

ITALY'S STRATEGIC IMPORT RISK: SAME EXPOSURE AS EUROPE, DEEPER FAULT LINES IN ENERGY

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Italy's strategic import risk: same exposure as Europe, deeper fault lines in energy

Weight of strategic import in some EU countries

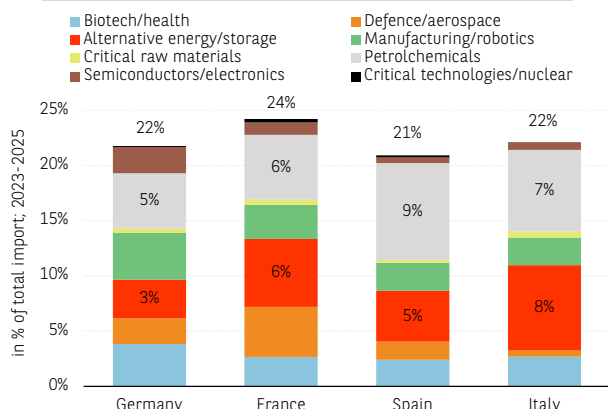


CHART 1

SOURCE: ISTAT

Distribution of strategic imports by political stability of supplier countries

(1st quintile = low risk; 5th quintile = high risk)

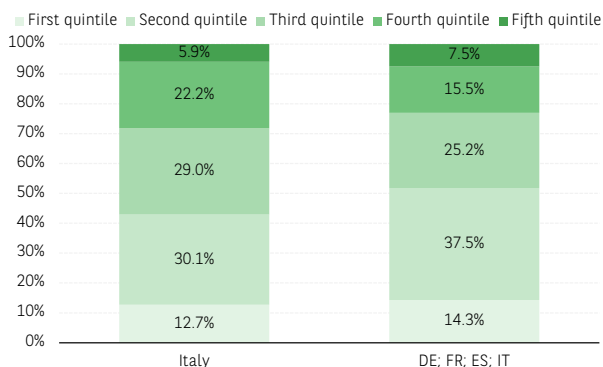


CHART 2

SOURCE: ISTAT

EU's main strength and weakness: being open to trade... The trade openness of EU countries represents both a strength and a weakness, making active initiatives necessary to enhance economic security. According to the World Bank, in 2024 the EU's trade openness¹ stood at 92%, compared with 25% for the United States and 37% for China. For Italy, the figure was 63%, among the highest among Member States, with particularly strong exposure to extra-EU demand. The evolution of the international geopolitical and economic context, together with the country's dependence on the import of energy materials, suggests that careful consideration should be given to the potential vulnerability of Italian imports to possible total or partial disruptions in the external supply of strategically significant products.

Identifying strategic imports in the EU. In the area of economic security, the EU, through the STEP platform (Strategic Technologies for Europe Platform), has identified three priority macro-sectors of strategic technological importance: digital and deep-tech technologies; clean and resource-efficient technologies; and biotechnology². Based on this framework, a recent study by Istat³ identified the products of strategic importance for which a reduction or interruption of imports could compromise the economic security of the productive systems of Italy, France, Germany, and Spain.

The analysis, conducted for the period 2023–2025, found that strategically defined products account on average for more than 20% of the value of imports in all four countries, with France showing the highest share (24.2%) (see top chart). Germany imports proportionally larger shares of pharmaceutical and medical products, machinery and industrial robots, and electronic products. France's imports of strategic goods are more concentrated in defence and aerospace, while Spain and Italy are the countries that import more raw materials and technologies related to alternative energy (i.e., the cornerstone of the EU's energy transition policy).⁴

China controls the main share of EU strategic imports. Over the three years examined, and with reference to the total value of strategic imports, China is the main supplier of strategic products imported by the four EU countries (with a share of 9.3%). The Asian country is particularly significant for Italy (11.3% of strategic imports) and Germany (9.3% of strategic imports). China's role is predominant in the machinery and industrial robotics sector, where it accounts for more than 20% of the value of sectoral strategic imports in both Germany and Italy.

Another relevant aspect of strategic dependence concerns the degree of political risk associated with supplier countries. Based on the World Bank's Worldwide Governance Indicators⁵, the same Istat study finds that the four countries examined purchase just under 50% of their strategic imports from suppliers classified as "high" or "upper-middle" political risk (on a risk scale divided into quintiles), while for Italy alone this share rises to 60% (see bottom chart).

Italy's composition of strategic import makes it more exposed to turbulence of geopolitics. Overall, judging by the imports' share, Italy depends on foreign suppliers of strategic products to a similar extent as the other main EU countries. Compared with Germany and France, however, the country shows greater dependence on external sources for energy materials (petrochemicals as well as alternative energy), which are more directly exposed – in terms of availability and, above all, prices – to the turbulence of international politics.

1 Trade openness is defined as the sum of exports and imports of goods and services as a share of GDP.

2 Strategic autonomy aims to achieve a high degree of independence in sectors, processes, and technologies that are defined as strategic, minimizing dependencies on external actors deemed politically unreliable or even hostile.

3 Istat, *Report on the competitiveness of industrial sectors 2026*, April.

4 The study identifies 317 products of strategic relevance, classified into eight groups based on their respective technical-physical or technological characteristics: Advanced manufacturing and robotics (62 products, 19.6% of the total); Critical raw materials (49 products, 15.5%); Alternative energy and storage (44 products, 13.9%); Semiconductors and electronics (44 products, 13.9%); Defence and aerospace (39 products, 12.3%); Biotechnology and health (33 products, 10.4%); Petrochemicals and basic chemicals (27 products, 8.5%); Critical technologies for nuclear energy (19 products, 6%).

5 The Worldwide Governance Indicators measure the quality of governance in over 200 countries and territories since 1996. The WGI aggregate hundreds of variables drawn from around 30 primary sources – including the Economist Intelligence Unit, Freedom House, the World Economic Forum, Varieties of Democracy (V-Dem), the African Development Bank, and the World Bank – summarizing them into six composite indicators: Voice and Accountability (VA); Political Stability and Absence of Violence/Terrorism (PV); Government Effectiveness (GE); Regulatory Quality (RQ); Rule of Law (RL); Control of Corruption (CC). Each indicator is expressed in terms of a standardized score and a percentile rank.



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Internet: www.group.bnpparibas - www.economic-research.bnpparibas.com
Head of publication : Jean Lemierre
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