



Scenarios for Italy in 2030 and 2050

Sustainable investments and policies in an unstable world



Spring Report 2026

Summary of the Report

Despite the climate of uncertainty and conflict in which we live and the continuing attacks on sustainability policies, **Italian society remains strongly in favour of implementing the 2030 Agenda**: indeed, 90% of students and families, as well as 85% of the business community, consider the 17 Sustainable Development Goals (SDGs) important or very important. Similarly, Istat certifies that **companies that invest seriously in sustainability improve their productivity and competitiveness compared with others**: in agriculture, market-oriented farms and those using renewable energy are more likely to adopt organic practices. Manufacturing companies with a high sustainability profile recorded a growth differential of more than 16% compared with those less committed to this issue, all other conditions being equal. Of course, **the impact of sustainability on productivity varies by sector**, with higher values in the food, beverages and tobacco industries, in textiles, clothing and footwear, and in the manufacture of chemical and pharmaceutical products. The Tagliacarne Institute also shows that **between 2017 and 2024 revenues rose by 65% for High-ESG (Environment, Social, Governance - ESG) companies compared with 55% for Low-ESG companies**; dependent employment increased by 40% and 28% respectively; and tangible and intangible investment rose by 29% and 167% for High-ESG companies, compared with increases of 27% and 97% for Low-ESG companies. In short, sustainability pays off, including from an economic standpoint. Sustainable finance also continues to grow: **Italian pension operators that have made sustainable investments rose from 79 in 2024 to 95 in 2025**; **banking foundations including ESG criteria rose from 31 to 34** and, in 65% of cases, state that they intend to increase the share of assets invested sustainably; **in 2025 almost all insurance companies integrated ESG criteria into their investment policies**, and 82% also included those criteria in their risk-underwriting policies, a marked increase compared with previous years.

Despite these data, published (together with many others) for the first time in this “Spring Report 2026”, **we are witnessing, including in Italy, continuous attacks on policies in favour of “integral” sustainable development** (that is, economic, social, environmental and institutional development) and of the ecological transition. After officially withdrawing the United States from the 2030 Agenda, the Trump Administration intensified its attacks on renewable energy, but also on international organisations, and on the United Nations in particular. **Military operations against Iran by Israel and the United States destabilised the entire Middle East region and the world economy**, with extremely serious damage in terms of human lives and levels of economic activity. The expectations of economic operators have worsened, as have those of central banks, which are ready to prevent a new inflationary flare-up caused by reduced fuel availability and higher costs. The same applies to fertilisers and other raw materials from the Middle East region.

At global level, a strongly antagonistic logic among geopolitical areas is now asserting itself, in the name of the “multipolarism without multilateralism” referred to in the World Economic Forum’s “Global Risk Report 2026”. The report identifies geoeconomic confrontation, based on the use of economic wars and weapons to obtain strategic advantages, as the highest risk over the next two years, while **over ten years the risks mainly stem from the climate/environmental crisis and technological acceleration**, phenomena destined to create cascading effects across all human systems. At European level, **a narrative has intensified that seeks to portray environmental and social sustainability issues as now “out of fashion” in favour of other priorities** such as defence, the spread of Artificial Intelligence (AI), competitiveness at all costs, the removal of constraints on private economic initiative in the name of simplification, and individual security. Continuous attempts to dismantle the European Green Deal are evident both in the European Council and in the European Parliament. The result is a set of highly contradictory decisions that damage the companies most committed to sustainability, but do not amount to the total abandonment of the policies defined during the previous European legislature that some political forces would like.

The facts briefly recalled here give the impression that someone is waging a real “war on the future”, whose objectives appear completely incomprehensible, but whose effects are and will be devastating, especially for the poorest people, as well as for the environment. **Yet precisely the enormity of what is happening is stimulating reactions of “rejection” of such policies in various parts of the world, and especially in Europe**. For example, on our continent everyone now says that the new energy crisis must **accelerate the transition towards renewable energy**, including those who obstructed it for years in the

name of a reaction against the so-called “green ideology”; **new and stronger forms of cooperative governance are being proposed** to overcome the fragmentation and weaknesses of the European Union (for example, overcoming unanimity in European Council decisions on crucial issues, after years in which such proposals were criticised as “transfers of sovereignty to Brussels bureaucrats”). **Companies around the world are increasingly moving towards the energy and ecological transition**, seeking to exploit the new technologies available; this trend is also being followed by emerging countries more for economic convenience than for environmental reasons. **The role of democratic rules and the balance between the different powers of the State are being rediscovered, especially among younger generations**, in the face of authoritarian trends that are emerging even in countries historically regarded as “cradles” of democracy. **New forms of international cooperation**, including within existing organisations and forums, are emerging on specific issues among “willing” countries, beyond traditional geopolitical divisions and despite those who exclude themselves from such initiatives.

In short, the future is not written. This Report not only accounts for these phenomena, but shows, with unpublished data and original analyses based on scientifically grounded models, that reforms and investments for sustainable development are the best response to the global instability in which we live, including for Europe and Italy. The forecasts and simulations for Italy in 2030 and 2050 show, on the one hand, the serious risk of “missing” most of the SDGs and, on the other, the very significant positive impact on overall well-being that well-coordinated policies in the fields of decarbonisation and technological and social innovation could generate. These are important findings also in view of the update of the National Sustainable Development Strategy expected by the end of this year.

In last year’s Report we wrote that “sustainability pays off, including economically, and the choice of decarbonisation and the circular economy offers our country a major opportunity for: greater autonomy and lower energy costs; higher competitiveness (also indispensable for reacting to tariffs and trade wars), profitability and financial solidity of companies; greater development and social equity; and an improved public-finance position”. These are arguments we are hearing repeated also in these weeks, marked by the new energy shock, including by those who, a year ago, were talking about something quite different. **Well, we reaffirm with conviction that we are not condemned to “go round in circles”, crushed by a dramatic feeling of déjà vu similar to that experienced by the protagonist of the film “Groundhog Day”, forced to relive the same experiences every day. We believe that a well-designed set of reforms and investments can change the future of our country, even in a relatively short time.**

But this requires a reality check such as the one we propose here; it requires mobilising a broad set of ideas and concrete proposals, such as those contained in the Alliance’s Reports; it requires adopting a truly strategic approach to public policies, such as the one described in the final chapter. Above all, **it requires developing a “vision of the future” for our country in line with the values and objectives of the 2030 Agenda.** The hope is that during this year political forces will listen to civil society and develop serious and realistic proposals for reforms and investments capable of accelerating Italy’s path towards sustainable development, to be submitted to voters in the elections expected in 2027.

The international and European context: contradictions and new commitments

Referring readers to the ASviS Report 2025 for an exhaustive analysis of sustainable development at global and European level, recent months have seen geopolitical tensions intensify and signs of the social, environmental, economic and institutional unsustainability that characterises this historical phase grow. For example, the Global Inequality Report, presented at the G20 held in South Africa in November 2025, stresses that **a world that tolerates ever-widening inequality cannot hope to achieve lasting peace, prosperity or sustainability.** Inequality is one of the world’s most urgent concerns and generates many other problems in economies, societies and politics, including humanity’s ability to address planetary challenges. **The concentration of income and wealth in the hands of the few has led to an extreme concentration of economic and political power, with negative consequences for society.** On the other hand, the greater fragility of so many people’s lives is fuelling a **widespread sense of injustice, causing frustration and resentment that undermine social and political cohesion and reduce trust in authorities and institutions.**

According to the State of the World Climate 2025, published at the beginning of this year, in **2024 the atmospheric concentration of carbon dioxide reached its highest level in the last two million years, while methane and nitrous oxide levels reached their highest levels in the last 800 years**. The annual increase in carbon dioxide concentration in 2024 was the largest since modern measurements began in 1957. **Data from individual locations show that levels of these three main greenhouse gases continued to rise in 2025 as well**. At the same time, the Global Water Bankruptcy Report clearly shows that the world has entered a new critical phase, rightly described as “global water bankruptcy”. **In many areas of the planet, water systems have crossed irreversible sustainability thresholds**, making traditional concepts such as “water stress” or “water crisis” inadequate to describe the current situation. In many contexts, excessive and prolonged use of water resources far exceeds their capacity to regenerate.

In 2025, ocean heat content reached the highest level recorded in 66 years of observations, surpassing the previous record set in 2024. Over the past nine years, each year has set a new record for ocean heat content, and in the last two decades the rate of ocean warming has been more than double that observed in 1960-2005. **Glaciers continue to erode in parallel**: in 2025, the annual average extent of Arctic sea ice was the lowest (or the second lowest, depending on the measurements) ever recorded in the satellite-observation era, while Antarctic sea-ice extent was the third lowest after 2023 and 2024.

In the face of these phenomena, the international community does not seem capable of forcefully returning to cooperation within consolidated systems of multilateral governance. At the same time, interesting signs are emerging of “variable-geometry” diplomatic activism based on initiatives by groups of countries, especially medium-sized ones, in the spirit expressed in Davos by Canadian Prime Minister Mark Carney. He invited “middle” powers such as his own (and Italy too) to work together to counter the rise of strong powers and rivalries among great powers, **with the aim of building a more cooperative and resilient world through “values-based realism”**: that is, respect for human rights, sustainable development, solidarity, sovereignty and the territorial integrity of States - in practice, the same values as the founding acts of the United Nations.

Despite what daily news reports show us in terms of political and commercial conflicts, the first chapter of the Report recalls the various acts adopted, including last year, by the majority of world leaders in multilateral settings, confirming their willingness to support global institutions as well as the principles of international law. **Consider the South African G20, whose title was “Solidarity, Equality and Sustainability”**, or the first international conference organised by the governments of Colombia and the Netherlands to agree on a **roadmap for phasing out fossil fuels in a fair, orderly and equitable way**, in line with the climate goals of the Paris Agreement. These initiatives can represent decisive leverage points for action and offer public opinion and different societies tools to push those who have signed international agreements to fully accept their consequences.

In recent months the European Union has shown contradictory behaviour and orientations. The Report recalls the positions taken by European leaders explicitly in favour of actions to strengthen multilateralism and pursue the Goals of the 2030 Agenda. For example, **in its broad strategic acts the EU reaffirmed all the commitments already made to advance the 2030 Agenda and the Pact for the Future**. Commitments to fight climate change have also been confirmed, although confirmation of the target of cutting emissions by 90% by 2040 (compared with 1990), through the integration of the European Climate Law, risks being weakened by the persistent action of some political forces opposed to the energy and ecological transition, reflected in decisions taken on specific issues.

Within the initiatives of the “Competitiveness Compass” and the associated “Clean Energy Deal”, **measures for decarbonisation, for improving the affordability of energy and for strengthening the circular economy were also reiterated**, as were the vision for 2040 and beyond for agriculture and the Water Resilience Strategy. All these elements are considered structural conditions for the Union’s competitiveness and economic resilience, including from the perspective of security and so-called “open strategic autonomy”. Through the Seville Commitment on financing for development, **EU States declared their intention to adopt financial-regulation systems for sustainability**, only then to introduce, through the “Omnibus Packages”, simplifications in sustainability reporting systems that even the European Central Bank considers counterproductive.

With regard to Action 6 of the Pact for the Future on **migration policies**, a clear critical issue emerges in relation to the European (and Italian) policies adopted or being adopted. On the resolution voted by a majority of the UN General Assembly on the “protection of migrants” on 18 December 2025, European countries voted in a differentiated way, with abstentions prevailing. Moreover, in the 2025 Report of the European Union Agency for Fundamental Rights, among the main negative findings concerning European policies it is stated that **“the deaths of thousands of people at sea and allegations of ill-treatment at borders are alarming with regard to the treatment of asylum seekers and migrants. These trends threaten democratic values and equality”**.

Finally, by approving letter (c) of Action 13 of the Pact for the Future, **European leaders committed themselves to “ensure that military spending does not compromise investments in sustainable development and the building of lasting peace”**. Yet this assessment does not appear ever to have been carried out either at European level, with the initiatives framed in the European Commission’s White Paper on Defence, or at national level. Moreover, **the rearmament programmes decided within NATO and the EU in 2025 do not even seem compatible with Action 26 of the Pact, which promises respect for disarmament obligations and commitments.**

Referring readers to Chapter 1 for an analysis of recent developments in European legislation, **it is worth noting the Commission’s adoption of the European Strategy for Intergenerational Justice**. The preamble to the 1945 United Nations Charter, considered the conceptual basis for the “Declaration on Future Generations” annexed to the 2024 Pact for the Future, also guided the drafting of the Strategy. The Strategy is based on the awareness that **safeguarding peace, human rights and the planet, while improving the well-being prospects of future generations, is part of Europe’s identity, values and long-term strategic interests**. It aims to represent a paradigm shift in European policies: rethinking the way decisions are taken by placing responsibility towards the future at the centre. From this perspective, **generations are no longer seen as bearers of opposing interests, but as part of an interdependent system** in which everyone’s well-being also depends on the conditions of others, and in which progress and sustainability move together.

National policies for sustainable development: a disappointing picture that jeopardises the possibility of achieving most of the Goals of the 2030 Agenda

The rules approved or under discussion in recent months confirm the adoption of an approach made up of fragmented interventions that do not allow Italy’s path towards implementing the 2030 Agenda to accelerate. Nor have the instruments of the 2022 NSDS and the related Action Programme for Policy Coherence for Sustainable Development (PAN PCSD) been activated. **This has prevented real coordination among the choices made in the Medium-Term Structural Budget Plan (SBP) approved in 2024, the Budget Laws and the actions identified as necessary by the 2022 National Sustainable Development Strategy**. Among the good news, the approval of Law No. 167 of 10 November 2025 is particularly significant: as proposed by ASviS in previous years, it introduces the **Generational Impact Assessment (GIA) and the Gender Impact Assessment (GIA-Gender)**.

With regard to social policies, some limited new progress can be observed, but also several setbacks. Moreover, the MEF’s Public Finance Planning Document of last September already projected, for 2026-2028, the **persistence of poverty at high levels, as well as stable inequality between rich and poor**, with budgetary policies having little impact. The most significant measure in the 2026 Budget Law (BL) for fighting poverty (Goal 1) concerns the **Inclusion Allowance (ADI)**, which includes two significant innovations: the elimination of the one-month suspension after the first 18 months of payment and after each renewal (the benefit continues to have a maximum duration of 18 months and is renewable for 12 months, while the first monthly payment of the renewal equals 50% of the amount due). Although the elimination of discontinuity in receiving the ADI between consecutive payment cycles should be viewed positively, the choice to halve the first monthly payment of the renewal raises serious concerns: from 2026 it is expected to negatively affect 350,000-400,000 households.

The IRPEF cut for incomes between 28,000 and 50,000 euros is positive. The measure's merit lies in greater protection for working families (Goal 10), especially where the presence of young children or children with disabilities entails high indirect costs. On the other hand, these measures help more those who already have a regular job and active protections, and reach less the poorest families, those with discontinuous jobs or precarious employment - precisely those most exposed to the risk of exclusion.

What is missing, however, is real integration between labour policies and the design of a new model of sustainable economic development. Without this integrated vision, work risks being considered mainly as a cost to be contained, rather than as a strategic lever for more sustainable and inclusive economic development. On the important issue of territorial inequalities, **the enabling law currently under discussion on the determination of Essential Levels of Services (LEPs) relating to civil and social rights throughout the national territory risks crystallising existing inequalities.**

The BL aims to **stimulate greater productivity, quality, exports and resilience in the Italian agri-food system** (Goal 2) in the face of major geopolitical uncertainty. While appreciating the direction taken, the limited scale of the interventions does not appear capable of changing the underlying trajectories of a sector that is not very remunerative economically and has limited generational turnover. As regards health (Goal 3), despite the higher funding envisaged by the BL, **the National Health Service maintains structural weaknesses that require further intervention, especially in terms of staff numbers and territorial accessibility.**

For the education sector (Goal 4), the BL contains numerous provisions that are mainly targeted and sectoral, rather than aimed at intervening systemically in its well-known critical issues. An exception is the important intervention concerning school inclusion: **a new LEP is introduced to guarantee assistance for the autonomy and communication of students with disabilities.** On paper, the measure is an important step, but its full implementation will require strong and far from guaranteed cooperation among the State, regions and local authorities, as well as adequate financial resources.

The **2026 BL contains numerous measures relating to gender equality** (Goal 5), but many of them are incentives or targeted transfers and do not form an organic strategy, a structural proposal based on services, territorial standards and impact monitoring. Measures in favour of parenting and work-life balance are partly acceptable, but often remain aimed at narrow groups (in particular, mothers with two or more children and households with at least three children). **Attention to female employment continues to be read mainly through the lens of motherhood.**

Measures to counter the water crisis (Goal 6), while appreciable, do not structurally affect a phenomenon destined to increase in the future as a result of climate change and ineffective management of the resource and of crises. By contrast, the adoption of the "2025 excerpt" of the National Plan for Infrastructure Interventions and Security in the Water Sector (PNIISSI), within the new programming system established by the reform carried out under the NRRP, is positive.

While energy policy (Goal 7) is increasingly at the centre of public debate, including in relation to the geopolitical crisis and ongoing conflicts, it should be stressed that **the rules approved over the last three years have significantly slowed the process of ecological transition and decarbonisation** (Goal 13). Overall, the lack of an organic strategy for the ecological transition and the limited attention paid to the industrial policies needed to accompany the decarbonisation of the economy and the strengthening of the circular economy, as originally configured by the European Green Deal, **place Italy in a severely disadvantaged position compared with its European partners, negatively affecting the competitiveness of the industrial system and the well-being of families.** On innovation (Goal 9), the BL introduces and refines several funds (such as those linked to digital platforms or structural interventions), creating financial space for technological innovation.

At the same time, despite important innovations in environmental policies, such as the implementation of the Nature Restoration Regulation (NRL), the choices made with the BL confirm **a serious underestimation of the fundamental importance of restoring ecosystems** (Goals 14 and 15) for the economic resilience of territories: the proposed regulatory measures do not provide any financial allocation for implementing the Regulation or tools for integration with the different strategic and regulatory frameworks already in place.

Also worth noting are the risks of unconstitutionality arising from the possible excess of delegation to the Government in the new Building and Construction Code, with particular reference to rules for simplifying authorisation procedures and protecting landscapes, cultural heritage, and the management of seismic and hydrogeological risks.

As regards peace and the quality of institutions, **the BL provides for a significant increase in military spending, with more than one billion euros more allocated to weapons and defence.** The Ministry of Defence budget will thus reach 32.4 billion euros, marking a 64% increase compared with 2017. **The failure of the justice reform, rejected by the popular referendum, has made the political climate incandescent, with strong tensions also over the management of migration flows and security,** areas in which the Government has adopted measures strongly criticised by many civil-society organisations. Finally, but no less importantly, with respect to Partnerships (Goal 17), **the framework of Italian Official Development Assistance (ODA) emerging from the BL repeats most of the contradictions and limits noted in previous years.** In addition to remaining far from the target of 0.7% of Gross National Income, development-cooperation funds suffer an overall cut of 163 million euros over 2026-2028.

Italian households and businesses confirm their choice for sustainable development

As regards Italy, previous ASviS Reports have addressed the **false dilemma between competitiveness and sustainability,** clearly highlighted by data produced by official statistical sources and by scenarios developed in collaboration with Oxford Analytics. **This Report presents new evidence on these issues,** starting with the recent survey of Italians conducted by Ipsos for ASviS on the themes of the 2030 Agenda, whose results confirm strong public support for policies that address the different dimensions of sustainability.

Awareness of the 2030 Agenda is growing compared with 2022: more than two people in three (73%) have at least heard of it, and 38% say they know it well or broadly. Knowledge is more widespread among students, graduates and business leaders. **Ninety per cent of students and families, as well as 85% of the business community, consider the 2030 Agenda important or very important.** Thirty-five per cent of people do not identify one priority among the four dimensions of the 2030 Agenda (environmental, social, economic and institutional), but believe it necessary to proceed simultaneously on all of them, although **health and well-being (Goal 3) is considered the most important Goal, followed by combating climate change (Goal 13), protecting terrestrial biodiversity (Goal 15) and fighting hunger (Goal 2).** Between 2022 and 2025 the theme of peace, justice and strong institutions (Goal 16) rises from eighth to fifth place.

In recent years the emphasis on environmental sustainability has decreased: today only 25% consider the environmental dimension a priority, compared with 36% in 2022. **By contrast, the share of people who attach greater importance to social issues (19%) or economic issues (16%) has risen by four percentage points,** with attention to the social dimension particularly high among students (27%). Most people (71%) say they are very or fairly willing to revise their lifestyle to make it more sustainable, **but the majority (57%) believe that the public sector should contribute more to implementing the 2030 Agenda,** an idea shared by the business community (64%). Finally, **the amendment of Articles 9 and 41 of the Italian Constitution, approved in 2022, is still not very well known:** only one person in three is aware of it, but 85% of people say they fully or fairly agree with the changes introduced by the reform, with broad support among pensioners.

The new evidence produced by Istat on the behaviour of farms and manufacturing companies on sustainability issues clearly shows the competitive advantages for economic actors that invest in the energy and ecological transition. In the agricultural sector, it is clear that producing and adopting renewable energy is not only a sustainable choice but also a concrete economic opportunity. In particular, among the factors that favour or hinder the adoption of organic farming practices, particular relevance is attached to the farm's economic orientation, tillage practices, use of renewable energy, farm size (expressed in terms of utilised agricultural area) and territorial location.

According to Istat data, among manufacturing companies with more than 10 employees, **belonging to a "high" sustainability profile increases the value added of growing companies (about two thirds of the total) by 16.7% compared with companies with a low sustainability profile,** while the "medium" profile

produces a differential impact of 5.2% compared with the latter. Unfortunately, with reference to 2022, manufacturing companies with a low sustainability profile represented 56.7% of the total, those with a medium profile 36.2%, and those with a high profile only 7.1%.

As already noted, **the impact of environmental sustainability on productivity varies significantly across sectors**. In particular, in the food, beverages and tobacco industries, textiles, clothing and footwear, and the manufacture of chemical and pharmaceutical products, the significant role of more structured environmental strategies - based on the use of renewable sources, energy efficiency and dedicated investments - in helping reduce costs and, in the short term, improve productivity is confirmed. Within these sectors, however, some differences emerge: **in food, beverages and tobacco and in the manufacture of chemical and pharmaceutical products, medium-intensity actions are also significant**, with an impact above the sector average; by contrast, **in textiles, clothing and footwear only high-intensity actions are relevant**. In machinery and in the manufacture of motor vehicles and other transport equipment, the effect of environmental sustainability is positive and significant, but smaller than for manufacturing overall. **In particular, the machinery sector shows the most limited impact and only high-intensity actions are significant**. In the case of fabricated metal products, however, environmental-sustainability actions, whether high or medium intensity, are not significant compared with the low level.

Similar results emerge from analyses carried out by the Tagliacarne Institute, comparing the stronger performance of companies highly committed to strategies guided by Environment, Social and Governance (ESG) criteria, in terms of productivity and competitiveness, including internationally, with those with low ESG propensity. **In 2024, compared with 2017, revenues increased by 65% for High-ESG companies compared with 55% for Low-ESG companies**, while dependent employment grew by 40% and 28% respectively. This “ESG effect” is even larger when considering tangible and intangible fixed assets, which grew by 49% and 167% respectively for High-ESG companies, compared with much more moderate increases for Low-ESG companies (+27% and +97%). These results confirm, including in the most recent context, **that sustainability-oriented strategies are often integrated into broader growth paths, not only profit-driven but also capable of generating positive effects on employment**.

Forty-two per cent of High-ESG companies expect turnover to increase in 2026, twice the 21% recorded among Low-ESG companies. The same applies to expectations regarding the evolution of employees in 2026, expected to rise by 25% of High-ESG companies and only 10% of Low-ESG companies. Moreover, **this “ESG effect” on growth expectations occurs both among small firms and among medium-large firms**, which means that the advantages of the ESG choice do not necessarily require an increase in size in order to positively affect a company’s competitiveness. **The different performance between High-ESG and Low-ESG companies is also found among family businesses, but in this case the presence of external managers is decisive**: among family-owned companies with family managers there is a low share of High-ESG companies (32%), compared with the same family-owned companies with external managers, where High-ESG companies account for 54%. This delay in family management is also confirmed when company size is taken into account.

Similarly, data on sustainable finance show that this trend continues to develop, despite choices made by US-based operators under pressure from the Trump Administration. **Data produced by the Sustainable Finance Forum indicate that sustainability remains strategic for investors**: in the last two years, outflows from sustainable investment funds have been contained and financial operators are not retreating from ESG criteria, which are considered a key tool for effective risk management and value creation in the medium to long term, especially in relation to goals linked to the energy transition and climate resilience, also touching on those dedicated to responsible innovation (Goal 9) and inclusive economic growth.

In Italy, **pension operators that have made sustainable investments rose from 79 in 2024 to 95 in 2025**, and those extending them to a share between 75% and 100% of their assets rose from 53 to 66. **Banking foundations also confirm growing commitment**: those including ESG criteria rose from 31 in 2024 to 34 in 2025 and, in 65% of cases, state their intention to increase the share of assets invested sustainably. A particularly significant signal comes from the insurance sector: **in 2025 almost all insurance companies included in the sample (99.7%) integrated ESG criteria into their investment policies**, applying them to a portfolio share between 75% and 100%. In addition, 82% included those criteria also in risk-underwriting policies, a marked increase compared with previous years.

According to a survey of institutional investors conducted at the end of 2025 by the Morgan Stanley Institute for Sustainable Investing, **86% of asset owners and 79% of asset managers expect to increase the volumes invested sustainably over the next two years.** Looking at the financial choices of individual investors globally, **88% of them are interested in sustainable investments, with peaks of 97% and 99% among Millennials and Gen Z respectively.** This is an important signal, since growing demand for sustainable financial products can amplify the private sector's impact in achieving the SDGs, particularly those relating to sustainable cities, the protection of natural resources and decarbonisation.

According to Morningstar, in 2025 **the global assets of sustainable investment funds exceeded 3.9 trillion dollars: since the end of 2018, assets have grown more than sixfold.** This positive trend is connected to various dynamics: growing investor interest in sustainability issues, favourable regulations - especially European ones - improvements in the quality and availability of ESG data, and product innovation. According to LSEG data reported in the Report by the World Economic Forum, **between 2020 and 2024 the green revenues of globally listed companies grew by an average of 12% per year, compared with 6% for conventional revenues.** Companies with a share of green revenues exceeding 50% obtained market valuations 12-15% higher than non-green companies.

Relevant indications also emerge on the credit-risk front. CRIF's ESG Outlook 2025 shows that **loans to companies strongly committed to ESG have a default rate about 25% lower than the average.** In credit terms, in 2024 about 39% of loans to SMEs were granted to companies with good levels of sustainability, while about 76% of loans to large companies concerned firms characterised by a high level of ESG-factor integration. **The integration of ESG factors into corporate choices is therefore confirmed as a useful tool for improving risk profile and access to capital.**

If Italian companies feel strongly and urgently the need to move towards a more sustainable economic model, at the end of 2025 **the ten business associations** gathered in ASviS's cross-cutting Working Group for implementing the "Milan Pact" signed in 2017 published a Position Paper highlighting **action priorities and critical issues to address in four particularly important areas: climate change (adaptation and mitigation); access to energy and resources; development of skills to manage the transition within companies; and access to financial instruments that facilitate the transition.** In brief, the signatory organisations share the objective of making the sustainable transition more inclusive and concrete, overcoming current barriers and building a stable, accessible regulatory framework capable of valuing the contribution of all economic actors, starting from micro, small and medium-sized enterprises. Among the requests put forward to accelerate this transition are: **specific incentives for energy-intensive sectors** that could help high-energy-intensity companies bear the costs of ecological transitions, although their financing must come from general taxation; for micro, small and medium-sized enterprises, also by revising how energy prices are set, **reform of the electricity bill** could lighten the impact of parafiscal charges on energy costs and free up precious resources to reinvest in processes.

The revision of the National Sustainable Development Strategy, the new Structural Budget Plan and the future Multiannual Financial Framework of the European Union: unique opportunities to design Italy's future

In the condition of high uncertainty in which this Report is published, both geopolitically and economically because of the new energy shock triggered by the war in the Middle East, an evident paradox cannot be ignored: on the one hand, public opinion focuses its attention on the chronicle of the conflict and on the effects it is producing and will produce in the future; on the other, there is constant invocation of the need for Italy and the European Union to give themselves "a strategy" for the future - politically, energetically, industrially and economically - without, however, examining in depth the features that such a strategy should assume. Political debate, for its part, is focused on the emergency and not on structural interventions capable of reducing vulnerability and dependence on fossil fuels and increasing our country's resilience to future shocks, as Next Generation EU was designed to do by tracing new trajectories for the future of Italy and the European Union.

In reality, in light of the political deadlines of the next two years, both nationally and at European level, it would be possible to use the 2026-2027 two-year period to profoundly change the orientation and content of public policies. In fact:

- in the first half of this year, the third Voluntary National Review (VNR) on progress towards the SDGs is expected to be prepared, ahead of its presentation at the United Nations High-Level Political Forum in July;
- in the second half of 2026, the National Sustainable Development Strategy (NSDS) is expected to be revised;
- in the first part of 2027, the Transformative Acceleration Plan (TAP) should be prepared, aimed at closing the many gaps with respect to the Goals of the 2030 Agenda, a plan which the Italian Government committed to define in September 2023 during the dedicated Summit at the United Nations;
- in the second half of 2027, after the expected political elections, Italy has the possibility (in compliance with the new rules of the Stability Pact agreed in 2024) to revise its Structural Budget Plan (SBP) for 2028-2032, indicating not only the trajectories of public spending, deficit and debt, but also the investments and reforms designed to make the country's development more sustainable, also in light of the European Multiannual Financial Framework for the 2028-2034 cycle.

This process must start with a “reality check” with respect to the 2030 Agenda. The picture described by the available data and summarised through the composite indicators developed by ASviS **confirms not only the limited improvement recorded for many SDGs since 2010, but also the worsening of our country with reference to as many as six Goals out of 17:** poverty; the condition of water and socio-sanitary systems; inequalities; the condition of terrestrial ecosystems; quality of governance; and partnership practices. On the other hand, based on the trends recorded so far and the forecasts produced by Prometeia for this Report, **22 out of 38 quantitative objectives analysed do not appear achievable.** These include: the share of graduates in the population aged 25-34 (31.6% in 2024 and 34.6% in 2030), the employment rate (67.6% in 2025 and 71.2% in 2030), the gender employment ratio (74.7% in 2024 and 77.1% in 2030), and the share of energy from renewable sources (19.6% in 2023 and 29.4% in 2030).

Even looking at forecasts for other phenomena for which no quantitative objectives are specified (for example, life expectancy, currently 83.4 years in 2024 and expected to be 83.8 years in 2030), **Italy in 2030 would not be very different from today's Italy or from Italy of 2015,** when the 2030 Agenda was signed. Therefore, in order to achieve economic growth beyond “zero point something”, bring about a radical improvement in the quality of work and in the availability of jobs aligned with people's expectations (security and duration, wage levels commensurate with skills and family needs, gender equality), restore adequate environmental and ecosystem conditions, reduce climate-altering emissions, and so on - **in short, to move significantly closer to the Goals of the 2030 Agenda - it is necessary to equip ourselves with a National Sustainable Development Strategy characterised by clear elements of discontinuity compared with what has been observed over the last decade.**

A further element to consider in designing the new Strategy concerns the **choice of quantitative objectives.** Looking at the 55 indicators included in the 2022 version, **it is essential to significantly expand this set** in order to allow for a more integrated view of the different issues, also in light of the experience gained with the NRRP. In particular, the research carried out by ASviS on the impact of the NRRP on the different Goals of the 2030 Agenda makes it clear that many of the investments made in 2021-2026 are intended to improve our country's conditions in dimensions not considered by the quantitative objectives.

The new Strategy must also place the issue of gender inequalities at its centre. In the 2030 Agenda this issue is explicitly addressed in Goal 5, but in reality gender should be considered a cross-cutting issue that must permeate the other Goals as well, because achieving gender equality and “the empowerment (greater strength, self-esteem and awareness) of all women and girls” produces benefits across many other dimensions of sustainable development: think, for example, of poverty, education, health, employment and income, and governance, where gender inequalities cause unacceptable fractures in terms of both opportunities and outcomes. Indeed, if the motto of the 2030 Agenda is “leave no one behind”, in practice **it is women who are systematically left behind in many, if not all, of its dimensions.**

This Report clearly illustrates the delays that characterise our country with respect to gender inequalities. For this reason, the new Strategy must be developed taking into account both the **European Commission's Gender Equality Strategy 2026-2030**, approved in March of this year, and the provisions of the recent Law No. 167/2025, which makes not only the generational impact assessment (GIA) but also the gender impact assessment (GIA-Gender) of new laws mandatory. In other words, **the actions that will be included in the 2026 NSDS must also be assessed in advance for their gender impact, and that assessment must be made explicit transparently.**

Another aspect that must be placed at the centre of the new Strategy concerns energy policy. Also in light of the current energy crisis, Italy should definitively learn that it **must invest to achieve a rapid expansion of photovoltaics and wind power, together with strengthening hydropower by increasing reservoir capacity (also to cope with climate change), electrifying final uses, digitally assisted energy saving, and the rapid development of storage systems, smart grids and self-consumption.** In particular, it is necessary to accelerate the development of energy-storage systems because the increase in production from renewable sources makes the capacity to store energy at moments of higher production and release it when demand is higher increasingly central, without having to depend on more expensive and polluting sources during peak hours, with negative consequences for final prices. **At the same time, the National Integrated Energy and Climate Plan (NECP) approved in summer 2024 must obviously be revised;** ASviS judged it inadequate and insufficient from the presentation of the initial draft in 2023.

Analyses of the 2050 scenarios developed with the Euro-Mediterranean Centre on Climate Change (CMCC) clearly show the costs and benefits of alternative policies oriented towards decarbonisation, digital innovation, strengthening human capital and stimulating youth and female employment. The simulations show clearly that, in the “trend” scenario, Italy in 2050 will be quite similar to today, with only a very limited increase in the overall well-being index, also compared with its main European partners. By contrast, **innovative policies in the various sectors can significantly change the country's future,** especially if conducted simultaneously and not in an uncoordinated way. In that case, indeed, there would be a considerable improvement in the overall ASDI index (+15%), with increases in the country's performance of 65% for the economic pillar, 3.3% for the social pillar and 4.4% for the environmental pillar.

It is interesting to observe that **the four policies described in the Report** (which do not represent ASviS's comprehensive “proposal” for the country's future, but only an original analytical contribution) **do not manage to mitigate the worsening performance of some SDGs, in particular the one concerning the condition of water resources (SDG 6).** With all supply-side policies, the worsening of the country's water condition appears significant, especially in the case of the policy centred on digitalisation. Similarly, the strong push from the latter in terms of activity levels worsens emissions in the industrial sector, even though the decarbonisation targets under the Paris Agreement are achieved overall. It is also significant that **the push towards digitalisation, without compensatory fiscal policies, tends to worsen inequalities, and income distribution in particular.**

These results underline the **need for careful planning of public policies, and therefore the need to adopt the policy-coherence approach (PAN PCSD) already introduced in the 2022 NSDS but never applied in practice.** Policies are not simply additive: they can interact negatively, as in the case of growth pursued without adequate environmental measures, or generate important synergies, for example when an environmental tax reduces emissions and produces revenue that, if appropriately reinvested, helps improve some economic and social indicators. In a context characterised by such complexity, it is therefore essential to adopt a holistic vision, conceiving policies as integrated packages designed coherently to maximise their effectiveness and efficiency.

The chapter dedicated to national policies also describes a synthesis of the work carried out by ASviS on the expected impact of the NRRP on the SDGs. Assuming that the measures contained in the Plan are implemented, the research shows their impact on the different Italian territories, as well as the distance from the objectives set by the National Sustainable Development Strategy and by European regulations. Analytically, it confirms that a working model for political authorities and public administrations based on evaluating measures both ex ante and ex post (as happened with the NRRP) can also be positively adopted for ordinary policies financed by national and European sources. Consequently, this approach should be explicitly recalled by the next National Sustainable Development Strategy.

Finally, but no less importantly, the new Strategy must assume the dimension of intergenerational justice as indispensable. **This has been recognised both constitutionally, through the reform of Articles 9 and 41 of the Constitution in 2022** (also driven by ASviS), and in the main international reference frameworks, from the United Nations 2030 Agenda to the Declaration on Future Generations annexed to the Pact for the Future. The introduction into Italian law of the **Generational Impact Assessment (GIA)**, thanks to Law No. 167 of 2025, mandatory for all government-initiated regulatory acts, excluding decree-laws, requires a profound change of perspective, also in light of the recent adoption by the European Commission of the European Strategy for Intergenerational Equity.

From this perspective, **the new National Sustainable Development Strategy must necessarily take on the dimension of intergenerational impact** when identifying the actions to be undertaken, within the use of the PAN PCSD. Moreover, the Strategy can represent an opportunity to invest in developing the databases and models needed to improve the GIA, along the lines indicated by ASviS in recent documents.

Enrico Giovannini

Scientific Director of the Italian Alliance for Sustainable Development

Download the Report on asvis.it



This publication by the Italian Alliance for Sustainable Development - ETS (ASviS) assesses our country's progress towards the 17 Sustainable Development Goals of the UN 2030 Agenda, signed by the governments of 193 countries on 25 September 2015, and analyses progress and uncertainties in the legislative framework and investments from October 2025 to date, including several scenarios for 2030 and 2050. The analysis was carried out thanks to experts from the more than 300 organisations belonging to the Alliance.



ASviS was founded on 3 February 2016 at the initiative of the Unipolis Foundation and the University of Rome "Tor Vergata". It is committed to spreading the culture of sustainability at all levels and to increasing awareness in Italian society, among economic actors and within institutions of the importance of the 2030 Agenda for achieving the Sustainable Development Goals. ASviS is the largest network of civil-society organisations ever created in Italy and has rapidly become an institutional point of reference and an authoritative source of information on sustainable-development issues, disseminated through the portal www.asvis.it and social media.

This Report is made available free of charge by ASviS