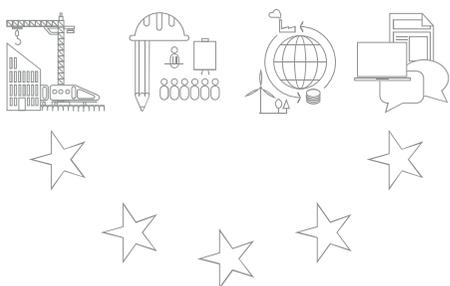




CONFINDUSTRIA
Lombardia

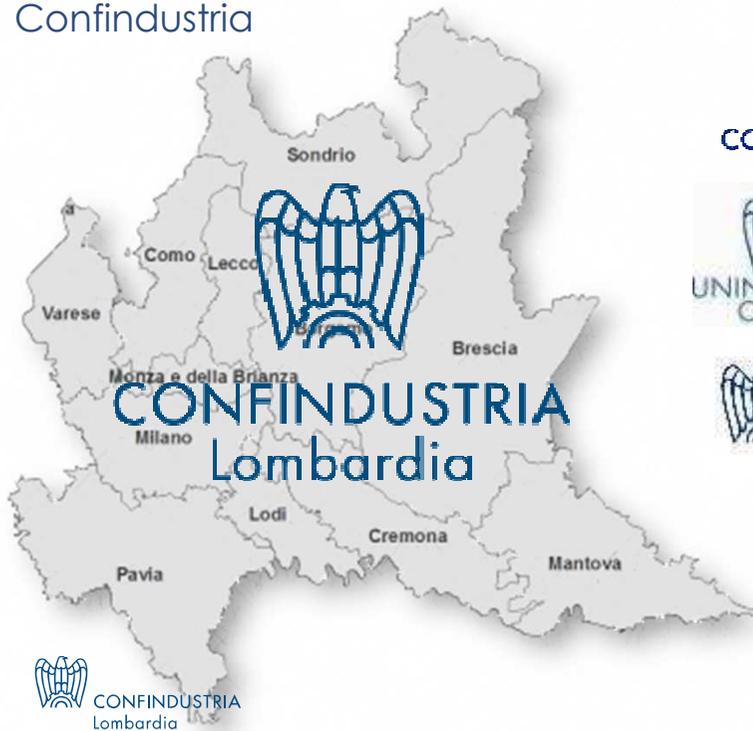
“Russian Region for Business
Opportunities for Lombardy companies”
Milan, May 16th , 2017



ABOUT US

Confindustria Lombardia is the Lombardy's Entrepreneurial Federation.

Founded in **1971**, it is composed by **10 local associations** with **13 thousand companies** and **700 thousand employees**, nearly a quarter of the entire system of Confindustria



OUR MISSION

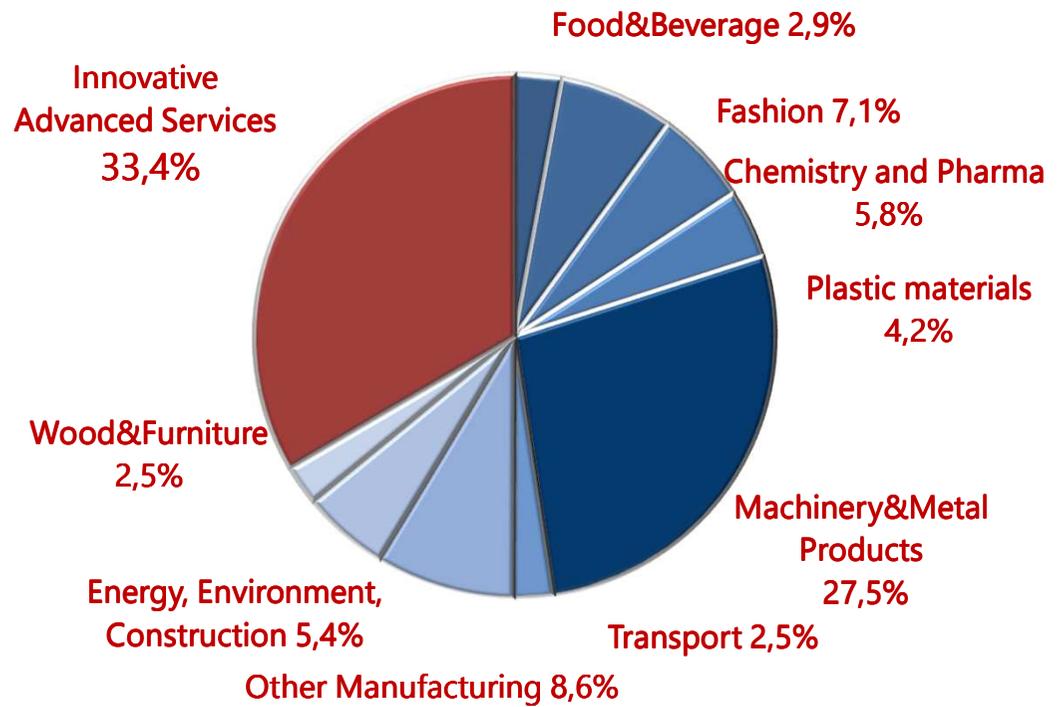
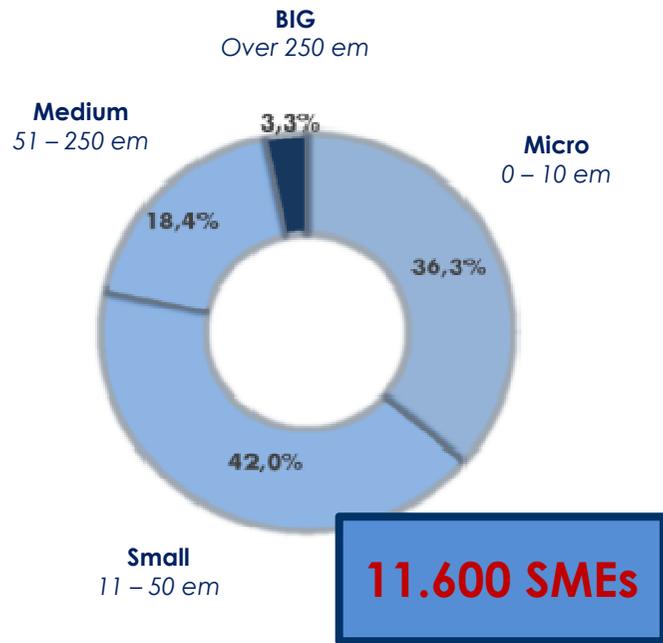
Being the **hub** of Lombardy industrial associative system by the **enhancement** and **integration** of existing **excellences** and **skills**.

Lobbying through **Lombardy Region** and **Europe** aiming at future's manufacturing development



OUR COMPANIES

66,6% Manufacturing Sector
(especially *medium tech manufacturing*)



REPETITA JUVANT....

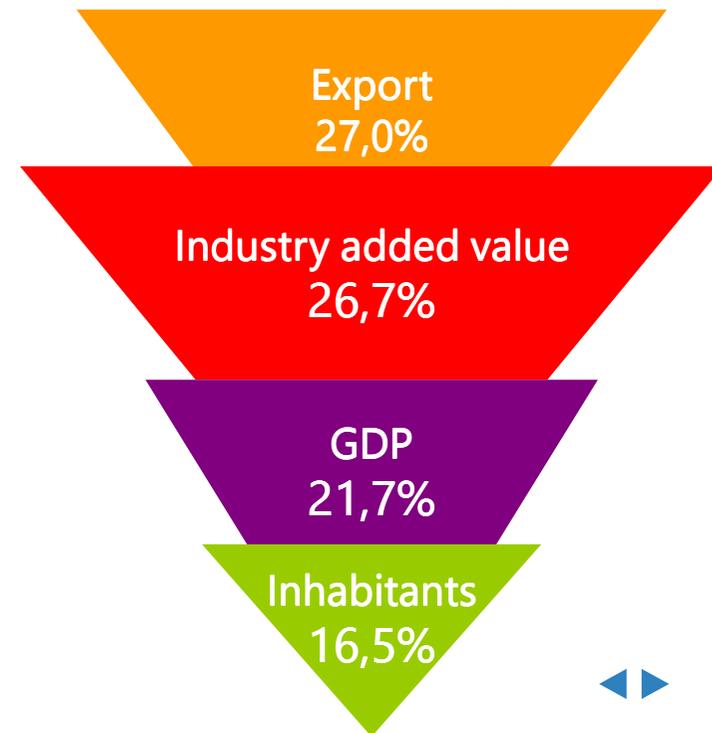
LOMBARDY IS THE BEST PERFORMING REGION IN ITALY

- 34.900 € per capita income
- 813.913 companies
- 98.483 manufacturing companies
- 1 million employees in manufacturing
- 13 universities and 550 research centers
- 4 airports
- 707 km highway
- 2.000 km railway line

Open and Connected!

Source: ISTAT and Lombardy Region's S3 Report

Share of Lombardy on
National Aggregate



LOMBARDY IS THE ONE OF THE BEST REGION IN EUROPE FOR **ATTRACTIVENESS**



of **multinational** companies with foreign capital investment, located in Italy, are in **Lombardy**

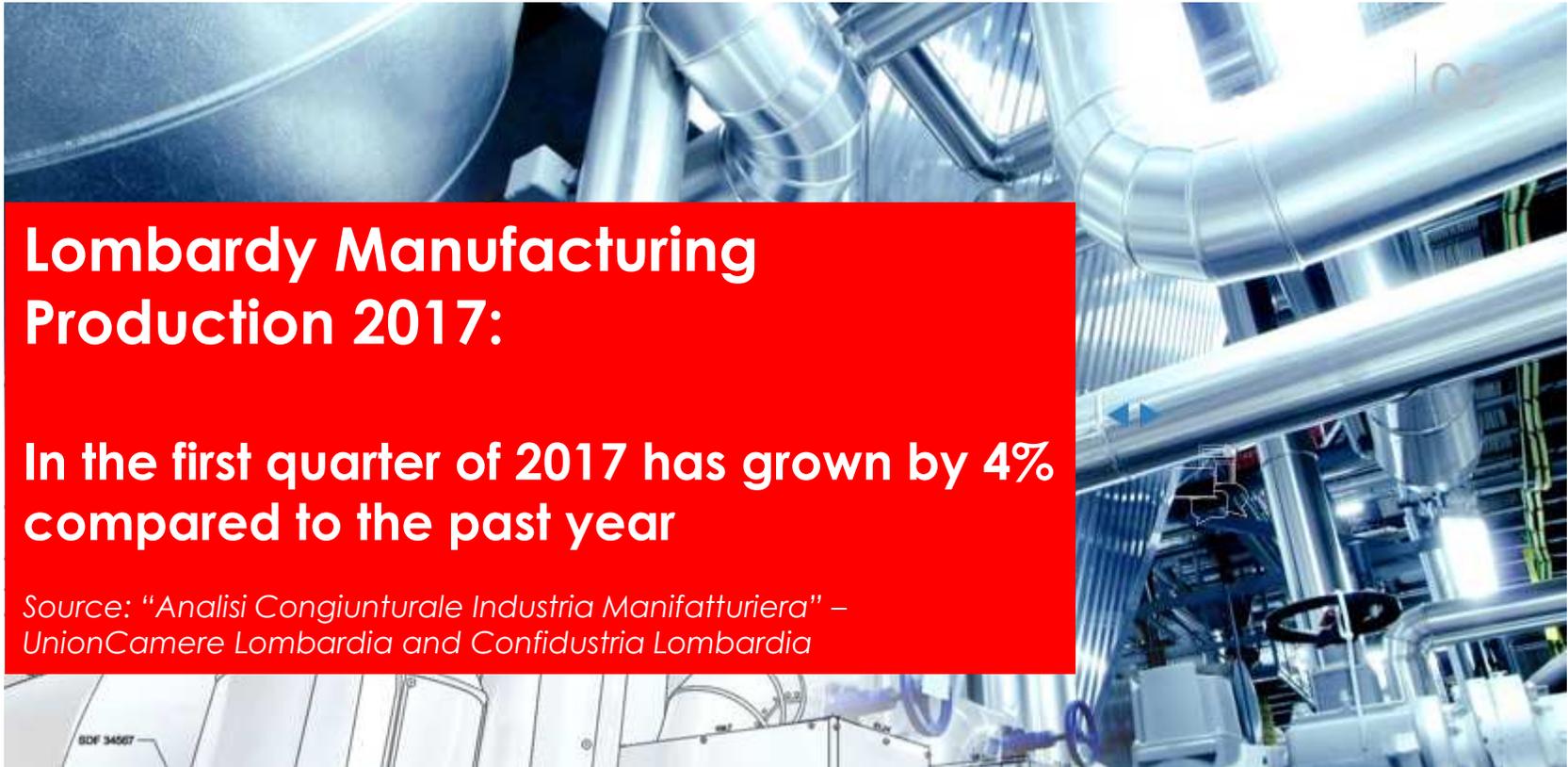


of **foreign investment projects in 2014** with respect to 2013
In 2014, 62 greenfield projects



N°of companies with **foreign capital investment** which are settled in Lombardy, giving job to a total of **407.600 employees**

THE MANUFACTURING SECTOR



**Lombardy Manufacturing
Production 2017:**

**In the first quarter of 2017 has grown by 4%
compared to the past year**

*Source: "Analisi Congiunturale Industria Manifatturiera" –
UnionCamere Lombardia and Confindustria Lombardia*





IL MANIFATTURIERO LOMBARDO CORRE PIU' DELLA MEDIA EUROPEA

PRODUZIONE INDUSTRIALE

+1,7% rispetto al trimestre scorso
+ 4% su base annua

EXPORT

+ 4,2% rispetto al trimestre scorso
+ 7,5% su base annua

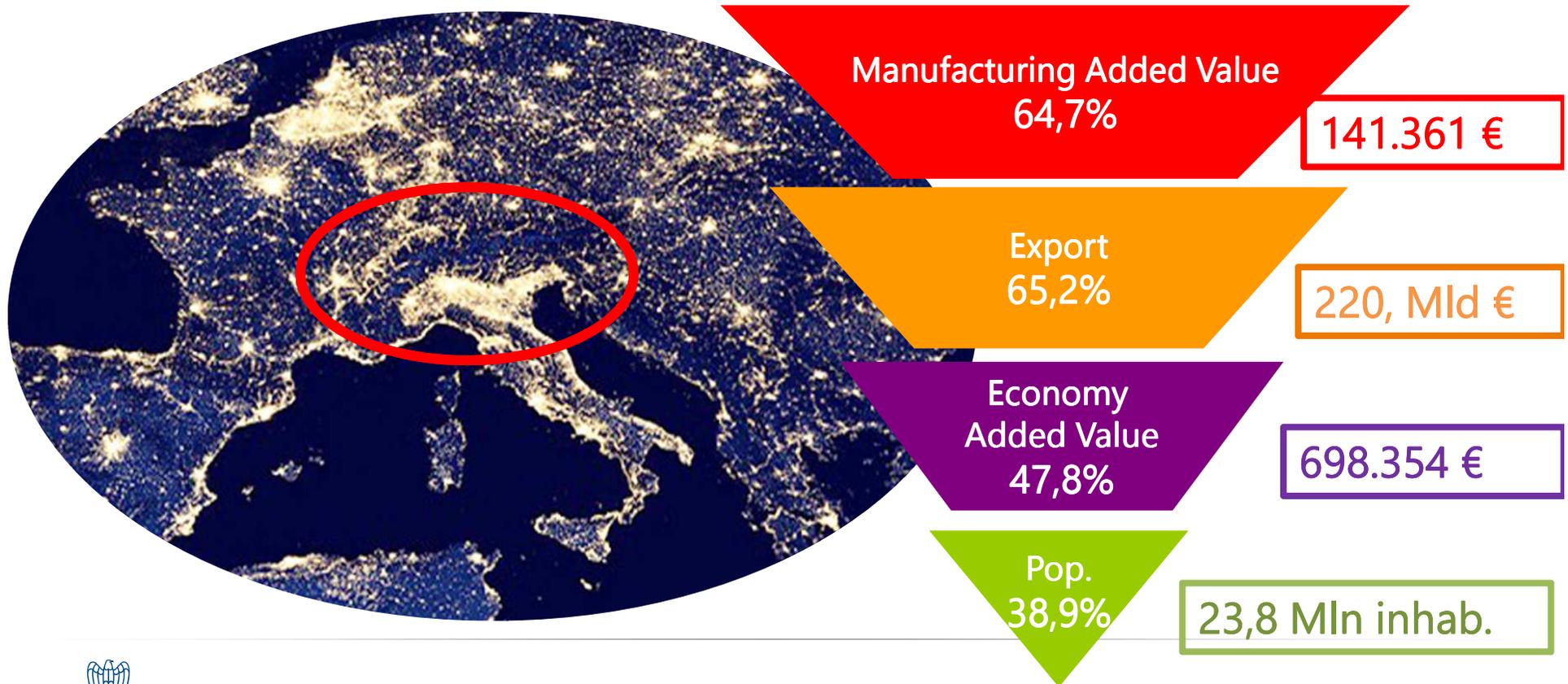
INDICE DI PRODUZIONE INDUSTRIALE



Fonte: Unioncamere Lombardia - primo trimestre del 2017

ECONOMIC MACRO AREA

Lombardy, Emilia-Romagna, Piedmont, Veneto



LA LOMBARDIA NELLA MACROREGIONE ALPINA

Dati LombardiaSpeciale



POPOLAZIONE
78.350.854 (2015)

NUMERO DI STUDENTI UNIVERSITARI
2.509.332 (2012)

PIL (MILIONI DI EURO)
2.990.004 (2014)

KM DI FERROVIE
33.446 (2014)

TERRITORIO (KM QUADRATI)
441.006 (2015)

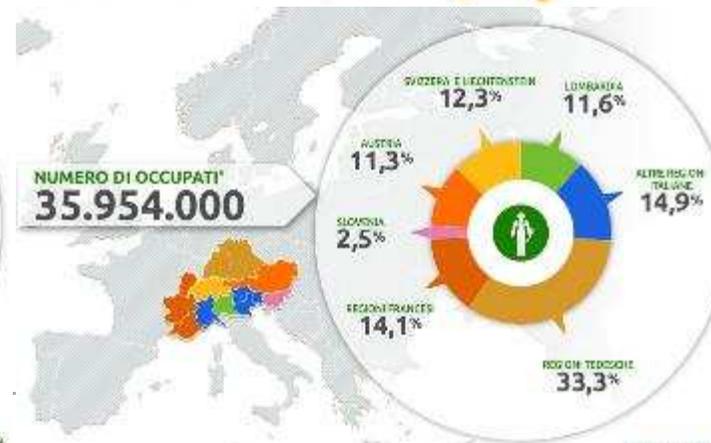
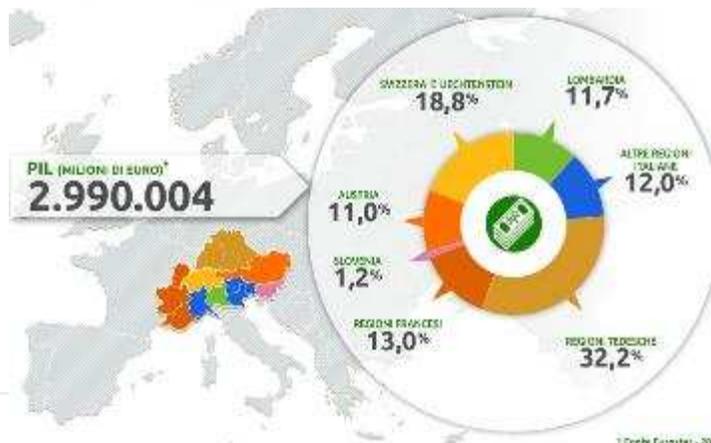
SPESA IN R&S (MILIONI DI EURO)
82.451 (2013)

NUMERO DI OCCUPATI
35.954.000 (2015)

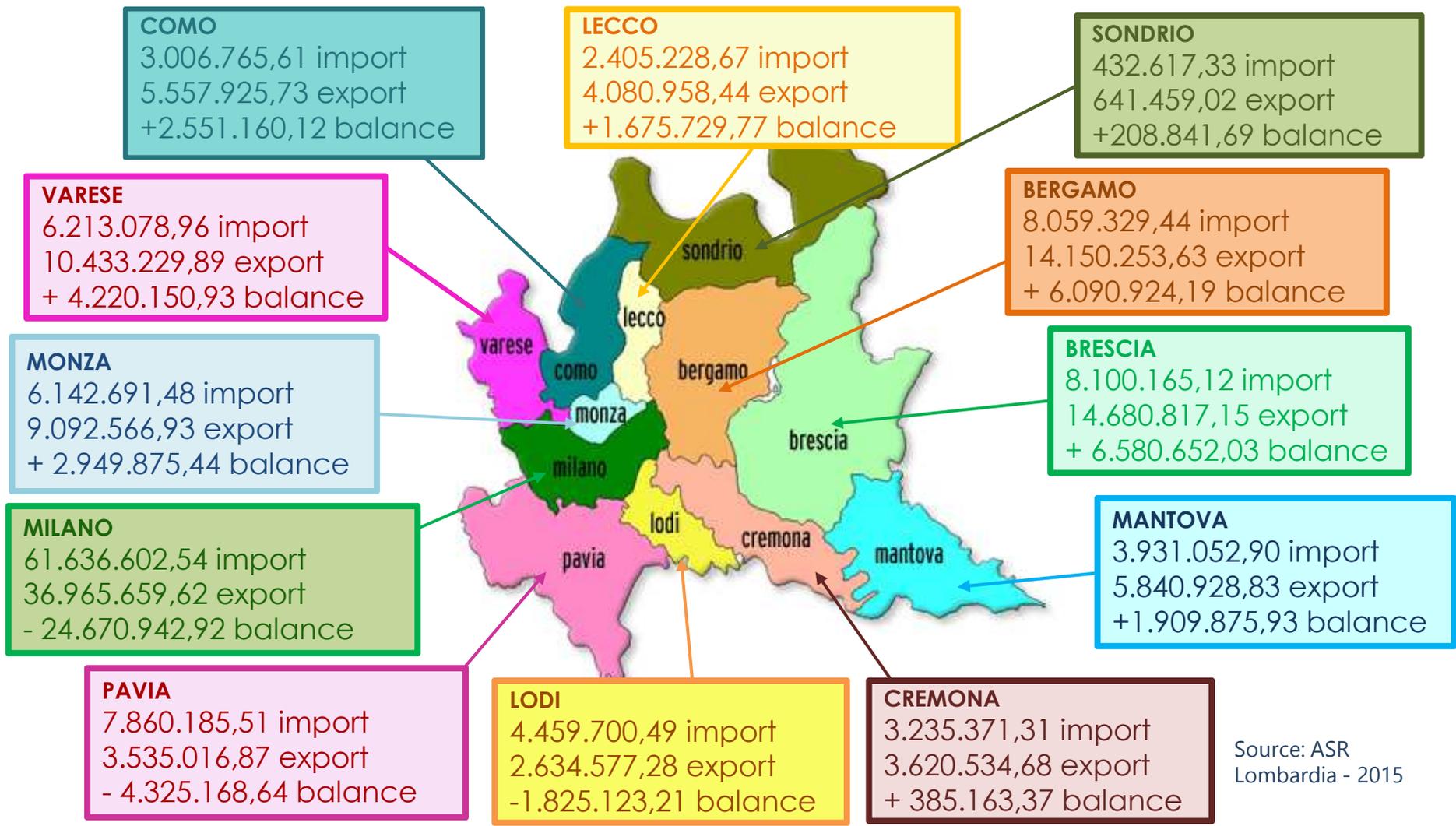
PRESENZE TURISTICHE
517.841.905 (2014)



Fonte Eurostat



The economic figures & data of EACH TERRITORY



Source: ASR
Lombardia - 2015

The incredible wide range of different production in our Region

THE PRODUCTIVE SECTORS

Mechanics and machine tools:



Metallurgical industries,
manufacture of metal
products and machine tools



Production of precision
mechanics and mechanical
equipment



Automotive industry



Production of household
appliances



Aerospace



Production of
agricultural equipment

Fashion, Textile industry and Clothing:



Textile industry
(cotton, silk,
clothing in general)



Footwear and machines
for the production of
footwear



Traditional wood
industries (turning)



high fashion, clothing
and accessories



Production of lamps for
interiors and exteriors



Production of furniture (furniture for
offices and shops , windows , pipes , etc.)

Source: «Economia in Breve» 2016 Confindustria Lombardia Report

THE PRODUCTIVE SECTORS

Plastics processing:



Production of tires and car components



Rubber and Plastic processing

Chemical sector, cosmetics and pharmaceutical:



Chemical and cosmetics companies



Production of detergents/cleaners



Pharmaceutical companies

Source: «Economia in Breve» 2016 Confindustria Lombardia Report

THE PRODUCTIVE SECTORS

Agriculture, food processing and beverage:



Dairy industry



Production of
wines and beer



Confectionery
industry and
production of baked
goods



Mineral water
and beverage



Production of
rice

Others:



Extraction and
processing of
marble



Glass, cement,
lime and plaster
industry.



Biotechnology
Electrical and electronic-
optical devices

OUR STRATEGY:



CONFINDUSTRIA
Lombardia



#Lombardia2030 Sharing the Future



Cultura d'impresa



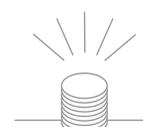
Internazionalizzazione



Cluster



Capitale umano



Nuova Finanza



Industria intelligente

#Lombardia2030 genesis:



Develop a strategy for the whole territory, meant as a **macro-region** embedded in a **European context**



Nothing can be done alone and there is no value without **sharing knowledge**



Long-term vision to **develop manufacturing** for the future

#Lombardia 2030

Long term vision!

In 2015, Confindustria Lombardia adopted a **Strategic Plan** oriented to 2030.

4 main pillars were identified:

- **Internationalization** and **European Networks**
- The development and reinforcement of **Clusters**
- **Human Capital** and professional training
- The promotion of a **pro-Industry Culture**



INTERNATIONALIZATION

INTERNATIONALIZATION

For Confindustria Lombardia «internationalization» means the promotion of the **Lombardy export** as well as help companies **to invest abroad** in order to become stronger.

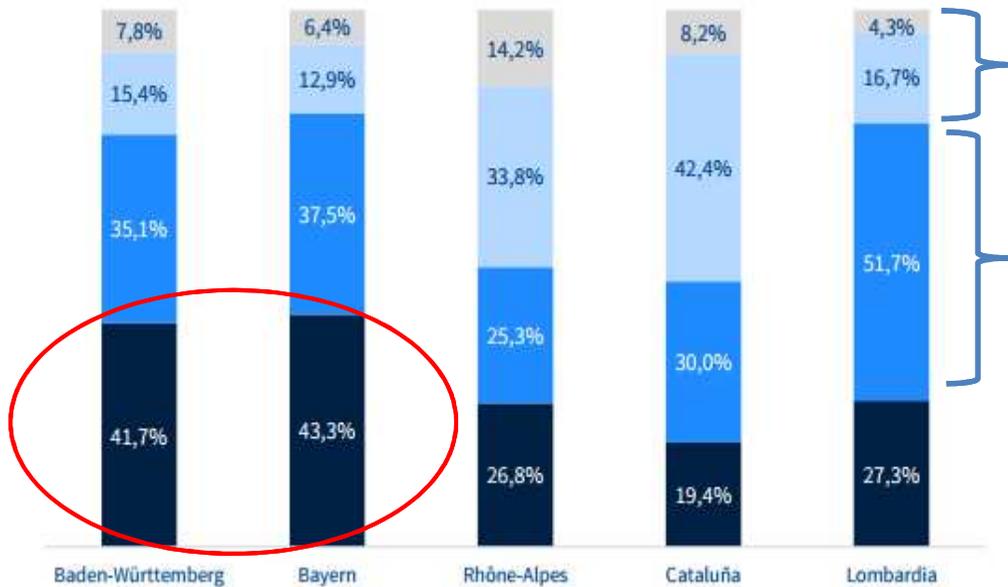
We work developing a **mutual collaborations** with foreign Regions



Attraction of FDI facilitate the **development of the entire productive regional system**

LOMBARDY COMPANIES NEED TO BE MORE INVOLVED IN the Global Value Chains

% of companies involved in GVC



20% of Lombardy companies has a “**high medium**” participation in GVC = companies which at the same time export, import and invest

But most of Lombardy companies (**51%**) registered a “**low participation**” = companies which only export or import

German companies register higher score in «none presence» as they can take advantage from their domestic market.

- None** no international activities
- Low** companies which only export or import
- Medium** companies which both export and import
- High** companies with a production site abroad

Source: Assolombarda Confindustria Milano Monza e Brianza, Centro Studi 2016 Report – Benchmark with European companies

Economic Relationship with the Russian Federation

RUSSIA IS A STRATEGIC MARKET FOR EUROPE and ITALY:

- From an *Energy point of view* : Moscow provides about 32% of Europe's energy needs;
- For *Business Trade* : Russia absorbs more than 7% of European exports.

Not only Russia, but the entire area of neighbour Countries, is one of the most important target for Italian business



54 billions of goods exported in 2015, despite the sanction system

ITALY AND RUSSIA - TODAY'S OPPORTUNITY:

1^o destination market
for Italian export
in Europe (extra UE-CSI)

Export opportunity index **60/100**

Investment opportunity index **55/100**

13^o world destination market for Italian export, representing
the **2,4 %** of world Italian export share

At European level, Germany and Italy are the most affected
Countries due to the embargo





EXPORT AND IMPORT WITHIN THE RUSSIAN FEDERATION

**January – October 2016 commercial exchange
between Russia and Italy** is 14.552 million of euros:

(-38,3% compared to 2015):

- 1 874 million of euros (-5,9%) Italian export to Russia
- 8 942 million of euros Russian import from Italy (-49,3%) !

2 BILLIONS THE ANNUAL COMMERCIAL
EXCHANGE WITH the LOMBARDY REGION in 2015

Source: ICE and Lombardy Region

3,5 A LOSS OF BUSINESS THAT WE CAN'T AFFORD

Billions lost from 2014 due to the sanctions and embargo, with consequences also to the commercial exchange with Bielarus, Ukraine, and other neighbour Countries.

25% Sales decline of Italian products

*ESPECIALLY FOR
LOMBARDY COMPANIES!*

1 billion Machinery, clothing, motor vehicles and footwear sectors are the most affected



STRONG POINTS:

- Lombardy is specialized in machineries for processing materials
- Being more involved in the value chains for Italy means more exchanges with Countries, rich of natural resources, where selling finished goods:

Russian Federation is it!

- Political stability, instead of other neighbour Countries
- An internal market already aware of the quality of our products, which appreciates our talent
- A place where we have already gained a lot of experience

Nowadays, we are both not good performers in terms of market accessibility



OPPORTUNITIES ESPECIALLY FOR THE MACHINERY SECTOR:

Worldwide Italian machinery export counts **20 billions of euros**

→ ¼ is represented by the packaging sector which is highly requested by the Russian market.

Lombardy Region covers **30,5%** of the Italian market in the machinery sector

Regione	Quota
1 Lombardia	30,5%
2 Emilia-Romagna	20,4%
3 Veneto	14,2%
4 Piemonte	12,3%
5 Toscana	6,5%
6 Friuli-Venezia Giulia	4,2%
7 Marche	2,6%
8 Liguria	1,8%
9 Trentino-Alto Adige/Südtirol	1,6%
10 Puglia	1,6%

Only Lombardy and Emilia-Romagna Regions represent together half of the national export share



OUR TOOLS:

INTERNAZIONALIZATION: PROMOTION & ATTRACTIVENESS

In order to **increase Lombardy companies presence in foreign markets** and facilitate the settlement of **foreign companies** in Lombardy - **attractiveness of our territory** - 4 main priority actions were identified:

- I. Reorganization of support policies for internationalization
- II. Participation in the life of the local international community
- III. Financial support to internationalization
- IV. Actions at European level

CLUSTER: THE HEART OF **Lombardia #2030** STRATEGY

AEROSPACE



www.aerospaceiombardia.it

ENERGY&CLEANTECH



www.energycluster.it

AGROOFOOD



www.clusteragrofoodlombardia.eu

GREEN CHEMISTRY



www.chimicaverdelombardia.it

STRATEGIC PROJECT:

«CLUSTER»
monitoring the
technological regional
clusters by Confindustria
Lombardia's system and
its Local Associations

MOBILITY



www.clusterlombardomobilita.it

TECHNOLOGIES FOR LIVING ENVIRONMENTS



www.clustertav.lombardia.it

LIFE SCIENCE



Cluster Lombardo
Scienze della vita

www.lombardialifesciences.it

ADVANCED MANUFACTURING



www.afil.it

SMART CITIES



www.clusterscclombardia.it

enterprise europe network

Enterprise Europe Network (EEN), a project financed by the European Commission, is composed of **around 600 members from over 60 European and Non-European Countries.**



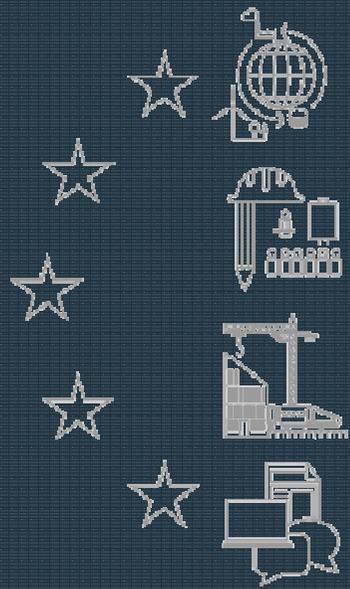
Confindustria Lombardia is a member of EEN as a partner of SIMPLER Consortium.

The goal of EEN is helping SMEs in **making the most out of the business and innovation opportunities in the European Union**

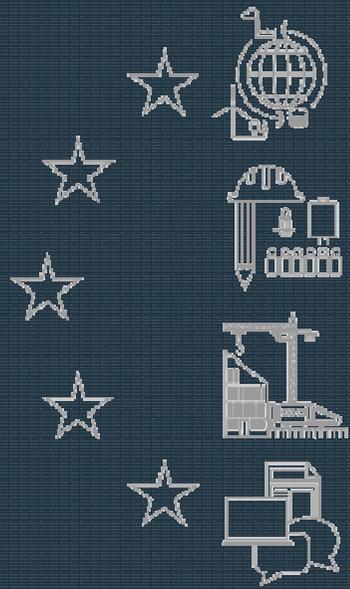
3 contact points in Moscow:

- Foundation for Assistance to Small Innovative Enterprises
- Russian Agency for Small and Medium Enterprises Support
- Russian Union of Innovative Technological Centre





«MORE LOMBARDY IN RUSSIA AS WELL AS MORE RUSSIA IN LOMBARDY»



THANK YOU!