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Association of Italian Engineering, Architectural, and Technical-Economic Consulting Organizations

CONFINDUSTRIA

Report on the Foreign Activities of Italian Engineering, Architectural and Consultancy Companies

2023

Ministero degli Affari Esteri e della Cooperazione Internazionale

MEF Ministero dell'Economia e delle Finanze

Ministero delle Imprese e del Made in Italy

ITA ITALIAN TRADE AGENCY
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CEr CENTRO EUROPA RICERCHE

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OICE is the employers' Association, belonging to Confindustria (the Confederation of Italian Industry), which represents Italian engineering, architectural and technical economic consulting organizations.
Founded in 1965 OICE unites all the major Italian engineering companies and most of the best qualified small and medium firms in the industry. OICE operates in 4 major areas: representing and safeguarding category interests, promoting the culture of organized engineering, providing services for members and promoting internationalization of Italian Engineering. OICE is member of FIDIC – International Federation of Consulting Engineers and EFCA – European Federation of Engineering Consultancy Associations. OICE participates to the international activities and Italian Institutional missions, promotes special partnerships with the engineering Associations, sustains the participation of the Italian Consulting companies to the tenders organized by the International Financial Institutions.

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ITALIAN TRADE AGENCY

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ITA - Italian Trade Agency is the Governmental agency that supports the business development of our companies abroad and promotes the attraction of foreign investment in Italy.
With a motivated and modern organization and a widespread network of overseas offices, ITA provides information, assistance, consulting, promotion and training to Italian small and medium-sized businesses.
Using the most modern multi-channel promotion and communication tools, it acts to assert the excellence of Made in Italy in the world.

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INTRODUCTION

Roberto Carpaneto – OICE's Vicepresident for International Affairs

"When everything seems to be going against you, remember that the airplane takes off against the wind, not with it." (Henry Ford)

The post-COVID conditions, the strong inflation specifically in the western countries, the Russia_Ukraine war, the limited economic growth of the European Union and, more recently, the renovated Palestinian-Israel crisis are our "*headwind"* but our companies keed going. Figures of 2022 and first half 2023, say that: plus 30 percent of international turn over in 2023 (expected) compare to 2022. One of the most significant results of our effort abroad during the last 10 years.
Italian companies growth a lot in the national market but do not "forget" the international opportunities. More and more companies, and especially those associated in OICE, develop international activities to enrich their capabilities, evolve experiences, form stable relationships with foreign companies, mature their approach to the international and global market, create the conditions for a stable mitigation of national market risk, strongly dependent on the actuation and implementation of the not ever lasting PNRR. This is a key for a sustainable development of our business enterprises.
The very positive signs are that small, medium and big companies they all invest and work in the international market. It is evident in the ENR ranking of this year: Italy has the highest number of companies, among European countries, among the first 225 working internationally. Not the volume, but the number: this is clearly consequences of our, I consider, positive characteristic. Be in the market as small, medium and large companies. Others are not able to be successful in the market as our engineering, architecture and consultancy companies, which are distinguished always by specific competences, high quality, efficiency, flexibility and strong attitude to work with local expertise respecting local culture and approach to project development.
Large companies, in particular, achieve in the international market highest percentage of their activities: up to 90 percent and many have invested by merging and acquisitions.
As responsible of International Activities and Promotion of our associated companies in OICE, I am very proud to think that OICE has been and is contributing to this excellent result. Together with others, working in a team with Ministry of Foreign Affairs and International Cooperation, Ministry of Enterprises and Made in Italy, Ministry of Finance, and our "*unique partner ICE*" – the Italian trade company – we work hard every day to promote our common values, our affordable goals, despite strong "*headwinds*".

Roberto Carpaneto

Chapter 1. INTERNATIONAL OUTLOOK

• The Macro-economic context

After a global growth in 2022 (+3.5%), the current year began with a slowdown of the economic cycle. The global economy is yet at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks: the COVID-19 pandemic and Russia's invasion of Ukraine. Furthermore, the horrific events occurred on 7 October 2023 in Israel have exacerbated economic and geopolitical global conditions. The war between Israel and Hamas could undermine geopolitical alliances in the Middle East and increase energy costs. Driven by pent-up demand, persistent supply disruptions and commodity price spikes, inflation reached record rates in many economies in 2022, leading central banks to tighten aggressively to bring policy rates back toward their targets and keep inflation expectations anchored.

In 2022, inflation rates continued to keep above central bank targets across much of the world. Fortunately, headline inflation appears to have peaked and started to decline, but core inflation proved more stubborn. The reversal of commodity prices and the slowdown in manufacturing prices provided welcome relief even as stickier services prices gathered steam. Global growth did slow but proved remarkably resilient. The widely feared recession in Europe did not happen, thanks partly to a mild winter, and China rebounded strongly once Covid restrictions were suddenly lifted.

Inflation is easing in most countries, although it remains high, with strong heterogeneity across economies and inflation measures. Following building gas inventories in Europe and weaker-than-expected demand in China, energy and food prices have fallen from their 2022 peaks, although food prices remain elevated. Together with the normalization of supply chains, these developments have contributed to a rapid decline in headline inflation in most countries. Core inflation, however, has fallen more gradually on average and remains well above the targets of most central banks. Its persistence reflects, depending on the particular economy considered, the transmission of past shocks from headline inflation to core inflation, corporate profits remaining high and tight labor markets with strong wage growth, especially in a context of weak growth of productivity which increases the work per unit of product. costs. However, to date, wage-price spirals do not appear to have taken hold in the average advanced economy, and longer-term inflation expectations remain anchored.

Tensions in banking sector have eased and credit availability is reduced. Thanks to the rapid reaction of the authorities, banking scare in March 2023 remained contained and limited to problematic regional banks in the United States and Credit Suisse in Switzerland. As a result, global financial conditions have eased, a sign that financial markets may have become less concerned about financial stability risks emanating from the banking sector. But restrictive monetary policy continues to put pressure on some banks, both directly (through increased financing costs) and indirectly (through increased credit risk).

According to the last World Economic Outlook released in October 2023, global growth is forecast at 3.0% in 2023, unchanged from the previous forecast. In 2024 global growth will be slowly, 2.9%, 0.1 percentage points lower than the previous forecast. Compared to previous estimates, the revisions are negative for most advanced economies, while emerging and developing economies show high heterogeneity.

For the coming months, risks remain high: inflation could remain high and even rise if further shocks occur, including those resulting from an escalation of the war in Ukraine and extreme weather events, triggering tighter monetary policy. The progressive increase in official rates and the expected slowdown in economic activity to bring inflation back on a downward path have contributed to tightening financial conditions. This will likely lead to a reduction in lending and activities. Turmoil in the financial sector could resume as markets adjust to further policy tightening by central banks. China's recovery may slow, partly due to unresolved real estate issues, with negative cross-border spillovers. Sovereign debt risks could spread to a broader group of economies.

Furthermore, Israel recently declared war on the Palestinian militant group Hamas following the unprecedented attack by air, sea and land. The conflict is causing thousands of deaths. The West, in a united manner, immediately condemned the conflict and called for a de-escalation. Geopolitical structures are under tension, with several Middle Eastern countries supporting Hamas. These tensions could lead to a new increase in energy prices, as is already being observed on the commodity markets. The US company Chevron also declared that it has closed the Tamar natural gas field off the coast of Israel and that it meets 70% of Israel's energy needs.

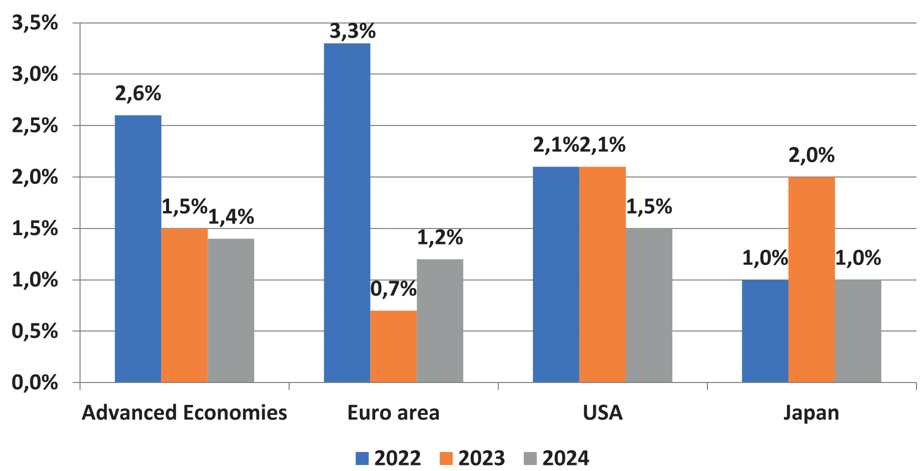
In this framework, emerging markets and developing economies are expected to outperform advanced economies both in 2023 and in 2024 (+4.0% vs +1.5% in 2023 and +4.0% vs +1.4% in 2024). In this scenario, as highlighted by the SACE's Rapporto Export, international trade in goods is expected to slow down by around -0.3% in 2023 (+3.5% in 2024), while trade in services is expected to grow by 5.8% next year (+12.2% in 2024). The degree of trade openness is expected to be stable.

Given this global macroeconomic scenario, figure 1 and figure 2 depict the GDP growth for advanced and emerging economies provided by the last World Economic Outlook of the IMF.

Advanced economies: following a 2.6% expansion in 2022, GDP is expected to rise less in 2023 by 1.5%, and to rise less more in 2024 (+1.4%).

- Euro Area: After a rebound of 3.3%, IMF forecasts predict weaker real GDP growth in 2023 (+0.7%) and slightly higher in 2024 (+1.2%). From 6.7 in 2022, unemployment is projected to fall to 6.6% in 2023 and 6.5% in 2024.
- USA: According to IMF estimates, after a growth by 2.1% in 2022, the gross domestic product of the USA is expected to remain stable in 2023 (+2.1%) and to rise less in 2024 (1.5%). For 2023, IMF forecast has been revised upward by 0.3 percentage point, on account of resilient consumption growth in the first quarter. Stronger business investments in the second quarter and resilient consumption growth, the forecast is revised upward by 0.3 percentage point for 2023 and by 0.5 percentage point for 2024, compared with July 2023 WEO Update projections. From an actual rate of unemployment in 2022 (3.6%), IMF projects a growth in 2023 and in 2024 (respectively 3.6% and 3.8%).
- Japan: IMF projected a rise in real GDP by 2.0% in 2023, buoyed by pent-up demand and accommodative policies, and 1.0% in 2024. IMF projects a decline in the unemployment rate in 2023 (2.5% against a 2.6% in 2022).

Figure 1.1 Real GDP growth forecast, advanced economies



Source: elaboration on IMF data.

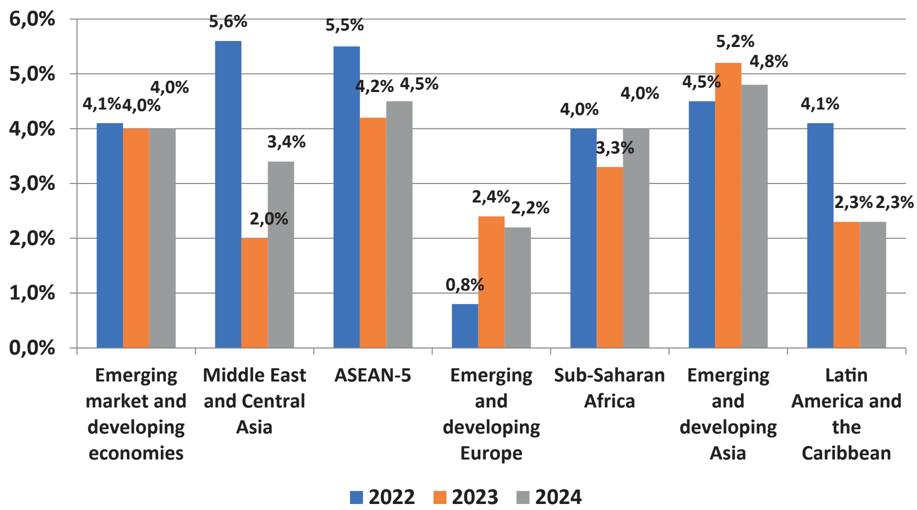
Emerging markets and Developing economies: after a strong growth in 2022, +4.1%, economic growth is projected to decline relatively modestly to 4.0 percent in both 2023 and 2024. The estimates remain almost in line with the July 2023 update.

- Middle East and Central Asia: the IMF scenario estimates a rise in GDP in 2023 of 2.0%, after a strong growth by 5.6% in 2022. The IMF estimates a higher rise for 2024 (+3.4%). Compared to the WEO July forecasts, GDP was revised downwards in 2023 by 5 percentage points and upwards in 2024 by 2 percentage points. The revision is mainly attributable to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7% in 2022 to 1.1% in 2023. The downgrade for Saudi Arabia for 2023 reflects production cuts announced in April and June in line with an agreement through

OPEC+, whereas private investment continues to support strong non-oil GDP growth.

- Emerging and developing Asia: the expected growth for this area in 2023 is 5.2%, higher compared to +4.5% in 2022. Chinese economy grew by 3.0% in 2022 and IMF projected a rise by 5.0% in 2023 and 4.2% in 2024. In China, stronger-than-expected net exports have offset some of the investment weakness, although their contribution is declining as the global economy slows. Declining property sales and real estate investment posed a drag on economic activity last year. There remains a large backlog of presold unfinished housing to be delivered, generating downward pressure on house prices, which price floors have so far limited in some regions. The Chinese authorities have responded with a variety of measures, including additional monetary easing, tax relief for firms and measures to encourage the completion and delivery of unfinished real estate projects. In India, GDP growth is projected at 6.3% both in 2023 and in 2024. Manufacturing rebounded in 2023 after contracting in the second half of 2022, and investment growth remained buoyant as the government ramped up capital expenditure. Private investment was also likely boosted by increasing corporate profits.

Figure 1.2 Real GDP growth forecast, emerging and developing economies



Source: elaboration on IMF data.

- Emerging and developing Europe: in 2022 GDP increased equals to 0.8%. IMF expects an increase by +2.4% in 2023 and a lighter growth by 2.2% in 2024. Compared to the WEO July forecasts, GDP was revised upwards in 2023 by 4 percentage points. Among the emerging and developing countries of Europe, Russia's GDP is estimated to increase by 2.2% in 2023 and 1.1% in 2024. The upward revision for 2023 is due to positive retail, construction and industrial production data pointing to a strong first half of the year, with ample fiscal stimulus. The upward revision for the region for 2023 also reflects an increase of 5.0 percentage points to the forecast for Ukraine to growth of 2.0 percent; the increase is due to stronger-than-expected domestic demand growth, with firms and households adapting to the war in that country amid sharply declining inflation and stable foreign exchange markets. It additionally reflects a 1.0 percentage point upside revision to growth of 4.0 percent in Türkiye, on the back of stronger-than-expected domestic demand.

- Western Balkans: last year the GDP increased by 3.2%. World Bank expects an increase by 2.6% in 2023 and by 3.1% in 2024. Among the six countries considered (Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia), Kosovo is estimates to have the highest growth (3.7% in 2023 and 4.4% in 2024).

- Sub-Saharan Africa: Sub-Saharan African economy grew by 4.0% in 2022. IMF expects a rise of 3.3% in 2023, and a higher increase in 2024 (+4.0%).
- ASEAN-5: GDP increased a lot in 2022, +5.5%. According to the last IMF projection, in 2023, a weaker but strong growth is expected for these countries (Indonesia, Malaysia, the Philippines, Singapore, and Thailand), +4.2%, and in 2024 economic growth will increase slightly, +4.5%.
- Latin America and the Caribbean: the economy of this area grew by 4.1% in 2022. Both in 2023 and 2024, Latin America and Caribbean GDP's is expected to grow less 2.3%. In Brazil, GDP is expected to increase by 2.1% in 2023 and 2.8% in 2024. Compared to WEO July forecasts, Brazil GDP growth has been revised to 0.8 and 0.6 percentage points.

SOURCES:

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- **International Investment Trends**

After nosediving in 2020 and rebounding in 2021, global foreign direct investment (FDI) flows last year declined by 12% to $1.3 trillion. The decline was mainly a result of lower volumes of financial flows and transactions in developed countries, where FDI fell by 37% to $378 billion. In developing countries, FDI increased by 4% to $916 billion, or more than 70% of global flows, a record share international project finance and cross-border mergers and acquisitions (M&As) were especially affected by tighter financing conditions, rising interest rates and uncertainty in capital markets. 2022 was a year of crisis of health, climate change and economic shocks, rising inflation, fears of a recession and turbulence in financial markets; it caused investor uncertainty around the world, but international investment flows proved more resilient than expected.

The slowdown was limited, investment flows to developing countries increased marginally, although growth was concentrated in a few large emerging economies. Also, investors finished the year announcing new projects in both industry and infrastructure that face supply chain restructuring pressures, including the electronics, automotive and machinery industries. Investment in digital economy sectors slowed after the boom in 2020 and 2021. Investment project numbers in energy, instead, remained stable. Despite the turbulent economic environment, including high inflation, rising interest rates, poor market returns and the looming risk of a recession, which all affected financial markets, sustainability-themed investments remain resilient amid volatile capital markets. The value of the overall sustainable finance market (bonds, funds and voluntary carbon markets) reached $5.8 trillion in 2022.

Recent interest rate hikes in the US, Europe, and other major economies due to high inflation could slow M&A markets over the year and curb growth in international project finance. In 2022 the value of international project finance deals fell by 25% in 2022, while cross-border M&A sales were 4% lower.

Global FDI trends are in line with other macroeconomic variables, which show either negative or slow growth rates. UNCTAD expects downward pressure on global FDI to continue in 2023. Early indicators for Q1 2023 show weak trends in international project finance and M&As. Although the economic headwinds shaping investment trends in 2022 have somewhat subsided, they have not disappeared and there is uncertainty among investors. Greenfield investment trends provide a positive counterweight. The number of actual greenfield and project finance announcements increased by 5%. International investment in renewable energy has tripled since 2015, but the growth of investment in renewable energy slowed down in 2022. The growth of cross-border investment in the sector has been strongest in the economies that are least dependent on it. In developing regions, it has barely outpaced overall FDI and GDP growth. In LDCs, the growth of renewables investment has lagged substantially behind GDP growth.

Following the trend towards increased screening of FDI, the number of countries conducting investment screening on national security grounds increased to 37. In total, countries with FDI screening regimes accounted for 68% of FDI stock in 2022. Anyway, investment facilitation measures featured prominently in both developed and developing countries. Most measures adopted by developing countries focused on facilitation and the opening of new sectors or activities to FDI. For the first time since the pandemic, the number of measures favourable to investment also increased significantly in developed countries. The reform of the international investment agreement (IIA) regime continued in 2022. Negotiations were concluded on several international investment governance instruments with proactive investment facilitation features and an increased focus on sustainable investment.

FDI flows in 2022 declined. However, the decrease in FDI flows to developed economies fell while FDI flows to developing economies rose. In the developed countries, FDI flows fell by 37%, to $378 billion. Much of the decline was driven by one-off transactions and financial flows. FDI flows to developing economies rose by 4%, to $916 billion – the highest level ever recorded. Announcements of greenfield projects in developing countries rose by 37% in number, and their value more than doubled. The increase was mostly the result of megaprojects announced in the renewable energy sector, including five of the 10 highest-value projects.

FDI trend varied significantly by region. Geographically, flows increased in Latin America, remained flat in Asia, while they decreased in North America, in the EU and in Africa, in particular:

- Among developed countries, in North America, flows to the United States fell to $338 billion in 2022 (-26%, $453 billion in 2021). In the United States, flows declined by 26% to $285 billion, while in Canada FDI decreased by 20% to $285 billion. This trend is mainly due the halving of cross-border M&A values played a role.

In addition, international project finance deals increased by 2% in 2022. Announcements of new greenfield projects also increased by 19%. United States remained the largest host for announced greenfield projects and international project finance deals.

- In Europe, the total amount of FDI was affected by fluctuations in the major conduit economies as well as by a large withdrawal of capital by a telecommunication Multinational Enterprise (MNE) operating in Luxembourg. Excluding Luxembourg, inflows to the European Union increased from $127 billion to $197 billion. Also, equity investment accounted for two thirds of total inflows, mostly the result of a steep rise in cross-border M&As, to $35 billion. In 2022, the number of international project finance deals increased by 27%, with significant increases in Italy (78%), Germany (57%) and Spain (10%). The greenfield projects, instead, dropped by 2%, reaching 5,710.
  - Western Balkans: Net FDI inflows rose by 1.2 pp of GDP in 2022 to 7.0% of GDP and helped finance over 80% of the regional external imbalance. However, the level of this financing inflow varies significantly across countries. Montenegro had the strongest inflow of FDI in 2022, at 13.5% of GDP, mainly driven by tourism, followed by Serbia at 7.1% of GDP, largely in highly productive manufacturing subsectors. Bosnia and Herzegovina at 2.9% of GDP exhibited the lowest net FDI inflows in 2022 which increased by only 0.3% of GDP compared to the year before. Kosovo, with FDI inflows at 6.6% of GDP, mostly for construction, and North Macedonia, with FDI inflows at 5.2% of GDP, are trailing the rest of Western Balkan countries in terms of FDI inflows.
- In 2022 FDI flows to Africa fell by 44% to $45 billion, following a record year in 2021 that was due to a single intrafirm financial transaction in South Africa. Excluding this deal, the change in FDI flows to Africa in 2022 would have increased by 7%.

Greenfield project announcements increased by 39%, mainly caused by a doubling of the number of projects in Egypt and increases in the number of projects.

In contrast, international project finance deals in Africa showed a decline of 47% in value ($74 billion, down from $140 billion in 2021), but a 15% increase in project numbers to 157. Decreases in values were registered in renewables, mining and power.

- FDI flows to developing Asia remained flat at $662 billion. The region is the largest recipient of FDI, accounting for half of global inflows. Inflows remain highly concentrated in East Asia and in South-East Asia. In East Asia FDI flows reached $324 billion in 2022, despite the 3% decrease: in particular, in China, the second largest FDI host country in the world, flows rose by 5%, to a record $189 billion: the increase was concentrated in manufacturing and high-tech industries and came mostly from European MNEs. Flows to South-East Asia increased by 5% to $223 billion – the highest level ever recorded – and Singapore registered another record, up 8% to $141 billion (accounting for almost two thirds of flows to the Association of Southeast Asian Nations (ASEAN)).

Finally, the number of announced greenfield projects increased by 45%: the highest growth was in India, where the number more than doubled. International project finance deals also increased (+45%).

- Flows to Latin America and the Caribbean increased by 51% in 2022, reaching $208 billion, the highest level ever recorded. High commodity prices pushed up reinvested earnings of foreign affiliates in extractive industries. In South America all major recipients saw their FDI flows rise, driven by investment in mining and hydrocarbons. In Brazil, flows rose by two thirds, reaching $86 billion, the second highest value ever recorded. FDI to Colombia grew by 82% to $17 billion, led by extractives; construction; finance; and transport, logistics and communication services. FDI in Argentina and Peru doubled to $15 billion and $12 billion, respectively. In Central America, FDI reached $44 billion – up 5% from 2021– while in the Caribbean, FDI increased by 53% to $3.9 billion, mainly driven by growth in inflows to the Dominican Republic, to $4 billion.

Overall, across the region project growth was modest, with 14% more greenfield announcements and a decline in international project finance deals.

FDI flows to a group of 84 structurally weak, vulnerable and small economies declined by 4% to $41 billion in 2022, while inflows to the least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing States (SIDS) combined accounted for 3.2% of the world total in 2022, up from 2.9% in 2021.

In 2022, international project finance deals and cross-border M&As were affected by the war in Ukraine, deteriorating financing conditions and uncertainty in financial markets. The value of project finance deals fell by 25% and cross-border M&A sales by 4%. The number of net cross-border M&As also fell by 9%, while the number of project finance deals rose by 8%.

In 2022, the value of announced greenfield investment projects rose by 64% to $1.2 trillion – the second highest level recorded since 2008. It more than doubled in developing economies to $573 billion (with project numbers up 37%) and rose by 37% in developed countries (with project numbers up 4%). The increase in the number of greenfield project announcements was mostly driven by services, which now account for two thirds of all projects – the highest share on record. The value of greenfield projects in services also reached record highs.

In 2022, the number of international project finance deals rose by 8%, but their value was 25% lower than in 2021. International project finance in renewable energy, which has accounted for much of the growth in project finance in recent years, slowed down. While the number of deals remained stable, values fell by almost 30% to $368 billion. International project finance in the oil and gas industry in 2022 fell by 17% in number and 56% in value, showing that much of the activity in the sector has shifted to corporate-financed greenfield investment.

In addition, cross-border M&A sales reached $707 billion in 2022 – down 4%. In manufacturing, cross-border M&As fell by 42% to $142 billion, while deals targeting services decreased slightly, by 5%, to $442 billion. In the primary sector, M&A values more than quadrupled to $122 billion, breaking the decade-long downward trend. After the rise in value in 2021, M&A sales in pharmaceuticals fell by 51% to $36 billion, while the number of deals dropped by 22% to 169.

Forecasts for 2023: The global environment for international business and cross-border investment remains challenging in 2023; UNCTAD expects downward pressure on global FDI to continue in 2023.

SOURCE:

- World Investment Report, UNCTAD, June 2023.

• World: Focus on construction and infrastructures opportunities

According to GlobalData, the global construction market was estimated $ 10.54 trillion in 2022 and is expected to reach $ 16.14 trillion by 2030 with a compounded average growth rate of 8.9% from 2023 to 2028. Construction market agglomerates new construction, maintenance and repair of buildings, construction of roads and public service facilities.

In 2022, global construction sector grew 2.1% at constant prices, slowing from the 3.8% growth seen in 2021. The slowdown reflects challenging conditions in most markets around the world due to high inflation and the tightening of monetary policy which has slowed down investments. Excluding China, which grew by 5.5% in 2022, the global construction sector grew just 0.6% in 2022. The sharp decline in US construction activity in real terms was a key factor in last year’s weak global performance, coupled with a slowdown in Europe, where major markets have been grappling with an energy crisis.

The global construction sector will see a marked slowdown in output in real terms (at constant prices) in 2023, expanding to just 0.7%, down from growth of 2.2% last year. The deceleration reflects difficult conditions in most markets around the world in the form of high inflation and a tightening of monetary policy that has curbed investment. Excluding China, the global construction sector will contract by 0.6% in 2023, following a marginal expansion of 0.6% last year.

The reduced performance forecast for 2023 reflects declines in advanced economies, with Europe expected to contract by 2.8%, North America down 0.9% and Asia (including Australia) contracting by 1.5%. Growth in emerging markets will be positive, but the pace of growth will slow to 2.4% from 4.6% in 2022. GlobalData expects the global construction sector to regain some growth momentum starting in 2024, assuming an improvement in global economic stability, with production growing by 3.0% in 2024 and averaging 4.2% annually over the period 2025-2027.

According to GlobalData, the regional outlook for the construction market will be heterogeneous:

- North America: The size of the North American construction market is expected to reach $1,772.5 billion in 2023. Increased spending by the public and private sectors in the regional energy and infrastructure sectors could help the growth of the construction market. GlobalData expects the North American construction sector to contract by 1.6% in real terms in 2023. The near-term outlook in the region is quite bleak. To combat high levels of inflation, both the US Federal Reserve (Fed) and the Central Bank of Canada have raised interest rates to levels not seen since 2008. The impact has had a heavy negative impact on the residential sector and is unlikely that recovers in the short term. Rising interest rates and the high probability of recession in the United States could have a negative impact on the construction sector in America. Recently, the United States has offered manufacturing companies subsidies (semiconductors, electric cars and other products) to encourage the construction of production facilities for goods used in the clean energy sector. One of the main reasons for these subsidies has been the growing competition between the United States and China in the development and production of renewable technologies. Despite the increase in demand for construction machinery, the sector fears a potential economic slowdown resulting from a more restrictive monetary policy.
- Latin America: According to GlobalData, the Latin America construction industry is estimated by $ 542.6 billions in 2023. Increasing spending to expand the regional road and rail network is expected to drive market demand on schedule. Inflationary pressures, rising interest rates, depreciation of local currencies and tightening budgets will undoubtedly weigh on output growth.
- Western Europe: The Western Europe construction market size is estimated by $2,093.4 bn in 2023. The growth will be supported by investments in the energy and utilities sector, in line with the different government’s target of generating electricity through renewable energy sources by 2030. Specifically, rail construction projects are expected to boost activity in the regional infrastructure construction market. Besides, the effects of the Russia-Ukraine conflict directly impacted the regional energy market with an incremental rise in the prices of electricity. Many regional governments are working on strategies to develop sustainable sources of electricity generation.
- Eastern Europe: Eastern Europe’s construction market is estimated to be approximately $607.4 billion in 2023. Sectoral growth in regional infrastructure will be supported by investments in rail, road and other public transport segments. For example, the Eastern European Road Construction Pipeline includes 503 projects, with a total value of $330.6 billion. The most valuable project currently running in the “Eastern European Road” infrastructure category is the $8.9 billion Moscow to Kazan toll road development. GlobalData expects the Eastern European construction sector to contract in 2023 by a marginal 0.2% in real terms, due to the impact of high material and energy

prices and supply chain disruptions on costs of construction. Labor shortages are also contributing to overall construction costs, with the labor market among the tightest in the region. This decline is likely to improve in 2024 and beyond as regional materials prices stabilize in the region, along with easing in the labor market.

- Balkans: With the aim of strengthening its economic presence in the Balkans, Italy has planned a series of infrastructure activities in the area. "Corridoio Pan-Europeo 10", "Corridoio 5C" and "Corridoio paneuropeo 8" are three infrastructural activities, focused on the regional interconnection. The main source of funding is WBIF (Western Balkans Investment Framework), which includes the European Commission, International Financial Institutions and bilateral donors. The WBIF plan (2021-27) provides for a budget of 30 million euro; the sources will be allocated not only for the infrastructural field, but also for the ecology and digital transition, the economic integration intra-regional and with the EU and the competition in the private sector.

- Asia: The construction sector in the Southeast Asia region is expected to reach $450.1 billion in 2023. GlobalData expects the regional construction sector to show growth of 3.1% in real terms in 2023. Specifically, China showed a slowdown in the growth of the construction sector. In 2023, the country's construction sector is expected to grow by +2.7%, compared to +4.4% in 2022. This easing is mainly due to the decline in residential construction activity. This reduction is due to the government's repression on real estate developers and financiers. Special measures have been taken by the government to reduce real estate speculation and reduce household debt. These measures have caused a decline in investments in residential properties, not only by families but also by real estate developers and banks. Despite this slowdown, steady growth of the construction sector in China is expected for the second half of 2023. While China's growth has slowed, India has accelerated its economic activity and has become a major player in global construction. During 2023, the Indian construction sector is expected to grow at a healthy annual rate of +5.0% instead of +5.2%. With more funds allocated for the construction of new highways and railways, the Indian government's spending in the construction sector will grow to $ 561.6 billion in 2023 from $ 522.2 billion in 2022. Additionally, increased demand for green construction, development of new technologies, access to remote construction sites, modular construction, and reuse of construction equipment have become important growth drivers.
- Middle East and North Africa: strong growth in oil and gas prices will lead to a surplus of revenue for oil and gas producing countries, thus accelerating investment in the construction sector. Construction activity is expected to remain steady in the near term.
- Sub-Saharan Africa: Although the overall tone to the results this quarter remains positive across the region, there are still various challenges. The cost of materials is still a key issue, particularly acute in Nigeria. Furthermore, financial constraints remain a significant obstacle for the industry across virtually all nations covered within the region.

Focusing on the infrastructure sector, according to UNCTAD, the number of greenfield project announcements and international project finance deals in the infrastructure sectors increased by 6%, but the value decreased by 4%. The decline in value was largely driven by lower investments in electricity following the 2021 boom. Additionally, deteriorating financing conditions in 2022 caused a slowdown in international financing deals for high-value projects. The effects of large-scale public support packages for infrastructure investments were still evident in the high values of announced greenfield projects. The number of greenfield projects in the renewable energy sector increased by 6% to 531, while the value of projects more than doubled. Other major projects announced in the renewable energy sector include plans by POSCO (Republic of Korea), a steel producer, to invest $28 billion in green hydrogen production in Australia and plans by Marubeni (Japan) to develop wind farm 3.6 gigawatt (GW) offshore Ossian off the east coast of Scotland (UK) for $12 billion.

The number of international project financing deals in the transportation infrastructure sector decreased by 5% and values decreased by 17% to $44 billion. The number of projects increased in Europe and developing Asia, while it decreased in North America, Latin America and the Caribbean. International agreements to finance projects in the telecommunications infrastructure sector increased by 24% to 118 billion. Most of the projects involved information technology, personal communications networks and transmission lines. Most of the projects were in developed economies, mainly in Europe (57 projects). Larger projects include GD Towers (Germany)'s acquisition of mobile telecommunications towers located in Germany and Austria for $11 billion, sponsored by DigitalBridge Group (Canada), and a fiber optic expansion project in Germany for 6.9 billion dollars, sponsored by Vodafone. Group (UK) and Altice Group (France).

SOURCE:

- GlobalData, Construction Market Size, Trends and Growth Forecast by Key Regions and Countries, 2023-2027, June 2023.
- RICS, Global Construction Monitor. Q2 2023, 2023.
- MAECI, Piano Strategico - Regione Adriatico Balcanica, February 2023.

• European Union: Focus on investments and programs in the EU region

According to EFCA, European consultancy engineering markets (ECEM), the past year has been remarkably busy for the consultancy and engineering industry in Europe. EFCA market index, showing the overall develop ment of the European construction markets, reached an all-time peak in the autumn of 2021, 108.7 points, then it had a steadily falling trend. In the spring of 2023, EFCA market index was 99.5 points, down by 8.5% from the 2021 peak. Order books are now noticeably reduced but still remain at higher-than-normal levels. There is still a strong state of business in the consultancy and engineering industry in Europe, according to EFCA. There may however be reason for concern if order stock levels continue a declining trend looking forward. In the first months of 2023, indeed, the market experienced moderate negative development, as the percentage of countries reporting good or strong markets fell from 75% to 60%.

The largest challenges for the consultancy and engineering industry in Europe are the shortage of staff, low fees and salary increases. Geopolitics, energy transformation, rising inflation and interest rates are continuing factors contributing to uncertainty - and opportunities – in market developments of the future.

As regards ECEM employees, the forecast for autumn 2022 is stable. Since spring 2021, employment has increased significantly. The current level of 135 points is 35 points above the reference period of spring 2018 (spring 2018=100), but still lower than the peak of autumn 2021, thus reflecting a stabilizing development. Projections for the next six months reflect current market uncertainties, with an expected decline in the EFCA employment index to 130.4 points.

Compared to a year ago (143.5), the stock of ECEM orders for spring 2023 decreased by 5.9% (135.0). Despite concerns about the near future, the outlook is stable for the coming months: 43% of countries expect an increase in order volume, 52% expect order volume to remain at the same level and only 4% (a country) expects a decline.

Regarding turnover of ECEM, the outlook is stable: Europe average turnover per full-time equivalent staff member in this survey was 101,467 €. According to EFCA survey, turnover development is stable or increased for 90% of the participating countries, showing that only a few countries have experienced a negative development looking back the past 6-18 months. The outlook of the coming six months does not indicate significant changes in turnover development. Turnover distribution remains at similar levels since the last measurement in spring 2022. Private and public domestic services are almost equal in size while exports, though varying significantly from country to country stays at 15-16% on average. Countries with the highest levels of export of engineering services are Spain at 70% and Turkey and Italy at 40%. About half of the participating countries have exports of less than 10%.

EFCA observed some negative projections because European consultancy engineering companies have to face important challenges: staff shortages, low rates combined with rising wages are the three main challenges facing the sector. Political uncertainty and bureaucracy have become the top five challenges for the consulting and engineering sector. Some challenges that appear to remain minor are competition between contractors, public competition, access to finance and corporate integrity. Late payments have been significantly reduced in previous years.

Investment in the construction sector in the EU is being boosted by the largest package ever financed in Europe (long-term budget + NextGenerationEU (NGEU)). A total of 2.018 trillion euros at current prices will help rebuild the economy after the shock of the COVID-19 crisis. Thanks to these investments, EU Member States will be greener, more digital and more resilient. However, the economic stimulus resulting from these investments could be affected by the negative factors previously highlighted.

Table 1.1 shows the disbursements made by the EU under the Recovery and Resilience Facility-RFF by Member State. In detail, the total pre-financing provided by the European Union amounts to 56.6 billion euros (of which 36.6

billion in the form of non-repayable contributions). Among the pre-financing tranches disbursed, the maximum amount was received by Italy (24.9 billion of which 36% non-repayable), followed by Spain (9), France (5.1) and Greece (4). To date, the RRF payments for Italy received amount to a total of 85.4 billion, of which 45.6% were disbursed in the form of non-repayable contributions. Currently, the only three countries to have received the third tranche of the RRF are Spain, Italy and Romania. In summary, so far the European Union has provided Member States with 174.7 billion (35.5% of the 491.5 billion).

Besides, according to Bruegel's analysis, see again table 1.1, the EU member states will allocate 26.2% of grants and loans from the RFF to the construction (8.24%) and transportation-storage (17.97%) sectors. In detail, Luxembourg and Belgium stand out with an estimated expenditure of 58.4% and 48.7% respectively in these sectors. Regarding Italy, on the other hand, the estimated investments in construction and transportation-storage, using the RRF, would amount to almost 50 billion euros in the coming years (25.9% of loans and grants guaranteed by the European Union). This percentage is far from the planned investments of France and Germany in these two sectors, 36.5% and 37.0% respectively, but the volume in Italy is incomparable higher (49.5 bln in Italy vs 14.9 bln in France and 10.4 bln in Germany).

Table 1.1 Recovery and Resilience Facility disbursements per European countries, and RFF amount by NACE classification (billions €)

European countries	Payments*								Total (a)	F Construction**	H Transportation and storage**
	Pre-financing	% grants	1st	% grants	2nd	% grants	3rd	% grants	Volume-bn €	% of (a)	% of (a)
Austria	0,4	100%	0,7	100%					4,5	1,11%	18,86%
Belgium	0,8	100%							5,9	43,24%	5,44%
Bulgaria			1,4	100%					6,6	17,26%	10,12%
Croatia	0,8	100%	0,7	100%	0,7	100%			6,4	17,09%	8,09%
Cyprus	0,2	83%	0,1	100%					1,2	0,00%	7,40%
Czech R.	0,9	100%	0,9	100%					7,1	1,85%	15,33%
Denmark	0,2	100%	0,3	100%					1,6	24,48%	1,74%
Estonia	0,1	100%							1,0	7,26%	14,95%
Finland	0,3	100%							2,1	6,20%	5,01%
France	5,1	100%	7,4	100%					41,0	19,95%	16,56%
Germany	2,3	100%							28,0	9,02%	28,00%
Greece	4,0	58%	3,6	48%	3,6	48%			18,2	15,65%	4,18%
Hungary									7,2	2,63%	23,93%
Ireland									1,0	4,03%	16,53%
Italy	24,9	36%	21,0	48%	21,0	48%	18,5	54%	191,5	7,84%	18,04%
Latvia	0,2	100%	0,2						1,8	0,00%	16,18%
Lithuania	0,3	100%	0,5						2,2	0,00%	15,60%
Luxembourg	0,0	100%	0,0						0,1	25,71%	32,67%
Malta	0,0	100%	0,1						0,3	0,00%	0,00%
Poland									36,0	0,00%	20,31%
Portugal	2,2	84%	1,2	48%	1,8	94%			16,6	8,65%	9,10%
Romania	3,8	49%	2,6	69%			2,8	68%	29,4	10,71%	29,71%
Slovakia	0,8	100%	0,4		0,7	100%			6,6	11,32%	12,24%
Slovenia	0,2	100%	0,0						2,5	3,47%	12,56%
Spain	9,0	100%	10,0		12,0	100%	6,0	100%	69,5	0,00%	18,99%
Sweden									3,3	20,98%	4,46%
Total	***56,6***	***65%***	***51,0***	***72%***	***39,8***	***67%***	***27,3***	***43%***	***491,5***	***8,24%***	***17,97%***

Source: elaboration on * European Commission and ** Bruegel, updated October 2023.

SOURCE:

- European Commission, Recovery plan for Europe, link https://ec.europa.eu/info/strategy/recovery-plan-europe_en.
- Bruegel, European Union countries' recovery and resilience plans, link https://www.bruegel.org/dataset/european-union-countries-recovery-and-resilience-plans.
- EFCA, Barometer spring 2023. The State of the European Consulting Engineering Sector, May 2023.

Chapter 2. THE PRESENCE OF ITALIAN ENGINEERING, ARCHITECTURAL AND CONSULTANCY COMPANIES IN THE WORLD

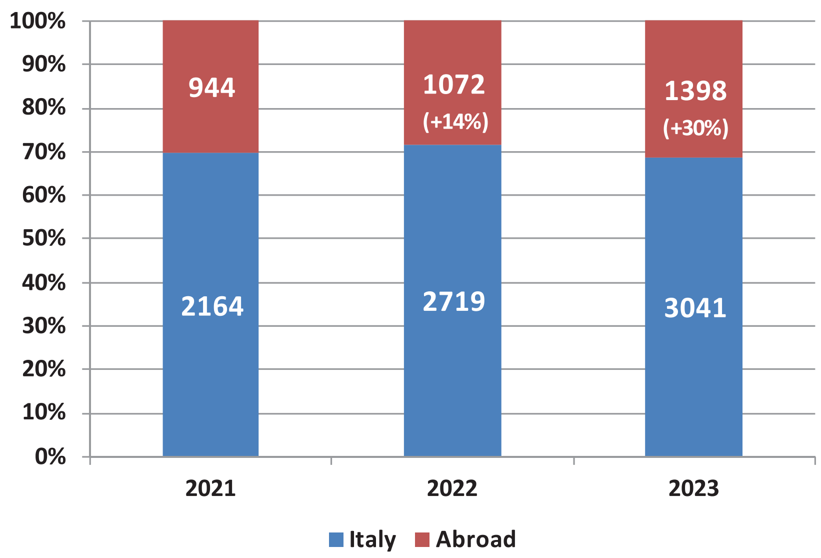
This chapter analyses the presence of Italian engineering, architectural and consultancy companies in the world. The first section describes the sample, the second shows the results of the survey, the third summarizes the main findings.

• Sample

OICE associated companies produced in 2022 a global turnover of 3,790 million euro (figure 2.1.) The expected turnover in 2023 is equal to 4,439 million euro.

The value of turnover abroad accounted for 28.3% of the global turnover in 2022. Turnover abroad is expected to grow 30% in 2023, with respect to +14% in 2022.

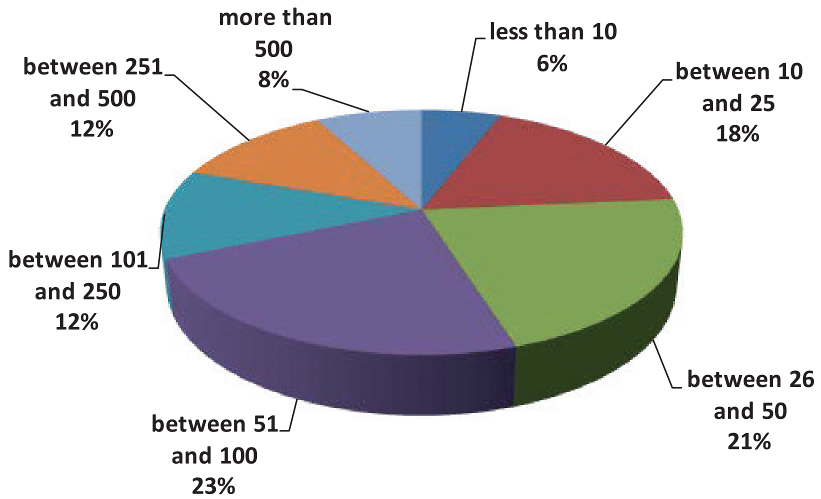
Figure 2.1. OICE associated companies' global turnover



As regards exporter companies, figure 2.2 illustrates their companies' size regarding the number of staff.

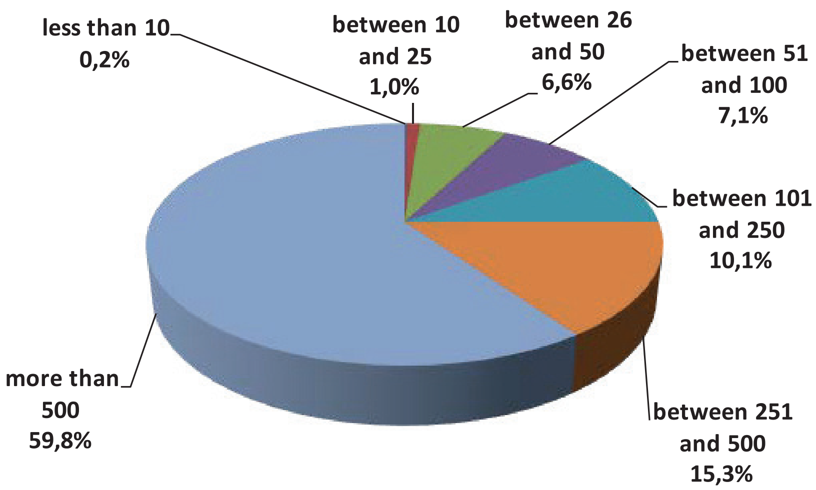
39% employ between 10 and 50 staff, 47% between 51 and 500, while 6% are micro companies, with less than 10 staff.

Figure 2.2 Company size, by number of employees, 2022



Companies with more than 500 staff (8% of the sample) account for 60% of global turnover (figure 2.3), companies with 251 to 500 staff cover 15% of global turnover and companies with 101 to 250 staff account for 10% of global turnover.

Figure 2.3 Production value, by company size, 2022

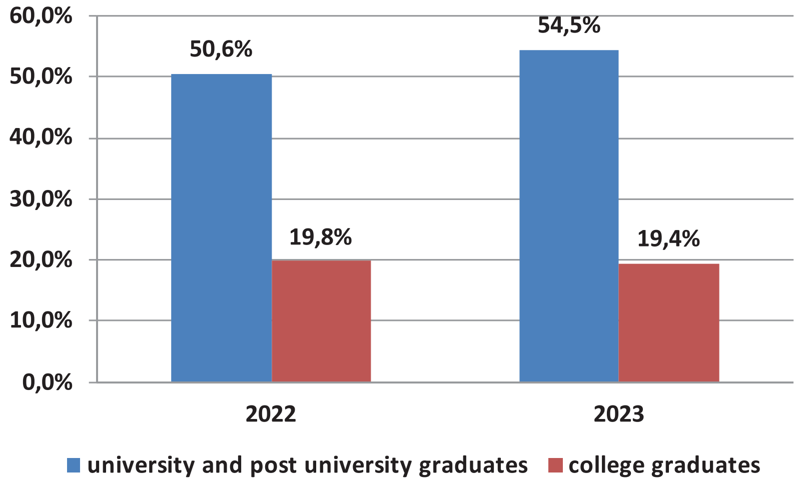


• **Results of the survey:**

Staff and Turn Over

In 2022, 50.6% of staff held a bachelor's degree or a higher qualification (figure 2.4), This percentage has increased in 2023, 54,5%. Conversely, the number of college graduates has decreased from 19.8% in 2022 to 19.4% in 2023.

Figure 2.4 Employee education



Companies with more than 500 staff hold the highest percentage of university graduates (59.0%, figure 2.5), while companies with less than 10 employees have the lowest number of university graduates (20.0%) and the highest of college graduates (35.0%).

Figure 2.6 provides the percentage of women employees by company size. Companies with less than 10 staff has the highest percentage of women employees in 2022 (45.0%) but show a decrease in 2023 (42.3%). Companies with 11 to 25 staff has shown the highest percentage of women employees in 2023 (47.8%). Biggest companies (with more than 500 staff) had the lowest percentage of women employees both in 2022 (26.8%) and in 2023 (27.1%). Overall, the percentage of women employees has been equal to 29.3% in 2022 and it increased to 29.6% in 2023. The number of women employees increased by 15.4% between 2022 and 2023.

Figure 2.5 Employee education, by company size, 2022

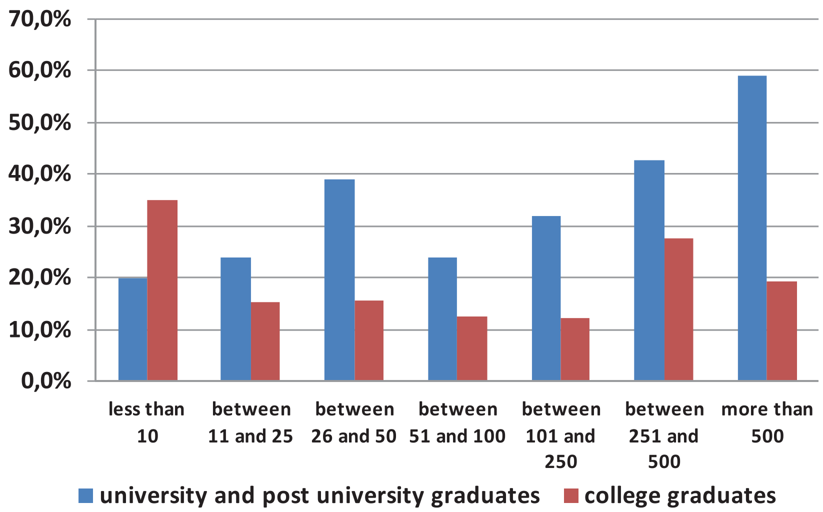


Figure 2.6 Women employees, by company size, 2022-2023

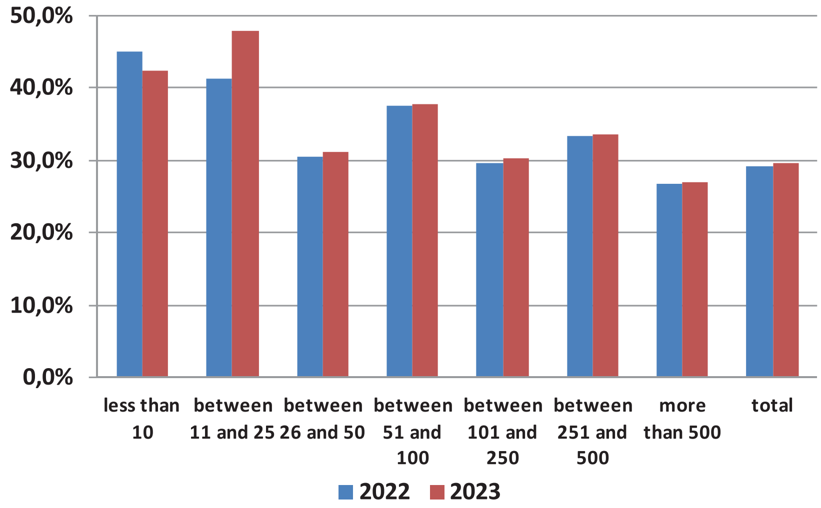


Figure 2.7 provides the percentage of foreign production value, by firm size.

Companies with more than 500 employees have the highest ratio of foreign production (88.6% of their total production value), followed by firms with 251-500 staff (88.0% of the total). On the other hand, companies with less than 10 staff have the lowest percentage, with export corresponding to 15.5% of their turnover, followed by companies with 11-25 staff (16.7%).

Figure 2.7 Share of production value made abroad, by firm size, 2022

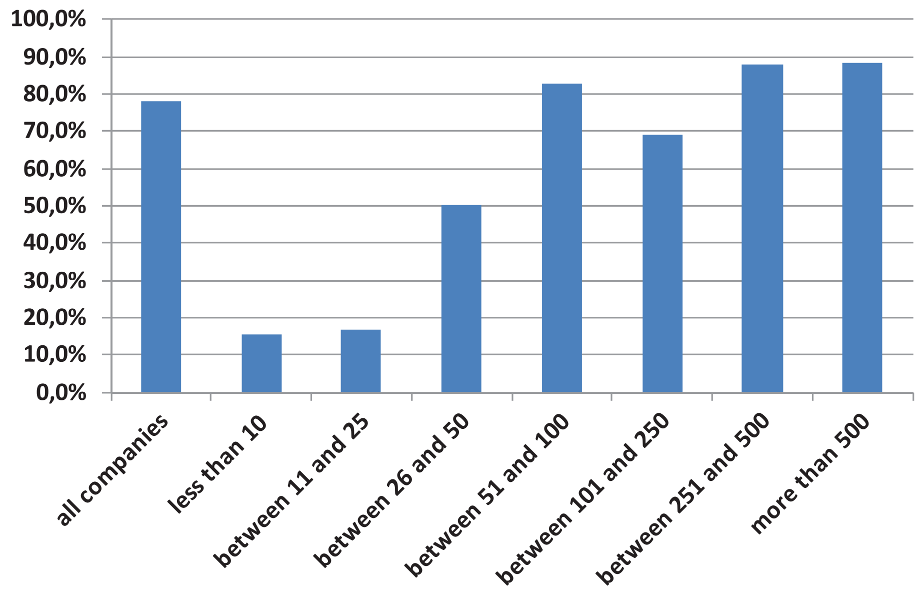
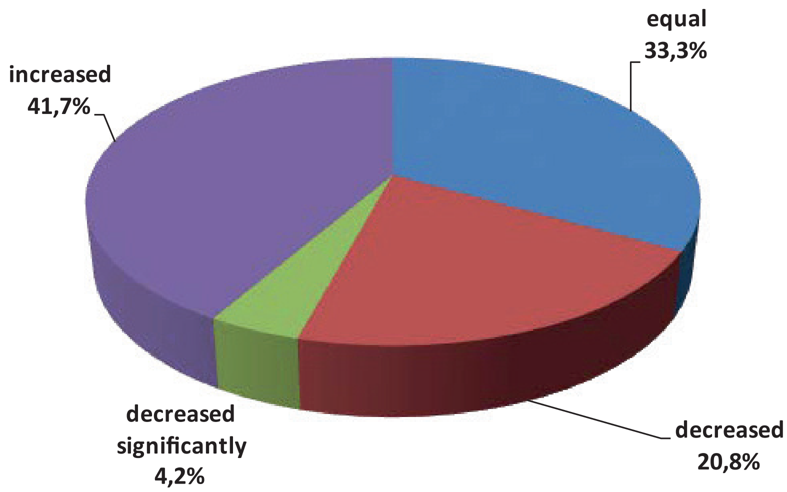


Figure 2.8 shows the foreign production of 2022 vs 2021. For the 25.0% of companies, the foreign production decreased (for the 4.2% of them the production abroad decreased significantly). For the 33.3% of the sample the foreign production remained equal (41.0% last year) while for 41.7% of firms the foreign production increased in 2022 (31.1% last year).

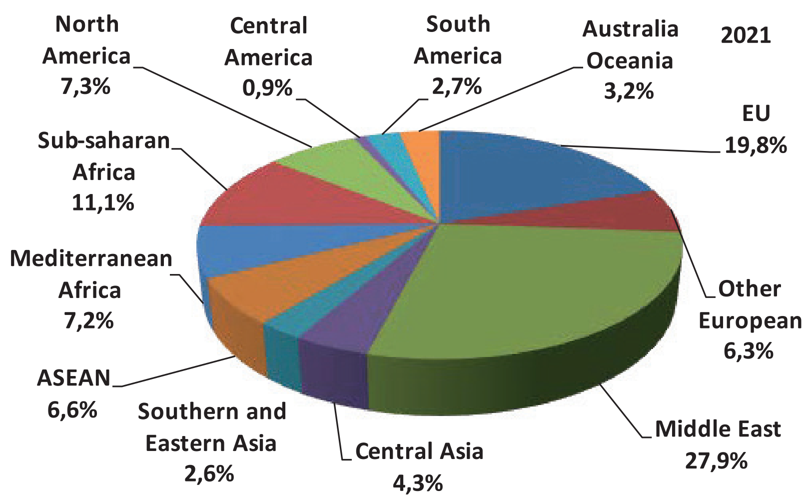
Figure 2.8 Foreign production, 2022 vs 2021

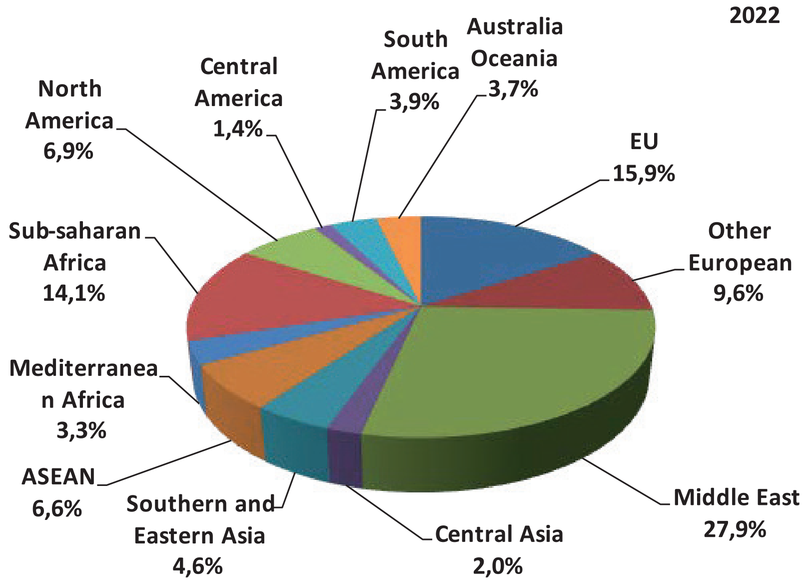


Considering the areas of activity, (figure 2.9) the first one in 2022 is Asia (41.1%; particularly 27.9% Middle East, 2.0% Central Asia, 6.6% ASEAN and 4.6% Southern and Eastern Asia), followed by European Union (15.9%) and Sub-saharan Africa (14.1%).

European countries outside the EU account for 9.6, North America, Central America, and South America account respectively for 6.9%, 1.4% and 3.9%. Australia and Oceania account for 3.7%.

Figure 2.9 Production value, by area, 2021 and 2022





The top sector in terms of value of foreign activity is transportation (31%). Energy accounts for 26%, followed by construction-urban planning with 19% and other infrastructure with 10%. The remaining 14% of foreign production value covers manufacturing, environment and agriculture, and ICT sectors (figure 2.10).

Figure 2.10 Foreign production value, by sector, 2022

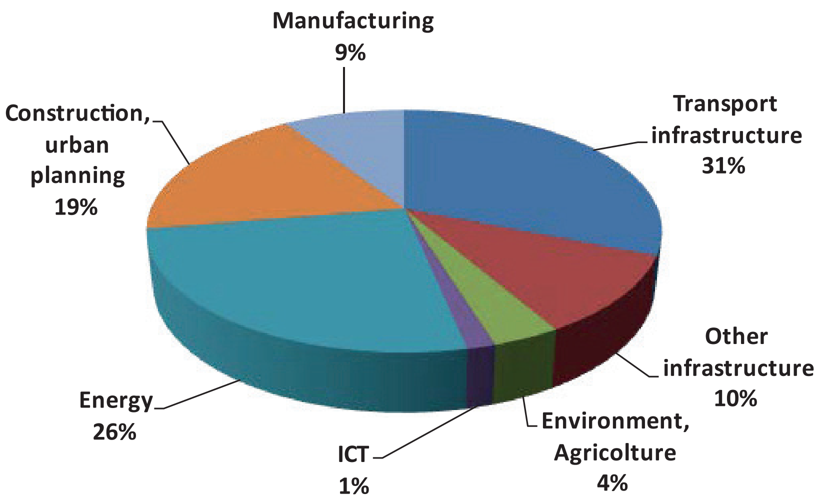
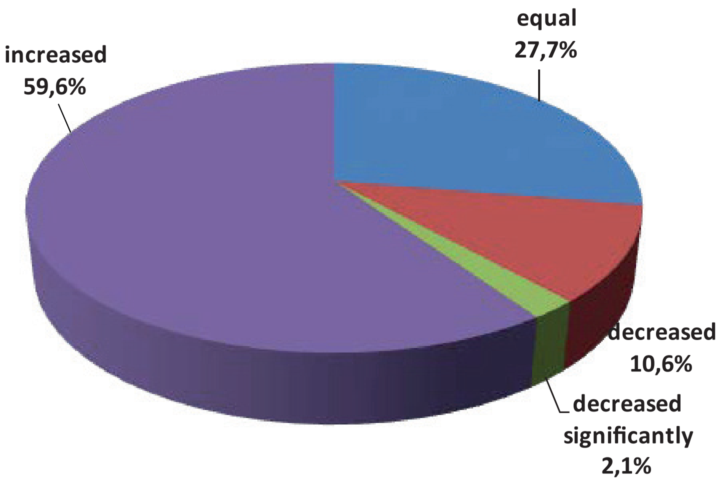


Figure 2.11 illustrates the percentage breakdown of foreign production by client. Private sector costumers account for 39%, less than in the former year, followed by public sector 27%, public enterprises 18% and financial institutions 10%.

Figure 2.11 Foreign production value, by client, 2022



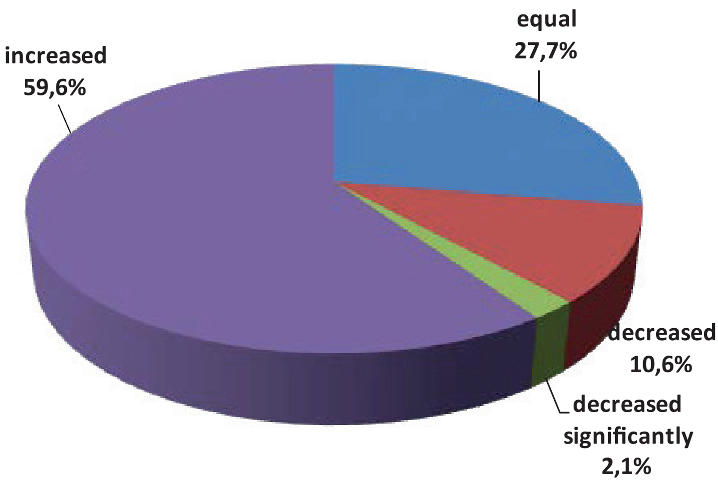
• A preliminary view on 2023

This section provides some insights on the ongoing year. Data shown in figures have been collected at the end of May 2023.

Companies project an increase of production value abroad of about 30% in 2023 in comparison to 2022 (see figure 2.1 in the previous section).

Figure 2.12 shows opinions of firms about the foreign production of 2023 vs. 2022. For the 12.7% of companies the value of their foreign production decreased, but only for a 2.1% of them this value decreased significantly. For the 59.6% of companies the production abroad increased (31.7% in the former year) while for a 27.7% of them this value remained stable (46.7% in the former year).

Figure 2.12 Foreign production, 2023 vs 2022

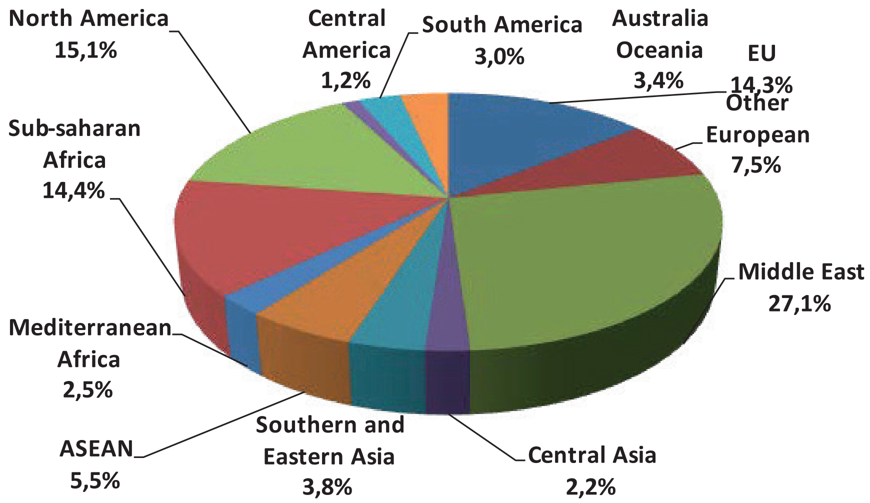


Considering the areas of activity, (figure 2.13) companies are focusing their activity on closer market in 2023, especially Middle East and European countries, but North America more than doubles its share in comparison to 2022.

The first macro area is Asia (38.6%; 27.1% Middle East, 2.2% Central Asia, 5.5% ASEAN, 3.8% Southern and Eastern Asia) followed by European countries (21.8%; 14.3% EU, 7.5% other European), North America 15.1% and Sub-saharan Africa 14,4%.

South America, Central America, and Oceania account respectively for 3.0%, 1.2% and 3.4%.

Figure 2.13 Production value, by area, 2023



The top sector in terms of value of foreign activity in 2023 is energy (40.4%). Transportation accounts for 24.9%, Construction-urban planning for 17.4% and Manufacturing for 9.8%. The remaining 7.5% of estimated foreign production value in 2023 covers Environment-agriculture, other infrastructure, and ICT sectors (figure 2.14).

Figure 2.14 Foreign production value, by sector, 2023

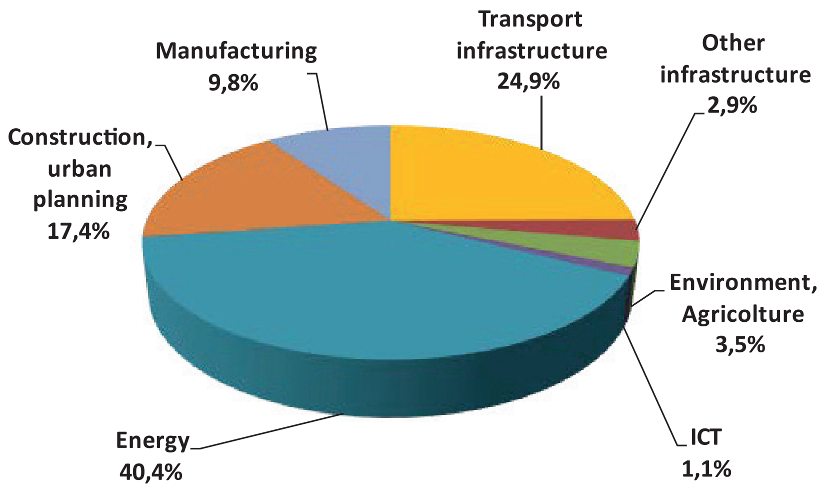
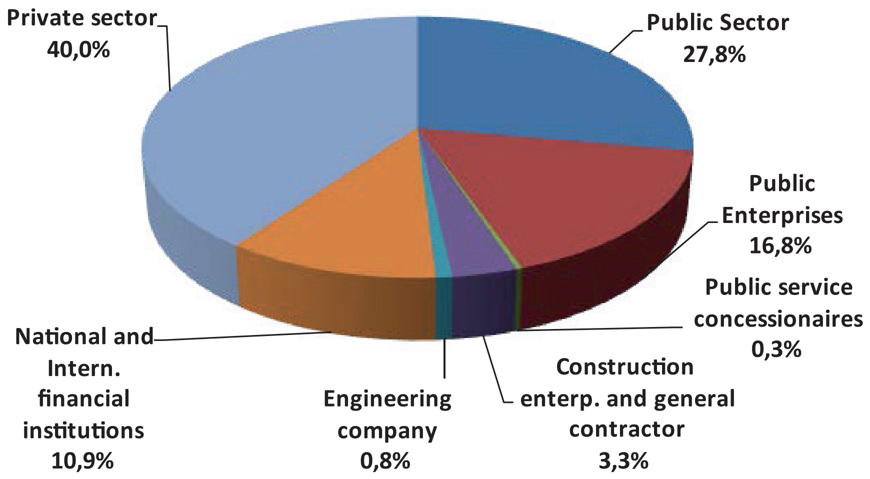


Figure 2.15 illustrates the percentage breakdown of foreign production by client estimated in 2023. Private sector costumers account for 40.0%, followed by public sector 27.8%, public enterprises 16.8%, and national and international financial institutions 10.9%. Public service concessionaires, construction enterprises and general contractor and engineering company combined account for 4.4%.

Figure 2.15 Foreign production value, by client, 2023

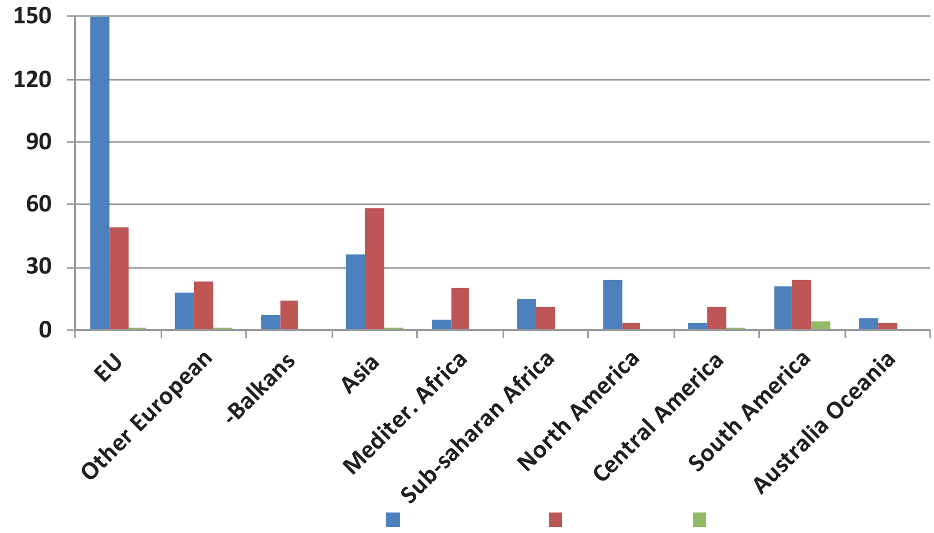


• Operational organization: companies, branches, and partnerships abroad

This section provides a brief description of the operational organization of OICE's companies, specifically focusing on the number of companies, branches, and partnerships abroad.

Figure 2.16 shows the number of foreign companies, branches, and partnership by area in 2022 and points out that out of 278 foreign companies, 150 are located in the EU (54.0%), 18 in European countries outside the EU (6.5%), 7 of these 18 in Balkans, 36 in Asia (12.9%), 48 in America (17.3%). Regarding the number of branches, out of 202 of them, 49 are located in the EU (24.3%), 58 in Asia (28.7%), 23 in other European countries (11,4%), 14 of these 23 in Balkans, 20 in Mediterranean Africa and (9.9%) and 38 in America (18.6%). About the number of Joint Ventures, 1 out of 8 is located in the EU, 1 in Asia, 1 in other European countries, 1 in Central America and 4 in South America.

Figure 2.16 Number of foreign companies*, branches and partnerships by area, 2022



*The Italian company has a share in the ownership of the foreign company higher than 25 per cent.

• Conclusions

This chapter highlighted some relevant aspects of Italian engineering, architectural and consultancy companies' activities, and organization of foreign markets. European countries and Asia are paramount for foreign activities in terms of value of production. It is worth noting that North America is gaining importance among the other relevant geographic area.

Energy and transportation and construction are the leading sectors of activity. The most significant clients are private and public sectors.

Finally, the data available for the first half of 2023 provide a quite positive picture, considering the slowdown of global economy and the persistence of inflation. Companies project an increase of production value abroad of about 30% in 2023 in comparison to 2022.

Chapter 3. OUTLOOKS, STRATEGIES AND TRENDS 2023-2025

The companies sample provides indications that allows to focus on outlooks, strategies, and future trends.

32% of the sample is active on foreign markets.

83% of companies with more than 251 staff are active on foreign market (86% between 251 and 500 and 80% more than 500) while only 11% of companies with less than 10 staff are active on international markets (figure 3.1).

Figure 3.1 Percentage of companies with international activities by size

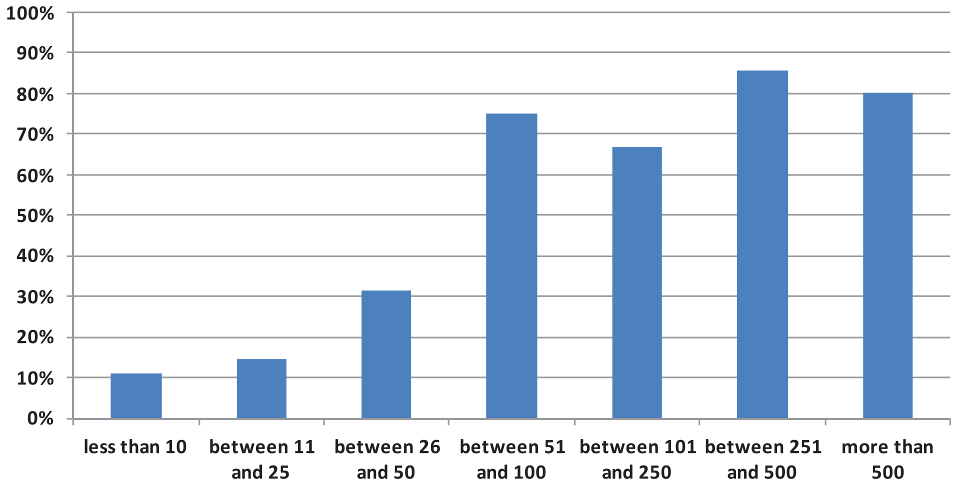
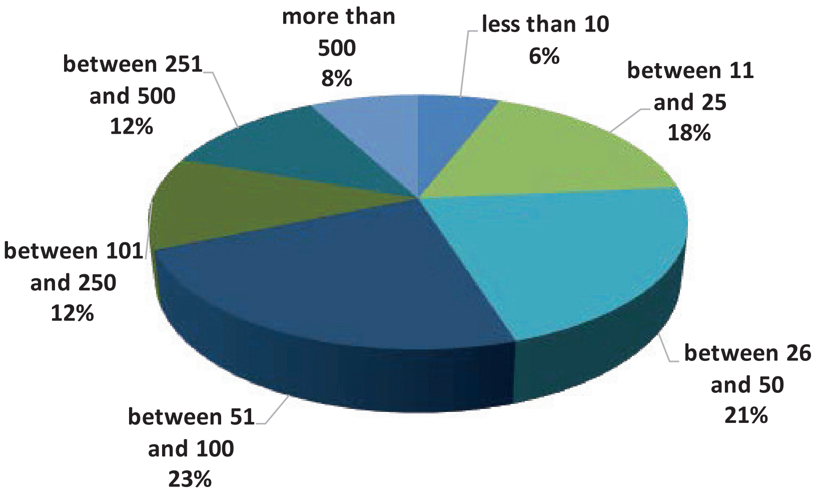


Figure 3.2 reflects the distribution in terms of size of OICE's associated companies active on foreign markets. Companies with 26 to 50 and 51 to 100 employees represent the 44% of the companies active abroad. The other important cluster is the one of companies with 11 to 25 employees (18% of companies active abroad) while the others show percentages equal or less than 12%.

Even though size is an influencing factor that impacts on internationalization, associated companies with less than 100 employees represent 62% of the total of those active abroad. This consideration will be relevant when we consider the services useful to sustain and enhance internationalization activities among Italian engineering companies.

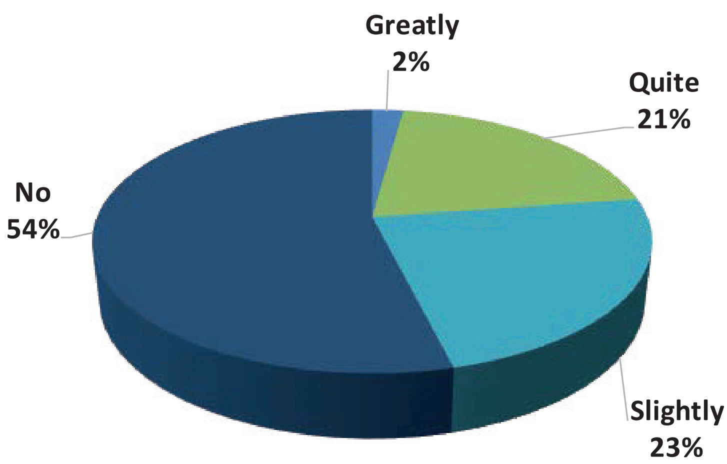
Figure 3.2 Size of companies active abroad, by number of employees



• Challenges, opportunities, and strategies related to foreign activities

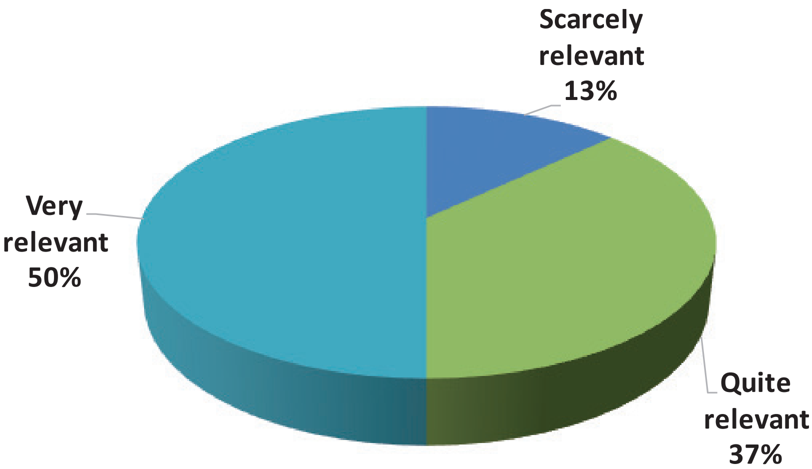
46% of companies active on international markets say that foreign activities and opportunities increased during the first four months of 2023, while 54% of companies did not observe any improvement of foreign activities in the first months of the year (figure 3.3).

Figure 3.3 Have opportunities and activities abroad increased during the first four months of this year?



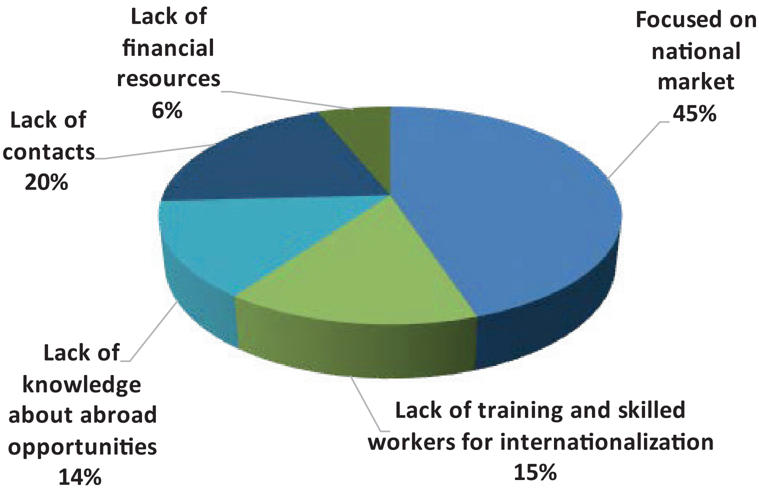
87% of companies active on international markets say that foreign activity is very or quite relevant for their strategy, percentage increased in comparison to the Report of the last year, while the other 13% say that is scarcely relevant (figure 3.4).

Figure 3.4 Relevance of international activities on company strategy



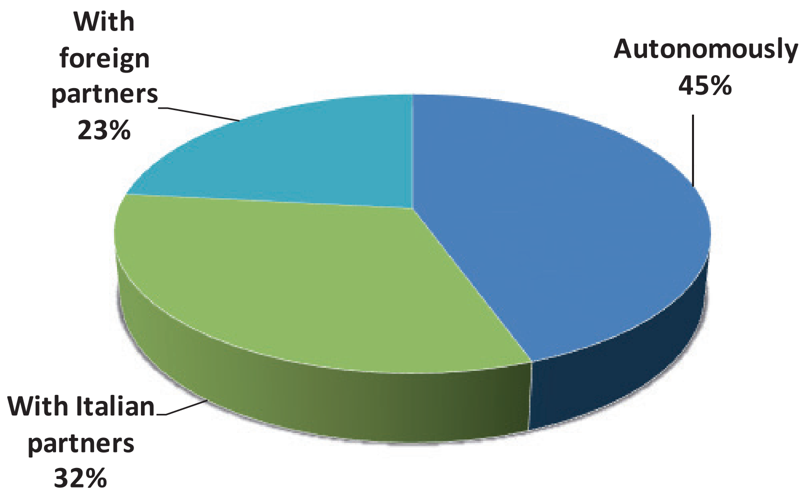
Among the companies not operating abroad (figure 3.5), 45% say that the focus on national market is the most important reason for disregarding foreign markets, 20% consider that the lack of contacts in foreign markets prevents international activity, 15% say that the lack of training and skilled workers for internationalization impedes internationalization (this percentage increased 5 points in comparison to the previous Report).

Figure 3.5 Why is your company not active abroad?



Regarding the way companies carry out their internationalization activity (figure 3.6) 45% carry out their internationalization activity autonomously, 32% do it with Italian partners while 23% establish JVs with foreign partners.

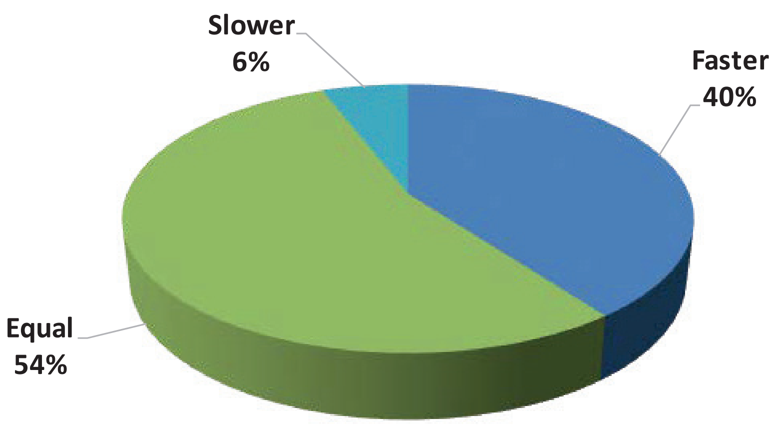
Figure 3.6 How do you carry out your internationalization activity?



Finally, figure 3.7 shows that foreign partners are faster than Italian ones in payment times. Indeed, only 6% of companies say that foreign partners are, on average, slower than Italians in payment times.

These data show that there is therefore a strong need to promote internationalization. This is a major challenge for the industry's associations and for public institutions and organizations that must improve the quality of their services and their capacity to meet SMEs expectations.

Figure 3.7 Payment time of foreign partners in comparison to Italian ones



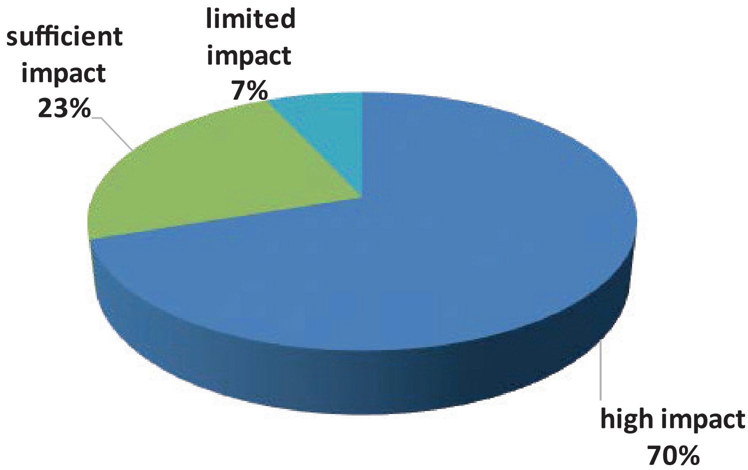
- **National and international institutional measures**

This section analyzes the view of companies on national and international measures to support economy and enterprises.

70% of companies declared that the measures sponsored by Farnesina had a high impact on company activities with particular reference to training/information, Exhibition system, Integrated promotion and concessional finance, figure 3.8.

66% of companies are satisfied (17% very satisfied) with subsidized/non repayable loans by SIMEST, figure 3.9. Given this result, it seems that SIMEST have matched the companies' needs. Indeed, flow of new loans has been fundamental to support the activity of companies during the recovery.

Figure 3.8 What has been the impact of measures sponsored by Farnesina and promoted by OICE on your company growth (training, promotion, finance...)?



Focusing on relationship with foreign counterparties, as showed by figure 3.10, 72% of companies say that foreign contractors had a collaborative approach on the ongoing contracts. This is a positive feature because it means that companies can preserve activity in foreign markets notwithstanding the difficult global scenario.

55% of companies declared that European Programmes, such as Horizon Europe, Life or Erasmus, impacted on company growth, figure 3.11. This result highlights the importance of Community policies in supporting the growth of OICE companies.

Figure 3.9 What is your level of satisfaction with subsidized/non repayable loans by SIMEST?

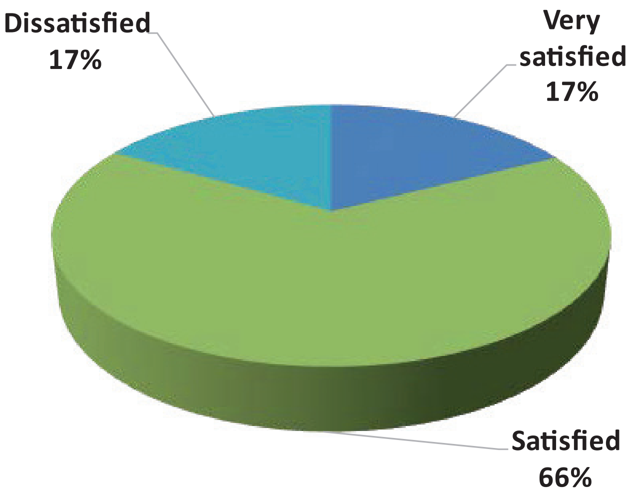


Figure 3.10 What has been the reaction of foreign contractors on the ongoing contracts?

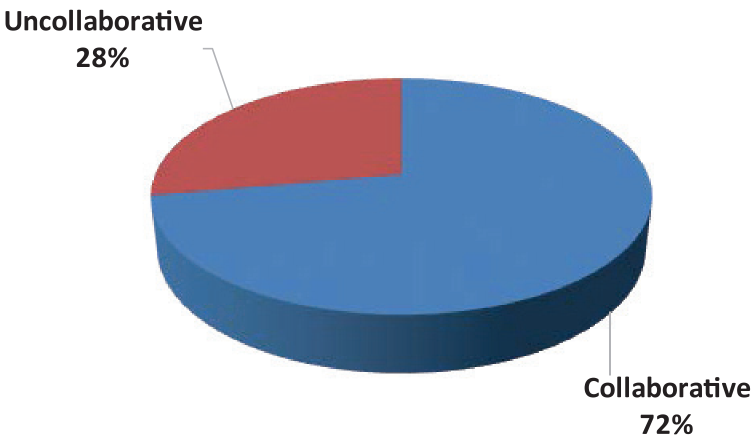
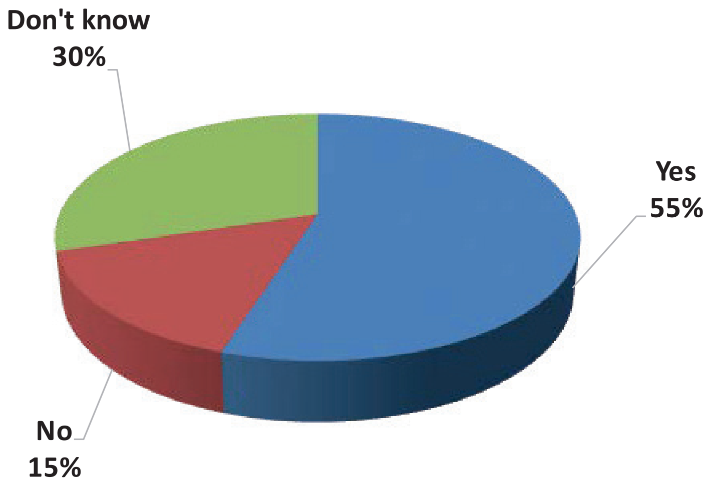


Figure 3.11 Do you think European Programmes (Horizon Europe, Life, Erasmus...) can impact on your company growth?



Considering the support of the Italian institutional and economic system abroad (such as Embassies, Italian Trade Agency etc.), 88% of companies say that this support has been useful cause it facilitated their activity abroad (figure 3.12). This percentage is higher than the one of the last year report.

Focusing on the Global Gateway1, the European strategy to tackle the most pressing global challenges, 65% of companies declare this measure will be useful for their business in the future (10% to a great extent and 55% somewhat), figure 3.13.

Summing up, this section highlights that both national and international measures have helped companies to sustain their activity in 2022 and helping them to manage the new economic scenario of 2023.

1 The European Commission and the EU High Representative have set out the Global Gateway, a new European strategy to boost smart, clean and secure links in digital, energy and transport sectors and to strengthen health, education and research systems across the world.

Fig 3.12 How has the support of the Italian institutional and economic system influenced the activity abroad?

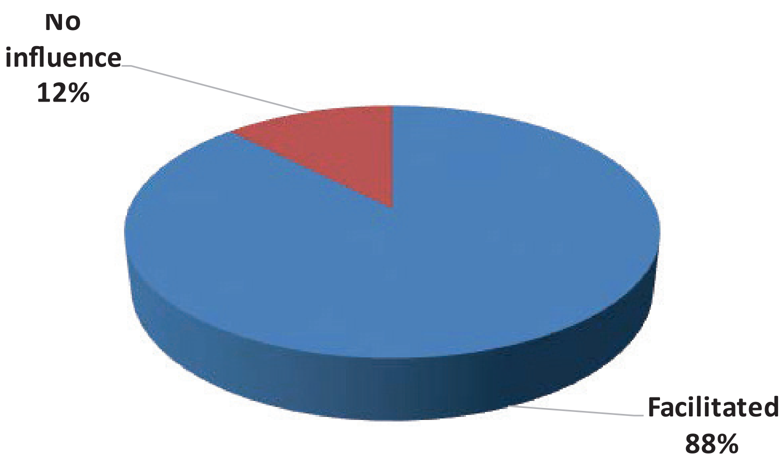
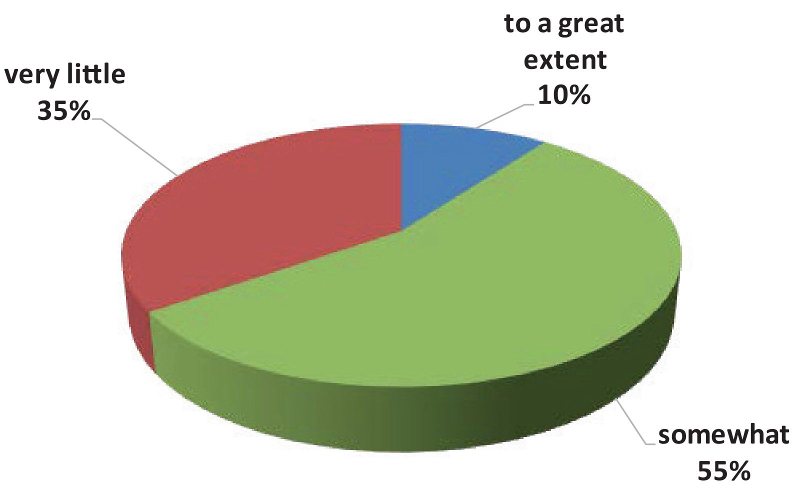


Fig 3.13 Is the Global Gateway a good opportunity for your business?



SIMEST: new life for 394 fund

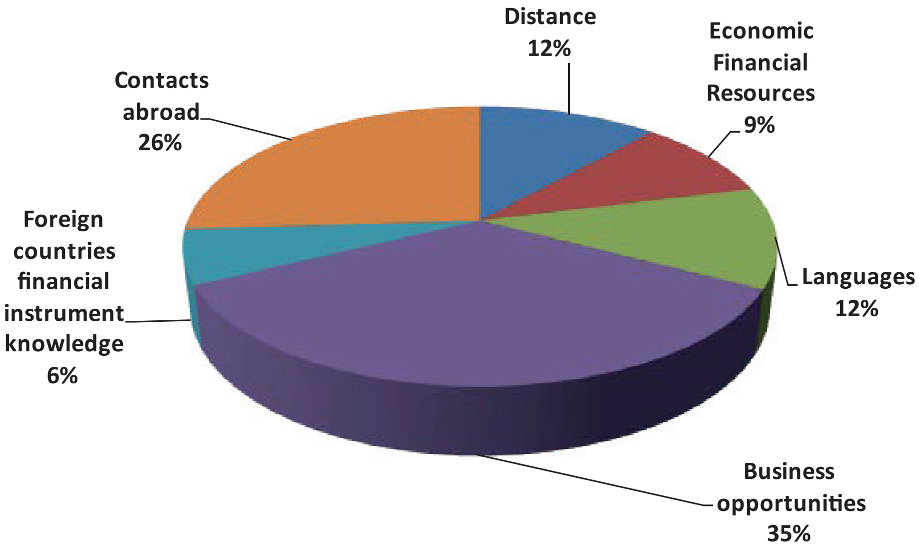
The **new operation of Fund 394**, the instrument managed by SIMEST in agreement with the Ministry of Foreign Affairs to finance investment for the foreign growth of Italian enterprises, was presented in July. The Fund will have an endowment of **EUR 4 billion, mainly dedicated to SMEs.**
The new operation of the Fund will be through six different lines of subsidised financing.
1) Digital or Ecological Transition: financing dedicated to companies wishing to make investment in digital innovation or ecological transition, as well as **general production investment to strengthen their capital strength and financial soundness,** to the benefit of their competitiveness in international markets.
2) Market Introduction and Access: financing for companies wishing to implement programmes for finding their place in international markets, through the opening of their own structure in a foreign country, or for those wishing to strengthen their presence in markets in which they already operate, by strengthening their structure or staff on site.
3) Certifications and Consultancy Services: funding reserved for companies wishing to implement internationalisation, technological, digital or ecological innovation projects, through the exclusive support of consultancy firms, or obtain product certifications, patents for the protection of intellectual property rights, as well as sustainability and technological innovation certifications.
4) Fairs and Events: funding for enterprises wishing to participate – also in Italy – in international fairs, exhibitions, events and business or system missions, including virtual ones, for the promotion of goods and services produced in Italy or under the Italian brand name.
5) E-commerce: financing for companies wishing to develop their e-commerce in foreign countries for goods and services produced in Italy or under the Italian brand name, through the creation or improvement of their own platform, or of their own dedicated space on a third-party platform.
6)Temporary Manager: funding reserved for companies wishing to make temporary use of specialised professionals for implementing internationalisation, technological innovation, digital or ecological projects.
Companies may apply for financing from **27 July** on the SIMEST Portal of subsidised financing.

Source: Foreign Ministry, esteri.it

• Foreign markets and institutional support

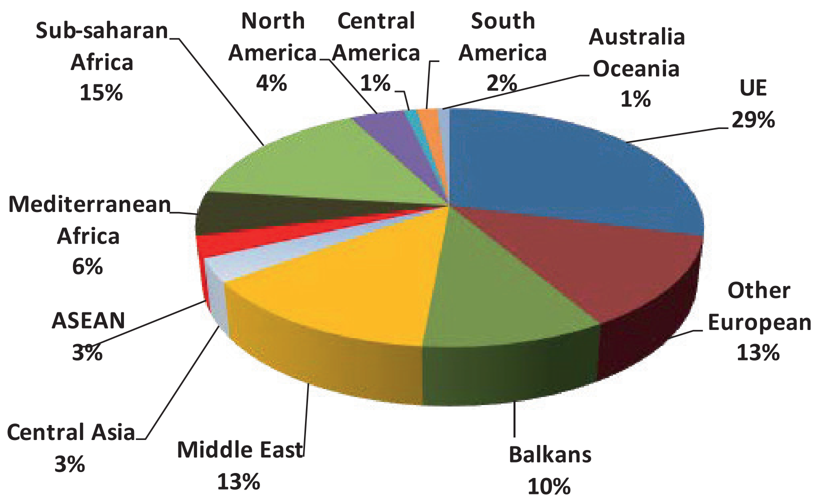
Regarding the motivations that determine the choice of a specific foreign market or a geographic area in the future (figure 3.14), 35% of companies select a foreign market according to its business opportunities, 26% choose a foreign market because they have contacts in that particular area, 12% make their choice upon the geographic distance assessment between Italy and foreign markets, 9% on the basis of economic and financial resources. 12% base their choice on the language and a residual 6% on the knowledge of the foreign country's financial allocation.

Figure 3.14 Selection criteria for foreign markets



Concerning the areas of interest for the next three years (figure 3.15), 29% prefer the European Union and 13% the non-EU European countries, 14% the Sub-Saharan Africa, 13% the Middle East and 10% Balkans. Geographical distance remains a paramount concern in companies' choices. This is due to an average middle size engineering industry with limited access to distant foreign markets.

Figure 3.15 Foreign areas of interest in the future



Regarding services provided by OICE, 46% of companies used the services in 2022. Relevant services are "missions and institutional events" 25%, "training courses" 23% and "networking" 23% (figure 3.16). The remaining two services, "Direct advice" and "missions and fairs", are used by 15% of companies respectively.

These results are in line with the activities provided by the Association. OICE organizes institutional missions in foreign markets, supports networking activities among Italian associates and with foreign partners and promotes training to foster companies' capacity to work with International Financial Institutions.

Last question (figure 3.17) analyzes which business opportunities are most important to start or expand activity abroad among that offered by multilateral banks and IFAs, EU opportunities (European funds, IPA, cooperation in third regions and countries) or foreign government organizations: 40% consider the business opportunities linked to foreign government organization as a priority, 36% consider as a priority the business opportunities offered by multilateral banks and IFAs while the minority (24%) consider as a priority the opportunities linked to EU system.

Figure 3.16 Which internationalization services provided by OICE did you use?

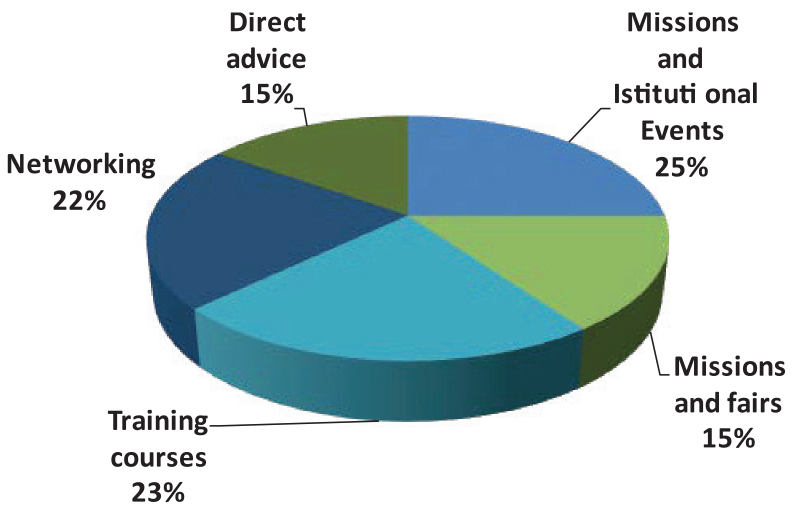
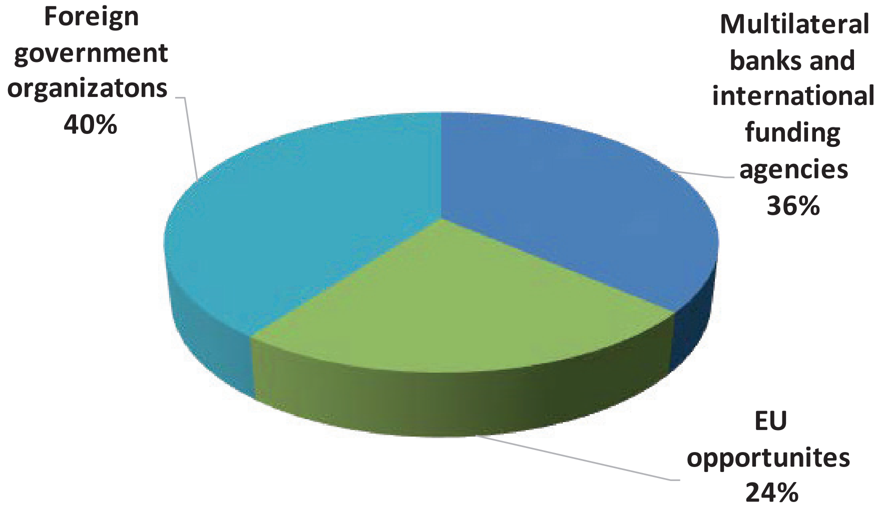


Figure 3.17 Which business opportunities are priority to start/expand your international activity? Business opportunities linked to...



Ukraine Recovery Conference 2023

The Ukraine Recovery Conference 2023 (URC2023) was co-chaired by the UK and Ukraine in London on 21-22 June 2023. The conference was a continuation of the cycle of annual events.
URC 2023 brought together the international community to help secure Ukraine's long-term economic future.
The conference focused on **mobilizing international support for Ukraine's economic and social stabilization and recovery** from the effects of war, including through emergency assistance for immediate needs and financing private sector participation in the reconstruction process.
URC 2023 showcased the strength and potential of the private sector in supporting Ukraine to "build back better", working alongside a broad coalition of governments, international organizations and civil society.

In particular:
Private sector led recovery
Ukraine's partners have agreed to provide a further $60bn to meet the recovery and reconstruction needs of Ukraine. The EU announced a new multi-year facility of up to €50bn for recovery, reconstruction and modernisation. The US announced $1.3bn in additional aid to Ukraine, including $675m to modernise Ukraine's critical infrastructure. The UK announced a further $3bn guarantees to support additional World Bank lending up to 2027, and £240m of support for immediate needs. Switzerland announced a further CHF1.5bn of support to 2027.
Nearly 500 global businesses from 42 countries worth more than $5.2 trillion and 21 sectors have already signed the Ukraine Business Compact (see below), pledging to support Ukraine's recovery and reconstruction.

Enablers for private investment
The Government of Ukraine and its partners are responding to business demand to extend commercial insurance coverage in Ukraine. The Conference launched the London Conference War Risk Insurance Framework.
Partners announced support for the World Bank Multilateral Investment Guarantee Agency's (MIGA) Support for Ukraine Reconstruction and Economy Trust Fund, with the UK announcing a contribution of up to £20m, on top of Japan's existing $23m contribution. MIGA announced the signing of an extended MOU with ProCredit, bringing the total guarantee to €40.85m. Ukraine's partners agreed to continue supporting the country's budgetary needs, contributing to the International Monetary Fund's $15.6bn four-year programme, to deliver medium-term macro-stability, strengthen Ukrainian institutions, and promote growth. Following the European Bank for Reconstruction & Development (EBRD)

Annual Meetings in Samarkand, the EBRD reiterated its intention to raise €3-5bn of new capital from shareholders, as directed by its Governors. If agreed, the increase in capital could be leveraged by at least a factor of 4 to bolster the Bank's capacity to support lending in Ukraine in wartime and in reconstruction. G7 and European Development Finance Institutions launched a new Ukraine Investment Platform, in partnership with the EBRD, that will promote co-investments to maximise the impact of their support. The International Finance Corporation, the US International Development Finance Corporation (USDFC), and British Investment International, signed a landmark deal to support the IFC's Global Trade Finance Program to help keep cross border trade lines open. USDFC also announced a **further $20m loan guarantee to Bank Lviv to support SMEs**.

Building back better

The Government of Ukraine is determined to build back a more modern, innovative, green economy, closer to the EU Single Market. G7+ governments committed to develop a **new Clean Energy Partnership with Ukraine** to accelerate the transition to a green energy system, that is secure, sustainable resilient and integrated with Europe. The US announced $520m to **help overhaul Ukraine's energy grid**. Ukraine's partners announced new investments in the International Finance Cooperation's Economic Resilience Action Programme. The Conference launched the InnovateUkraine Green Energy Challenge Fund, to accelerate low-carbon, affordable energy innovation. The Conference launched the Ukraine Energy Initiative to accelerate the recovery of Ukraine's energy sector. Ukraine's partners announced new tech partnerships to help realise the amazing potential of Ukraine's burgeoning tech ecosystem, including a TechBridge between the UK and Ukraine to facilitate investment and support talent. Ukraine showcased its leadership in e-governance, driving digital transformation and delivering effective public services for the future.

An important aspect of URC2023 has been the **Statement of Intent** for **Re-Launching The Private Insurance Market To Support Resilience And Reconstruction Of Ukraine.**

In this context, the European Bank for Reconstruction & Development (EBRD) announced its "Ukraine Guarantee Leverage Facility," a pilot insurance scheme focusing on in-land transport and trade facilitation. The facility is supported by the European Commission, Switzerland, Norway and the Taiwan Business - EBRD Technical Cooperation Fund. A Statement of Intent was signed to support the development of this initiative.

In particular, the Signatories intend to explore the possibility of cooperating in the following areas:

- Establishment of the Ukraine Recovery Guarantee Facility (URGF), in partnership with leading international private sector institutions, with the aim to facilitate the provision of private sector insurance against war-related risks in Ukraine, initially focusing on trade with the potential to expand to other segments of the insurance market.

- Re-engagement of Ukraine's domestic and global insurance and re-insurance industries by leveraging donor support, including grants and other risk-sharing instruments, and maximizing the use of existing insurance industry infrastructure to support the creation of the URGF and its expansion overtime.

Another interesting aspect is **The Business Compact, officially launched at this year's Ukraine Recovery Conference** (see https://ubc.globalcompact.org.ua/).

United Nations Global Compact Ukraine in partnership with the Government of Ukraine have agreed to host the Ukraine Business Compact. The Business Compact gives leading international businesses a platform to show their support for Ukraine's recovery and its drive to modernise, build a resilient and agile economy and emerge from war as a stronger and more prosperous state.

Business compact aim:

a vibrant private sector will help to drive Ukraine's recovery and ensure it can modernize, build a resilient and agile economy and emerge as a stronger and more prosperous state. Ukraine has competitive advantages and growth potential which make it an attractive market for trade and investment for domestic and international business. The aim of this compact is to re-enforce the business community's support for peace in Ukraine and to set out mutual expectations for success of the recovery efforts.

Business compact commitment:

Supporting the recovery and reconstruction of Ukraine by looking for opportunities, when the time is right, to engage in trade and investment, peer-to-peer expertise sharing, pro bono work and business activities including but not limited to:

1. **Investing in business opportunities** in Ukraine, participating where possible in reconstruction through direct financial contributions or investments into Ukrainian operations, and/or

2 **Working with Ukraine-based companies**, including to harness the country's existing and future potential via trade, expertise sharing and partnerships, and/or

3. **Supporting Ukraine-wide development and economic growth**, where possible and in line with business objectives.

Business compact Core principles:

4 core principles in supporting long-term sustainable economic recovery and reconstruction of Ukraine:

1. **Investing and behaving sustainably**, accelerating green transition and inclusive growth in accordance with international corporate practice.

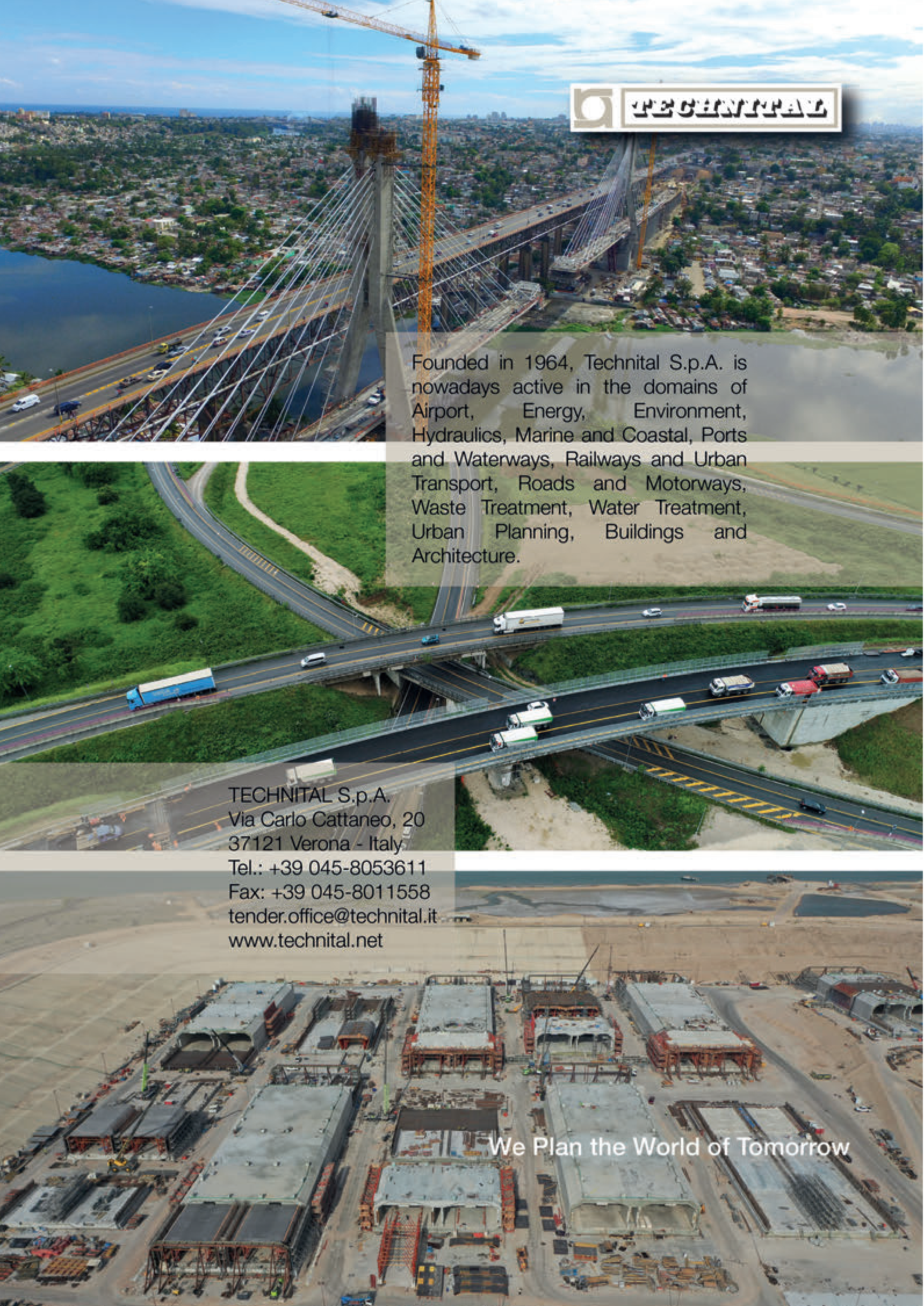
2. **Acting responsibly and reinforcing responsible business practices**, aligned with international standards, including adherence to applicable legislation, support and respect of human rights, equitable and inclusive practices, and prevention of corruption.
3. **Implementing best practice** corporate governance and working to identify areas where compact signatories and Ukrainian businesses can share capabilities and promote best practice governance in a mutually beneficial way.
4. **Respecting all applicable sanctions legislation and regulations**.

Source: https://www.urc-international.com/

• **Conclusions**

Notwithstanding the Ukraine war and inflationary pressures, 2022 has been characterized by a robust growth of international activity of associated companies. They continued to expand their activity in the first months of this year benefited from a more stable economic scenario.

Now the companies are facing a slowdown of the economic cycle. In order to help companies in facing this new challenge, public and institutional support need to keep increasing. The role of institutions will be fundamental to limit the impact of the new economic scenario.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We Plan the World of Tomorrow

Chapter 4. FOCUS ON THE ITALIAN RANKING WITHIN THE MDBs

OICE's elaboration on Italian Ministry of Economy and Finance (MEF) data within the cooperation between the International Office of the Association and the Department of the Treasury (MEF).

Edited by Marco Ragusa, Director, International Office OICE

The Italian participation in the capital of the Multilateral Development Banks is entrusted by Italian law to the Ministry of Economy and Finance, in agreement with the Ministry of Foreign Affairs and International Cooperation (Article 5 par. 5 of the law 125/2014), and is inspired by the principles and objectives adopted at international level, in particular the Sustainable Development Goals (SDGs).

The Italian contribution to these Multilateral Institutions allows Italy to play an important role in the international financial architecture and in informal intergovernmental fora (such as the G7 and the G20, in which coordination on these institutions takes place), from 'other, to achieve possible positive effects on the Italian economy due both to the indirect stimulus effect of world trade, and to the direct one, through the participation of companies and national consultants in tenders and other activities financed by these Institutions.

This focus on **Multilateral Development Banks (MDBs)** starts with a brief description of MDBs, then highlights their consulting activity and presents data related to contracts awarded to Italian companies. Three charts sum up data related to consultancy contracts at the end of the chapter.

OVERVIEW

Multilateral Development Banks are International Institutions set up by sovereign States, which are their shareholders. Their remits reflect the development aid and cooperation policies established by these states. They have the common task of fostering economic and social progress in developing countries by financing projects, supporting investment and generating capital for the benefit of all global citizens.

They are characterized by AAA-credit ratings and have a broad membership of borrowing and donor countries. Each of these institutions operates independently.

Multilateral development banks are subject to international law. They and other international financial institutions, such as the International Monetary Fund (IMF), originated in the waning days of World War II when the United States and its allies established the Bretton Woods institutions to rebuild war-ravaged nations and stabilize the post-war international financial system.

Unlike commercial banks, MDBs do not seek to maximize profits for their shareholders. Instead, they prioritize development goals, such as ending extreme poverty and reducing economic inequality. They often lend at low or no interest or provide grants to fund projects in infrastructure, energy, education, environmental sustainability, and other areas that promote development.

MDBs also provide technical and advisory assistance to their borrowers and conduct extensive research on development issues. In addition to these public procurement opportunities, in which multilateral financing is delivered to a national government for the implementation of a project or program, MDBs are increasingly lending directly to non-sovereign guaranteed actors, such as sub-national government entities as well as the private sector.

Moreover, in recent years IFIs have become critical development partners to achieve the Sustainable Development Goals (SDGs). IFIs have deep institutional expertise in providing and catalyzing investments in sustainable development and have taken steps to align their activities with the 2030 Agenda, including by scaling-up climate finance, designing and deploying innovative SDG-related financial instruments, and helping to crowd-in public and private resources to advance global public goods in areas such as combatting climate change and forced displacement.

WORLD BANK (WB)

The World Bank is an international organization dedicated to providing financing, advice, and research to developing nations to aid their economic advancement. The bank predominantly acts as an organization that attempts to fight poverty by offering developmental assistance to middle- and low-income countries. As of 2022, the World Bank identified 17 goals that it aims to achieve by 2030. The top two are stated in their mission statement. The first is to end extreme poverty by decreasing the number of people living on less than $1.90 a day to below 3% of the world population. The second is to increase overall prosperity by increasing income growth in the bottom 40% of every country in the world. The World Bank supplies qualifying governments with low-interest loans, zero-interest credits, and grants, all to support the development of individual economies. Debt borrowings and cash infusions help with global education, healthcare, public administration, infrastructure, and private-sector development. The World Bank also shares information with various entities through policy advice, research and analysis, and technical assistance. It offers advice and training for both the public and private sectors.

In the fiscal year 2022 (July 2022-June 2023), the WB awarded 6,801 contracts for a total value of about 1,2 billion dollars. The contracts awarded to Italian consultancy companies were 34, for a value

of 21.3 million dollars, accounting for 1,8% of the total. Italy ranked fourteenth for contract assignments among the Bank's member countries.

- Annual Meeting 2024 - United States of America

ASIAN DEVELOPMENT BANK (ADB)

The Asian Development Bank's primary mission is to "foster economic growth and cooperation" among countries in the Asia-Pacific Region. Founded in 1966 and based in Manila, Philippines, the ADB assists members and partners by providing loans, technical assistance, grants, and equity investments to promote social and economic development. The ADB has been responsible for major projects in the region and raises capital regularly through the international bond markets. The ADB also relies on member contributions, retained earnings from lending, and the repayment of loans for the funding of the organization. The ADB regularly facilitates policy dialogues and provides advisory services. They also use co-financing operations that tap official, commercial, and export credit sources while providing assistance. Membership in the ADB is open to members and associate members of the United Nations Economic Commission for Asia and the Far East. It's also open to other regional countries and non-regional developed countries that are members of the U.N. or of any of its specialized agencies.

In 2022, the ADB awarded 3,642 consultancy contracts for an overall value of around 536 million dollars. The contracts awarded to Italian consultants and consultancy companies have been 30, for a value of about 21 million dollars, accounting for 4 percent of the total amount, positioning Italy as thirteenth for contract assignments among the Bank's member countries.

- Annual Meeting 2024 - Georgia

AFRICAN DEVELOPMENT BANK (AfDB)

The African Development Bank was founded in 1964 and comprises three entities: The African Development Bank, the African Development Fund and the Nigeria Trust Fund. The African Development Bank (AfDB) Group's mission is to help reduce poverty, improve living conditions for Africans and mobilize resources for the continent's economic and social development. With this objective in mind, the institution aims at assisting African countries – individually and collectively - in their efforts to achieve sustainable economic development and social progress. Combating poverty is at the heart of the continent's efforts to attain sustainable economic growth. To this end, the Bank seeks to stimulate and mobilize internal and external resources to promote investments as well as provide its regional member countries with technical and financial assistance.

In 2022, the Bank awarded 1,199 consultancy contracts for a total value of about 214 million dollars. The contracts awarded to Italian consultants and consultancy companies have been 9 for a value of approximately 3,3 million dollars, representing 1,5 percent of the total. Italy was fourteenth for total contract assignments after, among others, Congo RDC, Côte D'Ivoire, Mali, Senegal, Benin,Tunisia and fourth among non-regional member countries, after India, France and Germany.

- Annual Meeting 2024 - Kenya

INTERAMERICAN DEVELOPMENT BANK (IDB)

The Inter-American Development Bank (IDB) is a cooperative development bank founded in 1959 to accelerate the economic and social development of its Latin American and Caribbean member countries. It is owned by a total of 48 member countries, including the U.S. and some European nations. The bank provides financing in the form of loans and grants. The IDB assists Latin American and Caribbean countries in formulating development policies and provides financing and technical assistance to achieve environmentally sustainable economic growth, increase competitiveness, enhance social equity, fight poverty, modernize the state, and foster free trade and regional integration.

In 2022, the IDB awarded 4,485 consultancy contracts for an overall value of 416 million dollars: 124 to non-regional countries for a total value of 93 million dollars. 8 contracts have been awarded to Italian consultants and consultancy companies for a value of approximately 50 million dollars, accounting for 12 percent of the total. Italy ranked first among non-regional member countries in terms of value of contracts.

- Annual Meeting 2024 – United States of America

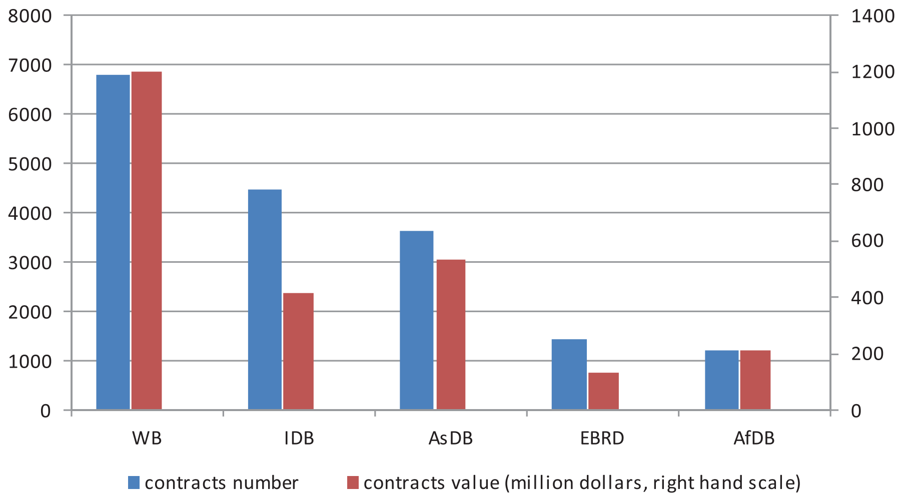
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)

The European Bank for Reconstruction and Development (EBRD) was founded in 1991 to create a new post-Cold War era in Central and Eastern Europe, furthering progress towards market-oriented economies and the promotion of private and entrepreneurial initiative. The European Bank for Reconstruction and Development (EBRD) helps businesses and economies thrive. Through their financial investment, business services and involvement in high-level policy reform, they're well placed to promote entrepreneurship and change lives. Everything they do pursues the goal of advancing the transition to open, market economies, whilst fostering sustainable and inclusive growth. They're active in more than 36 economies, from the Southern and Eastern Mediterranean, to Central and Eastern Europe, to Central Asia. Uniquely for a development bank, the EBRD has a political mandate in that it assists only those countries 'committed to and applying the principles of multi-party democracy and pluralism'.

In 2022, the EBRD awarded 1,440 consultancy contracts (projects and corporate procurement) for an overall value of 134,4 million euros. The contracts awarded to Italian consultants and consultancy companies were 57, for a value of about 14,9 million euros, equal to 11% of the total amount. Italy ranked second after UK and first among EU countries.

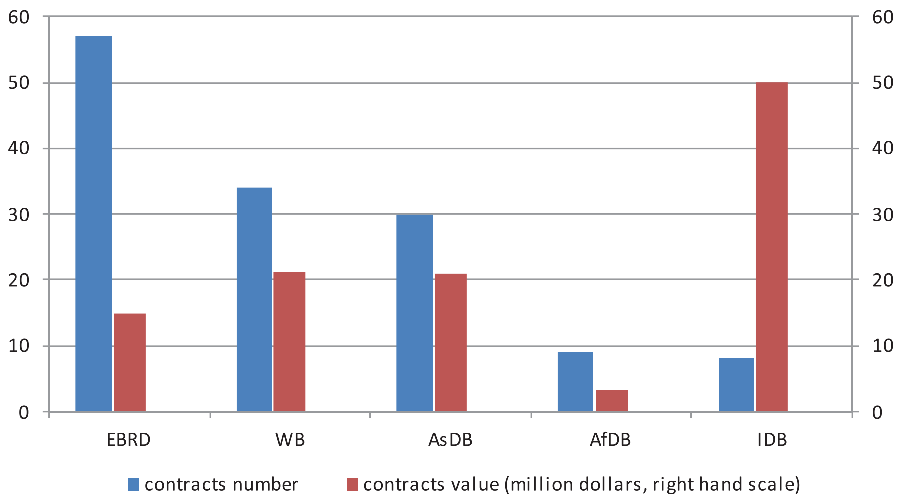
- Annual Meeting 2024 - Armenia

Figure 4.1. Total value and number of consultancy contracts, by bank



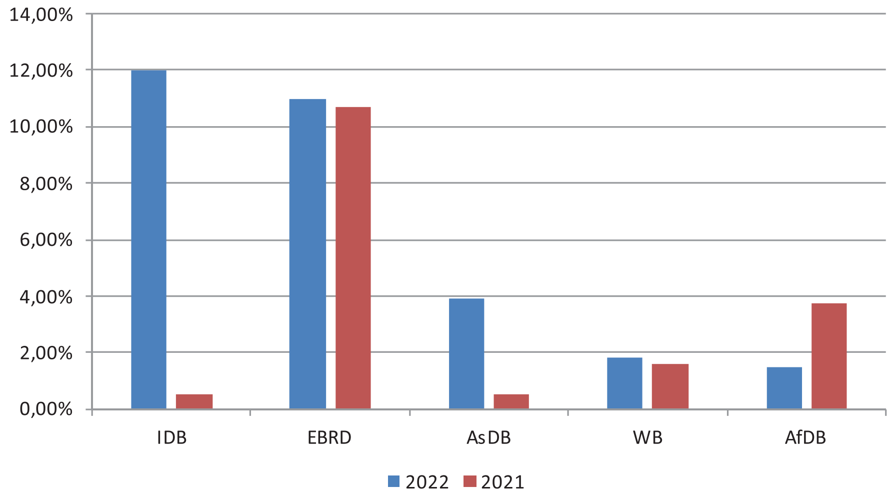
Source: elaboration on Italian Ministry of Economy and Finance data

Figure 4.2. Number and value of consultancy contracts awarded to Italian consultants and consultancy companies, by bank



Source: elaboration on Italian Ministry of Economy and Finance data

Figure 4.3. Percentage of the Italian consultancy contracts value, by bank



Source: elaboration on Italian Ministry of Economy and Finance data

Chapter 5. THE ENR’s Top 225

A summary of the ENR’s **Top 225 International Design Firms** survey is proposed in this section. According to this survey the leading 225 companies generated $73.60 billion in design revenue in 2022 from projects outside home countries, showing a +8.8% increase in 2022 from 2021 on a like-for-like basis and reaching a new record in the last decade.

American companies lead the ranking (81 companies, 79 in 2021, and 23% of total revenue), followed by European (55, 54 in 2021, 32% of total revenue) and Chinese (23, 23 in 2021, 6% of total revenue) companies, see table 6.1 for details.

Italy ranks third globally (after the US and China and followed by Korea) and first among European nations in terms of number of companies in Top 225 but it ranks only sixth in Europe for total revenue (1.2% of global revenue). 4 Italian companies improved their ranking in comparison with 2021 and 3 companies are new entries in the top 225. Italian companies generate the majority of their foreign turnover in Europe, followed by the Middle East and Africa. Africa is the area where Italian companies have the highest share of the world total revenue (6.4% in 2022, 4.4% in 2021) and Italian companies ranked third in Africa, after English and French companies.

Maire Tecnimont is the first Italian company ranked (28th, $508 million), followed by **Rina Consulting** ($240 million), **Italconsult** (71st, $121 million), **Proger** (120th, $42 million), **IRD Engineering** (127th, $33.3 million), **Italferr** (143rd, $25 million), **Technital** (170th, $17.4 million), **ACPV Architects** (178th, $14 million), **3TI Progetti** (182nd, $13.9 million), **ATI Project** (197th, $11.5 million) and **Politecnica Ingegneria** (222nd, $6.7 million). These Italian companies achieve their turnover mainly in the transportation, industry-petroleum, general building and water supply sectors. These companies are located in six Italian regions (Lazio, Lombardia, Emilia Romagna, Veneto, Toscana and Liguria).

ENR also published the **Top 150 Global Design Firms**. In this case, firms are ranked by their total revenue. 2 Italian companies are ranked in this list, Maire Tecnimont (74th, $543 million) and Italferr (110th, $370 million).

The following two tables summarized the data of international design firms’ market and the ENR’s Top 150 Global Design Firms list.

Table 6.1 How the top international design firms shared the 2022 market, $ million

Nationality	# of firms	Int'l revenue	Middle east	Asia	Aus./ Oceania	Africa	Europe	US	Canada	Lat.Amer. /Carib.
American	81	17230	1563	2014	2490	193	5252	NA	3346	2370
Australian	4	5817	638	774	405	369	1135	1457	824	216
Canadian	4	14425	412	554	1728	249	3991	7010	NA	480
Chinese	23	4527	477	2729	48	599	526	7	10	130
European	55	24248	2309	2266	1528	988	9793	4943	976	1445
British	4	6248	434	759	968	256	980	1988	625	237
Dutch	5	6022	444	523	382	77	2095	2031	168	302
French	6	2616	459	325	109	230	1216	74	57	147
German	5	575	182	103	1	28	180	70	0	11
Italian	12	860	231	113	1	190	244	57	1	22
Spanish	8	1391	173	110	19	49	345	162	65	468
Other	15	6536	386	334	48	157	4733	561	60	257
Japanese	9	1125	27	565	21	82	294	69	27	41
Korean	11	645	122	241	29	21	75	57	1	100
All Others	38	5585	1824	675	537	469	315	1565	158	42
	225	73602	7371	9818	6786	2971	21383	15108	5342	4824

Source: ENR

Table 6.2 Global Top 150, top 10 and Italian firms, 2022.

Rank	Firm	Total Revenue in $ mil.	Intern. Revenue in $ mil.	General Building	Manufacturing	Power	Water Supply	Sewer / Waste	Indus. / Petroleum	Transportation	Hazardous Waste	Telecom
1	Power Construction	19800	1326	9	0	75	8	4	0	4	0	0
2	Chine Energy Engineering	15066	1100	2	0	96	0	0	1	1	0	0
3	Jacobs Solutions	11532	3497	10	7	7	12	8	12	22	18	4
4	WSP Global	8288	6760	21	1	9	3	3	5	42	7	2
5	Aecom	8115	4033	20	0	4	14	5	0	42	14	1
6	China Communications Con.	7519	404	0	0	0	0	0	0	100	0	0
7	Worley	4957	4267	1	0	13	2	1	75	5	2	0
8	Fluor	4511	2784	0	2	1	0	0	63	4	18	0
9	Arcadis	4270	3929	28	2	7	9	2	2	25	25	1
10	Tetra Tech	4230	1649	12	1	9	37	11	3	6	20	0
74	Maire Tecnimont	543	509	0	0	0	0	0	100	0	0	0
110	Italferr	370	25	0	0	0	0	0	0	100	0	0

Source: ENR.

STATISTICAL SAMPLE

3TI PROGETTI ITALIA - INGEGNERIA INTEGRATA S.p.A.
A.R.S. S.p.A. Progetti Ambiente, Risorse Sviluppo
A.S.I. Group s.r.l.
a.studio s.r.l.
A.T. Advanced Technologies s.r.l.
ACPV ARCHITECTS s.r.l.
ADR INGEGNERIA S.p.A.
AECODE s.r.l.
AGRICONSULTING S.p.A.
AI STUDIO
AICOM Engineering Systems S.p.A.
AIRES INGEGNERIA s.r.l.
AIRIS s.r.l.
ALL INGEGNERIA studio tecnico associato
ambiente S.p.A.
ARCHEST s.r.l.
ARCHITECNA ENGINEERING s.r.l.
ARCHLIVING s.r.l.
ARETHUSA s.r.l.
ARTELIA ITALIA S.p.A.
ATIPROJECT s.r.l.
B&B PROGETTI s.r.l.
BMS PROGETTI s.r.l.
BMSTUDIO s.r.l. PROGETTI INTEGRATI
C2R ENERGY CONSULTING s.r.l.
CEAS s.r.l.
CILENTO INGEGNERIA s.r.l.
CITTA' FUTURA s.c.
CONSILIUM Servizi di Ingegneria s.r.l.
CONTEC s.r.l. Consulenza Tecnica Servizi di Ingegneria
COOPROGETTI S.c.r.l.
COOPROGETTI società cooperativa
COPACO ARCHITETTURA & INGEGNERIA s.r.l.
CREW Cremonesi Workshop s.r.l.
DAI s.r.l.
DINAMICA s.r.l.
DP INGEGNERIA s.r.l.
DUEGIELLE s.r.l.
DUOMI s.r.l.
E.co s.r.l.

E.D.IN. s.r.l. - società di ingegneria
ECOTEC ENGINEERING s.r.l.
ENDACO s.r.l. - società di ingegneria
ENSER s.r.l. Società di Ingegneria
ERRE.VI.A. Ricerca Viabilità Ambiente s.r.l.
ESA engineering s.r.l.
ETACONS s.r.l.
ETATEC STUDIO PAOLETTI s.r.l.
ETC Engineering s.r.l.
ETS s.r.l. a Socio unico
EUPRO s.r.l.
EXENET s.r.l.
EXUP s.r.l.
F&M Ingegneria S.p.A.
F4 Ingegneria s.r.l.
FERROTRAMVIARIA ENGINEERING S.p.A.
FIMA Engineering s.r.l.
finepro s.r.l.
FRED Engineering s.r.l.
GEODES s.r.l.
GIOSA s.r.l.
GIT GRUPPO INGEGNERIA TORINO s.r.l.
GPA s.r.l.
GR.E.CO. Ingegneria & Servizi s.r.l.
GVG Engineering s.r.l.
HMR s.r.l.
HYDEA S.p.A.
HYDRO ENGINEERING S.S. DI DAMIANO E MARIANO GALBO
HYDROARCH s.r.l.
HYDRODATA S.p.A.
I.C. s.r.l.
I.G.&P. - Ingegneri Guadagnuolo & Partners s.r.l.
IA CONSULTING ENGINEERING s.r.l.
ICIS s.r.l. - Società di Ingegneria
ICONIA INGEGNERIA CIVILE s.r.l.
IDF - INGEGNERIA DEL FUOCO s.r.l.
IMPEL SYSTEMS s.r.l.
INGEGNERI RIUNITI S.p.A.
INTEGRA AES s.r.l.
IRD Engineering s.r.l.
ITACA - INGEGNERI & ARCHITETTI ASSOCIATI s.r.l.
ITALFERR S.p.A.
ITEC engineering s.r.l.
ITS s.r.l.
Keios s.r.l. Development Consulting

LA F s.r.l.
LC&Partners Project Management and Engineering s.r.l.
LENZI CONSULTANT s.r.l.
LEONARDO s.r.l.
LESS s.r.l.
LICCIARDELLOPROGETTI Società di Ingegneria s.r.l.
Lybra ambiente e territorio s.r.l.
MAIN - MANAGEMENT & INGEGNERIA S.p.A.
MAJONE&PARTNERS s.r.l.
MG PROJECT s.r.l.
MITO Ingegneria s.r.l.
NEMESIS INGEGNERIA s.r.l.
NO GAP PROGETTI s.r.l.
NO.DO. E SERVIZI s.r.l.
NORD_ING s.r.l.
NOUSFERA LAB s.r.l.
OGGIONI E ASSOCIATI ENGINEERING s.r.l.
OPERA Engineering s.r.l.
PACE & PARTNERS s.r.l.
POLITECHNICA s.r.l.
POLITECNICA - INGEGNERIA E ARCHITETTURA - Società Cooperativa
PRO ITER - Progetto Infrastrutture Territorio s.r.l.
PROG.IN s.r.l.
PROGER S.p.A.
PROGETTISTI ASSOCIATI TECNARC s.r.l.
PROGIN S.p.A.
PROMEDIA s.r.l.
PROTECO engineering s.r.l.
R & P ENGINEERING s.r.l.
RECCHIENGINEERING s.r.l.
RINA CONSULTING S.p.A.
S.G.A. s.r.l.
S.I.N.A. Società Iniziative Nazionali Autostradali S.p.A.
S.T.E. Structure and Transport Engineering s.r.l.
SAGLIETTO engineering s.r.l.
SB+ s.r.l.
SEINGIM GLOBAL SERVICE
SERTEC s.r.l.
SIDERCAD S.p.A.
SINTAGMA s.r.l.
SINTEL Engineering s.r.l.
SIPAL S.p.A.
SITEC engineering s.r.l.
SPIRA s.r.l. Servizi di Progettazione Integrata per il Restauro Architettonico
STECI s.r.l.

STEEL PROJECT ENGINEERING s.r.l.
STUDIO AMATI s.r.l.
STUDIO APC s.r.l.
STUDIO CARTOLANO s.r.l.
STUDIO GEOTECNICO ITALIANO s.r.l.
Studio KR e Associati s.r.l.
STUDIO LA MONACA s.r.l. - SOCIETA' DI INGEGNERIA
STUDIO MARTINI INGEGNERIA s.r.l.
STUDIO MUZI & ASSOCIATI - società di ingegneria a r.l.
STUDIO SPERI Società di Ingegneria s.r.l.
Studio TECHNE' s.r.l.
SWS Engineering S.p.A.
SYLOS LABINI INGEGNERI E ARCHITETTI ASSOCIATI s.r.l.
T.EN Italy Solutions S.p.A.
TAU Engineering s.r.l.
TECHNITAL S.p.A.
TECNE GRUPPO AUTOSTRADE PER L'ITALIA S.p.A.
TECNIC Consulting Engineers s.r.l.
TECNOSISTEM SPA
TECON s.r.l.
TONELLI INGEGNERIA s.r.l.
TPS Pro s.r.l.
U.P. Studio s.r.l.
V.D.P. S.r.l. Progettazione Integrata Ambiente
VEGA ENGINEERING s.r.l.
VIA INGEGNERIA s.r.l.
VITRE STUDIO s.r.l.
WEBUILD S.p.A. - Divisione Ingegneria
YouAndTech s.r.l.
ZIMATEC Studio Associato di Ingegneria

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SYSTRA

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- BELIZE
- NEW COASTAL HIGHWAY

- POLITECNICA INGEGNERIA ED ARCHITETTURA
- KENYA
- EAKI EAST AFRICAN KIDNEY INSTITUTE NAIROBI

- SYSTRA SWS
- POLAND
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- NORWAY
- VESTFOLD LINE - NYKIRKE - BARKÅKER

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