



 **Business Climate Survey
Italy**

**Business Climate Survey
for Swedish companies in Italy
2026**

A report from Team Sweden in Italy

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Key contributors to this report

Business Sweden in Italy

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Swedish Chamber of Commerce in Italy

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49 respondents

(total +2,250 respondents for 41 markets)

Current business climate

78% of

Swedish companies have a neutral view of the local business climate

Industry turnover

57%

of Swedish companies expect their industry turnover to increase

Future investments

41%

of Swedish companies plan to increase their investments in the next 12 months

Globally valued success factors

1. Cost efficiency
2. Sales competence
3. Partnerships/local relationships

Brand Sweden

80%

of Swedish companies abroad consider Brand Sweden beneficial for business

Local conditions where Swedish companies express a high level of satisfaction

1. Distributors
2. Suppliers
3. Personal safety

Local conditions where Swedish companies express a low level of satisfaction

1. Corporate taxation
2. Digitalisation
3. Licences, permits and approvals

Environmental considerations

73%

of respondents believe the environment is a considerable factor in their customers' purchasing decisions

Corruption

– No reports of corruption by Swedish companies in Italy

Human rights violations and labour rights abuses

– No reports of human rights or labour rights violations by Swedish companies in Italy

Foreword

Team Sweden in Italy, comprising the Embassy in Rome, Business Sweden, and the Swedish Chamber of Commerce in Milan, conducted a business climate survey of Swedish companies currently operating in Italy in Q1 2026. The purpose of the report is to highlight how Swedish companies perceive the local business climate, how they perform in the market, and the opportunities and challenges they face. Furthermore, the report aims to serve as a reference point in bilateral trade dialogues between Sweden and Italy.

As the world's eighth-largest economy and the EU's second-largest industrial producer, Italy provides a substantial customer and industrial base, offering diverse business opportunities for Swedish companies across multiple sectors. Italy offers a well-developed network of service providers, distributors, and suppliers, an advantage particularly valuable for Swedish companies setting up operations in the country. Furthermore, Italy's recovery and resilience plan (the PNRR) is driving large-scale investment in digitalisation, green transition, sustainable mobility, education, health, and public-sector modernisation, increasing demand for innovative solutions in areas where Swedish companies are particularly competitive. Italy is a strong fit with Sweden's export profile and with the capabilities of many Swedish firms, particularly in sectors such as industrials, tech, consumer goods, medtech & healthcare, energy, defence and mobility.

Despite the positive boost from NextGenerationEU funds, the Italian economy continues to face global headwinds with a renewed energy shock – linked to turmoil in the Middle East and higher oil and gas prices – Italy being relatively exposed because of its dependence on imported fossil fuels. Real GDP growth reached 0.5 per cent in 2025 and is expected to slow further to around 0.4 per cent in 2026, then recover to 0.8 per cent or more in 2027. Inflation has re-accelerated due to higher energy prices, landing at 3.3 per cent year-on-year in May 2026, up sharply from 1.6 per cent in March. On the positive side, the labour market has remained relatively strong even as growth softened, with an unemployment rate at 5.1 per cent as of April 2026.

The 2026 Business Climate Survey for Italy highlights that 78 per cent of Swedish companies hold a neutral view of the local business climate, although overall sentiment is slightly more optimistic than in 2025. Investment momentum is strengthening, with 41 per cent of companies planning to expand in the coming year, up 8 percentage points from 2025. Profitability is also improving, with 69 per cent of firms reporting positive financial results in 2026, up 4 percentage points from last year. These indicators highlight the resilience and determination of Swedish companies operating in Italy, which, despite macroeconomic challenges and ongoing geopolitical turbulence, continue to deliver strong results and expand their investment in the market. This demonstrates a clear awareness of the need to keep moving toward the next opportunity rather than standing still in a rapidly changing environment.

Although 80 per cent of companies consider the Swedish brand an asset to their market success, this is a decrease compared with 2025. A similar pattern can be observed in the importance customers attribute to sustainability in their purchasing decisions, which has continued to decline since 2024.

We would like to express our sincere gratitude to the participating companies and respondents for their contributions to this report.



Pelle Jacobson
Trade Commissioner



Rebecka Svensson
Consultant

Executive summary

Business Sweden conducts an annual Business Climate Survey to track the perceptions of Swedish companies operating globally in diverse markets. The 2026 edition is the seventh consecutive, and the response collection was conducted between February and March 2026.

This report presents the views of Swedish companies in Italy on the current business climate, covering economic performance, outlook, and other local market conditions, and highlighting the complexities and key drivers of success in Italy.

More companies report profitability in 2026

Profitability remains solid for Swedish companies in Italy, with more firms reporting positive financial results in 2026 than in 2025, up from 65 per cent to 69 per cent. Large companies report profitability to a greater extent, and the consumer sector is the best performing with a 100 per cent profitability rate.

Turnover is expected to increase by a majority

Turnover is expected to increase in the coming 12 months by 57 per cent of companies, marking a slight decrease from last year's 59 per cent. The drop is largely due to lower expectations in the consumer sector, where only 20 per cent of firms expect turnover to increase in the coming year, despite strong profitability.

Investment momentum is strengthening

Investments are picking up pace, with 41 per cent of companies reporting plans to expand in the coming 12 months, up 8 percentage points from last year. Investments are mostly driven by medium-sized companies in the industrial sector.

Neutral view of the business climate

A majority of 57 per cent of Swedish companies perceive the business climate in Italy as neutral, while 21 per cent view it as good or very good. The results indicate a slightly rising optimism in the market compared to last year, with more companies assessing the climate as favourable and fewer rating it as poor or very poor.

Cost efficiency is a top priority to stay competitive

Cost efficiency is emerging as the new key driver of competitiveness in the market, while sales competence, which had been at the top for two consecutive years, now ranks second. Partnerships and local relationships rank third, also rising in importance compared to previous years.

The Swedish brand contributes to companies' success in the market

Brand Sweden continues to be of strategic value to companies in the market, confirmed by 80 per cent of survey respondents. However, this represents a decline from 87 per cent last year. Large companies place the greatest importance on the Swedish brand, and, from a sector perspective, professional services companies consider it the most valuable.

Operational conditions and sustainability

Strong access to distributors and suppliers is a market strength, while corporate taxation and digitalisation are the least satisfactory conditions. Fewer trade barrier incidents were reported in 2026 than in the previous year, although regulations remain the most commonly encountered barrier for Swedish companies. The importance of sustainability aspects in customers' purchasing decisions also declines further in 2026, continuing the downward trend observed over the past two years, from 81 per cent of respondents confirming its relevance in 2024 to 73 per cent in 2026.

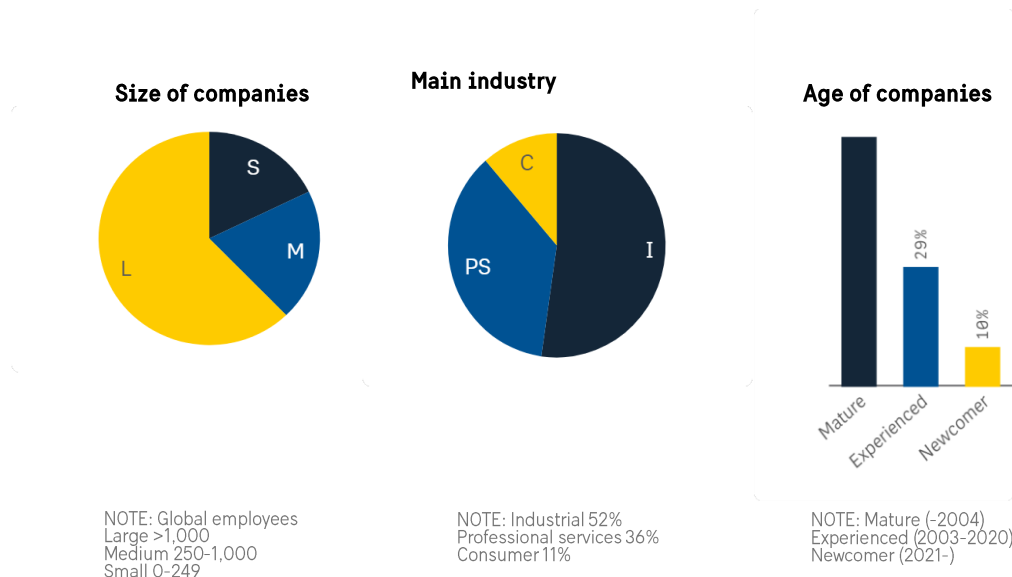
About the survey

The survey highlights the complexities and momentum that Swedish companies experience in Italy

The report explores four main sections, starting with an analysis of the economic situation, including companies' profitability performance, turnover expectations and investment plans. Second, the market section explores market characteristics and respondents' views of the overall business climate, as well as the conditions that contribute positively or negatively to their businesses' success. The third section covers Swedish companies' operations and perceived success factors in the market, while the final section explores sustainability-related aspects and how they are valued by Swedish companies' customers in Italy.

A total of 123 Swedish companies were invited to participate in the survey, with 49 responses received, resulting in a response rate of 40 per cent. Among the respondents, 62 per cent are large companies with a global workforce of over 1,000 employees, while 20 per cent are medium companies with 250-1,000 employees. The remaining 18 per cent are small-sized companies.

The report encompasses a range of business areas grouped into three broad categories: professional services, consumer, and industrial. This year's responses were dominated by the industrial and professional services sectors, accounting for 52 per cent and 36 per cent, respectively. Furthermore, the largest group of respondents in the 2026 edition consisted of "mature companies" (established prior to 2004), comprising 61 per cent of the companies surveyed. Respondents categorised as "experienced companies" (established between 2005 and 2020) accounted for 29 per cent, while "newcomers" (established after 2021) represented 10 per cent of the respondents.



Economic outlook

A majority of Swedish companies in Italy report profitability

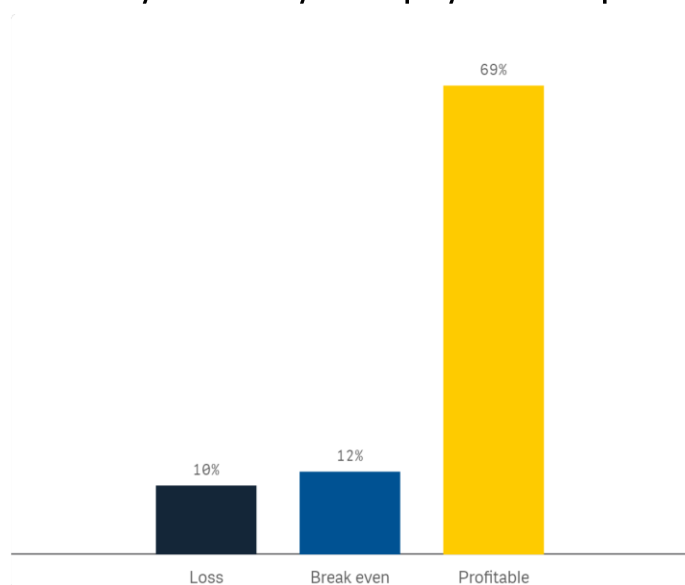
In this year's survey, the share of companies reporting profitability for the 2025 financial year reached 69 per cent, indicating an increase of 4 percentage points compared to last year. At the same time, 12 per cent reached break-even results and 10 per cent reported a loss.

In terms of company size, large companies lead with 82 per cent profitability, followed by small companies at 63 per cent. Medium-sized companies report profitability at a lower rate, at 44 per cent, while also having the largest share reporting a loss, at 33 per cent. Compared to last year, results show that profitability amongst small and large companies has improved, particularly for small companies, with a 21-percentage-point increase.

From a sector perspective, all survey respondents operating in the consumer sector reported profitability, while 65 per cent of industrial companies and 63 per cent of professional services companies were profitable in the 2025 financial year. 17 per cent of industrial companies reported a loss, as well as 6 per cent of professional services companies. Compared with last year, results show that profitability among industrial companies has declined by a few percentage points, while the professional services sector has improved by 13 percentage points.

In terms of maturity level in the market, mature and experienced companies report profitability at the highest levels, at 76 and 75 per cent, respectively, while half of the newcomers to the market report break-even results, and the other half report losses.

How would you describe your company's financial performance in Italy in 2026?



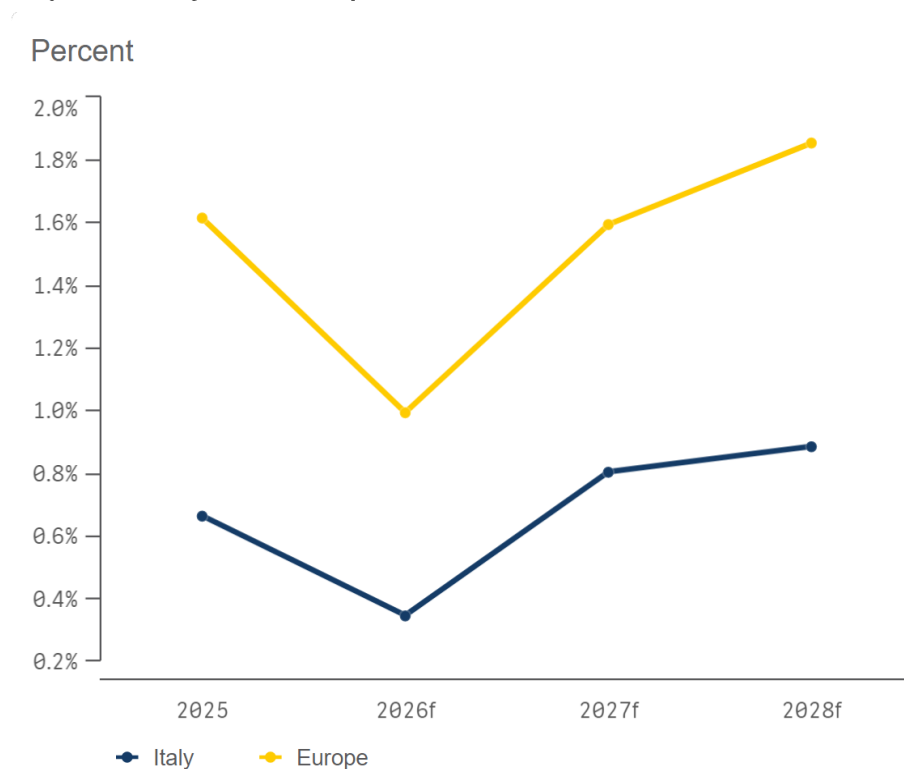
NOTE: The number of respondents for this question was 49. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

GDP growth is slower in Italy than European average and expected to drop in 2026, set at 0.4%

Italian GDP growth slowed in 2025 to 0.5 per cent and remained weak, partly because foreign demand and net exports weighed on growth, even though domestic demand and funding from the National Recovery and Resilience Plan (PNRR) provided a boost. In 2026, growth is expected to drop further to 0.4 per cent, sustained by continued support from PNRR-related investments, but limited by weakened purchasing power and external headwinds. Growth is expected to improve slightly in 2027 to 0.8 per cent, supported by some recovery in global trade and easing price pressures. In 2026, inflation is forecast to jump to 3.2 per cent, mainly due to the energy shock and its effects on prices and purchasing power, easing back to 1.8 per cent in 2027 as price pressures normalise.

Projected GDP growth in Italy



NOTE: Constant prices
SOURCE: Oxford Economics 20 March 2026

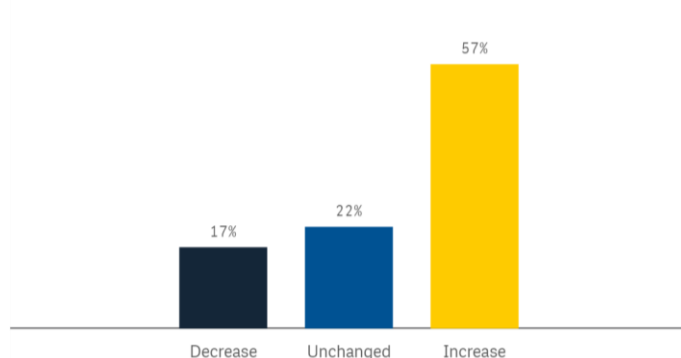
Despite stagnating economic growth, a majority of 57 per cent of Swedish companies operating in Italy expect turnover to increase in the coming 12 months. On the other hand, 22 per cent forecast unchanged turnover, while 17 per cent expect a decrease. The results indicate a slight decline from last year's expectations, when 59 per cent expected an increase in turnover. Furthermore, a larger share expects turnover to decrease this year, down 3 percentage points.

In terms of company size, small companies take the lead with 63 per cent expecting increased turnover, followed by 60 per cent of large and 56 per cent of medium-sized firms. Amongst companies that expect a decrease in turnover, large companies represent the largest share at 24 per cent, followed by medium-sized companies at 11 per cent, while no small companies expect a decline in turnover.

From a sector perspective, 68 per cent of industrial companies and 60 per cent of professional services companies expect turnover to increase in the coming year, while only 20 per cent of firms in the consumer sector expect turnover to increase. Amongst companies expecting turnover to decrease, the consumer sector is overrepresented at 60 per cent, signalling a significant shift from last year when the rate was zero. This rather pessimistic outlook for the consumer sector could directly reflect weakened purchasing power and constrained household spending across the economy.

In terms of market maturity, all newcomers expect increased turnover, followed by 73 per cent of experienced companies. Mature companies expect increases to be lower, at 52 per cent.

Compared with developments over the past 12 months, what are your expectations for the next 12 months for your industry in Italy regarding turnover?



NOTE: The number of respondents for this question was 49. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Increased investments by Swedish companies in Italy in 2026

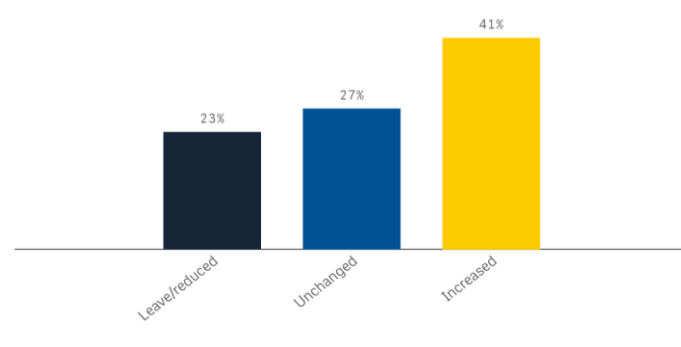
Despite a slight decline in turnover expectations in this year's survey, more companies plan to increase their investments in the market over the next 12 months compared with last year, rising from 33 per cent in 2025 to 41 per cent in 2026. At the same time, 27 per cent plan to keep investment levels unchanged, while 23 per cent expect to reduce their investments.

In terms of company size, medium-sized companies are driving investment at 56 per cent, followed by 38 per cent for small companies and 33 per cent for large companies. Conversely, 25 per cent of small and large companies plan to reduce investments.

From a sector perspective, industrial companies take the lead with 48 per cent, followed by professional services at 40 per cent. In the consumer sector, 20 per cent plan to increase investment, while 40 per cent intend to reduce, reflecting a pattern similar to the industry turnover outlook, where the consumer sector is delivering weaker performance.

In terms of market maturity, investments are largely driven by newcomers, with 75 per cent planning to increase investments, followed by experienced companies at 64 per cent, while mature companies are less inclined to expand at 28 per cent. Amongst mature companies, 32 per cent intend to leave investments unchanged, while 28 per cent plan to reduce.

What are your company's investment plans for the coming 12 months in Italy, compared to the past 12 months?



NOTE: The number of respondents for this question was 44. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

“AxInter Group strongly believes in the Italian market, especially its industrial sector, for its dynamism, resilience, and ability to adapt to changes in the competitive landscape. We will continue to assess investment opportunities in Italy to expand our geographic coverage and complete our product and solution offerings for clients in the most dynamic industrial segments.

Gabriele Tanzi-Mira, Managing Director
AxFlow Italy

The market

A majority of responding companies are large and mature, with industrials and healthcare being the dominant sectors

The initial entry of a Swedish company into the Italian market dates back to the early 1900s, but it was during the 1990s that the establishment of Swedish subsidiaries in Italy surged, driven by growing business ties between the two countries. Of the companies participating in the 2026 survey, 58 per cent of respondents established their operations before 2004.

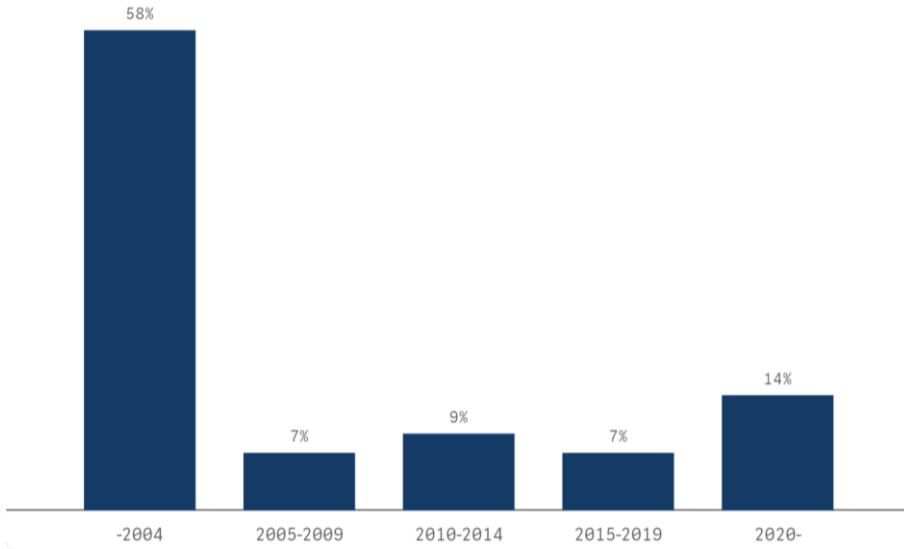
Italy is Sweden's 12th-largest trading partner, accounting for 2.8 per cent of total exports in 2025. Key export categories from Sweden to Italy include machinery, vehicles, fish, iron and steel, paper and paperboard, electric equipment, and pharmaceutical products. More than half of all companies in Italy are based in the North, and this trend is reflected among Swedish companies, most of which are also located in Northern Italy, the country's economic engine. Moreover, many Swedish firms use Italy as a regional hub to oversee operations in Southern Europe. Thanks to its strategic Mediterranean location, Italy also serves as a gateway for managing markets in South-Eastern Europe, the Middle East, and North Africa.

The top industries represented by the respondent companies are industrial equipment at 19.6 per cent, healthcare and pharmaceuticals at 15.2 per cent, and business services, consumer goods, and energy and electricity at 6.5 per cent each. Metals and mining represent 4.3 per cent, and IT and electronics, heating, ventilation, and air conditioning (HVAC), construction and building, and automotive represent 4 per cent, respectively. Sectors outside the top 10 categories account for almost 24 per cent of the total and encompass diverse sectors such as retail and wholesale, transportation, aerospace and defence, chemicals, plastic and rubber, forest products and paper, telecommunications, and the water, waste and recycling sector.

Italy is the second-largest manufacturing nation in Europe after Germany, with the industrial sector playing a significant role in driving the market and economy. Italy's business ecosystem is predominantly composed of small and medium-sized companies, often organised in clusters rather than as global multinational corporations. While 60 per cent of the Swedish companies established in Italy have a large global workforce (>1,000), 74 per cent of the surveyed companies reported having fewer than 249 local employees, and 15 per cent have a medium-sized workforce (249-1,000 local employees). Around 9 per cent have a large number of local employees (>1,000).

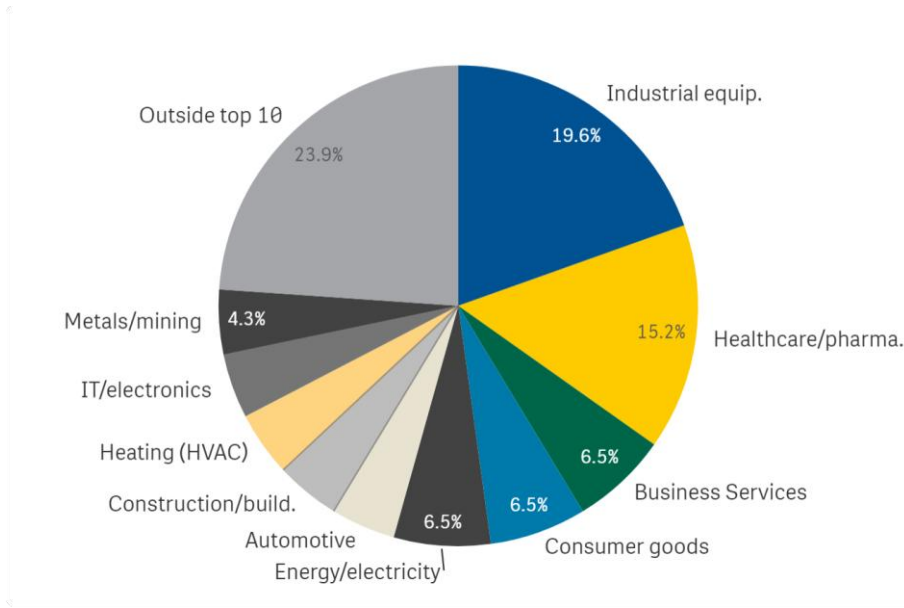
Geographically, the country's industrial strength is concentrated mainly in the North and parts of the Centre. The Northwest region of Italy hosts major industries such as machinery, aerospace, naval, automotive, packaging and advanced manufacturing. In contrast, the central and Northeast regions are characterised by small companies with a high level of craftsmanship, specialising in textiles, clothing, furniture, leather products, and more. The South is competitive in selected clusters such as agrifood, automotive and pharma. It's worth noting that the pharmaceutical sector has experienced strong growth, with Italy's exports reaching a record EUR 69.2 billion in 2025, up 28.5 per cent from the previous year. This dynamic growth aligns with the strong presence of Swedish pharmaceutical companies in the Italian market.

In what year did your company establish operations in Italy?



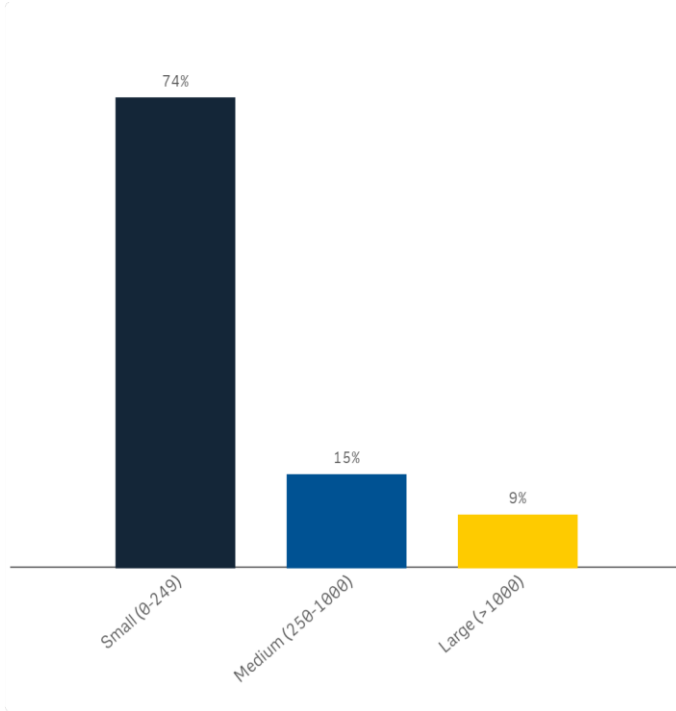
NOTE: The number of respondents for this question was 43. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Italy 2026; Kammerskollegium, Istat, Italian Ministry of Foreign Affairs, Farindustria, ICE

What is your company's main industry in Italy?



NOTE: The number of respondents for this question was 46. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Swedish firms' local number of employees in Italy in 2026



NOTE: The number of respondents for this question was 47. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Swedish companies have a neutral view of the business climate in Italy

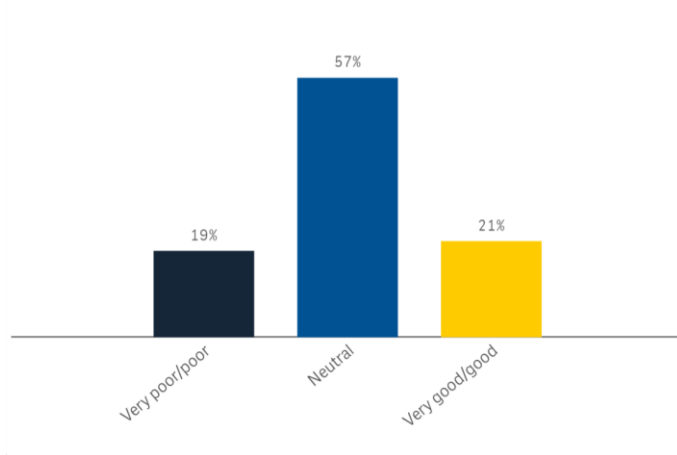
This year's survey results reflect a cautious view of the business climate in Italy, with 57 per cent of Swedish companies reporting a neutral assessment, in line with the 2025 results. At the same time, 21 per cent perceive the business climate as good or very good, a marginal 1-percentage-point increase from last year. By contrast, 19 per cent consider the climate poor or very poor, down 3 percentage points from last year. Overall, sentiment is less pessimistic and slightly more optimistic than in 2025, with a majority of companies maintaining a neutral view.

In terms of company size, small companies are the most optimistic, with 43 per cent rating it as good or very good, compared to 22 per cent of medium-sized and 18 per cent of large firms. Large and medium-sized companies provide a neutral assessment overall. Small companies also have the highest share rating the business climate as poor or very poor at 29 per cent, while 22 per cent of medium-sized and 14 per cent of large companies share this view.

From a sector perspective, companies in the professional services are most optimistic about the business climate, with 33 per cent rating it as good or very good. A majority of 64 per cent within the industrial sector hold a neutral view, while 13 per cent consider it good or very good. The largest share of companies assessing the business climate as negative is among industrial companies, at 22 per cent. All companies within the consumer sector perceive the business climate as neutral.

In terms of market maturity, experienced companies are most optimistic, with 33 per cent rating it as good or very good, followed by newcomers at 25 per cent. Only 9 per cent of mature companies have an optimistic view of the business climate, while a majority of 70 per cent assess it as neutral. Amongst the companies rating the business climate as poor or very poor, newcomers are overrepresented at 50 per cent, compared to 17 per cent of experienced and mature companies.

How do you perceive the current business climate in Italy?



NOTE: The number of respondents for this question was 47. "Don't know/Not applicable" responses are included but not shown in figure.
SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Strong access to distributors and suppliers is a market strength, while corporate taxation poses a challenge

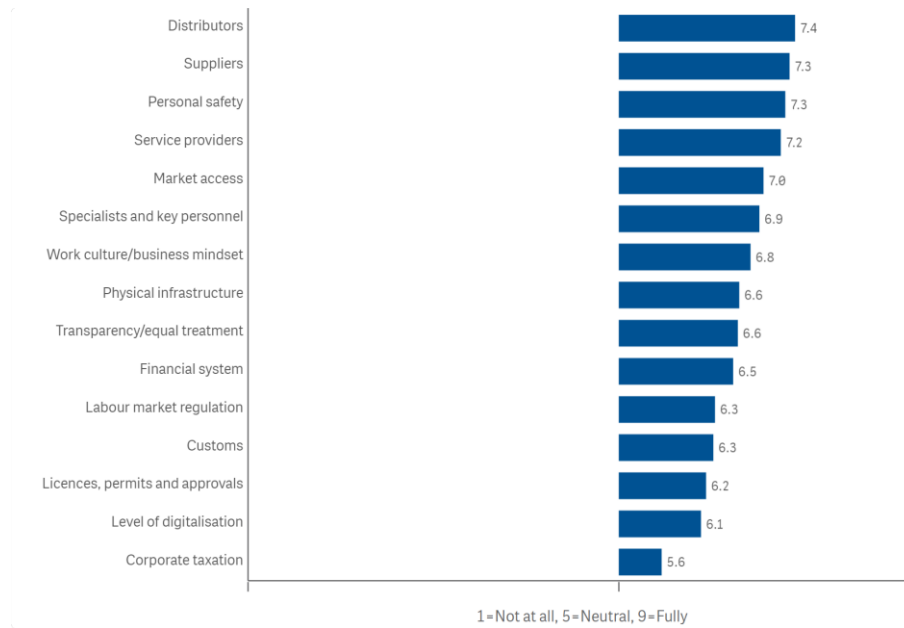
To gain a detailed understanding of how Swedish companies view local conditions in Italy, this section explores factors related to three key areas:

- a. Market-related factors
(digitalisation, financial system, etc.)
- b. Operation-related factors
(corporate taxation, labour market, etc.)
- c. Access to qualified partners
(distributors, service providers, etc.)

Companies were asked to rate how well local conditions meet their needs on a scale of 1–9 (1 = barrier/not at all, 9 = fully supportive). Lower scores indicate that respondents perceive the factor as a barrier to competitiveness, while higher scores indicate satisfactory and supportive views. For a full description of the factors, see the matrix below.

The conditions that best meet Swedish companies' needs in the Italian market are access to distributors and suppliers, personal safety and access to service providers. Conversely, the conditions that least meet the needs of Swedish companies are corporate taxation, the level of digitalisation, and licences, permits, and approvals. Compared with last year's results, overall conditions seem to have improved, with the average rating for each factor slightly higher. Labour market regulation was previously considered one of the least satisfactory conditions, rated 5.4 in 2025, but has now improved to 6.3 in 2026. Although the digitalisation level and licences, permits and approvals are still amongst the lowest-scoring, they are perceived as more satisfactory in 2026 than last year. Customs, on the other hand, has seen its score worsen in the last year.

How well do the following conditions meet the needs of your company in Italy?



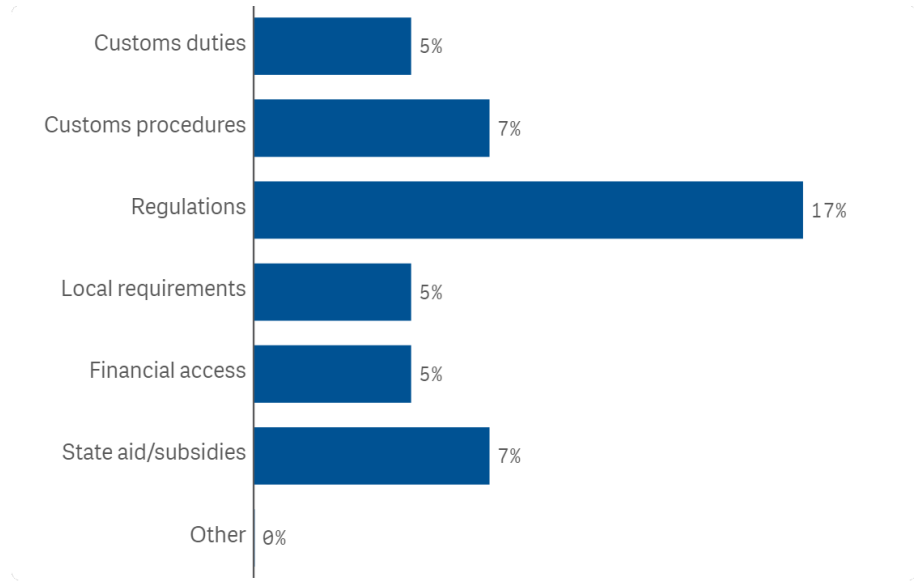
NOTE: The number of respondents for this question was 49.
SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Regulations are the main trade barrier encountered by Swedish companies in Italy

The most commonly reported trade barrier negatively affecting Swedish companies' operations remains regulations, cited by 17 per cent of companies, although incident reports are fewer in this year's survey than last year. Secondly, customs procedures and state aid/subsidies are reported by 7 per cent, respectively. While customs procedures are perceived as less burdensome in 2026, state aid/subsidies have increased significantly from 2 per cent in 2025 to 7 per cent in 2026.

Trade barriers related to customs procedures and duties are particularly burdensome for large and medium-sized companies in the consumer sector, while regulatory barriers are more burdensome for small companies, though they are also reported by medium-sized and large companies across all sector segments. State aid/subsidies are perceived to negatively affect the operations of industrial companies, particularly medium-sized ones, to some extent. A fair share of small and medium-sized companies experiences barriers to financial access. Generally, newcomers to the market report barriers to a greater extent than experienced or mature firms do.

Has your company in the past year encountered trade barriers in Italy with a noticeably negative impact on operations in any of the following areas?



NOTE: The number of respondents for this question was 49.
 SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

How Swedish companies succeed in Italy

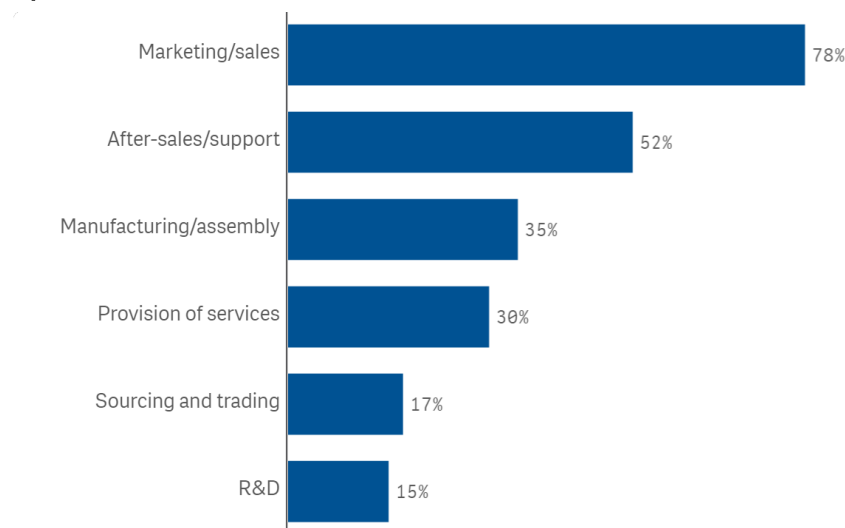
Trust-based relationships and adaptability to regional and local differences key when doing business in Italy

Italy has a well-informed consumer base, alongside a competitive manufacturing sector with a productive fabric largely composed of small businesses, as microenterprises account for 94.5 per cent of all firms. The market presents significant regulatory and tax-compliance burdens together with great geographical variety and diversity, which makes it pivotal for companies to localise their market approach and adapt to an administratively and culturally nuanced business environment.

Having an on-the-ground presence or working with the right Italian agent, distributor, or partner is essential, since commercial success is rarely just about having the best product; it is also about relationships and connections. The cultivation and maintenance of personal relationships are vital for opening doors to opportunities and navigating local practices and regulations. Consequently, most Swedish companies operating in Italy opt for close collaboration with local partners or the establishment of local offices to effectively oversee sales and marketing, distribution, and customer service.

Key operations of Swedish companies in the Italian market in 2026 consist of marketing and sales, which 78 per cent of the survey respondents report as their primary activity, followed by after-sales support, carried out by 52 per cent of the respondents, and manufacturing and assembly, which 35 per cent state as their primary activity.

Operations of Swedish firms in the market



NOTE: The number of respondents for this question was 49. "Don't know/Not applicable" responses are included but not shown in figure.

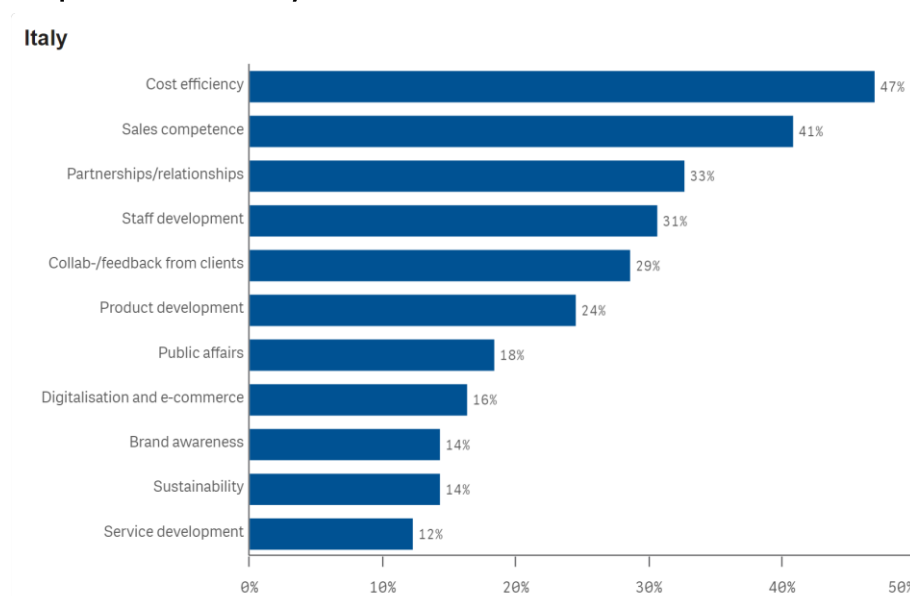
SOURCE: Business Climate Survey for Swedish Companies in Italy 2026; Istat, Italian Ministry of Foreign Affairs, ICE

Cost efficiency emerges as new top priority for staying competitive in the Italian market

Understanding the key factors driving Swedish companies' competitiveness in Italy can help inform market-entry and expansion decisions. In 2026, the most important factors for maintaining competitiveness are cost efficiency, sales competence, and partnerships and local relationships. Cost efficiency is emerging as the key driver in this year's survey, cited as a priority by 47 per cent of respondents, compared with 33 per cent in 2025, when it ranked fourth. This shift could reflect a change in needs amid global uncertainty and rising costs.

Additionally, staff development and collaboration, as well as client feedback, are important factors in staying competitive in the market, underscoring the need to establish a local presence and foster strong connections with the Italian partner and customer base.

To date, which of the following areas have been important in maintaining competitiveness in Italy?



NOTE: The number of respondents for this question was 49. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Brand Sweden plays a role in Swedish companies' success in the market

A key component of the survey is to assess how "Brand Sweden" contributes to Swedish companies' success in Italy. This year's survey shows that 80 per cent of firms believe the Swedish brand supports their success in Italy to some extent or to a great extent.

Although a large majority continue to recognise its importance, the decrease is clear compared with last year's results, when the share was 87 per cent. At the same time, more companies consider Brand Sweden to be of no or little importance to their success, at 18 per cent in 2026, up from 8 per cent in 2025.

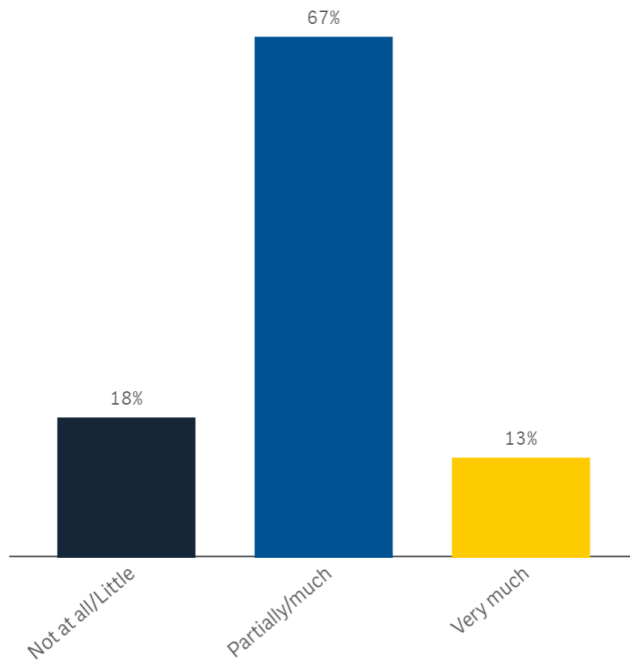
In terms of company size, large companies have the highest share, confirming the importance of Brand Sweden at 80 per cent, while 72 per cent of small companies and 70 per cent of medium-sized companies share this view.

From a sector perspective, companies in the professional services have the highest share, affirming the contribution of the Swedish brand at 85 per cent. Companies in the consumer and industrial sectors generally believe that Brand Sweden contributes partly or significantly to their business' success, at 75

per cent and 25 per cent, respectively, while the remaining 25 per cent believe it contributes little or not at all.

In terms of market maturity, all experienced companies confirm Brand Sweden's contribution to some extent or to a very great extent, while 50 per cent of newcomers regard it as of little or no importance. Mature companies generally consider it to be important to some extent.

To what extent would you estimate that the “Swedish brand” contributes to your business in Italy?



NOTE: The number of respondents for this question was 39. “Don't know/Not applicable” responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Acting sustainably

The importance of sustainability continues to decline in 2026, reinforcing a negative trend

The green transition is a key strength of Swedish business and industry, making it particularly relevant to understand how customers value environmental aspects in the Italian market.

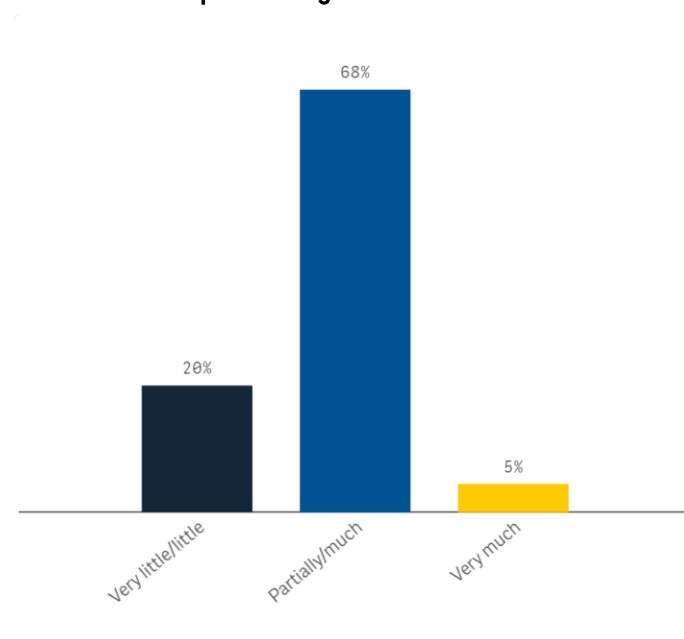
Italy is investing heavily in the green transition through a mix of large public investments under the National Recovery and Resilience Plan (PNRR) and the REPowerEU plan, with industrial incentives for business decarbonisation and targeted support for renewables, energy communities, agriculture, buildings, and electric mobility. Italy's modified recovery plan is worth EUR 194.4 billion, and 39 per cent of the plan supports climate objectives.

While the shift toward a sustainable and circular economy is widely acknowledged as an important driver of Italy's economic and social progress, environmental considerations are not currently seen as a critical factor by customers of Swedish companies in their purchasing decisions. Nonetheless, ongoing reforms and investments present valuable opportunities for Swedish companies offering innovative green solutions.

The survey results in 2026 reveal that 73 per cent of Swedish companies perceive environmental aspects as important in customers' purchasing decisions to some or a great extent, down from 75 per cent in 2025 and a further decline from 81 per cent in 2024.

In terms of company size, reports are fairly similar across segments. From a sector perspective, professional services place the greatest importance on sustainability at 87 per cent, while a higher share of consumer sector companies regard sustainability as of little or no importance at 40 per cent.

To what extent do customers in Italy consider the environmental aspects of a product or service in their purchasing decision?



NOTE: The number of respondents for this question was 44. "Don't know/Not applicable" responses are included but not shown in figure.

SOURCE: Business Climate Survey for Swedish Companies in 2026

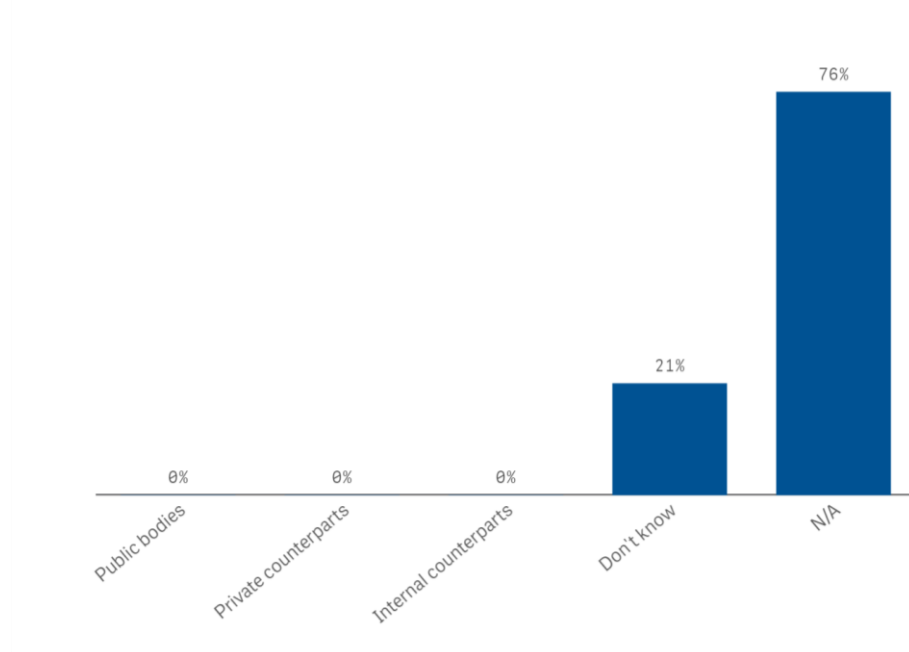
Italy underperforms in measures against corruption compared to Southern European peers

In the 2025 edition of Transparency International’s Corruption Perceptions Index (CPI), Italy’s score declined from 54 to 53 out of 100, placing it 52nd globally. This marks a continued setback following years of improvement up until 2021. While Italy has achieved a 10-point improvement since 2012, it continues to underperform compared to its Southern European counterparts despite a narrowing gap.

In December 2025, the EU agreed its first Anti-Corruption Directive to harmonise criminal laws on corruption. What could have been a zero-tolerance framework was watered down by some member states, including Italy, which blocked the criminalisation of public officials’ abuse of office.

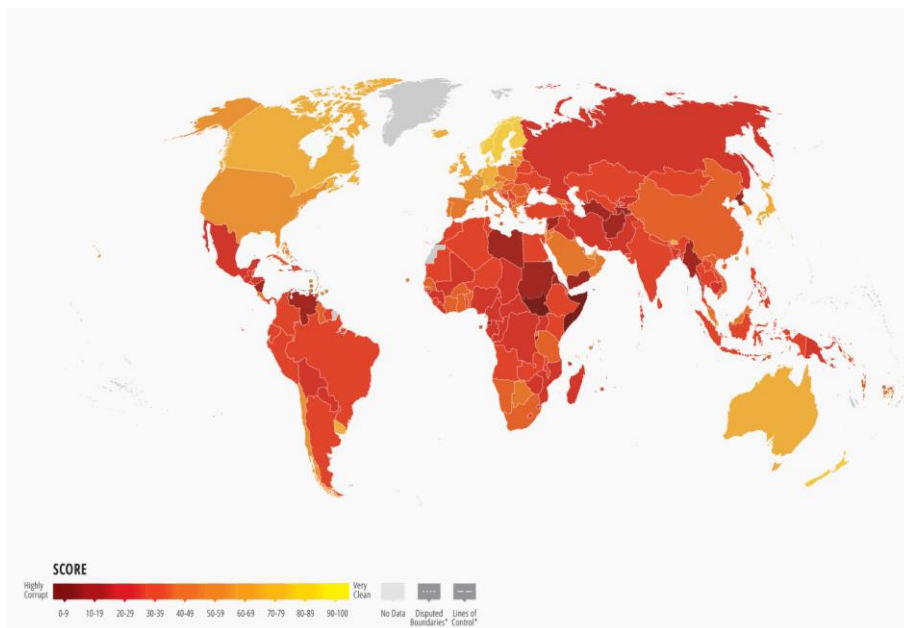
None of the survey respondents reported any company exposure to corruption in Italy in 2026; however, 21 per cent stated that they were not aware of whether any such incidents had occurred.

Has your company in Italy been exposed to corruption, such as, but not limited to, attempts of bribery or fraud in contact with any of the following areas?



NOTE: The number of respondents for this question was 49. “Don’t know/Not applicable” responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

Corruption Perceptions Index 2025

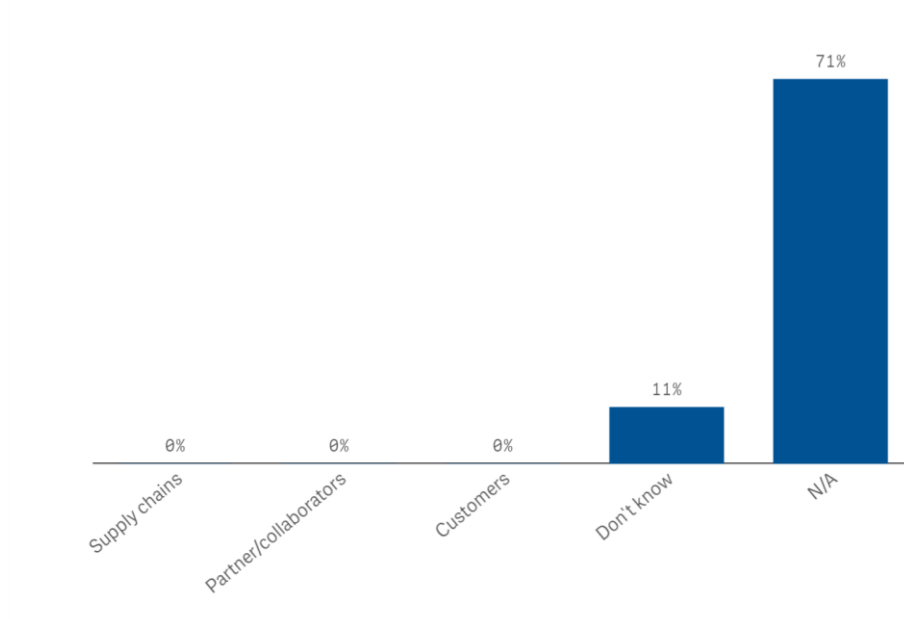


NOTE: Italy's score 2025: 53/100
 SOURCE: Transparency International

No reported violations of human rights or labour rights reported by Swedish companies

No surveyed companies reported encountering human rights or labour rights violations or abuses in Italy in 2026. However, 11 per cent of respondents stated that they were not aware of whether any such violations had occurred.

Has your company in Italy encountered any form of human rights violations and/or labour rights abuses in contact with any of the following areas?



NOTE: The number of respondents for this question was 49. "Don't know/Not applicable" responses are included but not shown in figure.
 SOURCE: Business Climate Survey for Swedish Companies in Italy 2026

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