

ITALY

At glance: Italy (Italia), officially the Italian Republic, is a Southern European country in the Apennine Peninsula. The Adriatic sea borders the peninsula in the east, the sea of Sicily in the south, the Ionian sea in the southeast, the Ligurian sea and the Tyrrhenian sea in the west. The Italian Republic shares its northern alpine boundary with France, Switzerland, Austria and Slovenia. The country also shares a sea border with Croatia, Slovenia and France. Italy is home to the greatest number of UNESCO World Heritage Sites of any nation in the world. Italy belongs to the Group of Eight (G-8) industrialized nations, is a member of the European Union (EU) and the Organization for Economic Cooperation and Development (OECD). Italy's advanced economy is the 3rd-largest national economy in the European Union. Italy's business model is based on the production of high-quality consumer goods. The most significant industrial sectors in Italy are the automotive industry (Fiat), textiles, electrical products, office equipment, agriculture, and tourism. The capital city of Italy is Rome, which is also the biggest city in the country by population and size.



Country Risk Classification: A2* (ECGC Country Risk Classification List with effect from 31st March 2023)

Political system: The Italian parliament is a bicameral legislature that consists of the Senate of the Republic (Senato della Repubblica) and the House of Representatives (Camera dei deputati). Executive power is exercised by the Council of Ministers, which is headed by the Prime Minister. Head of State is the President.

Demographic Indicators

S No.	Particulars	Details
1.	Ethnic groups	Italian (includes small clusters of German, French and Slovene-Italians in the north and Albanian-Italians and Greek-Italians in the south)
2.	Languages	Italian (official), German is locally official in the region of Trentino-Alto Adige, and French is locally official in the region of Valle d'Aosta.
3.	Religions	Christian 80.8% (overwhelmingly Roman Catholic with very small groups of Jehovah's Witnesses and Protestants), Muslim 4.9%, unaffiliated 13.4%, other 0.9% (2020 est.)

Geographic Indicators

S No.	Particulars	Details
1.	Location of Country	Italy is located in southern Europe, a peninsula extending into the central Mediterranean Sea, northeast of Tunisia.
2.	Area Covered	301,340 sq km
3.	Total Population	61,095,551 (2022 est.)
4.	Climate	Italy has a predominantly Mediterranean climate with mild, sometimes rainy winters and sunny, hot, and usually dry summers.
5.	Area	Total: 301,340 sq km Land: 294,140 sq km Water: 7,200 sq km
6.	Natural resources	Coal, Antimony, Mercury, Zinc, Potash, Marble, Barite, Asbestos, Pumice, Fluorspar, Feldspar, Pyrite (Sulfur), Natural gas and crude oil reserves, Fish, Arable land

Economic Indicators

S No.	Particulars	Details
1.	GDP (Purchasing Power Parity)	\$ 2.478 trillion (2021 est.)
2.	GDP (Per Capita)	\$ 41,900 (2021 est.)
3.	Inflation, consumer prices (annual %)	1.87% (2021 est.)
4.	GDP – Composition, by sector of origin	Agriculture: 2.1% (2017 est.) Industry: 23.9% (2017 est.) Services: 73.9% (2017 est.) Industries: Tourism, Machinery, Iron and steel, Chemicals, Food processing, Textiles, Motor vehicles, Clothing, Footwear and Ceramics.
5.	Currency	Euro (EUR, €), 1 Euro (EUR, €), = 89.07 INR (Feb, 2023) 1 Euro (EUR, €)= 1.08 USD (Feb, 2023)
6.	Total global exports of Italy	\$ 687.948 billion (2021 est.)
7.	Major export partners	Germany 12%, France 11%, United States 10%, United Kingdom 5%, Spain 5%, Switzerland 5% (2019)
8.	Total global imports of Italy	\$ 637.934 billion (2021 est.)
9.	Major import partners	Germany 16%, France 9%, China 7%, Spain 5%, Netherlands 5% and Belgium 5% (2019)
10.	India-Italy Bilateral Trade (2021-2022)	India's exports to Italy: 8,180.76 USD Million India's Handicrafts (Excl. Handmade carpets) exports to Italy: 69.25 USD Million India's imports from Italy: 5,048.47 USD Million India's trade deficit: 3,132.29 USD Million (2021-22) (Source: Ministry of Commerce & Industry, GOI)

Source: worldbank.org
cia.gov

Strengths & Weaknesses

Strengths

- Diversified industrial manufacturing unit (machinery, pharmaceuticals, etc.)
- Well diversified trade segment
- Strong domestic investor base for public debt
- Fifth most visited country in the world & tourism revenues
- Food, wine and fashion are an important source of external revenue.

Weaknesses

- Net international investment position is very negative
- Energy crisis as Russia is Italy's largest gas supplier (40% of all imports in 2020)
- Very high youth unemployment
- High public debt burden
- Prevalence of low-productivity companies (more than 90% of firms have 10 employees or less)

***Country Risk Classification List as of 31st March 2023 (Medium-and-Long-Term)**

Country Classification Legend

ECGC Classification	Risk Category
A1	Insignificant
A2	Low Risk
B1	Moderately Low Risk
B2	Moderate Risk
C1	Moderately High Risk
C2	High Risk
D	Very High Risk