



Global Insolvency: 2025 Reflections and 2026 Projections

Italy





Italy

Italy – Insolvency Year in Review 2025

Insolvency volumes

Italy saw an increase in corporate insolvencies in 2025, with 6,952 'liquidazioni guidiziali' (court-ordered liquidations) cases from January to September, compared to 9,162 in 2024 and a significant increase in composition with creditors (>20%) compared to 2024. Finally, after several years of low volumes, extraordinary administrations have also recorded a sharply rising trend.

Sector trends

Several sectors faced significant challenges. Trade (both wholesale and retail) was the largest contributor to insolvency figures, followed by construction, manufacturing, and hospitality. Construction firms grappled with high financing costs, slower residential activity, and reduced infrastructure investment. Manufacturing sectors, including machinery, textiles, and automotive suppliers, experienced weaker export demand and increased cost pressures, mirroring trends seen in other regions reviewed.

Hospitality and tourism-related businesses faced growing distress despite recovering visitor numbers, as many smaller companies struggled with rising wage and energy costs. Professional services and B2B segments showed signs of strain as clients cut discretionary spending, with AI simplifying some research and consulting tasks. In contrast, technology and renewable energy sectors demonstrated greater resilience, bolstered by regulatory incentives and investment programmes.

Legislative changes

Italy was refining the Codice della Crisi d'Impresa e dell'Insolvenza (CCI) throughout 2025. These ongoing updates aim to enhance early-warning tools, simplify restructuring processes, and ensure consistency in court-led procedures. Efforts are also underway to align with EU preventive restructuring standards, making it easier for SMEs to access these processes and improving the efficiency of composition procedures.

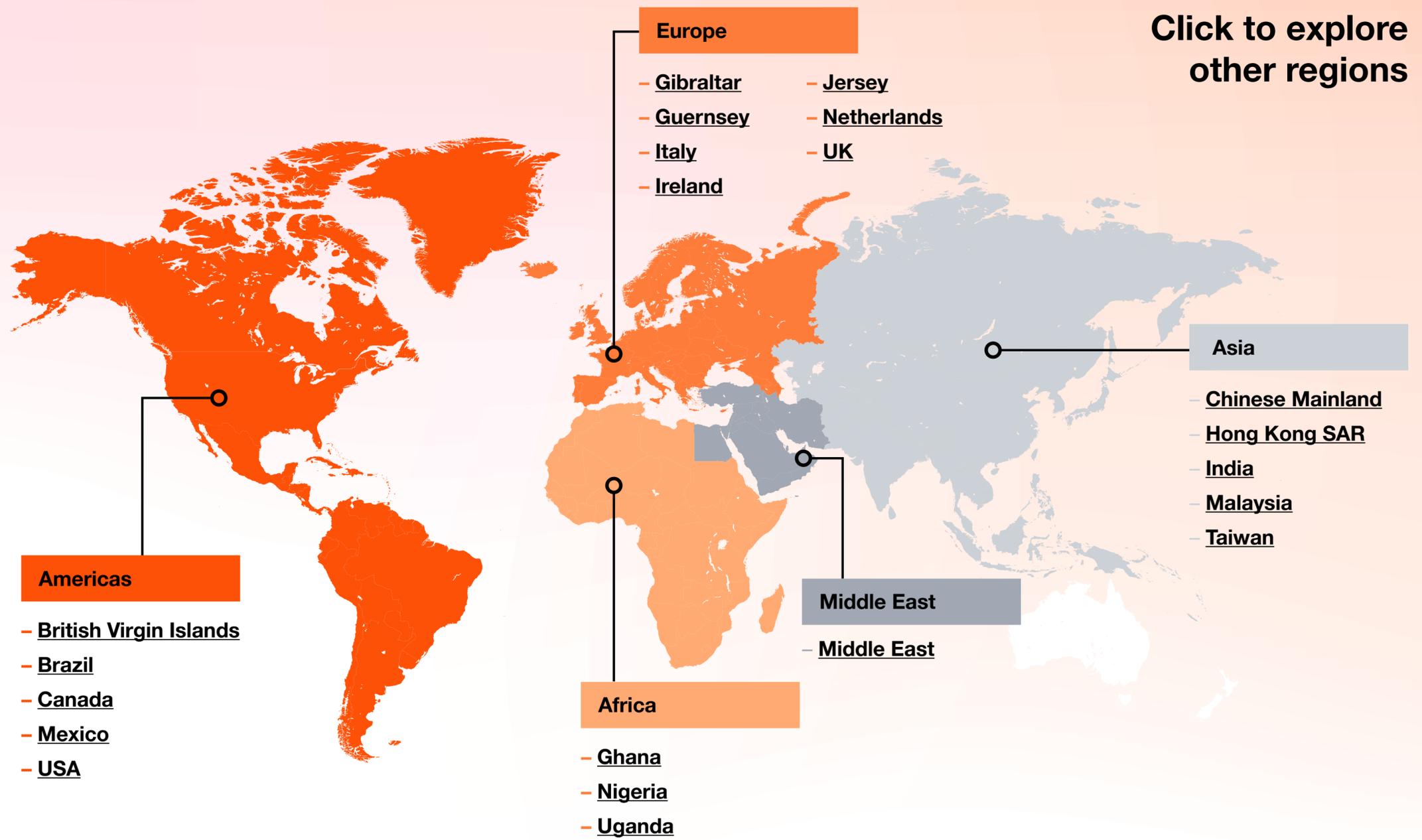
Large insolvencies and PwC involvement

In 2025, several significant insolvencies emerged across sectors like construction, retail, industrial manufacturing, and services. PwC Italy played a pivotal role in high-profile restructuring and turnaround projects, offering lender advisory services, conducting independent business reviews, and coordinating cross-border efforts for multinational companies. We also guided businesses through the updated CCI framework.

Projections for 2026

Looking ahead, insolvencies in Italy are expected to increase to around 13,400 cases in 2026, marking a 3% rise. While economic growth may see a modest uptick, it might not be enough to alleviate the financial pressures many businesses face. However, a slight decline in insolvencies is anticipated in 2027 as conditions stabilize and financial pressures gradually ease.





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Territory lead



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