

Saudi-Italy Relations: Trade & Economic Cooperation



Gulf Research Center
Knowledge for All

November 2025

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General Information About Italy

- Capital Rome
- Official language Italian
- Population 2024 58.99 million
- Population density 200 people per sq km
- GDP 2024 US\$2372.77B
- GDP per capita 2024 US\$40,226.0
- Trade (% of GDP) 63.18%
- Currency Euro
- Exchange rate USD/EUR= 0.8494



Italy is a Mediterranean country located in southern Europe. It is bordered by the Adriatic Sea on the east coast, the Tyrrhenian Sea on the west or Mediterranean coast, and the Ionian Sea to the south. In the north, Italy is bordered by the countries of France, Switzerland, Austria, and Slovenia. The Italian mainland is a long peninsula that resembles a tall boot, so much so that the country is often referred to as "the boot," with the Puglia region in the southeast being the "heel of the boot" and the Calabria region in the southwest being the "toe of the boot."

The Italian Economy Is The Eighth Largest In The World And Third Largest In The European Union

The Italian economy is the eighth largest in the world and third largest in the European Union. Italy has High-income economy, its OECD member, and G8 member.

Italy is one of the main agricultural players in the EU, being the biggest European producer of rice, fruits, vegetables and wine. The agricultural sector represents 1.8% of Italian GDP and is heavily reliant on the import of raw materials utilized in agricultural production due to the country's limited natural resources. The primary sector employs 4% of the workforce

Italy is a primary industrial country, with the industry sector accounting for 23.8% of GDP and employing 27% of the active population. Italy is the largest global exporter of luxury goods (clothing, cars, etc.); other major Italian industries include precision machinery, motor vehicles, chemical products, pharmaceuticals, electrical items, fashion and clothing.

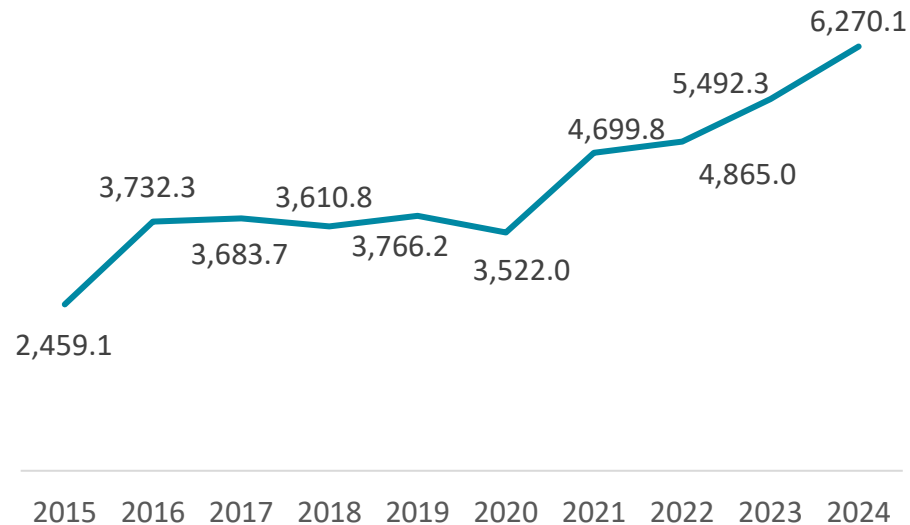
The service sector constitutes almost two-thirds of Italian GDP (64.3%) and employs 69% of the country's workforce. Tourism - one of the fastest growing and most profitable industries - comprises the largest part of the service sector (Italy is the fifth most visited country internationally and the third most visited in Europe).



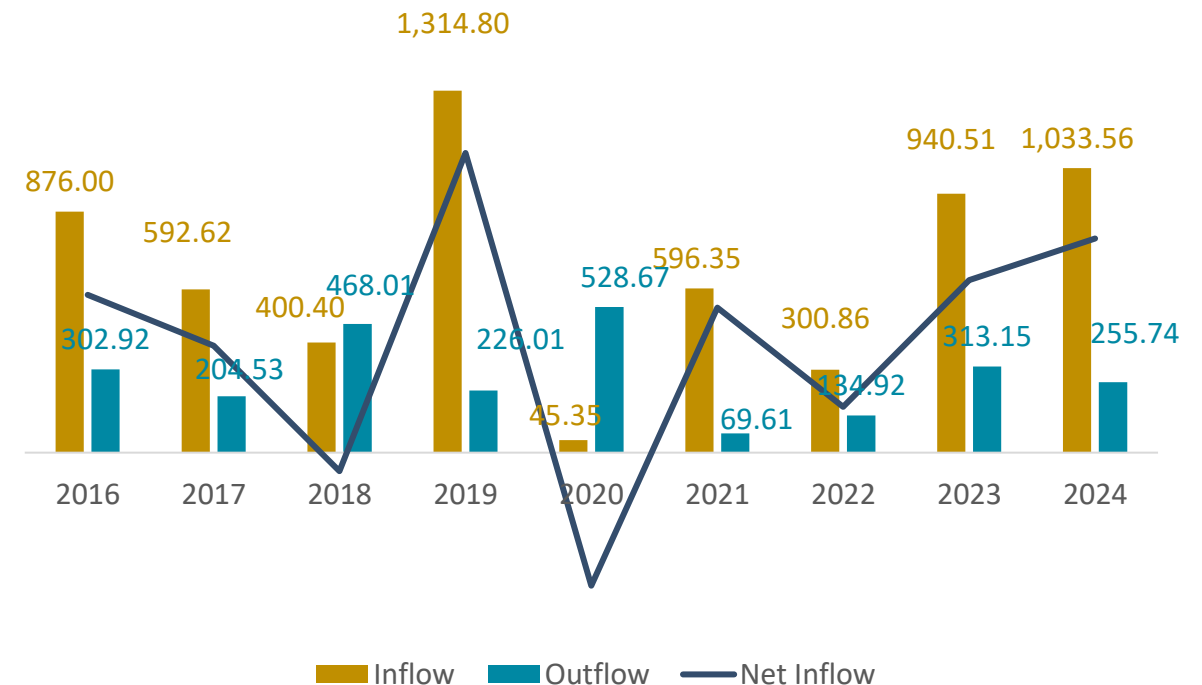
Foreign Direct Investment

- In 2024, SAR 6.27 billion in FDI stock were recorded (from Italy in Saudi Arabia), higher by 14.2% compared to the previous year.
- In 2024, the value of the Foreign Direct Investment (FDI) Inflow was SAR 1.03 billion while the FDI Outflow reached a value of SAR 255.74 million. These amounts resulted in an FDI Net Inflow of SAR 777.82 million, higher by 24.0% than the previous year.

Annual Evolution of FDI Stock, in Million SAR



The annual evolution of FDI Inflow and Outflow, in Million SAR



Bilateral Investment Treaties (BITs)

Title	Status	Date of Signature	Date of Entry Into Force
Italy - Saudi Arabia BIT	In force	10/09/1996	22/05/1998

Avoidance of Double Taxation Agreements

Agreement Name *	Status	Date of Signature	Date of Entry Into Force
Avoidance of double taxation with respect to taxes on income and on capital and the prevention of tax evasion	In Force	13/1/2007	1/12/2009

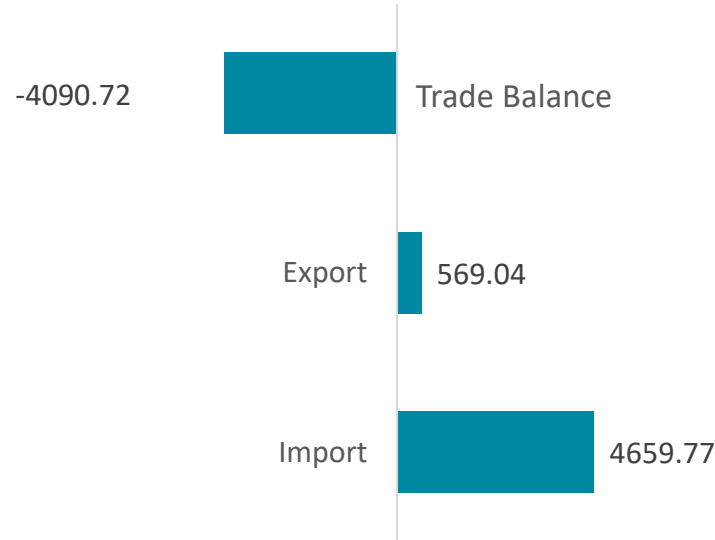


Saudi Arabia Trade with Italy

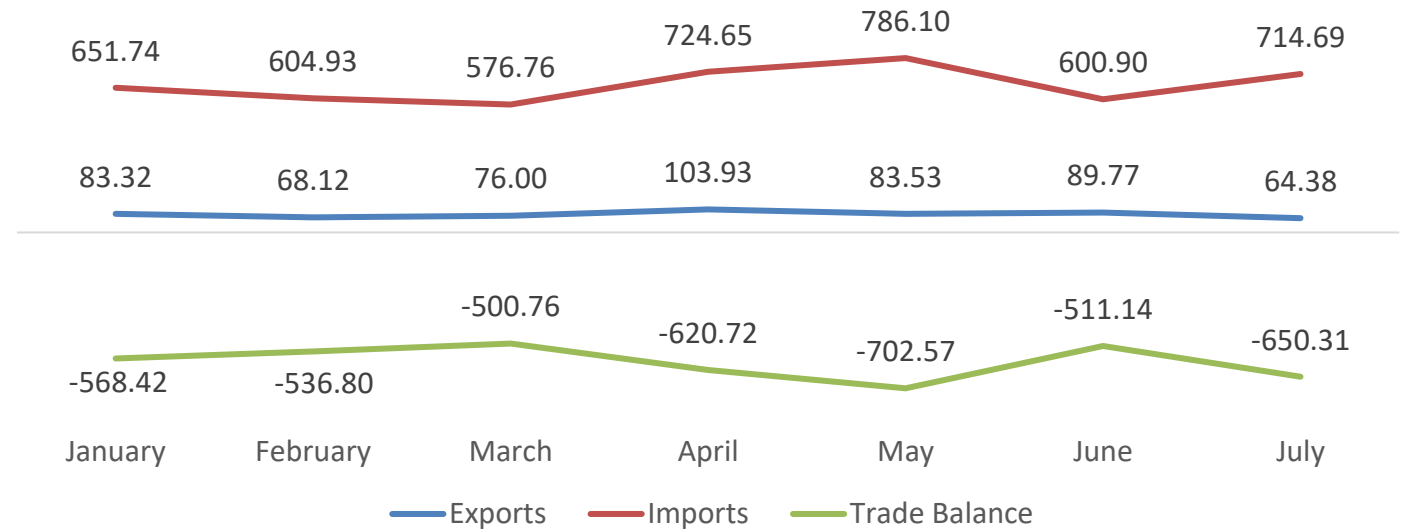
Saudi Arabia Trade With Italy in 2025

- In the first seven months of 2025, Saudi Arabia experienced a trade deficit with Italy, which totaled USD 4.09 billion. The total trade volume between the two countries reached USD 5.23 billion. Saudi exports to Italy accounted for 10.9% (USD 569.04 million), while imports from Italy represented 89.1% (USD 4.66 billion).
- The main categories of Saudi Arabia exports to Italy included Plastics and articles thereof, Organic chemicals, Aluminium and articles thereof and Iron and steel, while imports from Italy were primarily composed of Machinery and mechanical appliances, boilers, Pharmaceutical products and Electrical machinery and equipment and parts thereof.

Saudi Arabia Total Trade with Italy in 2025 (Jan-July)
(Million USD)



Saudi Arabia Trade with Italy in 2025 (Monthly)
(Million USD)



Saudi Arabia Trade With Italy Over the Last 10 Years (2015 – 2024)

58.79 Billion USD

Total trade between the Saudi Arabia & Italy
over the last 10 years

7.86 Billion USD

Saudi Arabia export to Italy over the
last 10 years

50.93 Billion USD

Saudi Arabia import from Italy over the
last 10 years

▲ **49.29** %

Saudi Arabia trade growth rate with Italy
over the last 10 years

▲ **28.25** %

Saudi Arabia export growth rate
over the last 10 years

▲ **52.31** %

Saudi Arabia import growth rate
over the last 10 years

Plastics and articles thereof

The top category that the Saudi Arabia
exports to Italy

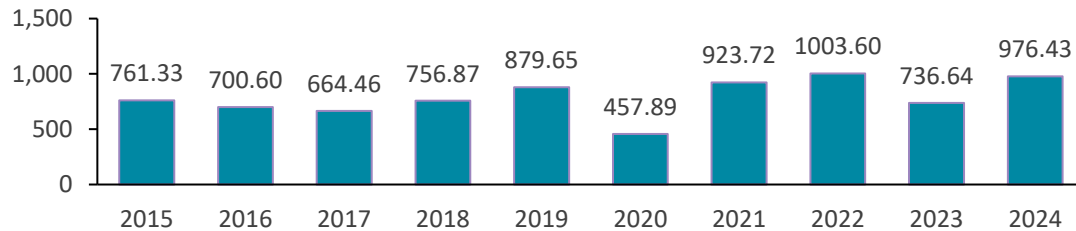
Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof

The top category that the Saudi Arabia imports
from Italy

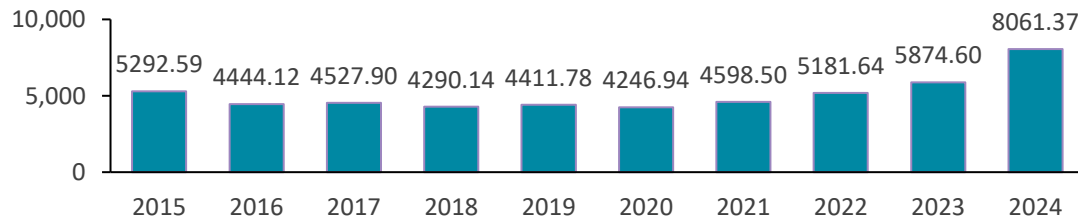
Saudi Arabia Trade Volume With Italy

- In 2024, Saudi Arabia's export value to Italy was US\$ 976.43M, representing 10.8% of the total trade. The main export categories have been Plastics and articles thereof, Organic chemicals, Aluminium and articles thereof, Aircraft, spacecraft, and parts thereof, and Natural, cultured pearls; precious, semi-precious stones...
- The value of total imports from Italy was US\$ 8061.37M, representing 89.2% of the total trade. The main categories were Machinery and mechanical appliances, Pharmaceutical products, Electrical machinery and equipment and parts thereof, Iron or steel articles, and Vehicles; other than railway or tramway rolling stock.
- Saudi Arabia's negative trade balance with Italy was US\$ -7084.93M in 2024. The total trade value between Saudi Arabia and Italy in 2024 was equal to US\$ 9037.80M.

Saudi Arabia's Exports to Italy, in million US\$

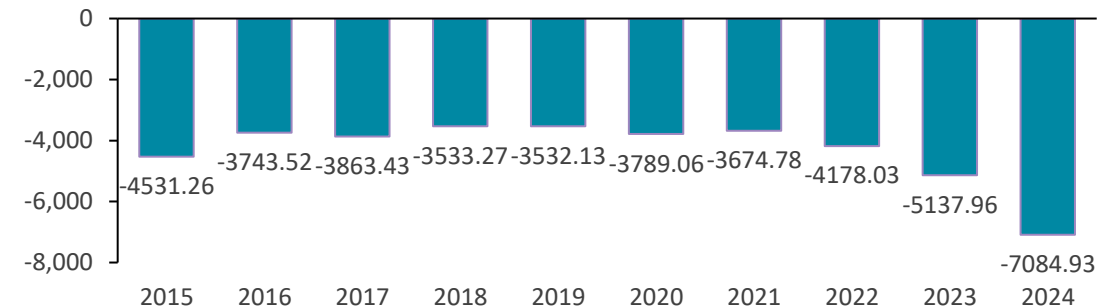


Saudi Arabia's Imports from Italy, in million US\$



In 2024, Saudi Arabia's total trade with the world amounted to approximately USD 538.31 billion, while its trade with Italy reached about USD 9.04 billion. Accordingly, Italy accounted for nearly 1.7% of Saudi Arabia's total global trade during the same year.

Trade balance, in million US\$

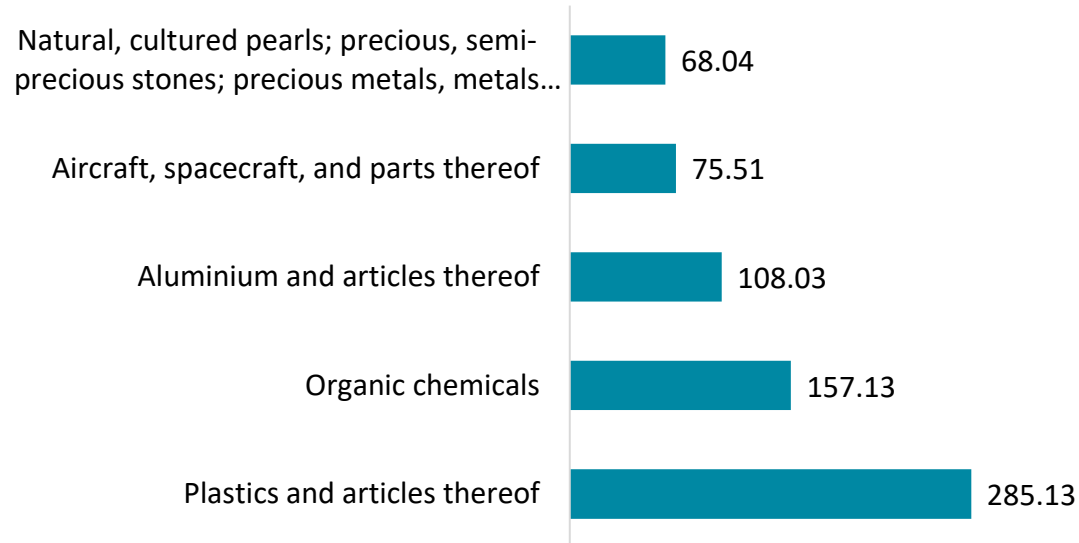


*Trade Balance = Export – Import, All data isn't including Re-export
Source: UN Comtrade

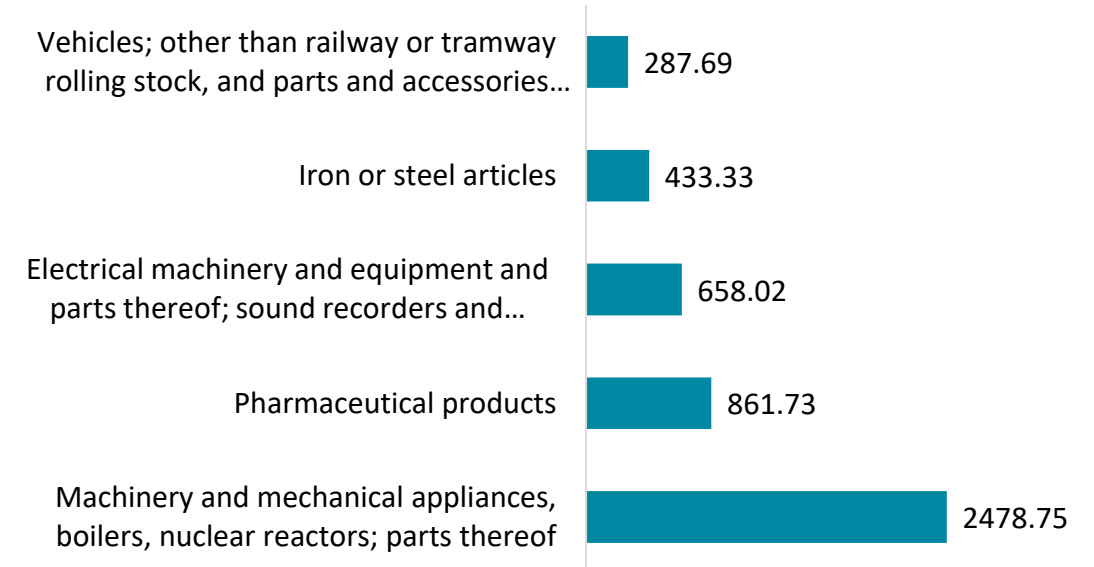
Top Trade Categories Between Saudi Arabia & Italy

- In 2024, 71.1% of Saudi Arabia's exports to Italy were concentrated in five categories. The main export categories were Plastics and articles thereof (29.2%), Organic chemicals (16.1%), and Aluminium and articles thereof (11.1%).
- In 2024, 58.5% of Saudi Arabia's imports from Italy were concentrated in five categories. The main categories were Machinery and mechanical appliances... (30.7%), Pharmaceutical products (10.7%), and Electrical machinery and equipment and parts thereof (8.2%).

Top categories for export to Italy in 2024, in Million US\$



Top categories for import from Italy in 2024, in Million US\$



Top Trade Products Between Saudi Arabia & Italy

- In 2024, 70.8% of Saudi Arabia's exports to Italy were concentrated in ten products. The main export products have been Polymers of propylene or of other olefins, in primary forms, Polymers of ethylene, in primary forms, and Acyclic alcohols and their halogenated.
- In 2024, 33.8% of Saudi Arabia's imports from Italy were concentrated in ten products. The main import products have been Taps, cocks, valves and similar appliances for pipes., Medicaments; (not goods of heading no. 3002, 3005..., and Air or vacuum pumps, air or other gas compressors and fans.

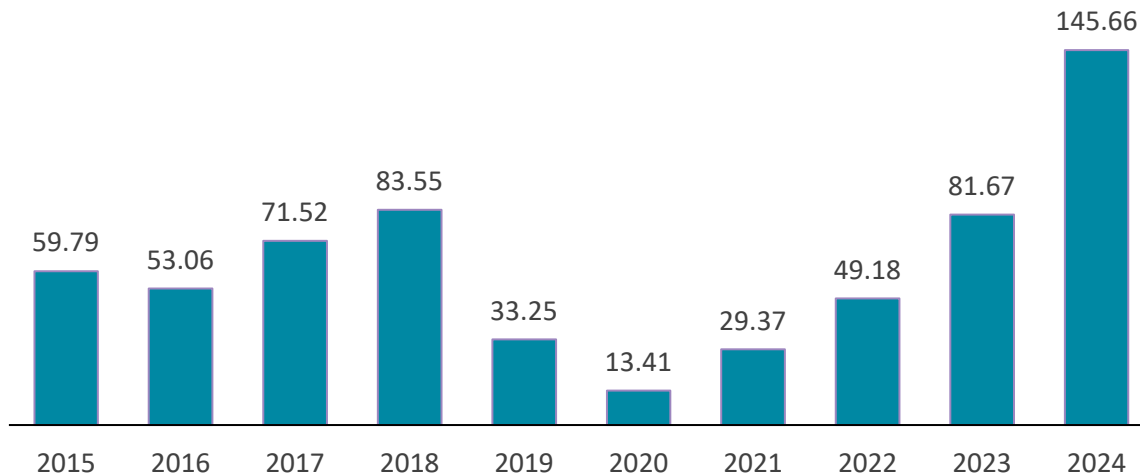
Top products for export to Italy in 2024	Code	Value (MUS\$)
Polymers of propylene or of other olefins, in primary forms	3902	139.56
Polymers of ethylene, in primary forms	3901	105.40
Acyclic alcohols and their halogenated, sulphonated...	2905	88.48
Aircraft; parts of goods of heading 8801, 8802 or 8806	8807	70.85
Jewellery articles and parts thereof, of precious metal...	7113	67.50
Aluminium; plates, sheets and strip, thickness exceeding 0.2mm	7606	58.01
Aluminium; unwrought	7601	47.93
Cyclic hydrocarbons	2902	42.12
Salts of inorganic acids or peroxyacids, n.e.c...	2842	35.73
Iron or non-alloy steel; flat-rolled products...	7208	35.59

Top products for import from Italy in 2024	Code	Value (MUS\$)
Taps, cocks, valves and similar appliances for pipes...	8481	700.13
Medicaments; (not goods of heading no. 3002, 3005...	3004	433.33
Medicaments; (not goods of heading no. 3002, 3005...	3003	330.49
Air or vacuum pumps, air or other gas compressors...	8414	220.74
Jewellery articles and parts thereof, of precious metal...	7113	200.45
Pumps; for liquids, whether or not fitted...	8413	187.93
Tube or pipe fittings (e.g. couplings, elbows, sleeves), of iron or steel	7307	185.04
Petroleum oils and oils from bituminous minerals...	2710	172.59
Motor cars and other motor vehicles; principally...	8703	149.84
Furniture and parts thereof, n.e.c. in chapter 94	9403	145.18

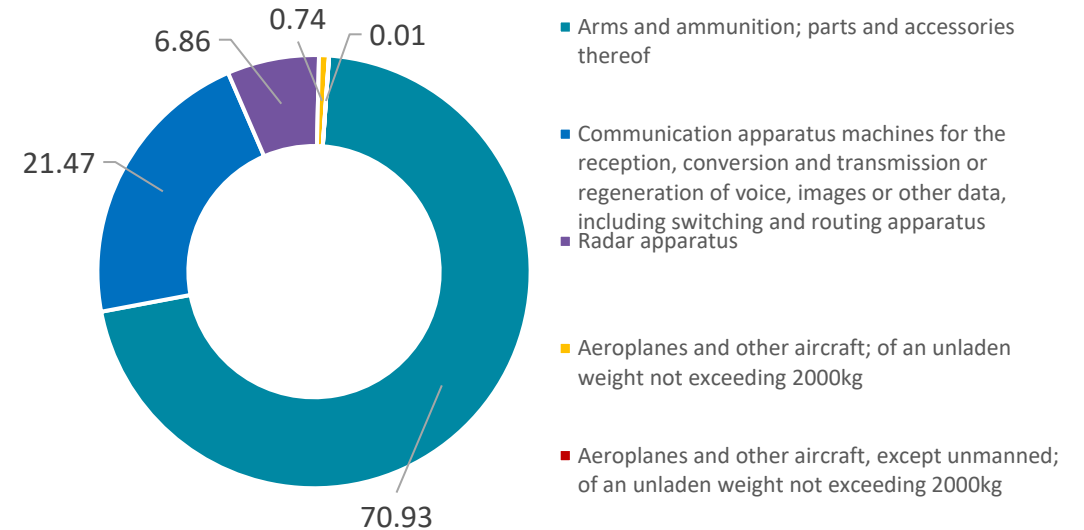
Italy Arms Exports to Saudi Arabia

- Over the ten-year (2015–2024), Italy’s cumulative arms exports to Saudi Arabia amounted to approximately USD 620.46 million.
- Italy’s arms exports to Saudi Arabia have recorded strong growth over the past ten years, rising from about USD 59.79 million in 2015 to approximately USD 145.66 million in 2024—an overall increase of around 144%. This reflects a compound annual growth rate (CAGR) of roughly 10.4%, signaling a sustained expansion in defense cooperation between the two countries.
- The category of arms, ammunition, and their parts accounts for the largest share, representing approximately 70.93% of total exports. This is followed by communication apparatus and switching systems, which make up about 21.47%, and radar apparatus, which accounts for around 6.86%.
- In contrast, aircraft with an unladen weight below 2000 kg together represent less than 1% of total exports. This indicates that the defense relationship between Italy and Saudi Arabia is primarily centered on the supply of munitions, field systems, communication equipment, and radar technologies.

Italy Arms Exports to Saudi Arabia, in million US\$



Italy Arms Exports to Saudi Arabia (%) (2015-2024)



*This data for codes (93, 8710, 880220, 880240, 8906, 852610, 851762, 8806)

Source: UN Comtrade

Gulf Research Center- www.grc.net

GRC's Offices



**Gulf Research Center
Jeddah
(Main office)**

Tel: +966 12 6511999
Fax: +966 12 6531375



**Gulf Research Center
Riyadh**

Tel: +966 112112567



**Gulf Research Center
Foundation**

Tel: +41227162730



**Gulf Research Centre
Cambridge**

Tel: +44-1223-760758
Fax: +44-1223-335110



**Gulf Research Center
Foundation Brussels**

Tel: +32 2 251 41 64



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