



## ITALY BEST PROSPECT INDUSTRY SECTOR PROFILE

Sector Name: **SAFETY AND SECURITY EQUIPMENT**

ITA Industry Code: SEC

Security continues to be of prime concern for industry, commerce and private citizens in Italy, particularly in the wake of the September 11 events. In addition to precautions being taken to prevent possible terrorist activities, a rapid increase in crime over the past decade, particularly property and vehicle theft and private and commercial fraud, has led Italian government organizations at all levels to devote greater resources to security. For example, the Ministry of the Interior has introduced in March 2003 a "Pacchetto Sicurezza" (security package), outlining a series of forceful measures to crack down on crime, some measures of which include the tightening of punishment for minor offenses (such as street crime), restrictions on prison release and intensification of controls on newly released prisoners.

According to statistics generated by the National Association for Security and Building Automation (Associazione Italiana Sicurezza ed Automazione Edifici: ANCISS), the inter-related security and building automation sectors enjoyed healthy growth in 2001. Total sales increased by 3.5 percent, while imports increased by 2.8 percent. ANCISS estimates that this upward trend will likely continue, driven by the allocation of regional funds for increased security in Italian cities, tax cuts made possible by recent financial laws for investments to increase security, and increased concern over crime in general and acts of terrorism. Unofficial data for late 2002 indicates that certain sub-sectors saw a significant increase in turnover, including the access control and video-surveillance sub-sectors. In general, equipment with greatest sales potential includes, airport passenger and baggage screening equipment, port container scanning equipment, CCTV systems, perimeter protection systems, access control systems including biometric identification systems, fire-fighting equipment and systems, and personal protection equipment.

Italy has a strong domestic safety and security industry with a reputation for high quality products. U.S. manufacturers of safety and security equipment have an excellent reputation in the Italian market, and enjoy an approximately 25 percent of the total market. CS Italy expects that U.S. manufacturers' presence in Italy will continue to grow. Security products with new, innovative and sophisticated features and in demand, but must be supported by strong after-sales service. The presence of a nationwide service organization that can guarantee installation and maintenance will prove a definite advantage, especially because customers generally will require training, support and maintenance.

Data Table:

(USD Millions)	2001 (actual)	2002 (actual)	2003 (estimated)
Total Market Size	1,122	1,099	944
Total Local Production	1,395	1,360	1,162
Total Exports	85	82	71
Total Imports	358	349	297
Imports from the U.S.	90	87	75
Exchange rate \$1=euro	1.117	1.057	0.877

**The above statistics are unofficial estimates.  
Date relating to the safety sector is not available.**