



“An overview of China’s inward and outward FDI: opportunities for Italy”

The role of public administrations in
facilitating foreign direct
investments: the case of China and
Italy
Rome, 18th June 2013



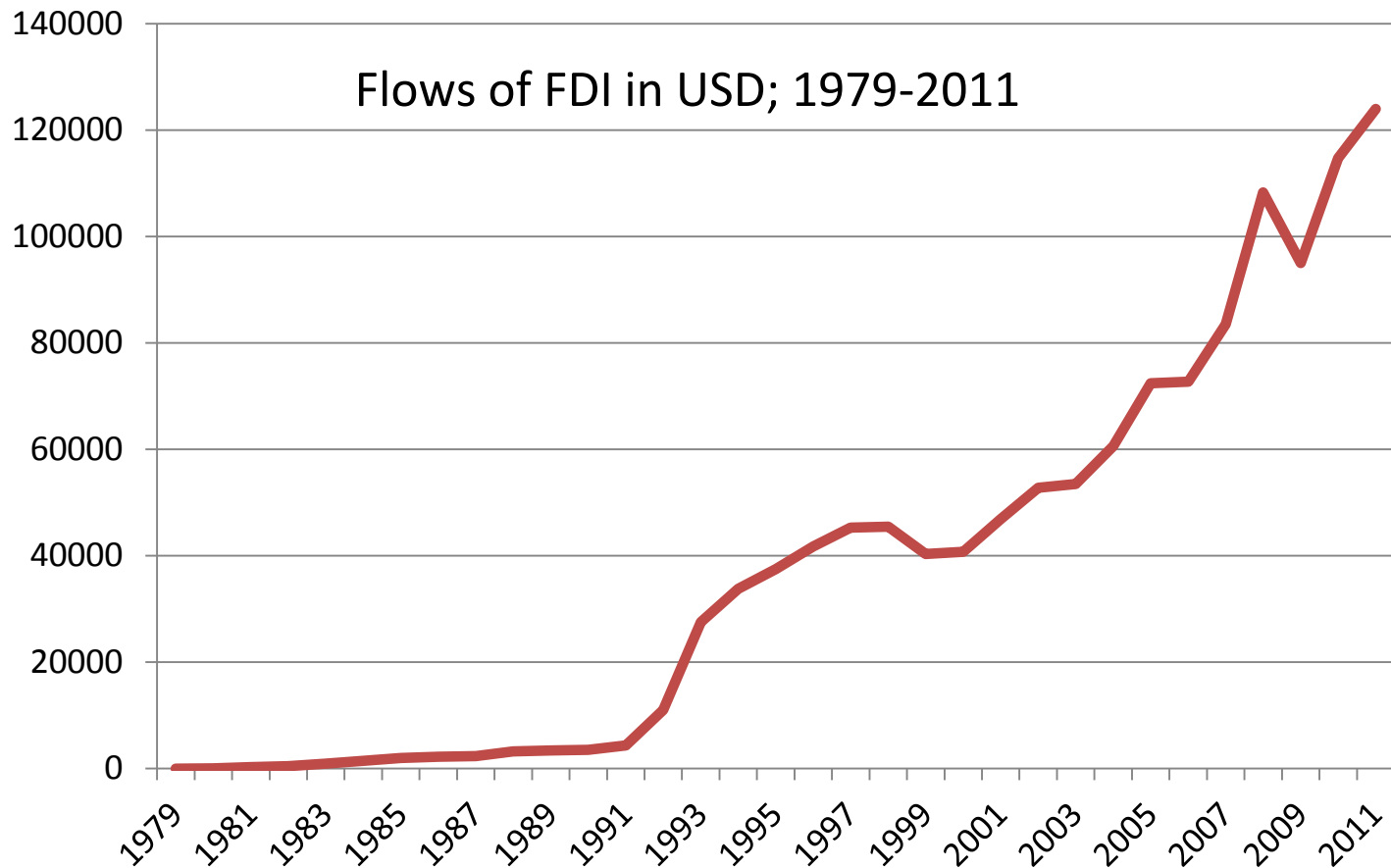
China Inbound FDI

autarchy

attraction

isolation

selection



Fonte: UNCTAD



CeSIF

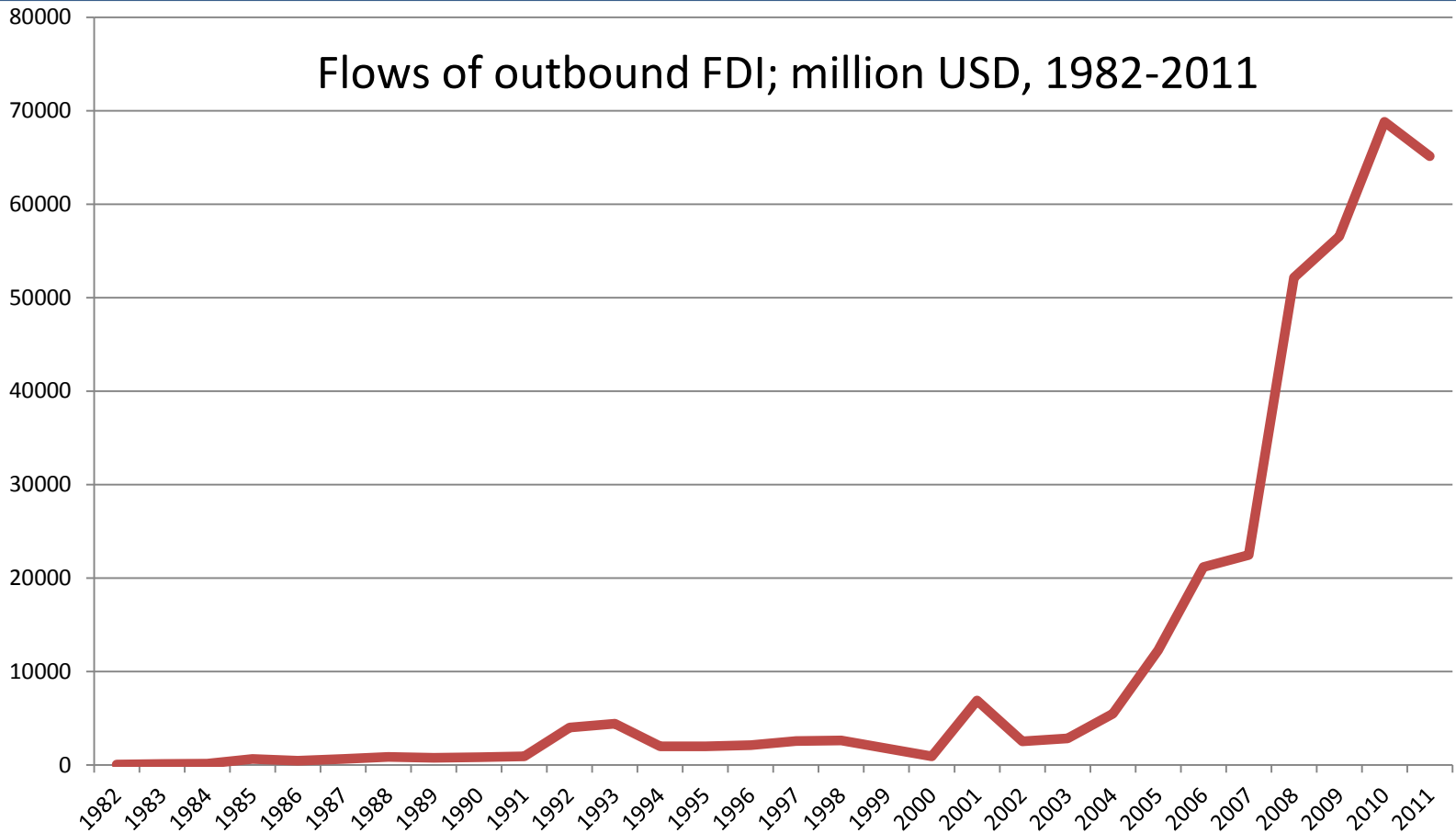
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China outbound FDI

Tight controls moderate encouragement stepping back go-global growing support



Source: UNCTAD



CeSIF

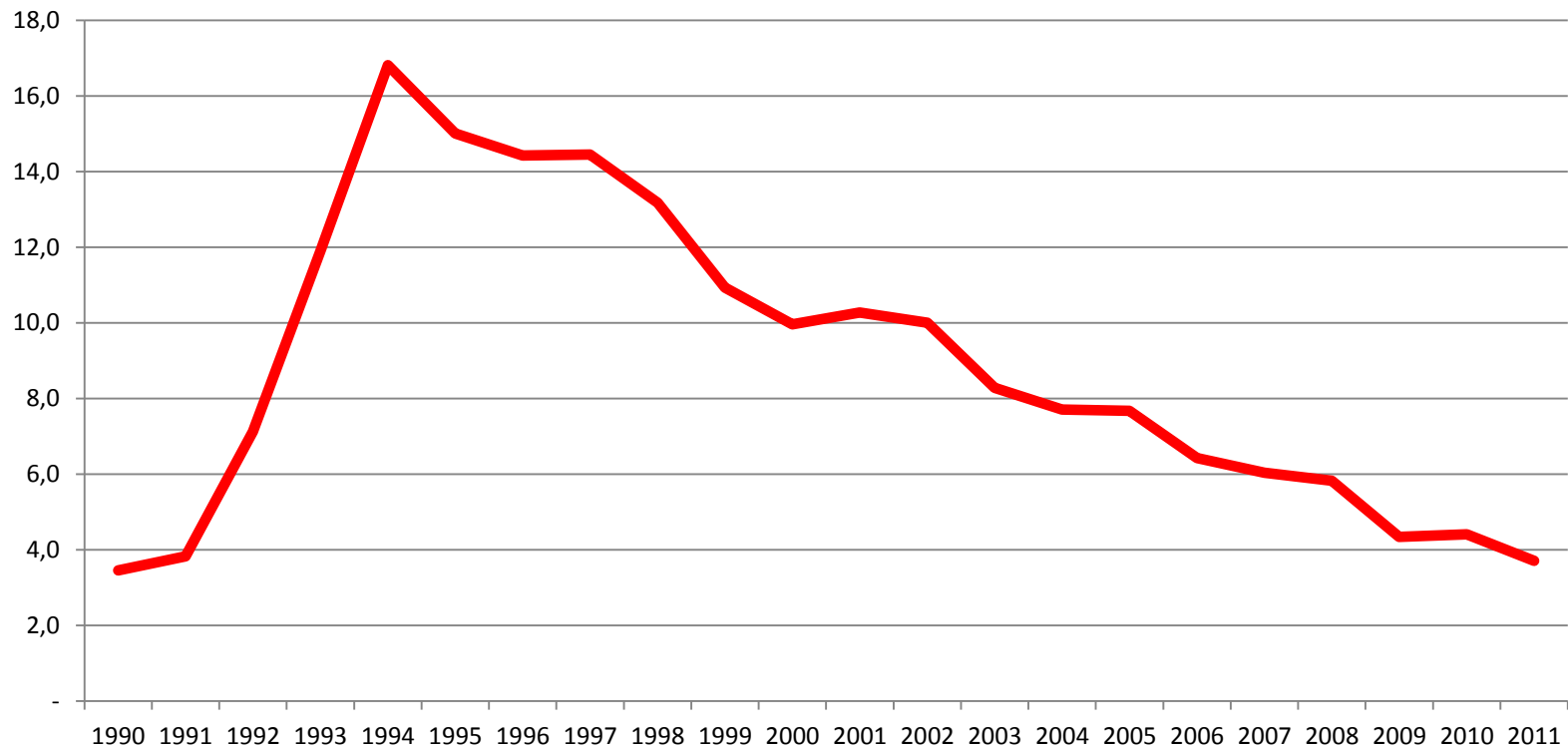
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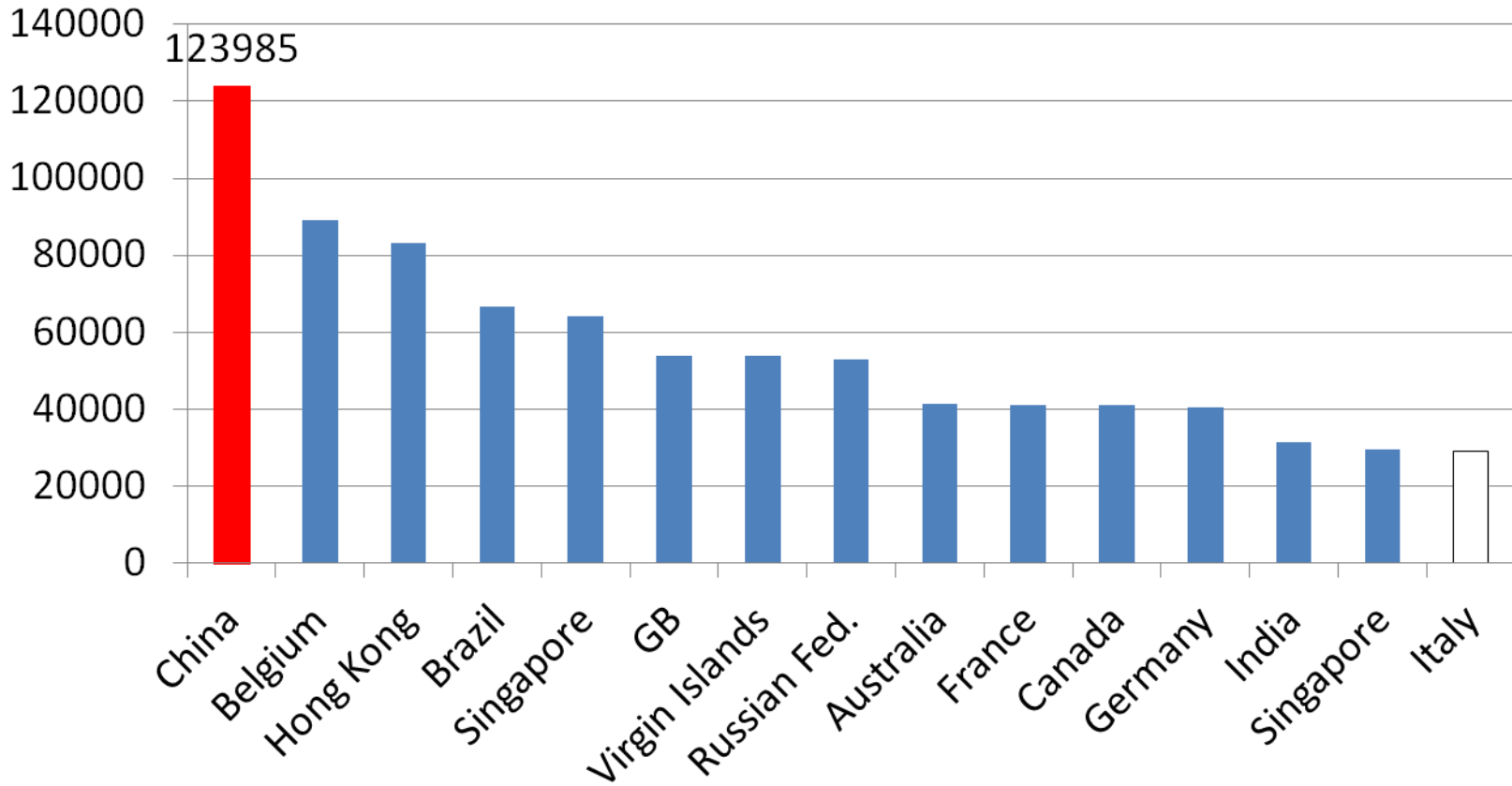
China Inbound FDI

FDI % of fixed capital investment



Comparative analysis

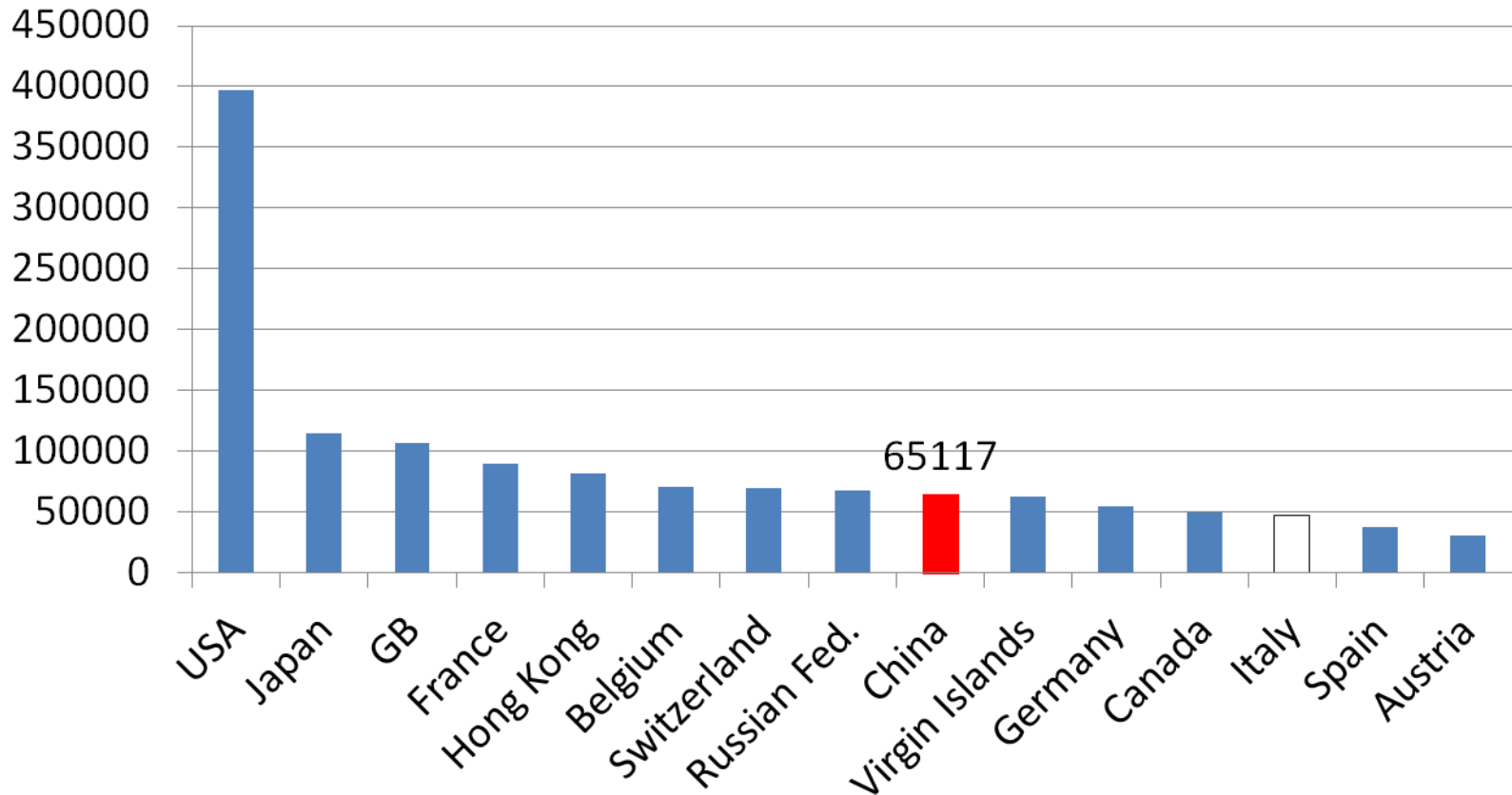
Flows of inbound FDI USD; million 2011



Fonte: UNCTAD

Comparative analysis

Flows of outbound FDI USD; 2011



CeSIF

Fonte: UNCTAD

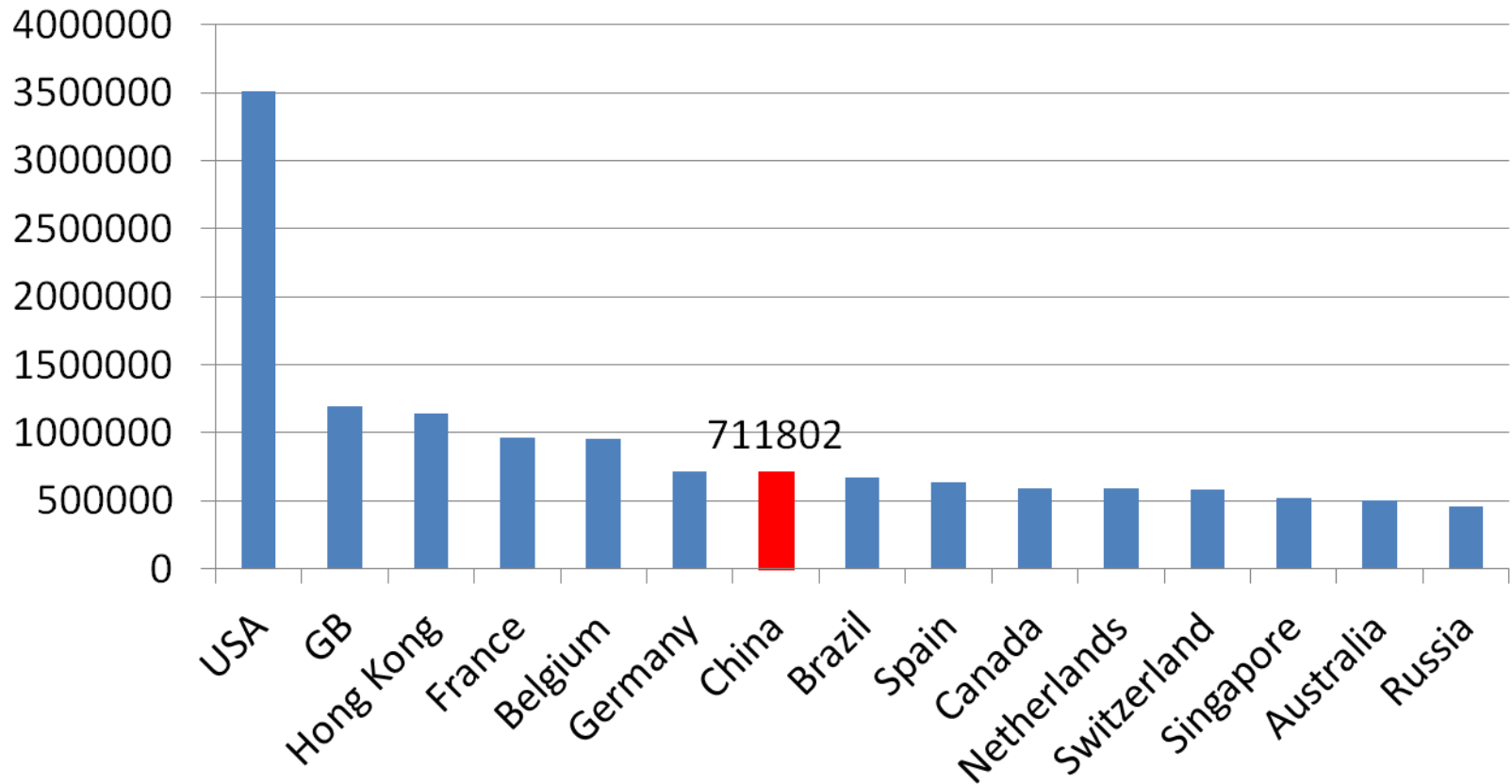
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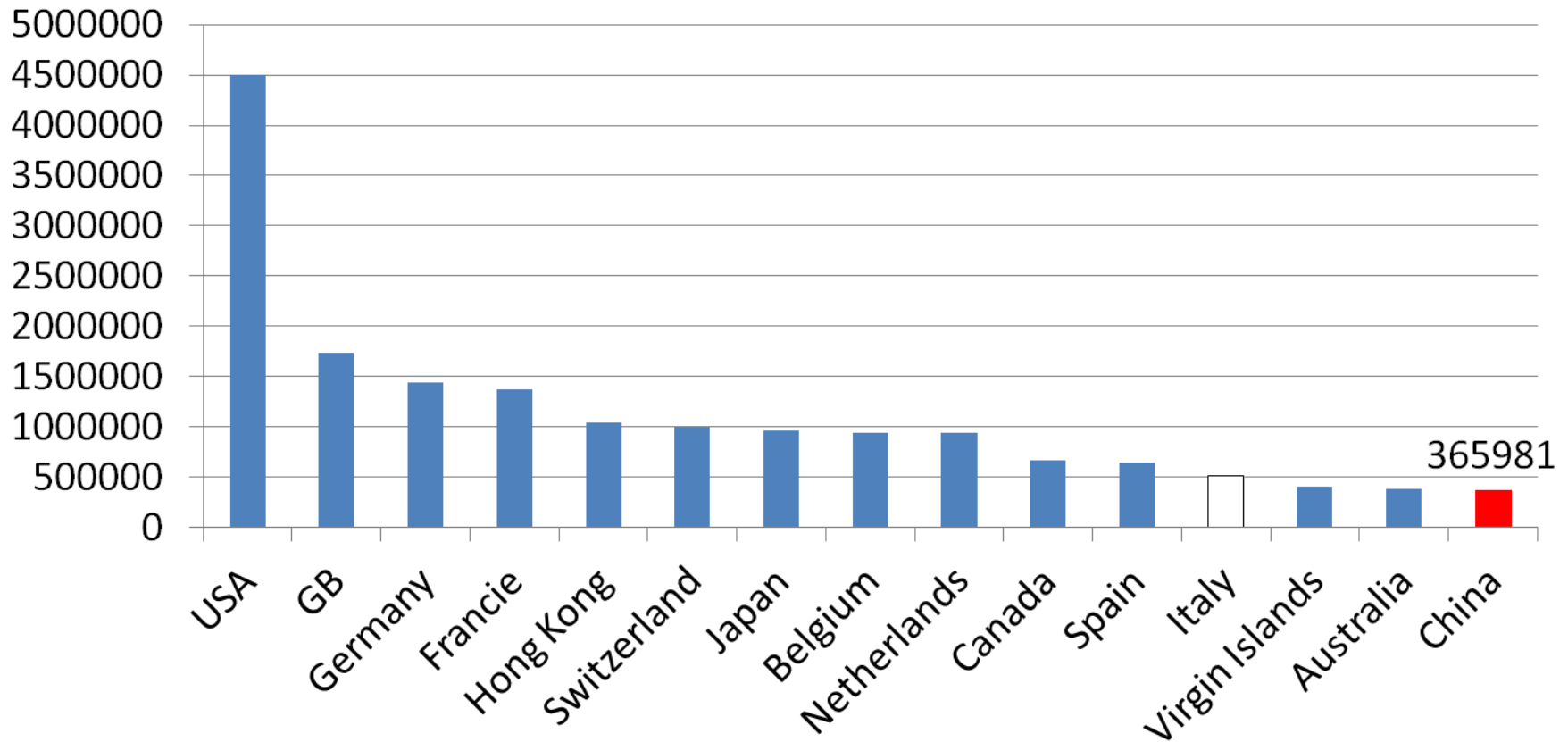
Comparative analysis

Stock of inbound FDI USD, 2011



Comparative analysis

Stock of outbound FDI USD; 2011



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Main sources of FDI in China

rank	economia	2009	2010	2011	rank	economia	2009	2010	2011
	TOTALE	90.032	105.732	116.009		TOTALE	90.032	105.732	116.009
1	Hong Kong	46.075	60566	70500	14	Bermuda	257	359	743
2	Virgin Islands	11298	10447	9724	15	Macao	814	655	680
3	Japan	4104	4083	6329	16	United Kingdom	679	710	581
4	Singapore	3604	5428	6096	17	Switzerland	327	261	554
5	South Korea	2700	2692	2551	18	Luxembourg	160	245	514
6	USA	2554	3017	2369	19	Canada	861	634	468
7	Caymans Islands	2581	2498	2241	20	Seychelles	117	228	433
8	Taiwan	1880	2475	2183	21	Italy	351	396	387
9	Western Samoa	2020	1773	2076	22	Malaysia	428	294	358
10	Mauritius	1103	928	1139	23	Barbados	557	355	310
11	Germany	1216	888	1128	24	Australia	394	325	309
12	Francie	653	1238	768					
13	Netherlands	741	914	761					

Fonte: China Statistical Yearbook 2012

Main destinations of Chinese FDI

rank	economia	2010	2011	rank	economia	2010	2011
-	TOTALE	68811	74654	-	EUROPA	6760	8251
1	Hong Kong	38505	35655	1	France	264	3482
2	Virgin Islands	6120	6208	2	Great Britain	330	1419
3	Cayman Islands	3496	4936	3	Luxembourg	3207	1265
4	France	26	3482	4	Russian Fed.	568	716
5	Singapore	1118	3269	5	Germany	370	512
6	Australia	1702	3165	6	Italy	13	225
7	USA	1308	1811	7	Netherlands	65	168
8	Great Britain	330	1420	8	Spain	29	140
9	Luxembourg	3207	1265	9	Bulgaria	16	54
10	Sudan	31	912	10	Sweden	1367	49

Source: CeSIF-CEIC

Notes: Umillion SD

Opportunities for Italy and Italian companies – Italian outbound FDI

Reach China Market

reach the Chinese market both for capital goods and consumer goods
jump over barriers
serve export growth: link between trade and investments

Reach the Asian market

ACFTA

Efficiency seeking and country risk diversification

disperse the value chain and diversify risk: China is now integrated in global production networks
Motivations for investing in China are changing

Restructuring of Italian companies and system



Opportunities for Italy and Italian companies – China inbound FDI

Rebalancing economic relations with China

Access to capital

Increase K/L ratio

Increase S/I ratio

“Bring China home”

Get a better understanding of China

Absorb management techniques and technology

A “Reverse China Strategy” and reaching third markets through global alliances

Facing the China challenge

market disciplining effect: market for corporate control (i.e. takeover threat and activity in a system) as an external mechanism to restructure and seek efficiency



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