



CHAMBER OF COMMERCE, INDUSTRY,
CRAFTS, TOURISM AND
AGRICULTURE OF BOLZANO

IER

Institute for
economic research

IN
FOCUS

ECONOMY IN FIGURES

THE ECONOMY IN SOUTH TYROL – CURRENT DATA, INDICATORS AND DEVELOPMENTS

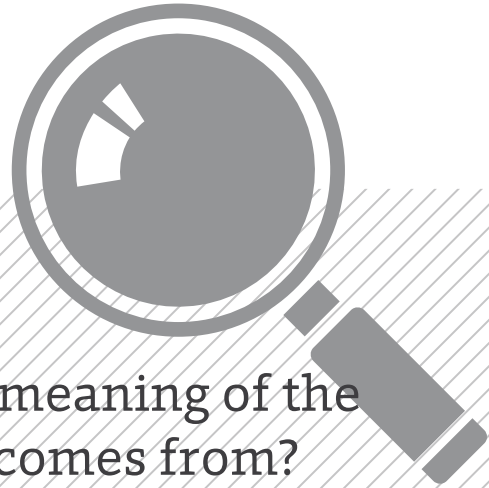
An economics teaching resource for use in upper secondary and vocational schools, with references to topics dealt with in the INFOCUS modules.



The **INFOCUS modules** provide in-depth information on various aspects of the South Tyrolean economy for students. They can be obtained free of charge here (only in Italian or German): www.wifo.bz.it/infocus

schule.wirtschaft@handelskammer.bz.it; T +39 0471 94 57 08

NEW: You can find all INFOCUS modules in **VIDEO** format (only in Italian or German) at www.wifo.bz.it/video



Do you know where the meaning of the term "**ECONOMY**" comes from?

The term "economy" derives from the Greek (oikos) and literally means "housekeeping" or "management". Today, it refers to all activities involved in the production, distribution, exchange and consumption of goods and services.

02

ECONOMIC FACTORS

Geographical Location	4
Economic History	5
Population	7
Consumption	8
Employment	9
Gross Domestic Product	10
Businesses	12
Manufacturing Structure	13
Growth Factors	14
Foreign Trade	15
Primary Sector	17
Secondary Sector	19
Tertiary Sector	21
Challenges for the future	26

South Tyrol's ECONOMY

Find out about South Tyrol's economy with Elsa....

Elsa is a schoolgirl from South Tyrol who has just moved to Germany for a year. During the Economics lesson, the teacher asks Elsa to give a presentation on the economy in South Tyrol for her new classmates, who are curious and would like to learn more about the new girl's home region. These are just some of the questions her classmates ask her and that Elsa attempts to answer:

HOW IS THE POPULATION
MADE UP?
AND HOW HAS THIS
CHANGED OVER THE YEARS?

HOW IS THE EMPLOYMENT
SITUATION IN SOUTH TYROL?

HOW IMPORTANT IS
FOREIGN TRADE FOR
SOUTH TYROL?

WHAT ARE THE FEATURES OF SOUTH
TYROL'S GEOGRAPHICAL LOCATION?

WHICH HISTORIC EVENTS
HAD THE GREATEST
INFLUENCE ON SOUTH
TYROL'S ECONOMY?

WHICH SECTORS OF THE SOUTH
TYROLEAN ECONOMY ARE THE MOST
PRODUCTIVE?

03

SOUTH TYROL

in figures

Area	7,400 km²
Inhabited area	22,435 hectares (3.03%)
Inhabitants	539,386
Population density	73 inhabitants/km²
Capital	Bolzano/Bozen (106,463 inhabitants)
Municipalities	116
Languages	German (68.61%), Italian (26.98%), Ladin (4.41%)

Life expectancy	82.7 years for men 86.6 years for women
Businesses	61,761
Persons employed (2022)	308,700
Employment rate	74.2 %
Unemployment rate	2 %
GDP per capita (2023)	62,100 euros

GEOGRAPHICAL LOCATION

Before she begins to give her classmates an insight into the economy of her home region, Elsa would like to give the class an introduction to South Tyrol and its geographical location.

04

South Tyrol is Italy's most northerly province. The area, which lies in the heart of the Alps and is located in the centre of Europe, borders on Austria, Switzerland and the Italian provinces of Sondrio (Lombardy), Trento (Trentino) and Belluno (Veneto). Moreover, South Tyrol together with the province of Trento and the federal state of Tyrol forms Euregio, or European Region Tyrol-South Tyrol-Trentino,

which is intended to promote cross-border social, economic and cultural co-operation. Covering an area of **7,400 km²**, South Tyrol is Italy's largest province in terms of size and is classified as a mountain area (along with Trentino and Val d'Aosta). Therefore only a small part is habitable and economically viable.

On the other hand, it should be noted that the mountain landscape, with peaks reaching almost **4,000 metres in height** has become a driver for a flourishing year-round tourism industry.



The **Brenner Axis**, one of Europe's major traffic arteries and the most important Alpine pass, crosses through South Tyrol, and hence acts as a bridge between Italy and Central Europe. For this reason foreign companies are attracted to South Tyrol, from where they can serve the Italian market.

ALTITUDES

in South Tyrol

>2,000 m

37 %

1,000 m - 2,000 m

49 %

<1,000 m

14 %

Source: ISTAT
© 2025 IER

ECONOMIC HISTORY

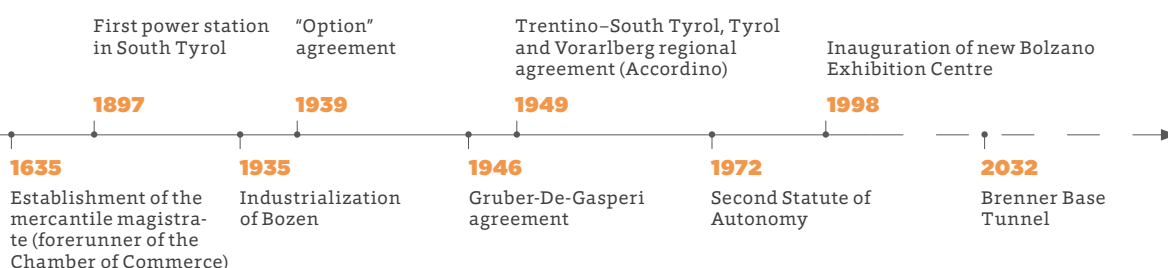
In order to gain a better understanding of the economy, we need to know how it developed. Elsa therefore decides to review some of the milestones in South Tyrol's history that have had the greatest influence on the development of the local economy.

Due to its natural geographical location, South Tyrol has always been a transit area and a meeting point between populaces belonging to the two largest cultural areas north and south of the Alps. As early as Roman times, South Tyrol was an important trading centre due to the construction of the Via Claudia Augusta. Around the year 1200 Bolzano/Bozen started to hold market fairs. Despite its favourable location however, over the course of its history South Tyrol was for a long time a poor region. The economic base was predominantly mountain agriculture, which was generally less productive and often affected by major crises, along with crafts and mining. Industry did not develop until after 1850, when the most traditional sectors (wood, textiles and food) became established. The annexation of South Tyrol by Italy after the First World War led to a major change in general economic conditions.

Under the Italianisation scheme driven by Fascism, heavy industry (metallurgical, steel, automotive, aluminium and magnesium production industries) was introduced into the southern part of Bolzano/Bozen. After the Second World War there began a period of reconstruction and economic growth. With the support of a far-sighted policy, outlying areas were upgraded and the exodus from rural areas thus averted. At the same time tourism developed and became a major economic driver. During the 1980s and 1990s the number of inhabitants stabilised and economic prosperity became consolidated. The beginning of the 21st century has been characterised by the opening up of markets and the challenge of facing international competition with an economy based on a structure of small businesses.

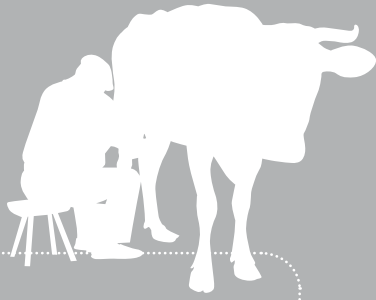


The **Second Statute of Autonomy** of 1972 gave South Tyrol extensive political and economic rights, including wide-ranging financial autonomy and numerous legal and administrative responsibilities. Consider that around 90 % of the taxes collected in South Tyrol remain in the province, contributing to its development and financing the competencies set out in the Statute.



Did you
know that....

... THE **64** KM LONG BRENNER
BASE TUNNEL (TOGETHER
WITH THE INNSBRUCK
BYPASS) WILL BE THE
LONGEST UNDERGROUND RAIL
CONNECTION IN THE WORLD?



... **1850** ALMOST **80** % OF
TYROL'S POPULATION
WORKED IN THE
AGRICULTURAL SECTOR?
TODAY AROUND **6.6** %
OF THE WORKFORCE IS
EMPLOYED IN THIS SECTOR.

To Do TASKS

1) 37.2% of South Tyrol is covered in mountains over 2,000 metres high, only 6% of the area is habitable. Protected areas (biotopes, nature parks, national parks and areas under environmental protection) account for almost 40% of the area of South Tyrol.

In your opinion, what are the implications on the economic sector of this geographical condition?

2) Economic history describes the development of the economy of a country over the course of time. It therefore examines historic events and their effects on individual economic sectors, but also on politics and society.

Can you think of any events that have influenced the development of South Tyrol's economy in recent years? If you find it difficult, try asking your history teacher!

... THE ACCORDINO WAS SIGNED
IN **1949** TO PROMOTE TRADE
BETWEEN SOUTH TYROL AND THE
NEIGHBOURING AUSTRIAN REGIONS
DURING THE PERIOD AFTER THE
SECOND WORLD WAR?

THE PURPOSE OF THIS AGREEMENT
WAS TO FACILITATE TRADE
BETWEEN THE REGION OF
TRENTINO-SOUTH TYROL AND THE
AUSTRIAN FEDERAL STATES OF
TYROL AND VORARLBERG.



POPULATION

Elsa knows that the population forms the basis of social and economic development.

There are **539,386** people living in South Tyrol, which corresponds to just **0.9%** of Italy's total population, although it is the largest province in terms of surface area. Due to its geographical features (mountain area), South Tyrol is relatively sparsely populated. The average population density is **73** inhabitants per km² while **2,036** people per km² live in the capital Bolzano/Bozen. More than **half** of South Tyrol's population lives in rural areas. The average age of the inhabitants is **44** years and life expectancy in South Tyrol is lower than the national average.

With regard to education, over **20,000** students attend an upper secondary school while more than **10,200** choose vocational training (full-time or apprenticeship). **24%** of the resident population today holds a university degree or other tertiary qualification.

07

HOUSEHOLDS¹ in South Tyrol

Year	Total Households	Average Size
1981	130,580	3.2
1991	146,928	3.0
2001	173,914	2.6
2011	204,416	2.4
2021	230,450	2.3
2024	238,747	2.2

Source ASTAT; Censuses
©2025 IER

AGE STRUCTURE of South Tyrol's population



Source ASTAT 2024
©2025 IER



Due to a slight decrease in the number of children and an increase in longevity, the **average age** in South Tyrol is on the increase. The sharp drop in 70-year-olds is due to the **drop in births** at the end of the 2nd World War, the peaks in the 50 and 60-year-olds to the **baby boom** that followed.

Income and CONSUMPTION

In order to gain a complete picture of society in South Tyrol, Elsa needs to identify sources of income and household consumption patterns: so she asks how much households earn on average and how much they spend.

In our market-economy² based society, income and its distribution are key aspects of community life. To compare the prosperity levels between different categories of households we use disposable income. This can be used to calculate indicators that identify poverty. In 2023 Households in South Tyrol have an average household income of **44,032 euros**.

As regards consumption, in 2023 households in South Tyrol consumed goods and services for a value of **3,737 euros** per month. Food is a relatively low cost in relation to total household expenditure. It is therefore the consumption

of non-food goods and services in particular that weigh heavily on the household budget. These include costs for housing, mobility, accommodation and food services and leisure and cultural activities.

In recent years, the increase in energy costs, accompanied by a general rise in prices (inflation), has weighed significantly on the household budgets of South Tyroleans. The situation of economic uncertainty, already marked by the Covid-19 pandemic, was worsened by the outbreak of the war in Ukraine, contributing to the increase in energy and food costs. These factors have eroded the purchasing power of households, meaning that with the same amount of money, households can buy and consume less than before.

HOUSHOLD INCOME

annually, per household

Household types	Average income
Employed work	47,163 €
Self-employed work	62,301 €
Pensions / public transfer payments	34,674 €
Total	44,032 €

Source ISTAT 2023
©2025 IER

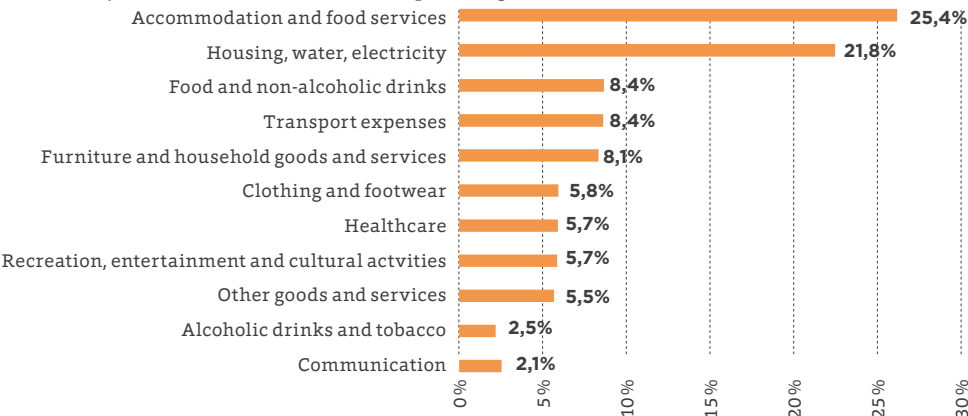


Imagine you had 100 euros to spend every month. You can use this money to buy clothes and food, ecc. **Purchasing power** measures how much you can buy with your money. If prices rise (inflation), you can buy fewer things than before, meaning your purchasing power has decreased. Conversely, if prices fall or wages rise, you can buy more things: your purchasing power has increased.

CONSUMER EXPENDITURE

of private households in South Tyrol

Yearly consumption of South Tyrol households; distribution as a percentage



Source Istat 2022
©2025 IER

EMPLOYMENT in South Tyrol

A classmate of Elsa's is interested in a job in South Tyrol and asks her what the ratio between supply and demand on South Tyrol's labour market is compared to other European countries and regions.

The labour market has proven to be one of the strengths of South Tyrol's economy, even during the worldwide recession³ from 2007 to 2009 or the Covid-19 crisis. In 2024 the employment rate in South Tyrol is around **74.2%**; this means that three-quarters of the population aged between 15 and 64 years actively participate in working life. The rate of unemployment is **2%** and slightly lower compared to previous years. While 100 years ago the primary sector still predominated in South Tyrol, today **three-quarters** of the workforce work in the service sector. The majority of women work in the tertiary sector. Of the **308,700** people in work in 2022, **78%** were employees.

A feature of South Tyrol's labour market is its high seasonality: in agriculture, tourism and the construction industry, the demand for labour is high for just some months of the year, while it drops during other periods.

09

EMPLOYMENT AND UNEMPLOYMENT RATES

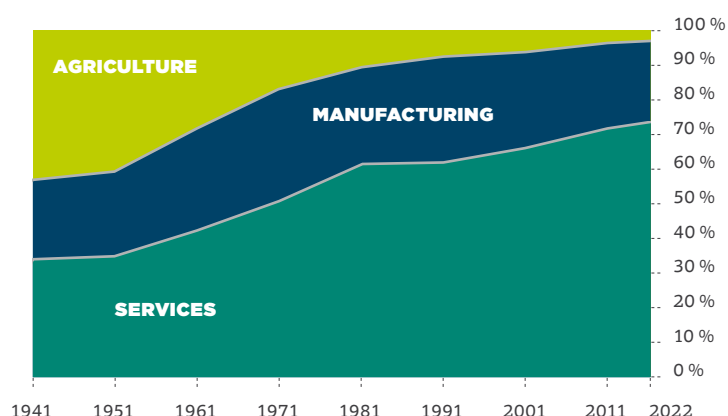
European comparison

Countries	Employment rate	Unemployment rate
European Union	70.8 %	5.9 %
Germany	77.5 %	3.4 %
Austria	74.1 %	5.2 %
Italy	62.2 %	6.5 %
Trentino	71.2 %	2.7 %
South Tyrol	74.2 %	2.0 %

Source Eurostat 2024
©2025 IER

EMPLOYMENT PATTERN IN SOUTH TYROL

Development 1941 - 2022



Source Istat 2022
©2025 IER



Do you know the difference between **employed people** and **employment rate**? The former represents the number of people in employment, while the employment rate is the percentage of employed persons in relation to the working-age population (15-64 years).

GROSS DOMESTIC PRODUCT

Elsa wonders how economic production is measured and whether this level actually corresponds with the level of quality of life.

10 A very important parameter for assessing the "health status" of an economy is its gross domestic product (GDP), in other words, the value of everything that a country or region produces over the course of a year. For example, an increase in GDP over the previous year means that more goods and services have been produced, and as a result, income and wealth

have risen. GDP however, is a critical indicator of a country's economic prosperity; as GDP rises so does consumption, but generally speaking pollution and the negative effects on people also increase.

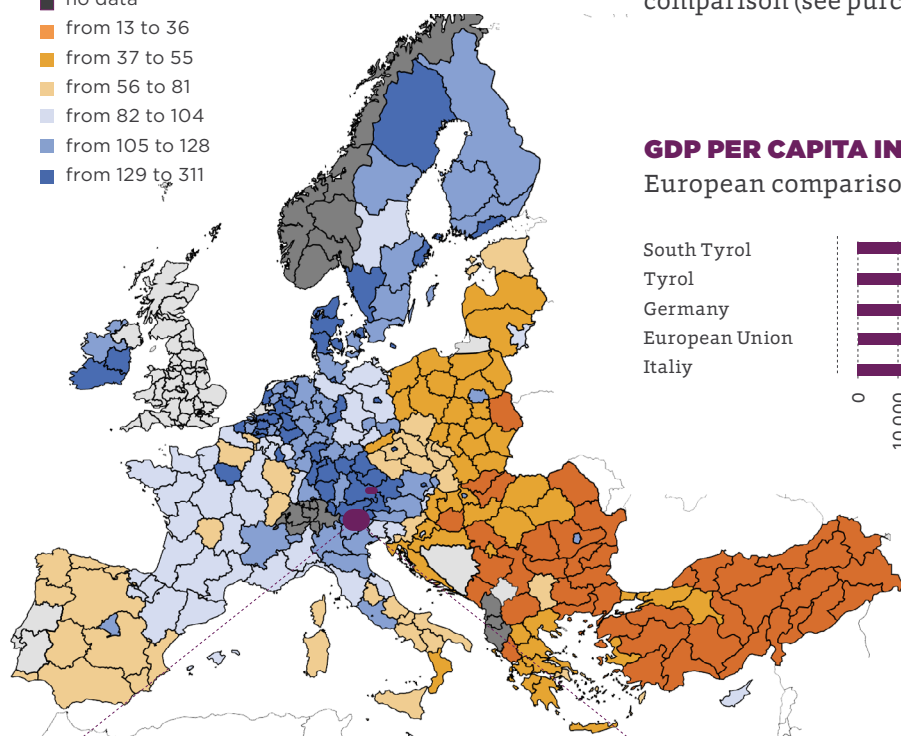
Today GDP in South Tyrol stands at **32 billion euros**. GDP per capita, which is calculated by dividing the total GDP by the number of inhabitants, is **62,100**. In order to make meaningful comparisons with other regions and countries, the GDP per capita must be considered in relation to the cost of living. A lower GDP does not necessarily indicate a lower standard of living. It is important to take into account differences in expenditure on housing, food and energy in order to make a correct comparison (see purchasing power standard).

GDP/CAPITA

Comparison of EU regions

euros per inhabitant as a percentage of the EU average

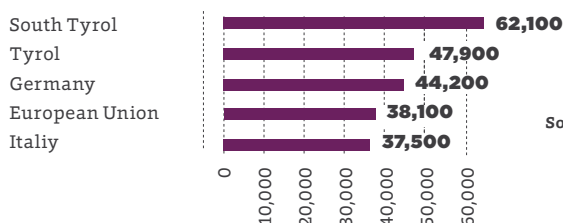
- no data
- from 13 to 36
- from 37 to 55
- from 56 to 81
- from 82 to 104
- from 105 to 128
- from 129 to 311



South Tyrol: **57%** above European average

GDP PER CAPITA IN PPS⁴

European comparison



Source Eurostat 2023
©2025 IER

Source Eurostat 2023
©2025 IER

Did you know that...

... OVER **40%** OF SOUTH TYROLEANS LIVE IN ONE OF THE **7** MUNICIPALITIES WITH A POPULATION OF OVER 10,000? THESE ACCOUNT FOR ONLY **4.5%** OF THE REGION'S TOTAL AREA.

... THE AUTONOMOUS PROVINCE OF BOLZANO/BOZEN IS THE ITALIAN TERRITORY WITH THE HIGHEST GDP PER CAPITA COMPARED TO THE EUROPEAN AVERAGE - **157 %**.



... **BHUTAN** IS THE ONLY COUNTRY IN THE WORLD THAT DOES NOT USE GDP BUT THE "GROSS DOMESTIC HAPPINESS INDEX" AS A KEY ECONOMIC INDICATOR? THIS IS BASED ON FOUR FUNDAMENTAL PILLARS: SUSTAINABLE SOCIAL DEVELOPMENT, ECOLOGICAL SUSTAINABILITY, PROMOTION OF CULTURAL VALUES AND GOOD GOVERNANCE.

... THE BIRTH RATE OF SOUTH TYROL AT **1.6 CHILDREN** PER WOMAN OF CHILD-BEARING AGE IS THE HIGHEST IN ITALY?



... THE EMPLOYMENT RATE OF SOUTH TYROL IS CURRENTLY **74.2%**? THIS MEANS THAT ALMOST **THREE QUARTERS** OF THE POPULATION AGED BETWEEN **15** AND **64** YEARS ACTIVELY PARTICIPATE IN WORKING LIFE.

To Do TASKS

1) Every year Bolzano/Bozen ranks amongst the top cities in Italy for quality of life. It is also however an expensive city; prices in the property and food sectors in particular are very high.

Have you ever discussed about these topics with relatives living in other regions of Italy or in other countries? How do you think the higher price level affects your daily life?

2) GDP as a measure of wealth is often criticised for describing quantitative but not qualitative development. In fact, GDP does not take into account the quality of life, e.g. it gives no indication of the distribution of wealth, health, level of education or happiness of the population.

Consider the advantages and disadvantages of using GDP as an indicator of prosperity.

South Tyrol's BUSINESSES

12

In order to find out how many businesses operate in South Tyrol, Elsa asks the Chamber of Commerce of Bolzano/Bozen for information. In Italy every business must be registered in the Commercial Register⁵.

In 2024, there were **61,761** businesses registered, **14,975** of which are operating in the manufacturing sector and **16,283** are farming businesses. The difference between entries and deletions depends to a great extent on the general economic climate. For example, in the early 1990s the difference was negative. The year 2024 ended with a slightly positive balance (**3,458** companies were registered and **3,139** were deleted).

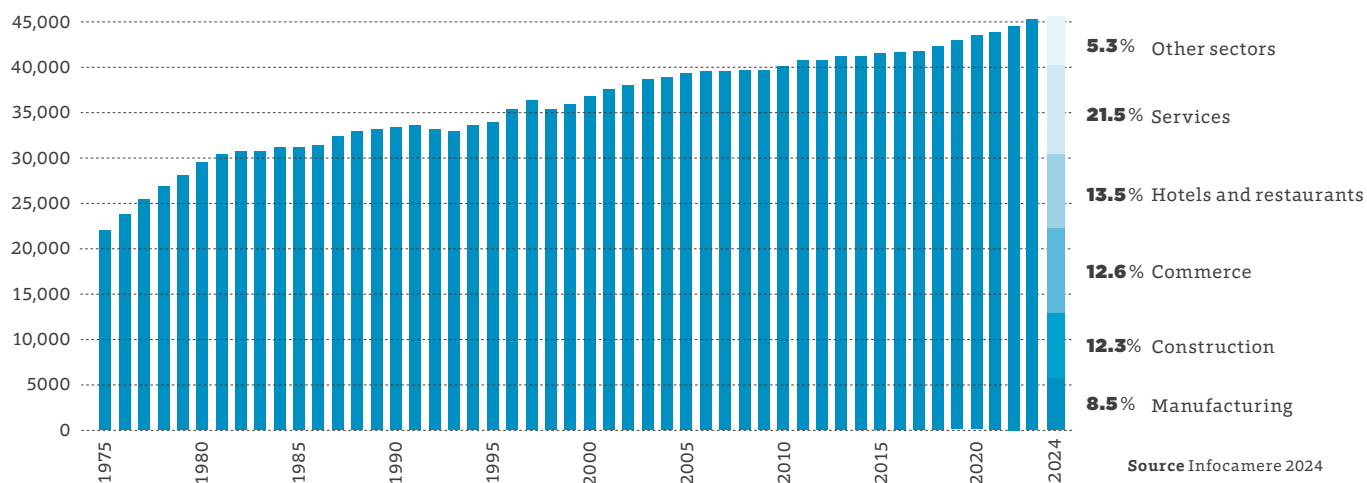
If you look at their legal forms⁶, the majority of South Tyrol's businesses are sole proprietorships (**59%**), **16%** are private companies and **23%** incorporated companies, while the remaining **2%** are other forms, such as cooperatives.

A business in South Tyrol employs on average **4.9** people (as dependent employees). This figure results from a structure based on small businesses, especially in agriculture and hospitality. Businesses with a maximum of one employee represent more than **half** of all business enterprises. In the rest of Italy and Austria, the proportion of these micro-businesses is lower.

In South Tyrol around **one in five enterprises** is "female". Enterprises are referred to as "female" when women are owners in sole proprietorships, form the majority of shareholders in private companies and hold the majority of the share capital⁷ and/or make up the majority of administrators in corporations. The proportion of women in management positions is about **one quarter**.

DEVELOPMENT OF BUSINESSES

in South Tyrol (excluding agriculture)



MANUFACTURING

Structure

In order to find out how South Tyrol's economy is structured, Elsa looks at where and in which sectors domestic businesses operate.

If we consider businesses in South Tyrol in terms of their geographical structure, then almost **20%** are located in the Burgraviato/Burggrafenamt and Bolzano/Bozen districts and **15%** in the Oltradige Bassa Atesina/Überetsch-Unterland and in the Val Pusteria/Pustertal respectively.

BUSINESSES IN SOUTH TYROL

according to district

District	Businesses	Proportion
Val Venosta/Vinschgau	4,358	7.1 %
Burgraviato/Burggrafenamt	12,007	19.4 %
Oltradige Bassa Atesina/Überetsch-Unterland	9,090	14.7 %
Bolzano/Bozen	12,499	20.2 %
Salto-Sciliar/Salten-Schlern	6,678	10.8 %
Valle Isarco/Eisacktal	5,482	8.9 %
Alta Valle Isarco/Wipptal	2,003	3.2 %
Val Pusteria/Pustertal	9,635	15.6 %
South Tyrol	61,761	100 %

Source Infocamere 2024
©2025 IER

In order to understand the manufacturing structure, it makes sense to consider its proportion of the workforce. For example, **13%** of the workforce works in commerce.

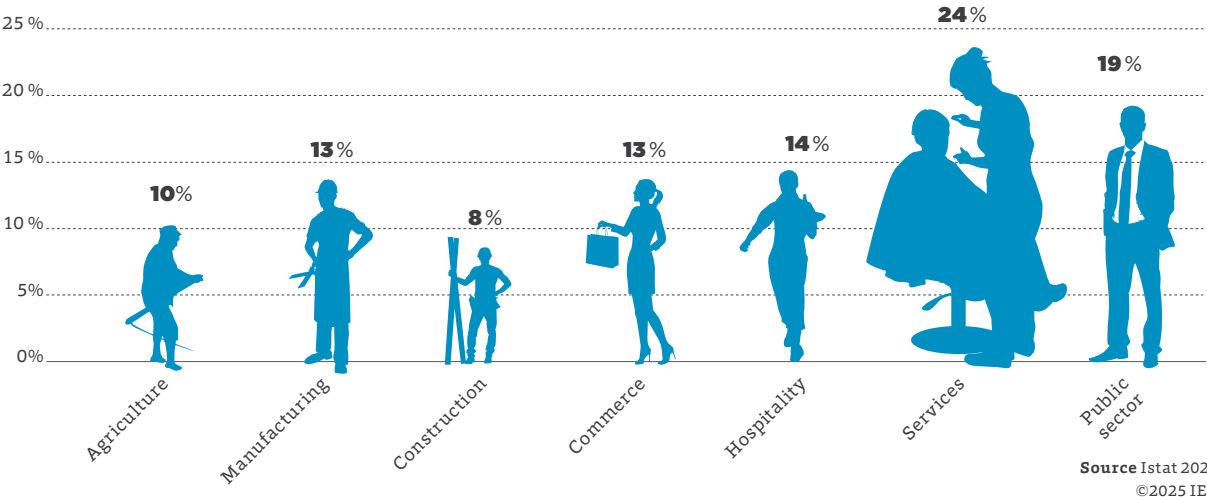


13

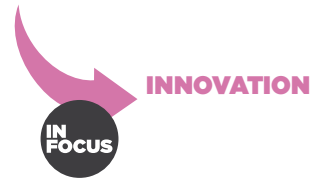
To measure **EMPLOYMENT**, we can calculate the number of **full-time equivalents** (FTEs), i.e. the number of people working full-time for an entire year. Workers who have not worked all year or have worked part-time can be converted into full-time equivalents. For example, a part-time employee (50%) is counted as half a unit of full-time work.

EMPLOYMENT IN SOUTH TYROL

according to economic sector



GROWTH FACTORS



During her research, Elsa learns that productivity is a key driver of economic growth. Growth in GDP may derive from higher employment, improved labour productivity, or from a combination of these two factors.

14

In 2022, labour productivity⁸ (added value⁹ per hour worked) in South Tyrol amounted to **51.3 euros** while in Italy it was **42 euros**. One of the factors in remaining competitive and maintaining constant productivity lies, amongst other things, in the promotion of innovative entrepreneurial forces, research and development and the acquisition of know-how.

How innovative is South Tyrol?

New ideas only become innovations when they are translated into products, services and processes and are used successfully on the market. Innovation is essential to ensuring the competitiveness of businesses, both in terms of production efficiency and the attractiveness of the product range (goods or services) offered to customers. At the same time, it is an extremely important factor in economic growth as it enables per capita income to grow, and as a result, the standard of living of the population, by improving productivity. The small size of many of South Tyrol's businesses does not allow for significant investment in research and development (R & D). One way to improve this situation is through cooperation between businesses or between businesses and research institutes.

How digital is South Tyrol?

The use of information and communication technology (ICT) and of Artificial Intelligence (AI) in business activities has become a decisive factor in a company's competitiveness. As can be seen in the graph, South Tyrolean companies show an increasing focus on digital

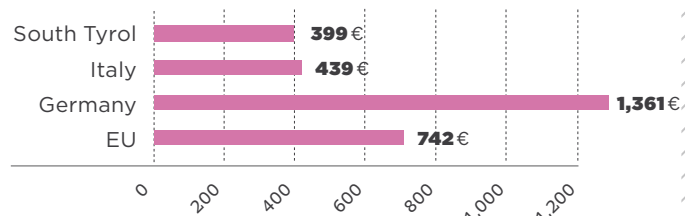
transformation. This trend, for example, is represented by investments in IT security (around 44% in 2024) and high-speed Internet connection.

The implementation of AI systems represents the next step in this innovation path, offering advanced tools to optimise production and decision-making processes. To fully exploit its benefits, it is crucial that companies invest in the development of in-house skills and adopt long-term strategies.

RATES OF INVESTMENT IN R & D

European comparison

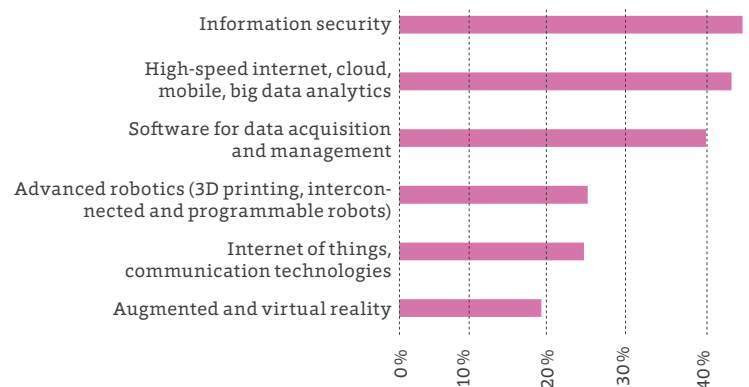
Euros per inhabitant



Source Eurostat 2021
©2025 IER

INVESTMENTS IN DIGITAL TRANSFORMATION

Percentage of South Tyrolean companies that have invested in one or more of the following areas



Source Infocamere Excelsior 2024
©2025 IER

FOREIGN Trade

Elsa would like to show her classmates how many goods from South Tyrol are exported to Germany; she therefore analyses the business relations of South Tyrol's companies.

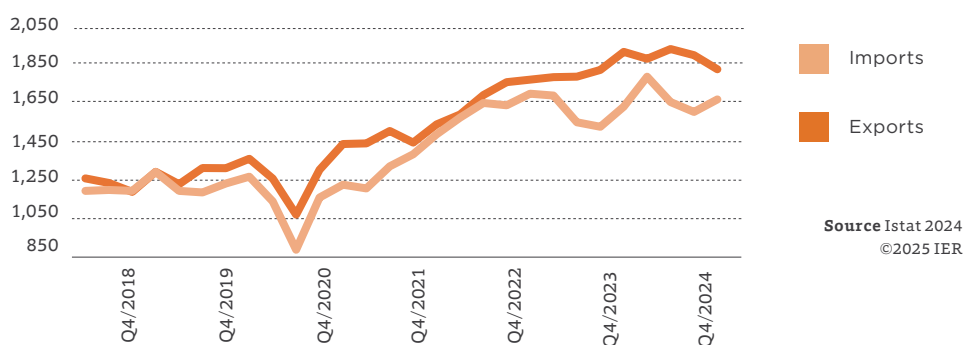
Every year more than **2,100** businesses in South Tyrol exported goods, **1,500** of which for a value of more than **10,000 euros**. The largest trading partner is Germany. Followed by Austria and France. An analysis of the categories of products exported reveals that in 2024, food and beverages were the most exported products.

In 2024 the turnover¹⁰ for these amounted to around **1,1 billions euros**. The turnover for the export of food and beverages was followed by exported means of machinery and mechanical equipment, which amounted to **1,09 billions euros**. In third place came metal products. As far as imports are concerned, food and beverages are the most important goods and account for almost **one fifth** of total imports. In second place come metals and metal products and in third place machines and mechanical equipment. As with exports, Germany and Austria are also the most important trading partners for imports.

15

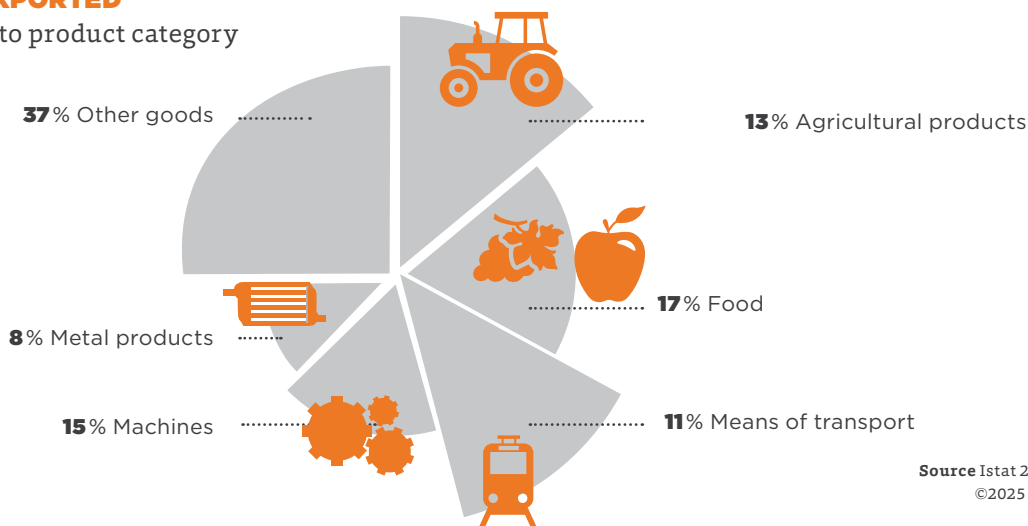
FOREIGN TRADE

from and to South Tyrol, in millions of Euros



GOODS EXPORTED

according to product category



To Do TASKS

Did you know that ...

..... IN 2024 EXPORTS FROM
SOUTH TYROL EXCEEDED
7.4 BILLION EUROS?

...IN 2024, SOUTH TYROLEAN COMPANIES HAD REGISTERED **124** PATENTS?

... SOUTH TYROL'S ECONOMY IS CHARACTERISED BY A LARGE NUMBER OF SMALL BUSINESSES?
92% OF BUSINESSES HAVE LESS THAN **10** EMPLOYEES. THESE ACCOUNT FOR **33%** OF TOTAL EMPLOYMENT.

1) Start-ups are frequently established to put an innovative business idea into practice.

3) The term “globalisation” results from the combination of the terms “global economy” and “integration” and defines a phenomenon of worldwide significance. An example? Elsa buys a dress in a shop in Bolzano/Bozen. The dress however was made in a factory in Poland, which processes fabrics from India. The dress design is the work of a studio in Paris, while the advertising campaign was carried out by a German photographer.

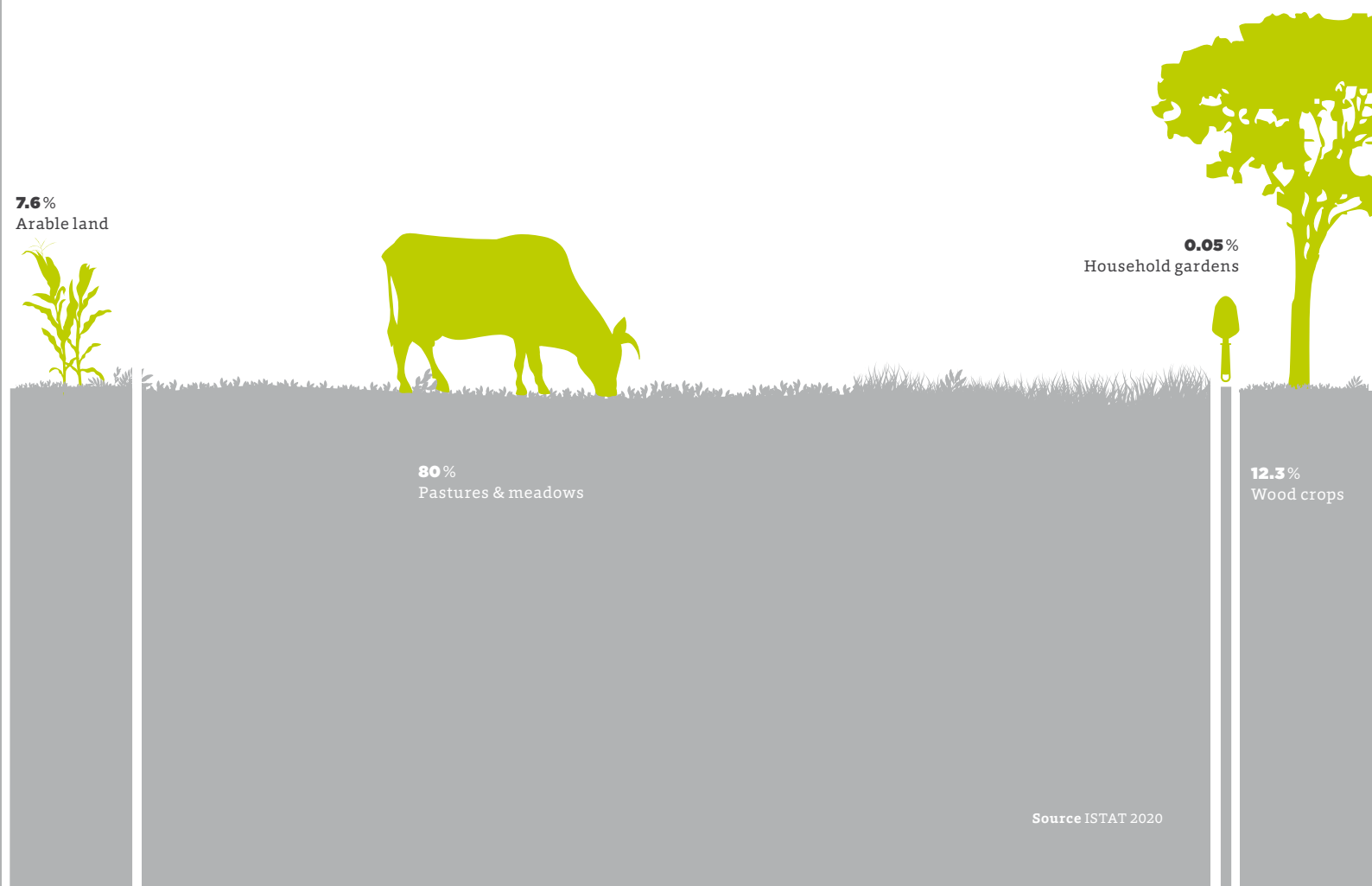
PRIMARY Sector

Elsa lives in a rural area and knows that agriculture has always been of great importance to South Tyrol due to the fruit and wine industry and the farmers who rear livestock and farm the fields.

The activities belonging to the primary sector are those that historically were the first to be practised by man, hence the term “primary”. This sector includes agriculture, livestock rearing and forestry (management of the forest).

As South Tyrol is predominantly mountainous, only a very small part of the area can be used for agriculture. Livestock are reared and milk is produced in the higher regions, whilst on the valley floor fruit and winegrowing predominate. In terms of the way land is used, almost **80%** is covered by meadows and pastures while the area used for growing vegetables and cereals (arable land in the graph) is about **8%**. Since South Tyrol is located on the south side of the Alps, it enjoys a mild climate, which is particularly favourable to winegrowing.

17



AGRICULTURE

Businesses
16,283
Change in the period 2019-2024
- 2.08 %
Persons employed (FTEs)
27,800
Added value per hour worked
22.40 €

AGRICULTURE

In the early 20th century, agriculture represented the most important branch of South Tyrol's economy and still today provides work for a large number of people. However, for many farmers, farming is no longer their main activity, hence they are known as sideline-farmers. About **a quarter** of these have a second job in other sectors of the economy. The share of agriculture in the province's GDP is **4.5%**. In South Tyrol there are **16,300** agricultural and forestry businesses: more than **half** of these are smaller than five hectares, as many as one **fifth** has an area of less than one hectare. Between 2000 and 2020, both the number of farms and the amount of land farmed has declined. The principle product is apples: a total of over **1,000,000 tons** of apples are harvested each year. About **8%** of Europe's total apple production comes from South Tyrol.

MOST PRODUCED VARIETIES

Agricultural products

Apples	Tonnes (t)
Golden Delicious	248,119
Gala	170,292
Granny Smith	81,199



Wine	Hectares (ha)
Rulander	705
Chardonnay	668
Gewurztraminer	631



Milk	Tonnes (t)
Cheese	22,950
Fresh milk	17,060
Mascarpone, Ricotta	13,530



LIVESTOCK REARING

Products deriving from livestock rearing represent the second most important agricultural sector after fruit growing. Annual milk production alone amounts to **365 million kilogrammes**. In contrast, meat production plays a minor role. Even the number of animals fattened is decreasing.

WINEGROWING

Wine is also a typical product of South Tyrol. Since the area set aside for winegrowing is limited (**about 5,800 hectares**), production is relatively low. Moreover, increasingly more emphasis is placed on quality than on quantity. Another current trend in winegrowing favours white wines: white wine grapes of various varieties are grown on over **64%** of area under vine. About a **third** of the wine produced is sold on the local market, almost **38%** is marketed in the rest of Italy and the remaining wine is exported.

SECONDARY Sector

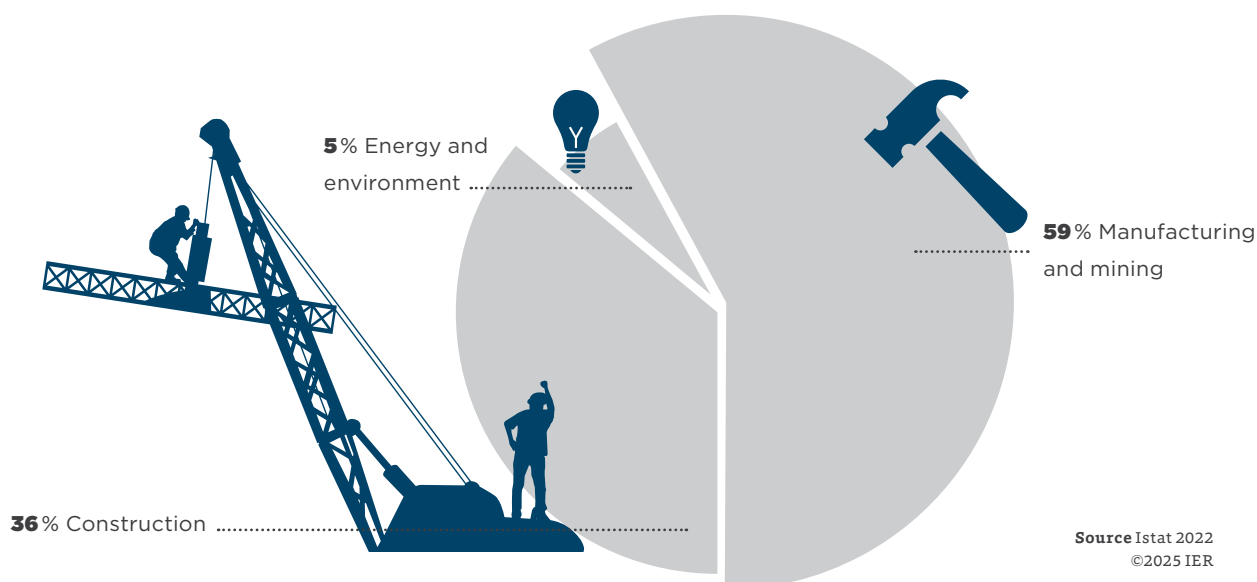
One of Elsa's classmates is very enterprising and wants to start up a business in South Tyrol. He is particularly interested in the secondary sector. Elsa therefore verifies what the main areas of activity are.

19

The secondary sector consists of the manufacturing industry, energy supply and the construction industry. In 2022 approximately **64,000** people, that is more than one fifth of South Tyrol's workforce, worked in the **12,846** businesses in the secondary sector. Of these, **37,800** worked in the manufacturing sector, **2,900** in the energy and environment sector and **23,300** in the construction industry.

BREAKDOWN OF THE WORKFORCE

in the secondary sector





Craft activities (eg. carpenters) fall within the secondary sector or are counted as services (eg. hairdressers). In South Tyrol there are **14,975** craft businesses, which are often very small.



MANUFACTURING INDUSTRY

The manufacturing industry includes all activities for the processing of primary products into goods intended for consumption or to be used in the production of other goods. In recent decades, various companies in South Tyrol have specialised in the sectors of Alpine technology (e.g. cable cars, chairlifts, artificial snow systems) and in the food industry.

ENERGY

In the field of electricity, South Tyrol's average annual production is sufficient to cover its annual requirements. In addition, hydroelectric power plays a major role among the renewable energy sources for electricity production.

CONSTRUCTION

Construction involves planning and constructing buildings and infrastructure (roads, bridges, hydraulic engineering, etc.). It includes all activities involved in erecting, altering, repairing or demolishing a building. The fitting out of the interiors (plumbers, tilers, etc.) is also part of this industry. South Tyrol's construction companies work primarily on the local market and provide work for **7.6%** of the workforce in South Tyrol.

MANUFACTURING INDUSTRY AND ENERGY

Companies

5,253

Change in the period 2019-2024

- 1.5 %

Persons employed (FTEs)

36,200

Added value per hour worked

61.70 €

CONSTRUCTION

Companies

7,593

Change in the period 2019-2024

+ 10.9 %

Persons employed (FTEs)

20,400

Added value per hour worked

41.30 €

TERTIARY Sector

While agriculture produces raw materials and the secondary sector processes them, the tertiary sector provides services. Elsa examines how South Tyrol has changed over the last decades to become a service society.

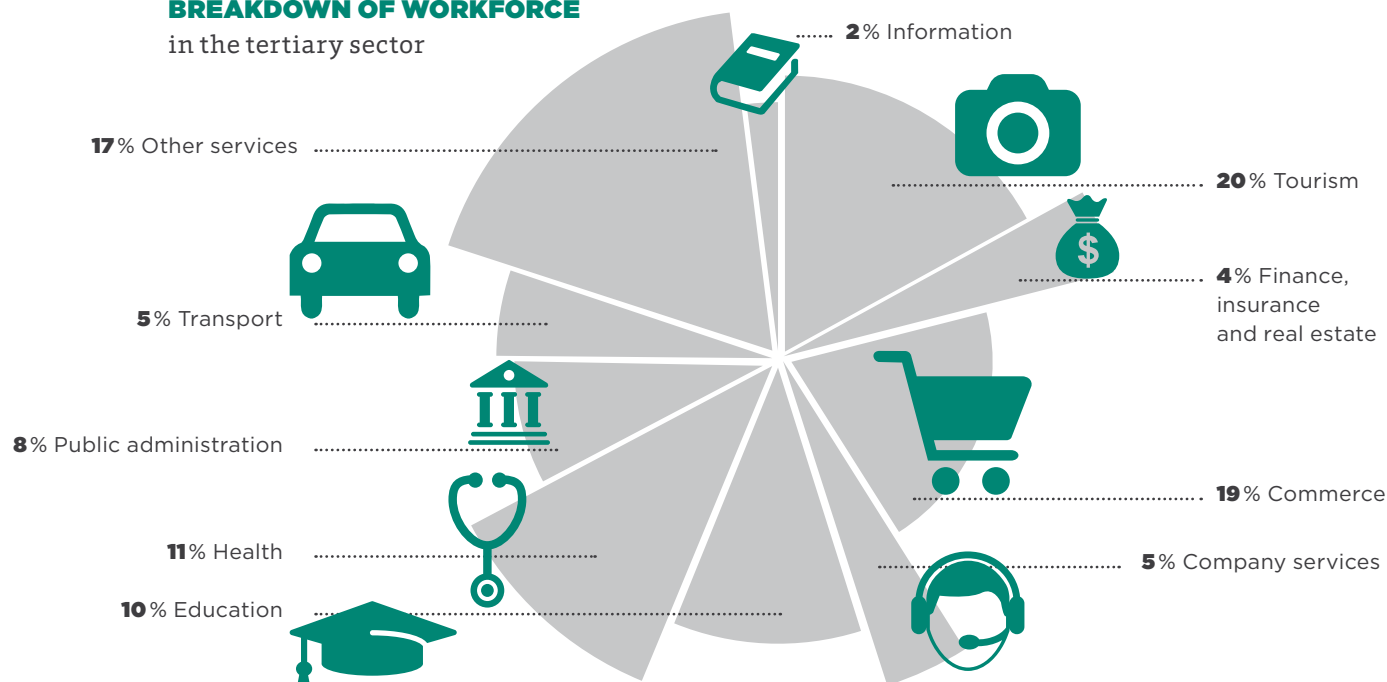
The tertiary sector consists of economic activities that provide services for households and businesses. In this respect, South Tyrol reflects the international trend. Whereas in 1940 only a third of the workforce worked in the tertiary sector, today we have exceeded

the threshold of **70%** (including public administration, commerce and hospitality). In total, **224,200** people are employed in the tertiary sector in South Tyrol.

The tertiary sector can be divided into two large categories: market oriented services (these include commerce, hospitality, business services, information, communication), and non-market oriented services (activities such as state education, justice, defence, public health and general public administration services).

21

BREAKDOWN OF WORKFORCE in the tertiary sector





Given the important role that **e-commerce**, also known as online trade, has assumed in recent decades, the South Tyrol Consumer Centre and Chamber of Commerce in Bolzano/Bozen provide a free platform www.conciliareonline.it which allows disputes connected to e-commerce purchases to be settled online.

TRADE

Trade involves the buying and selling of goods and can be divided into two categories: wholesale trade (the purpose of which is to ensure the flow of goods between manufacturers and traders) and retail trade (whose job it is to sell products to the end consumer).

Trading businesses provide about **42,800** jobs in South Tyrol and employ **one fifth** of the people working in the tertiary sector. Due to its geographical location, Bolzano/Bozen has always been an important trading city, you only have to think of the importance of its trade fairs. South Tyrol is therefore said to have a bridging function, which is performed by wholesalers, but is however asymmetrical: the brokerage of goods from the European market to the Italian one is greater than the brokerage of Italian products to other countries in Europe. The retail trade also plays an important role in South Tyrol. Since the population of South Tyrol is scattered throughout the region, a local supply gives people the opportunity to buy food and important consumer goods locally or in the immediate vicinity.

SERVICES

Services that come within the tertiary sector are very wide ranging. According to whether it is a private person or a company using the services, these are provided to the public and households, businesses or the public sector.

Almost **27,400** people provide services for businesses, for example auditors, advisers or cleaning companies. The remainder of the people working in the service sector are spread across the transport sector (eg. freight forwarders), the financial, insurance and real estate sectors (banks, intermediaries, insurance companies) and the information and communications sector (newspapers, radio and telecommunications). Lastly, there are personal services, such as beauty care.

Over **64,000** people work in one of the primary public sectors, that is, in education, healthcare or in the public administration.

TRADE SERVICES

Businesses	7,809
Change in the period 2019-2024	- 4.61%
Persons employed (FTEs)	37,700
Added value per hour worked	44.10 €

PRIVATE SERVICES

Businesses	16,512
Change in the period 2019-2024	+ 15.63%
Persons employed (FTEs)	121,800
Added value per hour worked	66.20 €

HOTELS AND RESTAURANTS

Businesses

8,311

Change in the period 2019-2024

+ 4,37 %

Persons employed (FTEs)

41,000

Added value per hour worked

35.90 €

TOURISM

According to the official classification, tourism covers activities involved in providing accommodation (hotels, guest houses) and food services (bars, restaurants).

Around 1800, the first spas and health resorts began to develop in South Tyrol, including Merano/Meran and Gries, from the 1950s onwards, tourism began to recover from the aftermath of the war and today South Tyrol, with its more than **37 million** overnight stays per year records a high tourism intensity¹¹.

Tourism is one of the driving forces behind South Tyrol's economy, in more than **11,900** accommodation facilities, **253,000** beds are available to tourists. The majority of foreign holidaymakers come from German-speaking countries, in other words, Germany, Austria and Switzerland. In recent years, however, significant increases in overnight stays of guests from countries further afield, such as the United States, have also been recorded.

OVERNIGHT STAYS

according to nationality, 2024

Country	Number of stays	Average length of stay (days)
Germany	17,525,530	4.8
Italy	10,599,659	3.9
Switzerland	1,667,194	4.2
Benelux	1,399,833	4.6
Austria	1,251,199	2.9
Czech Republic	576,659	4.2
Poland	546,365	5.3
Other countries	3,603,219	3.5
Total	37,169,658	4.3

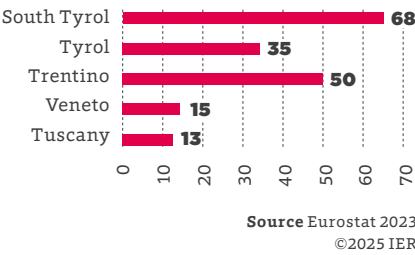
Source Astat 2024
©2025 IER



From 2003 to the present, the number of **arrivals** has increased more rapidly than the number of **overnight stays**. This indicates that, although the number of guests has increased, the average length of their stay has decreased.

TOURISM INTENSITY
European comparison

Overnight stays/inhabitants



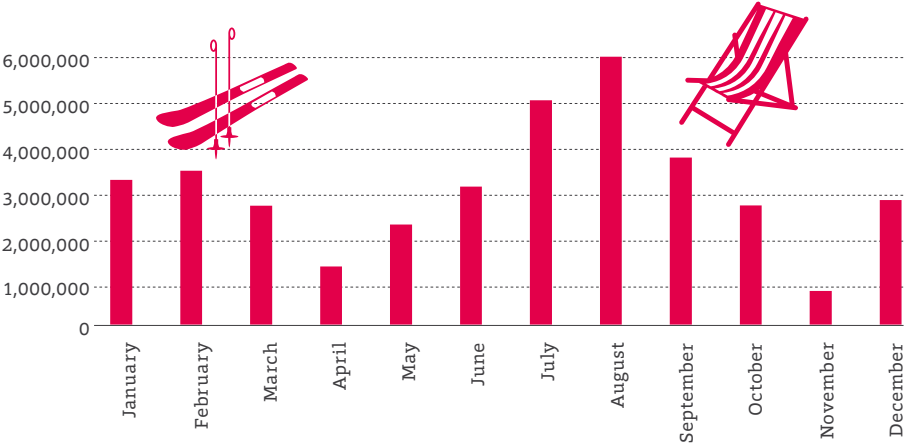
In comparison to coastal areas, South Tyrol, like other areas in the Alps, has the advantage that high season is not limited to a few months in the summer. There are two tourism seasons, with August holding the absolute record: in 2024, **6 million** overnight stays were counted in this month alone. Tourism is closely related to other economic sectors. Indeed, tourists contribute to the local economy when they visit a place by spending money in restaurants, shops, museums and on other services. However, tourism can have negative impacts in terms of the environment, housing or transport congestion. This occurs when a tourist location receives more visitors than its capacity to sustain this influx in a sustainable way. This risks causing inconvenience to both the resident population and the tourists themselves.

ACCOMMODATION CAPACITY
according to type of accommodation

Accommodation Facility	Category	Number of beds
Esercizi alberghieri	4 or 5 star	49,404
	3 star	62,200
	1 or 2 star	24,563
	Apartment	24,093
Esercizi extralberghieri	Campsites	16,041
	Private	34,055
	Farm holidays	32,071
	Others	11,167
Total		253,592

Source Astat 2024
©2025 IER

PERFORMANCE OF TOURIST PRESENCE IN SOUTH TYROL
Number of overnight stays in millions, 2024





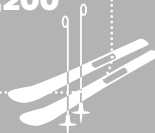
AROUND **8%** OF THE EUROPEAN HARVEST.



AWARDED A TOTAL OF **22**

A SINGLE MUNICIPALITY?

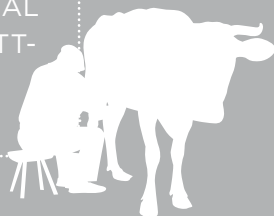
DOLOMITI SUPERSKI COVERS 1,200



MORE THAN **20** DIFFERENT VARIETIES



OF **123,264** HEAD OF CATT-



TASKS

make available for research and development

Challenges for the **FUTURE**

OPPORTUNITIES...

In recent decades South Tyrol has experienced an impressive development process, which has transformed an economically weak region into an affluent one with a stable economy. South Tyrol today occupies a leading position in numerous Italian and European rankings, including employment, quality of life and GDP per capita. In education, the dual training system has reached a high standard of quality. Moreover, conditions in general for companies are relatively favourable. This is also due to the advantageous geographical location and the multi-lingual population, which enables the wholesale trade to provide its bridging function. In addition, South Tyrol's decentralised economic structure and a local supply of goods enable it to respond efficiently to the needs of the population. The attractiveness of South Tyrol to tourists is due to the beautiful Alpine landscape and hence a reason why the environment must be protected. This also guarantees a high quality of life for the inhabitants. Although not very large in number, high-tech companies enjoy considerable success at home and abroad, especially in the areas of renewable energy and Alpine technology. Another important growth factor is exports: this opens up new sales opportunities, which ensure income and economic prosperity throughout South Tyrol.

... AND CHALLENGES

In the future South Tyrol will need to focus even more on sustainable growth in every area of the economy. With regard to education, the intention is to bring young people into contact with the economy at an early stage through practical/work experience and other initiatives offered through the schools. Another factor to consider is the ageing of the population, which requires a rethink of products and services for citizens. On the other hand, it is important that businesses remain competitive despite the small scale of their operations. The strength of regionality can be exploited in order not to lose shares on the international market. It is therefore essential to strengthen co-operation between micro businesses, which often do not have the capability or resources to address internationalisation and innovation by themselves. Innovation in particular is one of the main drivers of growth in the economy and is therefore crucial to ensuring long-term sustainable development for our society. In this regard, the Covid-19 emergence has led to a surge of digitalisation in the workplace (smart working) and health (telemedicine). Finally, Artificial Intelligence represents not only an opportunity but also a challenge for South Tyrol, both in terms of innovation and competitiveness. The adoption of AI-based solutions could improve efficiency in companies and contribute to environmental sustainability through smarter systems for resource management and waste reduction. However, the unregulated use of AI could cause the loss of some jobs, threaten the protection of personal data and normalise the unethical use of technologies. Overall, further investments and functioning infrastructure are needed in order to be able to continue using these digital services efficiently also in the future.



GLOSSARY

¹HOUSEHOLD

A private household is defined as people who live and manage their household together, who generally finance their living expenses together or share household expenses.

Source: Gablers Wirtschaftslexikon

²MARKET ECONOMY

In this economic system, exchange processes on the markets are regulated by the price mechanism. The State creates the conditions to guarantee competition between market players without restricting their freedom of action.

Source: Gablers Wirtschaftslexikon

³RECESSION

A recession occurs when the production of a country and hence its GDP perform negatively in comparison with the previous year. A recession is therefore the opposite of economic growth – a downturn in the economy.

Source: Italian Stock Exchange

⁴PPS

The PURCHASE POWER STANDARD (PPS) is a fictitious currency that allows a comparison of income levels taking into account the different costs of living.

Source: Italian Stock Exchange

⁵BUSINESS REGISTER

The Chamber of Commerce keeps a public electronic register in which all businesses based in South Tyrol must be registered.

Source: Chamber of Commerce Bolzano/Bozen

⁶LEGAL FORM

The legal form indicates how a business is structured and organised. The entrepreneur can operate alone (sole proprietorship) or together with partners (company). In addition to partnerships or capital companies, there are other forms, such as co-operatives. The legal form has legal as well as financial consequences for the business (for example, its liability in the event of bankruptcy).

Source: Chamber of Commerce Bolzano/Bozen

⁷SHARE CAPITAL

The share capital represents the capital contributions and assets contributed by shareholders as risk capital when a company is formed.

Source: Italian Stock Exchange

⁸LABOUR PRODUCTIVITY

Labour productivity measures the ratio between product (output) and labour (input) that arises during production. It is measured in terms of added value per worker or per hour worked.

Source: Chamber of Commerce Bolzano/Bozen

⁹ADDED VALUE

Value added is a measure of the increase in value of goods and services. It is calculated as the difference between the value of goods and services produced (final value) and the value of the goods and services needed to produce them (intermediate inputs).

Source: Gablers Wirtschaftslexikon

¹⁰TURNOVER

Turnover is the total amount of income that a company generates from the sale of its goods or services.

Source: Gablers Wirtschaftslexikon

¹¹TOURISM INTENSITY

The tourism intensity index is the ratio of the number of overnight stays in tourist establishments in a specific region relative to the resident population.

Source: ASTAT

The **IER – Institute for Economic Research of the Chamber of Commerce** analyses and researches the economy in South Tyrol and provides information on it to businesses, associations, political decision makers, the media and schools. IER's main aim when working with young people is to provide them with information about business, arouse their interest in economics and encourage entrepreneurial thinking.

IN FOCUS is a collection of educational materials for business education at South Tyrol upper secondary schools, colleges and vocational training schools. The individual modules can be obtained free of charge here:

www.wifo.bz.it/infocus
schule.wirtschaft@handelskammer.bz.it
+39 0471 94 57 08

IMPRINT

Publisher

Chamber of Commerce, Industry, Crafts, Tourism
and Agriculture Bolzano/Bozen

Responsible director

Dr. Alfred Aberer

Approved by the Regional Court Decree 3/99

Published in the academic year 2025/26

Drafting

IER - Institute for Economic Research
of the Chamber of Commerce Bolzano/Bozen
Südtiroler Straße 60, 39100 Bolzano/Bozen

Design

freiraum.bz.it

Printing and other distribution – even partial – permitted only with indication of source (publisher and title)