《Interview: Brexit likely to affect Italian exports, contribu》

ROME, April 27 (Xinhua) -- Possible consequences of Brexit on the Italian economy could be on exportations and contributions that the country will be required to pay to the European Union (EU), experts have told Xinhua.

However, it is hard to predict now what is going to happen and everything will depend on the conditions agreed, they underlined.

"There are some decisive variables that have to be defined. The most important is what will be the future contractual and economic relationship between the Britain and the European Union," said Riccardo Alcaro, head of research of the Transatlantic Program of Institute of International Affairs based in Rome.

"If there is a hard Brexit, without an agreement, economic relations will be based on the rules of the World Trade Organization (WTO). This will affect the European and the British economies in general. In this scenario, there will be a decline in trade and in economic relations and consequently a negative impact on growth," Alcaro said.

"However, this is the situation that everyone wants to avoid. Part of them want to get some form of agreement, for example on tariffs. Consequences for Italy will depend on what agreements will be made,"he added.

There are potential risks for Italian exports, he told Xinhua. "Often, in the Italian textile or agribusiness sectors there are small companies that rely mostly on one foreign market, speaking about exports," he explained.

Some of them, especially those in the agribusiness sector, may suffer, he argued. "Anyway, everything must be defined, timing is not clear. We must see how Italian companies will prepare themselves to Brexit," the expert added.

According to Umberto Triulzi, professor of Economic Policy at the University La Sapienza in Rome, it is difficult now to make predictions on the effects of Brexit on the Italian economy. The only thing certain, in his opinion, is the budget issue.

"What is certain, so far, is that Britain, like other member countries, contributes with its own resources to the European budget. When the country will leave the European Union and will withdraw its contribution to the budget, the EU will have two choices.

"The first is to reduce the budget, and therefore the contributions of the remaining member countries. The second is to keep the same budget, and the EU member countries will have to pay more," he said.

Concerning European Union, political damages are more worrying than the economic ones, Triulzi said.

"With regard to economic aspects, solutions can be found, and compromises can be made with Britain. On the other hand, Europe has suffered a severe political damage because of Brexit. The EU must be able to react, otherwise the risks that other member countries decide to move away will become more concrete," Triulzi said.

Brexit could also bring some opportunities for the Italian economy, according to Andrea Beltratti, professor of Finance at the Bocconi University in Milan.

"I believe that in the next two or three years some European institutions currently based in London will return to European continent, for example, some European agencies. In this context it would be very important that Italy equips itself to be able to take advantage of any relocation operation," Beltratti told Xinhua.

Potentially there may be opportunities to relocate financial activities from Britain to the European continent, including Italy, the expert said.

"In order to better equip themselves, Italian public and private stakeholders should coordinate to take advantage of the areas of excellence that exist in Italy, and to clarify to investors which are the benefits of investing in the country," Beltratti said.