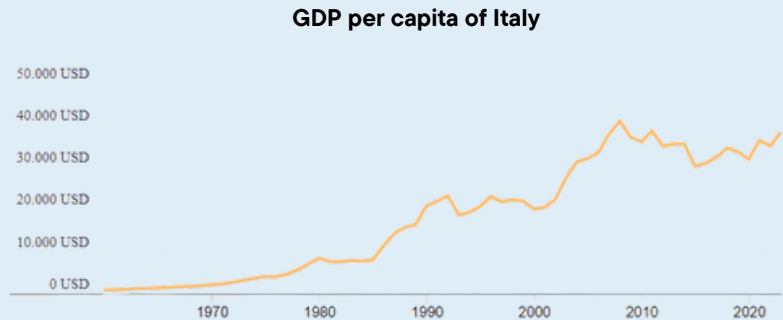


IMPACTS OF THE 2004 EU ENLARGEMENT ON ITALY

Italy's GDP 2003-2023

In 2004, Italy's GDP per capita was 31,317.20 dollars. **From 2001 to 2010, this figure continuously grew** (2001: 20.000 – 2010: 40.000 dollars), following the same growth trend as the GDP per capita of France and Germany, which, however, recorded slightly higher numbers.



Growth of some of the biggest companies after 2004 enlargement (due to expansion to new markets)

In 2003, Italy's overall **trade balance with the new member countries was positive**, amounting to 6,329 million euros, while the **balance with the EU-15 countries was negative**, amounting to 8,138 million euros. The segmentation by economic sectors of Italy's trade balance with the new member countries shows that the sectors contributing the most to the surplus are:

- Machinery and mechanical appliances (2,720 million euros),
- Electrical and precision instruments (681 million euros),
- Refined petroleum products (588 million euros),
- Metals and metal products (557 million euros),
- Textile and clothing industry products (513 million euros).



Change in the share of exports of goods and services as % of the GDP

In 2017-2019, Italy's exports of goods and services accounted for more than **30% of GDP**. The **development was influenced by several major events**: the first oil crisis (1973), the second oil crisis (1979), the dollar and oil prices fall (1980s), establishment of the Economic and Monetary Union (1992), oil price rises (2000s), the great recession (2007-2009), covid-19 pandemic (2020-2022) and the gas crisis (2022).

Value of exports to new EU member states before and after the 2004 enlargement

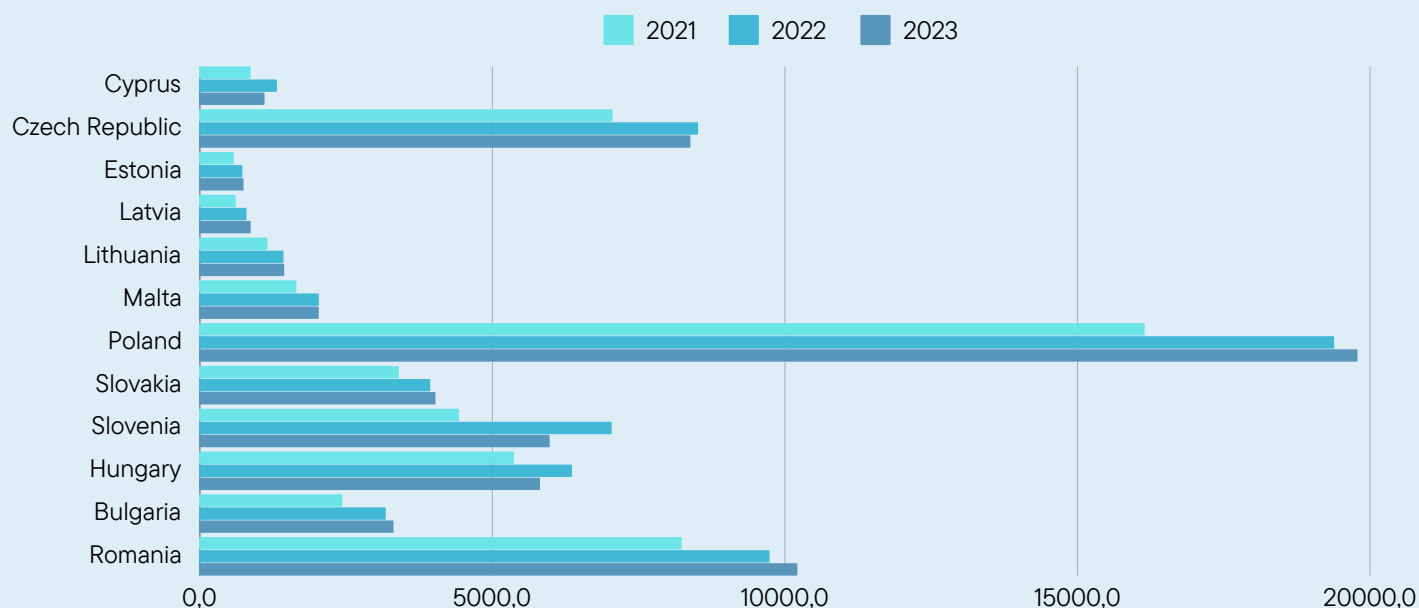
Before 2004

In 2003, trade between Italy and the new 10 member countries amounted to **3.6% of imports** (up from 3% in 1999) and **6% of exports** (up from 5.7% in 1999), showing an increase, although the figures were still lower than Italy's trade with Germany (which was the Italy's number one trade partner in 2003). In particular, the analysis conducted between Italy and each country shows:

- Poland's total imports increased from 0.8% to 1%, and exports grew from 1.6% to 1.8%;
- Hungary's import remained stable at 0.7%, while its export increased from 0.8% to 1.1%;
- The Czech Republic's imports grew from 0.4% to 0.6%, and exports increased from 0.6% to 1%.

Although the data related to Italy's exports to the new member countries represents only 6% of total exports, it contributes to improving Italy's performance within the European Union: considering the EU-25 area, the decline in Italian exports is moderated (from -4.6% to the EU-15 area to -3.6% to the EU-25 area).

ITALIAN EXPORTS TODAY to Countries that Joined the EU in 2004 (total in million euros):



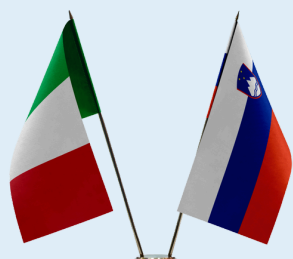
Labour - Evolution of labour force coming from new EU member states

Number of foreigners by year and area of origin

In 2022, there were **4,159,880 known foreign citizens** in Italy, of which 87.3% are active workers, and 20.7% (i.e., 861,041 workers) come from EU member countries that are not part of the "EU-15" (so-called old EU member states). Out of these citizens, 17% are Romanians.

Year	Area of origin						TOTAL
	Non-EU foreigners	% of the total	EU foreigners			% of the total	
			EU countries of the EU15 ¹⁸	% of the total	Other EU countries ¹⁹		
2014	2.155.042	63,2	296.382	8,7	957.964	28,1	3.409.388
2015	2.209.705	63,7	296.546	8,6	961.897	27,7	3.468.148
2016	2.272.814	64,4	296.634	8,4	959.682	27,2	3.529.130
2017	2.397.065	65,5	301.700	8,2	961.307	26,3	3.660.072
2018	2.526.147	66,8	303.789	8,0	952.050	25,2	3.781.986
2019	2.646.974	68,2	305.885	7,9	925.913	23,9	3.878.772
2020	2.691.815	69,8	299.144	7,8	867.332	22,5	3.858.291
2021	2.853.458	71,7	270.257	6,8	856.997	21,5	3.980.712
2022	3.061.160	72,9	278.907	6,6	861.564	20,5	4.201.631
2023	3.241.497	73,9	283.003	6,5	859.544	19,6	4.384.044

Number of cross-border commuter workers



In 2006, the daily number of people crossing the border between **Italy and Slovenia** for work purposes was around 9,000. In addition to agriculture and tourism, most Slovenians working in Italy are employed in the **construction sector and in services** such as trade, communication, and transport.

Currently, there are at least **15,000 cross-border workers** who commute daily from Slovenia to Italy. However, bilateral relations between the two countries are still based on an **agreement signed in 2010**, which does not take into account the specificities of this phenomenon. For this reason, Slovenian trade unions are **calling for a revision** of the agreement.

Foreign direct investments (FDIs)

In Italy, foreign direct investment (FDI) inflows between 1998 and 2003 averaged 11 billion dollars, with 16 billion dollars in 2003, ranking ninth in the world in that year. Instead, for outward foreign direct investment, Italy recorded 13 billion dollars in the 1998-2003 period, with 9 billion dollars in 2003, placing it thirteenth in the global ranking for that year. **Today, Italy is one of the European countries with the highest number of FDIs, with 727 in 2023, marking a 12% increase compared to 2022**

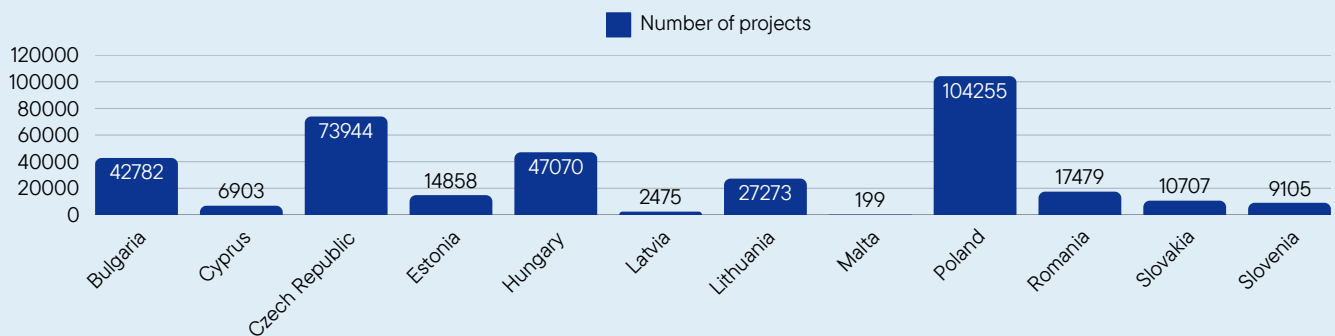
Italy's inward direct investment by immediate counterpart country and instruments: positions (EUR millions)

Partner country	Total									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bulgaria	63	79	80	116	104	104	96	82	85	37
Cyprus	173	330	358	987	297	-149	416	302	325	244
Czech Republic	31	189	220	58	141	422	761	1882	2720	2204
Estonia	65	82	80	62	57	18	20	51	51	54
Hungary	1139	1038	832	980	1355	1459	1481	1414	1874	1984
Latvia	30	26	32	39	42	41	15	-20	-14	-24
Lithuania	5	8	8	8	7	10	10	10	10	31
Malta	1159	274	626	-8	41	149	135	-76	217	353
Poland	58	72	98	84	-6	92	245	60	34	-82
Romania	100	78	117	109	197	162	221	187	312	243
Slovakia	126	119	50	34	15	38	34	38	50	10
Slovenia	34	35	74	33	58	62	62	64	63	87
WORLD	264636	290340	312728	334537	354151	379601	394832	399476	401284	430260

Italy's outward direct investment by immediate counterpart country and instrument: positions (EUR millions)

Partner country	Total									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bulgaria	744	662	1005	2145	2440	2200	2455	2715	2235	2025
Cyprus	98	135	130	134	134	130	130	129	129	138
Czech Republic	1040	754	808	3507	3637	3530	3762	3514	3902	4011
Estonia	32	29	33	31	47	77	115	131	144	142
Hungary	1425	758	1292	2440	1329	2459	2488	2355	2394	2528
Latvia	30	17	23	73	80	82	61	67	63	99
Lithuania	16	13	23	32	32	38	43	42	83	75
Malta	435	572	423	503	474	374	521	716	603	880
Poland	11663	10629	10418	9130	6932	6983	7640	7474	8025	8757
Romania	4495	4289	4439	6220	6077	8437	8669	9649	9154	9235
Slovakia	3516	3486	3361	613	1323	1199	1098	1090	1111	1193
Slovenia	1211	974	1047	1237	1057	1233	1431	1489	1658	1860
WORLD	387135	393281	419405	432968	456570	484178	497246	479036	496040	523744

Cross border cooperation



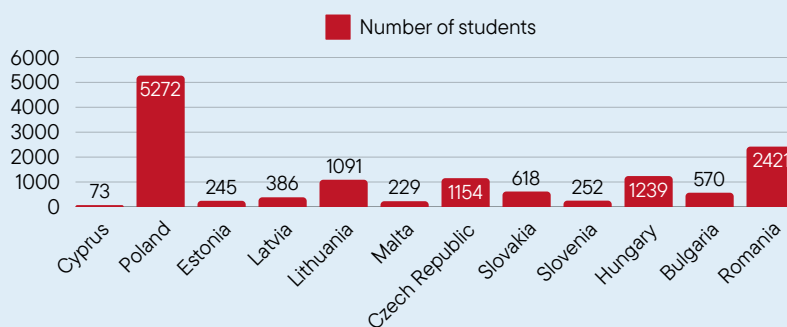
Foreign students



Based on data from 2004, it is noted that students coming from the **Balkan and Central-Eastern** Europe now represent **40%** of the total number of foreign students.

For the academic year 2004-2005, among the European countries outside the original 15 EU members (noting that the EU now has 25 member states, not 15), three countries had more than 1,000 students: **Romania** (with a significant increase), **Poland**, and **Croatia** (the latter with a slight decrease). The number of students from **Serbia-Montenegro, Bulgaria, Ukraine, and Russia** also **increased significantly**.

Analysis of **Erasmus** students choosing Italy (reference period 2014-2016): there were 96,219, making Italy the **5th most chosen destination** (after Spain, Germany, the United Kingdom, and France). When broken down by country of origin, the following results were recorded:



Cooperation and coalitions on the EU level

Most of the time, Italy and others member states voted in favour of adopting the legislative acts. According to the European Council database about voting results, there are a few cases in which only Italy voted against, and other cases in which Italy and a few other member states from 2004 enlargement voted together against the acts. These cases are as follows:

Voting results

DATE	ACT	VOTES AGAINST	ABSTENTIONS
17/06/2024	REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on nature restoration and amending Regulation (EU) 2022/869	<u>Italy</u> , Finland, <u>Hungary</u> , Netherlands, <u>Poland</u> and Sweden	
13/05/2024	REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EU) 2019/1242 as regards strengthening the CO2 emission performance standards for new heavy-duty vehicles and integrating reporting obligations, amending Regulation (EU) 2018/858 and repealing Regulation (EU) 2018/956	<u>Italy</u> , <u>Poland</u> and <u>Slovakia</u>	Czech Republic
12/4/2024	DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the energy performance of buildings (recast)	<u>Italy</u> and <u>Hungary</u>	Czech Republic, Croatia, Poland, Sweden, Slovakia
15/04/2019	Directive of the European Parliament and of the Council on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC 2016/0280	<u>Italy</u> , Finland, Luxembourg, Netherlands, <u>Poland</u> , Sweden	Belgium, <u>Estonia</u> , <u>Slovenia</u>
22/06/2018	Draft amending budget No 3 to the general budget for 2018	<u>Italy</u> and <u>Poland</u>	<u>Czech Republic</u> and <u>Romania</u>

