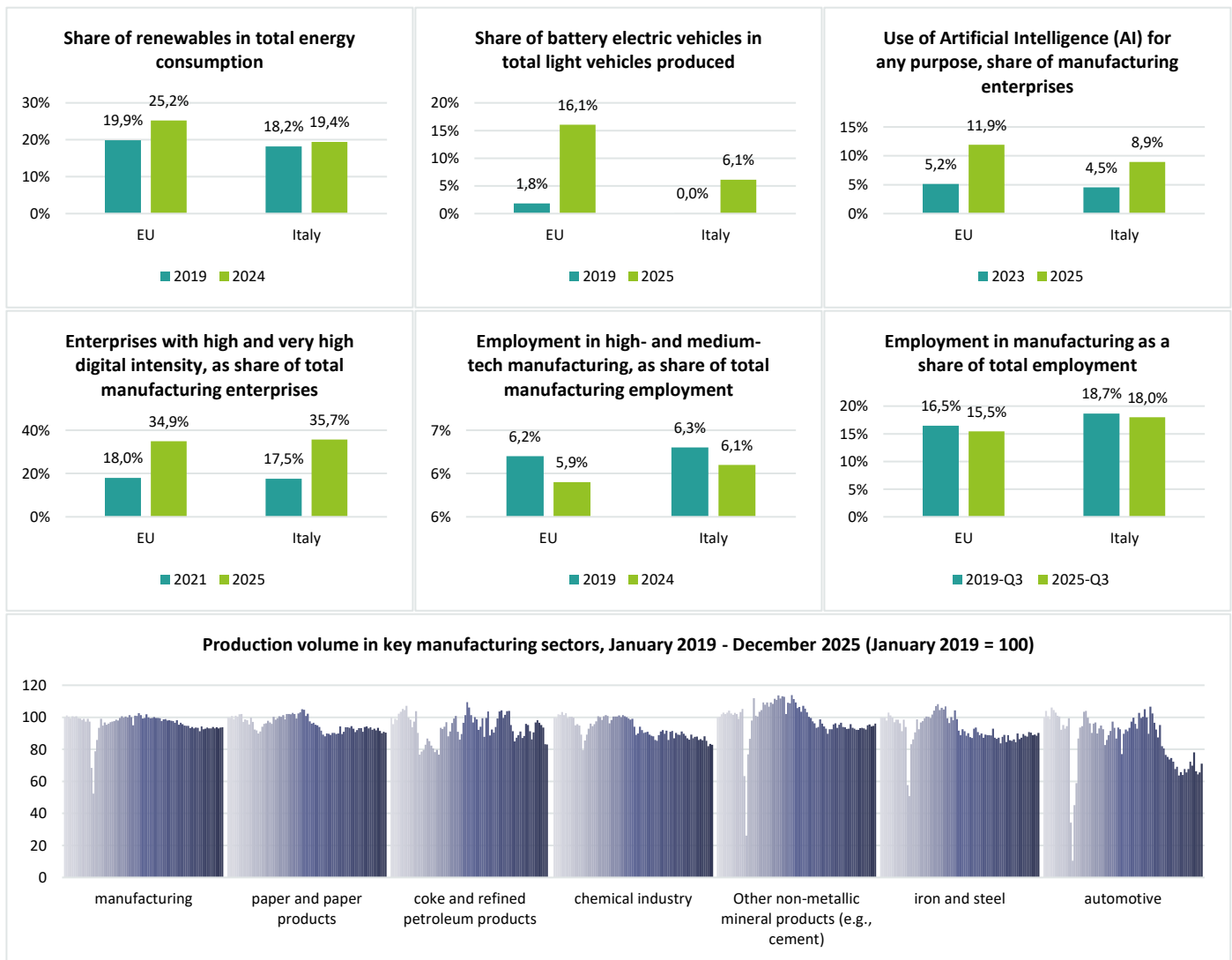


Just Transition Country Factsheet: ITALY

Since the COVID-19 pandemic, the twin — green and digital — transition saw a major boost driven by EU regulation and facilitated by rapid technological development. The transformation has also been hampered by energy price crises, overall inflation, and supply chain disruptions. The [industriAll Just Transition Manifesto](#) makes a clear case that the transition needs to be “fair for ALL workers,” which means that it “does not destroy but preserves and creates good quality jobs” and that it is “anticipated, managed and negotiated with workers for every aspect that concerns them”. Taking stock of the past half a decade, **what is the situation in Italy?**

ITALY: Key green and digital transition indicators



Data source: Eurostat, S&P Global Mobility

The graphs above showcase key developments for the green and digital transition in Spain in comparison to the overall EU trajectory, using the latest data available:

- Less than a fifth of energy consumed in Italy came from renewable sources in 2024. The shift to renewables is much slower than in the EU overall. Italian industry remains heavily dependent on fossil fuels, and especially natural gas.
- Italy’s automotive industry is facing serious difficulties, with production volumes dropping by 35% between 2019 and 2024, according to OICA. The transition to electric vehicles is also relatively slow, with the share of battery electric vehicles in total production remaining far below the EU average.

The use of Artificial Intelligence is advancing slower than in the EU on average. It is nonetheless significant that the figure has doubled in just two years.

- Digitalization in general is moving very fast in Italy, with almost 36% of manufacturing companies already having a high and very high digital intensity.
- Somewhat paradoxically, technological advance has not been accompanied by a higher share of employees in high- and medium-tech manufacturing, which has in fact shrunk marginally. Italy has significant “low-tech” manufacturing sectors such as food or wearing apparel, which have had a positive employment trajectory since 2019.
- The slightly shrinking share of manufacturing in total employment is not due to a decline of overall manufacturing, which in fact added 132 thousand jobs between 2019 and 2024.
- Despite this increase in employment, volumes have declined visibly in recent years, especially in manufacturing sectors impacted by the green transition. Significant sectors such as paper products, chemicals, steel and automotive appear to have structurally lost volume. Moreover, Italian trade unions signalled a slowdown in investments related to the green transition due to economic difficulties and overall uncertainty.

ITALY: Key developments in collective bargaining and social dialogue related to the twin transition



In Italy, there are **joint trade union-employer sectoral observatories**, which function as forums for social dialogue dealing both with national and company-level issues. Overall, Italy has historically had strong collective bargaining and social dialogue institutions that should make it well prepared to deal with the green and digital transitions in a just manner. New institutions are also being set up to handle the new challenges: two 2025 agreements covering the chemical, pharmaceutical and energy sectors stipulate, among other things, the creation of a new “joint national body on training”



The green transition, the digital transition, and AI were introduced in national collective agreements. Regarding digital technologies, all agreements provide for the consultation of trade unions and workers on data security and management, in accordance with European and national regulations.



In cases involving the introduction of new digital technologies and AI, the right to advanced notice was introduced in agreements in the chemical-pharmaceutical, electrical, gas, and oil sectors, as well as in various manufacturing sectors. In the chemical-pharmaceutical, electrical, and oil sectors, agreements also stipulate worker consultation on training, skills, and job profiles. The most advanced agreement on these issues is that of the chemical-pharmaceutical sector.



Developments have been less positive for the green transition. Trade unions have managed to secure the right to information, but not genuine consultation on industrial decisions, even if in some cases, such as basic chemicals, the transition involves an outright closure of production capacities and not a transition to more sustainable technologies.



Trade unions emphasize that the transitions have so far been far from just and that overall there is no genuine worker involvement in the transformation. Key aspects such as training are proceeding slowly and unevenly across sectors, despite rights secured in agreements. Employment is visibly shrinking in some sectors, and not enough new-tech jobs are created. Moreover, wages and working hours do not reflect significant productivity gains.