# The Pakistani community in Italy

ANNUAL REPORT

2025

# THE PAKISTANI COMMUNITY IN ITALY

**159,680**
legal residents

at 31 December 2024

**+13.2%**
compared to the previous year

**77.2%**

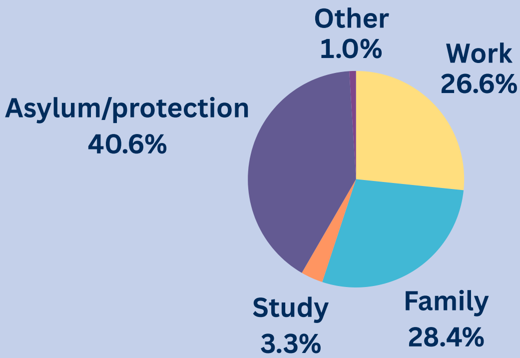
**22.8%**

**14.6%**
minors

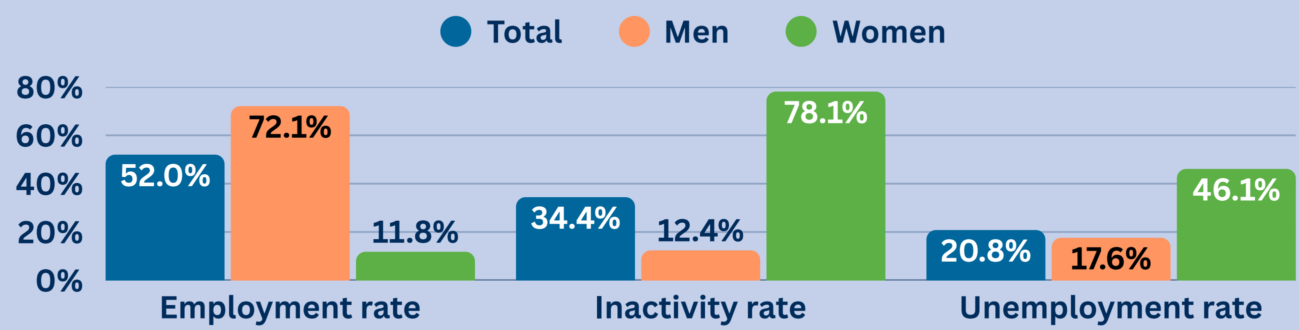
**17,217**
Entries in 2024

**61.1%**
for asylum/asylum seekers and other protection forms

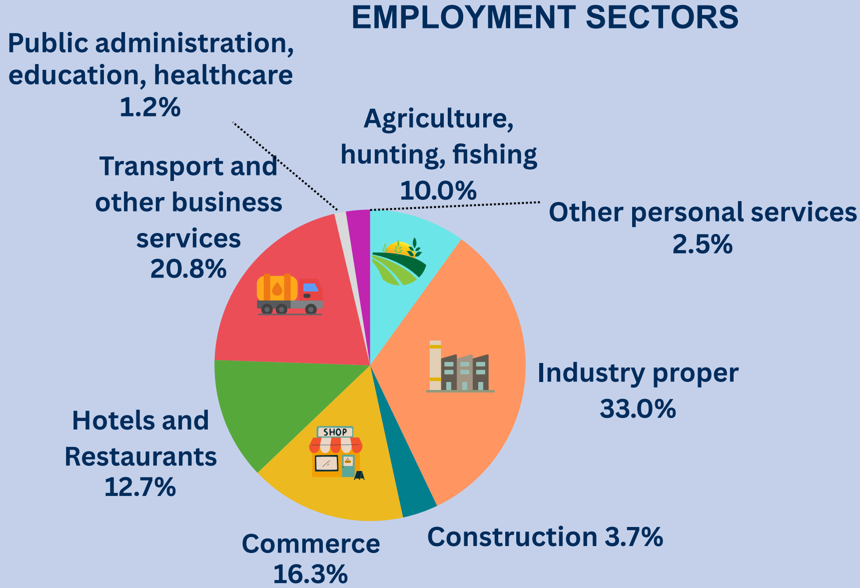
## SHORT-TERM RESIDENCE PERMITS




**40.6%**
long-term residents




## EMPLOYMENT SECTORS




**22,109**
sole proprietorships

**5.6%**
of all non-EU businesses

**46.8%**
of Pakistani businesses in Commerce

# The context of origin

*Edited by World Bank*

## Macro-economic Framework

Since 2015, the Pakistani economy has retained a moderate growth rate, with GDP increasing by 2.1% per annum on average. Similarly, employment has grown by 1.9% while the number of employed people over the same period has soared by over 12 million.

## Demographics and the labour market

With a population of 255 million people, Pakistan is one of southern Asia's most densely populated countries. More than half of the residents fall within the working age group (15-64 years), while 20% consists of youths aged 15-24. By 2050 the overall population is expected to rise by 48%, meaning some 120.6 million people more, bringing about a significant increase in the potentially active population. This demographic growth has gone hand in hand with an increasing participation in the labour market. However, the economy's ability to absorb newcomers is limited. The unemployment rate has risen by 3.7% over the past ten years, revealing problems in generating jobs at an adequate pace. Over the same period, the employment/working age population ratio has remained basically unchanged (from 50.1% in 2014 to 49.7% in 2024), indicating that the increase in the number of employed people has failed to keep up with demographic growth. Concurrently, the inactivity rate dropped by 1.6%, showing that a growing share of the population has joined the workforce. Nevertheless, many of these newcomers are jobless, as highlighted by the unemployment increase. Overall, the combination of a growing participation, a stagnating employment and an unemployment rate on the rise reflects the Pakistani economy's shortfalls in creating employment opportunities that match the country's rapid demographic growth.

## Social characteristics

Pakistan's population is predominantly Muslim; Urdu and English are the official languages. Education and literacy are constantly improving: the literacy rate has reached 58%. Although participation in tertiary education stands at 11%, it has been steadily increasing from 2013 to 2023 (latest data available), for both men and women (+2.5% and +2.1%, respectively).

Despite this progress, investments in education and healthcare have not yet led to full consolidation of human capital[1]. According to the World Bank, Pakistan's Human Capital Index in 2020 was 0.41[2], thereby indicating that a child born today will only be able to reach 41% of his/her productive potential – if in good health and quality education.

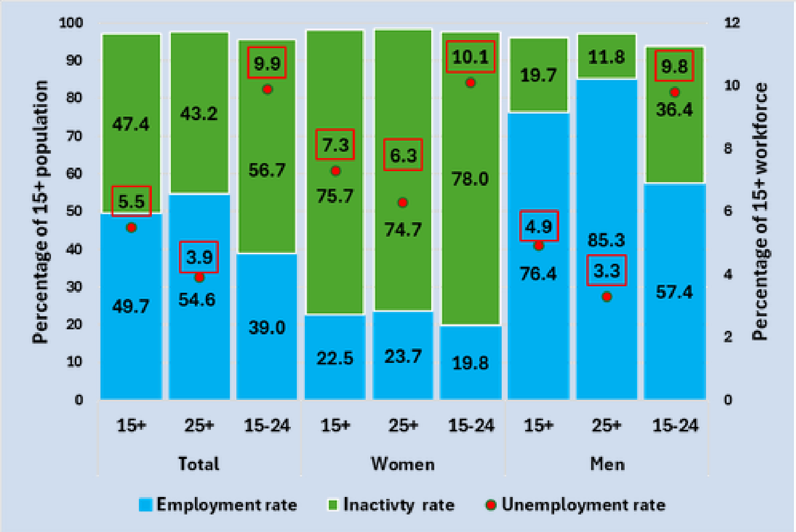
## Quality of employment and gender and generational inequalities

Employment quality in Pakistan is still a structural problem. Some 84% of workers worked in the informal economy in 2021, while almost two thirds of the employed were in low-productivity sectors with a high incidence of informal work – particularly agriculture (36%), construction (10%) and commerce (15%) – more than one worker in two was a service provider or a domestic worker, categories that are generally vulnerable, from an economic standpoint.

*[1] Calculated as the ratio of the total number of students enrolled to the population of university age*

*[2] The Human Capital Index is a composite indicator obtained from the product of three indicators: child survival (up to age 5), education, and health.*

**Figure 1 – Overview of the labour market in Pakistan: key indicators**

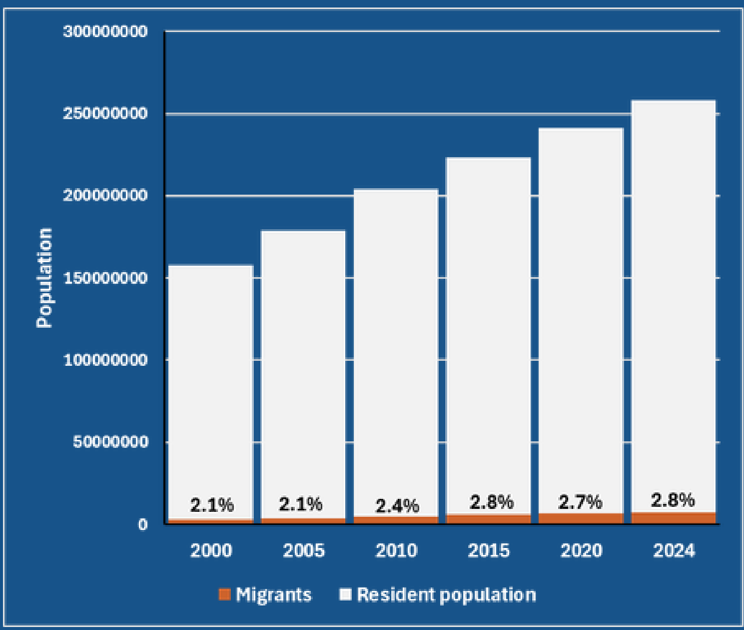



*Source: World Bank elaboration based on ILOSTAT data https://ilostat.ilo.org/data/*

## Pressures on the labour market and generations

Youth unemployment stood at 10% in 2024, almost twice as much as that of adults, highlighting that youths have problems finding a job. Gender disparities are even more marked. The unemployment rate for women (7.3%) is higher compared to that of men (4.9%); furthermore, the inactivity rate for women is 76%, more than three times higher than that of men (20%). These gaps reveal persisting structural limits – at the economic, social, and cultural level – that continue to hinder women's access to the labour market, thereby increasing their risk of exclusion.

**Figure 2 - Pakistani migrant stock (% of total population)**




*ource: World Bank elaboration based on UNDESA data: https://www.un.org/development/desa/pd/global-migration-database*

## Migration trends

The Pakistani economy has slightly improved in generating employment, and this is to be seen in migration, which is a key structural element of the country's socio-economic context.

Over the past twenty years, the number of Pakistani citizens living abroad has grown by 86%, soaring from 3.7 million in 2005 to over 6.9 million in 2024 – that's roughly 3% of the national population. Most of the migrants relocate to medium-high income Arab and Asian countries, particularly Saudi Arabia (28%), United Arab Emirates (13%) and India (11%). As for European destinations, Italy ranks second, after the United Kingdom, absorbing some 2% of the overall Pakistani migrants in 2024.

The rising migration flows mirror both the existence of consolidated migration networks, which continue to facilitate migration, and the domestic labour market's persisting difficulties in ensuring quality employment opportunities, especially for youths and less skilled workers.

## Trends in migrant presence

**Table 1 – Legally resident non-EU citizens. Key indicators (Data at 31 December 2024)**

| Country | Incidence of women % | Incidence of minors % | Total a.v. | 2024/2023 % variation | Incidence of long-term residents % | New permits in 2024 % |
|---|---|---|---|---|---|---|
| Ukraine | 75.00% | 17.70% | 392,389 | 1.70% | 43.20% | 13,505 |
| Morocco | 44.80% | 21.70% | 377,554 | 1.50% | 61.50% | 25,776 |
| Albania | 49.20% | 21.10% | 360,965 | 0.40% | 54.20% | 24,430 |
| China | 50.60% | 19.30% | 288,661 | 8.10% | 65.00% | 7,965 |
| Bangladesh | 23.30% | 14.50% | 195,523 | 16.90% | 41.70% | 28,045 |
| Egypt | 28.80% | 24.60% | 175,236 | 9.40% | 48.30% | 20,217 |
| India | 40.60% | 16.30% | 159,618 | 4.30% | 51.50% | 16,907 |
| Philippines | 57.80% | 14.70% | 145,694 | -0.40% | 71.60% | 2,334 |
| **Pakistan** | **22.80%** | **14.60%** | **159,680** | **13.20%** | **40.60%** | **17,217** |
| Tunisia | 36.70% | 20.80% | 112,486 | 12.80% | 53.90% | 15,016 |
| Nigeria | 43.30% | 26.30% | 107,738 | 12.10% | 32.00% | 7,288 |
| Peru | 57.80% | 17.10% | 106,409 | 11.30% | 49.60% | 14,298 |
| Sri Lanka | 46.90% | 18.50% | 104,423 | 6.30% | 66.80% | 5,969 |
| Senegal | 26.20% | 15.50% | 103,818 | 7.00% | 58.90% | 6,033 |
| Moldova | 68.00% | 14.30% | 89,693 | -6.80% | 83.20% | 2,178 |
| Ecuador | 56.20% | 16.50% | 53,337 | -3.80% | 73.40% | 2,221 |
| **Total of non-EU citizens** | **48.00%** | **17.30%** | **3,810,741** | **5.60%** | **52.80%** | **290,119** |

*Source: Sviluppo Lavoro Italia elaboration based on Istat data*

**Pakistani citizens legally residing** in Italy at 31 December 2024 totalled **159,680**. The presence of this Asian community has grown significantly **over the past twenty years**, rising from 32,546 people in 2005 to almost 160,000 in 2024, a **390.6% increase**. In the last year alone the increase was 13.2% compared to the previous year – a pace that is greater than that of overall non-EU citizens (+5.6%). This trend is closely linked to the relevant number of new entries, as will be shown further on.

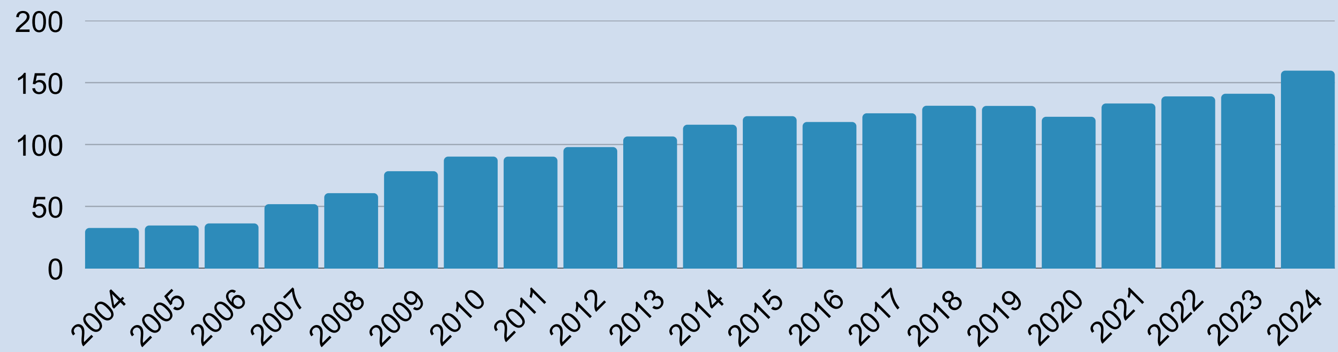
**The community ranks seventh among the major non-EU ones**, accounting for 4.2% of the country's non-EU population.

**159,680**
**legal residents**

**4.2%**
**of**
**non-EU citizens**

**+13.2%**
**compared to**
**31 December 2023**

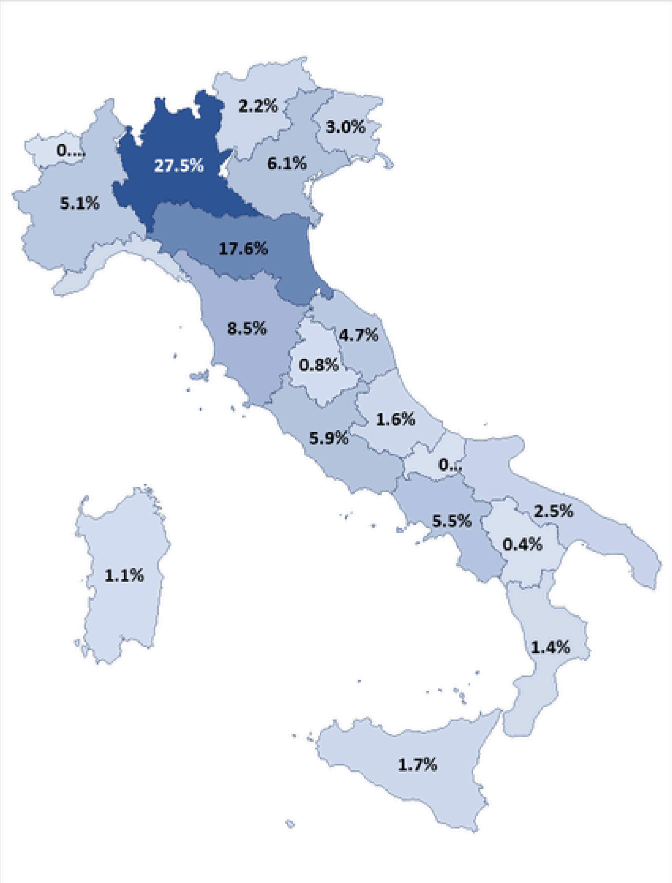
**Figure 3 – Legal residents (absolute value in thousands). Time series 2004-2024**




*Source: Sviluppo Lavoro Italia elaboration based on Istat data*

## Territorial distribution

**Map 1 – The regional distribution of the community (%). Data at 31 December 2024**




*Source: Sviluppo Lavoro Italia elaboration based on Istat data*

The geographical distribution of the Pakistani community in Italy is quite consistent with the general pattern of the non-EU population, yet there are some peculiarities. The presence is particularly concentrated in northern Italy, where 65.5% of Pakistani citizens live – a figure that exceeds the average of non-EU foreigners living in this region (59.8%). Central Italy hosts 20% of the community (compared to the 23.1% overall average), while 14.6% lives in southern Italy and the islands (versus 17.1%).

As for the single regions, **Lombardy** is once again the major hub, hosting **27.5%** of Pakistanis. Next in line are **Emilia-Romagna (17.6%) and Tuscany (8.5%)**, which, combined, form a very relevant hub. In central Italy, Lazio (5.9%) and the Marches (4.7%) stand out, while in southern Italy, Campania (5.5%) is the region hosting the largest Pakistani community.

| 65.5% | 19.9% | 14.6% |
|---|---|---|
| North | Centre | South and islands |

## Gender composition

**77.2%** **22.8%**

There is a **marked gender imbalance** in the community breakdown: **77.2% are men**, 22.8% are women. This places the community in the **top spot among the major non-EU populations in terms of low female presence** (with the Bangladeshi community taking a close second place). The figure is associated with the characteristics of Pakistani migration: it is usually young men who migrate to financially support their families in the country of origin, with remittances, and regularly returning to the homeland. Family reunification takes place only when adequate economic and social stability has been achieved.

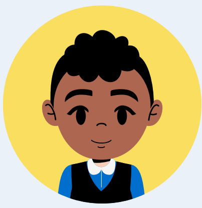
## Breakdown by age groups and minors

**Average age**

**32.2 years**

**23,285**

**minors**



**14.6%**

**of the community**

The community is characterised by a young population, whose average age is around 32, and a remarkable share of young adults: over 68% of Pakistani citizens in Italy are aged 18-44, a figure significantly higher than the 48.6% recorded for the non-EU population on the whole. **The most common age group is the 30-34-year-olds**, comprising around **16%** of the community. Minors total 23,285, accounting for 14.6% of the Pakistani population, less than the average of the non-EU population on the whole (17.3%), which has fallen significantly in recent years.

Despite the small proportion of women, the relevant number of minors can be explained by the particularly **high birth rate[3] (14.4 ‰ )**, which places the Pakistani community in fifth place among the major non-EU communities. In 2024, 2,287 Pakistani children were born in Italy, accounting for 5.4% of non-EU births.

One phenomenon that has significantly affected the community over the years is that of unaccompanied foreign minors (**UAMs**): as at 30 June 2025, there were **410** Pakistani UAMs, a sharp drop compared to the previous year (-21%). They are almost exclusively male (99.8%) and young people about to turn 18 (some 67% are 17 year-olds).

*[3] The birth rate is the ratio between the number of births in a community or population during a period of time and the average population of the same period per thousand.*

## Mixed marriages

When analysing families, it should be noted that the community hardly engages in mixed marriages: in 2023[4] there were 71 mixed marriages between Pakistani and Italian citizens (in 64 cases, the bride was Italian, in 7 cases, the groom). That's a sharp drop (-12.3%) compared to the previous year.

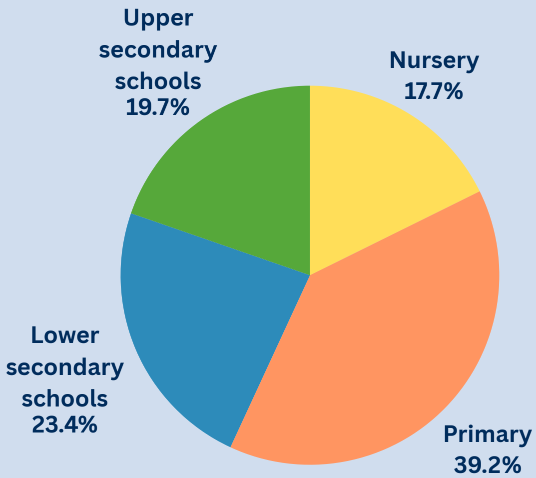
*[4] Last year for which data is available.*

## Youths and education

**25,792**

**Pakistani students**

**Figure 4- Percentage distribution by school level of the community's students. School year 2023/24**




*Source: Sviluppo Lavoro Italia elaboration based on MIM data*

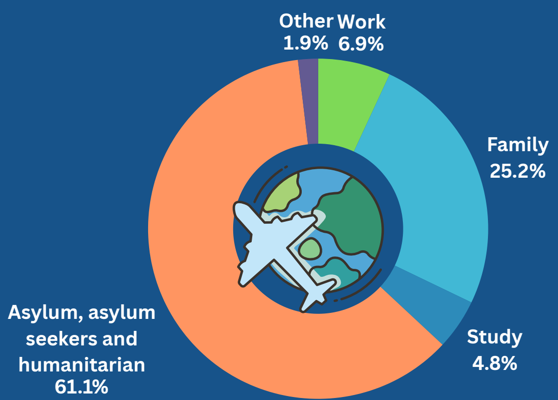
During the 2023/2024 school year, **25,792 Pakistani students** were enrolled in Italian schools, accounting for 3.4% of the non-EU school population. Their number rose by 7.3% compared with the previous year. Pakistani students are concentrated in the lower levels of the school system: 39.2% of them attend primary school and 23.4% Lower secondary school, with percentages greater than the average of non-EU students. Female students account for 47.4%, slightly below the non-EU average (48.3%), but with a more marked difference in upper secondary school, where Pakistani female students represent 47.6%, compared to 50.2% for non-EU students on the whole.

The Pakistani community also stands out for its **significant presence in universities**. In the 2023/2024 academic year, there were **3,112 enrolled students**, accounting for 2.9% of non-EU university students, namely, a 12.8% rise compared to the previous year. This figure places **the community in fifth place among the major non-EU communities in terms of university students.**

There has also been an increase in the percentage of young Pakistanis aged 18-24 who are neither in education, employment nor training (**NEETs**), reaching **29.4%**, a 1.1% increase versus the previous year. This figure is higher than both the average of non-EU youths (24.9%) and that of Italian youths (14.3%). The problem is particularly evident among the female members of the community, with the rate reaching 39%, compared to 22.8% for their male peers, thereby indicating greater difficulties in social and labour market integration for young women.

## Entries

**Figure 5 – New residence permits issued in 2024 by reason for issue (%). Data at 31 December 2024**




*Source: Sviluppo Lavoro Italia elaboration based on ISTAT data*

A total of **17,217 new residence permits** were issued to Pakistani citizens in 2024, noticeably down compared to the previous year (-21%, versus an overall 12.3% drop). Nonetheless, the community still ranks fifth in terms of the number of entries. In almost two-thirds of cases, new permits for Pakistani citizens were linked to asylum requests or other forms of protection, representing a 21.4% decrease compared to the previous year. The Pakistani community is third, after the Ukrainian and Bangladeshi communities, in terms of the prevalence of this reason for entry, confirming its significant involvement in the phenomenon of unplanned migration flows that has characterised this community in recent years [5]. Family-related reasons are the second most common for the issuance of new residence permits, accounting for 25.2%, while work accounts for almost 7% of new permits issued (a drop of over 34% compared to the previous year).

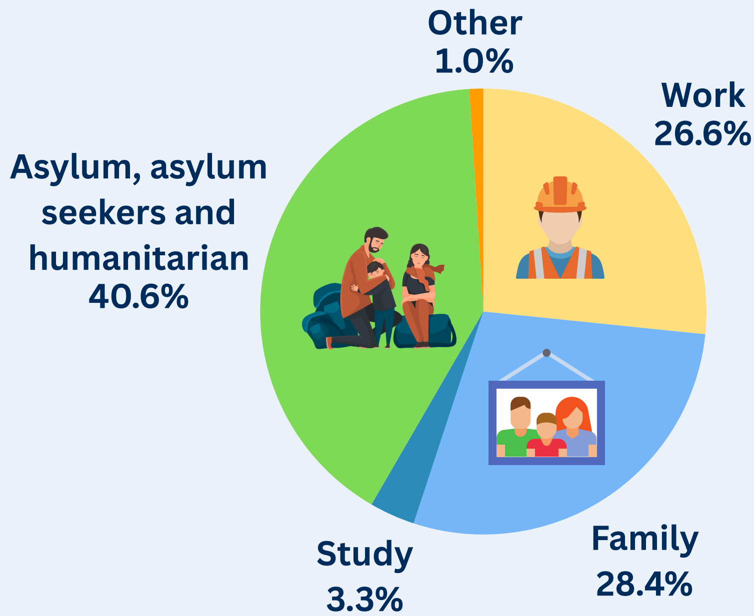
*[5] As at 1 January 2025 it was the fifth largest nationality in terms of the number of people declared at the time of disembarkation.*

## Types and reasons for issuing residence permits

**40.6%**

**long-term residents**

**Figure 6 – Residence permits subject to renewal by reason for issue (%). Data at 31 December 2024**




*Source: Sviluppo Lavoro Italia elaboration based on ISTAT data*

An analysis of long-term residence permits reveals that the process of stabilising the Pakistani community in Italy is still in its early stages: the share of long-term residents stands at 40.6%, having fallen by 6.2% compared with the previous year, owing to the significant number of new entries and the consequent increase in temporary permits. That's more than 12% less than that the figure recorded for non-EU nationals on the whole.
As for **permits subject to renewal**, the main reason for residence in Italy is still the granting or **request for some form of protection**, with a percentage that exceeds that of non-EU citizens on the whole (**40.6%** versus 26.9%), placing the community in third place in terms of the incidence of this reason. Next in line is family reasons, accounting for 28.4%, while permits for work-related reasons account for 26.6%.

**7,203**

**Acquisitions of citizenship**

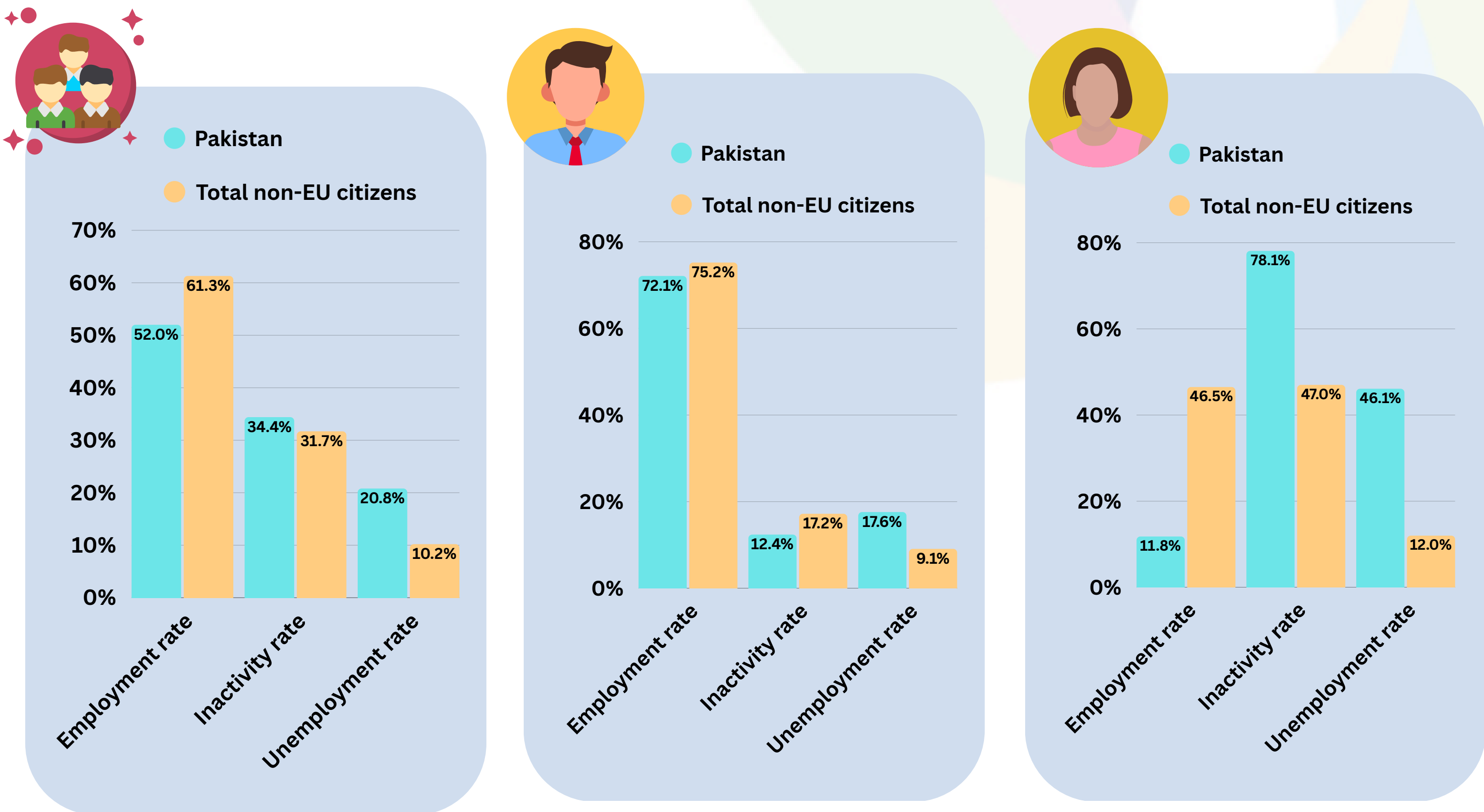
In 2024, **7,203 Pakistani nationals acquired Italian citizenship** (3.6% of all non-EU nationals), a figure that soared exponentially compared with the previous year (+101.5%). **In most cases, citizenship was acquired through transmission from parents, acquisition at the age of 18 or jus sanguinis, representing more than half of the cases (53.5%)**. Naturalisation accounts for 41.6% of acquisitions, whilst only 5% are associated with marriage to an Italian citizen.

## Key indicators

In the labour market, the Pakistani community does not perform as well as the non-EU population as a whole: the **employment rate stands at 52%** compared with 61.3%, with a very **marked gender gap (72.1% for men vs 11.8% for women)**. The **unemployment rate** is higher than the one recorded for the overall non-EU population: **20.8%** versus 10.2%. Finally, the **inactivity rate**, standing at **34.4%** overall (compared to 31.7% for the non-EU population on the whole), is particularly high among women in the community (78.1%). This is a particularly significant figure that characterises the nationality in point, which **ranks third among the major non-EU nationalities in terms of female inactivity rate and lowest employment rate.** While they account for almost 23% of Pakistanis in Italy, women make up only 7.6% of the employed population.

The community ranks eleventh in terms of membership with the major trade unions (2.3% of non-EU members), with CGIL holding the lion's share (56%). Out of an estimated 39,000 employed Pakistanis, 18,269 are unionised, accounting for almost half of the workforce.

**Figure 7 – Key labour market indicators by gender and citizenship. Year 2024**

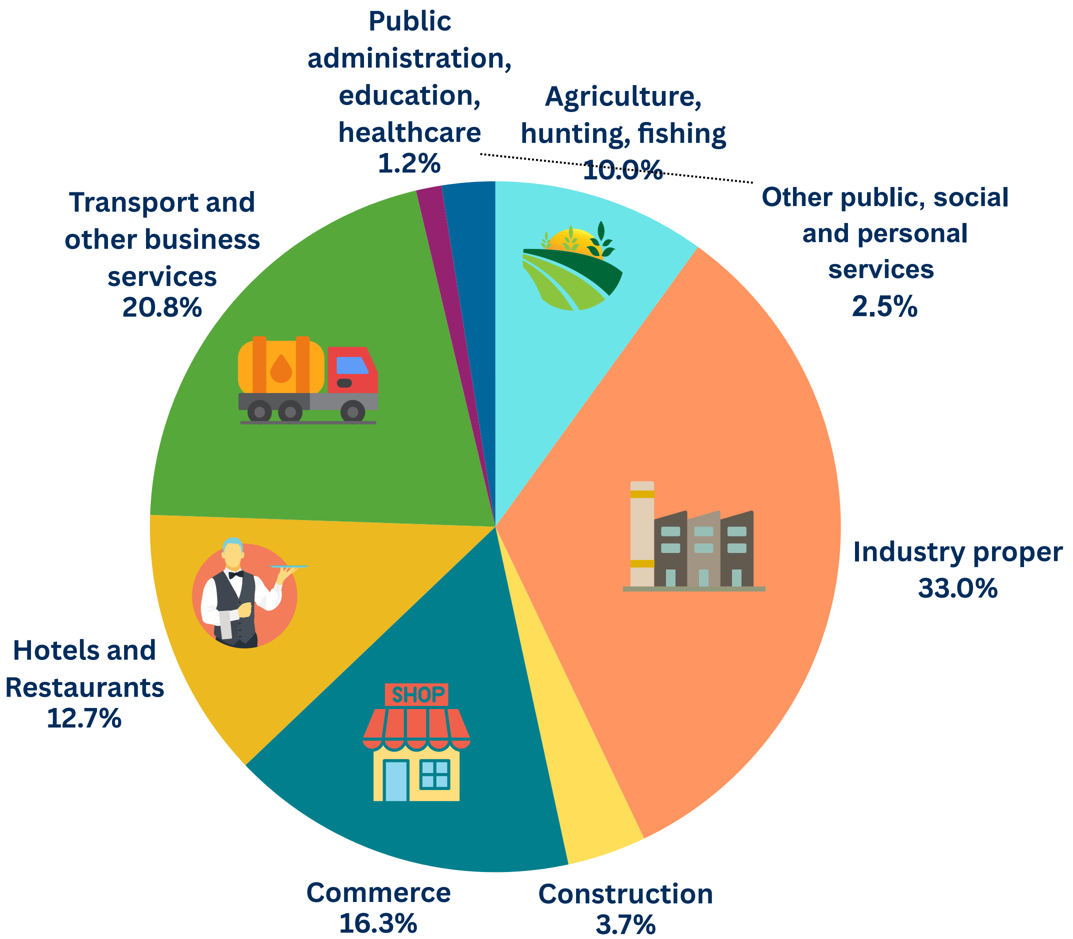



*Source: Sviluppo Lavoro Italia elaboration based on Istat RCFL data*

## Sectors of employment

The distribution of Pakistani-origin workers in the several economic sectors shows a **significant concentration in the industrial sector**, which employs **33%** of the community's workforce, followed by the transport and business services sector (20.8%) and commerce (16.3%). These figures confirm a significant presence of Pakistanis in manufacturing and logistics, with a substantial presence in the trade sector as well.

**Figure 8 - Employed persons (over 15) by sector of employment (%). Year 2024**




*Source: Sviluppo Lavoro Italia elaboration based on Istat RCFL data*

As for professional categories, Pakistani workers are predominantly classified as skilled manual labour (around 41%), that's 10% higher than the non-EU population on the whole. Just over a third, on the other hand, are employed as unskilled manual labour.

**40.9%**
**Unskilled manual labour**

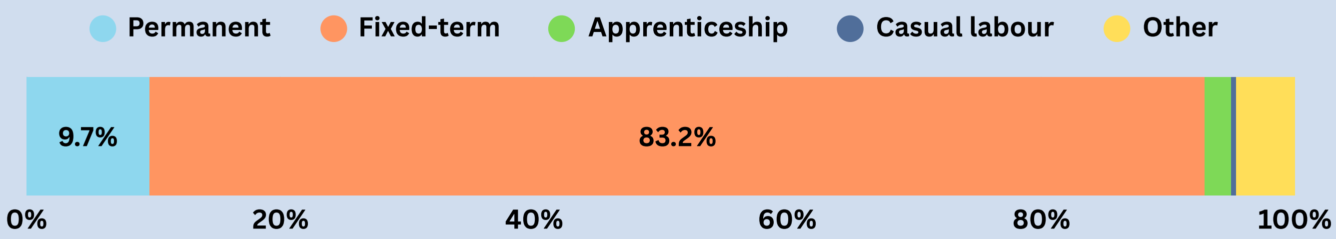
## Employment Trends

Regarding entry into the labour market, **135,077 Pakistanis were newly hired in 2024,** accounting for 6.5% of all new employment contracts for non-EU citizens. The vast majority of these hirings were on fixed-term contracts (83.3%) (71.8% for non-EU citizens). Permanent contracts accounted for 9.7%, versus 19.5% for non-EU citizens on the whole, indicating greater job instability.

The **main sector** where members of this community were hired (as is the case for the non-EU population on the whole) is ***Services***, accounting for over 42% of new employment contracts. Data from Mandatory employment communications highlight the importance of the a**gricultural sector** for the community in point: **32.8%** of hirings occurred in this sector, compared with 24.3% for the overall non-EU population. **Around 9% of non-EU hirings in the sector concern Pakistani citizens**. The share of Pakistani nationals is also high among those employed in *Industry proper*: 7.1%.

As for the most common job types, Pakistani-origin workers are most frequently employed as ***Unskilled labour in the sectors of agriculture, garden maintenance, livestock farming, forestry and fishing***, accounting for approximately **32%** of contracts. Next in line are *Unskilled jobs in trade and services*, accounting for 24%. While representing only 3% of new contracts for workers from the community, the figure for *Employees engaged in administrative, accounting and financial management* is significant: 15% of the overall figure for non-EU workers employed in this role.

**Figure 9 – Initiation of employment relationships with Pakistani citizens by type of contract (in%). Year 2024**




*Source: Sviluppo lavoro Italia elaboration based on SISCO data*

The participation of women in the labour market is very limited as confirmed by the fact that only 2.3% of new hirings among Pakistani citizens involve women; this figure is significantly lower than the 28.7% recorded for non-EU nationals on the whole.

The number of employment **contracts involving Pakistani citizens** that **ended in 2024** is **126,215**, the majority of which were terminated due to the expiry of the contract or the cessation of business activities (65.5% - compared to 57.9% for non-EU nationals as a whole); 16% were due to dismissal, 10.8% to resignation and 7.6% were associated with other reasons.

## Businesses

The Pakistani community ranks **fifth among non-EU communities in terms of the number of sole proprietorships: 22,109**, namely 5.6% of the total.
The geographical distribution of these businesses only partially reflects the community's presence across the country. Campania is the leading region in terms of Pakistani-run sole proprietorships, accounting for 24% of the total, followed by Lombardy (18.5%) and Emilia-Romagna (11.3%).
In the business sector, the Pakistani community is strongly concentrated in the trade sector: almost half of sole proprietors (46.8%) operate in wholesale and retail trade, for a total of 10,336 businesses, a share significantly higher than that of non-EU nationals on the whole (37.2%). In this sector, the Pakistani community accounts for 7.1% of all non-EU entrepreneurs.


**46.8%**
**of Pakistani businesses in Commerce**

The second largest sector is Construction, which accounts for 16.7% of Pakistani businesses (3,688 units), that's lower than the non-EU average (24.6%).
Particularly high percentages are also noted in certain specific sectors: for example in Transport and storage (4.5% of Pakistani businesses), where the community accounts for 13.6% of all non-EU entrepreneurs – the highest proportion among sectors – and in Information and communication services, accounting for 11.1% of the non-EU total.

## Il welfare

Take-up of welfare measures by the Pakistani community is relatively low and is primarily associated with the high proportion of the active population: Pakistani citizens account for 3% of non-EU recipients of wage supplementation schemes[6]; this figure rises to 3.4% in the case of Extraordinary Wage Supplementation Fund. Conversely, consistent with the age distribution of the Pakistani population in Italy, the number of recipients of IVS pensions is so small that it is not disaggregated.
Evidence that the Pakistani community has not yet fully integrated into the Italian economic and social fabric is the incidence of maternity benefits recipients[7], so low that it is not disaggregated. By contrast, the share of parental leave recipients[8] (4%) and family allowances[9] (3.8%) is significant.

*[6] These include the extraordinary redundancy fund, the exceptional redundancy fund (a measure adopted during the pandemic to support employees of companies not covered by other income support measures) and the ordinary redundancy fund.*
*[7] Also known as 'compulsory leave allowance', this is a form of income support that replaces wages and is paid to female workers who have to take leave from work for pregnancy and childbirth for a total of five months.*
*.[8] A form of income support for parents who are employees and who are entitled to take leave from work during the first 12 years of their child's life for a maximum of 6 consecutive months or fractions thereof for the mother and a maximum of 7 consecutive months or fractions thereof for the father.*
*[9] As of 1 March 2022, Legislative Decree 230/2021 introduced the Universal Child Benefit, a measure to support families with dependent minors, or children of age but not yet 21 who are students or unemployed, as well as disabled children of any age. Family allowance remains in place as a measure to support families without children*

**Table 2 - Beneficiaries of social buffers, old age, invalidity and survivors' pensions and welfare pensions, cash transfers to the families of the community surveyed and to the overall non-EU population – Year 2024**

| Allowance | Pakistan | Incidence of the Community on non-EU total | Total non-EU beneficiaries | Incidence of non-EU workers on total beneficiaries |
|---|---|---|---|---|
| **Wage subsidies** | | | | |
| Ordinary Redundancy Fund | 2,729 | 3.10% | 87,491 | 15.50% |
| Extraordinary Redundancy Fund | 176 | 3.40% | 5,187 | 3.20% |
| Exceptional Redundancy Fund | 0 | 0.00% | 16 | 0.70% |
| Total | **2,905** | **3.10%** | **92,694** | **12.70%** |
| **Unemployment benefits** | | | | |
| NASpI (New social insurance for employees) | 17,416 | 3.80% | 456,263 | 16.70% |
| **Old age, invalidity and survivors' pensions** | | | | |
| Old age | 0 | 0.00% | 62,837 | 0.50% |
| Invalidity | 0 | 0.00% | 15,694 | 1.80% |
| Survivors | 0 | 0.00% | 37,766 | 0.90% |
| Total | 0 | 0.00% | 116,297 | 0.70% |
| **Welfare pensions** | | | | |
| Pensions and social allowances | 332 | 0.60% | 51,272 | 6.10% |
| Civil disability pensions | 965 | 2.30% | 41,299 | 4.00% |
| Caregivers' allowance and the like | 1,162 | 2.50% | 46,645 | 2.10% |
| Total | **2,459** | **1.80%** | **139,216** | **3.40%** |
| **Family Care** | | | | |
| Maternity | 0 | 0.00% | 29,271 | 10.20% |
| Parental leave | 1,350 | 4.00% | 34,140 | 9.50% |
| Family allowance | 199 | 3.80% | 5,225 | 8.30% |

*Source: Sviluppo Lavoro Italia elaboration on the basis of data from INPS - Coordinamento generale statistico attuariale*

# Remittances and financial inclusion

*Edited by D. Frigeri - CeSPI*

## Remittances

The financial behaviour and decisions of foreign citizens take place in a space-time dimension that is influenced by subjective and objective factors. In percentage terms, three-quarters (76%) of savings are allocated in Italy and the remaining 24% are sent to the country of origin in the form of remittances. This transfer of money, which has reached significant proportions internationally (over USD 900 billion in 2024, according to the World Bank), has a significant impact in the countries of origin. Remittances sent by foreign nationals residing in Italy reached EUR 8.29 billion in 2024 (Bank of Italy), with very modest growth of 1.3%, following years of significant increases.

According to World Bank data, remittances to Pakistan accounted for 9.4% of the country's GDP in 2024. The country is the second-largest destination for remittance flows from Italy, accounting for 7% of the total in 2024, albeit with a 12% reduction compared to 2023. Lombardy and Emilia-Romagna are the two regions from which a combined 44% of remittances to the Asian country originate (concentrated in Brescia at 7% and Bologna at 6%), followed by Tuscany (12%) and Campania (7%). With regard to cross-border transfers sent by Pakistani citizens to their country of origin, data collected from Italian banks show a 34% decline in volume and a 31% decline in the average amount between 2023 and 2024.

**Table 3 - Remittances to Pakistan**

| | |
|---|---|
| Volume of 2024 remittances from Italy | 599,585 (milioni di €) |
| Incidence on total remittances from Italy | 7.2% |
| 2023-2024 % variation | -11.9% |
| Average cost of remitting €150 from Italy (September 2025)[10] | 3.96% |
| Average amount of cross-border transfers from Italian banks | 3,218 € |

*Source: CeSPI elaboration based on Bank of Italy data, www.mandasoldiacasa.it, Observatory on the Financial Inclusion of Migrants*

## The process of financial inclusion and financial well-being

Financial inclusion, defined as access to and proper use of a variety of financial instruments, is an enabling factor for starting and consolidating the process of socio-economic integration of an individual and their family. This evolutionary process is based on access to current accounts and payment systems; plus, there are increasingly complex needs that correspond to an equally complex range of financial instruments, including access to credit, investments, forms of stockpiling and savings protection. The traditional notion of financial inclusion has gradually been paired with the term financial wellbeing, a multidimensional concept envisaging the ability of an individual or family to manage their economic resources in the present and in the future, ensuring stability and resilience.

*[10] The average cost, calculated according to the methodology adopted and certified by the World Bank, includes the sum of commissions and the markup on the exchange rate..*

In literature, it is associated with four dimensions [11]: the ability to manage current expenses in a sustainable way (having control over one's finances), the ability to absorb unexpected shocks with no serious difficulties (having a financial "buffer"), the ability to earmark savings for medium/long-term goals, and the ability to confidently plan one's financial future (freedom to make choices for one's own well-being). These dimensions envisage the availability of a wide range of financial products, but also an adequate financial education, which is a necessary precondition.

The National Observatory for Financial Inclusion, created by CeSPI in 2010, is capable of observing several variables closely related to the mentioned dimensions. The first two indicators concern financial and digital education. Both show low levels for non-European citizens: the financial education index stands at 3.8 on a scale of 0-10, while only 46% deem their digital skills sufficient. A second key indicator concerns the Bancarization Index, the percentage of adults who are current account holders, the first step in the process. While the index stands at 97% for Italians [12], it reached 90% for non-EU foreign citizens in 2023, still quite a gap. For the Pakistani community, the index shows 86%. A second set of variables, on the other hand, allows us to represent an individual's ability to plan their long-term goals and manage their expenses sustainably.

**Table 4 – Financial inclusion indicators - Pakistan**

| | 2023 | 2022 | 2020 | Delta 2020-2023 | Non-EU countries' data |
|---|---|---|---|---|---|
| **Bancarization index** | 86% | 75% | 83% | | 90% |
| **Incidence on the number of bank account holders** | | | | | |
| **Passbooks** | 34.30% | 27.30% | 29.40% | (+) | 60% |
| **Payment services** | 333.40% | 362.90% | 354.30% | (-) | 303% |
| **Financing services** | 36.20% | 38.50% | 42.40% | (-) | 54% |
| **Mortgages** | 5.40% | 5.80% | 7.30% | (-) | 12% |
| **Savings/investment products** | 12.00% | 12.50% | 17.60% | (-) | 25% |
| **Insurance products (Non-Life)** | 31.50% | 26.10% | 28.40% | (+) | 33% |
| **Internet banking** | 96.10% | 87.30% | 83.00% | (+) | 83% |

*Source: CeSPI – Observatory on the Financial Inclusion of Migrants*

*[11] A system of indicators was developed in 2015 by the Consumer Financial Protection Bureau. See: Measuring financial well-being - A guide to using the CFPB Financial Well-Being Scale.*
*[12] World Bank – Global Financial Index 2022.*

A cross-sectional reading of the indicators between 2020 and 2023 provides a better understanding of a phenomenon that is by definition dynamic and which includes, over the 2020-2022 two-year period, the impact of significant shocks related to the pandemic and inflation. In terms of financial inclusion, the Pakistani community is experiencing a growth process which, on the one hand, remains incomplete and, on the other, suffered a negative impact in the 2020-2022 two-year period due to the exclusion of a significant proportion (8% of the adult community) from formal financial systems. All indicators show a decline that continued into 2023, with the exception of non-life insurance products, possibly connected to the small-scale trade activities that characterise the community in several areas and to the short-term savings item (savings accounts). The incidence of internet banking services also reveals growth in this area, reaching almost all current accounts.

A comparison with the average figures for non-EU citizens provides further insight, highlighting lower values across all three dimensions of financial wellbeing: access to credit, spending capacity, and medium/long-term savings – and therefore, resilience.
The overall picture, from a comparative and developmental standpoint, thus reveals persisting elements of fragility in the financial wellbeing profile of the Pakistani community, which may slow down the full management of future planning.

# Methodological note

## Subject of the survey and reference period

The Annual Reports on Migrant Communities (ed. 2025) analyse the specific characteristics of the 16 largest non-EU communities in the country, considering socio-demographic characteristics, types and modes of residence, presence in the school and university system, as well as integration in the labour market and access to welfare. The editorial line consists of 16 reports dedicated to individual nationalities.

The period analysed is the year 2024, although for some areas the latest available data date back to the previous year, 2023, while for Unaccompanied Foreign Minors (UAMs), the data are updated to June 30, 2025. The reference period is always specified both in the text and in the titles of the table or figure presenting the data.

## Presentations and data sources

The analysis used administrative and sample data from various sources. Where possible, the analysis took gender into account. Data relating to communities were compared with overall data for non-EU citizens and, where appropriate, with data on the Italian population.

Each community report consists of two main chapters (Socio-demographic Characteristics and the World of Employment) and two in-depth analyses, one at the beginning on the situation in the country of origin (by the World Bank) and one at the end on Financial Inclusion and Remittances (by Daniele Frigeri of CeSPI).

1 **Socio-demographic characteristics**. The first chapter analyses the socio-demographic aspects of communities, age structure, the presence of minors (and their integration into the school system), newborns, and unaccompanied foreign minors, as well as the reasons for and conditions of non-EU citizens' stay in Italy, with particular attention to new arrivals in 2024. The sources used are: ISTAT-Ministry of the Interior on residence permits[13] (at December 31, 2024), ISTAT on acquisitions of citizenship (2024) and marriages (2023); ISTAT (2024 estimate) on foreign births broken down by citizenship; Ministry of Labour and Social Policies (MLPS) - Directorate-General for Migration Policies and the Social and Labour Integration of Migrants (UAMs, at June 30, 2025, limitedly to communities with more than 15 minors); Ministry of Education and Merit (MIM) (school year 2023/2024) and Ministry of University and Research (academic year 2023/2024).

2. **The labour market.** The second chapter is dedicated to the theme of work and welfare. The data used in this chapter are taken from various sources: ISTAT, RCFL - Continuous Labour Force Survey[14] (2024 average); MLPS, Mandatory Employment Communications Information System (SISCO[15] , at December 31, 2024); INPS, General Actuarial Statistics Coordination (at December 31, 2023); Unioncamere – InfoCamere, Movimprese[16](at December 31, 2024, for foreign-owned companies); data from the main trade unions (CGIL, CISL, UIL, UGL) on members with foreign citizenship (2023).

*[13] Data on legally resident non-EU citizens include all foreigners from countries outside the European Union who hold a valid residence permit (residence permit or EU long-term residence permit).*

*[14] Istat's RCFL is a survey conducted on a quarterly sample of individuals registered in municipal registers, and for this reason does not collect information on non-resident foreigners, even if they hold a residence permit. This means that the scope of observation only concerns the legally resident foreign population listed in municipal registries, as the ISTAT survey cannot include citizens who are present illegally or who, although regular, do not reside in Italy. Due to the sample-basis of the survey, the gender variable was not used to analyse samples not in line with statistical representativeness criteria (less than 1,000 units).*

*[15]SISCO collects data on employment flows relating to subordinate employment, associated employment, internships, and other professional experiences provided under current legislation. The sphere of reference excludes employment relationships in the armed forces concerning senior figures and involving individuals registered in the Seafarers' Register. Finally, employment relationships for socially useful activities (LSU) were not considered among the employment relationships that were started and terminated.*

*[16] Unioncamere data consider the country of birth of entrepreneurs and not their citizenship.*

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