

Brussels, 18 June 2025
(OR. en)

10407/25
ADD 16

TELECOM 196
DIGIT 122
CYBER 173
COMPET 574
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PI 125
MI 411
EDUC 273
JAI 869
ENFOPOL 216
COSI 121

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	16 June 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2025) 290 annex
Subject:	ANNEX 16 ANNEX to the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions State of the Digital Decade 2025: Keep building the EU's sovereignty and digital future

Delegations will find attached document COM(2025) 290 - annex 16.

Encl.: COM(2025) 290 annex

Brussels, 16.6.2025
COM(2025) 290 final

ANNEX 16

ANNEX

to the

**Communication from the Commission to the European Parliament, the Council and the
European Economic and Social Committee and the Committee of the Regions**

State of the Digital Decade 2025: Keep building the EU's sovereignty and digital future

{SWD(2025) 290 final} - {SWD(2025) 291 final} - {SWD(2025) 292 final} -
{SWD(2025) 293 final} - {SWD(2025) 294 final} - {SWD(2025) 295 final}

SHORT COUNTRY REPORTS 2025

Italy

Executive summary

Italy has made remarkable progress in enhancing digital infrastructure and digital public services, but continues to face challenges in AI adoption and startup growth, while maintaining a leading role in strategic technologies like quantum and semiconductors. Italy shows a substantial level of ambition in its contribution to the Digital Decade, having set 14 national targets, 79% of which aligned with the EU 2030 targets. The country is following its trajectories very well with 100% of them being on track (considering the 2024 trajectories defined for 7 key performance indicators (KPIs) out of 8 analysed). Italy addressed 69% of the 13 recommendations issued by the Commission in 2024 by making some changes through new measures.

In 2024, Italy made advances in developing its digital infrastructure, particularly through increased fibre-to-the-premises (FTTP) coverage, and progressively achieved significant results in the digitalisation of public services and in the area of eHealth. However, the country continues to lag behind in the adoption of advanced digital technologies such as artificial intelligence and its ecosystem for innovative start-ups and scale-ups remains relatively underdeveloped. On the other hand, Italy holds a leading position in strategic technologies, having launched a Quantum strategy and actively working on a semiconductors strategy, highlighting a commitment to gain technological leadership.

Digital Decade KPI ⁽¹⁾	Italy				EU		Digital Decade target by 2030	
	DESI 2024 (year 2023)	DESI 2025 (year 2024)	Annual progress	National trajectory 2024 (3)	DESI 2025	Annual progress	IT	EU
Fixed Very High Capacity Network (VHCN) coverage	59.6%	70.7%	18.6%	66.0%	82.5%	4.9%	100.0%	100%
Fibre to the Premises (FTTP) coverage	59.6%	70.7%	18.6%	66.0%	69.2%	8.4%	100.0%	-
Overall 5G coverage	99.5%	99.5%	0.0%	99.6%	94.3%	5.9%	100.0%	100%
Edge Nodes (estimate)	74	152	105.4%	158	2257	90.5%	946	10000
SMEs with at least a basic level of digital intensity (2)	-	70.2%	0.2%	-	72.9%	2.8%	90.0%	90%
Cloud	55.1%	-	-	-	-	-	74.0%	75%
Artificial Intelligence	5.1%	8.2%	62.4%	8.0%	13.5%	67.2%	60.0%	75%
Data analytics	26.6%	-	-	-	-	-	60.0%	75%
AI or Cloud or Data analytics	63.1%	-	-	-	-	-	-	75%
Unicorns	8	9	12.5%	2	286	4.4%	16	500
At least basic digital skills	45.8%	-	-	-	-	-	80.1%	80%
ICT specialists	4.1%	4.0%	-2.4%	-	5.0%	4.2%	8.4%	~10%
eID scheme notification		Yes						
Digital public services for citizens	68.3	83.6	22.4%	69.0	82.3	3.6%	100.0	100
Digital public services for businesses	76.3	80.9	6.1%	78.0	86.2	0.9%	100.0	100
Access to e-Health records	82.7	84.1	1.7%	74.0	82.7	4.5%	100.0	100

(1) See the methodological note for the description of the indicators and other metrics.
(2) DESI 2025 reports the version 4 of the Digital Intensity Index, that is comparable with the DII value from DESI 2023 (referring to year 2022) for the calculation of the annual progress. It is not comparable to the national trajectory that is based on version 3 of the index.
(3) National trajectory value if present in the national roadmap and if the indicator was measured in DESI2025 (year 2024).

According to the special Eurobarometer on ‘the Digital Decade’ 2025, 73% of Italian citizens consider that the digitalisation of daily public and private services is making their lives easier. 90% consider it important to counter and mitigate the issue of fake news and disinformation online, and regarding

competitiveness, 90% consider it important to ensure that European companies can grow and become 'European Champions' able to compete globally.

A competitive, sovereign, and resilient EU based on technological leadership

Italy has made notable progress in fiber-to-the-premises (FTTP), increasing coverage by 11 percentage points between 2023 and 2024 and reaching the EU average. The country also holds a strong position in the digitalization of small and medium enterprises (SMEs), with most achieving at least a basic level of digital intensity. However, despite increased adoption of artificial intelligence and being on track with the national trajectory set, Italy still falls behind in this area. The start-up ecosystem remains underdeveloped, with only nine unicorns — an increase of just one compared to last year — which does not reflect the size of the Italian economy. The recent announcement of a quantum strategy is expected to significantly drive further progress in this sector. Alongside this, ongoing efforts to develop a semiconductors strategy reflect Italy's dedication to further strengthening its position in these areas. Several initiatives are also in progress to enhance the country's cybersecurity capabilities, including the strengthening of monitoring, analysis and response capabilities, and skills development.

Protecting and empowering EU people and society

Italy is confronted with issues concerning digital skills, with gaps affecting in particular people with lower education levels but extending also to young people — a primary target of the national Recovery and Resilience Plan (RRP) measures in this area. Italy is also faced with a low share of ICT specialists in total employment, which stood at 4% in 2024, below the EU's 5%. The digitalisation of public services has advanced significantly, with the progressive implementation of key measures and efforts to increase interoperability and usability (e.g. better user experience, adoption of PagoPA and the IO app, deployment of the National Digital Data Platform - PDND). In the framework of the EU Digital Identity Wallet, the country has also initiated the development of its IT-Wallet, with the first pilots made available to the public through the app IO, where users could access and use some initial documents (e.g. driving licence). Furthermore, Italy is working to boost citizens' basic digital skills through initiatives such as the network of digital facilitation services and digital civic service (both supported by the RRP), combat disinformation, enhance media literacy, and ensure online safety, particularly for minors.

Leveraging digital transformation for a smart greening

Green and digital priorities have received increased attention, in part due to the RRP and its RePowerEU chapter. In 2024, impulse was given to the implementation of 'Transition 5.0', aiming to accelerate the industry transition to an energy-efficient, sustainable, and renewable-based production model. However, the available data shows a modest take-up of the measure.

National digital decade strategic roadmap

Italy submitted an adjustment, containing five additional measures and revised trajectories. Stakeholders were consulted. It addresses a substantial number of the roadmap recommendations issued in 2024. All targets align with the EU level goals for 2030, except for the adoption of AI and data analytics, where the country aims for 60% adoption (instead of 75%) by 2030. The roadmap is very comprehensive, and the focus is on improving digital skills, ICT specialists and digital public services. Some areas, such as unicorns and uptake of AI, lack targeted measures. Overall, the Italian roadmap

is composed of 67 measures with a budget of EUR 62.3 billion, equivalent to 2.84% of gross domestic product (GDP).

Funding & projects for digital

Italy allocates 26% of its total recovery and resilience plan to digital (EUR 46.8 billion)¹. In addition, under cohesion policy, EUR 4.9 billion, representing 11% of the country's total cohesion policy funding, is dedicated to advancing Italy's digital transformation². Italy is a member of the three established European Digital Infrastructure Consortia (EDICs): the Alliance for Language Technologies EDIC, the Local Digital Twins towards the CitiVERSE EDIC and of the EUROPEUM EDIC. Italy is directly participating in the IPCEI on Microelectronics and Communication Technologies (IPCEI-ME/CT) and in the IPCEI on Next Generation Cloud Infrastructure and Services (IPCEI-CIS). Italy is also a participating state of the EuroHPC Joint Undertaking (JU) and of the Chips JU.

Italy has contributed to the Best Practice Accelerator³ by sharing three best practices in the frame of the Digital Skills cluster (network of digital facilitation services, the digital civic service and fund for *Repubblica Digitale*).

Digital Rights and Principles

According to a support study, Italy has been one of the most active Member States in implementing the [European Declaration on Digital Rights and Principles](#), with over 100 initiatives overall and 12 new initiatives launched in 2024. Italy is most active in the area of digital education, training and skills. Less activity has been identified with regards to protection and empowerment of children and young people in the digital environment. Measures in the area of putting people at the centre of the digital transformation appear to have most impact on the ground, in contrast to those addressing safety, security and empowerment.

Recommendations

- **Artificial Intelligence:** Step up efforts to acquire a leadership position in the area of AI, also leveraging the existing centres of expertise and capabilities, including in the area of supercomputing.
- **Innovation ecosystems:** Boost innovation in the area of digital technologies by enhancing the national ecosystem, from research/university to technology transfer centres, start-ups and scale-ups, and considering targeted incentives for key strategic sectors.
- **SMEs and Advanced technologies take-up:** Support the efforts to build a strong network of technology transfer services, maintaining a nationwide presence, increasing the emphasis on key technologies like AI.

¹ The share of financial allocations that contribute to digital objectives has been calculated using Annex VII to the Recovery and Resilience Facility Regulation. Last data update: 16 May 2025.

² This amount includes all investment specifically aimed at or substantially contributing to digital transformation in the 2021-2027 Cohesion policy programming period. The source funds are the European Regional Development Fund, the Cohesion Fund, the European Social Fund Plus, and the Just Transition Fund.

³ The Best Practice Accelerator (BPA) is a platform that enables Member States to share successful measures and challenges encountered in their efforts to meet their Digital Decade targets and objectives. Best practices are made available to Member States via the BPA Repository and showcased in regular workshops, currently focused on three thematic clusters: Digital Skills, Green IT, and the Uptake of Digital Technologies.

- **Basic digital skills:** Strengthen training opportunities and support services for all population groups, reinforce education on digital skills in schools and incentivise reskilling and upskilling for workers.
- **ICT Specialists:** Expand ICT higher education and align it with labour market needs, promote women's participation in ICT education and careers, and introduce measures to attract and retain ICT professionals.
- **Cybersecurity:** Improve cybersecurity priorities in view of evolving threats, building capacity in both enterprises and public administrations.
- **Connectivity:** Continue the efforts to deploy connectivity infrastructure, particularly FTTP, across the whole country and including in sparsely populated areas, and consider using take up as a driver for deployment.
- **Digital Public Services:** Maintain momentum in deploying digital public services, focusing on simplification and take-up by users.