

Interview

Edited by Gaetano Borrelli



with **Stefano Ravagnan**, *Italian Ambassador to Kazakhstan*

Innovation is among those boosters driving economy at large, what is its role in promoting the Italian economy in eastern countries, like the one you have a direct experience of as Italian Ambassador?

The Kazakh market is rich in opportunities for Italian companies, at the same time we have objective and evident disadvantages in the competition with countries like China, Russia and Turkey, which are closer to Kazakhstan or, like in the Russian case, partner of it in an economic integration process. In such circumstances innovation-based products and services are essential to fill the gap and keep the “made-in-Italy” attractive. The around 8% increase of our exports last year, although in a period of well-known difficulties, testifies to the strength of our production, with an important increase specifically in machineries and construction materials.

According to your valuable opinion, what is the international ranking of the Italian productive system? Could you mention the relevant strengths and weaknesses?

As seen from here, the “made-in-Italy” still enjoys a strong reputation and the local consumer or businessperson values it a lot; the brand and the flexibility of our SME’s system in adapting to the changing needs of the market are our strengths. In this context I draw attention to the many Italian projects of joint ventures with local companies in order to localize part of the production, transfer technologies and promote skills, an approach which perfectly fits in with the Kazakh Government’s strategies and is in line with the “made-with-Italy” promoted also in other countries of the region.

As weakness I’d mention the still insufficient capacity of our companies to act as a “system” in partnership with public institutions; besides I’d invite our businesspeople to carefully analyze the opportunities offered by the projects financed by the IFI and to pay attention to the initiatives – in terms of privatizations and joint projects – promoted in Kazakhstan by the State holding Samruk Kazyna.

Do you think that Astana Expo2017 or events of this sort can make the Italian companies operating abroad perform better?

Any Expo is a peculiar event, being a huge platform open to business, people and culture. In the Astana case there’s a unique opportunity to learn about the country, and Central Asia as a whole, which until now had mainly a strong reputation as an oil producer. As innovations are supposed to be presented and companies from all over the world will be present at or visit the exposition, I think that everyone is stimulated at the best of his capacities; creativity being an Italian national feature, I can assure that we can be among the main actors.

What opportunities does Astana Expo2017 create for Italy with respect to the emerging countries?

An oil and coal producing country choosing clean energy as the theme of its Expo symbolizes its willingness to move to a different development path, which includes renewable energies, currently less than 1% of the energy production in the country. It’s a huge challenge for Kazakhstan: just remember in comparison that ExpoMilan chose a theme, food production, which was a pillar of our economy and even of our cul-

tural system. Therefore our visitors, business people or tourists, will have the chance to see the changes going on in this part of the world, not only in Kazakhstan, but rather in Central Asia as a whole, a Region willing to be better connected with the global networks, i.e. through the ambitious project of the New Silk Road.

These international events make it possible to celebrate the “Countrywide system” and provide opportunities for seeing together public and private enterprises as well as research and production actors. In this regard, how would you assess the relationship between our domestic research and production system in view of Astana Expo2017?

opment, ICE Agency), the ones participating (Ministry of Environment, ENEA), the companies - big and medium - and the 15 Regions which decided to be present as well. Each Region will be given a week during Expo, an opportunity for B2B activities, cultural events, general presentations.

“Real progress happens only when advantages of a new technology become available to everybody.” (H. Ford). Do you think that events like this one fit in with such a perspective? And, if so, could they actually stimulate the progress invoked by Ford? If not, what do you think is really needed?



For long ExpoAstana was known only among experts, now I see a broader interest among our companies, research centers and individuals. I can't anticipate any figure in terms of visits from Italy, realistically I don't expect huge numbers, but I really appreciate the quality of proposals we are receiving for business, scientific and cultural initiatives, which will enrich our participation. And I want to underline the fruitful cooperation established in the preparation activities among the public entities organizing the pavilion (Ministries of Foreign Affairs and of Economic Development,

I'd like to point to an apparently minor development, just recently the Astana Municipality started the separate collection of waste, recycling plastic materials and batteries. This is an anticipated side-effect of Expo, the average citizen is given the chance to contribute to a cleaner environment and education programs are held in schools. Expo will spread awareness among individuals, being it about energy saving, cleaner production processes, power generation. Therefore, I agree with the assumption, though admitting that it's just the start of a long-time process.



After Astana Expo2017, what are the choices to value more the Italian contribution to the international deployment of energy and innovation?

Our pavilion will present the experience of a country which became highly industrialized despite being poor in hydrocarbon resources. Ingenuity and creativity fostered and continue to foster innovation in the exploitation of renewables, from hydro to wind and solar, and in implementing energy efficient production processes. At the same time, we'll present our important contribution to multilateral initiatives in the field of new energy technologies. Our participation will therefore be an important step in asserting the Italian role in the global trends towards a green economy, and I hope that Expo will also be useful as a concrete platform for discussions among politicians, academicians and experts of an issue which is such a priority for anyone of us.

Low-emission mobility is an essential component of the broader shift to a low-carbon economy.

Thanks to advance in fuel and vehicle technology, transport today has a huge potential to contribute towards reducing the emissions. What is Italy's role in this shift?

Sustainable and cleaner alternative fuels in transport is a huge issue in Italy. In many countries, electric mobility is being pursued as a catchall solution. Instead, when we launched our strategy in late 2016, the result of a public consultation in 2015, we wanted to understand how much various modes and uses of transport can contribute to our efforts towards decarbonization and cleaner air. The importance of technological neutrality emerged as a concept to hold on to in the coming years, as new technologies for new vehicles are still being refined and as solutions for the existing stock of vehicles are key for our decarbonization targets in 2030 and 2040. In some sectors, clear developments are underway: in shipping and heavy-duty vehicles, LNG seems to be the only viable solution in the medium to long term. In all sectors,

advanced sustainable biofuels, not competing with food and feed production, blended with gasoline and diesel, will contribute to the overall decarbonization effort and progressively replace first generation biofuels that today make up about 5% of fuel in Italy. Existing bio-refineries, today a small minority, will become mainstream refining. Furthermore, compressed natural gas, with over one million vehicles circulating in Italy, is particularly suited for urban public and private transport (such as light duty transport, busses, and passenger cars): our strategy provides for the complete replacement of fossil methane with biomethane. In the coming years, electric mobility too will develop its potential, particularly in urban private and commercial modes. We look forward to this development as a driver for further technological advances and for economic growth.

With a growing number of ratifications of the 2015 Paris Accord, many countries are developing strategies that will guide energy policy decisions by 2030 and set the stage for a substantial decarbon-

ization by 2050. Where is Italy in this process and are there opportunities for bilateral collaboration with Kazakhstan in this field?

Italy, like many other countries, is in the process of updating its National Energy Strategy in 2017. The previous strategy, published in 2013 had a 2020 and 2050 time horizon, consistent with the so-called EU 20-20-20 energy and climate package, and with the EU 2050 Roadmap to decarbonization. The new strategy will have the same double time horizon, but with advanced targets for 2030, consistent with the 2050 objective. We have established a well-functioning process of consultation with the public, from industrial stakeholders to civil society to the benefit of the quality and the soundness of the strategy. Granted, Italy and Kazakhstan are very different countries in terms of energy and the strategic objectives in this field would look very different. Nonetheless, I am sure that an exchange with the Kazakh authorities on our experience of setting up the national energy strategy would be beneficial for both our countries.