

Italy

**Trilemma Rank**  
# 11

**Trilemma Score**  
78.9

**Balance Grade**  
AAA

Italy is one of the strongest Trilemma performers. A strong score in Sustainability is supported by an improvement in the dimension over time, driven by growing renewables generation and managed GHG emissions in the context of economic growth. Strong and stable performance in the Equity dimension reflects stable affordability indicators. Contrary to the previous year, Italy's Energy Security score has also improved in 2020: it showed advancement across all sub-indicators, specifically in the diversity of electricity generation and import independence, which increased threefold in the last decade. Italy's global ranking is 11 and the balance grade is AAA.

**Population**  
60.4 (millions)

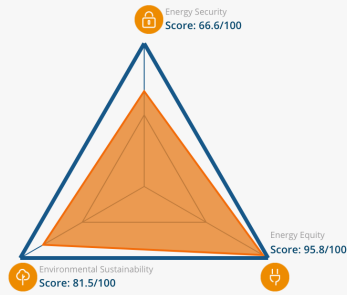
**Land Area**  
294.1 (thousand sq. km)

**GDP Per Capita**  
34,483 (PPP US\$)

**Industrial Sector**  
21.4 (% of GDP)

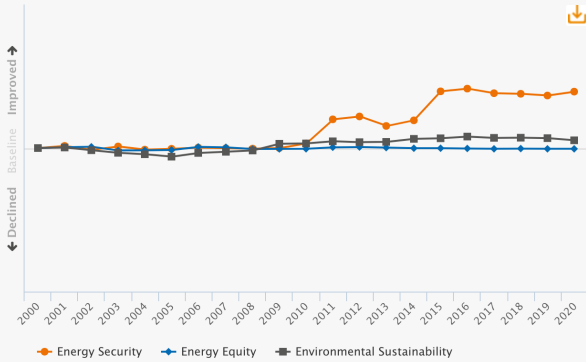
**GDP Growth**  
0.8 (annual %)

**Balance**



**Historical Trilemma Scores**

Trend lines track the country's performance in each dimension, beginning with a baseline of 100 in the year of 2000



**Trends and Outlook**

Italy continues to push forward on energy security, environmental protection and reduction of energy costs, contributing to achieving the European objectives on energy and environment. The most innovative dynamics of the national energy system remain linked to the role of renewable energy sources (RES) and energy efficiency. The role of RES has been consolidated as they have been widely distributed all over the country and covered almost 36% of national electricity demand in 2019. Progress on low-carbon electricity generation had important positive effects on the level of environmental sustainability. Within this context, natural gas will continue to play a key role in the Italian energy sector, as it represents a back-up resource for the power system and contributes to lower greenhouse gases (GHG) emissions compared with other fossil fuels.

In 2019 there was a 1.5% decrease in the energy intensity of GDP, driven by slower energy consumption. The gap between EU and Italian energy prices remains a penalising factor for Italy. The price differential for energy products in Italy and the European Union remains positive, even while the convergence process which began a few years ago resumes. Italian energy efficiency remains among the best in Europe. Fiscal measures, adopted to boost the economic recovery after the COVID-19 crisis, will also favour efficiency of the energy system, for example through tax reduction for households investing in energy efficiency measures.

Additionally, important developments in the evolving landscape of sustainable transport in Italy are underway: both the public and private sectors engaged in the move towards establishing a decarbonisation process. Regarding the mobility sector, Italy recognises the need for a renewal of the vehicle fleet and widespread use of electricity, natural gas and biomethane (CNG and LNG) in buses, heavy vehicles and maritime transport. The societal diffusion of "smart working" due to lockdown policies has had a significant impact on fuel consumption reduction. However, to obtain significant results, fiscal incentives to develop e-mobility need be combined with significant infrastructure expansion.

Major Italian energy companies have launched plans to comply with the decarbonisation process and referenced the role of SDGs to be consistent with the Paris Agreement. Despite the COVID-19 crisis, investment plans to ensure a zero-carbon footprint have been confirmed, shifting from oil and coal to cleaner sources (renewables) and new energy drivers (hydrogen), with gas as the transition fuel. Furthermore, the circular economy paradigm, reforestation initiatives, and Carbon Capture and Storage have taken hold in the country and combine to boost the transition.

**Key metrics**

Metrics are determined relative to other countries, with a full bar representing a score of 100.

