

New Deal Advisors Competitiveness Report 2023

**ITALY LEADER IN SUSTAINABILITY
UNEMPLOYMENT AND DIGITISATION THE COUNTRY'S CHALLENGES**

Milan, February 09 2024 - **New Deal Advisors**, an independent firm specializing in advisory services to M&A Transactions publishes the results of the **Competitiveness Report 2023** together with **Eight International**, a global network founded in 2016 by a group of consulting firms, including Italy's New Deal Advisors.

Compared to the previous edition, a **new evaluation methodology** was introduced this year, replacing the traditional rankings based exclusively on economic indicators and thus providing a more accurate and in-depth perspective on the competitiveness of the countries analysed.

The new assessment approach focuses on **three key elements**:

- the 43 countries analysed are categorised into two groups based on a population threshold of 25 million;
- the ranking of the countries was reworked by assigning ratings (A, B, C, D, E), as opposed to a simple numerical ranking;
- the competitiveness of each country was assessed through four essential pillars: Economy, Education, Society and Sustainability (using over 30 different analysis parameters).

Table 1

Ranking of countries with a population over 25 million

Country ¹	Economics	Education	Society	Sustainability
Germany	A	A	A+	A
Australia	A	A	A+	B
Canada	A	A	A+	B
United Kingdom	A	A	A	A
France	B	A	A	A
United States	A	A	A	B
Italy	B	A	A	A
Korea	A	A	A	B
Japan	B	A	A	B
Poland	B	A	A	B
Spain	B	B	A	A
China	C	A	C	C
Mexico	C	C	B	B
Brazil	D	C	B	B
Colombia	D	C	B	B
Indonesia	C	D	B	B
Turkey	C	B	C	C
India	C	E	D	C
Nigeria	D	E	D	B

¹Countries with more than 25 million population

Table 2
Ranking of countries with a population under 25 million

Country ²				
Finland	A	A+	A+	A
Sweden	A	A+	A+	A
Switzerland	A+	A	A+	A
Denmark	A	A	A+	A
Norway	A	A	A+	A
Austria	A	A	A	A
Iceland	B	A	A+	A+
Ireland	A	A+	A	A
Luxembourg	A+	B	A+	B
Netherlands	A	A	A+	A
Estonia	B	A	A	A
New Zealand	B	A	A+	B
Portugal	B	A	A	A
Belgium	B	A	A	B
Czechia	B	A	A	B
Israel	B	A	A	B
Lithuania	B	A	A	B
Slovenia	B	A	A	B
Greece	C	A	A	B
Slovak Republic	B	B	A	B
Latvia	B	A	A	C
Chile	C	B	A	B
Costa Rica	D	B	A	A
Hungary	B	B	B	B

²Countries with less than 25 million population

In the report, Italy, with a population of 59.18 million and a GDP of \$1,996.93 billion, is ranked in Group 3 along with other countries with populations greater than 25 million such as the United States, France and Korea. With the same rating, but with populations of less than 25 million, are New Zealand, Portugal and Estonia.

Table 3
The cross-section of countries classified Group 3 categorised by population threshold

Large Countries (Population higher than 25mn)

Country	Economics	Education	Society	Sustainability
France	B	A	A	A
United States	A	A	A	B
Italy	B	A	A	A
Korea	A	A	A	B

Source: Eight International

Small Countries (Population lower than 25mn)

Country	Economics	Education	Society	Sustainability
New Zealand	B	A	A+	B
Portugal	B	A	A	A
Estonia	B	A	A	A

Source: Eight International

The **table 4** presents Italy's positioning on the basis of the four pillars (Economy, Education, Society and Sustainability) in comparison with the other 43 countries analysed. It can be observed how Italy excels in Sustainability, while in the other areas, it remains below average.

Table 4
Ranking and rating of Italy out of 43 analysed countries

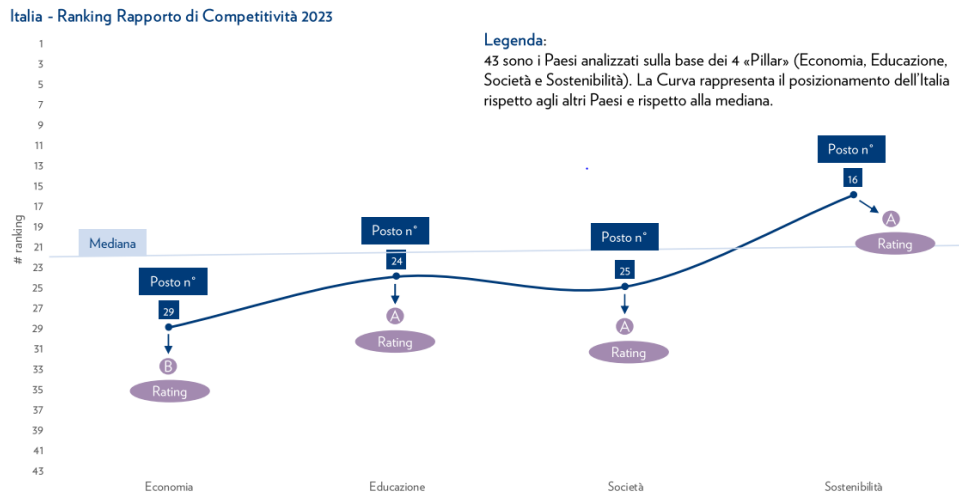
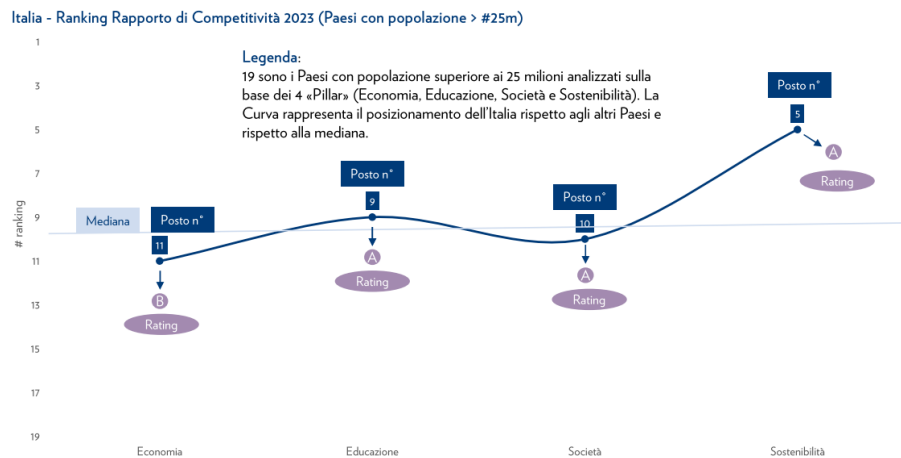


Table 5
Ranking and rating of Italy out of 19 countries with populations greater than 25 million



The **table 5**, Italy's positioning presents in comparison to the 19 countries with a population over 25 million. The table reveals a dominant position in Sustainability and shows an improvement that places Italy above average in Education. However, Italy retains a less robust position on Economy and Society.

Table 6

The parameters that have the greatest impact on Italy's positioning compared to other countries

Economia		Educazione		Società		Sostenibilità	
Indice	#	Indice	#	Indice	#	Indice	#
Unemployment % A	37	Secondary School Enrolment	16	Healthiest Country Index C	3	Green Index	15
Tax Competitiveness B	40	World University Rankings (per capita)	18	GINI Index (**)	30	Ecological Footprint	15
Digitalization Index	30	PISA (*)	29			Renewable Energy Share	24
						Air Pollution	28

The **Table 6** reveals the parameters that most influenced Italy's ranking divided by the four assessment pillars. For the Economy, unemployment (although showing improvement, with a reduction from 9% to 7.5% in the three-year period 2021-2023), bureaucratic and fiscal complexity together with the lack of digitalisation had a negative impact on Italy's positioning. For Education, the parameters that have contributed to positioning Italy above the average include the number of Italian universities in world rankings, the secondary school enrolment rate, and the quality of educational institutions. For the Society pillar, the wide inequality present in our country had a significant impact. In the Sustainability pillar, the quality of life, the ecological footprint, the percentage of energy derived from renewable sources, and the pollution rate played a crucial role in Italy's ranking.

Mara Caverni, Founding Partner of New Deal Advisors, declares “*Although Italy ranks seventh among countries with more than 25 million inhabitants, with a satisfactory result, we recognise the need to improve the economy of our Paese. The priority is to focus on crucial aspects such as public debt, the tax burden and unemployment, with the aim of moving up in the ranking and ensuring greater solidity and resources. It is also important to invest in essential fundamentals, including improvements in society, a more efficient education system and more energy production from renewable sources.*”

New Deal Advisors

New Deal Advisors is an independent firm specialising in advisory services in M&A. Established in 2012, New Deal Advisors provides support in a broad variety of extraordinary transactions streams including mergers and acquisitions, restructuring, transformation processes, forensic and litigation activities, fairness opinions and valuation services. New Deal Advisors has worked for more than a decade alongside private equity funds, investment holdings, family offices, financial institutions and strategic players achieving to date the finalisation of over 200 deals.

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Image Building

NDA@imagebuilding.it

Tel. 02 89011300