

San Marino, April 25th 2020

Dear comrades, dear friends,

We are used to be considered first in the ranking of the oldest Republics and second in the smallest in the world.

Now San Marino is also the most affected country pro capita by the Coronavirus disease for positives and deaths as well. Nothing special happened other than being inside one of the most affected area in the world, northern Italy, having one of the highest life expectancy hence being populated by a very high number of elders and having tested a conspicuous number of citizens.

So this is the situation as per today 25th April: 1,46% of the inhabitants is/was positive, 8% of them didn't make it.

All	Europe	North America	Asia	South America	Africa	Oceania						
Country, Other	Total Cases	New Cases	Total Deaths	New Deaths	Total Recovered	Active Cases	Serious, Critical	Tot Cases/ 1M pop	Deaths/ 1M pop	Total Tests	Tests/ 1M pop	
San Marino	513		40		64	409	3	15,119	1,179	1,929	56,851	
Belgium	45,325	+1,032	6,917	+238	10,417	27,991	934	3,911	597	189,067	16,313	
Andorra	731		40		344	347	17	9,461	518	1,673	21,653	
Spain	223,759	+3,995	22,902	+378	95,708	105,149	7,705	4,786	490	930,230	19,896	
Italy	195,351	+2,357	26,384	+415	63,120	105,847	2,102	3,231	436	1,707,743	28,245	
France	161,488	+1,660	22,614	+369	44,594	94,280	4,725	2,474	346	463,662	7,103	
UK	148,377	+4,913	20,319	+813	N/A	127,714	1,559	2,186	299	640,792	9,439	
Sint Maarten	73		12		22	39	8	1,703	280	266	6,204	
Netherlands	37,190	+655	4,409	+120	N/A	32,531	959	2,170	257	187,000	10,913	
Sweden	18,177	+610	2,192	+40	1,005	14,980	547	1,800	217	94,500	9,357	

San Marino is in lockdown since 14th March and will remain in lockdown at least until 4th May. The decision to shut down any commercial activities and to forbid free movement, as long as to allow only 50% of employees in the manufacturing sector.

This strategy had a positive impact on the diffusion of the virus and especially on avoiding collapsing the hospital, in fact the peak in the saturation of intensive care was reached on 26th March and since then the situation has improved consistently.

Thanks to our political ancestors, we have a public universal health care system since 1955 and a general hospital that responded aptly to the rapidly changing needs of this period. Now we can appreciate how important is to consider NHS and school as public fundamental pillars of society that cannot and must not



be seen as tools of profit especially during an emergency. The value of life is indeed more important than any econometric evaluation.

COVID19 had a huge effect as well on parliamentary activities: plenary sessions have been suspended from 27th February to 22th April and since then Committee meetings have not restart so far.

PSD (and the majority of 44 out of 60 MPs) has supported the decisions of our government (in which we count a Minister) and responsibly opposition too agreed to take those steps and the will not to risk lives in gathering for political duties was consensual. Videoconferencing was often used to share ideas and solutions, though it's far from an viable and complete alternative to traditional meetings.

Now that the health care emergency seems passed, the financial, economic and social emergency is raising: San Marino has a developed touristic sector (20% of GDP), completely inoperative now (and who knows for how long) and an already weak state budget and extremely weak financial and banking sector.

Since 2008 SMR had already lost 25% of its GDP and the forecast on 2020 is of another 10-15% of loss, while the already foreseen debt should have been increased of at least 30% of GDP in the next years to capitalize banking sector that lately needed the intervention of the state to preserve the savings. Now, at least another 25% of GDP is needed to support economy.

San Marino made an outstanding effort in adapting to AML (anti money laundering) rules and automatic exchange of information agreements as an early adapter, but the change, that PSD fully supported because we are absolutely pro transparency, hasn't yet brought to a new and fully developed financial sector. COVID19 hence appears as a perfect storm.

While many European countries belonging to UE are struggling to find common solutions to finance the aftermath of the COVID19. At least for them there is a place in which talk and decide, sharing solidarity and interests, instead San Marino suffers for its position of third country that was undertaking the path to an Association Agreement with the EU, unfortunately that too is now suspended.

That means that we are searching for financing with a wide spectrum, from IMF to COEbank, from big countries to the financial market, but no one of this possibilities is sure nor fast. Moreover, this happened just when Fitch downgraded us to BB+ from BBB-.

Therefore, we are in big trouble and it's clear from our perspective that there are no sovereignist solution when the problem is global like COVID19 pandemic and a small state like San Marino risks to be the target of speculators. PSD will fight anyway to preserve the high social standards that we managed to reach in the last decades that put SMR very high in many rankings.

Dear comrades, dear friends, any suggestion or help that will come from you or other countries will be much appreciated.

Together and with our socialist values we will get through this.

Best regards.

PSD Secretary General

Gerardo Giovagnoli