

2019 World Ceramic Tiles Forum

6 November - 9 November

Westin Grand Hotel Berlin

Berlin, Germany



2019 World Ceramic Tiles Forum - National Context -

Italy



National Context – Italy



- I. Trend in the construction sector/demand
- II. Trend in production, consumption and trade in ceramic tiles
- III. Latest developments at national level in energy supply regulation and taxation
- IV. Development in standardisation at national level
- V. Development in regulations at national level affecting ceramic tiles (notably environmental or health & safety regulation)
- VI. Other national developments



I. General economic situation, trend in the construction sector/demand

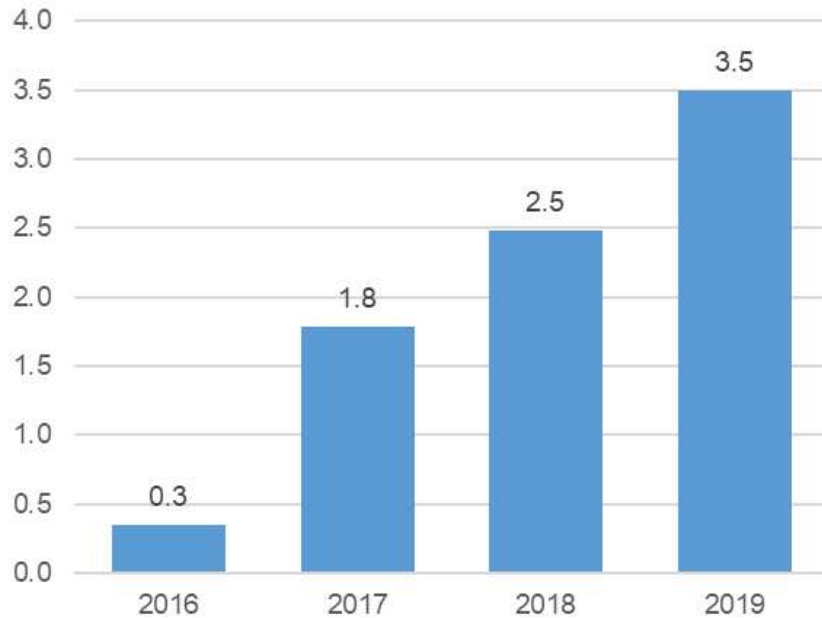


Italy: general economic situation

	2018	2019 (estimated)
G.D.P. % change over previous year	0,7	0,1
INFLATION RATE	1,1	0,6
OFFICIAL BANK RATE (BCE)	0,0	0,0
NOMINAL WAGE INCREASE (TOTAL INDUSTRY)	0,8	1,3
UNEMPLOYED AS A % OF TOTAL LABOUR FORCE	10,6	10,0

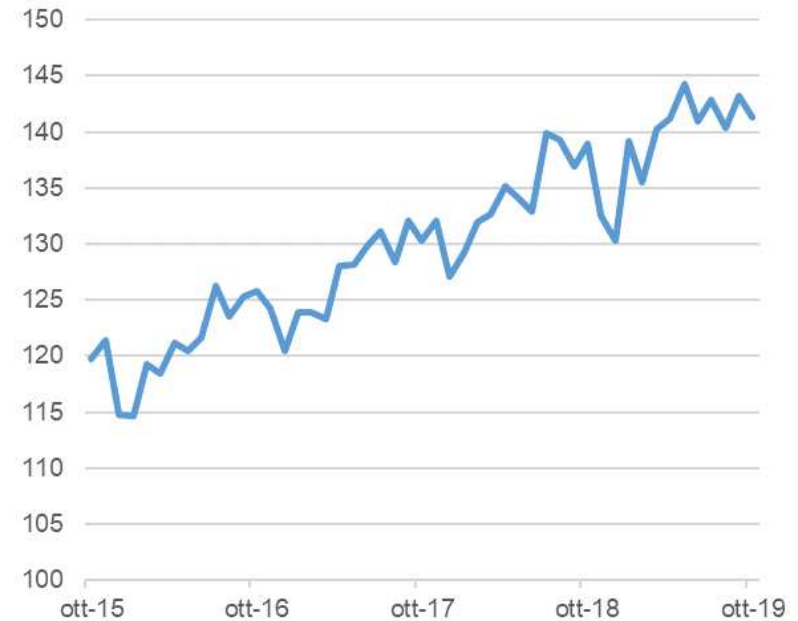
I. General economic situation, trend in the construction sector/demand

Construction investment, yearly change (%)



✓ the recovery of Italian construction is strengthening, with estimates of annual growth of investment around 3.5% in 2019. The residential sector is showing positive developments both for renovation activity and new housing investment. Also civil engineering is concurring to growth thanks to the first signs of rebound of PA's expenditure

Business confidence in construction sector - index (2010=100)



✓ the construction sector recovery is expected to continue in next years, albeit at lower rates of growth. Civil engineering is expected as the fastest growing segment as the measures put in place to sustain the sector will begin to produce effects. Other factors sustaining the new cycle of construction will be the incentives for renovation, confirmed for 2020.

II. Trend in production, consumption and trade in ceramic tiles

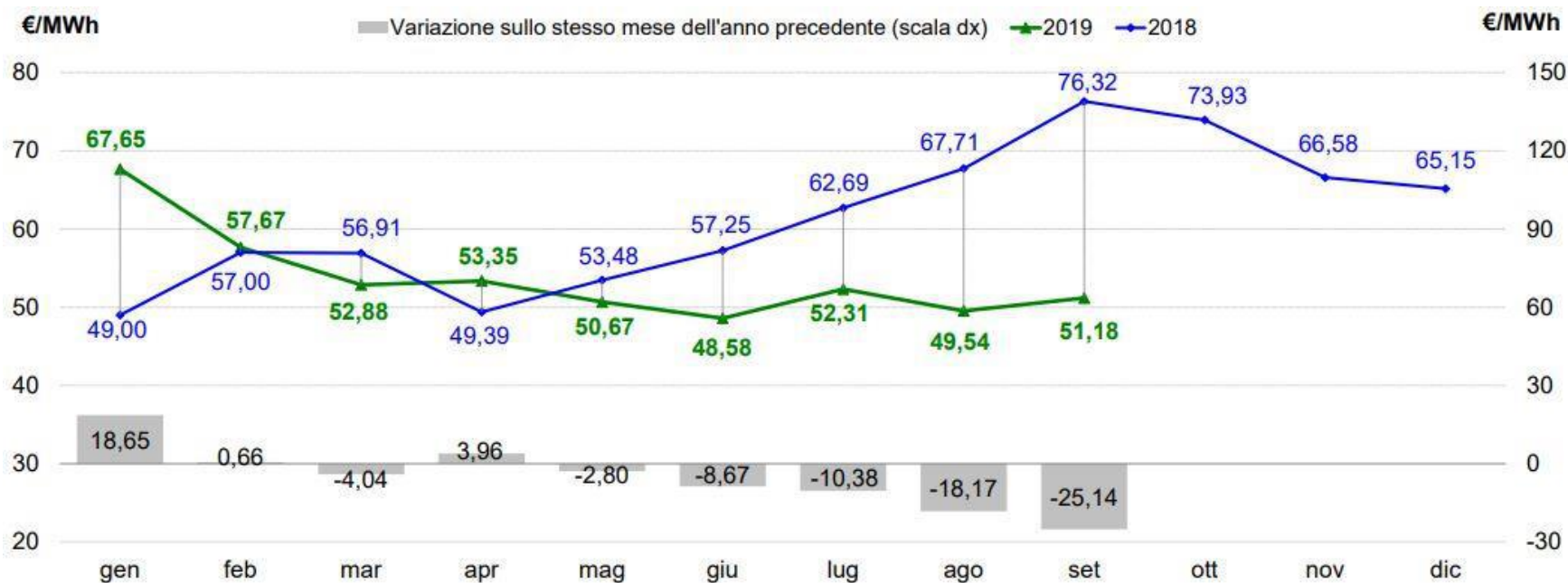
The Italian ceramic tile industry

	2017	2018	% var.
Companies	145	137	-5,5%
Employees	19.515	19.692	0,9%
Production (million sqm)	422,5	415,5	-1,7%
Total Sales (million sqm)	421,9	410,1	-2,8%
...of which Italy	83,7	82,4	-1,6%
...of which export	338,2	327,7	-3,1%
Investments (million €)	514,9	508,2	-1,3%
Total Turnover (million €)	5.546	5.381	-2,9%
...of which Italy	842	834	-1,0%
...of which export	4.704	4.547	-3,3%
Import (million sqm)	26,1	25,9	-0,2%
Import (million €)	182,4	186,1	2,0%
Consumption (million sqm)	109,8	108,3	-1,3%
Consumption (million €)	1.024,4	1.020,1	-0,4%



III. Latest developments at national level in energy supply regulation and taxation

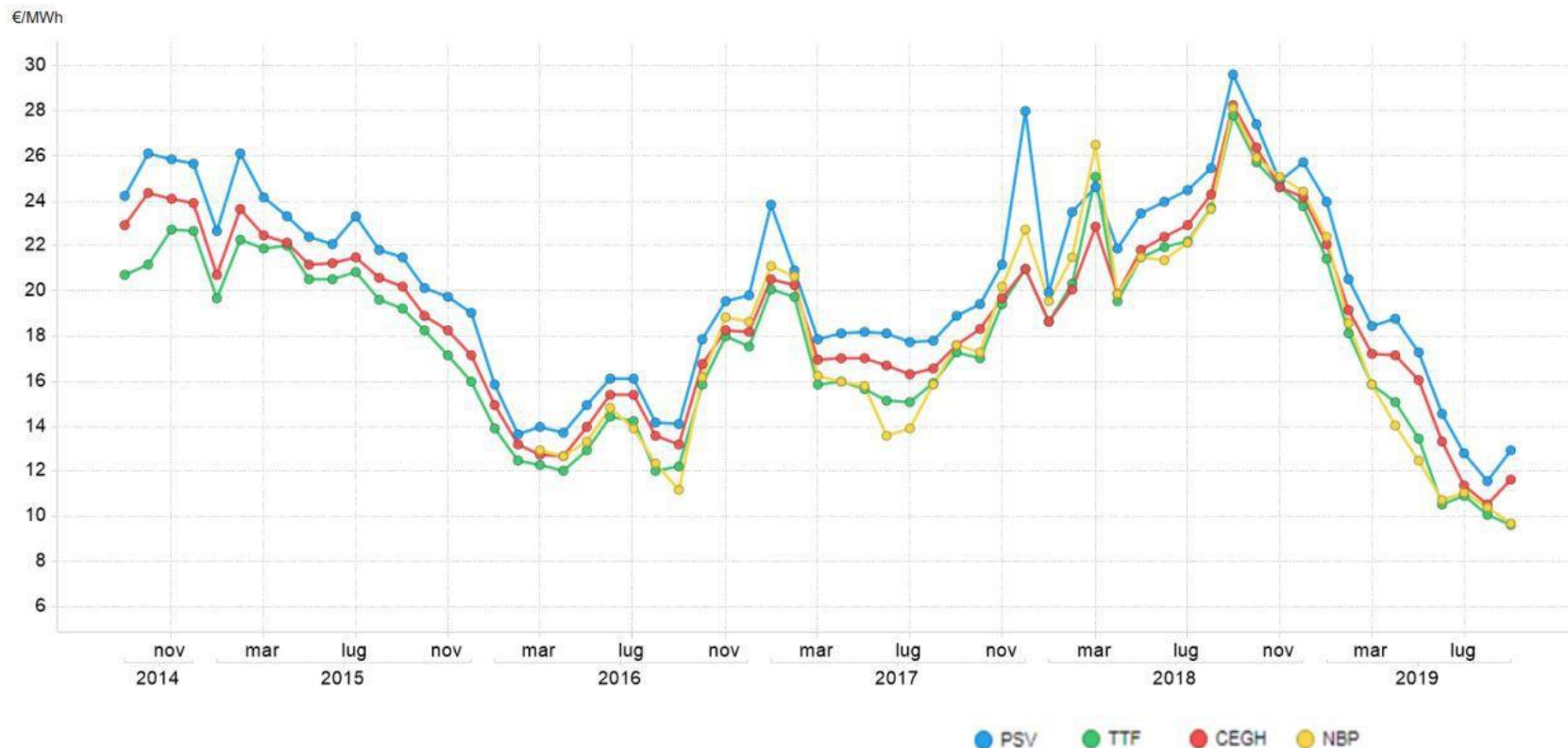
Electric power, Italian wholesale market (MPE, MGP)



- 2019 prices are lower than 2018
- The bearish trend started in fall 2018 and is still continuing

III. Latest developments at national level in energy supply regulation and taxation

European gas market: PSV=IT, TTF=NL, CEGH=AT, NBP=UK



- Bearish trend since August 2018
- The Italian quotation holds a spread of about €2 cents

III. Latest developments at national level in energy supply regulation and taxation

Measures for Energy Intensive Industries (EII)

Electricity

- New system developed, implemented starting from 1/1/2018;
- Reduction of RES (renewable energy sources) levies: around €31M for the sector

Gas

- Not implemented yet;
- The project could start this year.

EU Emission Trading Scheme (ETS)

- EU trend: increase of EUA prices and of “indirect costs”
- Need of the Italian sector for a compensation scheme: it will be implemented, but no compensation has been given out yet.

RES Decree

- Promotion of renewable electricity sources (2018-2021);
- New incentives for RES net production fed into the grid.;
- Expenditure ceiling **€5.4 billion**.

Capacity Market Decree

- Remuneration of the generation capacity necessary for the adequacy of the system, if lower CO²
- Estimated cost €1.75 billion/year



IV. Development in standardisation at national level

SUBFLOOR

- Reorganization and update of the relevant national legislation: planning instructions, installation, and verification of performance requirements.

VENTILATED FAÇADES

- Standard UNI 11018 indicates the procedures for a correct planning, execution, and maintenance of the connection systems supporting ventilated walls;
- Standard revision in progress: extension of the “scope” also to other materials.

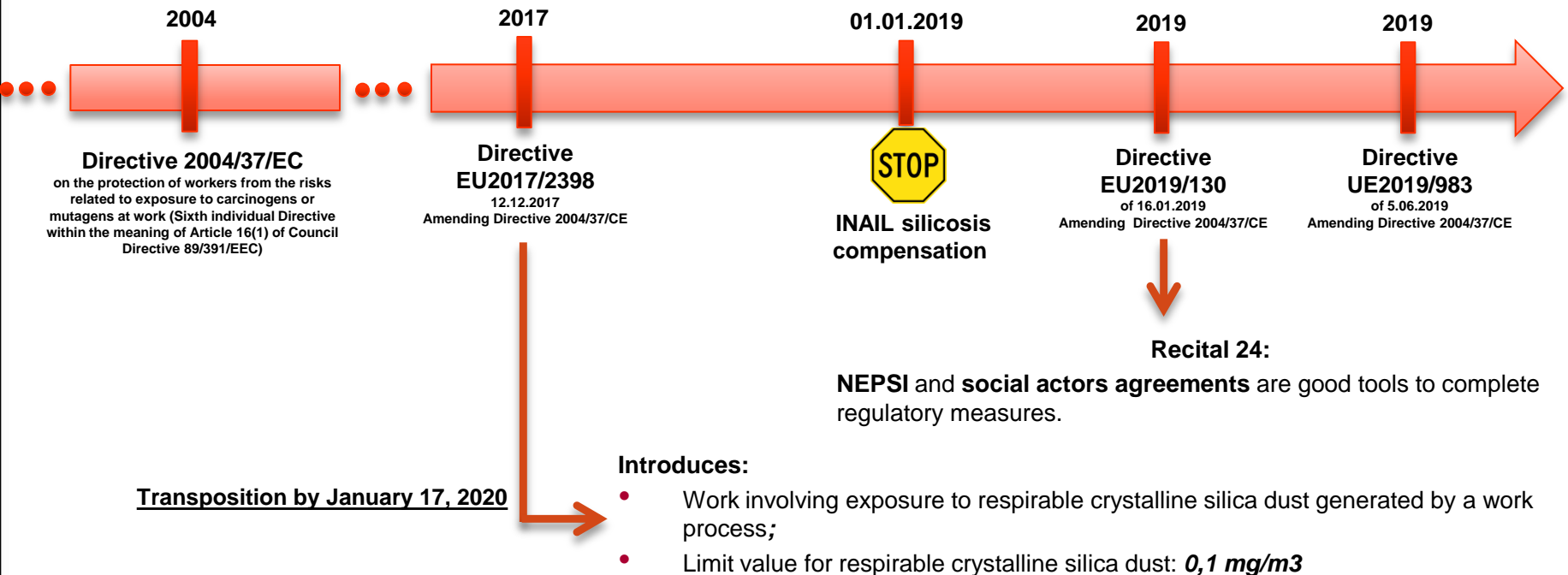
BUILDING INFORMATION MODELING (BIM)

- Standard UNI 11337 regulates the digital management of construction processes;
- The Association has defined procedural guidelines specifically for tiles; these can be adopted also by other ceramic materials (we are in the process of doing so with the tiles and bricks sector).



V. Development in regulations at national level affecting ceramic tiles - current legislation on respirable crystalline silica (RCS)

DIRECTIVE (EU) 2017/2398 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 12 December 2017 amending Directive 2004/37/EC on the protection of workers from the risks related to exposure to carcinogens or mutagens at work



V. Development in regulations at national level affecting ceramic tiles - current legislation on respirable crystalline silica (RCS)

Meetings with the **Ministry of Labor** in **Rome** and close to the industry in **Sassuolo...**



...and meetings in **Brussels**



Transposition by January 17, 2020



Promotion of the 2012 documents

validated as **Good Practices**

Ceramic cleaning methods for risk reduction from Respirable Crystalline Silica

Update the “Good Practices Guide”:
Part 1 (Description of the process),
Part 2 (Task sheets)



Defending the limit value introduced in Europe: 0,1 mg/m³



Promoting NEPSI social dialogue



*A survey was carried out to collect data (silica monitoring).
We have received data from 12 companies for a total of 24 plants.*



VI. The Italian ceramic industry for the UN 2030 Agenda SDGs



VI. The Italian ceramic industry for the UN 2030 Agenda SDGs

- **Operational protocols** for the safety of workers in the sector. In collaboration with **local health authorities and trade union**;
- **Good national practices** in the ceramic sector (prevention and protection measures) to protect the health of workers from exposure to dust containing respirable crystalline silica (NEPSI – European social dialogue)

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



- “Alternanza scuola-lavoro”: **internships for high school students** within companies in the sector;
- Extra-curricular training projects for high school students;
- 2° level university **MA’s degree** “Impresa e tecnologia ceramica” (**ceramic industry and technology**)



VI. The Italian ceramic industry for the UN 2030 Agenda SDGs

- Listing of **good practices of corporate social responsibility** in the Italian ceramic sector: social, cultural, and sports projects for the local community rolled out by companies;
- **Corporate welfare practices**: corporate day care centers, conventions with collective transport services for employees;
- **Foncer**: ceramic sector **pension fund**, with 16,114 members and assets in excess of €260 million.

8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- **Annual report** “Ceramic Tile Manufacturing Industries – **Environmental Impact Factors and Performance**”, covering: air emissions, water and water balance, material use, energy consumption;
- **Research** into **digital printing products** that are increasingly safe for health and the environment, while limiting any generation of odorous substances during production.



VI. The Italian ceramic industry for the UN 2030 Agenda SDGs



Full recovery of process water



EU ETS – Emission Trading System



Architecture competition



Mater SOS Project: sustainable materials for the restoration and construction of new buildings



Renewable energy, energy recovery; ISO 50001 certified energy management system



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Thank you for your attention!

