kingdom	100.0	3.3
2007	Luxottica Group SpA	Oakley Inc	Sunglasses	United States	100.0	2.3
2007	Pirelli & C. Real Estate	Baubecon	Real estate	Germany	100.0	2.2
2007	Unicredit (via Bank Austria)	Ukrsotbank (USB)	Banking	Ukraine	94.2	2.2
2008	Unicredito Italiano SpA	Bayerische Hypo- und Vereins	Banks	Germany	4.5	1.9
2007	ENEL SpA	OGK-5	Electricity	Russian Federation	12.2	1.5
2007	ENI SpA	Maurel & Prom SCA-Congo	Crude petroleum and natural gas	Rep of Congo	100.0	1.4
2009	Edison SpA	EGPC-Abu Qir Concession	Crude petroleum and natural gas	Egypt	100.0	1.4
2008	Unicredito Italiano SpA	Bank Austria Creditanstalt AG	Banks	Austria	3.7	1.3
2008	ENI SpA	First Calgary Petroleums Ltd	Crude petroleum and natural gas	Canada	100.0	1.2
2008	Autogrill SpA	World Duty Free Europe Ltd	Liquor stores	United Kingdom	100.0	1.1
2007	ENEL SpA	Electrica Muntenia Sud SA	Electric services	Romania	67.5	1.1

Source: Thomson ONE Banker, Thomson Reuters.

Note : M&A by Italian companies controlled by foreign MNEs are excluded.

Annex table 7. Italy: main greenfield projects, by outward investing firm, 2007-2009

Year	Investing company	Joint venture partner (if any)	Industry	Target economy	Shares owned (%)	Estimated/ announced investment value (US$ billion)
2009	Telecom Italia SpA		ICT (internet broadband services)	Brazil	100.0	4.3
2009	ENI SpA	Calik Energy	Oil & gas (pipeline)	Turkey	n.a.	4.0
2007	Fiat SpA		Automotive OEM (motor vehicles)	Brazil	100.0	2.8
2008	Techint SpA		Metals (Iron)	Mexico	100.0	2.7
2007	ENEL SpA		Electrical energy (coal-powered energy plant)	Portugal	100.0	2.7
2008	Moncada Energy Group		Electrical energy (wind farm)	Tunisia	100.0	2.4
2007	ENI SpA		Oil & gas (oil extraction)	Angola	100.0	2.3*
2007	ENEL SpA		Electrical energy (thermoelectric power plant)	Albania	100.0	2.2
2008	Techint SpA		Metals (iron)	Mexico	100.0	1.6
2008	ENEL SpA	E.On (Germany)	Electrical energy (thermoelectric power plant)	Romania	n.a.	1.5
2008	Falcione Group		Oil & gas (liquified natural gas regasifier terminal)	Albania	100.0	1,5
2008	ENI SpA		Oil & gas (oil extraction)	United States	100.0	1,5
2009	ENI SpA	Allied Energy	Oil & gas (oil extraction)	Nigeria	40.0	1.3*
2007	ENI SpA		Oil & gas (oil extraction)	Algeria	100.0	1.2
2008	IT Holding		Real Estate	UAE	100.0	1.2
2008	Techint SpA		Metals	Argentina	100.0	1.2
2008	Fiat SpA		Automotive OEM (motor vehicles)	Serbia	100.0	1.1
2009	Finmeccanica SpA		Coal, oil and natural Gas	Syria	100.0	0.9
2009	Todini Finanziaria SpA		Hotels & tourism	Russia	100.0	0.9
2009	Moncada Energy Group		Electrical energy (wind farm)	Tunisia	100.0	0.8*

Source: fDi Intelligence, a service from the Financial Times Ltd.

* Estimated.