

## Noi Italia. 100 statistics to understand the country we live in

2020 edition *in short*

“Noi Italia. 100 statistics to understand the country we live in” was first published in 2008. It provides an overview of the environmental, economic and social characteristics of Italian context, taking into account the regional heterogeneity and the role of Italy in the European Union. The report is organised in six areas and nineteen sectors. The 2020 edition includes two new indicators in the Energy and Environment sector: the **Gross final renewable energy consumption** and the **Recycling of municipal waste**; they are both very important to monitor the achievement of the European goals aiming at safeguarding the Planet.

### POPULATION AND SOCIETY

#### Population

In 2018, the **resident population** has continued to decrease. Over a third of residents concentrated in only three regions: Lombardia, Lazio and Campania. The South of Italy and Islands still are the most populated areas of the country, but also as those losing more residents. The population increased in Lombardia, Emilia-Romagna and autonomous provinces of Bolzano/*Bozen* and Trento. The migration rate has decreased compared to the previous year. At European level, Italian population accounted for 12% of the European inhabitants (512 million), therefore it was the fourth most important country in terms of population after Germany, France and the United Kingdom.

**Old age** and **dependency ratios** kept on growing, reaching in January the 1<sup>st</sup> of 2019 respectively the value of 173.1 (elderly people per one hundred young people) and 56.3 (non-working age people per one hundred working age people). Among the Italian regions, Liguria reported, as in previous years, the highest value of the old age ratio (255.8%), while Campania (129.8%) the lowest one. In Europe, Italy continued to rank first for the old-age ratio, among the countries with the highest dependency ratio.

In 2018, **life expectancy at birth** has slightly increased for both genders: 85.2 years for women and 80.9 years for men. On average, the results showed that people live longer in the Centre-North of Italy. Instead, Campania showed the minimum value of life expectancy, both for women (83.7 years) and for men (79.3 years). According to 2017 data, life expectancy in the EU was equal to 83.5 years for women and 78.3 years for men. Therefore, Italy was among the European countries with the highest life expectancy at birth.

In 2018, the **average number of children per woman** was equal to 1.29, significantly lower than the threshold guaranteeing generational turnover (about 2.1 children). Mothers' average age at birth was equal to 32 and Italy was among the European countries with the most delayed reproductive calendar. At regional level, the highest fertility rates were registered in the autonomous Provinces of Bolzano/*Bozen* (1.72) and Trento (1.45), while the lowest one in Sardegna (1.02). In the European ranking, Italy was among the countries with the lowest fertility rate.

**Marriages** have increased in 2018 (+2.3% compared to 2017), but the nuptiality rate has not changed (3.2 marriages per thousand inhabitants). At the regional level, the rate has grown for almost all regions, while Lazio showed a slight decline, and Liguria, Toscana and Umbria remained stable. At European level, Italy continued to be the country with fewest marriages.

The number of **divorces** decreased in 2018 (-3%), after the two-year period of growth (2015-2016), due to the effectiveness of the fast-track divorce law (May 2015). Instead, the number of separations did not change. As far as separations are concerned, at a territorial level, while the North-South gap for divorces was still evident, the convergence between the various areas of the Country has continued. Compared to European countries, Italy was among the ones with the lowest incidence of divorces per thousand inhabitants: 1.5 against the EU average equal to 1.9 (2017 data).

### Foreign population

At the beginning of 2019, 5.3 million **foreign population** resided in Italy (111 thousand more than in 2018) representing 8.7% of the total residents. Compared to European countries, Italy showed a slightly higher incidence than the EU average, and was preceded, among the main countries, by United Kingdom (9.5%), Spain (9.8%) and Germany (11.7%). Moreover, in these countries, the history of immigration had more ancient roots and, as a result, a larger share of residents, originally foreign citizens, acquired citizenship. In Italy 82.9% of foreigners resided in the Centre-North areas.

At the beginning of 2019, just over 3.7 million of **non-EU citizens** were regular resident, in particular 62.3% of **non-EU citizens** had a long-term residence permit. In 2018, the issued new permits were less than 20 thousand (-7.9%) compared to the previous year.

The number of residence permits provided to non-EU citizens confirmed the attractiveness of the Centre-North regions: more than 85% have been issued or renewed in the Centre-North, especially in Lombardia, Emilia-Romagna, Lazio and Veneto.

In 2019, the foreigners' **education level** was still lower than the Italians' one. More than half of foreigners between the ages of 15 and 64 obtained a middle school diploma at most, against 38.4% of Italian peers; 34.4% obtained a high school diploma and 10.7% obtained a degree, against, respectively 43.4% and 18.2% of Italians in the same age group.

In the labour market, differences between Italians and foreigners persisted: in 2019, the **employment rate** (20-64 years) of foreigners remained stable at 64.4% and lower than the European average (66.9% in 2018). On the contrary, the Italians' employment rate increased by 0.6% and reached 63.4%. The **unemployment rate** decreased for both Italians and foreigners; however, the unemployment rate for foreigners was higher (13.8% against 9.5%).

### Culture and leisure time

In 2018, Italian household spent 6.7% of their total spending on **cultural and recreational activities**, a lower amount than the EU average one (9.1%). Between 2017 and 2018, the share of spending on culture decreased in Italy, while it increased, on average, in the EU.

In 2019, the share of **book readers** (people aged six and over who read at least one book a year) remained substantially stable, at 40%. Among these, the "strong readers" (12 or more

books a year) were 15.6%. Book reading was confirmed as a prerogative of women and young people between the ages of 11 and 19. A lower reading propensity was registered in the South of Italy, apart from Sardegna (38.9%). 39.8% of printed books were also distributed in the e-book format, but only 9.5% of those who uses Internet regularly read e-books; among these, the 18-19-year-olds confirmed themselves as the largest users (20.9%).

Printed newspapers continued to lose readers, but the **web-based reading** of newspapers and magazines has grown; in particular, this behaviour involved more than a half of the 25-34-year-olds. Compared to other European countries, Italy moved from the last to the penultimate position for the **web-based reading** of news.

In 2019, the participation in **theatrical performances** increased (20.3%), while cinema, in general, continued to lose viewers. Cinema users, however, increased in the 15-17 years old (82.2%) and 35-44 years old (57%) age groups.

In 2018, over a third of the population (3 years of age and older) practiced sports in their free time. The highest rate was registered in Trentino-Alto Adige/Südtirol (44.5%), while the lowest one in the South of Italy (19.7%).

### Crime and safety

In 2018, the long-term downward trend of intentionally committed homicides was confirmed (0.57 per hundred thousand inhabitants compared to 0.59 in the previous year). Analogously, attempted homicides (-4.4%), thefts (-5.8%) and robberies (-6.9%) decreased. Italy was one of the EU countries with the lowest homicide rate.

Broad differences are registered at territorial level: the South of Italy shows almost a double incidence compared to the Centre-North (respectively 0.83 and 0.43 **murders** per hundred thousand inhabitants). The negative primacy for robberies, consolidated over the years, belonged to **Campania**, with 104.3 robberies per hundred thousand inhabitants; an almost double value compared to the regions that follow in the ranking (Lombardia, Lazio and Piemonte). The **Central-North** regions, on the other hand, registered the highest incidence of thefts, in particular Emilia-Romagna (with 2,621.6 thefts per hundred thousand inhabitants), followed by Lazio, Toscana and Lombardia.

In 2018, 38.6% of victims of **murder** were women. The main characteristic of these crimes is that the event mainly occurred in the family: in more than half of the cases (54.9%), the murderer was the partner or the former partner, in 24.8% of the cases it was another family member. Only 18.4% of murders in which the victim was a man occurred in the family.

The most widespread offences in 2018 and in the previous years concerned driving under alcohol or drugs influence, which accounted for 40.1% of all the offences recorded in the Criminal Register.

In 2018, the **prison population** increase continued (+3.6%) with the consequent increase in the prison overcrowding index which rose, in a year, from 114.1 to 117.9 per 100 regulatory places. Among the 28 EU countries, Italy ranked 18th for the presence of prisoners (2017 data).

## Household economic conditions

In 2018, the incidence of **absolute poverty** (7% of resident households) was almost stable, while the **relative poverty** one slightly decreased (11.8% of households). In the South of Italy, 10% of households were living in absolute poverty and 22.1% in relative poverty, confirming its disadvantaged conditions compared to the Centre-North area. The absolute poverty had a larger incidence among single-parent households (from 9.1% to 11%).

In Sicilia and Campania, **inequality**, measured in terms of income concentration, was the highest one, while in the North-Eastern Regions this index shows more homogenous values. In comparison with EU countries, Italy showed a higher value of the inequality indicator (0.334) than the European average (0.309). In 2018, the share of people living in **severe materially deprived households** reduced (from 10.1% to 8.5%). Sicilia and Campania registered the highest number of **severely deprived households** (over one million individuals). Italy was 2.6 percentage points above the European average.

In 2018, the **average monthly expenditure of households** living in Italy – about 2,571 current monthly euros – remained below the level registered in 2011, despite its growth for six consecutive years. On average, in the Centre-North were spent monthly 718 euros more than in the South of Italy.

In 2019, **people who were very or quite satisfied with their economic situation** increased. The highest levels was registered in the Centre-North (almost 62.5%), the lowest one in the South (just over 49.3%); but the highest growth is observed for the southern regions.

## EDUCATION AND LABOUR MARKET

### Education

In 2017, **Final consumption expenditure by General Government on education and training** (which includes transfers to households and public and private institutions) accounted for 3.8% of GDP at national level, a lower value than the European average (4.6%).

In 2018, the **education level of adult population** (25-64-year-olds) continued to improve. The share of those who obtained a middle school certificate as their highest educational level, dropped to 38.2%, but in the South, it reached 46.4%. Italy confirmed a much higher incidence of poorly educated adults than the EU average (21.9% in 2018).

In 2017, the 15-24-year-olds' participation rate in the **education and training system** increased by 2.2 percentage points (60.1%) but was still lower than that of the main European countries. The increase concerned all the Italian regions.

In 2019, the **percentage of early school leavers** (13.5%) also decreased, but the incidence was higher in the South (18.2%). From one hand, the national target, set below 16% by the European 2020 Strategy, was achieved, but on the other hand, the European target of 10% was still far away.

In 2019, **young people who are not in education, employment or training** (the so-called *NEETs*) among 15-29-year-olds were about 2 million (22.2% of population); however, a slowdown has been observed for five consecutive years. The percentage of *NEETs* was higher

for women (24.3%) than for men (20.2%) and, in the South, it was more than double (33%) compared to North-Central area of Italy (15.6%). In the European context, Italy showed the highest value, higher than the EU average (12.9% in 2018) by about ten points.

The percentage of people aged 30-34 who obtained a tertiary qualification stopped growing: in 2019, it was equal to 27.6% (27.8% in the previous year). For Italy, the EU 40% target, already reached by 18 countries, was still far.

**Lifelong learning**, being a decisive factor for the integration into the labour market, concerned 8.1% of 25-64-year-olds, and remained stable compared to 2018, placing Italy in the lower half of the European countries ranking.

### Labour market

In 2019, the **employment rate** of 20-64-year-olds rose to 63.5%, a slightly higher value than that of 2008 (62.9%). The gender imbalance was evident (53.8% compared to 73.4% of male peers). Instead at territorial level, the extreme values varied from 44.5% for Sicilia to 79.2% for the province of Bolzano/*Bozen*. Among European countries, only Greece exhibited a lower employment rate than Italy, while the distance from the EU average widened, especially for women.

In 2019, the incidence of **fixed-term employment (temporary contracts)** was stable at 17.0%, but in the Southern regions it was about seven percentage points higher than in the Central-North area of Italy. On the other hand, the share of part-time workers increased up to about 19% (+3%), with strong gender differences: 32.9% for women and 8.8% for men.

**Irregular employment** decreased, but in 2017, it still concerned 13.1% of the employed. The South of Italy showed the highest incidence (18.6%) and Calabria (22.3%) recorded the highest value; in the Centre, Lazio showed the highest rate (15.6%). In addition, being more widespread in the smallest production units, undeclared work was characterised by strong sectoral specificities: in agriculture, almost a quarter of employment was irregular, and in the construction sector, the average irregularity rate was equal to 16%.

In 2019, the **unemployment rate**, which has been dropping for fifth consecutive years, reached the value of 10% (+3.9% compared to the 2007 minimum value). There were strong territorial differences; the value for the South of Italy, 17.6%, although decreasing, exceeded by more than three times the value of the North-East and by two times the value of the Centre. The highest unemployment rate was observed in Calabria (21%).

The **youth unemployment rate** (15-24-year-olds) dropped by three percentage points, in 2019, reaching the value of 29.2%; although declining, the gender gap was still evident (31.2% women; 27.8% men). As for Greece and Spain, for Italy the youth unemployment rate was twice the EU average (15.2%).

The **non-participation rate**, which took into account those who were available to work but not looking for a job actively, has been decreasing for fifth consecutive years, reaching, in 2019, the value of 18.9%. The rate for the South of Italy (34.1%) was three times higher than for the Centre-Northern area of Italy. The distance between Italy and the EU average was about 10 points and rose to 13 points for women.



## HEALTH AND WELFARE

### Healthcare and health

In 2017, in Italy, the **public healthcare expenditure** was far lower than the expenditure registered in most European countries. At the purchasing power parity, in Italy, in 2017, \$2,495 per inhabitant were spent, while in Austria, Belgium, Ireland and Finland more than \$3,000. Germany ranked first for the per capita spending equal to \$4,933 per inhabitant. In 2018, Italian households spending accounted for 25.8% of the overall healthcare expenditure, a similar share has been observed in Ireland and Austria. In Greece and Portugal, household spending accounted for more than 30%, while the lowest values were observed in Luxembourg (14.8%), Germany (15.5%) and Denmark (15.6%).

The number of regular hospitalisations for tumours remained substantially stable: from 1,102 hospitalisations per hundred thousand residents, in 2017, it passed to 1,110 hospitalisations in 2018. On the other hand, the decreasing trend of hospitalisations for circulatory system diseases continued: the number of hospitalisations changed from 1,856 per 100,000 residents, in 2017, to 1,816, in 2018. The reduction was due to the non-hospital healthcare services, which took charge of outpatients.

Regarding **hospital beds**, Italy ranked 24<sup>th</sup> and continued to be below the European average: 3.1 beds per thousand inhabitants, compared to the EU average value of 5.0.

In 2017, in Italy the **standardised mortality** rate due to any cause, was equal to 86.7 deaths per ten thousand inhabitants; it increased compared to 2016 (84.2). The highest mortality rate was registered in the South, above 93 deaths per ten thousand inhabitants.

The **mortality rate for circulatory system diseases**, the main cause of death along with tumours, slightly increased in 2017 (30.3 deaths per ten thousand inhabitants compared to 29.6 in 2016). On the other hand, mortality due to tumours continued to decrease (25 deaths per ten thousand inhabitants).

In the South of Italy, **mortality due to neoplasms** remained lower than the national average (24.4 deaths per ten thousand inhabitants), but in Campania the highest rates for men were recorded (36.5).

Overall, in Italy, mortality from tumours and circulatory system diseases was lower than the European average.

An important indicator of the level of development and well-being of a country, the **infant mortality rate**, in 2017, did not vary and Italy was still among the countries with the lowest value (2.7 deaths per thousand children born alive, against the EU average equal to 3.6). A similar value was registered in Spain, Portugal and the Czech Republic, and a slightly higher value in Sweden. However, infant mortality in the South was higher than in the Centre-North and the gap has not changed over the past decade.

In 2018, the share of **smokers** decreased (19.0%), while the percentages of **at-risk alcohol consumers** (16.4%) and **obese people** (10.7%) slightly increased compared to the previous year. In particular, in the North-Central regions, the share of at-risk alcohol users was higher (18.3%); instead, in the South and in the Northeast the share of obese people was higher (11.6% and 11.5% respectively). Lazio shows the highest rate of smokers (23.4%).

## Social protection

In 2018, the **Social Protection Expenditure (SPE)** amounted to 29.0% of GDP and outstripped the EU average equal to 27.9% in 2017. On the contrary, the per capita Social Protection Expenditure amounted to 8,338 euros per year and was just below the EU average (8,388 euros).

In 2017, the **Municipal expenditure for Social Services** amounted to 0.41% of GDP, while the per capita expenditure for the territorial welfare amounted to 119 euros, against 116 euros in 2016. The Southern area of Italy showed a much lower per capita **Municipal expenditure for Social Services** than the Centre-Northern area (about 77 euros against 141 euros). In particular, Calabria showed the minimum level of Municipal Spending on Social Services (about 22 euros).

In 2017, the **expenditure on social benefits** amounted to 18.7% of GDP, almost 5,327 euros per capita. It was only partially funded by social contributions: the pension coverage index was equal to 75.5%. The expenditure on pensions as a percentage of GDP slowed down (16.5%), except for the South of Italy, which showed, the highest pension spending compared to the national average (20.8%).

In the school year 2017/2018, 58.3% of Italian municipalities offered at least one **Socio-Educational Service for early childhood**, namely kindergartens, small nurseries and others, but only 13.5% of children were admitted in facilities (public or private) financed by the public sector. Strong territorial disparities were observed: the percentage of children under three years of age who benefitted from these kind of services was above 20% in Friuli-Venezia Giulia, Emilia-Romagna, Toscana, Valle d'Aosta/*Vallée d'Aoste* and in the autonomous Province of Trento, while in Calabria and in Campania it was equal to 2.1% and 3.8%, respectively.

## INDUSTRY AND SERVICES

### Tourism

In 2018, the accommodation facilities supply raised due to the increase in extra-hotel facilities (+6.6%), which have counterbalanced the slight decrease in the number of hotels (-0.3%). Overall, the beds were over 5.1 million. The largest accommodation capacity was registered in the Northeast (1.8 million beds). Showing 84.5 beds per thousand inhabitants, Italy outstripped the European average (62.9 beds), even if Greece (124.8) and Croatia exhibited the highest values (271.7).

Tourist attendance also increased, about 428.8 million, 2% more than in 2017, although the **average duration of the stay** in the accommodation slightly decreased (3.35 nights). The regions showing the highest number of tourist attendance were Veneto, Trentino-Alto Adige/*Südtirol*, Toscana, Emilia-Romagna and Lombardia, which received more than 248 million tourists (over 58% of the national total).

The **trips** made by residents in Italy for holiday reasons represented 89.6% of the total trips; those for work accounted for 10.4%. The average duration of the stays in Italy was equal to 5.2 nights for holidays and 2.8 nights for work. The most visited regions by residents were Toscana, Lombardia, Emilia-Romagna, Lazio, Veneto, and Puglia (55% of tourist flows). In

2017, in Europe, 47.9% of residents aged 15 or older had a long holiday (4 nights or more). Nevertheless, Italy remained below the EU average (36.3%).

### Productive structures

In 2017, the **number of enterprises** in Italy increased (72.6 per thousand inhabitants). Italy ranked among the top five EU countries in productive activities' density. However, the great fragmentation of the Italian production sectors emerged in relation to **average enterprise size, which** was lower than the European one: 3.9 employees per enterprise compared to the European average equal to 6 employees. At territorial level, the Centre-North was characterised by the very high ratio of **enterprises** (79.4 per thousand inhabitants) compared to the South of Italy (59.8 per thousand inhabitants) and by a higher average number of employees per enterprise (4.3) than the national average. Moreover, the South of Italy had a lower average enterprise size (2.9) than the other areas of Italy. The five-year survival rate of enterprises continued to decline in almost all regions, with the exception of Molise and Abruzzo.

Although the incidence of **self-employed** workers on the total number of employees in enterprises was declining at 28.5%, with a peak of 35.5% in the South, it was above the double of the EU average (12.9%) and lower than the Greek one. Among the largest economies in the area, Germany and France showed much smaller shares (less than 9%).

**Non-profit institutions** represented a dynamic part of the Italian production system. In 2017, the ratio was equal to almost 58 institutions per ten thousand inhabitants (50.7 in 2011). The highest values were observed in the Autonomous Province of Trento (116), in Valle d'Aosta/*Vallée d'Aoste* (109) and in the Autonomous Province of Bolzano/*Bozen* (106); the lowest value was observed in Campania (36).

### Infrastructure and transport

In 2018, the **Italian motorway network** had an extension of 6,943 Km (about 9% of the European one). Italy was among the countries of the Union with the lowest motorway intensity (1.8 Km per 10 thousand cars), far from the values of Spain, France and Germany (between 2.8 and 6.8 Km per ten thousand cars in 2016).

The **motorisation rate** continued to increase and, in 2018, exceeded 646 cars per thousand inhabitants. The highest value was registered in the Northeast (682) and the lowest in the South (629.8). Within the European context, Italy was one of the most motorised countries.

**Residents in Italy confirmed cars as the most used means of transport.** In the South of Italy people travelled more often on-foot to reach the place of study or work, while in the Centre-North the use of means of transport prevailed.

In 2018, the number of **road accident victims** (-1.3%) slightly decreased, from 55.8 (2017) to 55.2 per million inhabitants. At territorial level, the highest values were recorded in Valle d'Aosta/*Vallée d'Aoste* (95.3), Liguria (79.8), Basilicata (79.6), Emilia-Romagna (70.9) and Calabria (65.1). Overall, although mortality from road accidents has fallen sharply over the years, since 2014 the trend has been fluctuating (on average, 9 victims per day). In Italy, the number of road accident victims was higher than the European average (49.1) and the ones registered in United Kingdom, Germany, Spain and France.



In Italy the **railway network** is 27.7 Km long per hundred thousand inhabitants, the density is similar in the Centre-North and in the South where, however, more than 41% of the network is not electrified. The high-speed trains (6% of the overall track length) were absent in 14 regions. Compared to European countries, the Italian railway network was below the average (42.5 km per hundred thousand inhabitants); a smaller gap was registered only by the electrified double track network: 12.6 km per hundred thousand inhabitants in Italy against an EU average equal to 14.7.

In 2018, **air passenger transport** within the European Union was growing in all countries. In the ratio between passengers and resident population, Italy recorded a higher value (2.5%) than the EU average (2.2%). More than 50% of passenger traffic was concentrated in the Airports of Rome-Fiumicino, Rome-Ciampino, and in those of Milan-Malpensa, Milan-Linate and Bergamo-Orio Al Serio.

In 2018, **road freight transport** grew to 19.6 million tonnes-km per ten thousand inhabitants (+5%); it was still lower than that of the main European countries. Cargo transport by coastal navigation decreased (-1.8%) compared to 2017. Italy was the first EU country for passenger transport by sea and the fourth by volume of maritime container traffic (2017 data).

### Science, technology and innovation

In 2017, **Research and Development (R&D)** expenditure amounted to almost 23.8 billion euros; the GDP ratio is equal to 1.38%, compared to the EU average equal to 2.07%. Italy ranked below the national target of the Europe 2020 strategy (1.53%) and the European target of 3%, instead surpassed by Sweden, Germany, Austria and Denmark.

In 2019, 72.1% of companies with at least 10 employees used a **website** or web page to enhance their business. Businesses in the South of Italy made less use (56.5%) of the possibilities offered by web than those of the Centre-North. At European level, Italy ranked nineteenth, while Netherlands, Denmark and Sweden ranked at the top, with shares above 90%.

**Research and development personnel** (in full-time equivalent units), in 2017, increased up to 5.2 per thousand inhabitants, a value still far from the EU average (6.1). The great disparity between the Centre-North and the South was confirmed.

In 2017, the proportion of young people between the ages of 20 and 29 who obtained a degree in **technical-scientific disciplines** (14.5 per thousand residents) increased (+0.7%) compared to the previous year. Despite the continuous growth over the years, the gap between Italy and most European countries remained.

In 2019, **Internet** has spread in Italy. 70.4% of the population aged 6 years and older have accessed the web, while 54.7% used the network daily. Italy ranked at the bottom of the European ranking, followed by Portugal, Bulgaria and Romania. The share of Italian households with **broadband internet access** was also lower than the European average. On the national territory, internet use was not homogeneous between the Centre-North (73.2%) and the South (65.1%). In addition, in the Centre-North, 76.9% of households enjoyed a fast-available connection, while in the South the share dropped to 70.2%.

## ENVIRONMENT AND AGRICULTURE

### Territory

In spite of the population density decrease, Italy continued to be among the **most densely populated** Countries of the European Union, with an average of 200 inhabitants per square kilometre compared to the EU average of 114.1 inhabitants per square kilometre. The most densely populated region was Campania with 425.3 inhabitants per square kilometre followed by Lombardia (421). Valle d'Aosta/*Vallée d'Aoste* was the least densely populated, preceded by Basilicata, Sardegna and Molise with less than 70 inhabitants per square kilometre.

In 2019, the protected areas under the **Natura 2000 Network** covered 19.4% of the national area, above the EU average (18.1%). In particular, Abruzzo showed the highest share (35.9%) of land area included in the Natura 2000 Network. Sicilia and Sardegna showed the highest regional values in terms of area, with over 4,500 square kilometres each.

In 2018, the residential construction sector recorded positive changes for the third consecutive year, although it was slowing down compared to the previous year. The countertrend regions were Piemonte, Trentino-Alto Adige/*Südtirol*, Lazio and Basilicata. New housing and living space increased in EU countries, with the exception of Austria, Croatia, Estonia, Finland, France, Sweden and Hungary. In Italy, the useful living area increased less than the EU average.

### Environment

In 2018, the **collected municipal waste** increased compared to the previous year, and amounted to 30.2 million tonnes, with a per capita annual production of 499.2 kg per inhabitant (+2.2%). Emilia-Romagna and Toscana exhibited the highest annual per capita production of waste, equal to 611 kg or more per inhabitant, while Molise and Basilicata showed a production equal to 400 kg per inhabitant. In the European context, Italy ranked slightly above the average.

The share of **landfilled waste** continued its downward trend, amounting to 21.5% of the total produced municipal waste, in 2018. Molise, Sicilia and Calabria showed the most critical situation: more than 55% of municipal waste was landfilled. According to the EU directive 2018/850 by 2035 the landfilled waste should not go beyond 10%.

In Italy, the per capita annual amount of landfilled waste (107 kg per inhabitant) was below the EU average (112 kg).

In 2018, **separate collection**, a strategic factor for a proper waste management, rose to 58.1%, confirming the growing trend in the recent years. The EU's national target – 65.0% in 2012 – had not been reached yet; only seven regions, accounting for 41.2% of the national population, exceeded the target, namely the autonomous province of Trento (75.5%), Veneto (73.8%), Lombardia (70.7%), Autonomous Province of Bolzano/*Bozen* (69.3%), Marche (68.6%), Emilia-Romagna (67.3%), Sardegna (67.0%) and Friuli-Venezia Giulia (66.6%). Sicilia (29.5%) and Molise (38.4%) were the least virtuous regions, despite having registered an increase in separate collection equal to almost eight percentage points in 2018.

By 2020, as required by the Directive 2008/98/EC, all EU countries will have to achieve 50% of the reuse and **recycling of municipal waste**. In 2018, Italy, registering 49.8% of recycled municipal waste, was one of the eight member countries above the EU average (47%).

Between 1990 and 2017, Italy has reduced **greenhouse gas emissions** by 17.4%. In the second commitment period of the Kyoto Protocol (2013-2020), the target set for EU countries was to reduce collective emissions by 20% compared to 1990 levels. On average, the 28 countries had already achieved this goal: overall greenhouse gas emissions fell by 23.5% between 2017 and the base year.

Air pollution continued to be one of the main environmental problems, especially in the urban areas. In 2019, 37.7% of households perceived **polluted air in their living area**, while almost a fifth of households reported the **presence of unpleasant odours**. Households living in the North-West, especially in Lombardia, underline in particular the problem of air pollution, while those living in Campania, Lazio and Calabria complained more about the presence of unpleasant odours.

In 2018, in Italy, there were 5,539 **bathing areas**, represented by marine – coastal, transitional and inland surface waters. 90.0% of these had excellent bathing water quality. Italy is the first in the European ranking, followed by France, Germany, Spain and Greece.

### Agriculture

In 2018, the distribution of **fertilizing** products (-3%) and **phyto-pharmaceuticals** (-2.1%) decreased in Italy.

**Quality agro-food products** have always been an important component of the Italian agro-food sector. At the end of 2017, Italy showed the highest number of certifications at European level (295). Italian quality agro-food products covered more than a quarter (26.7%) of total PDO Awards, 17.7% of PGI awards and 3.6% of EU TSG Awards.

In 2018, agritourism sector showed a slight growth (+0.9%) compared to the previous year. At territorial level, the **agritourism farms** recorded increases in the South (+4.6%), in the Centre (+1.4%) and in the North-West (+1.3%), against a decrease in the islands (-7.6%). Between 2007 and 2018, the current value of agritourism sector' production rose to 1.39 billion euros (+29%). The female-run farms were 36%.

The **average size of agricultural holdings** increased – from 8.4 hectares in 2013 to 11 hectares in 2016 – as a result of farm aggregation. Territorial differences were significant: 19.7 hectares were registered in the North-West, against 8.8 hectares in the South (8.8). Areas dedicated to organic farming had also grown, representing 12.3% of the total area used for agriculture, compared to 7.7% in 2013.

### Energy

In 2018, **per capita electricity consumption** increased by 0.7%. However, despite the growth registered for the fourth consecutive year, the level of consumption was lower, compared to 2008. Apart from Liguria, the northern regions together with Toscana, Umbria and Sardegna showed a higher electricity consumption per inhabitant than the national average. The lowest per capita electricity consumption was recorded in Calabria, Campania and Sicilia, while the highest one in Friuli-Venezia Giulia and in Valle d'Aosta/*Vallée d'Aoste*. At European level, Italy was below the EU average.

In 2018, the **domestic electricity production** decreased: the decline was equal to about 2% compared to 2017. Considering the gross production of electricity ratio to population, generally the regions of the North (for the presence of hydroelectric plants) and those of the South (for the presence of wind and photovoltaic plants) show the largest productions. At European level, Italy was below the EU average.

The contribution of **renewable sources** to electricity consumption was equal to 34.3% in 2018, increasing compared to the previous year. At territorial level, the production of electricity from renewable sources was higher than the domestic demand in Valle d'Aosta/*Vallée d'Aoste* and in Trentino-Alto Adige/*Südtirol*. In Basilicata, Molise, Calabria and Abruzzo, the electricity consumption covered by renewable energy sources exceeded 50% while Emilia-Romagna, Lazio and Liguria were at the bottom of the ranking, with values less than 20%. Italy ranked above the EU average (30.7%);

In addition, with regards to the **overall energy consumption** (electrical, thermal, and transport) **covered by renewable sources**, in 2018 Italy recorded a share of 17.8%, a higher value than the 17% target assigned by the Directive 2009/28/Ec for 2020, even though lower compared to 2017 (18.3%).

## ECONOMY AND PUBLIC FINANCE

### Macroeconomics

In 2018, Italian **per capita GDP growth** at market prices slowed down (+1%) and did not recover the absolute value recorded in 2008. In purchasing power standards (for comparisons based on different price levels in different countries), it was lower than the EU average by 4.3%, while in 2008 it was 6.7% higher.

In 2018, Italian **exports** grew in value (+3.1%) but the country's market share decreased: 2.85% compared to 2.92% in 2017. Sales into foreign markets were concentrated in the Centre-North (88.5%), in particular: Lombardia (27.4%), Veneto and Emilia-Romagna (13.7%), Piemonte (10.4%) and Toscana (7.9%). Germany and France were the main end markets (12.6% and 10.5% respectively) followed by Spain (5.2%) and the United Kingdom (5.1%). The most exported products from Italy to the EU Countries were medicines and pharmaceutical products (13,198,993 million euro), motor vehicles (13,146,832 million), other parts and accessories for motor vehicles (9,754,633 million), and basic iron, first processing steel and steel-alloys (7,405,291 million).

In 2018, the share of **final consumption in GDP** (79.3%) continued being higher than the EU average (75.5%).

The share of **investment in GDP** rose to 17.7%, still below the European average (20.4%).

Between 2015 and 2018, the growth of **labour productivity** in Italy was equal to zero, lower than the European Union average (+2.9%) and the labour productivity registered in the main European countries.

Overall, in 2019 the average annual growth of the basket's **consumer prices** halved (+0.6% against +1.2% in 2017 and 2018). A slightly more sustained growth is recorded in the North (+0.7%) and in the South (+0.7%); while in the Centre, it was weaker (+0.5). At European level,

Italy showed a lower inflation than the average recorded in the EMU countries (-0.4%) and ranked fourth in the European area followed by Portugal, Greece and Cyprus.

### Public finance

In 2018, the national **primary balance** for Italy stood at 1.5% of GDP, while the net debt at 2.2%.

The **Government Debt to GDP ratio** of Italy (134.8%) was among the highest of the European Union countries and grew by 0.7 percentage points, between 2017 and 2018,

In 2018, Italy showed a lower **Public Administration spending** (14.1 thousand euros per inhabitant) than the main economies of the European Union: only Spain spent less than Italy.

At regional level (2017 data) Valle d'Aosta/*Vallée d'Aoste*, Trentino-Alto Adige/*Südtirol* and Lazio showed the largest **regionalised state expenditure** per inhabitant (more than 12 thousand euros), while Campania, Puglia, Veneto and Sicilia (8 thousand euros) were at the bottom.

In 2018, the **tax burden** in Italy reached the value of 41.8% of GDP.