The Sri Lankan community in Italy

ANNUAL REPORT

20
25

THE SRI LANKAN COMMUNITY IN ITALY

104,423
legal residents
at 31 December 2024

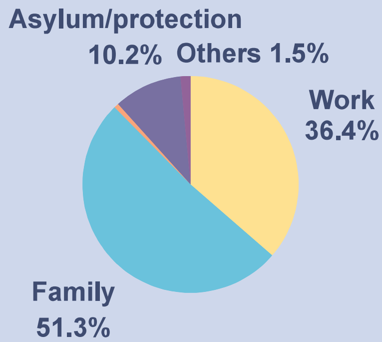
+6.3%
compared to the previous year

53.1% | **46.9%** | **18.5%** minors

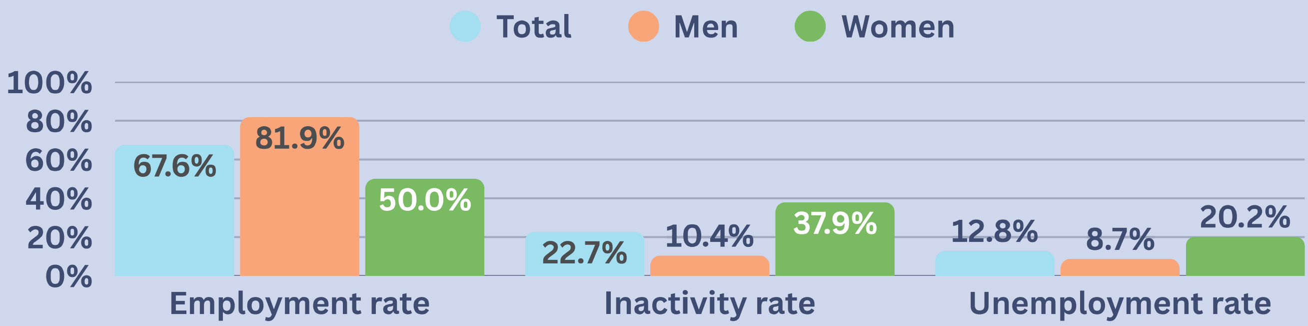
5,969
Entries in 2024

40.5%
for family reasons

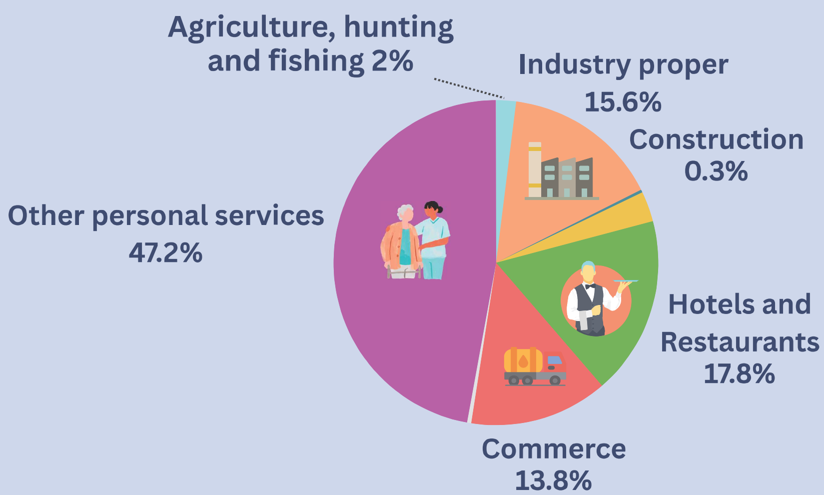
SHORT-TERM RESIDENCE PERMITS



66.8%
long-term residents



SECTORS OF EMPLOYMENT



4,348
sole proprietorships

1.1%
of total non-EU enterprises

27.1%
of Sri Lankan companies in Commerce

The context of origin

Edited by the World Bank

Macroeconomic Framework

Owing to a series of concurrent crises, Sri Lanka's economy has recorded only modest growth since 2015, with an average annual GDP increase of 0.7%.

Employment has also shown a very weak trend (+0.6% per year): over the same period, the number of employed people increased by only 126,000.

Demographics and the labour market

Sri Lanka is an island country in the Indian Ocean with a population of 23.2 million. More than two-thirds of the population fall within the working-age bracket(15-64), while 15% are young people aged 15 to 24. By 2050, the total population is expected to increase by 7%, with approximately 1.7 million more people, leading to a moderate increase in the potentially active population. However, this demographic development is associated with a decline in labour market participation. For the past decade, the labour market has faced growing difficulties in absorbing new entries, as evidenced by the moderate increase in the unemployment rate. During the same period, the employment-to-working-age population ratio decreased by 2.2 percentage points (from 49.5% in 2014 to 47.3% in 2024), while the inactivity rate increased by 1.9 percentage points. Overall, the combination of declining participation, relative decrease in employment, and rising unemployment indicates a reduced capacity of Sri Lanka's economy to generate job opportunities consistent with the country's demographic evolution.

Social characteristics

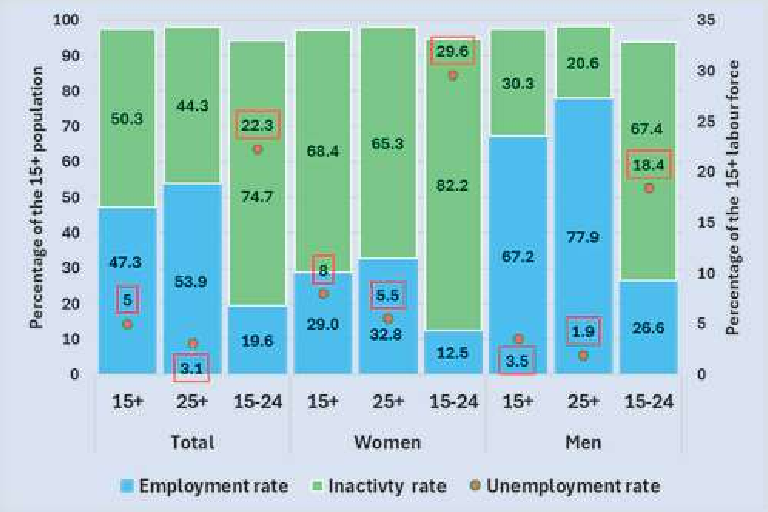
Sri Lanka has a predominantly Buddhist population (official religion), with minority groups of Hindus, Muslims and Catholics. Sinhala and Tamil are the official languages, while English is the third most widely used language. The literacy rate is high, reaching 92%, however, participation in tertiary education [1] stands at 23%. Despite this relatively low percentage, it is increasing, with a positive trend especially among women (from 20% in 2012 to 29% in 2022, latest available data). The strengthening of human capital was partially achieved through these improvements, which are also linked to investments in education and healthcare. According to the World Bank, in 2020 Sri Lanka's Human Capital Index was about 0.6 [2], indicating that a child born today will only be able to achieve 60% of his/her productive potential in conditions of good health and quality education.

Quality of employment and gender and generational inequalities

In addition to the decline in the employment-to-working-age population ratio, the quality of employment in Sri Lanka remains a structural problem. Sixty-seven percent of workers operate in the informal sector, while almost half of the labour force is concentrated in low-productivity sectors with high incidence of informal work – particularly agriculture (2%), construction (8%), and commerce (14%). Thirty-nine percent of workers are self-employed or family workers, categories which are generally more economically vulnerable.

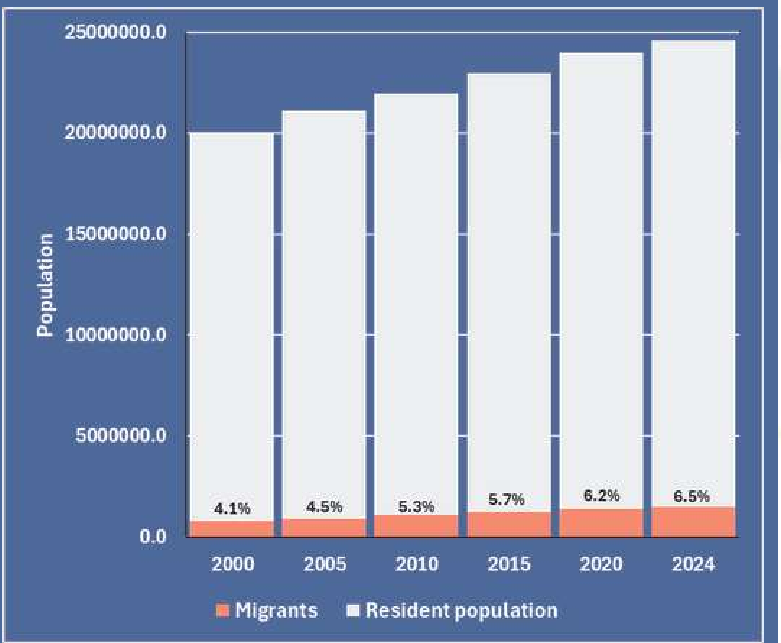
[1]Calculated as the ratio of the total number of enrolled students to the university-age population.
[2]The human capital index is a composite indicator obtained from the product of three indicators: child survival (up to age 5), education and health.

Figure 1 – Overview of the Labour Market in Sri Lanka: key indicators



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

Figure 2 – Sri Lankan migrant stock (% of total population)



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

Pressures on the labour market and generations

Youth unemployment, at 22% in 2024, is more than seven times higher than adult unemployment, highlighting the difficulties young people face in entering the labour market. Gender disparities are even more pronounced, with the female inactivity rate standing at around 68%, compared with 30% for men. These gaps reflect persistent structural, economic, social, and cultural constraints that continue to limit women's access to the labour market and increase the risk of exclusion.

Migration trends

The slowdown of the labour market, which limits Sri Lanka's ability to generate employment, is also reflected in migration dynamics, which continue to represent a structural element of the country's socio-economic context.

Over the last twenty years, the number of Sri Lankan citizens living abroad has increased by 64%, rising from 910,000 in 2005 to about 1.5 million in 2024 (representing 6.5% of the national population). Most migrants move to India (17%), Australia and New Zealand (12%), followed by Qatar (11%). Welcoming 6% of total Sri Lankan immigrants, Italy represents the main European destination after the United Kingdom.

The intensification of migration flows reflects both the existence of well-established migration networks that continue to facilitate migration and the persistent difficulties of the domestic labour market in providing quality employment opportunities, particularly for young people and low-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

At 31 December 2024, the Sri Lankan community accounted for 104,423 legal residents in Italy. In 2005, Sri Lankans in Italy were 42,723 (+144.4%). In particular, the last year witnessed an increase of 6.3% compared with the previous year, higher than the overall growth rate of non-EU citizens (+5.6%), linked, as will be discussed, to the significant number of new entries.

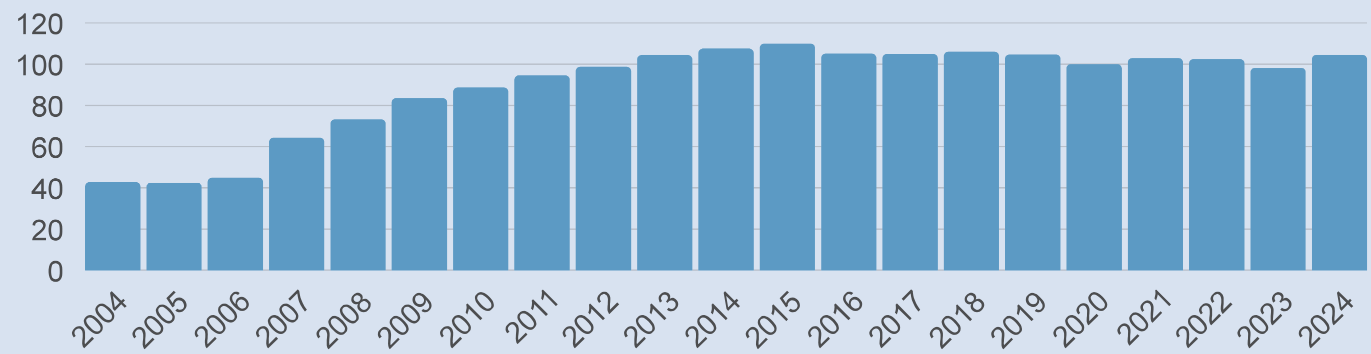
The community ranks **thirteenth** in terms of **number of residents**, representing 2.7% of non-EU citizens in Italy.

104,423
legal residents

2.7%
of
non-EU citizens

+6.3%
compared to
31 December 2023

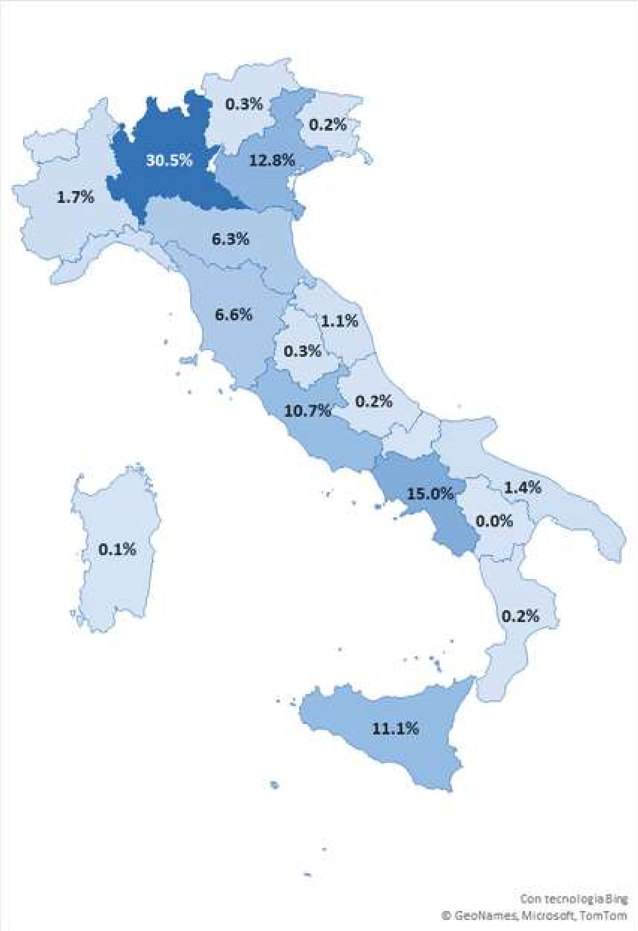
Figure 3 – Legal residents (absolute value in thousands). Time Series 2004-2024



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 territorial distribution of Sri Lankan citizens shows some differences compared with the overall distribution of the non-EU population in Italy. While confirming a prevalence in Northern Italy (53.3% compared with 59.8% for the overall non-EU average), the Sri Lankan community shows a **strong concentration in Southern Italy and the Islands** (28% compared with 17.1%), while Central Italy hosts 18.7% of residents.

At the regional level, **Lombardy** hosts the largest share of Sri Lankan citizens (**30.5%**), followed by **Campania (15%)** and **Veneto (12.8%)**. In Southern Italy, **Sicily** stands out, hosting **11.1%** of Sri Lankan citizens compared with only 3.7% of the total non-EU population, confirming the community's long-standing roots on the island.

53.3%	18.7%	28%
North	Centre	South and islands

Gender composition

53.1% **46.9%**

Unlike many other Asian communities, the Sri Lankan community in Italy shows a **good gender balance**, with 53.1% of men and 46.9% of women. The gender imbalance [3] is limited (6.1 percentage points), placing the community among those with the lowest gender disparities. This figure is closely linked to the long migration history of the community and the gradual transformation of migration flows: from an initially individual labour-oriented migration to family migration, supported by family reunification and long-term settlement in the country.

[3] The degree of gender imbalance is given by the difference, without a plus or minus sign, between the incidences of the two genders as a percentage.

Breakdown by age groups and minors

Average age
39.3 years

19,312
minors

18.5%
of the community

The Sri Lankan community in Italy has a less youthful demographic structure compared with the average non-EU population. The average age is 39, with a distribution showing a strong presence of mature adults. More than 54% are over 40 years old, while the 18-39 age group accounts for about 26.6%, a value lower than the average recorded for non-EU citizens (38.4%). The share of minors is 18.5% (around 19,300 individuals), slightly higher than the non-EU average (17.3%). The most represented age group is 40-49, accounting for 24.2% of the community. The presence of people over 60 years old (12.6%) is also significant, confirming a gradual ageing process.

The **birth rate** [4] is at **9.5‰**, now lower than it was in the past and far from the levels observed in communities with higher fertility. In 2024, 1,049 Sri Lankan children were born in Italy, accounting for 2.5% of all non-EU births. This figure should be interpreted in relation to the presence of family units and the stabilisation of the community in Italy

[4] The Birth rate is the ratio between the number of births in a community or population over a period of time and the average population of the same period per thousand.

Mixed marriages

When analysing the presence of families, it should be noted also that the community is only marginally involved in mixed marriages: in 2023[5], only 32 mixed marriages between Sri Lankan and Italian citizens were recorded (in 14 cases the groom was Italian, in 18 cases the bride was Italian), although this number increased by about 10% compared with the previous year.

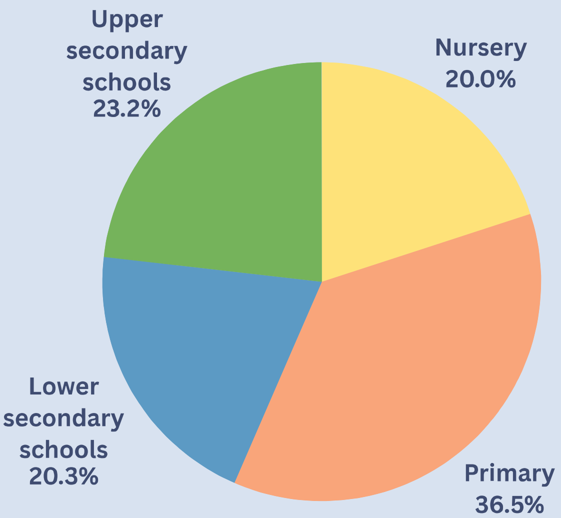
[5] Last year for which data is available.

Youths and education

16,676

Sri Lankan students

Figure 4 – New residence permits issued in 2024 by reason for issue (in %). Data at 31 January 2024



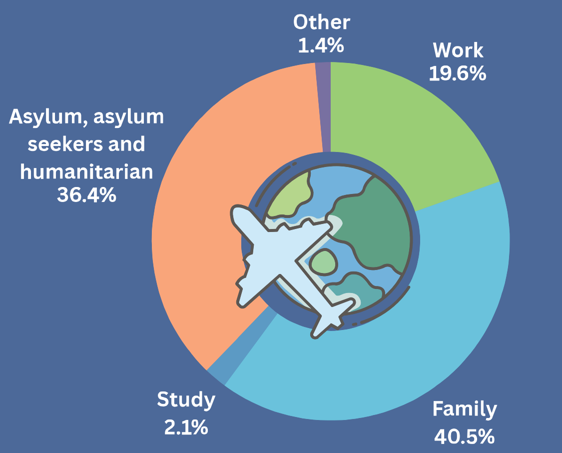
Source: Elaborazione Sviluppo Lavoro Italia elaboration based on MIM data

During the 2023/2024 school year, **16,676 Sri Lankan students** were enrolled in Italian schools, accounting for 2.2% of the non-EU school population. This figure increased by 6.4% compared with the previous year. Sri Lankan students are mainly enrolled in primary school (36.5%), followed by upper secondary school (23.3%). With 50% of female students, a share slightly higher than the average, which increases when it comes to higher education levels: 49.2% in primary school and 51.4% in upper secondary school, compared with 47.7% and 50.2% respectively for the overall non-EU population.
A significant increase was observed in higher education: +31.3% compared with the previous year, bringing the number of **Sri Lankan students in the 2023/2024 academic year** to **719**, equal to 0.7% of non-EU university students.

By contrast, the share of Sri Lankan young people aged 18-24 who are not in education, employment or training (**NEET**) has sharply declined to **14%**, down 6.6 percentage points compared with the previous year. This figure is lower than that recorded for both non-EU youth (24.9%) and Italian youth (14.3%), and is slightly higher among males (15% compared with 14% among females), indicating better integration of Sri Lankan youth in education and labour market contexts.

Entries

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



Source: Sviluppo Lavoro Italia elaboration based on ISTAT

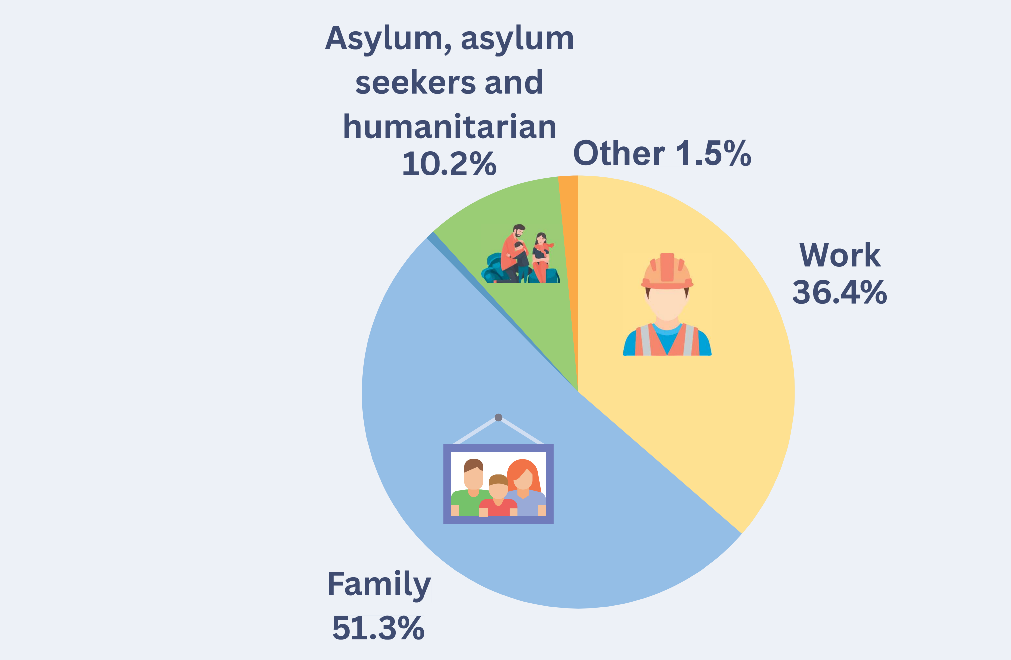
In 2024, **5,969 new residence permits** were issued to Sri Lankan citizens, marking a substantial increase of **79.8%** compared with the previous year. Although the community still ranks fourth from last in terms of new permits issued, this upward trend contrasts sharply with the overall decline in entries of non-EU citizens (-12.3%). **Family reunification is the main reason for the issue of new permits** to SrI Lankan citizens, accounting for about two-fifths of new permits and increasing by +34.7% compared with 2023, confirming the progressive shift of migration flows towards a family-based dimension. The second most common reason is asylum and other forms of protection, accounting for 36.4% of permits, placing the community in seventh place in terms of incidence of this type of residence permit. Work-related reasons, although accounting for only one in five entries, place the community fourth in terms of employment-related permits, indicating the persistence of labour migration networks.

Types and reasons for issuing residence permits

66.8%

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

The share of Sri Lankan citizens holding **long-term residence permits** stands at **66.8%**, more than 14 percentage points higher than the average for non-EU citizens, highlighting an advanced process of settling into the community. However, a decline of about 5 percentage points compared with the previous year can be observed, due to the high number of new entries and the resulting increase in temporary permits.

As for residence permits subject to renewal, the **main reason for staying in Italy is family-related**, with an incidence higher than that recorded for the overall non-EU population: 51.3% compared with 37%. This is followed by work-related reasons, accounting for more than one-third of the cases (36.4%), while recognition or application for a form of protection represents 10.2% of permits subject to renewal.

2,648

Acquisition of Citizenship

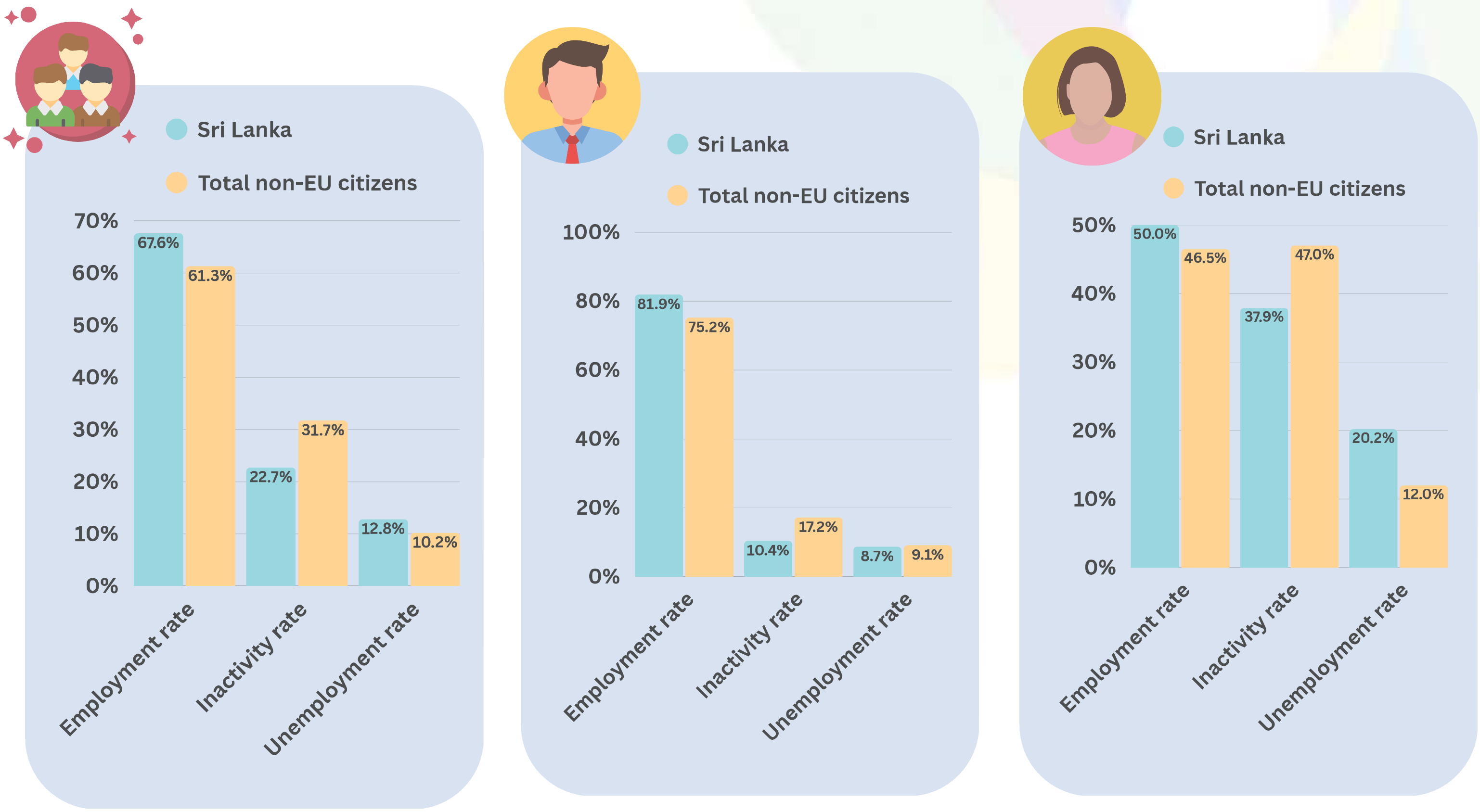
In 2024, 2,648 Sri Lankan citizens acquired Italian citizenship (equal to 1.3% of new citizens from non-EU countries), a number significantly lower than the previous year (-9.2%). In most cases, citizenship was acquired through **transmission from parents, acquisition at the age of 18, or ius sanguinis**, which together account for more than half of the cases (**52.3%**). Naturalisation accounts for 43.9% of acquisitions, while only 3.8% is linked to marriage to an Italian citizen.

Key indicators

Overall, the Sri Lankan community shows a higher than average employment performance for non-EU citizens: the **employment rate** stands at **67.6%** (compared with 61.3%), the overall **inactivity rate** is at **22.7%**, lower than the non-EU average (31.7%), while the **unemployment rate** stands at **12.8%** compared with 10.2%. However, the gender gap remains significant: the male employment rate reaches 81.9%, while the female rate stands at 50%, a value nonetheless higher than the average for non-EU women (46.5%). For Sri Lankan women, inactivity affects 37.9%, while the unemployment rate stands at 20.2%, well above the non-EU female average (12%). Although women represent about 47% of the community, they account for only 32.4% of those employed, highlighting gender polarisation in the labour market.

The Sri Lankan community ranks **second to last** among the 16 main foreign communities in Italy in **terms of membership to major trade unions**, representing only 0.8% of non-EU union members, with CISL (47%) being the most popular. Of an estimated 54,000 Sri Lankan workers, 6,649 are union members, representing 12% of employed individuals.

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

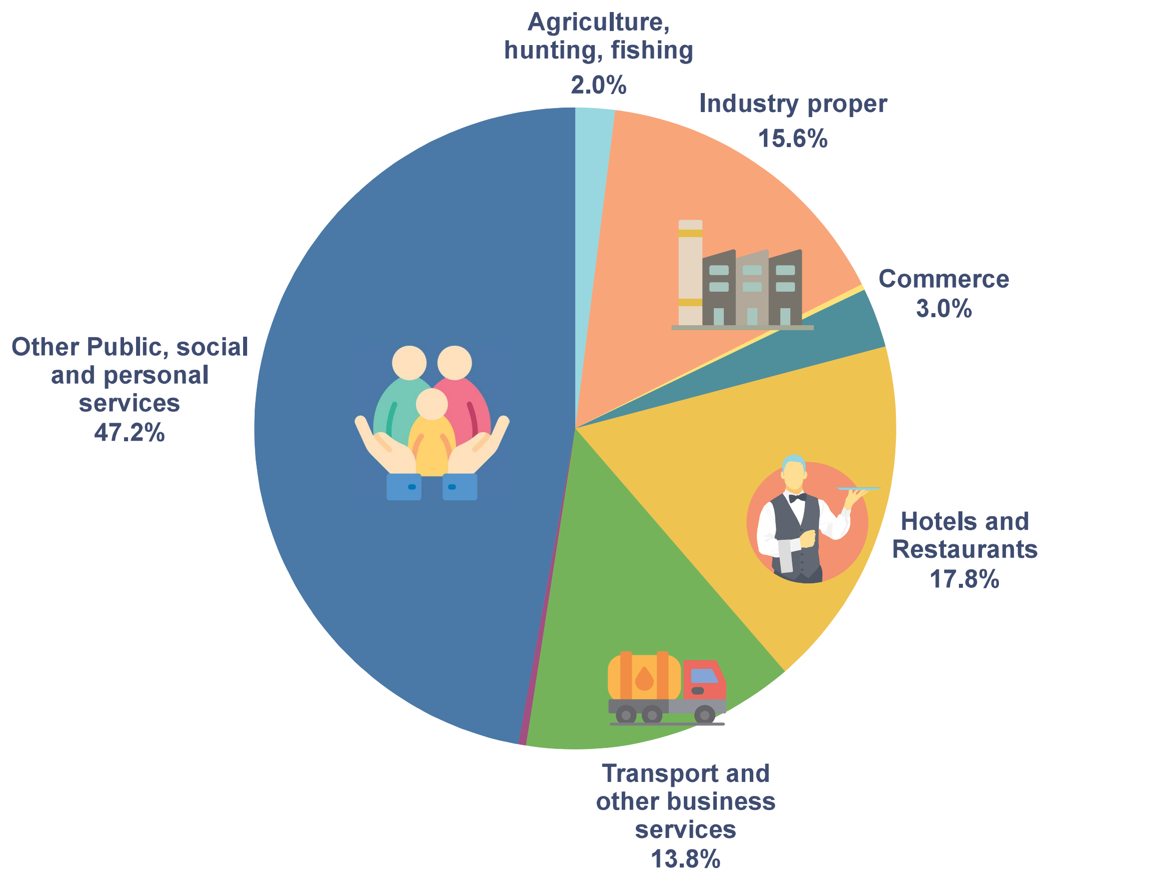


Source: Sviluppo Lavoro Italia elaboration based on Istat RCFL data

Sectors of employment

With regard to employment sectors, Sri Lankan workers show a strong concentration in the ***Other public, social and personal services sector***, which absorbs 47.2% of the community's workers. This is followed by the *hotels and restaurants* (17.8%) and *industry proper* (15.6%) sectors. This data confirms a significant presence of the Sri Lankan community in services and production, and a non-negligible presence in the logistics sector.

Figure 8 - Employed people (aged 15 and over) by sector of employment (in %). Year 2024



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

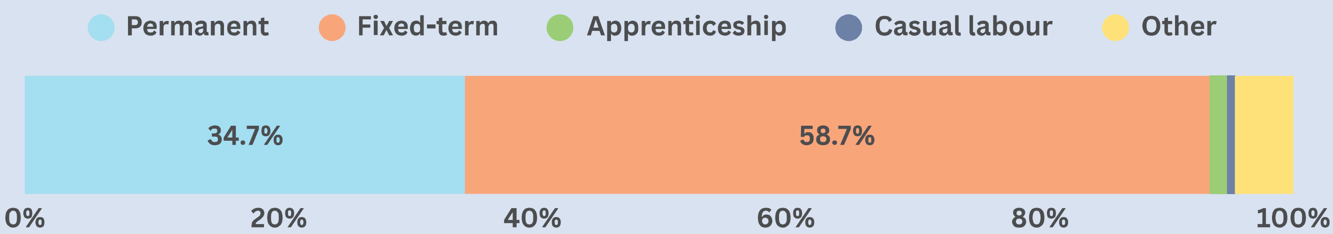
The main sector of employment is ***unskilled manual labour* (about 58%)**, a figure more than 20 percentage points higher than that of the overall non-EU population. About one quarter are *Clerks, sales clerks, and personal service providers*.

57.9%
Unskilled manual labour

Employment trends

Regarding new entries in the labour market, in 2024, **50,468 new labour contracts were signed with Sri Lankan citizens**, representing 2.4% of new employment relationships involving non-EU citizens. The majority of hires were made with fixed-term contracts (58.7% compared with 71.8% for non-EU citizens overall). Permanent contracts account for 34.7%, compared with 19.5% for the overall non-EU population, indicating greater employment stability.
The data from the mandatory employment communications confirm the funnelling of the Sri Lankan community towards the *services sector*, which accounts for 86% of new employment contracts, in line with the overall figure for non-EU citizens – more than 4% of non-EU workers hired in this sector are Sri Lankan. The mandatory employment communications show that, albeit to a much lesser extent, the community is employed also in *industry proper* (5.2% of hires compared with 9% for non-EU citizens overall) and in *agriculture* (4.1% compared with 24.3%). This data confirms a strong concentration in the services sector, with only a residual presence in other sectors.
Service-related jobs prevail among the most common professional qualifications for the community. The most represented category is ***unskilled commerce and services jobs***, accounting for **33.5% of contracts**.

Figure 9 – Initiation of employment relationships with Sri Lankan citizens by type of contract. Year 2024



Source: Sviluppo lavoro Italia elaboration based on SISCO data

The second most common sector of employment for Sri Lankan workers is *unskilled jobs in domestic, recreational and cultural activities* (18%), an area in which the community shows a particularly significant presence: Sri Lankan citizens account for 11% of non-EU hires in this category. Still within the service sector, *skilled professions in hospitality* and *skilled professions in cultural, security, and personal services* account for 13.8% and 12.3% respectively.
Only 31.5% of hires involving Sri Lankan citizens concern women, confirming the still low female participation in the labour market; although this share is higher than the 28.7% recorded for non-EU citizens overall.

In 2024, **43,500 employment relationships** involving Sri Lankan citizens were **terminated**. The main reasons for termination were expiration of the contract or the cessation of activities (47.8% versus 57.9% for non-EU citizens overall), followed by dismissals (24.6%), resignations (21.1%) and other reasons (6.6%).

Businesses

The Sri Lankan community ranks **thirteenth** among non-EU communities in terms of the number of **sole proprietorships**, with **4,348** individual entrepreneurs accounting for 1.1% of the total. The territorial distribution of Sri Lankan-owned businesses only partially reflects that of the population: there is a strong concentration in **Campania**, which hosts **38.8%** of businesses, followed by **Lombardy** (**19.4%**) and **Veneto** (**12.1**%). There is a particularly significant presence in **Sicily**, where **10.9%** of Sri Lankan businesses are located, compared with only 4,6% of all non-EU businesses, highlighting a historical peculiarity of settlement in the region.

The analysis of economic sectors shows a significant concentration in the ***commercial sector***, which accounts for **33.7%** of Sri Lankan sole proprietorships, although this share is lower than that recorded for non-EU communities overall (39.9%). Particularly noteworthy is the presence in **business services**, which reaches an incidence of **18.4%**, significantly higher than the average non-EU sole proprietorships (6.2%).
This figure places the Sri Lankan community among the most active in this field: 3.3% of non-EU entrepreneurs operating in the sector were born in Sri Lanka.

27.1%
of Sri Lankan businesses in Commerce

Welfare

Overall the Sri Lankan community's reliance on welfare measures is rather limited. Only 0.1% benefit from wage subsidies[6] (Ordinary and Extraordinary Wages Guarantee Funds), instruments that are not applicable to all productive sectors and firm sizes. It should be noted that sectors not covered by these measures – such as services, commerce and agriculture – are precisely those where most Sri Lankan workers are concentrated.
The presence among NASpI (New Social Insurance for Employees) recipients is more significant, where the community accounts for 2.4%. The incidence decreases for pensions: Sri Lankan recipients for Invalidity, Old Age and Survivors' pensions represent 1.9% of the total non-EU recipients, with a slightly higher share for old-age and disability pensions (2.1%). For social pensions, the incidence is 1.7%
Further corroboration of a partial socio-economic integration of the community surveyed is the rather low, incidence of Sri Lankan women among maternity allowance beneficiaries[7]: 430 women, accounting for 1.5% of all non-EU beneficiaries. More relevant is the share of family allowances[8] (4%), although in absolute terms it amounts to just over 200 individuals.

[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] Otherwise 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] As of 1 March 2022, Legislative Decree 230/2021 introduced the Universal Child Allowance, a benefit to support families with dependent minor children, or children over the age of 18 who are students or unemployed, as well as disabled children of any age. The family allowance remains in place as a measure to support families without children.

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

Allowance	Sri Lanka	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	No data	No data	87,491	15.5%
Extraordinary Redundancy Fund	130	2.5%	5,187	3.2%
Exceptional Redundancy Fund	No data	No data	16	0.7%
Total	130	0.1%	92,694	12.7%
Unemployment benefits				
NASpI (New social insurance for employees)	11,020	2.4%	456,263	16.7%
IVS - Old age, invalidity and survivors' pensions				
Old age	1,344	2.1%	62,837	0.5%
Invalidity	325	2,1%	15,694	1.8%
Survivors	520	1.4%	37,766	0.9%
Total	2,189	1.9%	116,297	0.7%
Welfare pensions				
Pensions and social allowances	961	1.9%	51,272	6.1%
Civil disability pensions	686	1.7%	41,299	4.0%
Caregivers' allowance and the like	774	1.7%	46,645	2.1%
Total	2,421	1.7%	139,216	3.4%
Family care				
Maternity	430	1.5%	29,271	10.2%
Parental leave [9]	No data	No data	34,140	9.5%
Family allowance	210	4.0%	5,225	8.3%

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

[9] 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 or split months for the mother and a maximum of 7 consecutive or split months for the father.

Remittances and financial inclusion

Edited by Daniele Frigeri

Remittances

The financial behaviour and decisions of foreign citizens are influenced by subjective and objective factors in a space-time dimension. Percentagewise, three-quarters (76%) of savings are allocated in Italy, while the remaining quarter (24%) is sent to the country of origin in the form of remittances. This transfer of money, which has reached considerable dimensions at an international level (over 900 billion dollars in 2024, according to the World Bank), has a considerable impact in countries of origin. Remittances sent by foreign citizens residing in Italy has reached 8.29 billion euros (Bank of Italy), with a very modest growth of 1.3% after years of significant increases.

According to World Bank data, in 2024 remittances to Sri Lanka accounted for 6.8% of the national GDP. Sri Lanka ranks as the ninth destination of remittance flows from Italy, accounting for 4% of the total in 2024, in line with 2023 data. Lombardy and Campania are the two regions from which 47% of remittances to Sri Lanka originate, mainly from Naples (20%) and Milano (17%), followed by Lazio (14%) and Veneto (13%). With regard to cross-border bank transfers sent from Sri Lankan citizens to their country of origin, data collected from Italian banks show a 76% growth in volume and a 5% reduction in the average amount between 2023 and 2024.

Table 3 – Remittances to Sri Lanka

Volume of remittances from Italy (2024)	319,015 (millions €)
Incidence of total remittances from Italy	3.90%
2023-2024 % variation	-0.90%
Average cost [10] of remitting 150€ from Italy (September 2025)	no data
Average sum of cross-border transfers from Italian banks	3,040 €

Fonte: CeSPI elaboration from 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 proper use of a range of financial instruments, represents an enabling factor for initiating and consolidating the process of socio-economic integration of an individual and his/her family. At the core of this evolutionary process is access to a bank account and the payment system, combined with increasingly complex needs that correspond to an equal number of financial instruments, including access to credit, investments, forms of accumulation, and savings protection. Alongside the traditional notion of financial inclusion, the term financial well-being has gradually emerged. This is a multidimensional concept referring to the ability of an individual or a family to manage their economic resources in both the present and 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, financial well-being is associated with four dimensions [11]: the ability to manage current expenses sustainably (having control over one's finances), the ability to absorb unexpected shocks without falling into severe financial difficulty (having a financial "buffer"), the ability to accumulate saving for medium to long-term goals, and the ability to plan one's financial future with confidence (the freedom to make choices for one's well-being). Not only do these dimensions relate to the availability of a wide range of financial products, but also to adequate financial education, which constitutes a necessary precondition.

The National Observatory on the Financial Inclusion of Migrants, established by CeSPI in 2010, closely monitors a series of variables closely related to the dimensions outlined above. The first two indicators concern financial and digital education. Both show relatively low levels among non-European citizens: the financial education index stands at 3.8 on a scale from 0 to 10, while only 46% consider their digital skills to be adequate. A second key indicator is the Bancarization Index, namely the percentage of adults holding a bank account, which represents the first step in the process. While for Italians the index stands at 97% [12], for non-EU foreign citizens it reached 90% in 2023, still leaving a significant gap. In the case of Sri Lankan citizens, the value of the index only reaches 72%, well below non-EU average. A second set of variables makes it possible to represent an individual's ability to plan long-term goals and manage expenses sustainably.

Table 4 – Financial Inclusion Indicators - Sri Lanka

	2023	2022	2020	Delta 2020-2023	Non-EU countries' data
Bancarization index	72%	72%	80%		90%
Incidence on the number of bank account holders					
Passbooks	69.60%	60.60%	59.70%	(+)	60%
Payment services	410.30%	257.90%	256.70%	(+)	303%
Financing services	62.20%	52.00%	58.80%	(+)	54%
Mortgages	7.90%	7.70%	9.00%	(-)	12%
Savings/Investment products	32.20%	29.50%	36.90%	(-)	25%
Insurance product (Non-Life)	45.70%	35.20%	39.70%	(+)	33%
Internet Banking	81.00%	6,750%	65.50%	(+)	83%

Source: CeSPI – National 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 is particularly useful to understand a phenomenon that is inherently dynamic and which, in the two-year period between 2020-2022, includes the impact of shocks related to the pandemic and inflation. The bancarisation Index highlights two critical issues: an 8-percentage point decrease between 2020 and 2022, and the presence of a significant share of the community (28%) still excluded from formal financial circuits.

The analysis of other indicators provides a more complex picture: while shocks led to a reduction in savings, credits, and insurance indicators, over the three-year period, there was an increase in financing services and insurance products and a decrease in mortgages (medium- to long-term credit), savings, and investment products.
Comparison with the average for non-EU citizens provides further insights.

The Sri Lankan community is characterised by a high incidence of means of payment and by above-average values in savings accumulation and protection components, both short- and medium-to-long-term, including insurance products. Access to credit is mainly oriented towards the short term: while financing services show a higher-than-average incidence, mortgages (long-term-credit) remain well below average.

Overall, in terms of financial inclusion and financial well-being, the picture appears positive in terms of resilience, but two critical issues remain – likely linked to more recent migration patterns: a relatively low Bancarisation Index level and a lower capacity for spending and long-term financial 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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