

## Working Papers

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# **Egyptian Entrepreneurs in Italy Through the Global Crisis Fears, hopes and strategies**

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## EXECUTIVE SUMMARY

1. In Italy, the size of foreign-origin population has been dramatically increasing in the last ten years progressively changing both Italian society and economy. Foreign and immigrant-run companies are going through a remarkable and very dynamic development phase, which is only partly held back by the current national and international crisis. Although the number of foreign companies operating in Italy has been slightly decreasing in the last two years (between 2007 and 2009, the number of closed down companies raised, and the total number of new companies recorded at the beginning of 2009 was at its lowest compared to quarter figures from the two previous years), nevertheless the amount of foreign companies keeps on raising, even though at a slower pace.

2. Between 2003 and 2008, the number of immigrant-run companies has more than trebled, and the total figure of Egyptian companies raised by 32%<sup>1</sup>, reaching the sixth position in the nationality ranking by number of companies. According to a mapping of Egyptian company owners, partners, directors, or other executives (from now on referred to as TSAa), an increase in their total number - from 16,415 units (in 2005) to 21,350 (in 2009) – was recorded. If such a figure is compared to the overall number of Egyptian citizens residing in Italy, it appears that about one Egyptian out of three is an entrepreneur, or rather a self-employed kind of worker<sup>2</sup>.

3. 91% of Egyptian TSAAs is concentrated in Lombardy, Lazio, Piedmont and Emilia Romagna regions, dealing in particular with building and constructions, commerce, and real estate businesses. The economic characteristics of the above regions have partly influenced the development of Egyptian companies. In fact, such companies specialize in commerce and hospitality in Lazio (Rome), Veneto and Tuscany, whereas in Lombardy and Emilia Romagna building and constructions, real estate and manufacturing (food and beverage, metal production within Brescia, Brianza and Bergamo districts) seems to be the preferred industries for Egyptian entrepreneurs. Given their widespread presence in the building and construction industry in Lombardy, it is quite likely that the Universal Exhibition to be held in Milan in 2015 (Milan EXPO), is going to foster some further expansion and enhancement of Egyptian companies within that region, and in such an industry, throughout the next five years.

4. With reference to the type of companies that are run by Egyptians (size and structure), 50% of them are single member companies, 28% are partnerships, 12% are limited liability companies, and the rest is composed of companies having other legal statuses. The majority of single member companies is made up by self-employed workers. Egyptian women-run companies are just a minority (about 17%) and mainly deals with commerce and real estate activities.

5. For a number of years, some Egyptian companies have been operating between the two countries, i.e. Egypt and Italy, performing trading and investment operations, but they cannot be considered as significant businesses. That is mainly due to the fact that Egyptian entrepreneurs do not find the

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<sup>1</sup> Whereas, in Italy, the number of regular Egyptian immigrants doubled in the last 5 years, totaling around 75,000 people.

<sup>2</sup> It should be pointed out that such data may not be reliable as they may be affected by inconsistencies between residence permit and *Unioncamere* (Italian Union of Chambers of Commerce, Industry, Handicraft and Agriculture) figures which are calculated using foreign entrepreneurs' tax codes – i.e. based on their birth and not on their citizenship status). Finally, it is well known that, especially in some industries such as building and constructions, single member companies, or rather self-employment arrangements, may be used to hide some unprotected kind of employment as they do not involve any legal constraints in relation to labour and may, therefore, represent the only way to avoid any problems related to residence permit renewal. Hence, the intensity of such entrepreneurial activity ought to be filtered based on the above arguments.

conditions of their home country very attractive, especially because of the poor quality of its economy.

6. The current economic crisis is of an international nature, and Egyptian entrepreneurs are trying to understand whether opportunity differentials between Italy and Egypt in such conjunctural situation may encourage investments in their country of origin. On the other hand, they keep on searching for new strategies to improve their businesses in Italy, since some optimism about a positive evolution of economic conditions seems to prevail among them.

7. In spite of the particular historical, political and socio-economic conditions of the two countries in question (i.e. Egypt and Italy), Egyptian companies are quite active on average. In fact they do their planning and even try to perform some transnational activities through projects and investments in both countries. However, such attempts are adversely affected, both in Egypt and Italy, by consolidated objective conditions (culture, laws, individual authority behaviour at all levels) that still penalize and hinder such initiatives. Nevertheless, 2009 saw an improvement in the relations between the two countries, as well as more commitment on Egypt's side.

8. Above all, Egyptian companies ask for a clearer, simpler, more efficient and lawful operating framework for companies, both in Egypt and Italy – i.e. bureaucracy simplification, public administration efficiency, lawful environment, ease and regularization of immigration from Egypt, rather than granting special, *ad hoc* concessions and financing.

9. As far as acting as a group, Egyptian companies show a significant weakness, including their lack of involvement in the activities of Italian trade associations. In fact, Egyptian companies are quite individualistic and, therefore, do not enjoy the services offered by entrepreneur organizations. However, the awareness about the need to get equipped, to lobby, and to act as a professional group is starting to grow. To such purpose, an attempt to establish the very first association of Egyptian entrepreneurs operating in Italy was made in 2009.

10. Finally, it should be highlighted that the gap in existing data on foreign companies in Italy would need to be filled. An in-depth statistical analysis concerning Egyptian companies should also be arranged for with some survey and statistical research agencies. The improved statistical knowledge would then allow for an extremely useful analysis that could help to define new strategies. For example, a sort of statistical yearbook of Egyptian companies operating in Italy could be created, and such a useful tool would be available to both Egyptian entrepreneurs and Egyptian authorities committed to foster their country's development.

## OBJECTIVES AND METHODS

The study we discuss in this paper is linked to some previous research work carried out by CeSPI in 2004-2005 within the framework of IMIS and IMIS Plus (Integrated Migration Information System) Project financed by *Cooperazione Italiana* and developed in cooperation with the Egyptian Ministry of Labour and Emigration and IOM (International Organisation for Migration) based in Rome and Cairo.

The first two projects concerned an analysis of the Egyptian presence in Italy as a whole, with all its complexities, with an initial in-depth study regarding the largest communities in Milan, Rome and Emilia Romagna region (*Egyptians in Italy. Three case studies: Rome, Milan, Emilia Romagna*<sup>3</sup>), and a second in-depth treatment of relationships between the Egyptian Community of Sesto San Giovanni (Milan) and home region or areas in Egypt (*Egyptian Diaspora Cooperation with the homeland*<sup>4</sup>).

This third study deals with Egyptian entrepreneurs' activity in Italy, including its features and dynamics in response to the current economic and financial crisis.

Our research is divided into three cross-analyses, that are:

- a quantitative analysis based on statistical data about Egyptian companies operating in Italy;
- a qualitative analysis of entrepreneurial characteristics through individual interviews;
- an analysis of relationships between Egyptian companies and local Egyptian communities performed through interviews and dedicated meetings.

Some separate meetings have also taken place with representatives of the following bodies:

- CNA (*Confederazione Nazionale Artigiani* - Italian National Confederation of Craftwork Companies);
- Milan's Chamber of Commerce;
- PROMOS (*Promozione e Sviluppo* – Promotion and Development) of Milan's Chamber of Commerce;
- ISMU – (*Iniziative e Studi sulla Multiethnicità* – Initiatives and Studies on Multiethnicity) Milan's Foundation;
- The Consul General of Egypt in Milan.

Twenty entrepreneurs were interviewed following an open questionnaire composed of 25 questions (see Appendix). Four of the twenty interviews involved some executives of Egyptian associations.

What follows is a summary of our research work, together with an in-depth treatment of statistical, quantitative aspects and of analytical, qualitative issues, as well as some final conclusions on the near future of Egyptian entrepreneurs operating in Italy.

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<sup>3</sup> Lorenzo Coslovi, Petra Mezzetti, Laura Bozzoli (2005), "Gli egiziani in Italia. Tre casi studio: Roma, Milano, Emilia Romagna", *CeSPI Working Paper 14/2005*.

<sup>4</sup> Sebastiano Ceschi, Lorenzo Coslovi, Maria Mora (2005), *CeSPI Working Paper 15/2005EN*.

## INTRODUCTION

The international financial crisis that started in 2008, and whose economic and social effects were felt in 2009, is affecting Italian manufacturing industry and is changing both markets and migration flows. The latter are experiencing a double and contrasting thrust, i.e. the worsening of living conditions in countries with more marked difficulties originates new emigration (that might be encouraged either directly or indirectly by countries of origin), but the crisis itself causes some further restrictions on the immigration policies of European countries that migrants choose as their destination countries (cf. IOM 2009<sup>5</sup>). At the same time, within European economies (and the Italian one in particular, which is mainly based on small, middle sized, family-run and craftwork companies), the crisis is producing some changes in the entrepreneurial activity and in the labour sector that are also affecting foreign immigrants' life.

In Italy, where in the last ten years the number of foreign immigrants has been growing significantly, amounting to over 8% of total population (around 60 million inhabitants, with 4 million foreign residents, and approximately 700,000 estimated illegal immigrants<sup>6</sup>), the current crisis is producing some changes in employment and company formation data, but without halting the expansion of foreign entrepreneurial initiatives and the access of foreign immigrants in the labour market.

At the end of the second quarter of 2009, the number of employed staff in Italy (ISTAT data) was 23,203,000 units, showing "a serious annual drop (-1.6% equal to -378,000 units)"<sup>7</sup>. Such figures relate to Italian nationals, whereas the number of employed foreign resident continues to raise, although at a slower pace (+222,000 units in the first quarter and +184,000 units in the second one). Nevertheless, percentages on total amounts show a decrease – employment rate dropped by 0.7% annually reaching 65.2%, and foreign residents' unemployment rate raised to 11% compared to 8.8% in 2008. The increase in the number of foreign residents employed refers to permanent, unskilled jobs, while a worsening in unemployment figures is recorded for self-employed and occasional jobs. The crisis has also fostered an enhancement of undeclared employment, usually taken up by irregular immigrants who do not hold a residence permit, damaging, therefore, small craftwork companies that are unable to compete with prices offered by those companies which employ irregular, and actually illegal workers. Moreover, it is quite likely that a portion of undeclared positions are going to become declared, increasing, therefore, employment figures, whereas, on the other hand, some regular jobs may be terminated due to the crisis, to be replaced by undeclared arrangements. Consequently, the resulting labour market scenario and the Italian entrepreneurial setup are filled with highly contrasting trends.

Within the above picture, the Egyptian presence in Italy in relation to both labour market and entrepreneurial activity (as already highlighted in the two previous studies by CeSPI) has a long history of peculiar, self-centred attitudes and socio-economic characteristics, which are set within the wide range of foreign communities who live and work in our country. Such distinctive features (a long-lived tradition of emigration to Italy, concentration in Italy's central and northern regions, specialization in commerce, catering and service industries) have been analysed in detail through statistical comparisons and, above all, through interviews with 20 Egyptian entrepreneurs and representatives of Egyptian and Italian bodies.

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<sup>5</sup> IOM (2009) *Policy Brief. The Impact of the Global Economic Crisis on Migrants and Migration*. March. <http://www.globalmigrationgroup.org/Economic%20Crisis.March09.Eng.pdf>.

<sup>6</sup> For an accurate and updated analysis about illegal residents in Italy, see Fasani, F. (2008) *Undocumented Migration, Counting the Uncountable, Data and Trends Across Europe. Italy Country Report*.

<sup>7</sup> Istat, press release of 22<sup>nd</sup> September, 2009. Survey on workforces.

# 1. OVERALL PICTURE OF EGYPTIAN ENTREPRENEURS' ACTIVITY IN ITALY

## 1.1 Egyptian citizens in Italy

The presence of foreign immigrants in Italy over the last 10 years has quadruplicated. Within such a historical context, we should analyse and evaluate foreign entrepreneur activity, with a special focus on Egyptian companies. Data supplied by Istat on foreign residents in Italy from 1998 to 2009 can be summed up as follows:

1998:	over 1 million regular foreign residents;
2002:	over 1 million and a half;
2004:	over 2 million;
2006:	over 3 million and a half;
2008:	4 million.

In the last 5 years, from 2003 to 2008, the Egyptian community, with its long history of emigration to Italy, went from 34,000 to almost 75,000 regular residents<sup>8</sup>, doubling, therefore, its presence in just a few years.

**Table 1. Overall data on Egypt – Emigration abroad and Egyptian citizens in Italy**

Nationals emigrated abroad in 2008	2,500,000 ( <i>Data by Egyptian Emigration Ministry</i> )
Remittances from abroad in 2008	\$6 billion ( <i>World Bank</i> )
Egyptian nationals in Italy in 2008	74,599 residents ( <i>Istat data</i> )
Egyptian remittances from Italy in 2008	€15,998,000 ( <i>calculated by CeSPI based on Bank of Italy's data</i> )

The quantification of the Egyptian community in Italy provides the first example of contrasting statistical data. In fact, next to the official figure suggested by Istat, some other surveys and agencies provide different measurements since they attempt to include illegal residents too. Ismu<sup>9</sup> estimates that there are around 70,000 Egyptian residents in Lombardy (regular and illegal ones). Such a number is the one that gets closest to the figure calculated by the Egyptian government (and by Capmas - Central Agency for Public Mobilization and Statistic) that for a number of years has been recording figures which are 3 times higher in relation to Egyptian citizens residing in Italy, including regular and illegal ones.

A possible explanation could be given by the fact that on every Egyptian passport it is stated that the holder is invited to go to the Egyptian Consulate in the destination country where he/she is going to stay as a tourist or as a resident (regardless of any legal requirements applicable in the hosting country). Therefore, such a provision means that even illegal Egyptian residents (or those who have just arrived illegally, or who hold expired residence permits) may openly declare their presence, also in order to take advantage of any regularization arrangements linked to migration seniority. On the other hand, the names of a number of immigrants (either regular or illegal ones) do not get cancelled from the Consulate's registry when they go back to Egypt, or if they move to another country.

<sup>8</sup> Istat (2008), "*Bilancio Demografico*" (Demographic Report. Foreign population residing in Italy as per 31 December, 2008, by sex and citizenship). <http://demo.istat.it/>.

<sup>9</sup> ISMU Foundation (2008), *XIV Rapporto sulle Migrazioni*, (XIV Report on Migrations), Milan, Franco Angeli.

Therefore, Egyptian authorities in Italy do hold some accounting on Egyptian nationals in Italy which even though it is not thoroughly accurate, it might, nevertheless, be closer to real figures than the data obtained from different Italian sources (residence permit and foreign resident population). Such a situation seems to be confirmed by opinions gathered through the 20 interviews with Egyptian entrepreneurs made for our study.

The problem with quantifying migration flows in Italy does not only concern Egyptian nationals, but involves all foreign residents, statistical surveys' criteria, updates on law and regulation amendments, and the timeframe of such amendments in relation to actual regularisation of residence permits<sup>10</sup>.

However, the significant essence of a general historical process (i.e. immigration increase) deserves to be highlighted. It is within such a process that Egyptian population has shown a marked interest in Italy since, according to official Istat data, it is more than doubled in the last five years.

**Table 2. Egyptian residents in Italy – 2002-2008 period**

Year	2002	2003	2004	2005	2006	2007	2008
	33,701	40,583	52,865	58,879	65,667	69,572	74,599

Source: Istat – “Bilancio Demografico e popolazione residente straniera al 31 dicembre per sesso e cittadinanza (anni 2002-2008)”. www.istat.it

## 1.2 Foreign companies in Italy

Between 2003 and 2008, the number of foreign companies in Italy has increased by almost 300%. In 2009, out of around 3 million and a half companies existing in Italy (single member ones and partnerships),<sup>11</sup> over 187,000 were actually run by foreigners.<sup>12</sup>

**Table 3. Foreign companies in Italy from 2003 to 2008**

Main Industries	2003	2004	2005	2006	2007	2008	2009
Building & constructions	10,859	20,405	29,432	40,760	52,151	64,549	73,918
Commerce	20,404	30,114	38,727	47,757	52,479	57,723	63,992
<b>TOTAL (all industries)</b>	<b>56,421</b>	<b>71,843</b>	<b>94,633</b>	<b>130,969</b>	<b>141,393</b>	<b>165,114</b>	<b>187,466</b>

Source: Caritas/Migrantes 2008 and 2009.

<sup>10</sup> See Fargues, Le Bras, H. (2009), *Migrant et Migrations dans le Bassin de la Méditerranée*. Les notes IPAMED, N°1. September 2009.

<sup>11</sup> In Italy, companies may be either *Single Member Companies* or *Partnerships*. In *Single Member Companies* the legal subject is a natural person, whereas in *partnerships* it is a legal person composed of several natural persons – with different kinds of ownership and management arrangements that are: 1. *Partnerships* include simple companies (*Società Semplice - SS*); *Limited Partnerships 'en commandite'* (*Società in Accomandita Semplice – SAS*), where at least 1 partner has unlimited liability and 1 bears limited liability (sleeping partner); *General Partnerships (Società in Nome Collettivo - SNC)*. 2. *Joint Stock Companies* which include: *Limited Liability Companies (Società a Responsabilità Limitata - SRL)*; *Public Limited Companies (Società per Azioni - SPA)*; *Limited Partnerships with Share Capital (Società in accomandita per azioni - SAA)*. 3. *Cooperative Associations*.

Italian companies are also classified according to the number of employees (together with sales volume and other parameters) as: 1. *Craftwork/Handicraft Companies*, when they employ from 8 to 40 persons, to the type of employment agreement (apprenticeship and non-apprenticeship), to the kind of work (line or batch production), and to the industry (building & constructions, transport, clothing, etc.); 2. *Small and Medium-Sized Companies*, if they have from 40 to 250 employees; and 3. *Large Companies*, if they employ more than 250 persons. A Single Member Company may hire employees and be classified as Craftwork Company.

<sup>12</sup> Data as per May, 2009. Cf. Caritas/Migrantes (2009). *Dossier statistico 2009, XIX rapporto*, Roma, IDOS, p. 278. Data refer to CNA's elaboration based on data from Infocamere (*Consortium of Italian Chambers of Commerce*). CNA filters the data by eliminating entrepreneurs who were born abroad but who are Italian citizens.

The highest increase (nearly 600%) was recorded in the building and constructions industry, where the number of single member companies (i.e. workers who became self-employed contractors, having a VAT registration number) has highly increased the number of foreign companies.

The following data, which have been directly elaborated by Unioncamere, refer instead to the first quarter of 2009, almost a year later than those provided in the *Dossier Caritas*, and concern single member companies run by non-EU nationals (without any filtering of company owners who were born abroad but are Italian citizens)<sup>13</sup>.

**Table 4. Foreign companies run by non-EU nationals in Italy in 2009**

<b>Total no. of Single Member Companies in Italy</b>	<b>3,000,000</b> <b>(as per 31<sup>st</sup> March, 2009)</b>
<b>Companies run by non-EU nationals (recent EU nationals excluded, i.e. Romanians, Polish, etc.)</b>	<b>243,000 = 7.2%</b>
<i>Industry</i>	
Agriculture	6,986
Fishing	64
Mineral extraction	7
Manufacturing	29,099
Energy	11
<b>Building &amp; Constructions</b>	<b>66,443</b>
<b>Commerce</b>	<b>104,408</b>
Catering & Hospitality	6,339
Transport & Warehousing	10,211
Monetary brokerage	1,334
Education	250
Healthcare & Social Services	182
Other services	5,140
Real estate, IT, rental, research	11,211
<b>Country total</b>	<b>243,000</b>

Source: Unioncamere (March, 2009's Report).

**Table 5. Single member companies run by non-EU nationals in Italy (Quarters in 2007-2008-2009, registration, closing down, balance details)**

<b>1st QUARTER</b>	<b>Registrations</b>	<b>Closing down</b>	<b>Balance</b>
YEAR 2007	10,329	6,842	3,487
YEAR 2008	9,692	6,637	3,055
YEAR 2009	9,975	7,612	2,363

Source: Unioncamere, (March, 2009's Report).

When balances of quarterly trends are considered, the sizeable increase of foreign companies in Italy appears to have slightly decreased in the last two years (i.e. from 2007 to 2009). In fact, the

<sup>13</sup> Available data for Italy, processed by either public or private national and regional agencies, regarding the presence of foreign immigrants and companies run by foreign nationals (European and non-EU nationals). The statistical picture they originate shows some gaps. After communicating with some representatives of Italian survey agencies, we reached the conclusion that a statistical analysis of both immigration and foreign companies is still a difficult exercise due to backwardness and inconsistency of regulatory classification and registration instruments, as well as to the lack of scientific expertise of operators dealing with such procedures. Original data from Chambers of Commerce (*Unioncamere*) that we used help to quantify companies according to non-EU company owners, whereas re-processed data from Caritas File include all the companies run by non-Italians, including those who have European origins. Another datum which is quite difficult to extrapolate is the one concerning the comparison between the grand total of foreign companies, the number of single member companies and the number of all the foreigners working as "Owners-Partners-Directors-other" ("*Titolari-Soci-Amministratori-altra carica*"- TSAa) who are part of a company. Moreover, some sharp differences were also detected between data related to residence permits and foreign nationals residing in Italy. Therefore, we analysed available statistics keeping into account the differences in perspectives and data processing, trying to find some significant patterns.

number of closed-down companies raised, and the positive balance for new companies at the start of 2009 was the lowest one compared to quarterly balances from the two previous years.

As we have already mentioned in our introduction, in spite of the national and international crisis of the last two years, the number of foreign companies has kept on growing year after year, even though at a less intense pace due to an increase in the number of closed-down companies.

### **1.3 Mapping of Egyptian entrepreneurs**

Within the more general raise in the number of “foreign” companies started in Italy over recent years, the number of Egyptian entrepreneurs has grown by 32% between 2003 and 2008<sup>14</sup>, making them climb to the 6<sup>th</sup> position in the ranking of non-EU communities by number of single member companies, after Morocco, China, Albania, Senegal and Tunisia.

To breakdown the analysis even further, a mapping of Egyptian entrepreneurs in Italy was also carried out. Data from Milan’s Chamber of Commerce (CCIAAM) have been analysed considering the second quarters of the 2005-2009 period, and in relation to the number of TSAAs in Italy<sup>15</sup>.

Overall, the analysed data show that TSAAs are distributed over the Italian territory and that they are quite active in several industries, as per Infocamere’s filed data. Moreover, the data were treated with the aim of producing a full picture of Egyptian entrepreneurs, broken down by industry and geographical area. From the whole TSAa set some further data have also been extrapolated, such as TSAa distribution by gender and sector of activity, by region and province, and by type of company. Afterwards, an in-depth analysis of the two most representative regions (i.e. Lombardy and Lazio) was carried out as well.

#### ***1.3.1 Geographical concentration of Egyptian TSAAs between 2005 and 2009***

Consistently with the trend detected for immigrant entrepreneurs in Italy<sup>16</sup>, the number of Egyptian entrepreneurs has been steadily increasing during the last 4 years (2005-2009). In fact, the number of Egyptian TSAAs has increased from about 16,415 to 21,350 (i.e. by approximately 30%).

As far as geographical distribution is concerned, during the period in question no significant changes were found in relation to companies’ location. When data were broken down by macro areas, it clearly appeared that TSAa’s companies are concentrated in the North-West and in central Italy. However, the magnitudes of such data are remarkably different.

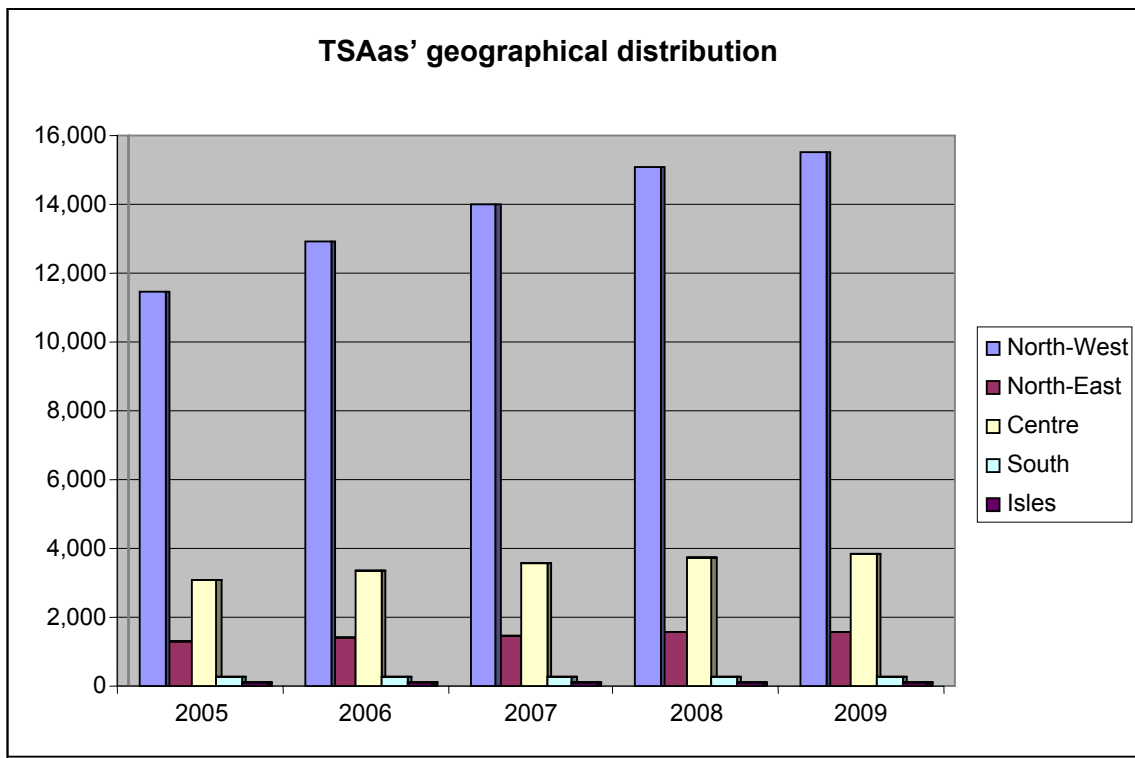
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<sup>14</sup> Caritas/Migrantes 2008, (work cited).

<sup>15</sup> Infocamere’s data processed by Milan’s CCIAAM as per second quarter of 2009. As already mentioned, such data include the number of entrepreneurs who were born abroad, regardless of their nationality.

<sup>16</sup> Fondazione Ethnoland (2009), “*Immigrati imprenditori in Italia, dinamiche del fenomeno: analisi, storie e prospettive*” – *Immigrant Entrepreneurs in Italy – Phenomenon’s Dynamics. Analysis, Stories and Perspectives*, Published by Idos, 2009.

**Fig. 1 TSAs Geographical distribution from 2005 to 2009**



Source: CCIAMM's data processed by CeSPI.

As highlighted in Table 6, Lombardy and Lazio remain the regions showing the highest concentration of TSAs' companies over time, followed by Piedmont and Emilia Romagna at some distance, which have been competing to achieve such a position throughout the years. Those four regions host 91% of Egyptian TSAs.

In absolute terms, TSAa presence seems to be consistent with Egyptian distribution over the whole Italian territory. In fact, ISTAT's data show a total of 52,788 Egyptian citizens in Lombardy. The number of Egyptians residing in Lazio is also quite remarkable (almost 8,224 people), whereas figures related to Piedmont and Emilia Romagna are much lower (4,475 and 3,405 respectively). When comparing the number of TSAs with that of Egyptian residents, it clearly appears that entrepreneur rate tends to fluctuate between 25% and 40% in the six regions, with a population exceeding 1,000 units. Amongst such regions, Lazio shows the highest entrepreneur rate (nearly 40%), while Piedmont and Liguria reveals the lowest one (25.3%). Some striking figures were detected in relation to southern regions and isles (Sardinia, Campania, Apulia and Sicily), which show the entrepreneur rate ranging from 86% to 55%. Some explanations may be found in the characteristics of Egyptian population residing in such areas (very small numbers, mainly male members). Some further reasons may also be due to labour market's features within such regions.

**Table 6. TSAs geographical distribution during the 2005-2009 period**

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>% Variation (2005-2009)</b>
<b>Lombardy</b>	<b>10,463</b>	<b>11,694</b>	<b>12,583</b>	<b>13,568</b>	<b>13,976</b>	33.5%
<b>Lazio</b>	<b>2,524</b>	<b>2,782</b>	<b>2,996</b>	<b>3,142</b>	<b>3,227</b>	27.8%
Piedmont	770	881	1023	1091	1134	47.2%
Emilia-Romagna	934	993	1031	1080	1076	15.2%
Tuscany	461	472	487	493	516	11.9%
Veneto	314	319	341	347	362	15.8%
Liguria	286	320	334	358	359	25.5%
Campania	138	138	136	126	124	-10%
Friuli-Venezia Giulia	57	74	77	97	97	70.1%
Sicily	94	96	102	102	96	2,2%
Marche	84	85	75	82	79	-6%
Apulia	86	80	84	73	73	-15%
Umbria	43	41	43	49	50	16.2%
Abruzzo	45	43	45	45	49	8.8%
Trentino-Alto Adige	29	33	37	42	44	51.7%
Sardinia	40	41	43	39	40	0%
Calabria	17	24	21	23	23	25%
Valle D'Aosta	22	20	20	17	15	-31.8%
Basilicata	5	5	7	5	5	0%
Molise	3	3	4	5	5	66.6%
<b>Total</b>	<b>16,415</b>	<b>18,144</b>	<b>19,489</b>	<b>22,792</b>	<b>2,,350</b>	<b>30%</b>

Source: CCIAMM's data processed by CeSPI.

Needless to say, reliability of the data in question is adversely affected by some inconsistencies existing between residence permit data and Unioncamere's ones since, as already mentioned, the latter organization extrapolate data on foreign entrepreneurs using their tax code, i.e. based on their country of birth and not according to their nationality. Finally, it is well known that self-employment arrangements, especially in the building and constructions industry, may very often hide a sort of fake employment relationship which does not imply any of the constraints and protective measures provided for by proper employment agreements. Besides, that might be the only way to keep the residence permit when immigrants happen to lose their jobs. Therefore, data concerning the intensity of entrepreneurial activity ought to be filtered based on the above arguments.

Over the years, no significant changes have been recorded neither in terms of relative weight of different regional agglomeration (North-West, North-East, central Italy, South and isles), nor in relation to the percentage weight of regions which are better represented within every single group.

**Table 7. Percentage of TSAAs among Egyptian residents**

Region	Number of TSAAs	Egyptian residents	TSAa % to residents
Abruzzo	49	170	28.8
Basilicata	5	19	26.3
Calabria	23	81	28.3
Campania	124	165	75.1
<b>Emilia-Romagna</b>	<b>1,076</b>	<b>3,405</b>	<b>31.6</b>
Friuli-Venezia Giulia	97	235	41.2
<b>Lazio</b>	<b>3,227</b>	<b>8,224</b>	<b>39.2</b>
<b>Liguria</b>	<b>359</b>	<b>1,418</b>	<b>25.3</b>
<b>Lombardy</b>	<b>13,976</b>	<b>52,788</b>	<b>26.4</b>
Marche	79	186	42.4
Molise	5	18	27.7
<b>Piedmont</b>	<b>1,134</b>	<b>4,475</b>	<b>25.3</b>
Apulia	73	101	72.2
Sardinia	40	46	86.9
Sicily	96	174	55.1
<b>Tuscany</b>	<b>516</b>	<b>1,901</b>	<b>27.1</b>
Trentino-Alto Adige	44	181	24.3
Umbria	50	189	26.4
Valle D'Aosta	15	45	33.3
Veneto	362	778	46.5

Source: CCIAAM's and ISTAT's data (www.istat.it) processed by CeSPI.

### **1.3.2 Industry distribution and geographical specialisation of Egyptian TSAAs**

At national level, Egyptian TSAAs seem to be concentrated in the following business sectors: Building and Constructions – 6,474 TSAAs in 2009; Commerce – 3,156; Real Estate – 2,208.

In the regions where there are 100 TSAAs or more (Campania, Emilia Romagna, Lazio, Liguria, Lombardy, Piedmont, Tuscany, Veneto), the TSAAs tend to be concentrated within 6 major industries, that are: Manufacturing, Commerce, Building & Constructions, Catering & Hospitality, Transport, Real Estate. Overall, such industries take up a percentage of TSAAs ranging from 75% in Campania to 94.5 % in Emilia Romagna. Moreover, the percentage weight of the above industries over all the available industries<sup>17</sup> has shown a tendency to remain unchanged over the 5-year period considered within the regions that were analysed. The only exception was found in Lazio, where the percentage for the six industries has raised from 74.4% in 2008 to 88.5% in 2009. Such an increase was due to a percentage growth within the Catering & Hospitality industry (where the number of TSAAs went from 348 to 599 between 2007 and 2008), and in the Commerce sector (where the number of TSAAs has increased from 896 to 1,074).

<sup>17</sup> Available industries and sectors are: **A.** Agriculture, hunting and forestry; **B.** Fishing, fish farming and related services; **C.** Mineral extraction; **D.** Manufacturing; **E.** Electricity, gas and water production and distribution; **F.** Building & Constructions; **G.** Wholesale and retail commerce – personal and household goods; **H.** Hotels & restaurants; **I.** Transport, warehousing, and communications; **J.** Monetary and financial brokerage; **K.** Real estate, rental, IT, research; **M.** Education; **N.** Healthcare and other social services; **O.** Other public, social and personal services; **X.** Non-classified businesses.

**Table 8. Percentage weight of six main industries where TSAAs are concentrated (2005-2009)**

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Campania	79.0%	77.5%	78.7%	77.8%	75%
Emilia-Romagna	94.6%	95.1%	92.8%	93.1%	94.5%
Lazio	71.2%	71%	72%	88.5%	87.7%
Liguria	89.2%	89.1%	89.2%	91.1%	90.8%
Lombardy	81.9%	82.4%	83.8%	84.4%	84.6%
Piedmont	83.6%	87.7%	87.1%	86.9%	86.7%
Tuscany	86.8%	89.6%	81.7%	90.5%	90.3%
Veneto	76.1%	78.4%	82.1%	83.3%	83.7%

Source: CCIAAM's data processed by CeSPI.

A cross reading of industry concentration and geographical distribution allowed us to notice that different regions feature **different entrepreneurial specializations according to geography**. An analysis of those regions where more than 100 Egyptian citizens reside (company owners/partners/directors and other roles), showed that distribution by industry may change according to the regions analysed. That enabled us to detect some differences linked to the kind of economy existing in the territory that attract TSAAs.

**Lazio and Campania** showed a marked and increasing concentration in only one sector, i.e. commerce, which absorbed 39% of TSAAs residing in Campania in 2005, and 42% during 2009. In Lazio, such a growth has been even more significant, going from 29% in 2005 to 34% in 2009.

**Lombardy and Emilia Romagna**, on the other hand, revealed a heavy concentration of TSAAs in the building and constructions industry. In fact, 57% of TSAAs was taken up by such a sector in Emilia-Romagna in 2005, even though such a percentage has decreased over the years, until it reached around 52% in 2009. On the contrary, in Lombardy, TSAAs concentration in the same industry has showed a sharp raise, from 29.4% in 2005 to 36.4% in 2009, and in Piedmont too, where the growth has been steady going from 21% to 25% of the TSAAs total. As it has been already pointed out, such data related to the building and constructions industry needs to be considered quite carefully.

Finally, in **Veneto**, there is a high concentration of TSAAs in the catering and hospitality industry. As already mentioned, **Liguria and Tuscany** have recorded a more widespread industry distribution. In Liguria, in addition to building and constructions, TSAAs concentration is quite high in catering and hospitality and in manufacturing industries too, whereas in Tuscany TSAAs seem to have been attracted by catering and hospitality, commerce and building and constructions. In Piedmont, besides the already mentioned concentration in the building and constructions industry, a strong convergence was recorded in manufacturing too.

**Table 9. TSA distribution by industry in regions with a higher number of TSAAs – 2009**

Region	Manufacturing	Building & Constructions	Commerce	Hotels & restaurants	Transport	Real estate	% weight of the 6 industries over total	TOTAL no. of TSAAs
Campania	9-7%	8.9%	41.9%	4.8%	4.0%	5.6%	75.0%	124
Emilia-Romagna	18.4%	52.5%	9.9%	6.4%	2.2%	5.1%	94.5%	<b>1,076</b>
Lazio	12.3%	7.6%	33.8%	19.0%	7.2%	7.8%	87.7%	<b>3,227</b>
Liguria	19.2%	23.1%	17.8%	21.4%	3.9%	5.3%	90.8%	<b>359</b>
Lombardy	11.8%	36.4%	9.4%	6.8%	7.8%	12.2%	84.6%	<b>13,976</b>
Piedmont	22.0%	25.0%	14.6%	12.0%	7.1%	6.0%	86.7%	<b>1,134</b>
Tuscany	12.2%	20.9%	21.5%	25.8%	4.5%	5.4%	90.3%	516
Veneto	13.8%	9.9%	14.9%	29.8%	5.8%	9.4%	83.7%	362

Source: CCIAAM's data processed by CeSPI.

### 1.3.3 Distribution of Egyptian TSAAs by type of company

As already detected through some other research carried out at national level<sup>18</sup>, the role of immigrant company owners is not the only one existing, as there are also other partners and company executives involved. At national level, the number of such professionals has reached around 138,000 units (52,715 partners and 85,999 executives), a figure which is closer to the one of the company owners, i.e. 165,000. As far as Egyptians are concerned, single member companies absorbed 45.5% of TSAAs in 2005 and 48.8% at the end of the period analysed. That particular type of company is the one that has shown the sharpest increase over the period in question, even in absolute terms, moving from 7,454 companies in 2005 up to 10,440 in 2009. As shown in the table below, even the number of business partnerships has raised significantly in absolute terms (+32.5%).

**Table 10. Egyptian companies' trend by type of company in 2005-2009**

Year	Joint stock companies	Business partnerships	Single member companies	Other types	Total
2005	2,266	4,538	7,454	2,157	<b>16,415</b>
2006	2,376	5,064	8,519	2,185	<b>18,144</b>
2007	2,489	5,494	9,303	2,203	<b>19,489</b>
2008	2,549	5,884	10,073	2,278	<b>20,784</b>
2009	2,587	6,017	10,440	2,306	<b>21,350</b>
% increase (2005-2009)	<b>13.7%</b>	<b>32.5%</b>	<b>40%</b>	<b>6.9%</b>	<b>30%</b>

Source: CCIAAM's data processed by CeSPI.

By analysing the industries<sup>19</sup> that showed an increase in the number of the above types of companies during the 2005-2009 period, a remarkable raise in the number of partnerships being

<sup>18</sup> Cf. Fondazione Ethnoland (2009), *Immigrati Imprenditori in Italia* (Immigrant entrepreneurs in Italy), Roma, Edizioni Idos, January.

<sup>19</sup> Still referring to main industries that were previously identified.

started in the building and constructions (+49%) and manufacturing (+64% ) industries was detected. With regard to single member companies, they seemed to follow a similar trend, with an increase in their number found in both manufacturing (+63%) and building (+127%) sectors.

**Table 11. Partnership and single member companies trend by industry, over 2005-2009 period**

<b>SINGLE MEMBER COMPANIES</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>BUSINESS PARTNERSHIPS</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Manufacturing	835	985	1,126	1,273	1,373	Manufacturing	590	691	831	958	964
Building & constructions	3,326	3,981	4,425	4,844	4,979	Building & constructions	317	388	577	696	720
Commerce	1,320	1,488	1,590	1,676	1,729	Commerce	691	775	811	920	921
Hotels & restaurants	380	400	435	457	471	Hotels & restaurants	1,012	1,114	1,159	1,416	1,457
Transport	541	543	532	526	526	Transport	118	147	148	159	158
Real estate	833	861	907	970	1,006	Real estate	338	330	348	392	403

Source: CCIAAM's data processed by CeSPI.

### 1.3.4 Egyptian entrepreneurs analysed by gender

Gender distribution brings to the fore how entrepreneurial activities still seem to be men's prerogative. If we consider 2008 as reference year, the number of Egyptian women involved in TSAa activities was 1,625 then. According to ISTAT's data, as per 1<sup>st</sup> January of the same year, there were 11,549 Egyptian women residing in Italy holding a regular residence permit. Therefore, the ratio between presence and involvement in TSAa figures was approximately 1 to 10, i.e. well below the total average that, as already mentioned, was around 45.5% (45.5 Egyptian nationals involved in TSAa activities every 100 Egyptian citizens).

**Table 12. Distribution of women over different industries by region**

<b>Region</b>	<b>Agriculture</b>	<b>Mineral extraction</b>	<b>Manufacturing</b>	<b>Electricity, gas, water prod.</b>	<b>Building &amp; Constructions</b>	<b>Commerce</b>	<b>Hotels &amp; restaurants</b>	<b>Transport</b>	<b>Monetary &amp; fin. brokerage</b>	<b>Real estate</b>	<b>Healthcare &amp; other soc. serv.</b>	<b>Other public, social &amp; pers.</b>	<b>X no. of non-classified comp.</b>	<b>TOTAL</b>
Abruzzo	2	0	2	0	0	2	1	1	0	1	0	0	1	8
Basilicata	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Calabria	0	0	0	0	0	1	0	0	0	0	0	0	0	1
Campania	1	0	3	0	2	6	2	1	1	3	1	1	2	23
Emilia-Romagna	2	0	21	0	4	10	7	1	0	4	1	2	5	57
Friuli-Venezia Giulia	0	0	2	0	0	6	4	1	0	1	0	0	2	16
Lazio	3	0	25	0	14	94	40	27	2	46	2	17	19	289
Liguria	2	0	4	0	2	6	9	2	0	4	1	0	1	31
Lombardy	6	0	149	1	113	144	112	59	6	175	4	13	162	945
Marche	3	1	1	0	0	4	6	0	0	0	0	0	0	15
Molise	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Piedmont	0	0	27	0	5	24	14	5	2	12	0	0	14	103
Apulia	3	0	3	0	2	4	1	0	0	0	0	1	1	15
Sardinia	1	0	0	0	0	1	0	0	0	2	0	0	0	4
Sicily	1	0	0	0	1	4	0	2	1	2	0	1	0	12
Tuscany	4	0	7	0	1	14	18	2	0	6	1	1	4	58
Trentino-Alto Adige	0	0	2	0	0	1	1	0	0	1	0	0	0	5
Umbria	1	0	0	0	0	2	0	0	0	1	0	1	0	5
Valle D'Aosta	0	0	0	0	0	0	2	1	0	0	0	0	0	3
Veneto	1	0	3	0	1	8	10	1	0	5	0	2	4	35
<b>Total</b>	<b>30</b>	<b>1</b>	<b>249</b>	<b>1</b>	<b>145</b>	<b>331</b>	<b>227</b>	<b>103</b>	<b>12</b>	<b>263</b>	<b>10</b>	<b>39</b>	<b>215</b>	<b>1,625</b>

Source: CCIAAM's data processed by CeSPI.

On the other hand, geographical distribution of TSAa activities performed by women seems to follow the same trend as men's. In fact, there was a higher concentration of women mainly in Lombardy (945) and Lazio (289). Similarly, within such regions women appeared to be involved in the same industries where all Egyptian TSAAs were distributed, showing a relatively higher concentration in the commerce sector. In Lazio, the concentration of women is higher in commerce (35.2%), and lower in real estate and hotel industries which together attracted 29.2 % of Egyptian women.

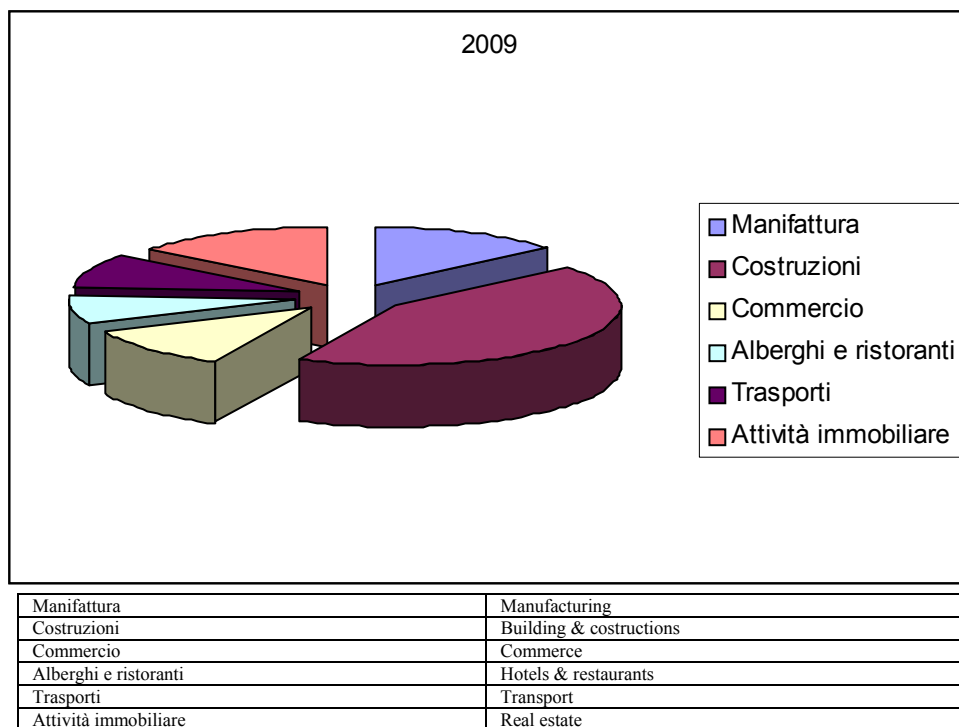
Instead, some gender related differences were detected in Lombardy. In fact, in this region women tend to concentrate in real estate (18.5%) and commerce (15.2%) sectors, whereas, as it was pointed out earlier, Egyptian TSAAs as a whole, without considering gender, tend to concentrate in the building and constructions industry.

### 1.3.5 Egyptian entrepreneurs in Lombardy and Lazio

As already highlighted, two regions, Lombardy and Lazio, host 65% and 15% of TSAAs total respectively. Such figures seem to match geographical distribution of Egyptian nationals in Italy. Therefore, an in-depth analysis of qualitative features of Egyptian entrepreneurial activity in those two regions may provide a realistic picture.

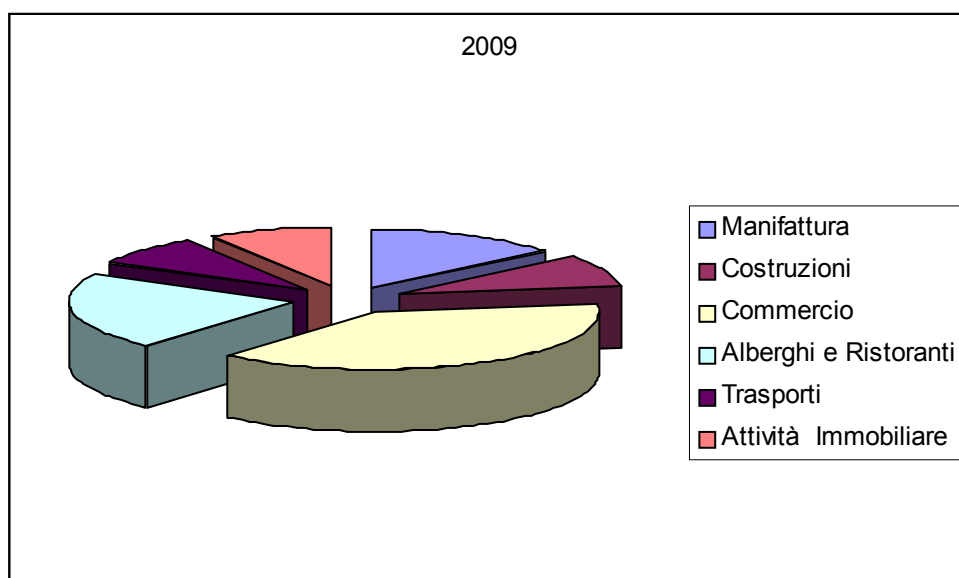
An analysis of TSAa activities within the two regions in question highlighted a different concentration of TSAAs. In fact, in **Lombardy** such activities appear to converge mainly in the building and constructions sector, and definitely less in real estate and manufacturing. In **Lazio**, the hotel industry (+51.6%) shows a marked increase both in percentage and absolute values, whereas a raise was recorded just in terms of percentage rate for real estate activities.

Fig. 2. TSAAs distribution by industry - Lombardy, 2009



Source: CCIAAM's data processed by CeSPI.

**Fig. 3. TSAAs distribution by industry - Lazio, 2009**



Source: CCIAAM's data processed by CeSPI.

As describe in Tables 13 and 14, a steady growth over time has been recorded in all the industries in both regions, except for the transport sector in Lombardy, which shows a  $-4.8\%$  in 2009 compared to 2005. In particular, a more marked raise has been detected through the whole 4-year period analysed in building and constructions and manufacturing industries, with the highest increase occurring in Lombardy at the end of the reference period compared to 2005 ( $+65.4\%$  and  $+57.4\%$  respectively).

**Table 13. TSAAs distribution by main industries in Lombardy**

Year	Manufacturing	Building & constructions	Commerce	Hotels & restaurants	Transport	Real estate	Total (all industries)
2009	1,656	5,086	1,318	953	1,095	1,710	13,976
2008	1,575	4,930	1,270	909	1,091	1,680	13,568
2007	1,387	4,381	1,233	839	1,125	1,589	12,583
2006	1,216	3,762	1,196	814	1,151	1,500	11,694
2005	1,052	3,074	1,076	738	1,148	1,476	10,463

Source: CCIAAM's data processed by CeSPI.

**Table 14. TSAAs distribution by main industries in Lazio**

Year	Manufacturing	Building & constructions	Commerce	Hotels & restaurants	Transport	Real estate	Total (all industries)
2009	398	245	1,092	612	232	253	3,227
2008	384	285	1,074	599	240	238	3,142
2007	398	245	1,092	612	232	253	2,996
2006	353	186	815	315	200	136	2,782
2005	286	171	729	296	182	132	2,524

Source: CCIAAM's data processed by CeSPI.

**Table 15. TSAAs distribution by main industries in Lazio (2006-2009 period)**

<b>Lazio</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
DA15 Food & beverage industry	218	247	279	294
DA16 Tobacco industry	1	1	2	3
DB17 Textile industry	1	1	2	2
DB18 Clothing and fur product manufacturing	14	14	15	15
DC19 Leather preparation and tanning, travel products manufacturing	1	1	1	1
DD20 Timber industry (furniture excluded) – straw products	4	6	6	6
DE21 Paper pulp and paper product manufacturing	0	0	0	0
DE22 Publishing, printing and reproduction on registered media	21	19	19	17
DF23 Coke production, refineries, nuclear fuels	0	0	0	2
DG24 Chemical products and synthetic fibres	2	2	2	1
DH25 Rubber and plastic product manufacturing	1	2	1	7
DI26 Treatment of non-metal minerals	7	8	7	0
DJ27 Metal and alloy manufacturing	0	0	0	8
DJ28 Metal product manufacturing (machinery excluded)	6	7	8	6
DK29 Machinery & equipment production and installation	5	5	6	2
DL30 Office equipment and computer production	3	3	2	7
DL31 Machinery and electrical equipment production	8	8	7	3
DL32 Mobile phones & communication equip. production	3	3	3	4
DL33 Medical equipment, precision & optical tool production	5	4	4	0
DM34 Motor vehicle, trailer & semitrailer production	0	0	0	0
DM35 Production of other means of transport	0	0	0	0
DN36 Furniture and other manufacturing industries	22	21	19	19
DN37 Waste collection & preparation for recycling	1	1	1	1
F 45 Building & constructions	186	202	245	245
G 50 Motor vehicle and motorbike sales, maintenance and repairs	69	74	85	94
G 51 Wholesale and commerce intermediation (motor vehicle excluded)	207	219	252	252
G 52 Retail sales (motor vehicle excluded) & personal good repairs	539	603	737	746
H 55 Hotels & restaurants	315	348	599	612
I 60 Road and rail transport	24	25	29	28
I 61 Sea & river transport	1	1	1	1
I 62 Air transport	0	0	0	0
I 63 Transport auxiliary service & travel agencies	48	47	66	64
I 64 Postal and Telecommunication service	127	136	144	139
K 70 Real estate	37	39	59	60
K 71 Machinery & equipment rental (without operator)	2	2	3	3
K 72 IT & related activities	22	26	33	33
K 73 Research & Development	3	3	2	2
<b>Total</b>	<b>1,903</b>	<b>2,078</b>	<b>2,639</b>	<b>2,677</b>

Source: CCIAAM's data processed by CeSPI.

Through the application of an Ateco code<sup>20</sup> TSAAs distribution can be broken down into main sub-sectors.

As shown in Table 15, Egyptian TSAAs in **Lazio** are concentrated within the retail commerce and hotel and catering sectors, that together make up for over 50 % of the total amount. With regard to the manufacturing industry, food and beverage production attracts the majority of TSAAs and shows a significant and steady increase over time between 2006 and 2009. A less relevant figure, but nevertheless important, is the one concerning clothing, publishing and furniture manufacturing. Within the commerce sector, the majority of TSAAs has been found in the retailing sub-sector, with a sharp increase during the 2007-2008 period. With reference to transport and telecommunication industry, the postal and telecommunication service sub-sector gather the highest number of TSAAs. Finally, within the real estate sector the majority of TSAAs (155 in 2009) does not fall into any of the sub-sectors that can be identified through an Ateco code.

If we consider the most important corporate role, in all the sub-sectors analysed the company owner role is the prevailing one. In fact, as per 2009, 55% of Egyptian nationals working in food and beverage production, 73% of those working in the clothing sector, and 84% of those working in furniture manufacturing are actually company owners. Similarly, in building and constructions, retailing and postal and telecommunication services the role of company owner seems to prevail, with 68.5%, 72% and 61% respectively.

As already pointed out, in **Lombardy** (Table 16) the most relevant industry for Egyptian entrepreneurial activity appears to be the building and constructions one that absorbed almost 50% of total TSAAs. This is followed by the food and beverage sector, representing 63.4% of the whole manufacturing industry, a sector that keeps on growing at a steady pace too. About half of TSAAs total are company owners (576 su 1050 nel 2009), although the number of company directors is quite remarkable too (327 nel 2009). As opposed to Lazio, the second sub-sector for TSAa concentration within the manufacturing macro-sector is the one concerning metal product manufacturing where 310 TSAAs were concentrated in 2009, with 169 company owners and 123 company director roles.

In the commerce sector, Egyptian TSAAs seem to converge in retailing and wholesale sub-sectors in a more balanced manner compared to Lazio. With regard to wholesale commerce, the number of director roles prevails on company owners ones, 229 and 213 respectively in 2009, while in retailing the number of company owners is definitely higher (305 against 251). Concerning the transport industry, Egyptian TSAAs converge in auxiliary/travel agency activities. In general, they hold the following positions: company directors, 344, other roles, 349 (mostly statutory auditors, 129, and substitute auditors 122).

With reference to **province level distribution** of TSAAs (Table 17), such roles appear to be concentrated in two province capitals. If we consider only 2009, in Lazio, Rome's province gathered almost all TSAAs, with 3,112 TSAAs out of 3,227 in total. Other provinces were hardly representative (62 TSAAs within Latina's province, 16 in Frosinone's, 26 in Viterbo's and 11 in Rieti's). As per the second quarter of 2009, the highest levels of TSAa roles within Rome's province were found in wholesale and retailing (1,053), hotels and restaurants (595), and manufacturing (381). With regard to Latina's province, TSAAs were concentrated in commerce (17), building and constructions (10) and hotel (9) sectors.

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<sup>20</sup> The Ateco (economic activities) classification is the method used by Istat (the Italian Statistics Institute [www.istat.it]) for economic surveys at national level. It's an alphanumeric classification featuring several detail level: letters indicate the macro-sector of the economic activity, whereas numbers (from 2 to 6 digits) refer to articulations and disaggregations of the sectors themselves, with several levels of details. Economic activities are grouped, from general to particular, into sections (coding: 1 letter), divisions (2 digits), groups (3 digits), classes (4 digits), categories (5 digits) and sub-categories (6 digits).

**Table 16. TSAa distribution by main industries in Lombardy (2006-2009 period)**

<b>Lombardy</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
DA15 Food & beverage industry	652	822	976	1050
DA16 Tobacco industry	0	0	0	0
DB17 Textile industry	16	18	17	17
DB18 Clothing and fur product manufacturing	27	28	25	25
DC19 Leather preparation and tanning, travel products manufacturing	9	8	7	7
DD20 Timber industry (furniture excluded) – straw products	31	30	31	33
DE21 Paper pulp and paper product manufacturing	7	7	6	6
DE22 Publishing, printing and reproduction on registered media	46	42	43	41
DF23 Coke production, refineries, nuclear fuels	0	0	1	
DG24 Chemical products and synthetic fibres	26	22	18	18
DH25 Rubber and plastic product manufacturing	25	26	26	26
DI26 Treatment of non-metal minerals	9	8	11	11
DJ27 Metal and alloy manufacturing	4	2	3	3
DJ28 Metal product manufacturing (machinery excluded)	240	253	302	310
DK29 Machinery & equipment production and installation	48	48	44	46
DL30 Office equipment and computer production	3	2	3	2
DL31 Machinery and electrical equipment production	25	21	18	18
DL32 Mobile phones & communication equip. production	7	6	4	4
DL33 Medical equipment, precision & optical tool production	9	13	11	11
DM34 Motor vehicle, trailer & semitrailer production	2	2	2	0
DM35 Production of other means of transport	2	2	3	3
DN36 Furniture and other manufacturing industries	27	26	24	25
DN37 Waste collection & preparation for recycling	1	1	0	0
F 45 Building & constructions	3762	4381	4930	5086
G 50 Motor vehicle and motorbike sales, maintenance and repairs	69	74	80	82
G 51 Wholesale and commerce intermediation (motor vehicle excluded)	557	538	521	533
G 52 Retail sales (motor vehicle excluded) & personal good repairs	570	621	669	703
H 55 Hotels & restaurants	814	839	909	953
I 60 Road and rail transport	172	162	150	157
I 61 Sea & river transport	1	1	1	1
I 62 Air transport	1	1	1	1
I 63 Transport auxiliary service & travel agencies	750	745	721	721
I 64 Postal and Telecommunication service	227	216	218	215
K 70 Real estate	198	201	214	209
K 71 Machinery & equipment rental (without operator)	6	6	7	9
K 72 IT & related activities	58	58	50	48
K 73 Research & Development	2	1	1	1
<b>Total</b>	<b>8403</b>	<b>9231</b>	<b>10047</b>	<b>10375</b>

Source: CCIAAM's data processed by CeSPI.

**Table 17. TSAAs distribution at province level (Lazio)**

Rome	3,112
Latina	62
Viterbo	26
Frosinone	16
Rieti	11

Source: CCIAAM's data processed by CeSPI.

**In Lombardy** TSAAs concentration in the region's capital appear less significant, with 70% of TSAAs registered in Milan's province. The other provinces that showed a fairly high presence of Egyptian TSAAs are Brescia (1,439), Monza and Brianza (598) and Bergamo (566). In Milan, in line with national data, TSAAs were concentrated in building and constructions industry (3,758 TSAAs), real estate (1,382) and commerce (1,015). On the contrary, in Brescia the highest levels of TSAAs roles were found in transport (363) and manufacturing (280) sectors. Also in Monza a remarkable concentration of TSAAs has been found in manufacturing (146) and real estate (117) sectors.

**Table 18. TSA distribution at province level (Lombardy)**

Milan	9675
Brescia	1439
Monza e Brianza	598
Bergamo	566
Pavia	430
Lodi	392
Cremona	282
Varese	212
Como	183
Lecco	154
Sondrio	25
Mantua	20

Source: CCIAAM's data processed by CeSPI.

## **2. PROBLEMS AND ORIENTATION OF EGYPTIAN ENTREPRENEURS BETWEEN ITALY AND THEIR COUNTRY OF ORIGIN**

In parallel with the mapping task, interviews were carried out with a selected sample of 20 entrepreneurs to further investigate on Egyptian entrepreneurs' activity through a qualitative kind of analysis. The 20 entrepreneurs involved were Egyptian men who live and work in three cities and in different sectors. Their age, personal histories and revenues were also different. Such diversity was one of the selection criteria used for the sample. We believe that such a sample is quite appropriate for the study in question because of the range of experiences and arguments it provides and for some recurring patterns that have been detected. Moreover, the sample selected included some Egyptian entrepreneurs who are very well integrated in the Italian society (a number of them are Italian citizens and have their families in the destination country), have a high level education, a good knowledge of the Italian market, but also contacts and interests in the Egyptian market. Such elements enabled us to evaluate their transnationality level and their points of view about the relationship they have with their home country. The sample's characteristic revealed to be

extremely useful in order to collect information and opinions about the topic investigated. Details about the sample formation are provided in the following box.

Since the largest Egyptian communities in Italy are to be found in Lombardy, mainly in Milan, followed by Lazio and Piedmont, we decided to focus on Milan and Rome, and only two particularly interesting interviews were made in Turin. Therefore, all our meeting-interviews were held in those three Italian cities and were completed within two months, i.e. between May and June 2009. The entrepreneurs involved were asked 25 questions which allowed us to gather information on their personal history and on their professional activity in Italy. Such meetings lasted for about an hour on average, and a variety of experiences and opinions emerged from them, together with some very interesting and useful patterns, especially when integrated with the quantitative analysis described above. In the following pages synthetic data and the main evaluations from interviews are provided, together with an overview of the issue investigated. A detailed quantitative analysis of the answers obtained through the interviews is included in the Appendix.

#### **Box. Characteristics of Egyptian company owners sample and summary of needs**

- Entrepreneurs interviewed live and work in Milan (9), Rome (9) and Turin (2).
- Their age ranges between 31 and 72 years, with an absolute majority of adults who are between 45 and 60 years of age.
- They come from 9 different Egyptian cities.
- Most of them have been living in Italy for over 20 years.
- Most of them have become Italian citizens.
- Their family live with them in Italy.
- Their level of education is medium-high (high school for half of the sample and university degree for the other half).
- They own more than one company in Italy.
- They are transnational entrepreneurs: 5 of them already own companies in Egypt, 3 in Arab States, 7 are about to start a business in Egypt.
- Their companies are all craftwork businesses, they are small and employ less than 10 persons, half of them less than 5 employees.
- The majority of them have at least one or more business partners.
- Only one company joins some trade associations.
- Companies' activities cover 8 different industries, with catering and import-export prevailing.
- Initial or current problems with banks, except for a few cases, no serious problems were experienced.
- Local Egyptian associations – half of the sample is associated and 3 entrepreneurs hold a President appointment.
- Crisis impact – half of the sample has been affected but only in part.
- Suggestions for improvements in favour of foreign companies operating in Italy – among many other issues (taxes, bureaucracy, illegality, financial help, information, residence permit) the need for longer renewal period and regularization of residence permits, as well as financial help, did emerge.
- Suggestions for improvement concerning entrepreneurial activity in Egypt – among many other issues (taxes, bureaucracy, corruption, stability of political economy, open market, information, communication) the need for less bureaucracy and less corruption did emerge.
- Going back to live in Egypt on their own - only two of them stated that they would go back to live in their home country.

## 2.1 First of all, entrepreneurs

The majority of entrepreneurs who were interviewed appears to be quite attached to Italy, both because of their work and their families (mixed families, married to Italian women) with many children (compared to Italian average).

Egypt is seen as their country of origin but not as the country they feel a commitment for, apart from a few exceptions. The choice to move to Europe, and to Italy in particular, remains a starting point that strengthened the separation from the home country.

“I enjoy some good relationships with Egyptians who live in Italy, but I owe everything to Italy. It is here that I learnt some essential values, such as respect for life in general, respect for women, children, animals, the value of democracy and freedom.”

“I have a great debt towards Italy”.

Such statements, that were made by two Egyptian entrepreneurs having different age, business and personal history, express quite well what they feel and the awareness of their relationship with Italy, which is based on gratitude in spite of negative experiences. They manage to explain in a nutshell the kind of relationship that the majority of them has with the two countries – i.e. home country and country of residence – in relation to their children’s future as well.

Opinions about contemporary Egypt range from overall criticism to some appreciation, without any particular longing or return projects. Out of 20 entrepreneurs, only the youngest one, aged 31 (in addition to the oldest one as described later), who has been living in Italy for four years and is investing in Egypt as well, believes that it would be wise to get ready to go back to Egypt in the next few years because of a possible social emergency that may break up in Italy, due to a probable escalation of intolerance and xenophobic attitudes.

“I’m thinking about investing in Egypt as well, by setting up a business, a small factory, to make sure that I have the opportunity to go back to Egypt in case I won’t be able to live in Italy anymore”.

On the other hand, another entrepreneur who is over 60 years old, and who does not have the Italian citizenship, clearly stated that he would like to go back to Egypt but is not quite ready yet.

Many of the entrepreneurs who were interviewed have tried to start their own business in Egypt too. Some have already succeeded while others are getting ready to invest. 12 entrepreneurs out of 20 have already set up a business or are about to start one in Egypt, and such a figure is definitely a positive indication of their interest that the recent crisis has contributed to enhance. However, only in one case some truly intentional planning aimed at investing the home country has been detected, i.e. believing that such a choice would be important both as an entrepreneur and as an Egyptian national, and elaborating a mid, long-term project. It is no accident that the entrepreneur in question is the same one who is trying to set up the very first association of Egyptian entrepreneurs in Italy, without any explicit link with institutional proposals and suggestions coming from Egyptian bodies.

Even though the pride for personal origins does seem to emerge among interviewees, especially in some cases, nevertheless the choice to invest in Egypt is not considered a duty or an endowment for their children, but rather as a logical benefit and business opportunity.

“Investing in Egypt is 50% advantageous because of current economic development and general circumstances, whereas it is not for another 50% due to bureaucracy, poorly active banks, and other uncertainties.”

“I tried to set up a restaurant in Egypt too, but then I understood that far too much cash was needed. In Italy, if you have €100,000 it is possible to start a business using other sums borrowed from banks. In Egypt, banks do not lend money and interest rates are far too high anyhow. Moreover, there is too much bureaucracy and a widespread uncertainty. The market is good market and demand is high, but I’m not confident about that kind of investment, so I gave up.”

In many instances it seemed that Egyptian entrepreneurs operating in Italy see themselves as entrepreneurs rather than Egyptian citizens. Running a business appears to come first, regardless of company size and operating sectors. Professional identity seems to prevail over national identity.

“The success of a company depends above all on people. To set up a business one has to be good, has to have the right inclination, and should never bite of more than one can chew and, if somebody is good at it, it is possible to succeed in any country, under any circumstances, in Italy, in Egypt, all over the world.”

“I believe that the most important things are integrity and the ability to work. Identity is important too, as well as pride, but not in order to stay still and to remain tied to traditions. I feel that I’m Egyptian, Italian, European and a citizen of the world. Cultural identity should not be blocking people. More cultural exchanges are needed. I don’t like, nor I find it interesting, to be analysed, evaluated and talked about as a successful Egyptian immigrant in Italy. First of all, I am myself, I managed to succeed and that’s all!”

## **2.2 How the crisis and possible solutions are perceived**

Almost all the entrepreneurs interviewed think that working, business and life conditions in Italy have worsened in the last 15-20 years, due to an increasing social and cultural diffidence and because of the strict rules and complications that are encountered in running a business – i.e. far too many rules and inspections coexist with widespread illegality.

The 2008-2009’s crisis has been fully and badly experienced only in some sectors (printing, window frame manufacturing, cleaning services), whereas in other ones it was hardly noticed (travel agencies, catering). In other sectors it has fostered renewed criticism towards the Western world that would have liked to turn the crisis to its own advantage.

“The crisis does exist and affects any activity because there is less demand for money. However, the crisis started in 1971 when America and Western countries started to buy gold from Africa and from poor countries, and progressed with money being coined without having any gold equivalent, so that gold would become more and more important and Africa and poor countries could be exploited again and even better than ever. This crisis too is guided by the USA and by Europe to the detriment of weaker countries.”

However, the crisis has further encouraged the entrepreneurs interviewed to evaluate investment opportunities in Egypt, or to speed up project implementation, in order to take advantage of different opportunities in Italy (Europe-West) and Egypt (prices, labour cost, market, rules). When facing such circumstances, the dissemination of information, opportunities, investment facilities for Egyptian entrepreneurs in Italy that is offered by IMIS website becomes even more important. To such purpose, it is useful to point out that Egyptian immigrants in Italy are still using the above mentioned website ([www.emigration.gov.eg](http://www.emigration.gov.eg)) only marginally. In this respect, it seems that more publicity about such tool within the Egyptian community should be a priority.

In the current international crisis climate, Egyptian immigrants and entrepreneurs too, especially small ones, show great flexibility, helpfulness and creativity by adjusting their work (more or less officially) and by quickly reacting to market demand.

As shown by the TSAAs mapping illustrated above, stiffness and segmentation in the Italian labour market, together with migratory chains’ strength, drive Egyptian entrepreneurs to converge in some specific industries and sectors. With reference to such a tendency (that has been widely confirmed by some previous qualitative studies too - CeSPI, 2005), the picture of the heterogeneous entrepreneurial activity of Egyptian immigrants obtained through available statistical data is an incomplete one. There are some wide grey areas where Egyptian entrepreneurs, just as the Italian one, set themselves on the border line between lawfulness and illegality. In fact, testimonies have been gathered about young immigrants from Egypt (and from other countries too) who obtain a residence permit in Italy and then move to other European countries where there are more opportunities, or about other ones who, without holding a residence permit, work and run small,

legal businesses on behalf of friends and relatives who officially own them. Immigrant entrepreneurs manage to find some anomalous and risky arrangements that, nevertheless, are quite advantageous in the short run, and are not easy to detect or investigate unless a case analysis is carried out.

The majority of interviewees believes that what is still missing is a clear overview of available incentives (facilities, concessions, etc.) for Egyptian entrepreneurs (and other foreign residents), to encourage them to develop their businesses, both in Egypt and Italy. Moreover, adequate socio-economic conditions are also rather poor, as well as proper information on opportunities, laws and programmes originating from recent inter-government agreements finalized in 2009, including Egypt participation to Expo 2015 in Milan.

Very often, the entrepreneurs interviewees also highlighted the lack of fairness and, above all, social and economic negativity of the current Italian system in charge of managing irregular immigration.<sup>21</sup> Many of them suggested that the country should make the most out of the many young Egyptian immigrants who would be willing to work and set up their own business if they could obtain a residence permit. The massive presence of illegal immigrants in Italy damages labour and business markets and does not contribute to increase wealth and socio-economic integration. Many also recall with a kind of pride that they initially arrived in Italy as clandestine themselves. Actually, a successful Egyptian entrepreneurs, based in Milan, recalls with remarkable confidence and anger:

“I was a clandestine, as there were many then and there are now. We all started as clandestine and then we succeeded in running a business.”

Another one, driven by the same kind of energy, stated:

“The overall situation in Italy has definitely got worse in the last 15 years. There is so much hypocrisy. If they don’t want foreigners, they should block everything up, but if they need them to exploit them through illegal work, then there is no need to be hypocritical about it. A residence permit should be granted to all immigrants who provide evidence of employment or of relevant contacts that would ensure their regularization.”

At the same time, except for a few cases, most of the interviewees were quite reticent about providing details on quantification and qualification of their employees. Altogether, for all the 20 interviews, despite the trustful exchange established with CeSPI researcher, no detailed information could be gathered neither about employment relationships within the companies nor on their actual turnover. Judging from both summarized and detailed versions of the replies included in Appendix, the percentage of regular employees seems to be quite low (all the companies that were analysed, except for two of them, employ less than 5 persons), whereas the percentage of workers who are only in part regularly employed appeared to be quite high. The involvement of other Egyptians as employees or collaborators is not a recurring pattern among the entrepreneurs interviewed. That greatly depends on the industry or sector (it’s evident only in the catering sector), and it does not seem to be directly linked to Italian nationwide policies on annual immigration quotas.

Finally, all interviewees show a rather optimistic approach in relation to the economic crisis, to Italy (and Italians in general), and to their ability to progress and improve.

“By now, I am and I feel Italian. I’m angry and worried about the future and my children, but I’m also optimistic because Italians are generally better than their governments and this particular situation is going to end and improve.”

“I’m very optimistic about Italy’s future and about the country’s ability to entertain good relationships with foreigners who arrive here. Italians are naturally open.”

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<sup>21</sup> It ought to be mentioned that all interviews were carried out before the new legislative decree on public safety was approved by the Italian Parliament on 1st July, 2009. According to the decree, illegal stay in Italy has become a criminal offence.

The two answers cited above (obtained from a mature entrepreneur based in Rome, and from a young one living and working in Milan) are quite representatives of our country's attractiveness that, due to its long tradition, still appears to be a "welcoming", "open" and "helpful" place compared to other Western countries. Such a positive opinion does not seem to have been affected yet by the worsening of socio-economic circumstances or by the frequent changes in national and local political management.

Some possible solutions, emerging from the different entrepreneurial and personal identities of interviewees, range from a kind of fatalistic attitude (that is typical of the entrepreneurial world too) to stressing the role of personal abilities and responsibilities, up to hypothesis or initiatives of a different nature and possibly collective, such as:

- lobbying activities through local Egyptian associations to enhance the relationships with Egyptian and Italian institutions, and to attract more attention and consideration too;
- a proud revival of Arab identity and self-promotion, in addition to Egyptian pride, that is considered as the main international strength and influence of the Arab world, in political and economical terms, as well as Italy's strategic role in relation to world balance;
- the project concerning local associations for Egyptian entrepreneurs in order to strengthen their ability to impact on the Italian market and society, seen as a new professional aggregation tool that should do more than just dealing with solidarity issues within Egyptian communities residing in different Italian cities and regions.

### **2.3 Final conclusions**

The international crisis has been affecting entrepreneurs' growth, but without suppressing their vitality. Its influence greatly depends on the business sectors and, with regard to Egyptian companies, catering, travel agencies, specialized import-export appear to have suffered less, whereas building and constructions and other services have been more badly hit.

The crisis is driving Egyptian entrepreneurs more than ever to evaluate whether they should develop, or be already implementing, some investment projects in Egypt, although that country's current conditions do not inspire great trust. More than specific and one-off initiatives in Egypt and Italy, Egyptian entrepreneurs operating in Italy would like to be able to invest "normally" in their home country too, without being prevented or hindered by negative aspects, such as inefficiency, difficulties in accessing local credit, excessive bureaucracy, corruption.

In order to foster new investments in Egypt, the local government should promote much more confidently an improvement of the economic environment, besides defining and implementing, in a consistent manner, some special conditions for Egyptian entrepreneurs based abroad, managing such benefits in a transparent and effective way. Existing economic advantages and personal interests are not enough nowadays to encourage a systematic and dynamic flow of investments in their country of origin. Improved communications and information on the Italian side (at national and local government levels) and on the Egyptian one (government, embassy, consulate, and local association levels) within labour and business environments, would be extremely useful for already existing Egyptian companies and for entrepreneurs who would like to start new ones. In practice, that would mean availability of data, specific information on laws, initiatives, public tenders, investment opportunities, projects, using all available media, throughout the Italian territory.

In such direction, for the very first time in recent history, the Egyptian government organized two official meetings with Egyptian entrepreneurs operating in Italy, one in Rome and one in Milan, that were held in mid-June. Both meetings were attended by about ten representatives of competent ministries from the Egyptian government, and by over 100 people participated at each meeting. Egyptian entrepreneurs and government officials exchanged views and opinions while trying to tackle the most urgent issues and analyze possible solutions. The positive outcomes of such an

initiative was confirmed by the very fact that the meetings took place – an absolute novelty itself – and by the number of participants and speeches. However, regarding the meetings in question, the opinions of the entrepreneurs we interviewed range from positive comments and satisfaction to disappointment for the lack of in-depth discussion of real problems.

As far as Italy is concerned, a greater and improved development of Egyptian entrepreneurial activities (and, generally, of foreign ones) would require some changes that should be applicable for all the entrepreneurs operating in Italy. Such changes should be aimed at simplifying procedures, regulating more proficiently and precisely business activities, through enhanced monitoring, less illegality, and less corruption. Disadvantages and difficulties in Egyptian and foreigner entrepreneurial world seem to be linked to Italian problems, but special initiatives for foreign entrepreneurs are not what is needed.

The extremely serious problems of illegal residents and of residence permit management would need to be considered quite closely by Egyptian and Italian authorities, in order to try, at least, to soften the negative influence that such situation has on entrepreneurial activities and social harmony. Most of the interviewees believe that another way of managing migratory flows and the high number of illegal immigrants should be found in Italy, by granting many more residence permits based on the actual work that immigrants have already done, through appropriate guarantees that could be provided by other Egyptian entrepreneurs who are already operating in the country.

The first association of Egyptian entrepreneurs that is going to be established in Rome should be encouraged and enhanced by Egyptian and Italian institutions as a pilot, local initiative, in order to see the influence that such a kind of team work might have within a national setting which is not exactly encouraging.

To conclude, Egyptian entrepreneurs are convinced that if operating conditions in Egypt and Italy were modernised, well regulated, respected and monitored, commerce and investments would be growing much more significantly than in the last 10 years. Special initiatives in both countries (more information, communication, education and aggregation) would only produce partial and short-term effects compared to those that could be obtained through an actual improvement of public sector's regulatory and management issues concerning business activities.

A remarkable human and economic potential is running the risks of being repressed and placed at a disadvantage, both in Egypt and Italy, due to regulatory, socio-economic and cultural frameworks which are still inadequate for a sustainable socio-economic development in both countries. Substantial economic and social reforms, their actual application, a modern and efficient public sector, fostering of legality within private and public sectors, they all seem to be true and urgent necessities for both Egypt and Italy.

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## **The 25 questions used to interview 20 Egyptian entrepreneurs**

### Identification

1. First and last name
2. Age
3. Egyptian city of origin
4. Date of arrival in Italy
5. Italian citizenship
6. Family in Italy or in Egypt
7. Level of education

### Entrepreneurial activity

8. How many companies do you own in Italy?
9. When did you start your business/businesses (year)?
10. What kind of company/companies do you own (single member company – craftwork – small, medium-sized)?
11. Number of business partners
12. Egyptian, Italian, other nationality business partners
13. Permanent employees: Italian, Egyptian, other nationality (and relation with entry quotas)
14. Occasional workers: Italian, Egyptian, other nationalities
15. Are you enrolled with any Italian trade association?
16. Other companies in Egypt or in other countries that you own or are partner of
17. Company's/companies' activity in Italy and abroad
18. Initial difficulties (laws, banks, traditions, competition)
19. Relationship with Italian, Egyptian and other nationality customers

### Relationship with Egyptian world and opinions on national and international situation

20. Relationships with Egyptian community in Italy and with the Arab world
21. Impact of 2008-2009 worldwide crisis
22. Forecast for 2009 and ideas for the future
23. Suggestions to improve the situation of foreign and Egyptian companies in Italy
24. Economic and entrepreneurial situation, and opportunities in Egypt
25. Your own future in Egypt

## **Detailed synthesis of the 20 interviews completed**

**Number of interviews:** 20 male entrepreneurs

**Location:** 2 in Turin, 8 in Rome, 10 in Milan

**Age of interviewees:** Between 31 and 72 years of age

- 1 aged 31
- 2 aged 41
- 17 aged between 45 and 60
- 1 aged 72

### **City of origin:**

Alexandria	5
Cairo	4
Mansura	2
Port Said	2
Others	7

### **Years spent in Italy**

Over 20 years	12
Between 10 and 20 years	7
Less than 10 years	1

### **Italian citizenship**

Yes	14
No	6

### **Family**

Yes – Italian wife and children	8
Yes – Egyptian wife and children	10
No - (family in Egypt)	2

### **Level of education**

University degree	9
High school	11

### **Companies owned**

Only one in Italy	15
More than one	5
In Egypt too	5
In other countries	3
Have you tried in Egypt?	2
Are you thinking about it or trying to do it?	7

### **Type of company (by number of employees)**

Craftwork (up to 40 employees)	All
Small, medium-sized company (over 40 emp.)	None
Large company (over 250 emp.)	None

### **Business partners**

None	6
One	7
More than one	10

### **Employees**

None	5 companies
From 1 to 5	10 companies
Over 5	3 companies
No reply	2 companies

### **Companies enrolled with Italian trade associations**

Yes	1
No	19

### **Business sector**

- Catering	6
- Food & beverage and wholesale	3
- Import-Export and sales agents	7
- Travel agency	3

- Building & constructions 3
- Manufacturing 3 (1 Window frame production - 1 Printing - 1 Wood work)
- Services (cleaning, transport) 3
- Other 2

**Initial or ongoing problems with banks**

- Yes 3
- No 17

**Partner of a local Egyptian association**

- Yes 10
- No 10

**Impact of crisis on companies**

- Yes 8
- No 3
- Only partially 9

**Suggestions to enhance foreign companies in Italy**

- Less taxes 2 replies
- Less bureaucracy 4
- Less illegality 4
- More residence permits 8
- More education/training 2
- More financial help 5
- More info & communication 2

**Suggestions to improve business activities in Egypt**

- Less taxes 3 replies
- Less bureaucracy 6
- Less corruption 5
- More safety and stability 2
- More info & communication 2
- More international markets 4

**Would you like to live only in Egypt?**

- Yes 1
- No 18
- It depends 1