









BANCA D'ITALIA
EUROSISTEMA

Report on Operations and Activities

*Key figures
for **2023***



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Unless otherwise specified, the data refer to the period from 1 January to 31 December 2023

The big picture

In 2023, Banca d'Italia allocated €615 million in net profits to the State. The gross profit for 2023 before tax and before the release of the general risk provision was €-7.1 billion. Taking into account the positive contribution from tax loss carryforwards and the release of the general risk provision, the [Annual Accounts for 2023](#) closed with a net profit of €815 million.

In 2023, the Bank's operating costs, based on cost accounting criteria, amounted to €1,797 million.

Work began on implementing the [2023-25 Strategic Plan](#), published in January 2023 and divided into five objectives (a stable and secure financial system; commitment to economic and financial innovation in Italy and in Europe; protection of customers of banking and financial services and dialogue with the outside world; the Bank's commitment to the environment; and an inclusive, efficient and innovative Bank) to be pursued through specific action plans involving all areas of Banca d'Italia. At the end of 2023, the Bank had 6,968 employees. Most of the new hires were economists and IT specialists with a view to strengthening institutional activities and overseeing important projects at the Eurosystem level.



Net profit

€815 million



Profits allocated to the State

€615 million



Dividends paid to shareholders

€340 million



Staff

6,968 employees

37.5% female

62.5% male



Staff turnover

240 new hires

112 retirements/resignations



Remote working

37% average share of days worked remotely



Bank offices in Italy¹ and abroad

38 branches in Italy

3 delegations abroad, in London, New York and Tokyo

1 office at the House of the Euro in Brussels



Staff seconded to foreign institutions and organizations

15 financial attachés²

110 employees at the ECB³ and the SSM⁴

49 employees at other supranational organizations



Progress of the 2023-25 Strategic Plan

22% of planned activities carried out

40% of intermediate results achieved

¹ The Bank's Head Office is in Rome. – ² To monitor the economies of some 50 countries. – ³ European Central Bank (ECB). – ⁴ Single Supervisory Mechanism (SSM).

Money

Banca d'Italia contributed to the preparation and implementation of the monetary policy decisions adopted by the European Central Bank's Governing Council. In 2023, the Governing Council confirmed its tight monetary policy stance by raising the key ECB interest rates and by further reducing the reinvestment of maturing securities under the asset purchase programme (APP) from 1 March until its discontinuation on 1 July. By contrast, the reinvestment of maturing securities under the pandemic emergency purchase programme (PEPP) will continue until the end of 2024. Overall, the Bank purchased a total of €40.2 billion in securities. The liquidity provided to credit institutions through refinancing operations – which are backed by financial assets assessed as eligible by the Bank – declined as a result of both the early repayments of third-series targeted longer-term refinancing operations (TLTRO III) and their maturity.

The Bank ensured the production of banknotes and met the public's demand for cash across the country, by managing banknote sorting and the continuity of distribution at national level and in the Eurosystem countries.

Monetary policy



Purchases made by Banca d'Italia under the APP and PEPP programmes

€40.2

billion

€657

billion (total portfolio at year-end)



Monetary policy refinancing

€150

billion

64

transactions



Collateral for refinancing operations and intraday credit

€267

billion worth of total collateral

€146

billion worth of bank loans as collateral



In-house Credit Assessment System (ICAS) for Italian non-financial corporations¹

370,000

assessments based on the statistical model

4,100

assessments based on a subsequent qualitative and quantitative review²



Contributions to the decisions of Eurosystem Committees³

447

written procedures

Banknotes



Euro banknotes printed⁴

925

million banknotes



Euro banknotes put into circulation⁵

2.19

billion banknotes



Counterfeit euro banknotes

104,669

banknotes sent to law enforcement agencies



Contributions to the decisions of Eurosystem Committees⁶

221

written procedures

¹ The In-house Credit Assessment System (ICAS) produces both analyst ratings and statistical model estimates of the probability of default. – ² Based on financial analyst assessment. – ³ On monetary policy operations and risk control. – ⁴ Number of banknotes printed by the Bank during the year, according to the amounts set by the ECB for each Eurosystem national central bank (NCB). – ⁵ Includes: (a) newly printed banknotes, also produced in different years, and banknotes of different denominations from other NCBs; and (b) banknotes collected that, having been checked and deemed fit for purpose, are returned to circulation. – ⁶ On the production and circulation of banknotes.

The Bank continued in its commitment to managing payment services. The new T2 system, which replaced TARGET2 as of 20 March 2023, consists of two integrated services: Real-Time Gross Settlement (RTGS) for the real-time gross settlement of payments, and Central Liquidity Management (CLM) for central bank settlements and centralized liquidity management.

The operations of the three innovation enablers managed by the Bank – the Fintech channel, Milano Hub and the Regulatory sandbox – were further strengthened to support the digital development of financial services, and joint research with universities on the smart contracts used in banking, financial and insurance services has been launched.

In addition, the Bank stepped up its cooperation with technology and network service providers and strengthened its international commitments to digital financial and payment services, with further action to increase the resilience of financial services and infrastructure to operational risks, including cyber threats.

Payment systems



Payments settled in TARGET2

404,000 per day⁷
€1,940 billion⁸
13.5% of euro-area GDP⁹



Transactions in TARGET2-Securities

697,000 per day¹⁰
€787 billion¹¹



TIPS¹² payments

1.1 million per day¹⁰
€679 million¹¹
7,985 financial intermediaries connected in Europe



Contributions to the decisions of Eurosystem Committees¹³

280 written procedures

Markets, payment system and payment instruments oversight



Hits on the Banca d'Italia website

14,898 FinTech Channel
19,284 Milano Hub
19,701 Regulatory sandbox



Meetings with corporate representatives

561



CERTFin¹⁵

2,593 reports



Contributions to the decisions of Eurosystem Committees¹⁴

561 written procedures



Participation in other supranational organizations¹⁶

461 procedures and speaking notes

⁷ Average daily number calculated considering TARGET2 and T2-RTGS. – ⁸ Average daily value calculated considering TARGET2 and T2-RTGS. – ⁹ Average daily value of payments as a share of GDP. – ¹⁰ Average daily number. – ¹¹ Average daily value. – ¹² TARGET Instant Payment Settlement. – ¹³ On payment systems and settlement of Eurosystem securities. – ¹⁴ On oversight, market infrastructures and payment systems. – ¹⁵ Computer Emergency Response Team for the Italian financial sector. – ¹⁶ European Union, European Banking Authority (EBA), European Securities and Markets Authority (ESMA), Financial Stability Board (FSB), International Monetary Fund (IMF), Organization for Economic Co-operation and Development (OECD), G7, G20 and Committee on Payments and Market Infrastructures (CPMI) of the Bank for International Settlements.

The financial system

Banca d'Italia's supervisory actions on banks and financial intermediaries consist of analyses, discussions, measures and intervention letters. The sanctions that were imposed related to deficiencies in the areas of prudential rules, anti-money laundering and breaches of transparency rules. New authorized intermediaries also include providers of crowdfunding services.

In the area of anti-money laundering supervision, the Bank organizes meetings with corporate representatives and sends intervention letters and requests for clarification. It also organizes and takes part in anti-money laundering and countering the financing of terrorism (AML/CFT) colleges as lead supervisor and host supervisor.

Supervision of banking and financial intermediaries



Contributions to the decisions of the Basel Committee, the EBA and the SSM

2,900

meetings, contributions, notes and written procedures



Supervisory actions on banks and non-bank intermediaries

15,900

analyses, discussions, intervention letters and measures



Inspections

116

inspections



Sanctions

26

entities

€1.5

million



New authorized intermediaries

36

Supervision for the purposes of countering money laundering and the financing of terrorism



Contributions to the decisions of the EBA's AMLSC¹

4

meetings



Supervisory actions on banks and non-bank intermediaries

224

meetings with corporate representatives

197

intervention letters



Participation in AML/CFT colleges

3

as lead supervisor

44

as host supervisor

¹ Anti-Money Laundering Standing Committee (AMLSC).

The financial system

In order to protect and inform savers and customers of banks and financial companies, Banca d'Italia monitors financial intermediaries for fairness and transparency, offering communication channels, dispute resolution mechanisms and financial education and information services. In 2023, 120 intermediaries were checked for consumer compliance; as a result of these inspections, €32.5 million were refunded to customers. There was still significant use of some consumer protection channels (e.g. submitting a complaint or appealing to the Banking and Financial Ombudsman - ABF).

Consumer protection



ABF decisions

15,000 decisions

62% with an outcome wholly or partially in favour of the customer²

€17 million awarded to ABF claimants



Complaints

13,800 complaints examined

46% with an outcome wholly or partially in favour of customers



Amounts refunded to customers³

€32.5 million

Financial Education



Financial Education Month (October 2023)

422 events

25,514 participants



Teaching materials distributed to schools

58,141 total copies

51,420 for students



Work experience projects

242 work experience projects

2,600 students involved



Financial education portal: 'Economics for everyone'

130,000 average unique visitors per month

² Also includes cases dismissed after the intermediary complied with the complainant's requests during the proceedings. - ³ Sums refunded by intermediaries following the Bank's checks. These amounts are added to those refunded to ABF claimants.

The financial system

As regards crisis management, the number of compulsory administrative liquidation procedures remained broadly the same. The drafting of resolution plans for significant banks, less significant banks and investment firms continued, including activities to promote their resolvability.

Crisis management



Compulsory administrative liquidation procedures managed

20 banks
19 other intermediaries



Compulsory liquidations of funds managed by asset management companies

20 funds



Voluntary liquidations supervised

2 banks
19 other intermediaries



Resolution plans for Italian intermediaries⁴

112 less significant banks
12 significant banks (contributions to the SRB)⁵
12 investment firms



Contributions to the work of the SRB, the EBA, the SSM and the FSB

424 meetings, notes and written procedures

⁴ Resolution plans are documents drawn up by the resolution authorities for each intermediary – and updated yearly – with the aim of identifying the strategy to be implemented in the event of a financial intermediary being in distress. – ⁵ Single Resolution Board (SRB).

Research and statistics

Banca d'Italia continued to contribute to the Eurosystem's monetary policy decision-making process and to the drafting of structural and cyclical economic policy measures, both at European and national authority level, including through analysis and research.

The decline in inflation, the slowdown in the economy and the continued effects of the energy price increases required more in-depth research on monetary policy, the real economy and financial stability.

Banca d'Italia produces and publishes a wide range of statistics, which are essential for carrying out its institutional functions and for reporting on its own analyses and decisions.



Papers published

216

publications (of which 14 in the MISP¹ series)



Research papers

660,000

downloads (including the MISP series)



Annual Report for 2022

42,334

downloads²



Sample surveys

22,000

questionnaires sent to firms and economic operators³

9,000

interviews on households' income and wealth⁴



Statistical publications

620,000

downloads



Statistical database (BDS)

334,000

accesses



Training for the central banks of emerging countries⁵

72

events

50

participating countries



Seminars and scientific conferences⁶

100



Website access statistics

995,000

users a month on average

2.2

million downloads⁷

¹ The series covering markets, infrastructures and payment systems (MISP). – ² From 31 May 2023 to 30 April 2024. – ³ The figure refers to the number of questionnaires sent to firms and economic operators, each of which may receive several questionnaires. – ⁴ The figure refers to the number of household surveys. – ⁵ Blended or online activities. – ⁶ Blended or online activities organized and hosted by Banca d'Italia. – ⁷ The figure refers to Banca d'Italia's main institutional and research publications.

Services for the State

In 2023, Banca d'Italia carried out about 155 million collection and payment transactions: 46 million transactions on behalf of central and local government agencies and over 109 million for other public entities. It also managed, on behalf of the Ministry of Economy and Finance (MEF), the placement of €514 billion of government securities on the domestic market and the settlement of the MEF's liquidity-raising and liquidity-lending operations in the more short-term segment of the money market.

The Bank continued to work with the State Accounting Office and the Court of Auditors to update treasury procedures and IT systems, with the aim of simplifying and streamlining the general government bodies' collection and disbursement procedures and reporting.

The Bank manages the Siope IT system and the Siope+ platform, which has digitized the information flows between government bodies and the banks that provide them with treasury services.



Collections and payments on behalf of central government and public entities

155 million transactions



Placement of Italian government securities

273 transactions

€514 billion



Siope+

€69 million transactions

10,300 members¹

¹ Figure for regions, local entities, healthcare facilities and schools.

Sustainable investments and environmental, cultural and social stewardship

Banca d'Italia adopts environmental, social and governance (ESG) criteria when managing its investments. ESG criteria are applied to the investments in equities and bonds of private issuers. In 2023, the weighted average carbon intensity of the Bank's equity investments was lower than that of their respective benchmarks. Over the year, Banca d'Italia's carbon emissions fell by 4 per cent from 2022, and were more than 20 per cent lower than in 2019, the last year before the pandemic; electricity consumption was broadly in line with that of the previous year (11 per cent lower than in 2019).

The Bank renewed its efforts to provide expert advice to the Italian Parliament, enhance its artistic, bibliographic and archival heritage, train young people and promote culture. In 2023, Banca d'Italia funded numerous socially responsible initiatives. As part of its commitment to society, it provides services to the general public, such as access to data held by the Central Credit Register and the Interbank Register of Bad Cheques and Payment Cards.

Environment



Weighted average carbon intensity of equity investments¹

-38% for euro-area equity investments
-43% for US and Japanese equity investments in units of undertakings for collective investment



Greenhouse gas emissions²

-4% total emissions on 2022
-24% total emissions on 2019



Electricity consumption

+0% on 2022

Culture and society



Research initiatives funded

28 research projects and fellowships



Training internships

184 internships



Contributions to the economic debate and parliamentary hearings

110 speeches by members of the Governing Board and other representatives
9 parliamentary hearings³
12 written reports³



Contributions to socially responsible initiatives

€6 million
157 initiatives

Other services for the community



The Central Credit Register⁴

785,000 hits



Interbank Register of Bad Cheques and Payment Cards⁵

65,197 reports sent to applicants



Exchange rates portal

264 million website pageviews

¹ Issuers' greenhouse gas emissions as a share of turnover, percentage deviation from benchmark indices for 2023. – ² The data are provisional; the final data will be available in the next Environment Report. – ³ January 2023 – May 2024. – ⁴ Collects data on the debt exposure of individuals and firms vis-à-vis the banking and financial system. – ⁵ An automated database for bank and postal cheques and payment cards.

This brochure contains the key figures for the Bank of Italy's activities, described in the *Report on Operations and Activities of the Bank of Italy on 2023* (only in Italian), available on the Bank's website or accessible directly by scanning this QR Code



A detailed description of the role and institutional objectives assigned by law to the Bank is given in the volume *The Bank of Italy. Functions and Objectives* (only in Italian), available on the Bank's website or accessible directly by scanning this QR Code



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