31. Italy

Institutional framework

Italy has a long history of space exploration and was the third country in the world to launch and operate a satellite in orbit in 1964 (San Marco 1). It was also a founding member of the European Space Agency, to which it is today third biggest contributor, after Germany and France. Italy is actively involved in all domains of space applications and exploration, both at the national and international level, and has an important space manufacturing industrial base as well as a mature "downstream" sector providing services.

The Italian Space Agency, *Agenzia Spaziale Italiana* (ASI), is headquartered in Rome with three additional centres in Matera (Space Geodesy Centre); in Malindi, Kenya (Luigi Broglio Space Centre); and Rome (ASI Science Data Centre). ASI defines, coordinates and manages national space programmess and the Italian participation to European and international space projects, under the supervision of the Ministry of Education, University and Research. In 2013 the total Italian budget dedicated to space amounted to EUR 921.5 million (USD 1.2 billion) with EUR 767 million (USD 1 billion) managed by ASI, of which contributions to ESA activities and programmes accounted for EUR 521.5 million (USD 694 million), more than half of the total Italian budget. The budget in 2013 saw a one-off increase due to administrative compensatory measures. In constant EUR the ASI space budget decreased by 5% in total over the period 2007-2013. Whereas budget allocated to national programmes by ASI decreased by 37% over the last seven years, contributions to ESA registered a 24% increase over the same period. The main programmes of the Italian space budget in 2013 were earth observation, with an allocation of EUR 231.5 million (USD 308.1 million), followed by the Launchers programme, which consisted mostly of ESA-led activities (EUR 167.8 million/ USD 223.3 million) and Space Science, Space Situational Awareness (SSA) (EUR 129.0 million/USD 171.7 million).

Italian space industry

The Italian space industry is composed of a few large system integrators and a much wider number of SMEs (small and medium-sized enterprises), connected through a complex network of vertical relationships. About two-thirds of the Italian space companies (large and small) operate in manufacturing, contributing to the increase or maintenance of space infrastructure, while the remaining one-third provides space-based services and applications for end-users (downstream). The Italian space industry is primarily located in the centre of the country (Lazio, Toscana, Abruzzo), where the firms account for about half of total turnover. The Lazio Region holds by far the lion's share. The second most important area is the north-west (Piemonte and Lombardia), while the south and the Islands are behind but recently increasing their share (Campania, Puglia).

The Italian space industry consisted of approximately 250 firms in 2012 (of which only 150 had space activities as core business) reporting a turnover of EUR 1.6 billion (USD 2.2 billion) (ASI, 2014). A small number of bigger groups dominate the sector, both in terms of employment and sales. About 6 000 people work in the Italian space sector, with four major companies (Avio, Selex ES, Telespazio and Thales Alenia Space Italia) employing 78% of the total space-related workforce. These data include also the downstream sector (ground service systems, user segment and applications, etc.). Purely manufacturing jobs accounted for about 4 700 full-time equivalents in 2013 (Eurospace, 2014). Exports of the space sector represented 70% of turnover, with more than half exported to other EU countries (with a prominent share of ESA orders and collaboration with Germany and France). An increasing share of orders came from countries outside the European Union.

Note

31.1 and 31.2: The 2013 budget includes one-off administrative provisions. The data cover allocations to ASI and Eumetsat. Space activities of other Italian Ministries, regional clusters and research organisations are not included.

Key facts for Italy

Space budget as share of GDP (2013): 0.059%.

Space budget per capita (2013): USD 20.7 (PPP).

Number of regional clusters including space industry: 6 (Piemonte, Lombardia, Toscana, Lazio, Campania, Puglia) and 1 national (National Aerospace Technological Cluster).

Share in scientific production in satellite technologies (2013): 5.74%.

Share of space-related patent applications filed under PCT (2009-11): 1.78%.

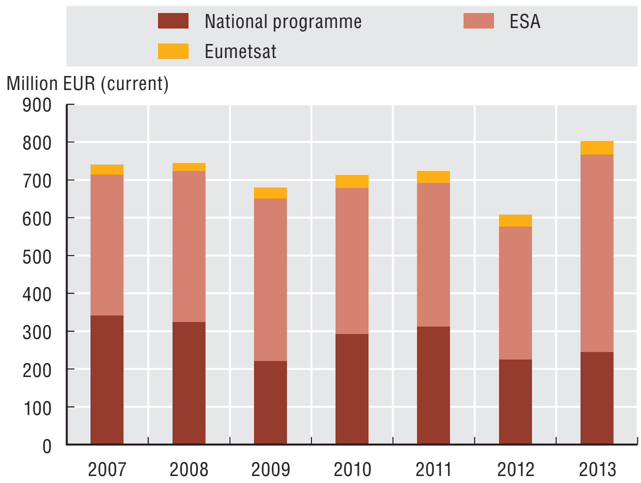
Subscribers of Direct-to-home (DTH) satellite services (2011): 6.9 million (27.96% of television households).

Number of operational satellites: 11.

Student performance in science (PISA 2012 mean score): 494 (OECD average of 501).

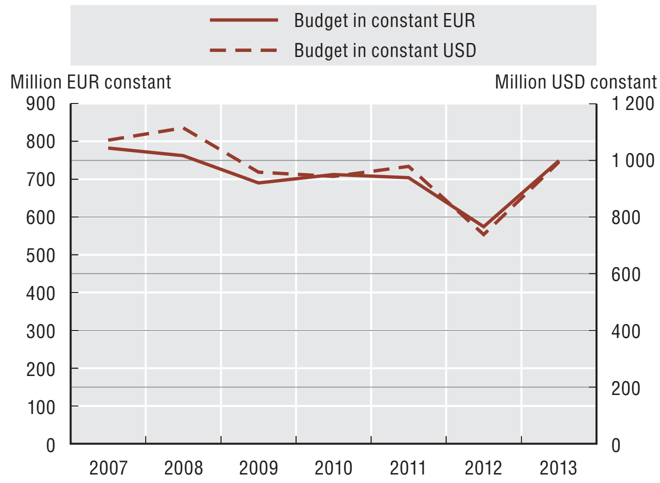
31.1. Italy's space budget

In million EUR (current), 2007-13



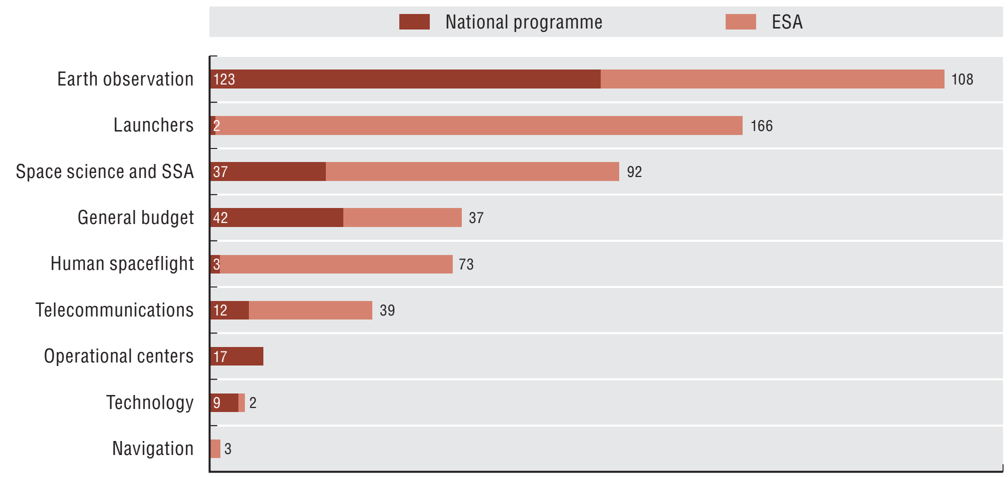
31.2. Italy's space budget, adjusted for inflation

In constant EUR and USD million, 2007-13



31.3. Italian space agency's budget by main programmes

In million EUR (current), 2013



Source: OECD calculations based on ASI, 2014.

Italian aerospace industry

The Italian aerospace sector is the fourth biggest in Europe, home to several hundred companies and numerous regional clusters (Basilicata, Campania, Lazio, Lombardia, Piemonte, Puglia, Sardegna, Toscana, and Umbria) and employing about 50 000 people (AIAD, 2013). The sector specialises in aerospace systems, structures and components, as well as helicopters and training aircraft. The main bulk of companies are located in the northwest (Piemonte and Lombardia) and the centre (Lazio region). According to the Italian industry association for aerospace, defence and security industries (AIAD), their 130 members generated some EUR 14.5 billion (USD 18.6 billion) in revenues in 2012. Civil aerospace accounted for roughly 60% of total revenues. According to OECD data, Italy exported aerospace products for a total value of USD 6.7 billion in 2012, and imported products for USD 2.7 billion. The main trading partners for exports were the United States, France, United Kingdom and Germany (OECD, 2013).

Sources

Agenzia Spaziale Italiana (ASI), *www.asi.it/*.

Eurospace, *www.eurospace.org/*.

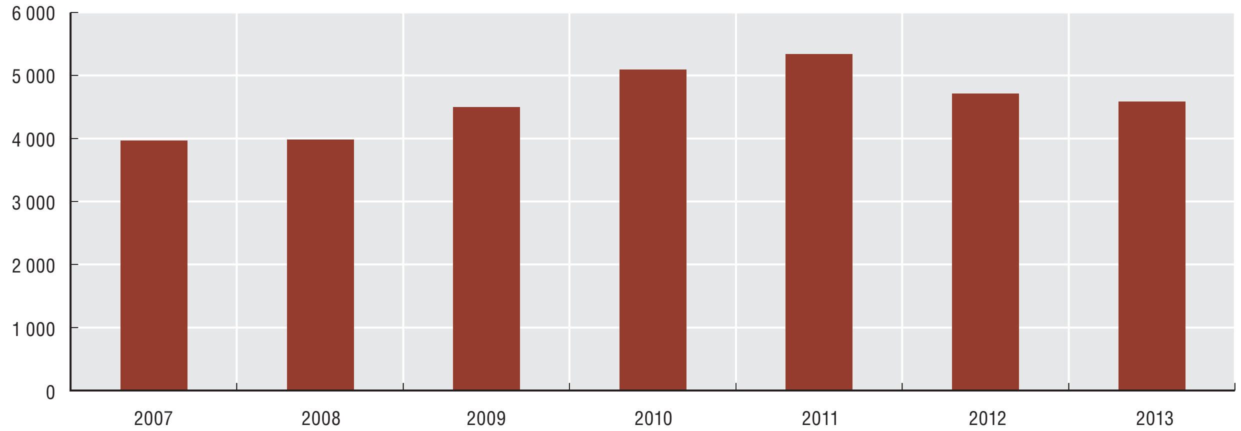
Italian Aerospace, Defence and Security Industries (AIAD), *www.bciaerospace.com*.

OECD *STAN Bilateral Trade Database by Industry and End-use (BTDIxE)*, data extracted April 2014, *www.oecd.org/sti/btd*.

OECD, *Main Science and Technology Indicators database*, *www.oecd.org/sti/msti*.

31.4. Space manufacturing industry employment in Italy

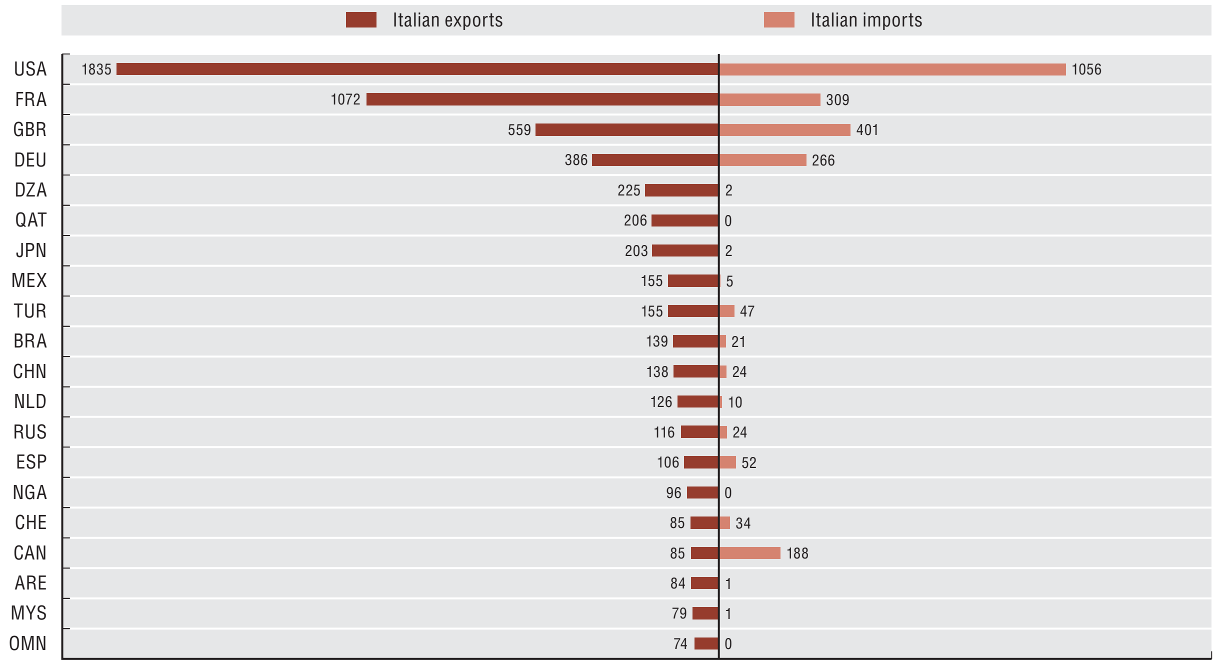
Number of full time equivalent, 2007-13



Source: Eurospace, 2014.

31.5. Italy's main aerospace trading partners

In USD million (current), 2012



Source: OECD STAN Database, 2014, *www.oecd.org/sti/btd.*

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