

# San Marino

**2016 Country Review**

**COUNTRY WATCH**

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# Chapter 1

## Country Overview

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## Country Overview

### SAN MARINO

San Marino is a landlocked country entirely surrounded by Italy with a population of between 30,000 and 31,000 people and an area of about 60 square kilometers, making it the third-smallest country in Europe, behind the Holy See (Vatican City) and Monaco. San Marino is considered to be the world's oldest republic. According to tradition, the country was founded in the fourth century by a devout Christian stonemason called Marinus, who took refuge there and set up a small community. Its rugged isolation helped the enclave to develop, and keep, its independence. The country became a republic in the 1300s. An 1862 friendship and cooperation treaty with Italy, which has since been revised and expanded, reinforced San Marino's independence. The economy of San Marino is dominated by tourism, with the sale of historic stamps and coins serving as a significant contributor to the sector's income.

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## Key Data

| Key Data           |  |
|--------------------|--|
| <b>Region:</b>     | Europe   |
| <b>Population:</b> | 33020  |
| <b>Climate:</b>    | Mediterranean; mild to cool winters; warm, sunny summers                 |
| <b>Languages:</b>  | Italian  |
| <b>Currency:</b>   | 1 Euro = 100 cents   |
| <b>Holiday:</b>    | Anniversary of the Republic is 3 September, Liberation Day is 5 February |
| <b>Area Total:</b> | 60   |
| <b>Area Land:</b>  | 60   |
| <b>Coast Line:</b> | 0  |

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## San Marino

### Country Map





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## Europe

### Regional Map

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# **Chapter 2**

## **Political Overview**

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## History

According to tradition, San Marino was founded in 301 in the common era, C.E., when a Christian stonemason named Marinus the Dalmation fled the island of Arbe to escape the anti-Christian Roman Emperor Diocletian. Marinus hid on the peak of Mount Titano and founded a small community of people following their Christian beliefs. It is generally believed that the area had been inhabited since prehistoric times, although evidence of existence on Mount Titano dates back only to the Middle Ages.

In memory of the Marinus the stonemason, the land was renamed "Land of San Marino," then called the "Community of San Marino," and was finally changed to its present-day name, "Republic of San Marino."

The original government structure was composed of a self-governed assembly known as the Arengo, which consisted of the heads of each family. In 1243, the positions of Captains Regent ("Capitani Reggenti") were established. Since then, the Captains Regent have served as joint heads of state.

The land area of San Marino consisted only of Mount Titano until 1463, when the republic entered into an alliance against Sigismondo Pandolfo Malatesta, Lord of Rimini, who was later defeated. As a result, Pope Pius II Piccolomini gave San Marino the towns of Fiorentino, Montegiardino and Serravalle. Later that year, the town of Faetano joined the republic on its own accord. Since then, the size of the country has remained the same.

San Marino has been occupied by foreign militaries twice in its history, both for only short periods of time. In 1503 Cesare Borgia, known as Valentino, occupied the republic until his death several months later. In 1739, Cardinal Alberoni used military force to occupy the country, but civil disobedience was used to protest this, and clandestine notes sent to the Pope to obtain justice were answered by the Pope's recognition of San Marino's rights and restoration of independence.

In 1797, although Napoleon invaded Italy, San Marino's situation was unaffected. Indeed, following the Napoleonic Wars, San Marino's independence was recognized in 1815 at the Congress of Vienna.

In 1849, San Marino agreed to provide refuge to the famed Italian nationalist Garibaldi in defiance of Austrian forces. In 1862, relations with Italy were consolidated by the signing of a customs union as well as a treaty of friendship and cooperation.

Through the war years from 1940 to 1945, San Marino remained neutral although it became home to approximately 100,000 Italian refugees.

In 1988, San Marino joined the Council of Europe and four years later in 1992, the country became a member state of the United Nations.

*Note on History: In certain entries, open source content from the State Department Background Notes and Country Guides have been used. A full listing of sources is available in the Bibliography.*

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## Political Conditions

### Leadership Rotation

Throughout, San Marino has been ruled by a duet of rotating leaders. In recent years, the leadership of San Marino has been as follows:

Luigi Lonfernini and Fabio Berardi had functioned as Ruling Captains ("Capitani Regenti") from April 2001 until October 2001. They were replaced by Alberto Cecchetti and Gino Giovagnoli in October 2001 until April 2002. Then, Antonio Lazzaro Volpinari and Giovanni Francesco Ugolini took control of the Executive Branch as Ruling Captains from April 2002; their tenure continued until October 2002. From October 2002 until April 2003, Giuseppe Maria Morganti and Mauro Chiaruzzi became the Ruling Captains of San Marino. In April 2003, the two Ruling Captains were transitioned again and Pier Marino Menicucci and Giovanni Giannoni assumed these roles. In October 2003, Giovanni Lonfernini and Valeria Ciavatte assumed the roles of the two Ruling Captains. Then in April 2004, Paolo Bollini and Marino Riccardi became the two Ruling Captains. Yet another transition of power ensued with Giuseppe Arzilli and Roberto Raschi assuming the reins from October 2004 until April 2005. At that time in April 2005, Fausta Simona Morganti and Cesare Antonio Gasperoni took over as the new Ruling Captains. Their tenure was scheduled to end in October 2005 when Claudio Muccioli and Antonello Bacchiocchi assumed control. Then in April 2006, Gian Franco Terenzi and Loris Francini were elected as Ruling Captains. In October 2006, Antonio Carattoni and Roberto Giorgetti took the reins as Ruling Captains. In April 2007, they were succeeded by Alessandro Mancini and Alessandro Rossi. In

October 2007, Mirko Tomassoni and Alberto Selva became the new Ruling Captains. Then in April 2008, Federico Pedini Amati and Rosa Zafferani were at the helm. In October 2008, they were succeeded by Ernesto Benedettini and Assunta Meloni. In April 2009, Massimo Cenci and Oscar Mina assumed control as the new Ruling Captains. In October 2009, they were succeeded by Francesco Mussoni and Stefano Palmieri. From April 2010 to October 2010, Marco Conti and Glauco Sansovini were at the helm. Then, Giovanni Ugolini and Andrea Zafferani took on the positions of the new Ruling Captains and held those roles from October 2010 to April 2011. Then in April 2011, Matia Luisa Berti and Filippo Tamagnini took the reins. Gabrielle Gatti and Matteo Fiorini took on the positions as the new Ruling Captains and were to serve October 2011 until April 2012. From April 2012, Italo Righi and Maurizio Rattini took the reins; then from October 2012 to early 2013, Teodoro Lonfernini and Denise Bronzetti served as Ruling Captains of San Marino. From April 2013 until October 2013, Antonella Mularoni and Denis Amici took on the positions as the new Ruling Captains. From October 2013 to April 2014, the Ruling Captains were Anna Maria Muccioli and Gian Carlo Capicchioni. They were followed from April 2014 until October 2014 by Valeria Ciavatta and Luca Beccari who served as the Ruling Captains during that six month period. From October 2014 to April 2015, Gian Franco Terenzi and Guerrino Zanotti served as Ruling Captains of San Marino. From April 2015 to October 2015, the Ruling Captains were Andrea Belluzzi and Roberto Venturini. From October 2015, the Ruling Captains were Lorella Stefanelli and Nicola Renzi. Their term was set to expire in April 2016.

Note: In San Marino, two Ruling Captains are elected every six months. See "Government Structure" and "Government Functions" for more information about how the government is organized and administered in San Marino.

### Governmental Developments

San Marino is a multi-party democratic republic. The two main parties are the Christian Democratic Party of San Marino (PDCS), and the Party of Socialists and Democrats (PSD), in addition to several other smaller parties. Due to the small size and low population of San Marino, it is difficult for any party to gain a pure majority, and most of the time the government is run by a coalition.

In the parliamentary elections of May 1998, no single political party won an outright majority of votes or seats.

The "Partito Democratico Cristiano Sammarinese" (Sammarinese Christian Democratic Party or PDCS) won the largest percentage of the popular vote and 25 seats in the parliament. The "Partito Socialista Sammarinese" (Sammarinese Socialist Party or PSS) came in second in percentage of votes received and won 14 seats. The Christian Democrats and the Socialists then formed a coalition government.

The opposition included the following: -- the "Partito Progressista Democratico Sammarinese" - Idee in Movimento - Convenzione Democratica (Sammarinese Progressive Democratic Party / Democratic Convention) with 11 seats, the "Alleanza Popolare dei Democratici Sammarinesi" (Popular Alliance of Sammarinese Democrats or APDS) with six seats, the "Socialisti per le Riforme" (Socialists for Reform or SR) with two seats, and the "Rifondazione Comunista Sammarinese" (Sammarinese Communist Refoundation or RC) with two seats.

Early in 2000, the Socialist Party (PSS) left the governing coalition. A new coalition, consisting of the Christian Democrats (PDCS) and the Social Democrats was formed. The next elections were expected to take place in 2003, however, in February 2001, the new coalition collapsed paving the way for a dissolution of parliament.

On June 10, 2001, parliamentary elections were held following a premature dissolution of the legislative body. This was the first time in San Marino's history that early elections were held. The elections procured typically high levels of voter turnout; reports suggested that the number was as high as 75 percent.

In the aftermath of the elections, the Christian Democrats (PDCS) took 41.4 percent of the vote and 25 seats, the same number as in the outgoing Parliament. The Socialists (PSS) won 24.2 percent of the vote and 15 seats, one more than before. The Social Democrats ("Partito dei Democratici" or PD) held 12 seats and 20.8 percent of the vote. The Democratic People's Alliance (APDS) lost one seat, leaving it with five seats and 8.2 percent of the vote. The three remaining seats went to the Communist Renewal Party or RC (two seats and 3.4 percent of the vote) and the San Marino National Alliance or ANS (one seat and just over one percent of the vote).

On July 12, 2001, the Grand General Council elected a new coalition government composed of the Christian Democrats (PDCS) and the Socialists (PSS).

In June 2006, parliamentary election were held. Turnout was a high 72 percent among those eligible to cast a ballot. As has tended to be the case in elections in San Marino for some time, no one party won an outright majority and a coalition government had to be formed.

The precise results were as follows: The main political party, "Partito Democratico Cristiano Sammarinese" (Sammarinese Christian Democratic Party or PDCS), won 32.92 percent and 21 seats; the "Partito dei Socialisti e dei Democratici" or Party of Socialists and Democrats (PSD) -- a merger of the Socialists and the Democrats advocating greater ties with the European Union - garnered 31.83 percent and 20 seats; the "Alleanza Popolare" or Popular Alliance (Alleanza Popolare) took 12.05 percent and seven seats; the "Sinistra Unita" or United Left acquired 8.67 percent and five seats; the "Nuovo Partito Socialista" or new Socialist Party secured 5.42 percent and three seats; "Noi Sammarinesi" or We San Marinese had 2.53 percent and one seat; the

"Popolari Sammarinesi" or San Marinense People took 2.43 percent and one seat; "Alleanza Nazionale Sammarinese" or San Marinense National Alliance had 2.32 percent and one seat; and "Sammarinesi per la Libertà" or San Marinense for Freedom acquired 1.84 percent and one seat.

After the 2006 election, the PSD formed a coalition with the Popular Alliance and United Left to form a government; together they controlled 32 seats -- a majority -- in the 60-seat parliament, known as the Great and General Council. In November 2007, the coalition government changed shape somewhat with the addition of the Center Democrats (a party composed of former PDCS members).

In June 2008, the Popular Alliance left the coalition government and efforts were made to forge a new union. But those attempts were thwarted when two PSD members opposed the inclusion of the United Left and San Marinense for Freedom, which held one seat. The power struggle prevailed with no resolution in sight, ultimately triggering the dissolution of parliament and early elections. Accordingly, elections were to be held in November 2008.

Meanwhile, in May 2007, there were changes made to the electoral laws, essentially implementing a threshold to win parliamentary representation. In an effort to vitiate that new obstacle, smaller parties banded together to form coalitions. Ahead of the 2008 elections, two new electoral coalitions had been formed: (1) the "Pact for San Marino" coalition comprised the PDCS-the Ael-the Euro-Populars for San Marino (EPS), the Popular Alliance, and two other parties; and (2) the Coalition for "Reforms and Freedom," was composed of the PSD, the United Left and the Center Democrats.

The "Pact for San Marino" coalition's coalition campaign focused on political stability, national cohesion, stronger ties with the European Union, and a resolution to double-taxation issues with Italy.

The Coalition for "Reforms and Freedom" promised to form an agreement with Italy on economic matters and cross-border workers. It also campaigned in favor of tax cuts, benefits for the elderly and disabled, equal opportunity, and youth training.

On election day in November 2008, turnout was close to 68.5 percent. Results showed that the "Pact for San Marino" coalition had won the elections, obtaining 35 seats in total, 22 of which went to the PDCS. The Coalition for "Reforms and Freedom" won the rest of the seats, 18 of which went to the PSD. Accordingly, the "Pact for San Marino" coalition formed the new government.

### Key Issues



Major issues facing the government include economic and administrative problems related to San Marino's unique status. While San Marino is a close financial and trading partner of Italy, this relationship has been complicated by the fact that it is still somewhat separated from the European Union (EU).

Like a number of other micro-states which depend on financial services, San Marino was listed as one of the world's tax havens. Unlike other such states, however, in early 2002, the Organization of Economic Development (OECD) noted that San Marino was one of a number of countries which had committed to improving the transparency of its tax and regulatory regimes. It had also committed itself to establishing an effective exchange of information in these regards. This was a significant development since the effective exchange of information has been needed in order to allow tax authorities to enforce national tax laws in an increasingly globalized world.

Tax policies were also at issue in March 2003 when also the European Union's Council of Economics and Finance Ministers declared that Luxembourg, Austria and Belgium, would not be compelled to exchange information on tax matters even though that requirement was a key part of the OECD's Harmful Tax Competition Initiative. It was also announced that San Marino, Monaco, Andorra, and Liechtenstein would also benefit from a similar type of arrangement.

The problem with the declaration by the European Union's Council of Economics was that it happened to be incongruous with previous requirements by the OECD. Indeed, the OECD had blacklisted several small countries, mainly from Europe, the Caribbean and the Pacific, for engaging in what it called "harmful tax practices" and tried to influence changes in those countries' taxation practices.

Many of those small states have tried to make changes to bring their taxation structures in line with international standards and were most dismayed to discover the new provision by the European Union, which would effectively offer the European countries less rigorous standards of compliance. As well, these European countries, such as San Marino, would be allowed to apply a withholding tax on savings held by residents of other member states in a rather open-ended arrangement. The issue resulted in a formal series of complaints from a number of Caribbean countries against the arrangement, thus placing San Marino (and several other European countries) at the center of an international tax dispute.

By the start of 2005, San Marino, along with other European micro-states such as Monaco and Liechtenstein, quietly made moves to deal with criticism about its tax policies. In particular, the countries expelled a number of questionable residents. As well, they signed an agreement with the European Union to begin applying taxes to business profits.

Tax policy would continue to dominate the spotlight in San Marino for the rest of the year.

In November 2005, the governments of San Marino and Cyprus signed a joint agreement titled "Protocol of Continued Negotiations." The two countries agreed to continue to support one another, promised signing further joint agreements, and exchanged views on the International Maritime Organization and the World Tourism Organization.

At the close of 2005, San Marino established diplomatic relations with Singapore. A statement from Singapore's Ministry of Foreign Affairs read, "The Government of the Republic of Singapore and the Government of the Republic of San Marino, wishing to strengthen and develop friendly relations between them, have agreed to establish diplomatic relations at Ambassadorial level with effect from Dec. 9, 2005."

Meanwhile, in the second half of 2006, San Marino, as a member of the Council of Europe, had to submit a report detailing knowledge pertaining to the illegal practice of "extraordinary rendition" carried out by the United States' Central Intelligence Agency (CIA). Essentially, the request by the 46-member Council of Europe was aimed at determining if any European country was involved in the practice of taking terror suspects to clandestine prisons outside the United States for interrogation. Indeed, international attention was focused on the matter after the Washington Post newspaper reported that Europe was home to some of the United States CIA's "black sites" -- these secret camps used by the United States intelligence agency to interrogate terror suspects. By February 2006, however, San Marino had not yet submitted its report.

Also in February 2006, the news service, United Press International reported that sensitive European Union documents showed that the regional bloc agreed to allow the United States liberal access to its airspace (for the purpose of transporting terror suspects) in 2003, but then tried to cover it up. The revelation contributed to a growing scandal about European complicity in the illegal transfer of prisoners across the world.

By 2009, San Marino's status as a perceived tax haven, as well as its standing within the context of the OECD, were dominant issues in the public purview. In large measure, this attention was due to the global financial crisis, which began in 2008, and gave rise to the decision by global leaders to take a number of measures aimed at advancing financial transparency. Among those measures was the decision to crack down on tax havens. See "Special Report" below for details.

In March 2009, the government of San Marino sent a letter to the OECD announcing its willingness to strengthen participation in international efforts related to tax law reform. Specifically, San Marino said it would enter into bilateral agreements aimed at the exchange of tax-related information, for the purpose of addressing the problem of tax havens and to ensure compliance with OECD standards on transparency. Moreover, San Marino said it would amend its laws, including legislation on bank secrecy before October 2009.

## Special Report: Global Credit Crisis; Effects Felt in Europe

In early 2009, according to the European Commission, European banks were in need of as much as several trillion in bailout funding. Impaired or toxic assets factored highly on the European Union bank balance sheets, with credit default swaps on Irish debt running at 355 basis points higher at the time of writing -- the highest rate in Europe and well on its way down the path of Iceland. Anxieties were so high in Dublin that tens of thousands of people took to the streets to protest the growing financial crisis.

Meanwhile, the fallout from the housing bubble was deleteriously affecting the United Kingdom, with anxieties being stoked about whether British banks could at all be saved.

In Spain, unemployment was in double digit territory and industrial production plunged 20 percent from where it was a year earlier. It was anticipated that credit default swaps for Spain, Portugal, Italy and Greece would double over the course of the next year. In other parts of Europe, according to economist Nouriel Roubini, the economies of Ukraine, Belarus, Hungary, Latvia and Lithuania appeared to be on the brink of disaster.

Regarding Ukraine, there were fears that it would not abide with terms of a loan from the International Monetary Fund and thusly default on its debt. Meanwhile in Poland, the currency was falling and in Russia, even as the rouble fell, the Kremli warned of economic contraction.

Overall, Eastern European countries borrowed heavily from Western European banks. Thus, even if the currencies on the eastern part of the continent collapse, effects will be felt in the western part of Europe as well. For example, Swiss banks that gave billions of credit to Eastern Europe cannot look forward to repayment anytime soon. As well, Austrian banks have had extensive exposure to Eastern Europe, and can anticipate a highly increased cost of insuring its debt.

German Finance Minister Peer Steinbrueck has warned that as many as 16 European Union countries will require assistance. Indeed, his statements suggest the need for a regional rescue effort. Of consideration is the fact that, according to the Maastricht Treaty, state-funded bailouts are prohibited.

By the close of February 2009, it was announced that the banking sectors in Central and Eastern Europe would receive a rescue package of \$31 billion, via the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB) and the World Bank. The rescue package was aimed at assisting the survival of small financial institutions and included equity and debt financing, as well as access to credit and risk insurance aimed at encouraging lending.

Also in February 2009, with the global financial crisis intensifying, leaders of European Union countries backed sweeping financial regulations. Included in the package of market reforms were

sanctions on tax havens, caps on bonus payments to management, greater hedge fund regulation, and increased influence by the International Monetary Fund. European leaders also backed a charter of sustainable economic activity, that would subject all global financial activities to both regulation and accountability by credit rating agencies.

These moves were made ahead of the Group of 20 summit scheduled for April 2, 2009, in London. It was not known whether other countries outside Europe, such as the United States, Japan, India and China, would support the new and aggressive regime of market regulation. That said, German Chancellor Angela Merkel said in Berlin that Europe had a responsibility to chart this track. She said, "Europe will own up to its responsibility in the world."

By April 2009, leaders of the world's largest economies, known as the "G-20," met in London to explore possible responses to the global financial crisis. To that end, they forged a deal valued at more than one trillion dollars (USD).

Central to the agreement was an infusion of \$750 billion to the International Monetary Fund (IMF), which was aimed at helping troubled economies. Up to \$100 billion of that amount was earmarked to assist the world's very poorest countries -- an amount far greater than had been expected. In many senses, the infusion of funding to the IMF marked a strengthening of that body unseen since the 1980s. In addition, the G-20 leaders settled on a \$250 billion increase in global trade. The world's poorest countries would also benefit from the availability of \$250 billion of trade credit.

After some debate, the G-20 leaders decided to levy sanctions against clandestine tax havens and to institute strict financial regulations. Such regulations included tougher controls on banking professionals' salaries and bonuses, and increased oversight of hedge funds and credit rating agencies. A Financial Stability Board was to be established that would work in concert with the IMF to facilitate cross-border cooperation, and also to provide early warnings regarding the financial system.

Aside from these measures, the G-20 countries were already implementing their own economic stimulus measures at home, aimed at reversing the global recession. Together, these economic stimulus packages would inject approximately \$5 trillion by the end of 2010.

It should be noted that the stability of the euro zone and the European Union has become a major concern in recent years, largely emanating from the Greek debt crisis, but extending regionally. Although San Marino is not a member state of the European Union, it uses the euro and, therefore, is affected by events in the region.

In late 2011, there were calls for serious changes to Europe's governing treaties, aimed at ameliorated economic governance for the 17 countries that make up the euro currency bloc. Included in their proposal were: (1) the creation of a monetary fund for Europe, (2) automatic

penalties for countries that exceed European deficit limits, and (3) monthly meetings of European leaders. Meanwhile, the European Stability Mechanism (ESM), which was intended to replace the European Financial Stability Facility in 2013 (an entity intended as a rescue mechanism for struggling European economies), would be advanced earlier in 2012. Ideally, the new treaty would be ratified by all 27 member states of the European Union. However, if concurrence at that level proved impossible, then the 17 states of the euro zone would have to approve it.

### Government Update:

Elections were held in San Marino in November 2012. At stake were the 60 seats in the unicameral "Consiglio Grande e Generale" (Great and General Council). The results of those elections in terms of percent of vote by party were as follows -- San Marino Common Good coalition (San Marino Bene Comune) 50.7% (PDCS 29.5%, PSD 14.3%, AP 6.7%), Entente for the Country coalition (Intesa per Il Paese) 22.3% (PS 12.1%, UPR 8.4%, USDM 1.7%), Active Citizenry coalition (Cittadinanza Attiva) 16.1% (SU 9.1%, Civic 10 6.7%), Civic Movement R.E.T.E. 6.3%, For San Marino 2.8%, San Marino 3.0 1.8%. The outcome of the election was organized by seats as follows -- San Marino Common Good coalition 35 (PDCS 21, PSD 10, AP 4), Entente for the Country coalition 12 (PS 7, UPR 5), Active Citizenry 9 (SU 5, Civic 10 4), Civic Movement R.E.T.E. 4.

Since 2012 to the time of writing, the Secretary of State for Foreign and Political Affairs, who stands as the effective head of government, has been Pasquale Valentini. He was elected for a five-year term by the Great and General Council and will continue on in this role until the next elections in 2017.

-- January 2016

Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com); see Bibliography for research sources.

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## **Political Risk Index**

## Political Risk Index

The **Political Risk Index** is a proprietary index measuring the level of risk posed to governments, corporations, and investors, based on a myriad of political and economic factors. The [Political Risk Index](#) is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on varied criteria\* including the following consideration: political stability, political representation, democratic accountability, freedom of expression, security and crime, risk of conflict, human development, jurisprudence and regulatory transparency, economic risk, foreign investment considerations, possibility of sovereign default, and corruption. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the highest political risk, while a score of 10 marks the lowest political risk. Stated differently, countries with the lowest scores pose the greatest political risk. A score of 0 marks the most dire level of political risk and an ultimate nadir, while a score of 10 marks the lowest possible level of political risk, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater risk.

| Country     | Assessment |
|-------------|------------|
|             |            |
| Afghanistan | 2          |
| Albania     | 4          |
| Algeria     | 6          |
| Andorra     | 9          |
| Angola      | 4          |
| Antigua     | 8          |
| Argentina   | 4          |

|                    |       |
|--------------------|-------|
| Armenia            | 4-5   |
| Australia          | 9.5   |
| Austria            | 9.5   |
| Azerbaijan         | 4     |
| Bahamas            | 8.5   |
| Bahrain            | 6     |
| Bangladesh         | 3.5   |
| Barbados           | 8.5-9 |
| Belarus            | 3     |
| Belgium            | 9     |
| Belize             | 8     |
| Benin              | 5     |
| Bhutan             | 5     |
| Bolivia            | 5     |
| Bosnia-Herzegovina | 4     |
| Botswana           | 7     |
| Brazil             | 7     |
| Brunei             | 7     |

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|                          |     |
|--------------------------|-----|
| Bulgaria                 | 6   |
| Burkina Faso             | 4   |
| Burma (Myanmar)          | 4.5 |
| Burundi                  | 3   |
| Cambodia                 | 4   |
| Cameroon                 | 5   |
| Canada                   | 9.5 |
| Cape Verde               | 6   |
| Central African Republic | 3   |
| Chad                     | 4   |
| Chile                    | 9   |
| China                    | 7   |
| China: Hong Kong         | 8   |
| China: Taiwan            | 8   |
| Colombia                 | 7   |
| Comoros                  | 5   |
| Congo DRC                | 3   |
| Congo RC                 | 4   |

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|--------------------|-------|
| Costa Rica         | 8     |
| Cote d'Ivoire      | 4.5   |
| Croatia            | 7     |
| Cuba               | 4-4.5 |
| Cyprus             | 5     |
| Czech Republic     | 8     |
| Denmark            | 9.5   |
| Djibouti           | 4.5   |
| Dominica           | 7     |
| Dominican Republic | 6     |
| East Timor         | 5     |
| Ecuador            | 6     |
| Egypt              | 5     |
| El Salvador        | 7     |
| Equatorial Guinea  | 4     |
| Eritrea            | 3     |
| Estonia            | 8     |
| Ethiopia           | 4     |

|                          |       |
|--------------------------|-------|
| Fiji                     | 5     |
| Finland                  | 9     |
| Fr.YugoslavRep.Macedonia | 5     |
| France                   | 9     |
| Gabon                    | 5     |
| Gambia                   | 4     |
| Georgia                  | 5     |
| Germany                  | 9.5   |
| Ghana                    | 6     |
| Greece                   | 4.5-5 |
| Grenada                  | 8     |
| Guatemala                | 6     |
| Guinea                   | 3.5   |
| Guinea-Bissau            | 3.5   |
| Guyana                   | 4.5   |
| Haiti                    | 3.5   |
| Holy See (Vatican)       | 9     |
| Honduras                 | 4.5-5 |

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|              |       |
|--------------|-------|
| Hungary      | 7     |
| Iceland      | 8.5-9 |
| India        | 7.5-8 |
| Indonesia    | 6     |
| Iran         | 3.5-4 |
| Iraq         | 2.5-3 |
| Ireland      | 8-8.5 |
| Israel       | 8     |
| Italy        | 7.5   |
| Jamaica      | 6.5-7 |
| Japan        | 9     |
| Jordan       | 6.5   |
| Kazakhstan   | 6     |
| Kenya        | 5     |
| Kiribati     | 7     |
| Korea, North | 1     |
| Korea, South | 8     |
| Kosovo       | 4     |

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|                  |     |
|------------------|-----|
| Kuwait           | 7   |
| Kyrgyzstan       | 4.5 |
| Laos             | 4.5 |
| Latvia           | 7   |
| Lebanon          | 5.5 |
| Lesotho          | 6   |
| Liberia          | 3.5 |
| Libya            | 2   |
| Liechtenstein    | 9   |
| Lithuania        | 7.5 |
| Luxembourg       | 9   |
| Madagascar       | 4   |
| Malawi           | 4   |
| Malaysia         | 8   |
| Maldives         | 4.5 |
| Mali             | 4   |
| Malta            | 8   |
| Marshall Islands | 6   |

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|             |       |
|-------------|-------|
| Mauritania  | 4.5-5 |
| Mauritius   | 7     |
| Mexico      | 6.5   |
| Micronesia  | 7     |
| Moldova     | 5     |
| Monaco      | 9     |
| Mongolia    | 5     |
| Montenegro  | 6     |
| Morocco     | 6.5   |
| Mozambique  | 4.5-5 |
| Namibia     | 6.5-7 |
| Nauru       | 6     |
| Nepal       | 4     |
| Netherlands | 9.5   |
| New Zealand | 9.5   |
| Nicaragua   | 5     |
| Niger       | 4     |
| Nigeria     | 4.5   |

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|                              |       |
|------------------------------|-------|
| Norway                       | 9.5   |
| Oman                         | 7     |
| Pakistan                     | 3.5   |
| Palau                        | 7     |
| Panama                       | 7.5   |
| Papua New Guinea             | 5     |
| Paraguay                     | 6.5-7 |
| Peru                         | 7     |
| Philippines                  | 6     |
| Poland                       | 8     |
| Portugal                     | 7.5   |
| Qatar                        | 7.5   |
| Romania                      | 5.5   |
| Russia                       | 5.5   |
| Rwanda                       | 5     |
| Saint Kitts and Nevis        | 8     |
| Saint Lucia                  | 8     |
| Saint Vincent and Grenadines | 8     |

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|                            |     |
|----------------------------|-----|
| Samoa                      | 7   |
| San Marino                 | 9   |
| Sao Tome and Principe      | 5.5 |
| Saudi Arabia               | 6   |
| Senegal                    | 6   |
| Serbia                     | 5   |
| Seychelles                 | 7   |
| Sierra Leone               | 4.5 |
| Singapore                  | 9   |
| Slovak Republic (Slovakia) | 8   |
| Slovenia                   | 8   |
| Solomon Islands            | 6   |
| Somalia                    | 2   |
| South Africa               | 7   |
| Spain                      | 7.5 |
| Sri Lanka                  | 5   |
| Sudan                      | 3.5 |
| Suriname                   | 5   |

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|                      |       |
|----------------------|-------|
| Swaziland            | 5     |
| Sweden               | 9.5   |
| Switzerland          | 9.5   |
| Syria                | 2     |
| Tajikistan           | 4.5   |
| Tanzania             | 6     |
| Thailand             | 6.5   |
| Togo                 | 4.5   |
| Tonga                | 7     |
| Trinidad and Tobago  | 8     |
| Tunisia              | 6     |
| Turkey               | 7     |
| Turkmenistan         | 4.5   |
| Tuvalu               | 7     |
| Uganda               | 6     |
| Ukraine              | 3.5-4 |
| United Arab Emirates | 7     |
| United Kingdom       | 9     |

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|               |     |
|---------------|-----|
| United States | 9.5 |
| Uruguay       | 8   |
| Uzbekistan    | 4   |
| Vanuatu       | 7   |
| Venezuela     | 4   |
| Vietnam       | 5   |
| Yemen         | 3   |
| Zambia        | 4.5 |
| Zimbabwe      | 3   |

### \*Methodology

The [Political Risk Index](#) is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. political stability (record of peaceful transitions of power, ability of government to stay in office and carry out policies as a result of productive executive-legislative relationship, perhaps with popular support vis a vis risk of government collapse)
2. political representation (right of suffrage, free and fair elections, multi-party participation, and influence of foreign powers)
3. democratic accountability (record of respect for political rights, human rights, and civil liberties, backed by constitutional protections)
4. freedom of expression (media freedom and freedom of expression, right to dissent or express political opposition, backed by constitutional protections)
5. security and crime (the degree to which a country has security mechanisms that ensures safety)

of citizens and ensures law and order, without resorting to extra-judicial measures)

6. risk of conflict (the presence of conflict; record of coups or civil disturbances; threat of war; threats posed by internal or external tensions; threat or record of terrorism or insurgencies)

7. human development (quality of life; access to education; socio-economic conditions; systemic concern for the status of women and children)

8. jurisprudence and regulatory transparency (the impartiality of the legal system, the degree of transparency within the regulatory system of a country and the durability of that structure)

9. economic conditions (economic stability, investment climate, degree of nationalization of industries, property rights, labor force development)

10. corruption ( the degree of corruption in a country and/or efforts by the government to address graft and other irregularities)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world.

North Korea, [Afghanistan](#), [Somalia](#), and [Zimbabwe](#) -- retain their low rankings.

Several Middle Eastern and North African countries, such as [Tunisia](#), [Egypt](#), [Libya](#), [Syria](#), [Iraq](#) and [Yemen](#) were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. The worst downgrades affected [Syria](#) where civil war is at play, along with the rampage of terror being carried out by Islamist terrorists who have also seized control over part of Syrian territory. [Iraq](#) has been further downgraded due to the rampage of Islamist terrorists and their takeover of wide swaths of Iraqi territory. [Libya](#) has also been downgraded further due to its slippage into failed state status; at issue in [Libya](#) have been an ongoing power struggle between rival militias. [Yemen](#) continues to hold steady with a poor ranking due to continued unrest at the hands of Houthi rebels, secessionists, al-Qaida in the Arabian Peninsula, and Islamic State. Its landscape has been further complicated by the fact that it is now the site of a proxy war between [Iran](#) and [Saudi Arabia](#). Conversely, [Tunisia](#) and [Egypt](#) have seen slight upgrades as these countries stabilize.

In Africa, [Zimbabwe](#) continues to be one of the bleak spots of the world with the Mugabe regime effectively destroying the country's once vibrant economy, and miring [Zimbabwe](#) with an

exceedingly high rate of inflation, debilitating unemployment, devolving public services, and critical food shortages; rampant crime and political oppression round out the landscape. [Somalia](#) also sports a poor ranking due to the continuing influence of the terror group, al-Shabab, which was not operating across the border in [Kenya](#). On the upside, [Nigeria](#), which was ineffectively dealing with the threat posed by the terror group, Boko Haram, was making some strides on the national security front with its new president at the helm. [Mali](#) was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. But the [Central African Republic](#) was downgraded due to the takeover of the government by Muslim Seleka rebels and a continued state of lawlessness in that country. South [Sudan](#) -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. [Burkina Faso](#), [Burundi](#) and [Guinea](#) have been downgraded due to political unrest, with [Guinea](#) also having to deal with the burgeoning Ebola crisis.

In Europe, [Ukraine](#) was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. [Russia](#) was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. Strains on the infrastructure of southern and eastern European countries, such as [Serbia](#), [Croatia](#), and [Hungary](#), due to an influx of refugees was expected to pose social and economic challenges, and slight downgrades were made accordingly. So too, a corruption crisis for the Romanian prime minister has affected the ranking of that country. Meanwhile, the rankings for [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#) were maintained due to debt woes and the concomitant effect on the euro zone. [Greece](#), another euro zone nation, was earlier downgraded due to its sovereign debt crisis; however, no further downgrade was added since the country was able to successfully forge a bailout rescue deal with creditor institutions. Cyprus' exposure to Greek banks yielded a downgrade in its case.

In Asia, [Nepal](#) was downgraded in response to continuous political instability and a constitutional crisis that prevails well after landmark elections were held. Both [India](#) and China retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability. Increasing violence and political instability in [Pakistan](#) resulted in a downgrade for this country's already low rating. Meanwhile, [Singapore](#) retained its strong rankings due to its continued effective stewardship of the economy and political stability.

In the Americas, ongoing political and economic woes, as well as crime and corruption have affected the rankings for [Mexico](#), [Guatemala](#), and [Brazil](#). [Argentina](#) was downgraded due to its default on debt following the failure of talks with bond holders. [Venezuela](#) was downgraded due to its mix of market unfriendly policies and political oppression. For the moment, the [United States](#) maintains a strong ranking along with [Canada](#), and most of the English-speaking countries of the Caribbean; however, a renewed debt ceiling crisis could cause the [United States](#) to be downgraded in a future edition. Finally, a small but significant upgrade was attributed to [Cuba](#) due to its recent

pro-business reforms and its normalization of ties with the United States.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

2015

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### Political Stability

#### Political Stability

The **Political Stability Index** is a proprietary index measuring a country's level of stability, standard of good governance, record of constitutional order, respect for human rights, and overall strength of democracy. The [Political Stability](#) Index is calculated using an established methodology\* by CountryWatch's Editor-in-Chief and is based on a given country's record of peaceful transitions of power, ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse. Threats include coups, domestic violence and instability, terrorism, etc. This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability and an ultimate nadir, while a score of 10 marks the highest level of political stability possible, according to this proprietary index. Rarely will there be scores of 0 or 10 due to the reality that countries contain complex landscapes; as such, the index offers a range of possibilities ranging from lesser to greater stability.

| Country     | Assessment |
|-------------|------------|
| Afghanistan | 2          |

|            |       |
|------------|-------|
| Albania    | 4.5-5 |
| Algeria    | 5     |
| Andorra    | 9.5   |
| Angola     | 4.5-5 |
| Antigua    | 8.5-9 |
| Argentina  | 7     |
| Armenia    | 5.5   |
| Australia  | 9.5   |
| Austria    | 9.5   |
| Azerbaijan | 5     |
| Bahamas    | 9     |
| Bahrain    | 6     |
| Bangladesh | 4.5   |
| Barbados   | 9     |
| Belarus    | 4     |
| Belgium    | 9     |
| Belize     | 8     |
| Benin      | 5     |

|                          |       |
|--------------------------|-------|
| Bhutan                   | 5     |
| Bolivia                  | 6     |
| Bosnia-Herzegovina       | 5     |
| Botswana                 | 8.5   |
| Brazil                   | 7     |
| Brunei                   | 8     |
| Bulgaria                 | 7.5   |
| Burkina Faso             | 4     |
| Burma (Myanmar)          | 4.5   |
| Burundi                  | 4     |
| Cambodia                 | 4.5-5 |
| Cameroon                 | 6     |
| Canada                   | 9.5   |
| Cape Verde               | 6     |
| Central African Republic | 3     |
| Chad                     | 4.5   |
| Chile                    | 9     |
| China                    | 7     |

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|                    |     |
|--------------------|-----|
| China: Hong Kong   | 8   |
| China: Taiwan      | 8   |
| Colombia           | 7.5 |
| Comoros            | 5   |
| Congo DRC          | 3   |
| Congo RC           | 5   |
| Costa Rica         | 9.5 |
| Cote d'Ivoire      | 3.5 |
| Croatia            | 7.5 |
| Cuba               | 4.5 |
| Cyprus             | 8   |
| Czech Republic     | 8.5 |
| Denmark            | 9.5 |
| Djibouti           | 5   |
| Dominica           | 8.5 |
| Dominican Republic | 7   |
| East Timor         | 5   |
| Ecuador            | 7   |

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|                          |       |
|--------------------------|-------|
| Egypt                    | 4.5-5 |
| El Salvador              | 7.5-8 |
| Equatorial Guinea        | 4.5   |
| Eritrea                  | 4     |
| Estonia                  | 9     |
| Ethiopia                 | 4.5   |
| Fiji                     | 5     |
| Finland                  | 9     |
| Fr.YugoslavRep.Macedonia | 6.5   |
| France                   | 9     |
| Gabon                    | 5     |
| Gambia                   | 4.5   |
| Georgia                  | 5     |
| Germany                  | 9.5   |
| Ghana                    | 7     |
| Greece                   | 6     |
| Grenada                  | 8.5   |
| Guatemala                | 7     |



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|                    |       |
|--------------------|-------|
| Guinea             | 3.5-4 |
| Guinea-Bissau      | 4     |
| Guyana             | 6     |
| Haiti              | 3.5-4 |
| Holy See (Vatican) | 9.5   |
| Honduras           | 6     |
| Hungary            | 7.5   |
| Iceland            | 9     |
| India              | 8     |
| Indonesia          | 7     |
| Iran               | 3.5   |
| Iraq               | 2.5   |
| Ireland            | 9.5   |
| Israel             | 8     |
| Italy              | 8.5-9 |
| Jamaica            | 8     |
| Japan              | 9     |
| Jordan             | 6     |

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|               |       |
|---------------|-------|
| Kazakhstan    | 6     |
| Kenya         | 5     |
| Kiribati      | 8     |
| Korea, North  | 2     |
| Korea, South  | 8.5   |
| Kosovo        | 5.5   |
| Kuwait        | 7     |
| Kyrgyzstan    | 5     |
| Laos          | 5     |
| Latvia        | 8.5   |
| Lebanon       | 5.5   |
| Lesotho       | 5     |
| Liberia       | 3.5-4 |
| Libya         | 2     |
| Liechtenstein | 9     |
| Lithuania     | 9     |
| Luxembourg    | 9.5   |
| Madagascar    | 4     |

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|                  |       |
|------------------|-------|
| Malawi           | 5     |
| Malaysia         | 8     |
| Maldives         | 4.5-5 |
| Mali             | 4.5-5 |
| Malta            | 9     |
| Marshall Islands | 8     |
| Mauritania       | 6     |
| Mauritius        | 8     |
| Mexico           | 6.5-7 |
| Micronesia       | 8     |
| Moldova          | 5.5   |
| Monaco           | 9.5   |
| Mongolia         | 6.5-7 |
| Montenegro       | 8     |
| Morocco          | 7     |
| Mozambique       | 5     |
| Namibia          | 8.5   |
| Nauru            | 8     |

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|                  |     |
|------------------|-----|
| Nepal            | 4.5 |
| Netherlands      | 9.5 |
| New Zealand      | 9.5 |
| Nicaragua        | 6   |
| Niger            | 4.5 |
| Nigeria          | 4.5 |
| Norway           | 9.5 |
| Oman             | 7   |
| Pakistan         | 3   |
| Palau            | 8   |
| Panama           | 8.5 |
| Papua New Guinea | 6   |
| Paraguay         | 8   |
| Peru             | 7.5 |
| Philippines      | 6   |
| Poland           | 9   |
| Portugal         | 9   |
| Qatar            | 7   |

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|                              |       |
|------------------------------|-------|
| Romania                      | 7     |
| Russia                       | 6     |
| Rwanda                       | 5     |
| Saint Kitts and Nevis        | 9     |
| Saint Lucia                  | 9     |
| Saint Vincent and Grenadines | 9     |
| Samoa                        | 8     |
| San Marino                   | 9.5   |
| Sao Tome and Principe        | 7     |
| Saudi Arabia                 | 6     |
| Senegal                      | 7.5   |
| Serbia                       | 6.5   |
| Seychelles                   | 8     |
| Sierra Leone                 | 4.5   |
| Singapore                    | 9.5   |
| Slovak Republic (Slovakia)   | 8.5   |
| Slovenia                     | 9     |
| Solomon Islands              | 6.5-7 |

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|                     |     |
|---------------------|-----|
| Somalia             | 2   |
| South Africa        | 7.5 |
| Spain               | 9   |
| Sri Lanka           | 5   |
| Sudan               | 3   |
| Suriname            | 5   |
| Swaziland           | 5   |
| Sweden              | 9.5 |
| Switzerland         | 9.5 |
| Syria               | 2   |
| Tajikistan          | 4.5 |
| Tanzania            | 6   |
| Thailand            | 6   |
| Togo                | 5   |
| Tonga               | 7   |
| Trinidad and Tobago | 8   |
| Tunisia             | 5   |
| Turkey              | 7.5 |

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|                      |       |
|----------------------|-------|
| Turkmenistan         | 5     |
| Tuvalu               | 8.5   |
| Uganda               | 6     |
| Ukraine              | 3.5-4 |
| United Arab Emirates | 7     |
| United Kingdom       | 9     |
| United States        | 9     |
| Uruguay              | 8.5   |
| Uzbekistan           | 4     |
| Vanuatu              | 8.5   |
| Venezuela            | 4.5-5 |
| Vietnam              | 4.5   |
| Yemen                | 2.5   |
| Zambia               | 5     |
| Zimbabwe             | 3     |

**\*Methodology**

The Political Stability Index is calculated by CountryWatch's Editor-in-Chief and is based on the combined scoring of varied criteria as follows --

1. record of peaceful transitions of power ( free and fair elections; adherence to political accords)
2. record of democratic representation, presence of instruments of democracy; systemic accountability
3. respect for human rights; respect for civil rights
4. strength of the system of jurisprudence, adherence to constitutional order, and good governance
5. ability of a government to stay in office and carry out its policies vis a vis risk credible risks of government collapse (i.e. government stability versus a country being deemed "ungovernable")
6. threat of coups, insurgencies, and insurrection
7. level of unchecked crime and corruption
8. risk of terrorism and other threats to national security
9. relationship with regional powers and international community; record of bilateral or multilateral cooperation
10. degree of economic strife (i.e. economic and financial challenges)

Editor's Note:

As of 2015, the current climate of upheaval internationally -- both politically and economically -- has affected the ratings for several countries across the world. The usual suspects -- North Korea, [Afghanistan](#), and [Somalia](#) -- retain their low rankings. The reclusive and ultra-dictatorial North Korean regime, which has terrified the world with its nuclear threats, has exhibited internal instability. Of note was a cut-throat purge of hundreds of high ranking officials deemed to be a threat to Kim Jung-un. Despite their attempts to recover from years of lawlessness, war, and warlordism, both [Afghanistan](#) and [Somalia](#) continue to be beset by terrorism and turmoil. In [Afghanistan](#), while international forces have seen success in the effort against the terror group, al-Qaida, the other Islamist extremist group, the Taliban, continues to carry out a vicious insurgency using terrorism. In [Somalia](#), while the government attempts to do the nation's business, the terror group, al-Shabab continues to make its presence known not only in [Somalia](#), but across the border into [Kenya](#) with devastating results/ Also in this category is [Iraq](#), which continues to be rocked by horrific violence and terrorism at the hands of Islamic State, which has taken over wide swaths of Iraqi territory.



Syria, [Libya](#), and [Yemen](#) have been added to this unfortunate echelon of the world's most politically unstable countries. [Syria](#) has been mired by the twin hazards of 1. a civil war as rebels oppose the Assad regime; and 2. the rampage of terror being carried out by Islamic State, which also seized control over vast portions of Syrian territory. Meanwhile, the post-Qaddafi landscape of [Libya](#) has devolved into chaos as rival militias battle for control -- the elected government of the country notwithstanding. Rounding out this grim triad is [Yemen](#), which was dealing with a Houthi rebellion, secessionists in the south, as well as the threat of terrorism from al-Qaida in the Arabian Peninsula as well as Islamic State, while also being the site of a proxy war between Shi'a [Iran](#) and Sunni [Saudi Arabia](#).

Meanwhile, several Middle Eastern and North African countries, such as [Tunisia](#), [Egypt](#), and [Bahrain](#) were downgraded in recent years due to political instability occurring in the "season of unrest" sweeping the region since 2011 and continuing today. All three of these countries have stabilized in recent years and have been upgraded accordingly. In [Bahrain](#), the landscape had calmed. In [Egypt](#), the secular military-backed government has generated criticism for its crackdown on the Muslim Brotherhood; however, the country had ratified the presidency via democratic elections and were on track to hold parliamentary elections as the country moved along the path of democratization. Perhaps the most impressive story was coming out of [Tunisia](#) -- the country whose Jasmine Revolution sparked the entire Arab Spring -- and where after a few years of strife, a new progressive constitution was passed into law and a secular government had been elected to power. [Tunisia](#), [Egypt](#), and [Bahrain](#) have seen slight upgrades as these countries stabilize.

In Africa, the [Central African Republic](#) was downgraded the previous year due to the takeover of the government by Muslim Seleka rebels. Although the country has been trying to emerge from this crisis, the fact of the matter was that it was difficult to halt the precipitous decline into lawlessness in that country. [Zimbabwe](#) has maintained its consistently poor ranking due to the dictatorial regime of Mugabe, who continues to hold a tight grip on power, intimidates the opposition, squashes dissent, and oppresses the white farmer population of the country. Moving in a slightly improved direction is [Nigeria](#), which has sported abysmal ratings due to the government's fecklessness in dealing with the threat posed by the Islamist terror group, Boko Haram. Under its newly-elected government, there appears to be more of a concerted effort to make national security a priority action item. [Mali](#) was also slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Political instability has visited [Burkina Faso](#) and [Burundi](#) as the leaders of those countries attempted to side-step constitutional limits to hold onto power. In [Burundi](#), an attempted coup ensued but quelled, and the president won a (questionable) new term in office; unrest has since punctuated the landscape. In [Burkina Faso](#), the political climate has turned stormy as a result of a successful coup that ended the rule of the president, and then a putsch against the transitional government. These two African countries have been downgraded as a result.

It should be noted that the African country of South [Sudan](#) -- the world's newest nation state -- has not been officially included in this assessment; however, it can be unofficially assessed to be in the vicinity of "3" due to its manifold political and economic challenges. [Guinea](#) has endured poor rankings throughout, but was slightly downgraded further over fears of social unrest and the Ebola health crisis.

In Europe, [Ukraine](#) was downgraded due to the unrest facing that country following its Maidan revolution that triggered a pro-Russian uprising in the eastern part of the country. [Russia](#) was also implicated in the Ukrainian crisis due to its intervention on behalf of pro-Russian separatists, as well as its annexation of the Ukrainian territory of Crimea. [Serbia](#) and [Albania](#) were slightly downgraded due to eruptions of unrest, while [Romania](#) was slightly downgraded on the basis of corruption charges against the prime minister. [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#) were downgraded due to debt woes and the concomitant effect on the euro zone. [Greece](#), another euro zone nation, was downgraded the previous year due to its sovereign debt crisis; however, the country successfully forged a rescue deal with international creditors and stayed within the Euro zone. Greek voters rewarded the hitherto unknown upstart party at the polls for these efforts. As a result, [Greece](#) was actually upgraded slightly as it proved to the world that it could endure the political and economic storms. Meanwhile, [Germany](#), [France](#), [Switzerland](#), the [United Kingdom](#), the [Netherlands](#), and the Scandinavian countries continue to post impressive ranking consistent with these countries' strong records of democracy, freedom, and peaceful transfers of power.

In Asia, [Nepal](#) was downgraded in response to continuous political instability well after landmark elections that prevails today. [Cambodia](#) was very slightly downgraded due to post-election instability that has resulted in occasional flares of violence. Despite the "trifecta of tragedy" in [Japan](#) in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both [India](#) and China retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability. Increasing violence and political instability in [Pakistan](#) resulted in a downgrade for this country's already low rating.

In the Americas, [Haiti](#) retained its downgraded status due to ongoing political and economic woes. [Mexico](#) was downgraded due to its alarming rate of crime. [Guatemala](#) was downgraded due to charges of corruption, the arrest of the president, and uncertainty over the outcome of elections. [Brazil](#) was downgraded due to the corruption charges erupting on the political landscape, the stalling of the economy, and the increasingly loud calls for the impeachment of President Rousseff. [Argentina](#) was downgraded due to its default on debt following the failure of talks with bond holders. [Venezuela](#) was downgraded due to the fact that the country's post-Chavez government is every bit as autocratic and nationalistic, but even more inclined to oppress its political opponents. [Colombia](#) was upgraded slightly due to efforts aimed at securing a peace deal

with the FARC insurgents. A small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States. Meanwhile, the [United States](#), [Canada](#), [Costa Rica](#), [Panama](#), and most of the English-speaking countries of the Caribbean retain their strong rankings due to their records of stability and peaceful transfers of power.

In the Pacific, [Fiji](#) was upgraded due to its return to constitutional order and democracy with the holding of the first elections in eight years.

In Oceania, [Maldives](#) has been slightly downgraded due to the government's continued and rather relentless persecution of the country's former pro-democracy leader - former President Nasheed.

Source:

Dr. Denise Youngblood Coleman, Editor in Chief, CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

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## Freedom Rankings

### Freedom Rankings

#### Freedom in the World

Editor's Note: This ranking by Freedom House quantifies political freedom and civil liberties into a single combined index on each sovereign country's level of freedom and liberty. The initials "PR" and "CL" stand for Political Rights and Civil Liberties, respectively. The number 1 represents the most free countries and the number 7 represents the least free. Several countries fall in the continuum in between. The freedom ratings reflect an overall judgment based on survey results.

| Country              | PR  | CL | Freedom Status | Trend Arrow |
|----------------------|-----|----|----------------|-------------|
| Afghanistan          | 6 ? | 6  | Not Free       |             |
| Albania*             | 3   | 3  | Partly Free    |             |
| Algeria              | 6   | 5  | Not Free       |             |
| Andorra*             | 1   | 1  | Free           |             |
| Angola               | 6   | 5  | Not Free       |             |
| Antigua and Barbuda* | 3 ? | 2  | Free           |             |
| Argentina*           | 2   | 2  | Free           |             |
| Armenia              | 6   | 4  | Partly Free    |             |
| Australia*           | 1   | 1  | Free           |             |
| Austria*             | 1   | 1  | Free           |             |
| Azerbaijan           | 6   | 5  | Not Free       |             |
| Bahamas*             | 1   | 1  | Free           |             |
| Bahrain              | 6 ? | 5  | Not Free ?     |             |
| Bangladesh*          | 3 ? | 4  | Partly Free    |             |
| Barbados*            | 1   | 1  | Free           |             |
| Belarus              | 7   | 6  | Not Free       |             |
| Belgium*             | 1   | 1  | Free           |             |

|                          |     |   |             |   |
|--------------------------|-----|---|-------------|---|
| Belize*                  | 1   | 2 | Free        |   |
| Benin*                   | 2   | 2 | Free        |   |
| Bhutan                   | 4   | 5 | Partly Free |   |
| Bolivia*                 | 3   | 3 | Partly Free |   |
| Bosnia-Herzegovina*      | 4   | 3 | Partly Free |   |
| Botswana*                | 3 ? | 2 | Free        |   |
| Brazil*                  | 2   | 2 | Free        |   |
| Brunei                   | 6   | 5 | Not Free    |   |
| Bulgaria*                | 2   | 2 | Free        |   |
| Burkina Faso             | 5   | 3 | Partly Free |   |
| Burma                    | 7   | 7 | Not Free    |   |
| Burundi*                 | 4   | 5 | Partly Free | ↑ |
| Cambodia                 | 6   | 5 | Not Free    | ↓ |
| Cameroon                 | 6   | 6 | Not Free    |   |
| Canada*                  | 1   | 1 | Free        |   |
| Cape Verde*              | 1   | 1 | Free        |   |
| Central African Republic | 5   | 5 | Partly Free |   |
| Chad                     | 7   | 6 | Not Free    |   |

|                      |     |   |             |   |
|----------------------|-----|---|-------------|---|
| Chile*               | 1   | 1 | Free        |   |
| China                | 7   | 6 | Not Free    |   |
| Colombia*            | 3   | 4 | Partly Free |   |
| Comoros*             | 3   | 4 | Partly Free |   |
| Congo (Brazzaville ) | 6   | 5 | Not Free    | ↓ |
| Congo (Kinshasa)     | 6   | 6 | Not Free    | ↓ |
| Costa Rica*          | 1   | 1 | Free        |   |
| Cote d'Ivoire        | 6   | 5 | Not Free    |   |
| Croatia*             | 1 ? | 2 | Free        |   |
| Cuba                 | 7   | 6 | Not Free    |   |
| Cyprus*              | 1   | 1 | Free        |   |
| Czech Republic*      | 1   | 1 | Free        |   |
| Denmark*             | 1   | 1 | Free        |   |
| Djibouti             | 5   | 5 | Partly Free |   |
| Dominica*            | 1   | 1 | Free        |   |
| Dominican Republic*  | 2   | 2 | Free        | ↓ |
| East Timor*          | 3   | 4 | Partly Free |   |
| Ecuador*             | 3   | 3 | Partly Free |   |

|                   |     |     |             |   |
|-------------------|-----|-----|-------------|---|
| Egypt             | 6   | 5   | Not Free    |   |
| El Salvador*      | 2   | 3   | Free        |   |
| Equatorial Guinea | 7   | 7   | Not Free    |   |
| Eritrea           | 7   | 7 ? | Not Free    |   |
| Estonia*          | 1   | 1   | Free        |   |
| Ethiopia          | 5   | 5   | Partly Free | ↓ |
| Fiji              | 6   | 4   | Partly Free |   |
| Finland*          | 1   | 1   | Free        |   |
| France*           | 1   | 1   | Free        |   |
| Gabon             | 6   | 5 ? | Not Free ?  |   |
| The Gambia        | 5   | 5 ? | Partly Free |   |
| Georgia           | 4   | 4   | Partly Free |   |
| Germany*          | 1   | 1   | Free        |   |
| Ghana*            | 1   | 2   | Free        |   |
| Greece*           | 1   | 2   | Free        |   |
| Grenada*          | 1   | 2   | Free        |   |
| Guatemala*        | 4 ? | 4   | Partly Free |   |
| Guinea            | 7   | 6 ? | Not Free    |   |

|                |     |     |             |   |
|----------------|-----|-----|-------------|---|
| Guinea-Bissau* | 4   | 4   | Partly Free |   |
| Guyana*        | 2   | 3   | Free        |   |
| Haiti*         | 4   | 5   | Partly Free |   |
| Honduras       | 4 ? | 4 ? | Partly Free |   |
| Hungary*       | 1   | 1   | Free        |   |
| Iceland*       | 1   | 1   | Free        |   |
| India*         | 2   | 3   | Free        |   |
| Indonesia*     | 2   | 3   | Free        |   |
| Iran           | 6   | 6   | Not Free    | ↓ |
| Iraq           | 5 ? | 6   | Not Free    |   |
| Ireland*       | 1   | 1   | Free        |   |
| Israel*        | 1   | 2   | Free        |   |
| Italy*         | 1   | 2   | Free        |   |
| Jamaica*       | 2   | 3   | Free        |   |
| Japan*         | 1   | 2   | Free        |   |
| Jordan         | 6 ? | 5   | Not Free ?  |   |
| Kazakhstan     | 6   | 5   | Not Free    | ↓ |
| Kenya          | 4   | 4 ? | Partly Free |   |
|                |     |     |             |   |



|                |     |     |               |   |
|----------------|-----|-----|---------------|---|
| Kiribati*      | 1   | 1   | Free          |   |
| Kosovo         | 5 ? | 4 ? | Partly Free ? |   |
| Kuwait         | 4   | 4   | Partly Free   |   |
| Kyrgyzstan     | 6 ? | 5 ? | Not Free ?    |   |
| Laos           | 7   | 6   | Not Free      |   |
| Latvia*        | 2   | 1   | Free          |   |
| Lebanon        | 5   | 3 ? | Partly Free   |   |
| Lesotho*       | 3 ? | 3   | Partly Free ? |   |
| Liberia*       | 3   | 4   | Partly Free   |   |
| Libya          | 7   | 7   | Not Free      |   |
| Liechtenstein* | 1   | 1   | Free          |   |
| Lithuania*     | 1   | 1   | Free          |   |
| Luxembourg*    | 1   | 1   | Free          |   |
| Macedonia*     | 3   | 3   | Partly Free   | ↑ |
| Madagascar     | 6 ? | 4 ? | Partly Free   |   |
| Malawi*        | 3 ? | 4   | Partly Free   |   |
| Malaysia       | 4   | 4   | Partly Free   |   |
| Maldives*      | 3 ? | 4   | Partly Free   |   |

|                   |     |     |             |   |
|-------------------|-----|-----|-------------|---|
| Mali*             | 2   | 3   | Free        |   |
| Malta*            | 1   | 1   | Free        | ↓ |
| Marshall Islands* | 1   | 1   | Free        |   |
| Mauritania        | 6   | 5   | Not Free    |   |
| Mauritius*        | 1   | 2   | Free        |   |
| Mexico*           | 2   | 3   | Free        |   |
| Micronesia*       | 1   | 1   | Free        |   |
| Moldova*          | 3 ? | 4   | Partly Free |   |
| Monaco*           | 2   | 1   | Free        |   |
| Mongolia*         | 2   | 2   | Free        | ↑ |
| Montenegro*       | 3   | 2 ? | Free ?      |   |
| Morocco           | 5   | 4   | Partly Free | ↓ |
| Mozambique        | 4 ? | 3   | Partly Free |   |
| Namibia*          | 2   | 2   | Free        |   |
| Nauru*            | 1   | 1   | Free        |   |
| Nepal             | 4   | 4   | Partly Free |   |
| Netherlands*      | 1   | 1   | Free        |   |
| New Zealand*      | 1   | 1   | Free        |   |

|                   |     |     |             |   |
|-------------------|-----|-----|-------------|---|
| Nicaragua*        | 4   | 4 ? | Partly Free |   |
| Niger             | 5 ? | 4   | Partly Free |   |
| Nigeria           | 5   | 4   | Partly Free | ↓ |
| North Korea       | 7   | 7   | Not Free    | ↓ |
| Norway*           | 1   | 1   | Free        |   |
| Oman              | 6   | 5   | Not Free    |   |
| Pakistan          | 4   | 5   | Partly Free |   |
| Palau*            | 1   | 1   | Free        |   |
| Panama*           | 1   | 2   | Free        |   |
| Papua New Guinea* | 4   | 3   | Partly Free |   |
| Paraguay*         | 3   | 3   | Partly Free |   |
| Peru*             | 2   | 3   | Free        |   |
| Philippines       | 4   | 3   | Partly Free | ↓ |
| Poland*           | 1   | 1   | Free        |   |
| Portugal*         | 1   | 1   | Free        |   |
| Qatar             | 6   | 5   | Not Free    |   |
| Romania*          | 2   | 2   | Free        |   |
| Russia            | 6   | 5   | Not Free    | ↓ |

|                               |     |   |             |   |
|-------------------------------|-----|---|-------------|---|
| Rwanda                        | 6   | 5 | Not Free    |   |
| Saint Kitts and Nevis*        | 1   | 1 | Free        |   |
| Saint Lucia*                  | 1   | 1 | Free        |   |
| Saint Vincent and Grenadines* | 2   | 1 | Free        |   |
| Samoa*                        | 2   | 2 | Free        |   |
| San Marino*                   | 1   | 1 | Free        |   |
| Sao Tome and Principe*        | 2   | 2 | Free        |   |
| Saudi Arabia                  | 7   | 6 | Not Free    |   |
| Senegal*                      | 3   | 3 | Partly Free |   |
| Serbia*                       | 2 ? | 2 | Free        |   |
| Seychelles*                   | 3   | 3 | Partly Free |   |
| Sierra Leone*                 | 3   | 3 | Partly Free |   |
| Singapore                     | 5   | 4 | Partly Free |   |
| Slovakia*                     | 1   | 1 | Free        | ↓ |
| Slovenia*                     | 1   | 1 | Free        |   |
| Solomon Islands               | 4   | 3 | Partly Free |   |
| Somalia                       | 7   | 7 | Not Free    |   |
| South Africa*                 | 2   | 2 | Free        |   |

|                      |     |     |             |   |
|----------------------|-----|-----|-------------|---|
| South Korea*         | 1   | 2   | Free        |   |
| Spain*               | 1   | 1   | Free        |   |
| Sri Lanka*           | 4   | 4   | Partly Free |   |
| Sudan                | 7   | 7   | Not Free    |   |
| Suriname*            | 2   | 2   | Free        |   |
| Swaziland            | 7   | 5   | Not Free    |   |
| Sweden*              | 1   | 1   | Free        |   |
| Switzerland*         | 1   | 1   | Free        | ↓ |
| Syria                | 7   | 6   | Not Free    |   |
| Taiwan*              | 1 ? | 2 ? | Free        |   |
| Tajikistan           | 6   | 5   | Not Free    |   |
| Tanzania             | 4   | 3   | Partly Free |   |
| Thailand             | 5   | 4   | Partly Free |   |
| Togo                 | 5   | 4 ? | Partly Free |   |
| Tonga                | 5   | 3   | Partly Free |   |
| Trinidad and Tobago* | 2   | 2   | Free        |   |
| Tunisia              | 7   | 5   | Not Free    |   |
| Turkey*              | 3   | 3   | Partly Free | ↓ |

|                      |     |     |             |   |
|----------------------|-----|-----|-------------|---|
| Turkmenistan         | 7   | 7   | Not Free    |   |
| Tuvalu*              | 1   | 1   | Free        |   |
| Uganda               | 5   | 4   | Partly Free |   |
| Ukraine*             | 3   | 2   | Free        |   |
| United Arab Emirates | 6   | 5   | Not Free    |   |
| United Kingdom*      | 1   | 1   | Free        |   |
| United States*       | 1   | 1   | Free        |   |
| Uruguay*             | 1   | 1   | Free        |   |
| Uzbekistan           | 7   | 7   | Not Free    |   |
| Vanuatu*             | 2   | 2   | Free        |   |
| Venezuela            | 5 ? | 4   | Partly Free |   |
| Vietnam              | 7   | 5   | Not Free    | ↓ |
| Yemen                | 6 ? | 5   | Not Free ?  |   |
| Zambia*              | 3   | 4 ? | Partly Free |   |
| Zimbabwe             | 6 ? | 6   | Not Free    |   |

Methodology:

PR and CL stand for political rights and civil liberties, respectively; 1 represents the most free and 7 the least free rating. The ratings reflect an overall judgment based on survey results.

? ? up or down indicates a change in political rights, civil liberties, or status since the last survey.

↑ ↓ up or down indicates a trend of positive or negative changes that took place but that were not sufficient to result in a change in political rights or civil liberties ratings of 1-7.

\* indicates a country's status as an electoral democracy.

Source:

This data is derived from the latest edition of Freedom House's Freedom in the World 2010 edition.

Available at URL: <http://www.freedomhouse.org>

Updated:

Reviewed in 2015

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## Human Rights

### Overview of Human Rights in San Marino

The Republic of San Marino has a population of approximately 29,000. The government works to respect the civil and human rights of its citizens. When individual cases of abuse are reported, the law provides effective means for addressing them.

### Human Development Index (HDI) Rank:

Not Ranked

### Human Poverty Index Rank:

Not Ranked

### Gini Index:

N/A

### Life Expectancy at Birth (years):

81.1 years

**Unemployment Rate:**

2.6%

**Population living on \$1 a day (%):**

N/A

**Population living on \$2 a day (%):**

N/A

**Population living beneath the Poverty Line (%):**

N/A

**Internally Displaced People:**

N/A

**Total Crime Rate (%):**

N/A

**Health Expenditure (% of GDP):**

Public: N/A

**% of GDP Spent on Education:**

N/A

**Human Rights Conventions Party to:**

- International Convention on the Prevention and Punishment and Punishment of the Crime of Genocide
- International Convention on the Elimination of All Forms of Racial Discrimination
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Convention on the Elimination of All Forms of Discrimination against Women



- Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (Signed but not yet ratified)
- Conventions on the Rights of the Child
- Rome Statute of the International Criminal Court

\*Human Development Index (HDI) is a composite index that measures the level of well-being in 177 nations in the world. It uses factors such as poverty, literacy, life-expectancy, education, gross domestic product, and purchasing power parity to assess the average achievements in each nation. It has been used in the United Nation's Human Development Report since 1993.

\*Human Poverty Index Ranking is based on certain indicators used to calculate the Human Poverty Index. Probability at birth of not surviving to age 40, adult literacy rate, population without sustainable access to an improved water source, and population below income poverty line are the indicators assessed in this measure.

\*The Gini Index measures inequality based on the distribution of family income or consumption. A value of 0 represents perfect equality (income being distributed equally), and a value of 100 perfect inequality (income all going to one individual).

\*The calculation of the total crime rate is the % of the total population which has been effected by property crime, robbery, sexual assault, assault, or bribery (corruption) related occurrences.

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## **Government Functions**

### **Constitution**

The earliest semblance of a constitution of San Marino dates back to October 1600. The electoral law of 1926 serves some of the functions of a modern constitution.

### **Executive Authority**

Executive authority in San Marino is vested in a cabinet government, called the Congress of State. All members are chosen by the "Consiglio Grande e Generale" (the Great and General Council-San

Marino's parliament). In addition, the Great and General Council selects two captains regents (from among its members) to act as joint heads of state. Captains regent serve six-month terms; new captains regent take office on April and October 1 of each year. Captains regent preside over meetings of the Congress of State and the Great and General Council. They also preside over the highest court in San Marino, the "Consiglio dei XII" (Council of Twelve).

### **Legislative Authority**

Legislative authority in San Marino is vested in the unicameral "Consiglio Grande e Generale" (Great and General Council). The 60 council members are elected via a system of proportional representation to serve five-year terms. The council is responsible for electing the co-heads of state, the captains regent; the members of the cabinet, the Congress of State; and the members of the highest court in San Marino, the "Consiglio dei XII" (Council of Twelve). The council is also responsible for - among other things - passing legislation, ratifying treaties with other states, and approving the budget.

### **Judicial Authority**

Although Italian magistrates adjudicate criminal and civil matters in both courts of first instance and at the appellate level, San Marino does have a Justice of the Peace, a Law Commissioner, a Criminal Judge of the Primary Court of Claims, a Court of Appeal and a Council of Twelve. The Justice of the Peace is responsible for minor civil matters. The Law Commissioner deals with both minor civil and criminal matters. (A "minor" criminal matter is one in which the potential prison sentence is less than three years). The Criminal Judge of the Primary Court of Claims deals with criminal matters in which the potential prison sentence exceeds three years. The Court of Appeal consists of two judges who hear both civil and criminal matters that have already been heard by at least one lower court or official. The "Consiglio dei XII" (Council of Twelve) acts as the final court of review but has jurisdiction only in civil cases. Members of the Council of Twelve are chosen by - and from among - the Great and General Council.

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## **Government Structure**

### **Names:**

*conventional long form:*

Republic of San Marino

*conventional short form:*

San Marino

*local long form:*

Repubblica di San Marino

*local short form:*

San Marino

**Type:**

Republic

**Executive Branch:**

*Heads of State:*

Two Ruling Captains -- From October 2015, the Ruling Captains were Lorella Stefanelli and Nicola Renzi. Their term was set to expire in April 2016.

*Note:*

The popularly-elected parliament of San Marino, known as the Great and General Council, selects two of its members to serve as the Capitani Reggenti or Captains Regents (co-heads of state) for a six-month period. The Captains Regents preside over meetings of the Great and General Council and its cabinet, known as the Congress of State.

*Head of Government:*

Secretary of State for Foreign and Political Affairs Pasquale Valentini (since 2012); elected for a five-year term by the Great and General Council. Valentini's terms is set to end in 2017.

*Cabinet:*

Congress of State; elected for a five-year term by the Great and General Council.

*Elections:*

Lorella Stefanelli and Nicola Renzi elected captains regent in Oct. 2015 to serve until April 2016; Pasquale Valentini elected secretary of state for foreign and political affairs in 2012 to serve until 2017.

**Legislative Branch:**

*Unicameral "Consiglio Grande e Generale" (Great and General Council):*

60 members; elected by proportional representation to five-year terms

*Elections:*

Last held November 2012 (see "Political Conditions" for details); next elections set for 2017

*Election results:*

percent of vote by party - San Marino Common Good coalition (San Marino Bene Comune) 50.7% (PDCS 29.5%, PSD 14.3%, AP 6.7%), Entente for the Country coalition (Intesa per Il Paese) 22.3% (PS 12.1%, UPR 8.4%, USDM 1.7%), Active Citizenry coalition (Cittadinanza Attiva) 16.1% (SU 9.1%, Civic 10 6.7%), Civic Movement R.E.T.E. 6.3%, For San Marino 2.8%, San Marino 3.0 1.8%

seats by party - San Marino Common Good coalition 35 (PDCS 21, PSD 10, AP 4), Entente for the Country coalition 12 (PS 7, UPR 5), Active Citizenry 9 (SU 5, Civic 10 4), Civic Movement R.E.T.E. 4

**Judicial Branch:**

"Consiglio dei XII" (Council of Twelve)

**Constitution:**

Oct. 8, 1600; electoral law of 1926 serves some of the functions of a constitution

**Legal System:**

Based on civil law system with Italian law influences; has not accepted compulsory ICJ jurisdiction

**Administrative Divisions:**

Nine municipalities (castelli, singular - castello): Acquaviva, Borgo Maggiore, Chiesanuova, Domagnano, Faetano, Fiorentino, Monte Giardino, San Marino, Serravalle

**Political Parties and Leaders\*:**

San Marino Common Good (includes Sammarinese Christian Democratic Party or PDCS [Marco GATTI], Party of Socialists and Democrats or PSD [Paride ANDREOLI], Popular Alliance or AP [Gabriele GATTI])

Entente for the Country (Intesa per il Paese; includes Sammarinese Union of Moderates or USDM; dissolved after 2012 election, Socialist Party or PS [Alessandro BEVITORI], Union for the Republic or UPR [Marco PODESCHI])

Active Citizenship (includes Civic 10 [Mateo CIACCI], United Left or SU [Gastone PASOLINI])

\*All political parties and coalitions are subject to change and reflect information available at the scheduled time of writing.

**Suffrage:**

18 years of age; universal

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## Principal Government Officials

### Cabinet and Leadership of San Marino

*Heads of State:*

Two Ruling Captains -- From October 2015, the Ruling Captains were Lorella Stefanelli and Nicola Renzi. Their term was set to expire in April 2016.

*Note:*

The popularly-elected parliament of San Marino, known as the Great and General Council, selects two of its members to serve as the Capitani Reggenti or Captains Regents (co-heads of state) for a six-month period. The Captains Regents preside over meetings of the Great and General Council and its cabinet, known as the Congress of State.

*Head of Government:*

Secretary of State for Foreign and Political Affairs Pasquale Valentini (since 2012); elected for a five-year term by the Great and General Council. Valentini's terms is set to end in 2017.

*Cabinet:*

Congress of State; elected for a five-year term by the Great and General Council. Cabinet list is as follows --

Sec. of State for Foreign & Political Affairs & for Telecommunications & Transportation  
Pasquale VALENTINI

Sec. of Budget & Finance Claudio FELICI

Sec. of Health, Social Security, & Social Affairs Claudio PODESCHI

Sec. of Industry & Trade Marco ARZILLI

Sec. of Interior & Civil Protection Valeria CIAVATTA  
Sec. of Justice, Information, & Research Augusto CASALI  
Sec. of Labor Francesco MUSSONI  
Sec. of Public Education, Culture, & Youth Policies Romeo MORRI  
Sec. of Territory, Environment, & Agriculture Gian Carlo VENTURINI  
Sec. of Tourism, Sports, & Economic Planning Fabio BERARDI  
Permanent Representative to the UN, New York Daniele BODINI

-- as of Jan. 2016

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## Leader Biography

## Leader Biography

### LEADERSHIP OF SAN MARINO

Heads of State:

Two Ruling Captains -- From October 2015, the Ruling Captains were Lorella Stefanelli and Nicola Renzi. Their term was set to expire in April 2016.

Note:

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six-month period. The Captains Regents preside over meetings of the Great and General Council and its cabinet, known as the Congress of State.

Head of Government:

Secretary of State for Foreign and Political Affairs Pasquale Valentini (since 2012); elected for a five-year term by the Great and General Council. Valentini's terms is set to end in 2017.

Cabinet:

Congress of State; elected for a five-year term by the Great and General Council.

-- See below for biographical information about Pasquale Valentini, the country's Secretary of State for Foreign and Political Affairs --

## PASQUALE VALENTINI

### Personal Data

Born in San Marino, where he resides, on 19 July 1953; married and father of three children.

In 1972 he obtained a High school diploma in Classical Studies, in San Marino, and in 1977 he graduated in Mathematics from the University of Bologna (Italy).

### Professional Activities

From 1977 to 1993 he taught mathematics, chemistry, physics and natural science at the Junior High School and in 1993 he obtained the Chair of Mathematics at the Upper Secondary School.

From October 2004 to February 2007 he was Director of the first and third Institutes of the Junior High School.

From the mid 70s to the mid 80s he actively participated in the social and cultural life of the country by holding trade union posts within the Democratic Confederation of San Marino Workers. With some friends he founded the Cultural Cooperative “Il Sentiero” and filled the position of Director of the School of Social Doctrine for three years.

### Political Activity

In 1988 he was elected member of the Great and General Council (Parliament) for the San Marino Christian Democratic Party. He was reconfirmed without interruption in the 1993, 1998, 2001, 2006, 2008 and 2012 elections.

He was a Member of several Parliamentary Commissions and of the Council of the Twelve; President of the Permanent Parliamentary Commission for Justice, Education, Culture and Cultural Goods, University and Scientific Research, Sport and Tourism and President of the Commission for the Code of Criminal Procedure.

During the XXV Legislature, he was Member of the Congress of State (Government) as Minister of Education, University and Cultural Institutes from July 2001 to June 2002 and subsequently from December 2002 to December 2003.

In January 2004 he became member of the Coordination Group for the San Marino Christian Democratic Party.

From 1988 he has held several posts within the San Marino Christian Democratic Party, including that of Vice Head of Parliamentary Group, member of the Leadership, Director of “San Marino” (official organ of the Party), member of the Political Secretariat and from February 2007 he held the post of Political Secretary for three years.



On 30 April 2010 he was appointed Minister of Finance and Budget and Relations with the Philatelic and Numismatic Autonomous State Corporation by the Great and General Council.

*Source: Government of San Marino online; available at URL: <http://www.esteri.sm/online/en/home/organisation-of-the-ministry.html>*

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## Foreign Relations

### General Relations

San Marino is an active player in the international community. Currently, the Republic has diplomatic relations with over 70 countries. The Papal Nuncio, based in Rome, is the dean of San Marino's diplomatic corps.

San Marino is a full member of the United Nations (UN), International Court of Justice (ICJ), United Nations Educational, Scientific and Cultural Organization (UNESCO), International Monetary Fund (IMF), World Health Organization (WHO), World Tourism Organization (WTO), Council of Europe, International Red Cross Organization, the International Institution for the Unification of Private Law (UNIDROIT), and Interpol, among others. It also cooperates with

UNICEF and the United Nations High Commission for Refugees (UNHCR) and has official relations with the European Union (EU). From May-November 1990 and from November 2006-May 2007, San Marino held the semi-annual presidency of the Committee of Ministers of the Council of Europe, headquartered in Strasbourg, France. In September 2000, San Marino became a member of the International Bank for Reconstruction and Development (World Bank).

### Regional Relations

Due to its geographical location, San Marino maintains close relations with Italy. By extension, it also has close relations with the European Union (EU). San Marino is also a member of the Council of Europe (CE), the Economic Commission for Europe (ECE), and the Organization for Security and Cooperation in Europe (OSCE).

It should be noted that the stability of the euro zone and the European Union has become a major concern in recent years, largely emanating from the Greek debt crisis, but extending regionally. Although San Marino is not a member state of the European Union, it uses the euro and, therefore, is affected by events in the region.

In late 2011, there were calls for serious changes to Europe's governing treaties, aimed at ameliorated economic governance for the 17 countries that make up the euro currency bloc. Included in their proposal were: (1) the creation of a monetary fund for Europe, (2) automatic penalties for countries that exceed European deficit limits, and (3) monthly meetings of European leaders. Meanwhile, the European Stability Mechanism (ESM), which was intended to replace the European Financial Stability Facility in 2013 (an entity intended as a rescue mechanism for struggling European economies), would be advanced earlier in 2012. Ideally, the new treaty would be ratified by all 27 member states of the European Union. However, if concurrence at that level proved impossible, then the 17 states of the euro zone would have to approve it.

### Other Significant Relations and Issues

The Organization for Economic Development (OECD) has expressed concern about small states that allow non-resident individuals and enterprises to pay little or no taxes, and then fail to provide financial information to those individuals' and enterprises' countries of origin. In June 2000, the OECD published a list of 35 alleged tax havens. San Marino was not on that list, having previously (that same month) agreed to comply with the OECD's tax and financial information disclosure reform proposals by 2005. In 2002, the OECD also named San Marino as one of the countries committed toward financial, regulatory and tax reform. In 2003, through 2004 and well into 2005, the issue of tax reform as well as financial and regulatory matters were again at the top of the political agenda.

In November 2005, the governments of San Marino and Cyprus signed a joint agreement titled "Protocol of Continued Negotiations." The two countries agreed to continue to support one another, promised signing further joint agreements, and exchanged views on the International Maritime Organization and the World Tourism Organization.

At the close of 2005, San Marino established diplomatic relations with Singapore. A statement from Singapore's Ministry of Foreign Affairs read, "The Government of the Republic of Singapore and the Government of the Republic of San Marino, wishing to strengthen and develop friendly relations between them, have agreed to establish diplomatic relations at Ambassadorial level with effect from Dec. 9, 2005."

Meanwhile, also in the second half of 2006, San Marino, as a member of the Council of Europe, had to submit a report detailing knowledge pertaining to the illegal practice of "extraordinary rendition" carried out by the United States' Central Intelligence Agency (CIA). Essentially, the request by the 46-member Council of Europe was aimed at determining if any European country was involved in the practice of taking terror suspects to clandestine prisons outside the United States for interrogation. Indeed, international attention was focused on the matter after the Washington Post newspaper reported that Europe was home to some of the United States CIA's "black sites" -- these secret camps used by the United States intelligence agency to interrogate terror suspects. By February 2006, however, San Marino had not yet submitted its report.

Also in February 2006, the news service, United Press International reported that sensitive European Union documents showed that the regional bloc agreed to allow the United States liberal access to its airspace (for the purpose of transporting terror suspects) in 2003, but then tries to cover it up. The revelation contributed to a growing scandal about European complicity in the illegal transfer of prisoners across the world.

The United States established diplomatic relations with San Marino in 1861. The two countries enjoy friendly relations and are on excellent terms. The United States and San Marino work together in areas such as international trade and the promotion of democracy and human rights. San Marino consistently supports U.S. foreign policy positions, as well as U.S. candidates to international organizations. The United States does not have an embassy in San Marino, but the U.S. Ambassador to Italy is also accredited to San Marino. For consular purposes, San Marino is within the jurisdiction of the Florence consular district. Consulate officials regularly visit San Marino to carry out diplomatic demarches, represent U.S. interests, and administer consular services.

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Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com); see

Bibliography for research sources.

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## **National Security**

### **External Threats**

No nation poses an immediate threat to San Marino's national security. Surrounded by Italy, the tiny nation of approximately 31,000 inhabitants has no standing army. It has a voluntary force that performs ceremonial duties and provides some law enforcement assistance.

### **Crime**

The overall rate of crime in San Marino is low. The steady influx of tourists does present an opportunity for thieves, however.

### **Insurgencies**

There are no insurgent movements operating inside or outside of San Marino that directly threaten its government or general population.

### **Terrorism**

There is no specific threat of terrorism against San Marino, nor has it been a traditional target of terrorist violence. San Marino is party to two of the twelve international conventions and protocols pertaining to terrorism.

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## **Defense Forces**

## **Military Data**

### **Military Branches:**

no regular military forces; voluntary Military Corps (Corpi Militari) performs ceremonial duties and limited police support functions

### **Eligible age to enter service:**

18 is the legal minimum age for voluntary military service

### **Mandatory Service Terms:**

no conscription

### **Manpower in general population-fit for military service:**

N/A

### **Manpower reaching eligible age annually:**

N/A

### **Military Expenditures (in US \$):**

N/A

### **Percent of GDP:**

N/A

### **Note:**

Defense is the responsibility of Italy



# **Chapter 3**

## **Economic Overview**

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## Economic Overview

### *Overview*

San Marino is a landlocked country located in central Italy with a population of about 30,570. The economy of San Marino is closely linked with that of Italy, and 90 percent of its trade is with Italy. Although the euro is its official currency, San Marino does not formally belong to the euro area. San Marino's banks do not have access to euro-system liquidity and have only indirect access to the EU area payment system via Italian banks. Such an arrangement has limited San Marino's ability to respond to systemic liquidity shocks. As such, following several years of strong growth, San Marino's economy began to be affected by the global financial crisis in the second half of 2008, and economic conditions deteriorated further in 2009 with the deepening of the global crisis. While the financial sector withstood liquidity pressures relatively well due to the government's measures in response to the crisis, the sector remained vulnerable in the short term due to the exposure of its largest bank to a troubled Italian banking group that was still facing financial difficulty. In September 2009, the OECD removed San Marino from its list of tax havens that have yet to fully implement global tax standards, and in 2010 San Marino signed Tax Information Exchange Agreements with most major countries. Meanwhile, industrial production declined sharply in 2010, especially in the textile sector. Rising unemployment, stagnant wage growth, and lower confidence all contributed to a fall in consumption and a decline in the real GDP growth rate in 2010 and 2011. The recession was expected to linger in 2012 as the economy remained fragile. Banks' profitability and capital have weakened significantly, mainly due to rising nonperforming loans. A sizeable decline in tax revenue has led to a weakening of the fiscal position.

Despite the vulnerabilities, however, San Marino's economy is not dominated by the financial sector, which is positive in terms of future growth prospects. The industry sector is the largest contributor to GDP (38 percent), followed by tourism and commerce, which account for about 20 percent of GDP. The financial sector accounts for about 19 percent of GDP, but employs only about 5 percent of the work force. In addition, the fiscal position remains relatively sound due to prudent fiscal policies over the past several years. While the fiscal policies to support the economy during a crisis are broadly appropriate, a consolidation strategy is needed to ensure fiscal sustainability. The future of the country's economy will be heavily influenced by the signing of a financial information exchange agreement with Italy, which many Italian investors see as fundamental for their business operations with San Marino.



For the first time since 2009, there were signs of improvements in the financial sector in the third quarter of 2012. San Marino continued to work towards harmonizing its fiscal laws with EU and international standards. As of May 2013, however, the country was still in the midst of a deep and prolonged recession, with the decline in GDP since 2007 amounting to an estimated cumulative 28 percent. In July 2013, Fitch Ratings affirmed San Marino's long-term foreign currency Issuer Default Rating (IDR) at 'BBB+' with a negative outlook. The ratings agency said the rating “balances the resilience of public finances and remaining financing flexibility against a protracted recession and mounting contingent liabilities arising from a weak domestic financial sector more than four times the size of GDP. Fitch went on to point out that while substantial fiscal reserves accumulated prior to the crisis had proved to be an effective buffer against external shocks, they were now nearly exhausted. Overall, San Marino’s medium-term economic outlook was dimmed by the structural decline of its offshore financial sector and Italy’s highly uncertain outlook.

In 2013 San Marino's government signed a Double Taxation Agreement with Italy, but a referendum on EU membership failed to reach the quorum needed to bring it to a vote. By January 2014, Fitch Ratings had affirmed San Marino's long-term Foreign Currency Issuer Default Rating (IDR) at 'BBB+' with a Negative Outlook. The ratings agency noted that recapitalizing the financial sector had cost the sovereign more than 10 percent of GDP and precipitated a prolonged recession, according to Reuters. Credit growth also remained negative. Over the medium term, Fitch said San Marino’s financial sector's future was highly uncertain considering that improved transparency and compliance with international regulations had made it less attractive as an offshore financial center.

After rising markedly from 2011 to 2013, total public debt fell slightly in 2014, to an estimated 20 percent of GDP, according to Fitch Ratings. This was well below the median of 'BBB' countries. Fitch predicted that public debt would remain broadly stable in 2015 and 2016, with the government focusing on rebuilding deposits to ensure greater financial flexibility. In April 2015, the IMF reported that San Marino’s economy was stabilizing, reflecting San Marino’s improved relations with Italy and stable bank deposits. As a result, modest positive growth was expected for the year. In June 2015, Fitch Ratings affirmed San Marino's Long-term Issuer Default Rating (IDR) at 'BBB+' with a Stable Outlook.

### ***Economic Performance***

Following robust growth from 2004 to 2007, real GDP slowed sharply to a negative rate in 2008 and continued to contract in 2009 as a result of the global economic crisis.

According to CountryWatch estimated calculations for 2014:

Real GDP growth rate was: 0.0 percent

The fiscal deficit/surplus as percent of GDP (%) was: -2.0 percent

Inflation was measured at: 1.7 percent

*Updated in 2015*

*\*Please note that the figures in our Economic Performance section are estimates or forecasts based on IMF-based data that are formulated using CountryWatch models of analysis.*

*Supplementary Sources: International Monetary Fund and Reuters*

## **Special Entry**

### Summary of 2008 credit crisis

A financial farrago, rooted in the credit crisis, became a global phenomenon by the start of October 2008. In the United States, after failure of the passage of a controversial bailout plan in the lower chamber of Congress, an amended piece of legislation finally passed through both houses of Congress. There were hopes that its passage would calm jitters on Wall Street and restore confidence in the country's financial regime. With the situation requiring rapid and radical action, a new proposal for the government to bank stakes was gaining steam. Meanwhile, across the Atlantic in Europe, a spate of banking crises resulted in nationalization measures for the United Kingdom bank, Bradford and Bingley, joint efforts by the Netherlands, Belgium and Luxembourg to shore up Fortis, joint efforts by France, Belgium, and Luxembourg to shore up Dexia, a rescue plan for Hypo Real Estate, and the quasi-bankruptcy of Iceland's economy. Indeed, Iceland's liabilities were in gross excess of the country's GDP. With further banks also in jeopardy of failing, and with no coordinated efforts to stem the tide by varying countries of the European Union, there were rising anxieties not only about the resolving the financial crisis, but also about the viability of the European bloc.

On Sept. 4, 2008, the leaders of key European states -- United Kingdom, France, Germany, and Italy -- met in the French capital city of Paris to discuss the financial farrago and to consider possible action. The talks, which were hosted by French President Nicolas Sarkozy, ended without consensus on what should be done to deal with the credit crisis, which was rapidly becoming a global phenomenon. The only thing that the four European countries agreed upon was that there would not be a grand rescue plan, akin to the type that was initiated in the United States. As well, they jointly called for greater regulation and a coordinated response. To that latter end, President Nicolas Sarkozy said, "Each government will operate with its own methods and means, but in a coordinated manner."

This call came after Ireland took independent action to deal with the burgeoning financial crisis. Notably, the Irish government decided days earlier to fully guarantee all deposits in the country's major banks for a period of two years. The Greek government soon followed suit with a similar

action. These actions by Ireland and Greece raised the ire of other European countries, and evoked questions of whether Ireland and Greece had violated any European Union charters.

Nevertheless, as anxieties about the safety of bank deposits rose across Europe, Ireland and Greece saw an influx of new banking customers from across the continent, presumably seeking the security of knowing their money would be safe amidst a financial meltdown. And even with questions rising about the decisions of the Irish and Greek government, the government of Germany decided to go down a similar path by guaranteeing all private bank accounts. For his part, British Prime Minister Gordon Brown said that his government would increase the limit on guaranteed bank deposits from £35,000 to £50,000.

In these various ways, it was clear that there was no concurrence among some of Europe's most important economies. In fact, despite the meeting in France, which called for coordination among the countries of the European bloc, there was no unified response to the global financial crisis. Instead, that meeting laid bare the divisions within the countries of the European Union, and called into question the very viability of the European bloc. Perhaps that question of viability would be answered at a forthcoming G8 summit, as recommended by those participating in the Paris talks.

A week later, another meeting of European leaders in Paris ended with concurrence that no large institution would be allowed to fail. The meeting, which was attended by leaders of euro zone countries, resulted in an agreement to guarantee loans between banks until the end of 2009, with an eye on easing the credit crunch. The proposal, which would apply in 15 countries, also included a plan for capital infusions by means of purchasing preference shares from banks. The United Kingdom, which is outside the euro zone, had already announced a similar strategy.

French President Nicolas Sarkozy argued that these unprecedented measures were of vital importance. The French leader said, "The crisis has over the past few days entered into a phase that makes it intolerable to opt for procrastination and a go-it-alone approach."

#### Europe facing financial crisis as banking bail-out looms large

In early 2009, according to the European Commission, European banks may be in need of as much as several trillion in bailout funding. Impaired or toxic assets factor highly on the European Union bank balance sheets. Economist Nouriel Roubini warned that the economies of Ukraine, Belarus, Hungary, Latvia and Lithuania appeared to be on the brink of disaster. Overall, Eastern European countries borrowed heavily from Western European banks. Thus, even if the currencies on the eastern part of the continent collapse, effects will be felt in the western part of Europe as well. For example, Swiss banks that gave billions of credit to Eastern Europe cannot look forward to repayment anytime soon. As well, Austrian banks have had extensive exposure to Eastern Europe, and can anticipate a highly increased cost of insuring its debt. German Finance Minister Peer Steinbrueck has warned that as many as 16 European Union countries would require

assistance. Indeed, his statements suggested the need for a regional rescue effort.

### European Union backs financial regulation overhaul

With the global financial crisis intensifying, leaders of European Union countries backed sweeping financial regulations. Included in the package of market reforms were sanctions on tax havens, caps on bonus payments to management, greater hedge fund regulation, and increased influence by the International Monetary Fund. European leaders also backed a charter of sustainable economic activity, that would subject all global financial activities to both regulation and accountability by credit rating agencies.

These moves were made ahead of the Group of 20 summit scheduled for April 2, 2009, in London. It was not known whether other countries outside Europe, such as the United States, Japan, India and China, would support the new and aggressive regime of market regulation. That said, German Chancellor Angela Merkel said in Berlin that Europe had a responsibility to chart this track. She said, "Europe will own up to its responsibility in the world."

### Leaders forge \$1 trillion deal at G-20 summit in London

Leaders of the world's largest economies, known as the "G-20," met in London to explore possible responses to the global financial crisis. To that end, they forged a deal valued at more than US\$1 trillion.

Central to the agreement was an infusion of \$750 billion to the International Monetary Fund (IMF), which was aimed at helping troubled economies. Up to \$100 billion of that amount was earmarked to assist the world's very poorest countries -- an amount far greater than had been expected. In many senses, the infusion of funding to the IMF marked a strengthening of that body unseen since the 1980s.

In addition, the G-20 leaders settled on a \$250 billion increase in global trade. The world's poorest countries would also benefit from the availability of \$250 billion of trade credit.

After some debate, the G-20 leaders decided to levy sanctions against clandestine tax havens and to institute strict financial regulations. Such regulations included tougher controls on banking professionals' salaries and bonuses, and increased oversight of hedge funds and credit rating agencies. A Financial Stability Board was to be established that would work in concert with the IMF to facilitate cross-border cooperation, and also to provide early warnings regarding the financial system.

Aside from these measures, the G-20 countries were already implementing their own economic stimulus measures at home, aimed at reversing the global recession. Together, these economic stimulus packages would inject approximately \$5 trillion by the end of 2010.

United Kingdom Prime Minister Gordon Brown played host at the meeting, which most concurred went off successfully, despite the presence of anti-globalization and anarchist protestors. Prime Minister Brown warned that there was "no quick fix" for the economic woes facing the international community, but he drew attention to the consensus that had been forged in the interest of the common good. He said, "This is the day that the world came together to fight back against the global recession, not with words, but with a plan for global recovery and for reform and with a clear timetable for its delivery."

All eyes were on United States President Barack Obama, who characterized the G-20 summit as "a turning point" in the effort towards global economic recovery. He also hailed the advances agreed upon to reform the failed regulatory regime that contributed to the financial crisis that has gripped many of the economies across the globe. Thusly, President Obama declared the London summit to be historic saying, "It was historic because of the size and the scope of the challenges that we face and because of the timeliness and the magnitude of our response."

Ahead of the summit, there were reports of a growing rift between the respective duos of France and Germany and the United States and the United Kingdom. While France and Germany were emphasizing stricter financial regulations, the United States and the United Kingdom were advocating public spending to deal with the economic crisis. Indeed, French President Nicolas Sarkozy had threatened to bolt the meeting if his priority issues were not addressed. But such an end did not occur, although tensions were existent.

To that end, President Obama was hailed for his diplomatic skills after he brokered an agreement between France and China on tax havens. The American president played the role of peacemaker between French President Sarkozy and Chinese Premier Hu Jintao, paving the way for a meeting of the minds on the matter of tax havens.

French President Nicolas Sarkozy said the concurrence reached at the G-20 summit were "more than we could have hoped for." President Sarkozy also credited President Obama for the American president's leadership at the summit, effusively stating: "President Obama really found the consensus. He didn't focus exclusively on stimulus ... In fact it was he who managed to help me persuade [Chinese] President Hu Jintao to agree to the reference to the ... publication of a list of tax havens, and I wish to thank him for that."

Meanwhile, German Chancellor Angela Merkel also expressed positive feedback about the success of the summit noting that the new measures would give the international arena a "clearer financial market architecture." She noted the agreement reached was "a very, very good, almost historic compromise." Finally, Chancellor Merkel had warm words of praise for President Obama. "The American president also put his hand into this," said Merkel.

Note: The G-20 leaders agreed to meet again in September 2009 in New York to assess the

progress of their agenda.

### **Editor's Note**

It should be noted that the stability of the euro zone and the European Union has become a major concern in recent years, largely emanating from the Greek debt crisis, but extending regionally. Although San Marino is not a member state of the European Union, it uses the euro and, therefore, is affected by events in the region.

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### **Nominal GDP and Components**

| <b>Nominal GDP and Components</b>     |             |             |             |             |             |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
|                                       | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> |
| Nominal GDP (LCU billions)            | 1.510       | 1.588       | 1.670       | 1.757       | 1.363       |
| Nominal GDP Growth Rate (%)           | 5.191       | 5.191       | 5.191       | 5.191       | -21.6463    |
| Consumption (LCU billions)            | 0.8454      | 0.8893      | 0.9354      | 0.9840      | 0.7717      |
| Government Expenditure (LCU billions) | 0.3170      | 0.3335      | 0.3508      | 0.3690      | 0.2894      |

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|  | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> |
|--|-------------|-------------|-------------|-------------|-------------|
| Gross Capital Formation (LCU billions)     | 0.2868      | 0.3017      | 0.3174      | 0.3339      | 0.2479      |
| Exports of Goods & Services (LCU billions) | 0.6340      | 0.6670      | 0.7016      | 0.7380      | 0.7557      |
| Imports of Goods & Services (LCU billions) | 0.5888      | 0.6193      | 0.6515      | 0.6853      | 0.7017      |

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**Population and GDP Per Capita**

| Population and GDP Per Capita      |           |           |           |           |           |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|
|                                    | 2011      | 2012      | 2013      | 2014      | 2015      |
| Population, total (million)        | 0.0310    | 0.0310    | 0.0310    | 0.0310    | 0.0310    |
| Population growth (%)              | 0.0000    | 0.0000    | 0.0000    | 0.0000    | 0.0000    |
| Nominal GDP per Capita (LCU 1000s) | 48,697.76 | 51,225.46 | 53,884.37 | 56,681.28 | 43,967.74 |



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**Real GDP and Inflation**

| Real GDP and Inflation                               |         |         |         |         |          |
|--|---------|---------|---------|---------|----------|
|  | 2011    | 2012    | 2013    | 2014    | 2015     |
| Real Gross Domestic Product (LCU billions 2005 base) | 1.421   | 1.458   | 1.512   | 1.591   | 1.228    |
| Real GDP Growth Rate (%)                             | 4.116   | 2.561   | 3.741   | 5.191   | -22.8156 |
| GDP Deflator (2005=100.0)                            | 106.223 | 108.946 | 110.468 | 110.468 | 111.020  |
| Inflation, GDP Deflator (%)                          | 1.032   | 2.563   | 1.397   | 0.0000  | 0.4997   |

## Government Spending and Taxation

| Government Spending and Taxation                    |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|
|   | 2011    | 2012    | 2013    | 2014    | 2015    |
| Government Fiscal Budget (billions)                 | 0.3310  | 0.3220  | 0.2960  | 0.3120  | 0.3090  |
| Fiscal Budget Growth Rate (percentage)              | -4.3353 | -2.7190 | -8.0745 | 5.405   | -0.9615 |
| National Tax Rate Net of Transfers (%)              | 17.885  | 18.010  | 16.523  | 16.903  | 21.570  |
| Government Revenues Net of Transfers (LCU billions) | 0.2700  | 0.2860  | 0.2760  | 0.2970  | 0.2940  |
| Government Surplus(-) Deficit(+) (LCU billions)     | -0.0610 | -0.0360 | -0.0200 | -0.0150 | -0.0150 |
| Government Surplus(+) Deficit(-) (%GDP)             | -4.0407 | -2.2670 | -1.1973 | -0.8537 | -1.1005 |

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## Money Supply, Interest Rates and Unemployment

| Money Supply, Interest Rates and Unemployment |        |       |       |       |          |
|---|--------|-------|-------|-------|----------|
|   | 2011   | 2012  | 2013  | 2014  | 2015     |
| Money and Quasi-Money (M2) (LCU billions)     | 0.9491 | 1.005 | 1.087 | 1.183 | 0.9174   |
| Money Supply Growth Rate (%)                  | 4.460  | 5.856 | 8.148 | 8.845 | -22.4299 |
| Lending Interest Rate (%)                     | 5.920  | 6.360 | 6.207 | 6.023 | 7.390    |
| Unemployment Rate (%)                         | 5.469  | 6.909 | 8.079 | 8.739 | 8.439    |

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## Foreign Trade and the Exchange Rate

| Foreign Trade and the Exchange Rate             |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
|   | 2011   | 2012   | 2013   | 2014   | 2015   |
| Official Exchange Rate (LCU/\$US)               | 0.7343 | 0.8812 | 0.9270 | 0.9838 | 0.8833 |
| Trade Balance NIPA (\$US billions)              | 0.0617 | 0.0541 | 0.0541 | 0.0536 | 0.0611 |
| Trade Balance % of GDP                          | 3.000  | 3.000  | 3.000  | 3.000  | 3.960  |
| Total Foreign Exchange Reserves (\$US billions) | 0.3419 | 0.3850 | 0.5393 | 0.3920 | 0.4984 |

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**Data in US Dollars**

| Data in US Dollars          |        |        |        |        |        |
|-----------------------------|--------|--------|--------|--------|--------|
|                             | 2011   | 2012   | 2013   | 2014   | 2015   |
| Nominal GDP (\$US billions) | 2.056  | 1.802  | 1.802  | 1.786  | 1.543  |
| Exports (\$US billions)     | 0.8635 | 0.7568 | 0.7568 | 0.7501 | 0.8555 |
| Imports (\$US billions)     | 0.8018 | 0.7028 | 0.7028 | 0.6965 | 0.7944 |

## Energy Consumption and Production Standard Units

| Energy Consumption and Production Standard Units |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
|  | 2011    | 2012    | 2013    | 2014    | 2015    |
| Petroleum Consumption (TBPD)                     | 0.7677  | 0.7479  | 0.7467  | 0.7317  | 0.7421  |
| Petroleum Production (TBPD)                      | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Petroleum Net Exports (TBPD)                     | -0.7677 | -0.7479 | -0.7467 | -0.7317 | -0.7421 |
| Natural Gas Consumption (bcf)                    | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Natural Gas Production (bcf)                     | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Natural Gas Net Exports (bcf)                    | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Coal Consumption (1000s st)                      | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Coal Production (1000s st)                       | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Coal Net Exports (1000s st)                      | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Nuclear Production (bil kwh)                     | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Hydroelectric Production (bil kwh)               | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Renewables Production (bil kwh)                  | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |

## Energy Consumption and Production QUADS

| Energy Consumption and Production QUADS |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|
|   | 2011    | 2012    | 2013    | 2014    | 2015    |
| Petroleum Consumption (Quads)           | 0.0016  | 0.0016  | 0.0016  | 0.0016  | 0.0016  |
| Petroleum Production (Quads)            | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Petroleum Net Exports (Quads)           | -0.0016 | -0.0016 | -0.0016 | -0.0016 | -0.0016 |
| Natural Gas Consumption (Quads)         | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Natural Gas Production (Quads)          | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Natural Gas Net Exports (Quads)         | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Coal Consumption (Quads)                | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Coal Production (Quads)                 | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Coal Net Exports (Quads)                | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Nuclear Production (Quads)              | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Hydroelectric Production (Quads)        | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |
| Renewables Production (Quads)           | 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0000  |

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## World Energy Price Summary

| World Energy Price Summary       |         |        |        |        |        |
|----------------------------------|---------|--------|--------|--------|--------|
|                                  | 2011    | 2012   | 2013   | 2014   | 2015   |
| Petroleum-WTI (\$/bbl)           | 95.054  | 94.159 | 97.943 | 93.112 | 48.709 |
| Natural Gas-Henry Hub (\$/mmbtu) | 3.999   | 2.752  | 3.729  | 4.369  | 2.614  |
| Coal Thermal-Australian (\$/mt)  | 121.448 | 96.364 | 84.562 | 70.130 | 57.511 |



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## CO2 Emissions

| CO2 Emissions                 |        |        |        |        |        |
|-------------------------------|--------|--------|--------|--------|--------|
|                               | 2011   | 2012   | 2013   | 2014   | 2015   |
| Petroleum Based (mm mt C)     | 0.0366 | 0.0357 | 0.0356 | 0.0349 | 0.0354 |
| Natural Gas Based (mm mt C)   | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Coal Based (mm mt C)          | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Total CO2 Emissions (mm mt C) | 0.0366 | 0.0357 | 0.0356 | 0.0349 | 0.0354 |

## Agriculture Consumption and Production

| Agriculture Consumption and Production        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
|   | 2011   | 2012   | 2013   | 2014   | 2015   |
| Corn Total Consumption (1000 metric tons)     | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Corn Production (1000 metric tons)            | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Corn Net Exports (1000 metric tons)           | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Soybeans Total Consumption (1000 metric tons) | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Soybeans Production (1000 metric tons)        | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Soybeans Net Exports (1000 metric tons)       | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Rice Total Consumption (1000 metric tons)     | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Rice Production (1000 metric tons)            | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Rice Net Exports (1000 metric tons)           | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Coffee Total Consumption (metric tons)        | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Coffee Production (metric tons)               | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

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|   | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> |
|---|-------------|-------------|-------------|-------------|-------------|
| Coffee Net Exports (metric tons)            | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Cocoa Beans Total Consumption (metric tons) | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Cocoa Beans Production (metric tons)        | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Cocoa Beans Net Exports (metric tons)       | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Wheat Total Consumption (1000 metric tons)  | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Wheat Production (1000 metric tons)         | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Wheat Net Exports (1000 metric tons)        | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |

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## World Agriculture Pricing Summary

| World Agriculture Pricing Summary            |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
|  | 2011    | 2012    | 2013    | 2014    | 2015    |
| Corn Pricing Summary<br>(\$/metric ton)      | 291.684 | 298.417 | 259.389 | 192.881 | 169.750 |
| Soybeans Pricing Summary<br>(\$/metric ton)  | 540.667 | 591.417 | 538.417 | 491.771 | 390.417 |
| Rice Pricing Summary (\$/metric<br>ton)      | 458.558 | 525.071 | 473.989 | 425.148 | 386.033 |
| Coffee Pricing Summary<br>(\$/kilogram)      | 5.976   | 4.111   | 3.076   | 4.424   | 3.526   |
| Cocoa Beans Pricing Summary<br>(\$/kilogram) | 2.980   | 2.392   | 2.439   | 3.062   | 3.135   |
| Wheat Pricing Summary<br>(\$/metric ton)     | 316.264 | 313.242 | 312.248 | 284.895 | 203.177 |

## Metals Consumption and Production

| Metals Consumption and Production |        |        |        |        |        |
|-----------------------------------|--------|--------|--------|--------|--------|
|                                   | 2011   | 2012   | 2013   | 2014   | 2015   |
| Copper Consumption (1000 mt)      | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Copper Production (1000 mt)       | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Copper Net Exports (1000 mt)      | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Zinc Consumption (1000 mt)        | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Zinc Production (1000 mt)         | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Zinc Exports (1000 mt)            | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Lead Consumption (1000 mt)        | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Lead Production (1000 mt)         | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Lead Exports (1000 mt)            | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Tin Consumption (1000 mt)         | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Tin Production (1000 mt)          | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Tin Exports (1000 mt)             | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Nickel Consumption (1000 mt)      | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Nickel Production (1000 mt)       | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

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|                          | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> |
|--------------------------|-------------|-------------|-------------|-------------|-------------|
| Nickel Exports (1000 mt) | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Gold Consumption (kg)    | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Gold Production (kg)     | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Gold Exports (kg)        | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Silver Consumption (mt)  | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Silver Production (mt)   | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |
| Silver Exports (mt)      | 0.0000      | 0.0000      | 0.0000      | 0.0000      | 0.0000      |

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## World Metals Pricing Summary

| World Metals Pricing Summary |           |           |           |           |           |
|------------------------------|-----------|-----------|-----------|-----------|-----------|
|                              | 2011      | 2012      | 2013      | 2014      | 2015      |
| Copper (\$/mt)               | 8,828.19  | 7,962.35  | 7,332.10  | 6,863.40  | 5,510.46  |
| Zinc (\$/mt)                 | 2,193.90  | 1,950.41  | 1,910.26  | 2,160.97  | 1,931.68  |
| Tin (\$/mt)                  | 26,053.68 | 21,125.99 | 22,282.80 | 21,898.87 | 16,066.63 |
| Lead (\$/mt)                 | 2,400.81  | 2,064.64  | 2,139.79  | 2,095.46  | 1,787.82  |
| Nickel (\$/mt)               | 22,910.36 | 17,547.55 | 15,031.80 | 16,893.38 | 11,862.64 |
| Gold (\$/oz)                 | 1,569.21  | 1,669.52  | 1,411.46  | 1,265.58  | 1,160.66  |
| Silver (\$/oz)               | 35.224    | 31.137    | 23.850    | 19.071    | 15.721    |

## Economic Performance Index

### Economic Performance Index

The Economic Performance rankings are calculated by CountryWatch's editorial team, and are based on criteria including sustained economic growth, monetary stability, current account deficits, budget surplus, unemployment and structural imbalances. Scores are assessed from 0 to 100 using this aforementioned criteria as well as CountryWatch's proprietary economic research data and models.

|                       | Bank<br>stability<br>risk | Monetary/<br>Currency<br>stability | Government<br>Finances | Empl./<br>Unempl. | Econ.GNP<br>growth or<br>decline/<br>forecast |
|-----------------------|---------------------------|------------------------------------|------------------------|-------------------|---|
|                       | 0 - 100                   | 0 - 100                            | 0 - 100                | 0 - 100           | %   |
| <b>North Americas</b> |                           |                                    |                        |                   |   |
| Canada                | 92                        | 69                                 | 35                     | 38                | 3.14%   |
| United States         | 94                        | 76                                 | 4                      | 29                | 3.01%   |
| <b>Western Europe</b> |                           |                                    |                        |                   |   |
| Austria               | 90                        | 27                                 | 30                     | 63                | 1.33%   |
| Belgium               | 88                        | 27                                 | 19                     | 23                | 1.15%   |
| Cyprus                | 81                        | 91                                 | 16                     | 80                | -0.69%  |
| Denmark               | 97                        | 70                                 | 45                     | 78                | 1.20%   |
| Finland               | 89                        | 27                                 | 41                     | 33                | 1.25%   |



|                                   |    |    |    |    |        |
|-----------------------------------|----|----|----|----|--------|
| France                            | 87 | 27 | 18 | 27 | 1.52%  |
| Germany                           | 86 | 27 | 22 | 21 | 1.25%  |
| Greece                            | 79 | 27 | 5  | 24 | -2.00% |
| Iceland                           | 90 | 17 | 2  | 34 | -3.04% |
| Italy                             | 85 | 27 | 37 | 24 | 0.84%  |
| Ireland                           | 92 | 27 | 11 | 10 | -1.55% |
| Luxembourg                        | 99 | 27 | 28 | 66 | 2.08%  |
| Malta                             | 77 | 27 | 41 | 51 | 0.54%  |
| Netherlands                       | 91 | 27 | 26 | 74 | 1.30%  |
| Norway                            | 98 | 44 | 10 | 76 | 1.08%  |
| Portugal                          | 77 | 27 | 13 | 20 | 0.29%  |
| Spain                             | 83 | 27 | 9  | 3  | -0.41% |
| Sweden                            | 94 | 72 | 54 | 32 | 1.23%  |
| Switzerland                       | 97 | 86 | 55 | 77 | 1.53%  |
| United Kingdom                    | 85 | 12 | 9  | 37 | 1.34%  |
| <b>Central and Eastern Europe</b> |    |    |    |    |        |
| Albania                           | 44 | 60 | 33 | 6  | 2.30%  |
| Armenia                           | 45 | 59 | 49 | 30 | 1.80%  |

|                        |    |     |    |     |        |
|------------------------|----|-----|----|-----|--------|
| Azerbaijan             | 56 | 4   | 84 | 99  | 2.68%  |
| Belarus                | 59 | 21  | 83 | 98  | 2.41%  |
| Bosnia and Herzegovina | 34 | 68  | 69 | N/A | 0.50%  |
| Bulgaria               | 58 | 75  | 88 | 49  | 0.20%  |
| Croatia                | 69 | 68  | 94 | 9   | 0.18%  |
| Czech Republic         | 80 | 89  | 29 | 70  | 1.67%  |
| Estonia                | 72 | 90  | 66 | 92  | 0.80%  |
| Georgia                | 36 | 60  | 53 | 56  | 2.00%  |
| Hungary                | 70 | 66  | 26 | 54  | -0.16% |
| Latvia                 | 67 | 100 | 65 | 44  | -3.97% |
| Lithuania              | 65 | 91  | 87 | 79  | -1.65% |
| Macedonia (FYR)        | 53 | 69  | 56 | 2   | 2.03%  |
| Moldova                | 23 | 36  | 81 | 67  | 2.50%  |
| Poland                 | 74 | 74  | 38 | 12  | 2.72%  |
| Romania                | 62 | 56  | 70 | 62  | 0.75%  |
| Russia                 | 73 | 18  | 90 | 8   | 4.00%  |
| Serbia                 | 48 | 49  | 52 | 5   | 1.97%  |
|                        |    |     |    |     |        |

|                          |    |    |    |     |        |
|--------------------------|----|----|----|-----|--------|
| Montenegro               | 39 | 27 | 73 | 1   | -1.70% |
| Slovak Republic          | 80 | 62 | 30 | 14  | 4.06%  |
| Slovenia                 | 81 | 27 | 36 | 65  | 1.12%  |
| Ukraine                  | 41 | 11 | 57 | N/A | 3.68%  |
| Africa                   |    |    |    |     |        |
| Algeria                  | 57 | 18 | 96 | 7   | 4.55%  |
| Angola                   | 49 | 1  | 97 | N/A | 7.05%  |
| Benin                    | 19 | 91 | 20 | N/A | 3.22%  |
| Botswana                 | 68 | 58 | 76 | N/A | 6.33%  |
| Burkina Faso             | 16 | 91 | 13 | N/A | 4.41%  |
| Burundi                  | 2  | 91 | 6  | N/A | 3.85%  |
| Cameroon                 | 26 | 91 | 91 | N/A | 2.58%  |
| Cape Verde               | 52 | 87 | 4  | N/A | 4.96%  |
| Central African Republic | 9  | 91 | 32 | N/A | 3.18%  |
| Chad                     | 22 | 91 | 89 | N/A | 4.42%  |
| Congo                    | 52 | 87 | 87 | N/A | 12.13% |
| Côte d'Ivoire            | 25 | 91 | 82 | 28  | 2.98%  |
| Dem. Republic            |    |    |    |     |        |

|                   |    |    |    |     |        |
|-------------------|----|----|----|-----|--------|
| Congo             | 4  | 91 | 47 | N/A | 5.44%  |
| Djibouti          | 31 | 76 | 50 | N/A | 4.47%  |
| Egypt             | 37 | 20 | 24 | 69  | 5.01%  |
| Equatorial Guinea | 82 | 91 | 85 | N/A | 0.94%  |
| Eritrea           | 1  | 3  | 1  | 18  | 1.81%  |
| Ethiopia          | 6  | 45 | 8  | N/A | 6.96%  |
| Gabon             | 64 | 91 | 96 | N/A | 5.36%  |
| Gambia            | 8  | 48 | 86 | N/A | 4.82%  |
| Ghana             | 9  | 11 | 69 | N/A | 4.50%  |
| Guinea            | 10 | 7  | 91 | N/A | 3.03%  |
| Guinea-Bissau     | 5  | 91 | 46 | N/A | 3.47%  |
| Kenya             | 20 | 41 | 59 | N/A | 4.11%  |
| Lesotho           | 13 | 40 | 12 | N/A | 2.98%  |
| Liberia           | 12 | 73 | 74 | N/A | 5.92%  |
| Libya             | 73 | 2  | 94 | N/A | 5.22%  |
| Madagascar        | 4  | 22 | 24 | N/A | -1.02% |
| Malawi            | 7  | 25 | 55 | N/A | 5.96%  |
| Mali              | 20 | 91 | 82 | N/A | 5.12%  |

|                     |    |    |     |     |       |
|---------------------|----|----|-----|-----|-------|
| Mauritania          | 15 | 13 | 93  | N/A | 4.58% |
| Mauritius           | 65 | 52 | 56  | 55  | 4.10% |
| Morocco             | 37 | 72 | 48  | 26  | 3.23% |
| Mozambique          | 12 | 23 | 71  | N/A | 6.45% |
| Namibia             | 40 | 39 | 62  | N/A | 1.70% |
| Niger               | 10 | 91 | 21  | N/A | 4.41% |
| Nigeria             | 30 | 6  | 61  | N/A | 6.98% |
| Rwanda              | 21 | 40 | 68  | N/A | 5.39% |
| Sao Tome & Principe | 1  | 61 | 100 | N/A | 3.40% |
| Senegal             | 24 | 91 | 63  | N/A | 3.44% |
| Seychelles          | 60 | 67 | 97  | N/A | 4.01% |
| Sierra Leone        | 5  | 10 | 39  | N/A | 4.77% |
| Somalia             | 2  | 38 | 59  | N/A | 3.19% |
| South Africa        | 61 | 37 | 70  | N/A | 2.59% |
| Sudan               | 16 | 5  | 73  | N/A | 5.52% |
| Swaziland           | 32 | 44 | 79  | N/A | 1.09% |
| Tanzania            | 15 | 45 | 32  | N/A | 6.17% |
| Togo                | 8  | 91 | 92  | N/A | 2.56% |

|                                      |    |    |    |     |       |
|--------------------------------------|----|----|----|-----|-------|
| Tunisia                              | 50 | 61 | 44 | 39  | 4.00% |
| Uganda                               | 11 | 17 | 54 | N/A | 5.59% |
| Zambia                               | 29 | 20 | 49 | N/A | 5.84% |
| Zimbabwe                             | 0  | 8  | 16 | N/A | 2.24% |
| <b>South and<br/>Central America</b> |    |    |    |     |       |
| Argentina                            | 66 | 3  | 80 | 36  | 3.50% |
| Belize                               | 47 | 76 | 80 | N/A | 1.00% |
| Bolivia                              | 32 | 51 | 61 | 81  | 3.99% |
| Brazil                               | 71 | 47 | 78 | 11  | 5.50% |
| Chile                                | 78 | 25 | 92 | 73  | 4.72% |
| Columbia                             | 47 | 52 | 34 | 47  | 2.25% |
| Costa Rica                           | 60 | 42 | 39 | 57  | 3.45% |
| Ecuador                              | 43 | 76 | 75 | 64  | 2.51% |
| El Salvador                          | 35 | 76 | 67 | N/A | 1.04% |
| Guatemala                            | 46 | 59 | 58 | N/A | 2.52% |
| Honduras                             | 27 | 47 | 58 | N/A | 2.00% |
| Mexico                               | 69 | 42 | 52 | 61  | 4.07% |
| Nicaragua                            | 23 | 49 | 42 | N/A | 1.75% |

|                    |     |     |     |     |        |
|--------------------|-----|-----|-----|-----|--------|
| Panama             | 66  | 76  | 72  | 45  | 5.00%  |
| Paraguay           | 35  | 46  | 66  | 16  | 5.27%  |
| Peru               | 59  | 66  | 75  | 22  | 6.33%  |
| Suriname           | 58  | 26  | 81  | 59  | 4.02%  |
| Uruguay            | 70  | 26  | 27  | N/A | 5.71%  |
| Venezuela          | 55  | 1   | 28  | 13  | -2.63% |
| <b>Caribbean</b>   |     |     |     |     |        |
| Antigua & Barbuda  | 72  | 76  | 15  | N/A | -2.01% |
| Bahamas            | 74  | 76  | 45  | 87  | -0.50% |
| Barbados           | 67  | 76  | 33  | 15  | -0.50% |
| Bermuda            | N/A | N/A | N/A | N/A | N/A    |
| Cuba               | 45  | 76  | 18  | 95  | 0.25%  |
| Dominica           | 53  | 76  | 65  | N/A | 1.40%  |
| Dominican Republic | 54  | 39  | 43  | 4   | 3.50%  |
| Grenada            | 63  | 76  | 48  | N/A | 0.80%  |
| Guyana             | 28  | 56  | 17  | N/A | 4.36%  |
| Haiti              | 11  | 27  | 89  | N/A | -8.50% |
| Jamaica            | 42  | 9   | 85  | 19  | -0.28% |

|                         |    |    |    |     |        |
|-------------------------|----|----|----|-----|--------|
| St Lucia                | 55 | 76 | 67 | N/A | 1.14%  |
| St Vincent & Grenadines | 49 | 76 | 95 | N/A | 0.50%  |
| Trinidad & Tobago       | 82 | 37 | 77 | 72  | 2.13%  |
| <b>Middle East</b>      |    |    |    |     |        |
| Bahrain                 | 84 | 76 | 62 | 91  | 3.48%  |
| Iran                    | 51 | 19 | 40 | 58  | 3.01%  |
| Iraq                    | 48 | 9  | 8  | N/A | 7.27%  |
| Israel                  | 87 | 62 | 12 | 48  | 3.20%  |
| Jordan                  | 41 | 51 | 3  | N/A | 4.10%  |
| Kuwait                  | 96 | 4  | 99 | N/A | 3.10%  |
| Lebanon                 | 63 | 54 | 2  | N/A | 6.00%  |
| Oman                    | 76 | 16 | 88 | N/A | 4.71%  |
| Qatar                   | 99 | 16 | 83 | N/A | 18.54% |
| Saudi Arabia            | 76 | 8  | 98 | N/A | 3.70%  |
| Syria                   | 61 | 24 | 40 | N/A | 5.00%  |
| Turkey                  | 75 | 23 | 27 | 60  | 5.20%  |
| United Arab Emirates    | 96 | 24 | 98 | 94  | 1.29%  |



|                 |    |    |    |     |        |
|-----------------|----|----|----|-----|--------|
| Yemen           | 28 | 2  | 78 | N/A | 7.78%  |
| <b>Asia</b>     |    |    |    |     |        |
| Afghanistan     | 17 | 70 | 74 | N/A | 8.64%  |
| Bangladesh      | 13 | 43 | 25 | N/A | 5.38%  |
| Bhutan          | 24 | 55 | 5  | N/A | 6.85%  |
| Brunei          | 78 | 19 | 99 | 75  | 0.48%  |
| Cambodia        | 18 | 67 | 42 | N/A | 4.77%  |
| China           | 54 | 90 | 19 | 68  | 11.03% |
| Hong Kong       | 89 | 76 | 14 | 82  | 5.02%  |
| India           | 31 | 38 | 34 | 35  | 8.78%  |
| Indonesia       | 42 | 46 | 37 | 31  | 6.00%  |
| Japan           | 88 | 89 | 6  | 71  | 1.90%  |
| Kazakhstan      | 62 | 13 | 76 | 42  | 2.40%  |
| Korea North     | 18 | 65 | 23 | N/A | 1.50%  |
| Korea South     | 83 | 63 | 22 | 85  | 4.44%  |
| Kyrgyz Republic | 24 | 15 | 84 | 88  | 4.61%  |
| Laos            | 17 | 54 | 7  | N/A | 7.22%  |
| Macao           | 91 | 76 | 14 | 82  | 3.00%  |

|                  |    |    |    |     |        |
|------------------|----|----|----|-----|--------|
| Malaysia         | 68 | 65 | 44 | 90  | 4.72%  |
| Maldives         | 44 | 55 | 17 | N/A | 3.45%  |
| Mongolia         | 33 | 5  | 77 | 93  | 7.22%  |
| Myanmar          | 3  | 41 | 72 | N/A | 5.26%  |
| Nepal            | 3  | 14 | 25 | N/A | 2.97%  |
| Pakistan         | 19 | 15 | 31 | 41  | 3.00%  |
| Papua New Guinea | 75 | 50 | 11 | N/A | 7.96%  |
| Philippines      | 30 | 48 | 53 | 43  | 3.63%  |
| Singapore        | 93 | 75 | 63 | 40  | 5.68%  |
| Sri Lanka        | 38 | 22 | 10 | N/A | 5.50%  |
| Taiwan           | 84 | 88 | 35 | 89  | 6.50%  |
| Tajikistan       | 6  | 6  | 60 | 97  | 4.00%  |
| Thailand         | 56 | 64 | 90 | 96  | 5.46%  |
| Turkmenistan     | 51 | 53 | 68 | N/A | 12.00% |
| Uzbekistan       | 40 | 10 | 60 | 100 | 8.00%  |
| Vietnam          | 25 | 12 | 20 | N/A | 6.04%  |
| <b>Pacific</b>   |    |    |    |     |        |
| Australia        | 96 | 63 | 31 | 46  | 2.96%  |

|                          |     |     |     |     |        |
|--------------------------|-----|-----|-----|-----|--------|
| Fiji                     | 46  | 53  | 3   | N/A | 2.06%  |
| Marshall Islands         | 27  | 76  | 46  | N/A | 1.08%  |
| Micronesia (Fed. States) | N/A | N/A | N/A | N/A | N/A    |
| New Caledonia            | 96  | 73  | 51  | 52  | 2.00%  |
| New Zealand              | 98  | 73  | 51  | 52  | 2.00%  |
| Samoa                    | 34  | 88  | 64  | N/A | -2.77% |
| Solomon Islands          | 14  | 71  | 1   | N/A | 3.36%  |
| Tonga                    | 26  | 57  | 38  | N/A | 0.60%  |
| Vanuatu                  | 33  | 58  | 47  | N/A | 3.80%  |

Source:

CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

This material was produced in 2010; it is subject to updating in 2012.

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# Chapter 4

## Investment Overview

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## Foreign Investment Climate

### Background

San Marino's economy relies heavily on its tourism and banking industries, as well as from the manufacture and export of ceramics, clothing, fabrics, furniture, paints, spirits, tiles, and wine. The economy also benefits from foreign investment due to its relatively low corporate taxes and low taxes on interest earnings. The San Marino government, sworn in on December 3, 2008, will continue to work towards an economic cooperation agreement with Italy - a longstanding priority - as well as harmonizing its fiscal laws with EU members. The per capita level of output and standard of living are comparable to those of the most prosperous regions of Italy, which supplies much of its food.

### Foreign Investment Assessment

While the government of San Marino is committed to developing the national economy, full union with the rest of the European Union (EU) has been determined to be potentially detrimental to the economy of this microstate. San Marino has thus been faced with the administrative challenge of managing its trading relationship with Italy, while at the same time staying out of the EU. The customs union with the EU, in conjunction with the cooperation concord (also with the EU), is concentrated on San Marino's social and economic development in specific sectors like tourism and manufacturing. As well, the government has developed new regulatory measures and taxation structures, which led to the development of a finance and banking sector. While the government recognizes the value of investment, it eschews becoming a tax haven, as is the case in other European micro-states like Monaco. As a result, San Marino does not actively seek foreign investment.

### Agriculture and Industry

Agriculture - products: wheat, grapes, corn, olives; cattle, pigs, horses, beef, cheese, hides  
Industries: tourism, banking, textiles, electronics, ceramics, cement, wine

## **Import Commodities**

Imports: trade data are included with the statistics for Italy

Imports - commodities: wide variety of consumer manufactures, food

## **Export Commodities**

Exports: trade data are included with the statistics for Italy

Exports - commodities: building stone, lime, wood, chestnuts, wheat, wine, baked goods, hides, ceramics

## **Railways, Airports, Ports and Harbors**

Highways: total: 220 km

Ports and harbors: none

Airports: none

## **Telephone System**

*general assessment:* adequate connections

*domestic:* automatic telephone system completely integrated into Italian system

*international:* country code - 378

note: connected to Italian international network

## **Internet Users**

14,300 -- extensive and on the increase

## **Labor Force**

Labor force: 18,500

Labor force - by occupation: agriculture 1%, industry 42%, services 57%

### Legal System and Considerations

The legal system is based on civil law system with Italian law influences.

### Corruption Perception Ranking

N/A

### Cultural Considerations

Western norms dominate.

### Country Website

N/A

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### Foreign Investment Index

#### Foreign Investment Index

**The Foreign Investment Index** is a proprietary index measuring attractiveness to international investment flows. The Foreign Investment Index is calculated using an established methodology by CountryWatch's Editor-in-Chief and is based on a given country's economic stability (sustained economic growth, monetary stability, current account deficits, budget surplus), economic risk (risk of non-servicing of payments for goods or services, loans and trade-related finance, risk of sovereign default), business and investment climate (property rights, labor force and laws, regulatory transparency, openness to foreign investment, market conditions, and stability of government). Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of foreign investment viability, while a score of 10 marks the highest level of foreign investment viability, according to this proprietary index.

| Country | Assessment |
|---------|------------|
|---------|------------|

|             |       |
|-------------|-------|
|             |       |
| Afghanistan | 2     |
| Albania     | 4.5   |
| Algeria     | 6     |
| Andorra     | 9     |
| Angola      | 4.5-5 |
| Antigua     | 8.5   |
| Argentina   | 5     |
| Armenia     | 5     |
| Australia   | 9.5   |
| Austria     | 9-9.5 |
| Azerbaijan  | 5     |
| Bahamas     | 9     |
| Bahrain     | 7.5   |
| Bangladesh  | 4.5   |
| Barbados    | 9     |
| Belarus     | 4     |
| Belgium     | 9     |



|                          |       |
|--------------------------|-------|
| Belize                   | 7.5   |
| Benin                    | 5.5   |
| Bhutan                   | 4.5   |
| Bolivia                  | 4.5   |
| Bosnia-Herzegovina       | 5     |
| Botswana                 | 7.5-8 |
| Brazil                   | 8     |
| Brunei                   | 7     |
| Bulgaria                 | 5.5   |
| Burkina Faso             | 4     |
| Burma (Myanmar)          | 4.5   |
| Burundi                  | 4     |
| Cambodia                 | 4.5   |
| Cameroon                 | 5     |
| Canada                   | 9.5   |
| Cape Verde               | 6     |
| Central African Republic | 3     |
| Chad                     | 4     |

|                    |     |
|--------------------|-----|
| Chile              | 9   |
| China              | 7.5 |
| China: Hong Kong   | 8.5 |
| China: Taiwan      | 8.5 |
| Colombia           | 7   |
| Comoros            | 4   |
| Congo DRC          | 4   |
| Congo RC           | 5   |
| Costa Rica         | 8   |
| Cote d'Ivoire      | 4.5 |
| Croatia            | 7   |
| Cuba               | 4.5 |
| Cyprus             | 7   |
| Czech Republic     | 8.5 |
| Denmark            | 9.5 |
| Djibouti           | 4.5 |
| Dominica           | 6   |
| Dominican Republic | 6.5 |

|                                   |       |
|-----------------------------------|-------|
| East Timor                        | 4.5   |
| Ecuador                           | 5.5   |
| Egypt                             | 4.5-5 |
| El Salvador                       | 6     |
| Equatorial Guinea                 | 4.5   |
| Eritrea                           | 3.5   |
| Estonia                           | 8     |
| Ethiopia                          | 4.5   |
| Fiji                              | 5     |
| Finland                           | 9     |
| Former Yugoslav Rep. of Macedonia | 5     |
| France                            | 9-9.5 |
| Gabon                             | 5.5   |
| Gambia                            | 5     |
| Georgia                           | 5     |
| Germany                           | 9-9.5 |
| Ghana                             | 5.5   |
| Greece                            | 5     |

|                    |       |
|--------------------|-------|
| Grenada            | 7.5   |
| Guatemala          | 5.5   |
| Guinea             | 3.5   |
| Guinea-Bissau      | 3.5   |
| Guyana             | 4.5   |
| Haiti              | 4     |
| Holy See (Vatican) | n/a   |
| Hong Kong (China)  | 8.5   |
| Honduras           | 5.5   |
| Hungary            | 8     |
| Iceland            | 8-8.5 |
| India              | 8     |
| Indonesia          | 5.5   |
| Iran               | 4     |
| Iraq               | 3     |
| Ireland            | 8     |
| Israel             | 8.5   |
| Italy              | 8     |

|               |     |
|---------------|-----|
| Jamaica       | 5.5 |
| Japan         | 9.5 |
| Jordan        | 6   |
| Kazakhstan    | 6   |
| Kenya         | 5   |
| Kiribati      | 5.5 |
| Korea, North  | 1   |
| Korea, South  | 9   |
| Kosovo        | 4.5 |
| Kuwait        | 8.5 |
| Kyrgyzstan    | 4.5 |
| Laos          | 4   |
| Latvia        | 7   |
| Lebanon       | 5   |
| Lesotho       | 5.5 |
| Liberia       | 3.5 |
| Libya         | 3   |
| Liechtenstein | 9   |

|                  |       |
|------------------|-------|
| Lithuania        | 7.5   |
| Luxembourg       | 9-9.5 |
| Madagascar       | 4.5   |
| Malawi           | 4.5   |
| Malaysia         | 8.5   |
| Maldives         | 6.5   |
| Mali             | 5     |
| Malta            | 9     |
| Marshall Islands | 5     |
| Mauritania       | 4.5   |
| Mauritius        | 7.5-8 |
| Mexico           | 6.5-7 |
| Micronesia       | 5     |
| Moldova          | 4.5-5 |
| Monaco           | 9     |
| Mongolia         | 5     |
| Montenegro       | 5.5   |
| Morocco          | 7.5   |

|                  |       |
|------------------|-------|
| Mozambique       | 5     |
| Namibia          | 7.5   |
| Nauru            | 4.5   |
| Nepal            | 4     |
| Netherlands      | 9-9.5 |
| New Zealand      | 9.5   |
| Nicaragua        | 5     |
| Niger            | 4.5   |
| Nigeria          | 4.5   |
| Norway           | 9-9.5 |
| Oman             | 8     |
| Pakistan         | 4     |
| Palau            | 4.5-5 |
| Panama           | 7     |
| Papua New Guinea | 5     |
| Paraguay         | 6     |
| Peru             | 6     |
| Philippines      | 6     |

|                              |       |
|------------------------------|-------|
| Poland                       | 8     |
| Portugal                     | 7.5-8 |
| Qatar                        | 9     |
| Romania                      | 6-6.5 |
| Russia                       | 6     |
| Rwanda                       | 4     |
| Saint Kitts and Nevis        | 8     |
| Saint Lucia                  | 8     |
| Saint Vincent and Grenadines | 7     |
| Samoa                        | 7     |
| San Marino                   | 8.5   |
| Sao Tome and Principe        | 4.5-5 |
| Saudi Arabia                 | 7     |
| Senegal                      | 6     |
| Serbia                       | 6     |
| Seychelles                   | 5     |
| Sierra Leone                 | 4     |
| Singapore                    | 9.5   |



|                            |       |
|----------------------------|-------|
| Slovak Republic (Slovakia) | 8.5   |
| Slovenia                   | 8.5-9 |
| Solomon Islands            | 5     |
| Somalia                    | 2     |
| South Africa               | 8     |
| Spain                      | 7.5-8 |
| Sri Lanka                  | 5.5   |
| Sudan                      | 4     |
| Suriname                   | 5     |
| Swaziland                  | 4.5   |
| Sweden                     | 9.5   |
| Switzerland                | 9.5   |
| Syria                      | 2.5   |
| Tajikistan                 | 4     |
| Taiwan (China)             | 8.5   |
| Tanzania                   | 5     |
| Thailand                   | 7.5-8 |
| Togo                       | 4.5-5 |

|                      |       |
|----------------------|-------|
| Tonga                | 5.5-6 |
| Trinidad and Tobago  | 8-8.5 |
| Tunisia              | 6     |
| Turkey               | 6.5-7 |
| Turkmenistan         | 4     |
| Tuvalu               | 7     |
| Uganda               | 5     |
| Ukraine              | 4.5-5 |
| United Arab Emirates | 8.5   |
| United Kingdom       | 9     |
| United States        | 9     |
| Uruguay              | 6.5-7 |
| Uzbekistan           | 4     |
| Vanuatu              | 6     |
| Venezuela            | 5     |
| Vietnam              | 5.5   |
| Yemen                | 3     |
| Zambia               | 4.5-5 |

|          |     |
|----------|-----|
| Zimbabwe | 3.5 |
|----------|-----|

Editor's Note:

As of 2015, the global economic crisis (emerging in 2008) had affected many countries across the world, resulting in changes to their rankings. Among those countries affected were top tier economies, such as the [United Kingdom](#), [Iceland](#), [Switzerland](#) and [Austria](#). However, in all these cases, their rankings have moved back upward in the last couple of years as anxieties have eased. Other top tier countries, such as [Spain](#), [Portugal](#), [Ireland](#), and [Italy](#), suffered some effects due to debt woes and the concomitant effect on the euro zone. Greece, another euro zone nation, was also downgraded due to its sovereign debt crisis; however, Greece's position on the precipice of default incurred a sharper downgrade than the other four euro zone countries mentioned above. Cyprus' exposure to Greek bank yielded a downgrade in its case. Slovenia and [Latvia](#) have been slightly downgraded due to a mix of economic and political concerns but could easily be upgraded in a future assessment, should these concerns abate. Meanwhile, the crisis in eastern [Ukraine](#) fueled downgrades in that country and neighboring [Russia](#).

Despite the "trifecta of tragedy" in [Japan](#) in 2011 -- the earthquake, the ensuing tsunami, and the resulting nuclear crisis -- and the appreciable destabilization of the economic and political terrain therein, this country has only slightly been downgraded. Japan's challenges have been assessed to be transient, the government remains accountable, and there is little risk of default. Both [India](#) and [China](#) retain their rankings; [India](#) holds a slightly higher ranking than [China](#) due to its record of democratic representation and accountability.

There were shifts in opposite directions for [Mali](#) and [Nigeria](#) versus the [Central African Republic](#), [Burkina Faso](#), and [Burundi](#). [Mali](#) was slightly upgraded due to its efforts to return to constitutional order following the 2012 coup and to neutralize the threat of separatists and Islamists. Likewise, a new government in [Nigeria](#) generated a slight upgrade as the country attempts to confront corruption, crime, and terrorism. But the [Central African Republic](#) was downgraded due to the takeover of the government by Seleka rebels and the continued decline into lawlessness in that country. Likewise, the attempts by the leaders of [Burundi](#) and [Burkina Faso](#) to hold onto power by by-passing the constitution raised eyebrows and resulted in downgrades.

Political unrest in [Libya](#) and [Algeria](#) have contributed to a decision to marginally downgrade these countries as well. [Syria](#) incurred a sharper downgrade due to the devolution into de facto civil war and the dire security threat posed by Islamist terrorists. [Iraq](#) saw a similar downgrade as a result of the takeover of wide swaths of territory and the threat of genocide at the hands of Islamist terrorists. [Yemen](#), likewise, has been downgraded due to political instability at the hands of

secessionists, terrorists, Houthi rebels, and the intervention of external parties. Conversely, [Egypt](#) and [Tunisia](#) saw slight upgrades as their political environments stabilize.

At the low end of the spectrum, devolving security conditions and/or economic crisis have resulted in countries like [Pakistan](#), [Afghanistan](#), [Somalia](#), and [Zimbabwe](#) maintaining their low ratings.

The [United States](#) continues to retain its previous slight downgrade due to the enduring threat of default surrounding the debt ceiling in that country, matched by a conflict-ridden political climate. In the case of [Mexico](#), there is limited concern about default, but increasing alarm over the security situation in that country and the government's ability to contain it. In [Argentina](#), a default to bond holders resulted in a downgrade to that country. Finally, a small but significant upgrade was attributed to [Cuba](#) due to its recent pro-business reforms and its normalization of ties with the United States.

Source:

CountryWatch Inc. [www.countrywatch.com](http://www.countrywatch.com)

Updated:

2015

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## **Corruption Perceptions Index**

Corruption Perceptions Index

**Transparency International: [Corruption Perceptions Index](#)**

Editor's Note:

Transparency International's [Corruption Perceptions Index](#) is a composite index which ranks countries in terms of the degree to which corruption is perceived to exist among public officials. This index indicates the views of national and international business people and analysts about the levels of corruption in each country. The highest (and best) level of transparency is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

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|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|

| Rank | Country/Territory | CPI 2009 Score | Surveys Used | Confidence Range |
|------|-------------------|----------------|--------------|------------------|
| 1    | New Zealand       | 9.4            | 6            | 9.1 - 9.5        |
| 2    | Denmark           | 9.3            | 6            | 9.1 - 9.5        |
| 3    | Singapore         | 9.2            | 9            | 9.0 - 9.4        |
| 3    | Sweden            | 9.2            | 6            | 9.0 - 9.3        |
| 5    | Switzerland       | 9.0            | 6            | 8.9 - 9.1        |
| 6    | Finland           | 8.9            | 6            | 8.4 - 9.4        |
| 6    | Netherlands       | 8.9            | 6            | 8.7 - 9.0        |
| 8    | Australia         | 8.7            | 8            | 8.3 - 9.0        |
| 8    | Canada            | 8.7            | 6            | 8.5 - 9.0        |
| 8    | Iceland           | 8.7            | 4            | 7.5 - 9.4        |
| 11   | Norway            | 8.6            | 6            | 8.2 - 9.1        |
| 12   | Hong Kong         | 8.2            | 8            | 7.9 - 8.5        |
| 12   | Luxembourg        | 8.2            | 6            | 7.6 - 8.8        |
| 14   | Germany           | 8.0            | 6            | 7.7 - 8.3        |
| 14   | Ireland           | 8.0            | 6            | 7.8 - 8.4        |
| 16   | Austria           | 7.9            | 6            | 7.4 - 8.3        |
| 17   | Japan             | 7.7            | 8            | 7.4 - 8.0        |

|    |                                     |     |   |           |
|----|-------------------------------------|-----|---|-----------|
| 17 | United Kingdom                      | 7.7 | 6 | 7.3 - 8.2 |
| 19 | United States                       | 7.5 | 8 | 6.9 - 8.0 |
| 20 | Barbados                            | 7.4 | 4 | 6.6 - 8.2 |
| 21 | Belgium                             | 7.1 | 6 | 6.9 - 7.3 |
| 22 | Qatar                               | 7.0 | 6 | 5.8 - 8.1 |
| 22 | Saint Lucia                         | 7.0 | 3 | 6.7 - 7.5 |
| 24 | France                              | 6.9 | 6 | 6.5 - 7.3 |
| 25 | Chile                               | 6.7 | 7 | 6.5 - 6.9 |
| 25 | Uruguay                             | 6.7 | 5 | 6.4 - 7.1 |
| 27 | Cyprus                              | 6.6 | 4 | 6.1 - 7.1 |
| 27 | Estonia                             | 6.6 | 8 | 6.1 - 6.9 |
| 27 | Slovenia                            | 6.6 | 8 | 6.3 - 6.9 |
| 30 | United Arab Emirates                | 6.5 | 5 | 5.5 - 7.5 |
| 31 | Saint Vincent and the<br>Grenadines | 6.4 | 3 | 4.9 - 7.5 |
| 32 | Israel                              | 6.1 | 6 | 5.4 - 6.7 |
| 32 | Spain                               | 6.1 | 6 | 5.5 - 6.6 |
| 34 | Dominica                            | 5.9 | 3 | 4.9 - 6.7 |
| 35 | Portugal                            | 5.8 | 6 | 5.5 - 6.2 |

|    |                   |     |   |           |
|----|-------------------|-----|---|-----------|
| 35 | Puerto Rico       | 5.8 | 4 | 5.2 - 6.3 |
| 37 | Botswana          | 5.6 | 6 | 5.1 - 6.3 |
| 37 | Taiwan            | 5.6 | 9 | 5.4 - 5.9 |
| 39 | Brunei Darussalam | 5.5 | 4 | 4.7 - 6.4 |
| 39 | Oman              | 5.5 | 5 | 4.4 - 6.5 |
| 39 | Korea (South)     | 5.5 | 9 | 5.3 - 5.7 |
| 42 | Mauritius         | 5.4 | 6 | 5.0 - 5.9 |
| 43 | Costa Rica        | 5.3 | 5 | 4.7 - 5.9 |
| 43 | Macau             | 5.3 | 3 | 3.3 - 6.9 |
| 45 | Malta             | 5.2 | 4 | 4.0 - 6.2 |
| 46 | Bahrain           | 5.1 | 5 | 4.2 - 5.8 |
| 46 | Cape Verde        | 5.1 | 3 | 3.3 - 7.0 |
| 46 | Hungary           | 5.1 | 8 | 4.6 - 5.7 |
| 49 | Bhutan            | 5.0 | 4 | 4.3 - 5.6 |
| 49 | Jordan            | 5.0 | 7 | 3.9 - 6.1 |
| 49 | Poland            | 5.0 | 8 | 4.5 - 5.5 |
| 52 | Czech Republic    | 4.9 | 8 | 4.3 - 5.6 |
| 52 | Lithuania         | 4.9 | 8 | 4.4 - 5.4 |

|    |              |     |   |           |
|----|--------------|-----|---|-----------|
| 54 | Seychelles   | 4.8 | 3 | 3.0 - 6.7 |
| 55 | South Africa | 4.7 | 8 | 4.3 - 4.9 |
| 56 | Latvia       | 4.5 | 6 | 4.1 - 4.9 |
| 56 | Malaysia     | 4.5 | 9 | 4.0 - 5.1 |
| 56 | Namibia      | 4.5 | 6 | 3.9 - 5.1 |
| 56 | Samoa        | 4.5 | 3 | 3.3 - 5.3 |
| 56 | Slovakia     | 4.5 | 8 | 4.1 - 4.9 |
| 61 | Cuba         | 4.4 | 3 | 3.5 - 5.1 |
| 61 | Turkey       | 4.4 | 7 | 3.9 - 4.9 |
| 63 | Italy        | 4.3 | 6 | 3.8 - 4.9 |
| 63 | Saudi Arabia | 4.3 | 5 | 3.1 - 5.3 |
| 65 | Tunisia      | 4.2 | 6 | 3.0 - 5.5 |
| 66 | Croatia      | 4.1 | 8 | 3.7 - 4.5 |
| 66 | Georgia      | 4.1 | 7 | 3.4 - 4.7 |
| 66 | Kuwait       | 4.1 | 5 | 3.2 - 5.1 |
| 69 | Ghana        | 3.9 | 7 | 3.2 - 4.6 |
| 69 | Montenegro   | 3.9 | 5 | 3.5 - 4.4 |
| 71 | Bulgaria     | 3.8 | 8 | 3.2 - 4.5 |



|    |                     |     |    |           |
|----|---------------------|-----|----|-----------|
| 71 | FYR Macedonia       | 3.8 | 6  | 3.4 - 4.2 |
| 71 | Greece              | 3.8 | 6  | 3.2 - 4.3 |
| 71 | Romania             | 3.8 | 8  | 3.2 - 4.3 |
| 75 | Brazil              | 3.7 | 7  | 3.3 - 4.3 |
| 75 | Colombia            | 3.7 | 7  | 3.1 - 4.3 |
| 75 | Peru                | 3.7 | 7  | 3.4 - 4.1 |
| 75 | Suriname            | 3.7 | 3  | 3.0 - 4.7 |
| 79 | Burkina Faso        | 3.6 | 7  | 2.8 - 4.4 |
| 79 | China               | 3.6 | 9  | 3.0 - 4.2 |
| 79 | Swaziland           | 3.6 | 3  | 3.0 - 4.7 |
| 79 | Trinidad and Tobago | 3.6 | 4  | 3.0 - 4.3 |
| 83 | Serbia              | 3.5 | 6  | 3.3 - 3.9 |
| 84 | El Salvador         | 3.4 | 5  | 3.0 - 3.8 |
| 84 | Guatemala           | 3.4 | 5  | 3.0 - 3.9 |
| 84 | India               | 3.4 | 10 | 3.2 - 3.6 |
| 84 | Panama              | 3.4 | 5  | 3.1 - 3.7 |
| 84 | Thailand            | 3.4 | 9  | 3.0 - 3.8 |
| 89 | Lesotho             | 3.3 | 6  | 2.8 - 3.8 |

|     |                        |     |   |           |
|-----|------------------------|-----|---|-----------|
| 89  | Malawi                 | 3.3 | 7 | 2.7 - 3.9 |
| 89  | Mexico                 | 3.3 | 7 | 3.2 - 3.5 |
| 89  | Moldova                | 3.3 | 6 | 2.7 - 4.0 |
| 89  | Morocco                | 3.3 | 6 | 2.8 - 3.9 |
| 89  | Rwanda                 | 3.3 | 4 | 2.9 - 3.7 |
| 95  | Albania                | 3.2 | 6 | 3.0 - 3.3 |
| 95  | Vanuatu                | 3.2 | 3 | 2.3 - 4.7 |
| 97  | Liberia                | 3.1 | 3 | 1.9 - 3.8 |
| 97  | Sri Lanka              | 3.1 | 7 | 2.8 - 3.4 |
| 99  | Bosnia and Herzegovina | 3.0 | 7 | 2.6 - 3.4 |
| 99  | Dominican Republic     | 3.0 | 5 | 2.9 - 3.2 |
| 99  | Jamaica                | 3.0 | 5 | 2.8 - 3.3 |
| 99  | Madagascar             | 3.0 | 7 | 2.8 - 3.2 |
| 99  | Senegal                | 3.0 | 7 | 2.5 - 3.6 |
| 99  | Tonga                  | 3.0 | 3 | 2.6 - 3.3 |
| 99  | Zambia                 | 3.0 | 7 | 2.8 - 3.2 |
| 106 | Argentina              | 2.9 | 7 | 2.6 - 3.1 |
| 106 | Benin                  | 2.9 | 6 | 2.3 - 3.4 |

|     |                       |     |   |           |
|-----|-----------------------|-----|---|-----------|
| 106 | Gabon                 | 2.9 | 3 | 2.6 - 3.1 |
| 106 | Gambia                | 2.9 | 5 | 1.6 - 4.0 |
| 106 | Niger                 | 2.9 | 5 | 2.7 - 3.0 |
| 111 | Algeria               | 2.8 | 6 | 2.5 - 3.1 |
| 111 | Djibouti              | 2.8 | 4 | 2.3 - 3.2 |
| 111 | Egypt                 | 2.8 | 6 | 2.6 - 3.1 |
| 111 | Indonesia             | 2.8 | 9 | 2.4 - 3.2 |
| 111 | Kiribati              | 2.8 | 3 | 2.3 - 3.3 |
| 111 | Mali                  | 2.8 | 6 | 2.4 - 3.2 |
| 111 | Sao Tome and Principe | 2.8 | 3 | 2.4 - 3.3 |
| 111 | Solomon Islands       | 2.8 | 3 | 2.3 - 3.3 |
| 111 | Togo                  | 2.8 | 5 | 1.9 - 3.9 |
| 120 | Armenia               | 2.7 | 7 | 2.6 - 2.8 |
| 120 | Bolivia               | 2.7 | 6 | 2.4 - 3.1 |
| 120 | Ethiopia              | 2.7 | 7 | 2.4 - 2.9 |
| 120 | Kazakhstan            | 2.7 | 7 | 2.1 - 3.3 |
| 120 | Mongolia              | 2.7 | 7 | 2.4 - 3.0 |
| 120 | Vietnam               | 2.7 | 9 | 2.4 - 3.1 |

|     |             |     |   |           |
|-----|-------------|-----|---|-----------|
| 126 | Eritrea     | 2.6 | 4 | 1.6 - 3.8 |
| 126 | Guyana      | 2.6 | 4 | 2.5 - 2.7 |
| 126 | Syria       | 2.6 | 5 | 2.2 - 2.9 |
| 126 | Tanzania    | 2.6 | 7 | 2.4 - 2.9 |
| 130 | Honduras    | 2.5 | 6 | 2.2 - 2.8 |
| 130 | Lebanon     | 2.5 | 3 | 1.9 - 3.1 |
| 130 | Libya       | 2.5 | 6 | 2.2 - 2.8 |
| 130 | Maldives    | 2.5 | 4 | 1.8 - 3.2 |
| 130 | Mauritania  | 2.5 | 7 | 2.0 - 3.3 |
| 130 | Mozambique  | 2.5 | 7 | 2.3 - 2.8 |
| 130 | Nicaragua   | 2.5 | 6 | 2.3 - 2.7 |
| 130 | Nigeria     | 2.5 | 7 | 2.2 - 2.7 |
| 130 | Uganda      | 2.5 | 7 | 2.1 - 2.8 |
| 139 | Bangladesh  | 2.4 | 7 | 2.0 - 2.8 |
| 139 | Belarus     | 2.4 | 4 | 2.0 - 2.8 |
| 139 | Pakistan    | 2.4 | 7 | 2.1 - 2.7 |
| 139 | Philippines | 2.4 | 9 | 2.1 - 2.7 |
| 143 | Azerbaijan  | 2.3 | 7 | 2.0 - 2.6 |

|     |                          |     |   |           |
|-----|--------------------------|-----|---|-----------|
| 143 | Comoros                  | 2.3 | 3 | 1.6 - 3.3 |
| 143 | Nepal                    | 2.3 | 6 | 2.0 - 2.6 |
| 146 | Cameroon                 | 2.2 | 7 | 1.9 - 2.6 |
| 146 | Ecuador                  | 2.2 | 5 | 2.0 - 2.5 |
| 146 | Kenya                    | 2.2 | 7 | 1.9 - 2.5 |
| 146 | Russia                   | 2.2 | 8 | 1.9 - 2.4 |
| 146 | Sierra Leone             | 2.2 | 5 | 1.9 - 2.4 |
| 146 | Timor-Leste              | 2.2 | 5 | 1.8 - 2.6 |
| 146 | Ukraine                  | 2.2 | 8 | 2.0 - 2.6 |
| 146 | Zimbabwe                 | 2.2 | 7 | 1.7 - 2.8 |
| 154 | Côte d'Ivoire            | 2.1 | 7 | 1.8 - 2.4 |
| 154 | Papua New Guinea         | 2.1 | 5 | 1.7 - 2.5 |
| 154 | Paraguay                 | 2.1 | 5 | 1.7 - 2.5 |
| 154 | Yemen                    | 2.1 | 4 | 1.6 - 2.5 |
| 158 | Cambodia                 | 2.0 | 8 | 1.8 - 2.2 |
| 158 | Central African Republic | 2.0 | 4 | 1.9 - 2.2 |
| 158 | Laos                     | 2.0 | 4 | 1.6 - 2.6 |
| 158 | Tajikistan               | 2.0 | 8 | 1.6 - 2.5 |

|     |                              |     |   |           |
|-----|------------------------------|-----|---|-----------|
| 162 | Angola                       | 1.9 | 5 | 1.8 - 1.9 |
| 162 | Congo Brazzaville            | 1.9 | 5 | 1.6 - 2.1 |
| 162 | Democratic Republic of Congo | 1.9 | 5 | 1.7 - 2.1 |
| 162 | Guinea-Bissau                | 1.9 | 3 | 1.8 - 2.0 |
| 162 | Kyrgyzstan                   | 1.9 | 7 | 1.8 - 2.1 |
| 162 | Venezuela                    | 1.9 | 7 | 1.8 - 2.0 |
| 168 | Burundi                      | 1.8 | 6 | 1.6 - 2.0 |
| 168 | Equatorial Guinea            | 1.8 | 3 | 1.6 - 1.9 |
| 168 | Guinea                       | 1.8 | 5 | 1.7 - 1.8 |
| 168 | Haiti                        | 1.8 | 3 | 1.4 - 2.3 |
| 168 | Iran                         | 1.8 | 3 | 1.7 - 1.9 |
| 168 | Turkmenistan                 | 1.8 | 4 | 1.7 - 1.9 |
| 174 | Uzbekistan                   | 1.7 | 6 | 1.5 - 1.8 |
| 175 | Chad                         | 1.6 | 6 | 1.5 - 1.7 |
| 176 | Iraq                         | 1.5 | 3 | 1.2 - 1.8 |
| 176 | Sudan                        | 1.5 | 5 | 1.4 - 1.7 |
| 178 | Myanmar                      | 1.4 | 3 | 0.9 - 1.8 |
| 179 | Afghanistan                  | 1.3 | 4 | 1.0 - 1.5 |

|     |         |     |   |           |
|-----|---------|-----|---|-----------|
| 180 | Somalia | 1.1 | 3 | 0.9 - 1.4 |
|-----|---------|-----|---|-----------|

### Methodology:

As noted above, the highest (and best) level of transparency with the least perceived corruption is indicated by the number, 10. The lower (and worse) levels of transparency are indicated by lower numbers.

According to Transparency International, the [Corruption Perceptions Index](#) (CPI) table shows a country's ranking and score, the number of surveys used to determine the score, and the confidence range of the scoring.

The rank shows how one country compares to others included in the index. The CPI score indicates the perceived level of public-sector corruption in a country/territory.

The CPI is based on 13 independent surveys. However, not all surveys include all countries. The surveys used column indicates how many surveys were relied upon to determine the score for that country.

The confidence range indicates the reliability of the CPI scores and tells us that allowing for a margin of error, we can be 90% confident that the true score for this country lies within this range.

### Note:

Kosovo, which separated from the Yugoslav successor state of [Serbia](#), is not listed above. No calculation is available for [Kosovo](#) at this time, however, a future corruption index by Transparency International may include the world's newest country in its tally. Taiwan has been listed above despite its contested status; while Taiwan claims sovereign status, [China](#) claims ultimate jurisdiction over Taiwan. Hong Kong, which is also under the rubric of Chinese sovereignty, is listed above. Note as well that Puerto Rico, which is a [United States](#) domain, is also included in the list above. These inclusions likely have to do with the size and fairly autonomous status of their economies.

### Source:

Transparency International's Corruption Perception Index; available at URL: <http://www.transparency.org>

### Updated:

Uploaded in 2011 using most recent ranking available; reviewed in 2015.

## Competitiveness Ranking

### Competitiveness Ranking

#### Editor's Note:

The Global Competitiveness Report's competitiveness ranking is based on the Global Competitiveness Index (GCI), which was developed for the World Economic Forum. The GCI is based on a number of competitiveness considerations, and provides a comprehensive picture of the competitiveness landscape in countries around the world. The competitiveness considerations are: institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labour market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation. The rankings are calculated from both publicly available data and the Executive Opinion Survey.

| Country/Economy | GCI 2010 Rank | GCI 2010 Score | GCI 2009 Rank | Change 2009-2010 |
|-----------------|---------------|----------------|---------------|------------------|
| Switzerland     | 1             | 5.63           | 1             | 0                |
| Sweden          | 2             | 5.56           | 4             | 2                |
| Singapore       | 3             | 5.48           | 3             | 0                |
| United States   | 4             | 5.43           | 2             | -2               |
| Germany         | 5             | 5.39           | 7             | 2                |
| Japan           | 6             | 5.37           | 8             | 2                |
| Finland         | 7             | 5.37           | 6             | -1               |



|                      |    |      |    |    |
|----------------------|----|------|----|----|
| Netherlands          | 8  | 5.33 | 10 | 2  |
| Denmark              | 9  | 5.32 | 5  | -4 |
| Canada               | 10 | 5.30 | 9  | -1 |
| Hong Kong SAR        | 11 | 5.30 | 11 | 0  |
| United Kingdom       | 12 | 5.25 | 13 | 1  |
| Taiwan, China        | 13 | 5.21 | 12 | -1 |
| Norway               | 14 | 5.14 | 14 | 0  |
| France               | 15 | 5.13 | 16 | 1  |
| Australia            | 16 | 5.11 | 15 | -1 |
| Qatar                | 17 | 5.10 | 22 | 5  |
| Austria              | 18 | 5.09 | 17 | -1 |
| Belgium              | 19 | 5.07 | 18 | -1 |
| Luxembourg           | 20 | 5.05 | 21 | 1  |
| Saudi Arabia         | 21 | 4.95 | 28 | 7  |
| Korea, Rep.          | 22 | 4.93 | 19 | -3 |
| New Zealand          | 23 | 4.92 | 20 | -3 |
| Israel               | 24 | 4.91 | 27 | 3  |
| United Arab Emirates | 25 | 4.89 | 23 | -2 |

|                   |    |      |    |    |
|-------------------|----|------|----|----|
| Malaysia          | 26 | 4.88 | 24 | -2 |
| China             | 27 | 4.84 | 29 | 2  |
| Brunei Darussalam | 28 | 4.75 | 32 | 4  |
| Ireland           | 29 | 4.74 | 25 | -4 |
| Chile             | 30 | 4.69 | 30 | 0  |
| Iceland           | 31 | 4.68 | 26 | -5 |
| Tunisia           | 32 | 4.65 | 40 | 8  |
| Estonia           | 33 | 4.61 | 35 | 2  |
| Oman              | 34 | 4.61 | 41 | 7  |
| Kuwait            | 35 | 4.59 | 39 | 4  |
| Czech Republic    | 36 | 4.57 | 31 | -5 |
| Bahrain           | 37 | 4.54 | 38 | 1  |
| Thailand          | 38 | 4.51 | 36 | -2 |
| Poland            | 39 | 4.51 | 46 | 7  |
| Cyprus            | 40 | 4.50 | 34 | -6 |
| Puerto Rico       | 41 | 4.49 | 42 | 1  |
| Spain             | 42 | 4.49 | 33 | -9 |
| Barbados          | 43 | 4.45 | 44 | 1  |

|                 |    |      |    |     |
|-----------------|----|------|----|-----|
| Indonesia       | 44 | 4.43 | 54 | 10  |
| Slovenia        | 45 | 4.42 | 37 | -8  |
| Portugal        | 46 | 4.38 | 43 | -3  |
| Lithuania       | 47 | 4.38 | 53 | 6   |
| Italy           | 48 | 4.37 | 48 | 0   |
| Montenegro      | 49 | 4.36 | 62 | 13  |
| Malta           | 50 | 4.34 | 52 | 2   |
| India           | 51 | 4.33 | 49 | -2  |
| Hungary         | 52 | 4.33 | 58 | 6   |
| Panama          | 53 | 4.33 | 59 | 6   |
| South Africa    | 54 | 4.32 | 45 | -9  |
| Mauritius       | 55 | 4.32 | 57 | 2   |
| Costa Rica      | 56 | 4.31 | 55 | -1  |
| Azerbaijan      | 57 | 4.29 | 51 | -6  |
| Brazil          | 58 | 4.28 | 56 | -2  |
| Vietnam         | 59 | 4.27 | 75 | 16  |
| Slovak Republic | 60 | 4.25 | 47 | -13 |
| Turkey          | 61 | 4.25 | 61 | 0   |

|                    |    |      |     |     |
|--------------------|----|------|-----|-----|
| Sri Lanka          | 62 | 4.25 | 79  | 17  |
| Russian Federation | 63 | 4.24 | 63  | 0   |
| Uruguay            | 64 | 4.23 | 65  | 1   |
| Jordan             | 65 | 4.21 | 50  | -15 |
| Mexico             | 66 | 4.19 | 60  | -6  |
| Romania            | 67 | 4.16 | 64  | -3  |
| Colombia           | 68 | 4.14 | 69  | 1   |
| Iran               | 69 | 4.14 | n/a | n/a |
| Latvia             | 70 | 4.14 | 68  | -2  |
| Bulgaria           | 71 | 4.13 | 76  | 5   |
| Kazakhstan         | 72 | 4.12 | 67  | -5  |
| Peru               | 73 | 4.11 | 78  | 5   |
| Namibia            | 74 | 4.09 | 74  | 0   |
| Morocco            | 75 | 4.08 | 73  | -2  |
| Botswana           | 76 | 4.05 | 66  | -10 |
| Croatia            | 77 | 4.04 | 72  | -5  |
| Guatemala          | 78 | 4.04 | 80  | 2   |
| Macedonia, FYR     | 79 | 4.02 | 84  | 5   |

|                     |    |      |     |     |
|---------------------|----|------|-----|-----|
| Rwanda              | 80 | 4.00 | n/a | n/a |
| Egypt               | 81 | 4.00 | 70  | -11 |
| El Salvador         | 82 | 3.99 | 77  | -5  |
| Greece              | 83 | 3.99 | 71  | -12 |
| Trinidad and Tobago | 84 | 3.97 | 86  | 2   |
| Philippines         | 85 | 3.96 | 87  | 2   |
| Algeria             | 86 | 3.96 | 83  | -3  |
| Argentina           | 87 | 3.95 | 85  | -2  |
| Albania             | 88 | 3.94 | 96  | 8   |
| Ukraine             | 89 | 3.90 | 82  | -7  |
| Gambia, The         | 90 | 3.90 | 81  | -9  |
| Honduras            | 91 | 3.89 | 89  | -2  |
| Lebanon             | 92 | 3.89 | n/a | n/a |
| Georgia             | 93 | 3.86 | 90  | -3  |
| Moldova             | 94 | 3.86 | n/a | n/a |
| Jamaica             | 95 | 3.85 | 91  | -4  |
| Serbia              | 96 | 3.84 | 93  | -3  |
| Syria               | 97 | 3.79 | 94  | -3  |

|                        |     |      |     |     |
|------------------------|-----|------|-----|-----|
| Armenia                | 98  | 3.76 | 97  | -1  |
| Mongolia               | 99  | 3.75 | 117 | 18  |
| Libya                  | 100 | 3.74 | 88  | -12 |
| Dominican Republic     | 101 | 3.72 | 95  | -6  |
| Bosnia and Herzegovina | 102 | 3.70 | 109 | 7   |
| Benin                  | 103 | 3.69 | 103 | 0   |
| Senegal                | 104 | 3.67 | 92  | -12 |
| Ecuador                | 105 | 3.65 | 105 | 0   |
| Kenya                  | 106 | 3.65 | 98  | -8  |
| Bangladesh             | 107 | 3.64 | 106 | -1  |
| Bolivia                | 108 | 3.64 | 120 | 12  |
| Cambodia               | 109 | 3.63 | 110 | 1   |
| Guyana                 | 110 | 3.62 | 104 | -6  |
| Cameroon               | 111 | 3.58 | 111 | 0   |
| Nicaragua              | 112 | 3.57 | 115 | 3   |
| Tanzania               | 113 | 3.56 | 100 | -13 |
| Ghana                  | 114 | 3.56 | 114 | 0   |
| Zambia                 | 115 | 3.55 | 112 | -3  |

|                 |     |      |     |     |
|-----------------|-----|------|-----|-----|
| Tajikistan      | 116 | 3.53 | 122 | 6   |
| Cape Verde      | 117 | 3.51 | n/a | n/a |
| Uganda          | 118 | 3.51 | 108 | -10 |
| Ethiopia        | 119 | 3.51 | 118 | -1  |
| Paraguay        | 120 | 3.49 | 124 | 4   |
| Kyrgyz Republic | 121 | 3.49 | 123 | 2   |
| Venezuela       | 122 | 3.48 | 113 | -9  |
| Pakistan        | 123 | 3.48 | 101 | -22 |
| Madagascar      | 124 | 3.46 | 121 | -3  |
| Malawi          | 125 | 3.45 | 119 | -6  |
| Swaziland       | 126 | 3.40 | n/a | n/a |
| Nigeria         | 127 | 3.38 | 99  | -28 |
| Lesotho         | 128 | 3.36 | 107 | -21 |
| Côte d'Ivoire   | 129 | 3.35 | 116 | -13 |
| Nepal           | 130 | 3.34 | 125 | -5  |
| Mozambique      | 131 | 3.32 | 129 | -2  |
| Mali            | 132 | 3.28 | 130 | -2  |
| Timor-Leste     | 133 | 3.23 | 126 | -7  |

|              |     |      |     |     |
|--------------|-----|------|-----|-----|
| Burkina Faso | 134 | 3.20 | 128 | -6  |
| Mauritania   | 135 | 3.14 | 127 | -8  |
| Zimbabwe     | 136 | 3.03 | 132 | -4  |
| Burundi      | 137 | 2.96 | 133 | -4  |
| Angola       | 138 | 2.93 | n/a | n/a |
| Chad         | 139 | 2.73 | 131 | -8  |

#### Methodology:

The competitiveness rankings are calculated from both publicly available data and the Executive Opinion Survey, a comprehensive annual survey conducted by the World Economic Forum together with its network of Partner Institutes (leading research institutes and business organizations) in the countries covered by the Report.

Highlights according to WEF --

- The [United States](#) falls two places to fourth position, overtaken by [Sweden](#) and [Singapore](#) in the rankings of the World Economic Forum's Global Competitiveness Report 2010-2011
- The People's Republic of [China](#) continues to move up the rankings, with marked improvements in several other Asian countries
- [Germany](#) moves up two places to fifth place, leading the Eurozone countries
- [Switzerland](#) tops the rankings

#### Source:

World Economic Forum; available at URL: <http://www.weforum.org>

#### Updated:

2011 using most recent ranking available; reviewed in 2015.



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## Taxation

The corporate profits tax rate in San Marino is 24 percent. Capital gains are subject to a five percent tax; interest is subject to a 13 percent withholding tax.

In 1972, a valued added taxation (VAT) system was introduced in Italy, and was applied in San Marino, in accordance with the 1939 friendship treaty. In addition, a tax on imported goods, to be levied by San Marino, was established. Such taxes, however, were not, and are not, applied to national products. Until 1996, goods manufactured and sold in San Marino were not subject to indirect taxation.

Under the European Union customs agreement, San Marino continues to levy taxes, the equivalent of an import duty, on imported goods. Also, a general VAT was introduced, in replacement of the Italian VAT.

Individuals are subject to general income tax, which is applied progressively at rates between 12 percent and 50 percent.

NOTE: Taxation rates are subject to change and reflect only information available at the scheduled time of writing.

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## Stock Market

There is no stock market information available for San Marino.

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## Partner Links

Partner Links



# **Chapter 5**

## **Social Overview**

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## People

### **National Identity**

The name of the country, San Marino, is derived from its founder, Marinus, who according to legend founded the republic in 301 in the common era, C.E. A Christian stonemason, Marinus the Dalmation fled the island of Arbe to escape the anti-Christian Roman Emperor Diocletian. Marinus hid on the peak of Mount Titano and founded a small community of people following their Christian beliefs. It is generally believed that the area had been inhabited since prehistoric times, although evidence of existence on Mount Titano dates back only to the Middle Ages. In memory of the Marinus the stonemason, the land was renamed "Land of San Marino," then called the "Community of San Marino," and was finally changed to its present-day name, "Republic of San Marino."

Today, San Marino is composed of native Sammarinese and Italian citizens. While the Italian language and culture have been indelible influences on San Marino, the Sammarinese insist on their own individuality and identity, which they have tried to preserve through the centuries. Indeed, they have a strong pride in their unique culture.

### **Cultural Demography**

San Marino is located in the Apennine Mountains. This microstate (or ministate -- very small, in area and population, independent country) is completely surrounded by Italy and consequently, has strong cultural and ethnic ties to Italy. San Marino, however, also has a long tradition of independence, due to its long legacy of political autonomy, and a strong sense of national identity that dates back to the founding of the nation state in 301 in the common era, or C.E.

The population of approximately 31,000 (between 30,000 and 31,000) is comprised of native Sammarinese and ethnic Italians. Italian is the main language spoken in San Marino, and Roman Catholicism is the predominant religion.

## **Human Development**

The Sammarinese have an average life expectancy at birth of 81.14 years (77.57 years for males, 85.02 years for females). The infant mortality rate is 6.33 deaths per 1,000 live births. An estimated 96 percent of the population, age 10 and older, can read and write (97 percent of males, 95 percent of females).

About 7.1 percent of GDP is spent on health expenditures in this country. Access to education, sanitation, water, and health is regarded to be very good.

## **Socio-Economic Context**

Crop farming, sheep farming and the working of stone from the quarries formed the early backbone of San Marino's economy. San Marino has no mineral resources, and today most of the land is cultivated or covered by woods. Financial and banking institutions are important to San Marino's current economy.

Written by Dr. Denise Youngblood Coleman, Editor in Chief, [www.countrywatch.com](http://www.countrywatch.com); see Bibliography for research sources.

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## **Human Development Index**

Human Development Index

### **Human Development Index (Ranked Numerically)**

The [Human Development Index](#) (HDI) is used to measure quality of life in countries across the world. The HDI has been compiled since 1990 by the United Nations Development Programme (UNDP) on a regular basis. The HDI is a composite of several indicators, which measure a country's achievements in three main arenas of human development: longevity, education, and economic standard of living. Although the concept of human development is complicated and cannot be properly captured by values and indices, the HDI offers a wide-ranging assessment of human development in certain countries, not based solely upon traditional economic and financial indicators. For more information about the methodology used to calculate the HDI, please see the "Source Materials" in the appendices of this review.

| <b>Very High Human Development</b> | <b>High Human Development</b> | <b>Medium Human Development</b> | <b>Low Human Development</b> |
|------------------------------------|-------------------------------|---------------------------------|------------------------------|
| 1. Norway                          | 43. Bahamas                   | 86. Fiji                        | 128. Kenya                   |
| 2. Australia                       | 44. Lithuania                 | 87. Turkmenistan                | 129. Bangladesh              |
| 3. New Zealand                     | 45. Chile                     | 88. Dominican Republic          | 130. Ghana                   |
| 4. United States                   | 46. Argentina                 | 89. China                       | 131. Cameroon                |
| 5. Ireland                         | 47. Kuwait                    | 90. El Salvador                 | 132. Myanmar (Burma)         |
| 6. Liechtenstein                   | 48. Latvia                    | 91. Sri Lanka                   | 133. Yemen                   |
| 7. Netherlands                     | 49. Montenegro                | 92. Thailand                    | 134. Benin                   |
| 8. Canada                          | 50. Romania                   | 93. Gabon                       | 135. Madagascar              |
| 9. Sweden                          | 51. Croatia                   | 94. Suriname                    | 136. Mauritania              |
| 10. Germany                        | 52. Uruguay                   | 95. Bolivia                     | 137. Papua New Guinea        |
| 11. Japan                          | 53. Libya                     | 96. Paraguay                    | 138. Nepal                   |
| 12. South Korea                    | 54. Panama                    | 97. Philippines                 | 139. Togo                    |
| 13. Switzerland                    | 55. Saudi Arabia              | 98. Botswana                    | 140. Comoros                 |
| 14. France                         | 56. Mexico                    | 99. Moldova                     | 141. Lesotho                 |
| 15. Israel                         | 57. Malaysia                  | 100. Mongolia                   | 142. Nigeria                 |

|                    |   |                   |                    |
|--------------------|---|-------------------|--------------------|
| 16. Finland        | 58. Bulgaria                                  | 101. Egypt        | 143. Uganda        |
| 17. Iceland        | 59. Trinidad and Tobago                       | 102. Uzbekistan   | 144. Senegal       |
| 18. Belgium        | 60. Serbia                                    | 103. Micronesia   | 145. Haiti         |
| 19. Denmark        | 61. Belarus                                   | 104. Guyana       | 146. Angola        |
| 20. Spain          | 62. Costa Rica                                | 105. Namibia      | 147. Djibouti      |
| 21. Hong King      | 63. Peru                                      | 106. Honduras     | 148. Tanzania      |
| 22. Greece         | 64. Albania                                   | 107. Maldives     | 149. Cote d'Ivoire |
| 23. Italy          | 65. Russian Federation                        | 108. Indonesia    | 150. Zambia        |
| 24. Luxembourg     | 66. Kazakhstan                                | 109. Kyrgyzstan   | 151. Gambia        |
| 25. Austria        | 67. Azerbaijan                                | 110. South Africa | 152. Rwanda        |
| 26. United Kingdom | 68. Bosnia and Herzegovina                    | 111. Syria        | 153. Malawi        |
| 27. Singapore      | 69. Ukraine                                   | 112. Tajikistan   | 154. Sudan         |
| 28. Czech Republic | 70. Iran                                      | 113. Vietnam      | 155. Afghanistan   |
| 29. Slovenia       | 71. The former Yugoslav Republic of Macedonia | 114. Morocco      | 156. Guinea        |
| 30. Andorra        | 72. Mauritius                                 | 115. Nicaragua    | 157. Ethiopia      |
| 31. Slovakia       | 73. Brazil                                    | 116. Guatemala    | 158. Sierra Leone  |

|                          |               |                            |                               |
|--------------------------|---------------|----------------------------|-------------------------------|
| 32. United Arab Emirates | 74. Georgia   | 117. Equatorial Guinea     | 159. Central African Republic |
| 33. Malta                | 75. Venezuela | 118. Cape Verde            | 160. Mali                     |
| 34. Estonia              | 76. Armenia   | 119. India                 | 161. Burkina Faso             |
| 35. Cyprus               | 77. Ecuador   | 120. East Timor            | 162. Liberia                  |
| 36. Hungary              | 78. Belize    | 121. Swaziland             | 163. Chad                     |
| 37. Brunei               | 79. Colombia  | 122. Laos                  | 164. Guinea-Bissau            |
| 38. Qatar                | 80. Jamaica   | 123. Solomon Islands       | 165. Mozambique               |
| 39. Bahrain              | 81. Tunisia   | 124. Cambodia              | 166. Burundi                  |
| 40. Portugal             | 82. Jordan    | 125. Pakistan              | 167. Niger                    |
| 41. Poland               | 83. Turkey    | 126. Congo RC              | 168. Congo DRC                |
| 42. Barbados             | 84. Algeria   | 127. Sao Tome and Principe | 169. Zimbabwe                 |
|                          | 85. Tonga     |                            |                               |

### Methodology:

For more information about the methodology used to calculate the HDI, please see the "Source



Materials" in the appendices of this Country Review.

Reference:

As published in United Nations Development Programme's Human Development Report 2010.

Source:

United Nations Development Programme's [Human Development Index](http://hdr.undp.org/en/statistics/) available at URL: <http://hdr.undp.org/en/statistics/>

Updated:

Uploaded in 2011 using ranking available; reviewed in 2015

## Life Satisfaction Index

Life Satisfaction Index

### Life Satisfaction Index

Created by Adrian G. White, an Analytic Social Psychologist at the University of Leicester, the "Satisfaction with Life Index" measures subjective life satisfaction across various countries. The data was taken from a metastudy (see below for source) and associates the notion of subjective happiness or life satisfaction with qualitative parameters such as health, wealth, and access to basic education. This assessment serves as an alternative to other measures of happiness that tend to rely on traditional and quantitative measures of policy on quality of life, such as GNP and GDP. The methodology involved the responses of 80,000 people across the globe.

| Rank | Country     | Score  |
|------|-------------|--------|
| 1    | Denmark     | 273.4  |
| 2    | Switzerland | 273.33 |

|    |                    |        |
|----|--------------------|--------|
| 3  | Austria            | 260    |
| 4  | Iceland            | 260    |
| 5  | The Bahamas        | 256.67 |
| 6  | Finland            | 256.67 |
| 7  | Sweden             | 256.67 |
| 8  | Iran               | 253.33 |
| 9  | Brunei             | 253.33 |
| 10 | Canada             | 253.33 |
| 11 | Ireland            | 253.33 |
| 12 | Luxembourg         | 253.33 |
| 13 | Costa Rica         | 250    |
| 14 | Malta              | 250    |
| 15 | Netherlands        | 250    |
| 16 | Antiguaand Barbuda | 246.67 |
| 17 | Malaysia           | 246.67 |
| 18 | New Zealand        | 246.67 |
| 19 | Norway             | 246.67 |
| 20 | Seychelles         | 246.67 |
|    |                    |        |

|    |                       |        |
|----|-----------------------|--------|
| 21 | Saint Kitts and Nevis | 246.67 |
| 22 | United Arab Emirates  | 246.67 |
| 23 | United States         | 246.67 |
| 24 | Vanuatu               | 246.67 |
| 25 | Venezuela             | 246.67 |
| 26 | Australia             | 243.33 |
| 27 | Barbados              | 243.33 |
| 28 | Belgium               | 243.33 |
| 29 | Dominica              | 243.33 |
| 30 | Oman                  | 243.33 |
| 31 | Saudi Arabia          | 243.33 |
| 32 | Suriname              | 243.33 |
| 33 | Bahrain               | 240    |
| 34 | Colombia              | 240    |
| 35 | Germany               | 240    |
| 36 | Guyana                | 240    |
| 37 | Honduras              | 240    |
| 38 | Kuwait                | 240    |

|    |                                  |        |
|----|----------------------------------|--------|
| 39 | Panama                           | 240    |
| 40 | Saint Vincent and the Grenadines | 240    |
| 41 | United Kingdom                   | 236.67 |
| 42 | Dominican Republic               | 233.33 |
| 43 | Guatemala                        | 233.33 |
| 44 | Jamaica                          | 233.33 |
| 45 | Qatar                            | 233.33 |
| 46 | Spain                            | 233.33 |
| 47 | Saint Lucia                      | 233.33 |
| 48 | Belize                           | 230    |
| 49 | Cyprus                           | 230    |
| 50 | Italy                            | 230    |
| 51 | Mexico                           | 230    |
| 52 | Samoa                            | 230    |
| 53 | Singapore                        | 230    |
| 54 | Solomon Islands                  | 230    |
| 55 | Trinidad and Tobago              | 230    |
| 56 | Argentina                        | 226.67 |

|    |                       |        |
|----|-----------------------|--------|
| 57 | Fiji                  | 223.33 |
| 58 | Israel                | 223.33 |
| 59 | Mongolia              | 223.33 |
| 60 | São Tomé and Príncipe | 223.33 |
| 61 | El Salvador           | 220    |
| 62 | France                | 220    |
| 63 | Hong Kong             | 220    |
| 64 | Indonesia             | 220    |
| 65 | Kyrgyzstan            | 220    |
| 66 | Maldives              | 220    |
| 67 | Slovenia              | 220    |
| 68 | Taiwan                | 220    |
| 69 | East Timor            | 220    |
| 70 | Tonga                 | 220    |
| 71 | Chile                 | 216.67 |
| 72 | Grenada               | 216.67 |
| 73 | Mauritius             | 216.67 |
| 74 | Namibia               | 216.67 |
|    |                       |        |

|    |                  |        |
|----|------------------|--------|
| 75 | Paraguay         | 216.67 |
| 76 | Thailand         | 216.67 |
| 77 | Czech Republic   | 213.33 |
| 78 | Philippines      | 213.33 |
| 79 | Tunisia          | 213.33 |
| 80 | Uzbekistan       | 213.33 |
| 81 | Brazil           | 210    |
| 82 | China            | 210    |
| 83 | Cuba             | 210    |
| 84 | Greece           | 210    |
| 85 | Nicaragua        | 210    |
| 86 | Papua New Guinea | 210    |
| 87 | Uruguay          | 210    |
| 88 | Gabon            | 206.67 |
| 89 | Ghana            | 206.67 |
| 90 | Japan            | 206.67 |
| 91 | Yemen            | 206.67 |
| 92 | Portugal         | 203.33 |

|     |                       |        |
|-----|-----------------------|--------|
| 93  | Sri Lanka             | 203.33 |
| 94  | Tajikistan            | 203.33 |
| 95  | Vietnam               | 203.33 |
| 96  | Bhutan                | 200    |
| 97  | Comoros               | 196.67 |
| 98  | Croatia               | 196.67 |
| 99  | Poland                | 196.67 |
| 100 | Cape Verde            | 193.33 |
| 101 | Kazakhstan            | 193.33 |
| 102 | South Korea           | 193.33 |
| 103 | Madagascar            | 193.33 |
| 104 | Bangladesh            | 190    |
| 105 | Republic of the Congo | 190    |
| 106 | The Gambia            | 190    |
| 107 | Hungary               | 190    |
| 108 | Libya                 | 190    |
| 109 | South Africa          | 190    |
| 110 | Cambodia              | 186.67 |

|     |                       |        |
|-----|-----------------------|--------|
| 111 | Ecuador               | 186.67 |
| 112 | Kenya                 | 186.67 |
| 113 | Lebanon               | 186.67 |
| 114 | Morocco               | 186.67 |
| 115 | Peru                  | 186.67 |
| 116 | Senegal               | 186.67 |
| 117 | Bolivia               | 183.33 |
| 118 | Haiti                 | 183.33 |
| 119 | Nepal                 | 183.33 |
| 120 | Nigeria               | 183.33 |
| 121 | Tanzania              | 183.33 |
| 122 | Benin                 | 180    |
| 123 | Botswana              | 180    |
| 124 | Guinea-Bissau         | 180    |
| 125 | India                 | 180    |
| 126 | Laos                  | 180    |
| 127 | Mozambique            | 180    |
| 128 | Palestinian Authority | 180    |



|     |                          |        |
|-----|--------------------------|--------|
| 129 | Slovakia                 | 180    |
| 130 | Myanmar                  | 176.67 |
| 131 | Mali                     | 176.67 |
| 132 | Mauritania               | 176.67 |
| 133 | Turkey                   | 176.67 |
| 134 | Algeria                  | 173.33 |
| 135 | Equatorial Guinea        | 173.33 |
| 136 | Romania                  | 173.33 |
| 137 | Bosnia and Herzegovina   | 170    |
| 138 | Cameroon                 | 170    |
| 139 | Estonia                  | 170    |
| 140 | Guinea                   | 170    |
| 141 | Jordan                   | 170    |
| 142 | Syria                    | 170    |
| 143 | Sierra Leone             | 166.67 |
| 144 | Azerbaijan               | 163.33 |
| 145 | Central African Republic | 163.33 |
| 146 | Republic of Macedonia    | 163.33 |

|     |               |        |
|-----|---------------|--------|
| 147 | Togo          | 163.33 |
| 148 | Zambia        | 163.33 |
| 149 | Angola        | 160    |
| 150 | Djibouti      | 160    |
| 151 | Egypt         | 160    |
| 152 | Burkina Faso  | 156.67 |
| 153 | Ethiopia      | 156.67 |
| 154 | Latvia        | 156.67 |
| 155 | Lithuania     | 156.67 |
| 156 | Uganda        | 156.67 |
| 157 | Albania       | 153.33 |
| 158 | Malawi        | 153.33 |
| 159 | Chad          | 150    |
| 160 | Côte d'Ivoire | 150    |
| 161 | Niger         | 150    |
| 162 | Eritrea       | 146.67 |
| 163 | Rwanda        | 146.67 |
| 164 | Bulgaria      | 143.33 |

|     |                                  |        |
|-----|----------------------------------|--------|
| 165 | Lesotho                          | 143.33 |
| 166 | Pakistan                         | 143.33 |
| 167 | Russia                           | 143.33 |
| 168 | Swaziland                        | 140    |
| 169 | Georgia                          | 136.67 |
| 170 | Belarus                          | 133.33 |
| 171 | Turkmenistan                     | 133.33 |
| 172 | Armenia                          | 123.33 |
| 173 | Sudan                            | 120    |
| 174 | Ukraine                          | 120    |
| 175 | Moldova                          | 116.67 |
| 176 | Democratic Republic of the Congo | 110    |
| 177 | Zimbabwe                         | 110    |
| 178 | Burundi                          | 100    |

### Commentary:

European countries, such as [Denmark](#), [Iceland](#), [Finland](#), [Sweden](#), [Switzerland](#), [Austria](#) resided at the top of the ranking with highest levels of self-reported life satisfaction. Conversely, European countries such as [Latvia](#), [Lithuania](#), [Moldova](#), [Belarus](#) and [Ukraine](#) ranked low on the index. African countries such as Democratic Republic of Congo, [Zimbabwe](#) and [Burundi](#) found themselves at the very bottom of the ranking, and indeed, very few African countries could be

found in the top 100. [Japan](#) was at the mid-way point in the ranking, however, other Asian countries such as [Brunei](#) and [Malaysia](#) were in the top tier, while [Pakistan](#) was close to the bottom with a low level of self-identified life satisfaction. As a region, the Middle East presented a mixed bag with Saudi Arabians reporting healthy levels of life satisfaction and Egyptians near the bottom of the ranking. As a region, Caribbean countries were ranked highly, consistently demonstrating high levels of life satisfaction. The findings showed that health was the most crucial determining factor in life satisfaction, followed by prosperity and education.

Source:

White, A. (2007). A Global Projection of Subjective Well-being: A Challenge To Positive Psychology? *Psychtalk* 56, 17-20. The data was extracted from a meta-analysis by Marks, Abdallah, Simms & Thompson (2006).

Uploaded:

Based on study noted above in "Source" ; reviewed in 2015

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## Happy Planet Index

### Happy Planet Index

The Happy Planet Index (HPI) is used to measure human well-being in conjunction with environmental impact. The HPI has been compiled since 2006 by the New Economics Foundation. The index is a composite of several indicators including subjective life satisfaction, life expectancy at birth, and ecological footprint per capita.

As noted by NEFA, the HPI "reveals the ecological efficiency with which human well-being is delivered." Indeed, the index combines environmental impact with human well-being to measure the environmental efficiency with which, country by country, people live long and happy lives. The countries ranked highest by the HPI are not necessarily the ones with the happiest people overall, but the ones that allow their citizens to live long and fulfilling lives, without negatively impacting this opportunity for either future generations or citizens of other countries. Accordingly, a country like the [United States](#) will rank low on this list due to its large per capital ecological footprint, which uses more than its fair share of resources, and will likely cause planetary damage.

It should be noted that the HPI was designed to be a counterpoint to other well-established indices of countries' development, such as Gross Domestic Product (GDP), which measures overall national wealth and economic development, but often obfuscates the realities of countries with stark variances between the rich and the poor. Moreover, the objective of most of the world's people is not to be wealthy but to be happy. The HPI also differs from the [Human Development Index](#) (HDI), which measures quality of life but not ecology, since it [HPI] also includes sustainability as a key indicator.

| Rank | Country            | HPI  |
|------|--------------------|------|
| 1    | Costa Rica         | 76.1 |
| 2    | Dominican Republic | 71.8 |
| 3    | Jamaica            | 70.1 |
| 4    | Guatemala          | 68.4 |
| 5    | Vietnam            | 66.5 |
| 6    | Colombia           | 66.1 |
| 7    | Cuba               | 65.7 |
| 8    | El Salvador        | 61.5 |
| 9    | Brazil             | 61.0 |
| 10   | Honduras           | 61.0 |
| 11   | Nicaragua          | 60.5 |
| 12   | Egypt              | 60.3 |

|    |                     |      |
|----|---------------------|------|
| 13 | Saudi Arabia        | 59.7 |
| 14 | Philippines         | 59.0 |
| 15 | Argentina           | 59.0 |
| 16 | Indonesia           | 58.9 |
| 17 | Bhutan              | 58.5 |
| 18 | Panama              | 57.4 |
| 19 | Laos                | 57.3 |
| 20 | China               | 57.1 |
| 21 | Morocco             | 56.8 |
| 22 | Sri Lanka           | 56.5 |
| 23 | Mexico              | 55.6 |
| 24 | Pakistan            | 55.6 |
| 25 | Ecuador             | 55.5 |
| 26 | Jordan              | 54.6 |
| 27 | Belize              | 54.5 |
| 28 | Peru                | 54.4 |
| 29 | Tunisia             | 54.3 |
| 30 | Trinidad and Tobago | 54.2 |

|    |             |      |
|----|-------------|------|
| 31 | Bangladesh  | 54.1 |
| 32 | Moldova     | 54.1 |
| 33 | Malaysia    | 54.0 |
| 34 | Tajikistan  | 53.5 |
| 35 | India       | 53.0 |
| 36 | Venezuela   | 52.5 |
| 37 | Nepal       | 51.9 |
| 38 | Syria       | 51.3 |
| 39 | Burma       | 51.2 |
| 40 | Algeria     | 51.2 |
| 41 | Thailand    | 50.9 |
| 42 | Haiti       | 50.8 |
| 43 | Netherlands | 50.6 |
| 44 | Malta       | 50.4 |
| 45 | Uzbekistan  | 50.1 |
| 46 | Chile       | 49.7 |
| 47 | Bolivia     | 49.3 |
| 48 | Armenia     | 48.3 |

|    |                        |      |
|----|------------------------|------|
| 49 | Singapore              | 48.2 |
| 50 | Yemen                  | 48.1 |
| 51 | Germany                | 48.1 |
| 52 | Switzerland            | 48.1 |
| 53 | Sweden                 | 48.0 |
| 54 | Albania                | 47.9 |
| 55 | Paraguay               | 47.8 |
| 56 | Palestinian Authority  | 47.7 |
| 57 | Austria                | 47.7 |
| 58 | Serbia                 | 47.6 |
| 59 | Finland                | 47.2 |
| 60 | Croatia                | 47.2 |
| 61 | Kyrgyzstan             | 47.1 |
| 62 | Cyprus                 | 46.2 |
| 63 | Guyana                 | 45.6 |
| 64 | Belgium                | 45.4 |
| 65 | Bosnia and Herzegovina | 45.0 |
| 66 | Slovenia               | 44.5 |



|    |                |      |
|----|----------------|------|
| 67 | Israel         | 44.5 |
| 68 | South Korea    | 44.4 |
| 69 | Italy          | 44.0 |
| 70 | Romania        | 43.9 |
| 71 | France         | 43.9 |
| 72 | Georgia        | 43.6 |
| 73 | Slovakia       | 43.5 |
| 74 | United Kingdom | 43.3 |
| 75 | Japan          | 43.3 |
| 76 | Spain          | 43.2 |
| 77 | Poland         | 42.8 |
| 78 | Ireland        | 42.6 |
| 79 | Iraq           | 42.6 |
| 80 | Cambodia       | 42.3 |
| 81 | Iran           | 42.1 |
| 82 | Bulgaria       | 42.0 |
| 83 | Turkey         | 41.7 |
| 84 | Hong Kong      | 41.6 |

|     |                |      |
|-----|----------------|------|
| 85  | Azerbaijan     | 41.2 |
| 86  | Lithuania      | 40.9 |
| 87  | Djibouti       | 40.4 |
| 88  | Norway         | 40.4 |
| 89  | Canada         | 39.4 |
| 90  | Hungary        | 38.9 |
| 91  | Kazakhstan     | 38.5 |
| 92  | Czech Republic | 38.3 |
| 93  | Mauritania     | 38.2 |
| 94  | Iceland        | 38.1 |
| 95  | Ukraine        | 38.1 |
| 96  | Senegal        | 38.0 |
| 97  | Greece         | 37.6 |
| 98  | Portugal       | 37.5 |
| 99  | Uruguay        | 37.2 |
| 100 | Ghana          | 37.1 |
| 101 | Latvia         | 36.7 |
| 102 | Australia      | 36.6 |

|     |                                  |      |
|-----|----------------------------------|------|
| 103 | New Zealand                      | 36.2 |
| 104 | Belarus                          | 35.7 |
| 105 | Denmark                          | 35.5 |
| 106 | Mongolia                         | 35.0 |
| 107 | Malawi                           | 34.5 |
| 108 | Russia                           | 34.5 |
| 109 | Chad                             | 34.3 |
| 110 | Lebanon                          | 33.6 |
| 111 | Macedonia                        | 32.7 |
| 112 | Republic of the Congo            | 32.4 |
| 113 | Madagascar                       | 31.5 |
| 114 | United States                    | 30.7 |
| 115 | Nigeria                          | 30.3 |
| 116 | Guinea                           | 30.3 |
| 117 | Uganda                           | 30.2 |
| 118 | South Africa                     | 29.7 |
| 119 | Rwanda                           | 29.6 |
| 120 | Democratic Republic of the Congo | 29.0 |

|     |                          |      |
|-----|--------------------------|------|
| 121 | Sudan                    | 28.5 |
| 122 | Luxembourg               | 28.5 |
| 123 | United Arab Emirates     | 28.2 |
| 124 | Ethiopia                 | 28.1 |
| 125 | Kenya                    | 27.8 |
| 126 | Cameroon                 | 27.2 |
| 127 | Zambia                   | 27.2 |
| 128 | Kuwait                   | 27.0 |
| 129 | Niger                    | 26.9 |
| 130 | Angola                   | 26.8 |
| 131 | Estonia                  | 26.4 |
| 132 | Mali                     | 25.8 |
| 133 | Mozambique               | 24.6 |
| 134 | Benin                    | 24.6 |
| 135 | Togo                     | 23.3 |
| 136 | Sierra Leone             | 23.1 |
| 137 | Central African Republic | 22.9 |
| 138 | Burkina Faso             | 22.4 |

|     |          |      |
|-----|----------|------|
| 139 | Burundi  | 21.8 |
| 140 | Namibia  | 21.1 |
| 141 | Botswana | 20.9 |
| 142 | Tanzania | 17.8 |
| 143 | Zimbabwe | 16.6 |

***Source:** This material is derived from the Happy Planet Index issued by the New Economics Foundation (NEF).*

***Methodology:** The methodology for the calculations can be found at URL: <http://www.happyplanetindex.org/>*

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## Status of Women

### **Gender Related Development Index (GDI) Rank:**

Not Ranked

### **Gender Empowerment Measure (GEM) Rank:**

Not Ranked

### **Female Population:**

15,000

### **Female Life Expectancy at birth:**

85 years

**Total Fertility Rate:**

1.3

**Maternal Mortality Ratio (2000):**

N/A

**Total Number of Women Living with HIV/AIDS:**

N/A

**Ever Married Women, Ages 15-19 (%):**

N/A

**Mean Age at Time of Marriage:**

N/A

**Contraceptive Use Among Married Women, Any Method (%):**

N/A

**Female Adult Literacy Rate:**

95%

**Combined Female Gross enrollment ratio for Primary, Secondary and Tertiary schools:**

N/A

**Female-Headed Households (%):**

N/A

**Economically Active Females (%):**

57%

**Female Contributing Family Workers (%):**

N/A

**Female Estimated Earned Income:**

N/A

**Seats in Parliament held by women (%):**

*Lower or Single House:* N/A

*Upper House or Senate:* N/A

**Year Women Received the Right to Vote:**

1959

**Year Women Received the Right to Stand for Election:**

1973

\*The Gender Development Index (GDI) is a composite index which measures the average achievement in a country. While very similar to the Human Development Index in its use of the same variables, the GDI adjusts the average achievement of each country in terms of life expectancy, enrollment in schools, income, and literacy in accordance to the disparities between males and females.

\*The Gender Empowerment Measure (GEM) is a composite index measuring gender inequality in three of the basic dimensions of empowerment; economic participation and decision-making, political participation and decision-making, and power over economic resources.

\*Total Fertility Rate (TFR) is defined as the average number of babies born to women during their reproductive years. A TFR of 2.1 is considered the replacement rate; once a TFR of a population reaches 2.1 the population will remain stable assuming no immigration or emigration takes place. When the TFR is greater than 2.1 a population will increase and when it is less than 2.1 a population will eventually decrease, although due to the age structure of a population it will take years before a low TFR is translated into lower population.

\*Maternal Mortality Rate is the number of deaths to women per 100,000 live births that resulted from conditions related to pregnancy and or delivery related complications.

\*Economically Active Females are the share of the female population, ages 15 and above, whom

supply, or are able to supply, labor for the production of goods and services.

\*Female Contributing Family Workers are those females who work without pay in an economic enterprise operated by a relative living in the same household.

\*Estimated Earned Income is measured according to Purchasing Power Parity (PPP) in US dollars.

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## Global Gender Gap Index

### Global Gender Gap Index

#### Editor's Note:

The Global Gender Gap Index by the World Economic Forum ranks most of the world's countries in terms of the division of resources and opportunities among males and females. Specifically, the ranking assesses the gender inequality gap in these four arenas:

1. Economic participation and opportunity (salaries and high skilled employment participation levels)
2. Educational attainment (access to basic and higher level education)
3. Political empowerment (representation in decision-making structures)
4. Health and survival (life expectancy and sex ratio)

|         | 2010 rank | 2010 score | 2010 rank among 2009 countries | 2009 rank | 2009 score | 2008 rank | 2008 score | 2007 rank |
|---------|-----------|------------|--------------------------------|-----------|------------|-----------|------------|-----------|
| Country |           |            |                                |           |            |           |            |           |
| Iceland | 1         | 0.8496     | 1                              | 1         | 0.8276     | 4         | 0.7999     | 4         |



|                |    |        |    |    |        |    |        |    |
|----------------|----|--------|----|----|--------|----|--------|----|
| Norway         | 2  | 0.8404 | 2  | 3  | 0.8227 | 1  | 0.8239 | 2  |
| Finland        | 3  | 0.8260 | 3  | 2  | 0.8252 | 2  | 0.8195 | 3  |
| Sweden         | 4  | 0.8024 | 4  | 4  | 0.8139 | 3  | 0.8139 | 1  |
| New Zealand    | 5  | 0.7808 | 5  | 5  | 0.7880 | 5  | 0.7859 | 5  |
| Ireland        | 6  | 0.7773 | 6  | 8  | 0.7597 | 8  | 0.7518 | 9  |
| Denmark        | 7  | 0.7719 | 7  | 7  | 0.7628 | 7  | 0.7538 | 8  |
| Lesotho        | 8  | 0.7678 | 8  | 10 | 0.7495 | 16 | 0.7320 | 26 |
| Philippines    | 9  | 0.7654 | 9  | 9  | 0.7579 | 6  | 0.7568 | 6  |
| Switzerland    | 10 | 0.7562 | 10 | 13 | 0.7426 | 14 | 0.7360 | 40 |
| Spain          | 11 | 0.7554 | 11 | 17 | 0.7345 | 17 | 0.7281 | 10 |
| South Africa   | 12 | 0.7535 | 12 | 6  | 0.7709 | 22 | 0.7232 | 20 |
| Germany        | 13 | 0.7530 | 13 | 12 | 0.7449 | 11 | 0.7394 | 7  |
| Belgium        | 14 | 0.7509 | 14 | 33 | 0.7165 | 28 | 0.7163 | 19 |
| United Kingdom | 15 | 0.7460 | 15 | 15 | 0.7402 | 13 | 0.7366 | 11 |
| Sri Lanka      | 16 | 0.7458 | 16 | 16 | 0.7402 | 12 | 0.7371 | 15 |
| Netherlands    | 17 | 0.7444 | 17 | 11 | 0.7490 | 9  | 0.7399 | 12 |
| Latvia         | 18 | 0.7429 | 18 | 14 | 0.7416 | 10 | 0.7397 | 13 |

|                     |    |        |    |    |        |    |        |     |
|---------------------|----|--------|----|----|--------|----|--------|-----|
| United States       | 19 | 0.7411 | 19 | 31 | 0.7173 | 27 | 0.7179 | 31  |
| Canada              | 20 | 0.7372 | 20 | 25 | 0.7196 | 31 | 0.7136 | 18  |
| Trinidad and Tobago | 21 | 0.7353 | 21 | 19 | 0.7298 | 19 | 0.7245 | 46  |
| Mozambique          | 22 | 0.7329 | 22 | 26 | 0.7195 | 18 | 0.7266 | 43  |
| Australia           | 23 | 0.7271 | 23 | 20 | 0.7282 | 21 | 0.7241 | 17  |
| Cuba                | 24 | 0.7253 | 24 | 29 | 0.7176 | 25 | 0.7195 | 22  |
| Namibia             | 25 | 0.7238 | 25 | 32 | 0.7167 | 30 | 0.7141 | 29  |
| Luxembourg          | 26 | 0.7231 | 26 | 63 | 0.6889 | 66 | 0.6802 | 58  |
| Mongolia            | 27 | 0.7194 | 27 | 22 | 0.7221 | 40 | 0.7049 | 62  |
| Costa Rica          | 28 | 0.7194 | 28 | 27 | 0.7180 | 32 | 0.7111 | 28  |
| Argentina           | 29 | 0.7187 | 29 | 24 | 0.7211 | 24 | 0.7209 | 33  |
| Nicaragua           | 30 | 0.7176 | 30 | 49 | 0.7002 | 71 | 0.6747 | 90  |
| Barbados            | 31 | 0.7176 | 31 | 21 | 0.7236 | 26 | 0.7188 | n/a |
| Portugal            | 32 | 0.7171 | 32 | 46 | 0.7013 | 39 | 0.7051 | 37  |
| Uganda              | 33 | 0.7169 | 33 | 40 | 0.7067 | 43 | 0.6981 | 50  |
| Moldova             | 34 | 0.7160 | 34 | 36 | 0.7104 | 20 | 0.7244 | 21  |
| Lithuania           | 35 | 0.7132 | 35 | 30 | 0.7175 | 23 | 0.7222 | 14  |

|                    |    |        |    |    |        |     |        |     |
|--------------------|----|--------|----|----|--------|-----|--------|-----|
| Bahamas            | 36 | 0.7128 | 36 | 28 | 0.7179 | n/a | n/a    | n/a |
| Austria            | 37 | 0.7091 | 37 | 42 | 0.7031 | 29  | 0.7153 | 27  |
| Guyana             | 38 | 0.7090 | 38 | 35 | 0.7108 | n/a | n/a    | n/a |
| Panama             | 39 | 0.7072 | 39 | 43 | 0.7024 | 34  | 0.7095 | 38  |
| Ecuador            | 40 | 0.7072 | 40 | 23 | 0.7220 | 35  | 0.7091 | 44  |
| Kazakhstan         | 41 | 0.7055 | 41 | 47 | 0.7013 | 45  | 0.6976 | 32  |
| Slovenia           | 42 | 0.7047 | 42 | 52 | 0.6982 | 51  | 0.6937 | 49  |
| Poland             | 43 | 0.7037 | 43 | 50 | 0.6998 | 49  | 0.6951 | 60  |
| Jamaica            | 44 | 0.7037 | 44 | 48 | 0.7013 | 44  | 0.6980 | 39  |
| Russian Federation | 45 | 0.7036 | 45 | 51 | 0.6987 | 42  | 0.6994 | 45  |
| France             | 46 | 0.7025 | 46 | 18 | 0.7331 | 15  | 0.7341 | 51  |
| Estonia            | 47 | 0.7018 | 47 | 37 | 0.7094 | 37  | 0.7076 | 30  |
| Chile              | 48 | 0.7013 | 48 | 64 | 0.6884 | 65  | 0.6818 | 86  |
| Macedonia, FYR     | 49 | 0.6996 | 49 | 53 | 0.6950 | 53  | 0.6914 | 35  |
| Bulgaria           | 50 | 0.6983 | 50 | 38 | 0.7072 | 36  | 0.7077 | 25  |
| Kyrgyz Republic    | 51 | 0.6973 | 51 | 41 | 0.7058 | 41  | 0.7045 | 70  |
| Israel             | 52 | 0.6957 | 52 | 45 | 0.7019 | 56  | 0.6900 | 36  |

|                |    |        |    |    |        |     |        |    |
|----------------|----|--------|----|----|--------|-----|--------|----|
| Croatia        | 53 | 0.6939 | 53 | 54 | 0.6944 | 46  | 0.6967 | 16 |
| Honduras       | 54 | 0.6927 | 54 | 62 | 0.6893 | 47  | 0.6960 | 68 |
| Colombia       | 55 | 0.6927 | 55 | 56 | 0.6939 | 50  | 0.6944 | 24 |
| Singapore      | 56 | 0.6914 | 56 | 84 | 0.6664 | 84  | 0.6625 | 77 |
| Thailand       | 57 | 0.6910 | 57 | 59 | 0.6907 | 52  | 0.6917 | 52 |
| Greece         | 58 | 0.6908 | 58 | 85 | 0.6662 | 75  | 0.6727 | 72 |
| Uruguay        | 59 | 0.6897 | 59 | 57 | 0.6936 | 54  | 0.6907 | 78 |
| Peru           | 60 | 0.6895 | 60 | 44 | 0.7024 | 48  | 0.6959 | 75 |
| China          | 61 | 0.6881 | 61 | 60 | 0.6907 | 57  | 0.6878 | 73 |
| Botswana       | 62 | 0.6876 | 62 | 39 | 0.7071 | 63  | 0.6839 | 53 |
| Ukraine        | 63 | 0.6869 | 63 | 61 | 0.6896 | 62  | 0.6856 | 57 |
| Venezuela      | 64 | 0.6863 | 64 | 69 | 0.6839 | 59  | 0.6875 | 55 |
| Czech Republic | 65 | 0.6850 | 65 | 74 | 0.6789 | 69  | 0.6770 | 64 |
| Tanzania       | 66 | 0.6829 | 66 | 73 | 0.6797 | 38  | 0.7068 | 34 |
| Romania        | 67 | 0.6826 | 67 | 70 | 0.6805 | 70  | 0.6763 | 47 |
| Malawi         | 68 | 0.6824 | 68 | 76 | 0.6738 | 81  | 0.6664 | 87 |
| Paraguay       | 69 | 0.6804 | 69 | 66 | 0.6868 | 100 | 0.6379 | 69 |
| Ghana          | 70 | 0.6782 | 70 | 80 | 0.6704 | 77  | 0.6679 | 63 |

|                    |    |        |    |     |        |     |        |     |
|--------------------|----|--------|----|-----|--------|-----|--------|-----|
| Slovak Republic    | 71 | 0.6778 | 71 | 68  | 0.6845 | 64  | 0.6824 | 54  |
| Vietnam            | 72 | 0.6776 | 72 | 71  | 0.6802 | 68  | 0.6778 | 42  |
| Dominican Republic | 73 | 0.6774 | 73 | 67  | 0.6859 | 72  | 0.6744 | 65  |
| Italy              | 74 | 0.6765 | 74 | 72  | 0.6798 | 67  | 0.6788 | 84  |
| Gambia, The        | 75 | 0.6762 | 75 | 75  | 0.6752 | 85  | 0.6622 | 95  |
| Bolivia            | 76 | 0.6751 | 76 | 82  | 0.6693 | 80  | 0.6667 | 80  |
| Brueni Darussalem  | 77 | 0.6748 | 77 | 94  | 0.6524 | 99  | 0.6392 | n/a |
| Albania            | 78 | 0.6726 | 78 | 91  | 0.6601 | 87  | 0.6591 | 66  |
| Hungary            | 79 | 0.6720 | 79 | 65  | 0.6879 | 60  | 0.6867 | 61  |
| Madagascar         | 80 | 0.6713 | 80 | 77  | 0.6732 | 74  | 0.6736 | 89  |
| Angola             | 81 | 0.6712 | 81 | 106 | 0.6353 | 114 | 0.6032 | 110 |
| Bangladesh         | 82 | 0.6702 | 82 | 93  | 0.6526 | 90  | 0.6531 | 100 |
| Malta              | 83 | 0.6695 | 83 | 88  | 0.6635 | 83  | 0.6634 | 76  |
| Armenia            | 84 | 0.6669 | 84 | 90  | 0.6619 | 78  | 0.6677 | 71  |
| Brazil             | 85 | 0.6655 | 85 | 81  | 0.6695 | 73  | 0.6737 | 74  |
| Cyprus             | 86 | 0.6642 | 86 | 79  | 0.6706 | 76  | 0.6694 | 82  |
|                    |    |        |    |     |        |     |        |     |

|                      |     |        |     |     |        |     |        |     |
|----------------------|-----|--------|-----|-----|--------|-----|--------|-----|
| Indonesia            | 87  | 0.6615 | 87  | 92  | 0.6580 | 93  | 0.6473 | 81  |
| Georgia              | 88  | 0.6598 | 88  | 83  | 0.6680 | 82  | 0.6654 | 67  |
| Tajikistan           | 89  | 0.6598 | 89  | 86  | 0.6661 | 89  | 0.6541 | 79  |
| El Salvador          | 90  | 0.6596 | 90  | 55  | 0.6939 | 58  | 0.6875 | 48  |
| Mexico               | 91  | 0.6577 | 91  | 98  | 0.6503 | 97  | 0.6441 | 93  |
| Zimbabwe             | 92  | 0.6574 | 92  | 95  | 0.6518 | 92  | 0.6485 | 88  |
| Belize               | 93  | 0.6536 | 93  | 87  | 0.6636 | 86  | 0.6610 | 94  |
| Japan                | 94  | 0.6524 | 94  | 101 | 0.6447 | 98  | 0.6434 | 91  |
| Mauritius            | 95  | 0.6520 | 95  | 96  | 0.6513 | 95  | 0.6466 | 85  |
| Kenya                | 96  | 0.6499 | 96  | 97  | 0.6512 | 88  | 0.6547 | 83  |
| Cambodia             | 97  | 0.6482 | 97  | 104 | 0.6410 | 94  | 0.6469 | 98  |
| Malaysia             | 98  | 0.6479 | 98  | 100 | 0.6467 | 96  | 0.6442 | 92  |
| Maldives             | 99  | 0.6452 | 99  | 99  | 0.6482 | 91  | 0.6501 | 99  |
| Azerbaijan           | 100 | 0.6446 | 100 | 89  | 0.6626 | 61  | 0.6856 | 59  |
| Senegal              | 101 | 0.6414 | 101 | 102 | 0.6427 | n/a | n/a    | n/a |
| Suriname             | 102 | 0.6407 | 102 | 78  | 0.6726 | 79  | 0.6674 | 56  |
| United Arab Emirates | 103 | 0.6397 | 103 | 112 | 0.6198 | 105 | 0.6220 | 105 |
| Korea, Rep.          | 104 | 0.6342 | 104 | 115 | 0.6146 | 108 | 0.6154 | 97  |

|              |     |        |     |     |        |     |                        |     |
|--------------|-----|--------|-----|-----|--------|-----|------------------------|-----|
| Kuwait       | 105 | 0.6318 | 105 | 105 | 0.6356 | 101 | 0.6358                 | 96  |
| Zambia       | 106 | 0.6293 | 106 | 107 | 0.6310 | 106 | 0.6205                 | 101 |
| Tunisia      | 107 | 0.6266 | 107 | 109 | 0.6233 | 103 | 0.6295                 | 102 |
| Fiji         | 108 | 0.6256 | 108 | 103 | 0.6414 | n/a | n/a                    | n/a |
| Guatemala    | 109 | 0.6238 | 109 | 111 | 0.6209 | 112 | 0.6072                 | 106 |
| Bahrain      | 110 | 0.6217 | 110 | 116 | 0.6136 | 121 | 0.5927                 | 115 |
| Burkina Faso | 111 | 0.6162 | 111 | 120 | 0.6081 | 115 | 0.6029                 | 117 |
| India        | 112 | 0.6155 | 112 | 114 | 0.6151 | 113 | 0.6060                 | 114 |
| Mauritania   | 113 | 0.6152 | 113 | 119 | 0.6103 | 110 | 0.6117                 | 111 |
| Cameroon     | 114 | 0.6110 | 114 | 118 | 0.6108 | 117 | 0.6017                 | 116 |
| Nepal        | 115 | 0.6084 | 115 | 110 | 0.6213 | 120 | 0.5942                 | 125 |
| Lebanon*     | 116 | 0.6084 | n/a | n/a | n/a    | n/a | n/a                    | n/a |
| Qatar        | 117 | 0.6059 | 116 | 125 | 0.5907 | 119 | 0.5948                 | 109 |
| Nigeria      | 118 | 0.6055 | 117 | 108 | 0.6280 | 102 | 0.6339                 | 107 |
| Algeria      | 119 | 0.6052 | 118 | 117 | 0.6119 | 111 | 0.6111                 | 108 |
| Jordan       | 120 | 0.6048 | 119 | 113 | 0.6182 | 104 | 0.6275                 | 104 |
| Ethiopia     | 121 | 0.6019 | 120 | 122 | 0.5948 | 122 | 0.5867                 | 113 |
| Oman         | 122 | 0.5950 | 121 | 123 | 0.5938 | 118 | <a href="#">0.5960</a> | 119 |

|                |     |        |     |     |        |     |        |     |
|----------------|-----|--------|-----|-----|--------|-----|--------|-----|
| Iran           | 123 | 0.5933 | 122 | 128 | 0.5839 | 116 | 0.6021 | 118 |
| Syria          | 124 | 0.5926 | 123 | 121 | 0.6072 | 107 | 0.6181 | 103 |
| Egypt          | 125 | 0.5899 | 124 | 126 | 0.5862 | 124 | 0.5832 | 120 |
| Turkey         | 126 | 0.5876 | 125 | 129 | 0.5828 | 123 | 0.5853 | 121 |
| Morocco        | 127 | 0.5767 | 126 | 124 | 0.5926 | 125 | 0.5757 | 122 |
| Benin          | 128 | 0.5719 | 127 | 131 | 0.5643 | 126 | 0.5582 | 123 |
| Saudi Arabia   | 129 | 0.5713 | 128 | 130 | 0.5651 | 128 | 0.5537 | 124 |
| Côte d'Ivoire* | 130 | 0.5691 | n/a | n/a | n/a    | n/a | n/a    | n/a |
| Mali           | 131 | 0.5680 | 129 | 127 | 0.5860 | 109 | 0.6117 | 112 |
| Pakistan       | 132 | 0.5465 | 130 | 132 | 0.5458 | 127 | 0.5549 | 126 |
| Chad           | 133 | 0.5330 | 131 | 133 | 0.5417 | 129 | 0.5290 | 127 |
| Yemen          | 134 | 0.4603 | 132 | 134 | 0.4609 | 130 | 0.4664 | 128 |
| Belarus        | n/a | n/a    | n/a | 34  | 0.7141 | 33  | 0.7099 | 23  |
| Uzbekistan     | n/a | n/a    | n/a | 58  | 0.6913 | 55  | 0.6906 | 41  |
|                |     |        |     |     |        |     |        |     |

\*new country 2010



Commentary:

According to the report's index, Nordic countries, such as [Iceland](#), [Norway](#), [Finland](#), and [Sweden](#) have continued to dominate at the top of the ranking for gender equality. Meanwhile, [France](#) has seen a notable decline in the ranking, largely as a result of decreased number of women holding ministerial portfolios in that country. In the Americas, the [United States](#) has risen in the ranking to top the region, predominantly as a result of a decreasing wage gap, as well as higher number of women holding key positions in the current Obama administration. [Canada](#) has continued to remain as one of the top ranking countries of the Americas, followed by the small Caribbean island nation of Trinidad and Tobago, which has the distinction of being among the top three countries of the Americans in the realm of gender equality. [Lesotho](#) and South African ranked highly in the index, leading not only among African countries but also in global context. Despite [Lesotho](#) still lagging in the area of life expectancy, its high ranking was attributed to high levels of female participation in the labor force and female literacy. The [Philippines](#) and [Sri Lanka](#) were the top ranking countries for gender equality for Asia, ranking highly also in global context. The [Philippines](#) has continued to show strong performance in all strong performance on all four dimensions (detailed above) of the index. Finally, in the Arab world, the [United Arab Emirates](#) held the highest-rank within that region of the world; however, its placement near the bottom of the global list highlights the fact that Arab countries are generally poor performers when it comes to the matter of gender equality in global scope.

Source:

This data is derived from the latest edition of The Global Gender Gap Report by the World Economic Forum.

Available at URL:

<http://www.weforum.org/en/Communities/Women%20Leaders%20and%20Gender%20Parity/Gende>

Updated:

Based on latest available data as set forth in chart; reviewed in 2014

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## Culture and Arts

## **Culture of San Marino**

### **National Identity**

The name of the country, San Marino, is derived from its founder, Marinus, who according to legend founded the republic in 301 in the common era, C.E. A Christian stonemason, Marinus the Dalmation fled the island of Arbe to escape the anti-Christian Roman Emperor Diocletian. Marinus hid on the peak of Mount Titano and founded a small community of people following their Christian beliefs. It is generally believed that the area had been inhabited since prehistoric times, although evidence of existence on Mount Titano dates back only to the Middle Ages. In memory of the Marinus the stonemason, the land was renamed "Land of San Marino," then called the "Community of San Marino," and was finally changed to its present-day name, "Republic of San Marino."

Today, San Marino is composed of native Sammarinese and Italian citizens. While the Italian language and culture have been indelible influences on San Marino, the Sammarinese insist on their own individuality and identity, which they have tried to preserve through the centuries. Indeed, they have a strong pride in their unique culture.

### **Arts**

There are museums showcasing history and arts throughout San Marino. As well, the people of San Marino take a keen interest in film, music, and literature. In particular, visual arts of great significance in San Marino and are a legacy of the strategic location in Europe during the Renaissance and Baroque periods. Indeed, art works by important Italian artists during these eras have found their way into San Marino. As well, there is no shortage of stone carvings, pottery, ceramics and other traditional crafts that serve as a testament to San Marino's history.

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## **Etiquette**

## **Cultural Dos and Taboos**

1. The firm handshake is the standard greeting for men and women, upon meeting and again upon departure. Even children are encouraged to shake hands. Handshakes may often include grasping the arm with the other hand. At a large gathering, if no one is giving formal introductions, it is proper to shake hands and introduce yourself. When introduced to a woman, wait to see if she extends her hand before offering to shake. In general, the woman offers her hand first. In social settings, people may kiss on both cheeks. Also, among friends, expect women to "kiss" on either cheek in a manner more akin to pressing the sides of the face together. Close friends and male relatives often embrace and slap each other on the back.
2. Always rise to be introduced to someone. Note also that most greetings take place at a close distance. Yelling hello across a room would be considered culturally inappropriate. Wait until the person or persons with whom you are meeting are in close proximity to you where a polite greeting can be exchanged.
3. Do not use first names unless you are invited to; formality is still appreciated. One should use the formal form of address such as Mr. or Mrs. followed by a surname, unless invited to move to a first name basis. Younger people are more apt to move to less formal forms of address quickly, while children tend to address each other using first names. Outside the personal sphere, however, it is advisable that professional and governmental titles be used. In business, titles are used more rarely in verbal communication although they are customarily used in written communications. Formality is appreciated.
4. If you are invited to a house for dinner it is fine to bring a small gift for the host or hostess. Flowers are acceptable but one needs to be careful in choosing the color and number. Always bring an odd number of flowers and never bring red or yellow flowers. Never bring chrysanthemums as they are used for funerals. It may be best to ask the florist about the best sort to bring for the occasion. Of course, candy and wine make fine gifts as well.
5. One should always dress accordingly to the situation. Certain restaurants and social activities may call for formal dress. In general, casual dress is fine.
6. Dining is Western style with elbows off the table, the fork held steadfastly in the left hand and the knife in the right hand.
7. In conversation, art, food, wine, sports such as bicycling and especially soccer, family, scenery, films, as well as travel, are considered to be good topics of conversation. The unique history and culture of San Marino is also a fine topic of conversation. Europeans tend to be well informed about cultural and political issues, and so one should expect honest and opinionated expression of ideas in this regard. One should, however, avoid talking about one's profession, religion, politics

and World War II. One should also not tell risqué jokes.

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## **Travel Information**

### **Please Note**

**This is a generalized travel guide and it is intended to coalesce several resources, which a traveler might find useful, regardless of a particular destination. As such, it does not include travel warnings for specific "hot spot" destinations.**

**For travel alerts and warnings, please see the United States Department of State's listings available at URL:**

**<http://travel.state.gov/content/passports/english/alertswarnings.html>**

**Please note that travel to the following countries, based on these warnings, is ill-advised, or should be undertaken with the utmost precaution:**

**Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Chad, Colombia, Democratic Republic of Congo, Djibouti, El Salvador, Eritrea, Ethiopia, Guinea, Honduras, Iraq, Iran, Lebanon, Liberia, Libya, Mali, Mauritania, Mexico, Nepal, Niger, Nigeria, North Korea, Pakistan, Palestinian Territories of West Bank and Gaza, Philippines areas of Sulu Archipelago, Mindanao, and southern Sulu Sea, Saudi Arabia, Sierra Leone, Somalia, South Sudan, Sudan, Syria, Ukraine, Venezuela, and Yemen.**

### **International Travel Guide**

#### **Checklist for Travelers**

- 1. Take out travel insurance to cover hospital treatment or medical evacuation. Overseas medical costs are expensive to most international travelers, where one's domestic, nationalized or even private health insurance plans will not provide coverage outside one's home country. Learn about "reciprocal insurance plans" that some international health care companies might offer.**
- 2. Make sure that one's travel insurance is appropriate. If one intends to indulge in adventurous activities, such as parasailing, one should be sure that one is fully insured in such cases. Many traditional insurance policies do not provide coverage in cases of extreme circumstances.**

- 3.** Take time to learn about one's destination country and culture. Read and learn about the place one is traveling. Also check political, economic and socio-cultural developments at the destination by reading country-specific travel reports and fact sheets noted below.
- 4.** Get the necessary visas for the country (or countries) one intends to visit - but be aware that a visa does not guarantee entry. A number of useful sites regarding visa and other entry requirements are noted below.
- 5.** Keep in regular contact with friends and relatives back at home by phone or email, and be sure to leave a travel itinerary.
- 6.** Protect one's personal information by making copies of one's passport details, insurance policy, travelers checks and credit card numbers. Taking copies of such documents with you, while leaving another collection copies with someone at home is also good practice for travelers. Taking copies of one's passport photograph is also recommended.
- 7.** Stay healthy by taking all possible precautions against illness. Also, be sure to take extra supplies of prescription drugs along for the trip, while also taking time to pack general pharmaceutical supplies, such as aspirin and other such painkillers, bandages, stomach ailment medication, anti-inflammatory medication and anti-bacterial medication.
- 8.** Do not carry illicit drugs. Understand that the punishment for possession or use of illegal drugs in some countries may be capital punishment. Make sure your prescription drugs are legal in the countries you plan to visit.
- 9.** Know the laws of one's destination country and culture; be sure to understand the repercussions of breaking those laws and regulations. Often the transparency and freedoms of the juridical system at home is not consistent with that of one's destination country. Become aware of these complexities and subtleties before you travel.
- 10.** For longer stays in a country, or where the security situation is volatile, one should register one's self and traveling companions at the local embassy or consulate of one's country of citizenship.
- 11.** Women should take care to be prepared both culturally and practically for traveling in a different country and culture. One should be sure to take sufficient supplies of personal feminine products and prescription drugs. One should also learn about local cultural standards for women, including norms of dressing. Be aware that it is simply inappropriate and unsafe for women to travel alone in some countries, and take the necessary precautions to avoid risk-filled situations.
- 12.** If one is traveling with small children, one should pack extra supplies, make arrangements with the travel carrier for proper seating that would adequately accommodate children, infants or toddlers. Note also that whether one is male or female, traveling with children means that one's hands are thus not free to carry luggage and bags. Be especially aware that this makes one vulnerable to pickpockets, thieves and other sorts of crime.
- 13.** Make proper arrangements for accommodations, well in advance of one's arrival at a destination. Some countries have limited accommodation, while others may have culturally distinctive facilities. Learning about these practicalities before one travels will greatly aid the enjoyment of one's trip.
- 14.** Travel with different forms of currency and money (cash, traveler's checks and credit cards) in

anticipation that venues may not accept one or another form of money. Also, ensuring that one's financial resources are not contained in one location, or by one person (if one is traveling with others) can be a useful measure, in the event that one loses a wallet or purse.

**15.** Find out about transportation in the destination country. In some places, it might be advisable to hire a local driver or taxi guide for safety reasons, while in other countries, enjoying one's travel experience may well be enhanced by renting a vehicle and seeing the local sights and culture independently. Costs may also be prohibitive for either of these choices, so again, prior planning is suggested.

### **Tips for Travelers**

In an effort to prevent international child abduction, many governments have initiated procedures at entry/exit points. These often include requiring documentary evidence of relationship and permission for the child's travel from the parent(s) or legal guardian not present. Having such documentation on hand, even if not required, may facilitate entry/departure.

Petty crimes such as pickpocketing, theft from parked cars, and purse snatching, however, are problems. To reduce the chance of becoming a victim, do not carry a wallet or purse if possible. Carry shoulder bags tightly under your arm with the clasp facing your body. Wear waist packs in the front, but be aware that thieves can slit them open without you noticing. Leave extra cash, credit cards, and personal documents in a hotel safe. Carry photocopies of passports and financial documents separately from the originals.

Uninsured travelers who require medical care overseas often face extreme difficulties, whereas travelers who have purchased overseas medical insurance have, when a medical emergency occurs, found it life-saving. When consulting with your insurer prior to your trip, ascertain whether payment will be made to the overseas healthcare provider or whether you will be reimbursed later for expenses you incur. Some insurance policies also include coverage for psychiatric treatment and for disposition of remains in the event of death. However, many travel agents and private companies offer insurance plans that will cover health care expenses incurred overseas including emergency services such as medical evacuations.

While in a foreign country, you are subject to that country's laws and regulations. Persons violating the laws, even unknowingly, may be expelled, arrested or imprisoned. Penalties for possession, use, or trafficking in illegal drugs are strict and convicted offenders can expect jail sentences and heavy fines.

Note: This information is directly quoted from the United States Department of State Consular Information Sheet.

Sources: *United States Department of State Consular Information Sheet*

## **Business Culture: Information for Business Travelers**

For general information on etiquette in San Marino see our Cultural Etiquette page.

## **Online Resources Regarding Entry Requirements and Visas**

Foreign Entry Requirements for Americans from the United States Department of State

[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1765.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html)

Visa Services for Non-Americans from the United States Department of State

[http://travel.state.gov/visa/visa\\_1750.html](http://travel.state.gov/visa/visa_1750.html)

Visa Bulletins from the United States Department of State

[http://travel.state.gov/visa/frvi/bulletin/bulletin\\_1360.html](http://travel.state.gov/visa/frvi/bulletin/bulletin_1360.html)

Visa Waivers from the United States Department of State

[http://travel.state.gov/visa/temp/without/without\\_1990.html](http://travel.state.gov/visa/temp/without/without_1990.html) - new

Passport and Visa Information from the Government of the United Kingdom

<http://www.bia.homeoffice.gov.uk/>

Visa Information from the Government of Australia

<http://www.dfat.gov.au/visas/index.html>

Passport Information from the Government of Australia

<https://www.passports.gov.au/Web/index.aspx>

Passport Information from the Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/passport\\_passeport-eng.asp](http://www.voyage.gc.ca/preparation_information/passport_passeport-eng.asp)

Visa Information from the Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/visas-eng.asp](http://www.voyage.gc.ca/preparation_information/visas-eng.asp)

Online Visa Processing by Immigration Experts by VisaPro

<http://www.visapro.com>

Sources: United States Department of State, United Kingdom Foreign and Commonwealth Office, Government of Australia: Department of Foreign Affairs and Trade, Government of Canada Department of Foreign Affairs and International Trade

#### Useful Online Resources for Travelers

Country-Specific Travel Information from United States

[http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1765.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1765.html)

Travel Advice by Country from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/>

General Travel Advice from Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/Advice/General>

Travel Bulletins from the Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/TravelBulletins/>

Travel Tips from Government of Australia

<http://www.smartraveller.gov.au/tips/index.html>

Travel Checklist by Government of Canada

[http://www.voyage.gc.ca/preparation\\_information/checklist\\_sommaire-eng.asp](http://www.voyage.gc.ca/preparation_information/checklist_sommaire-eng.asp)

Travel Checklist from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/staying-safe/checklist>

Your trip abroad from United States Department of State

[http://travel.state.gov/travel/tips/brochures/brochures\\_1225.html](http://travel.state.gov/travel/tips/brochures/brochures_1225.html)

A safe trip abroad from United States Department of State

[http://travel.state.gov/travel/tips/safety/safety\\_1747.html](http://travel.state.gov/travel/tips/safety/safety_1747.html)

Tips for expatriates abroad from United States Department of State

[http://travel.state.gov/travel/living/residing/residing\\_1235.html](http://travel.state.gov/travel/living/residing/residing_1235.html)

Tips for students from United States Department of State

[http://travel.state.gov/travel/living/studying/studying\\_1238.html](http://travel.state.gov/travel/living/studying/studying_1238.html) <http://travel.state.gov/travel/tips/broc>



Medical information for travelers from United States Department of State

[http://travel.state.gov/travel/tips/health/health\\_1185.html](http://travel.state.gov/travel/tips/health/health_1185.html)

US Customs Travel information

<http://www.customs.gov/xp/cgov/travel/>

Sources: United States Department of State; United States Customs Department, United Kingdom Foreign and Commonwealth Office, Foreign and Commonwealth Office, Government of Australia; Government of Canada: Department of Foreign Affairs and International Trade

Other Practical Online Resources for Travelers

Foreign Language Phrases for Travelers

<http://www.travlang.com/languages/>

<http://www.omniglot.com/language/phrases/index.htm>

World Weather Forecasts

<http://www.intellicast.com/>

<http://www.wunderground.com/>

<http://www.worldweather.org/>

Worldwide Time Zones, Map, World Clock

<http://www.timeanddate.com/>

<http://www.worldtimezone.com/>

International Airport Codes

<http://www.world-airport-codes.com/>

International Dialing Codes

<http://www.kropla.com/dialcode.htm>

<http://www.countrycallingcodes.com/>

International Phone Guide

<http://www.kropla.com/phones.htm>

International Mobile Phone Guide

<http://www.kropla.com/mobilephones.htm>

International Internet Café Search Engine

<http://cybercaptive.com/>

Global Internet Roaming

<http://www.kropla.com/roaming.htm>

World Electric Power Guide

<http://www.kropla.com/electric.htm>

<http://www.kropla.com/electric2.htm>

World Television Standards and Codes

<http://www.kropla.com/tv.htm>

International Currency Exchange Rates

<http://www.xe.com/ucc/>

Banking and Financial Institutions Across the World

<http://www.123world.com/banks/index.html>

International Credit Card or Automated Teller Machine (ATM) Locator

<http://visa.via.infonow.net/locator/global/>

<http://www.mastercard.com/us/personal/en/cardholderservices/atmlocations/index.html>

International Chambers of Commerce

<http://www.123world.com/chambers/index.html>

World Tourism Websites

<http://123world.com/tourism/>

Diplomatic and Consular Information

United States Diplomatic Posts Around the World

<http://www.usembassy.gov/>

United Kingdom Diplomatic Posts Around the World

<http://www.fco.gov.uk/en/about-the-fco/embassies-and-posts/find-an-embassy-overseas/>

Australia's Diplomatic Posts Around the World

<http://www.dfat.gov.au/missions/>

<http://www.dfat.gov.au/embassies.html>

Canada's Embassies and High Commissions

<http://www.international.gc.ca/ciw-cdm/embassies-ambassades.aspx>

Resources for Finding Embassies and other Diplomatic Posts Across the World

<http://www.escapeartist.com/embassy1/embassy1.htm>

Safety and Security

Travel Warnings by Country from Government of Australia

<http://www.smartraveller.gov.au/zw-cgi/view/Advice/>

Travel Warnings and Alerts from United States Department of State

[http://travel.state.gov/travel/cis\\_pa\\_tw/tw/tw\\_1764.html](http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html)

[http://travel.state.gov/travel/cis\\_pa\\_tw/pa/pa\\_1766.html](http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html)

Travel Reports and Warnings by Government of Canada

[http://www.voyage.gc.ca/countries\\_pays/menu-eng.asp](http://www.voyage.gc.ca/countries_pays/menu-eng.asp)

[http://www.voyage.gc.ca/countries\\_pays/updates\\_mise-a-jour-eng.asp](http://www.voyage.gc.ca/countries_pays/updates_mise-a-jour-eng.asp)

Travel Warnings from Government of United Kingdom

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/>

<http://www.fco.gov.uk/en/travelling-and-living-overseas/travel-advice-by-country/?action=noTravelAll#noTravelAll>

Sources: United Kingdom Foreign and Commonwealth Office, the United States Department of State, the Government of Canada: Department of Foreign Affairs and International Trade, Government of Australia: Department of Foreign Affairs and Trade

Other Safety and Security Online Resources for Travelers

United States Department of State Information on Terrorism

<http://www.state.gov/s/ct/>

Government of the United Kingdom Resource on the Risk of Terrorism

<http://www.fco.gov.uk/servlet/Front?>

[pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1044011304926)

Government of Canada Terrorism Guide

<http://www.international.gc.ca/crime/terrorism-terrorisme.aspx?lang=eng>

Information on Terrorism by Government of Australia

<http://www.dfat.gov.au/icat/index.html>

FAA Resource on Aviation Safety

<http://www.faasafety.gov/>

In-Flight Safety Information for Air Travel (by British Airways crew trainer, Anna Warman)

<http://www.warman.demon.co.uk/anna/inflight.html>

Hot Spots: Travel Safety and Risk Information

<http://www.airsecurity.com/hotspots/HotSpots.asp>

Information on Human Rights

<http://www.state.gov/g/drl/hr/>

Sources: The United States Department of State, the United States Customs Department, the Government of Canada, the Government of United Kingdom, the Government of Australia, the Federal Aviation Authority, Anna Warman's In-flight Website, Hot Spots Travel and Risk Information

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## **Diseases/Health Data**

**Please Note: Most of the entry below constitutes a generalized health advisory, which a traveler might find useful, regardless of a particular destination.**

**As a supplement, however, the reader will also find below a list of countries flagged with current health notices and alerts issued by the Centers for Disease Control and Prevention (CDC). Please note that travel to the following countries, based on these 3 levels of warnings, is ill-advised, or should be undertaken with the utmost precaution:**

**Level 3 (highest level of concern; avoid non-essential travel) --**

**Guinea - Ebola**  
**Liberia - Ebola**  
**Nepal - Earthquake zone**  
**Sierra Leone - Ebola**

**Level 2 (intermediate level of concern; use utmost caution during travel) --**

**Cameroon - Polio**  
**Somalia - Polio**  
**Vanuatu - Tropical Cyclone zone**  
**Throughout Middle East and Arabia Peninsula - MERS ((Middle East Respiratory Syndrome)**

**Level 1 (standard level of concern; use practical caution during travel) -**

**Australia - Ross River disease**  
**Bosnia-Herzegovina - Measles**  
**Brazil - Dengue Fever**  
**Brazil - Malaria**  
**Brazil - Zika**  
**China - H7N9 Avian flu**  
**Cuba - Cholera**  
**Egypt - H5N1 Bird flu**  
**Ethiopia - Measles**  
**Germany - Measles**  
**Japan - Hand, foot, and mouth disease (HFMD)**  
**Kyrgyzstan - Measles**  
**Malaysia -Dengue Fever**  
**Mexico - Chikungunya**  
**Mexico - Hepatitis A**  
**Nigeria - Meningitis**  
**Philippines - Measles**  
**Scotland - Mumps**  
**Singapore - Hand, foot, and mouth disease (HFMD)**  
**South Korea - MERS ((Middle East Respiratory Syndrome)**  
**Throughout Caribbean - Chikungunya**  
**Throughout Central America - Chikungunya**  
**Throughout South America - Chikungunya**  
**Throughout Pacific Islands - Chikungunya**

**For specific information related to these health notices and alerts please see the CDC's**

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**listing available at URL:**

**<http://wwwnc.cdc.gov/travel/notices>**

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**Health Information for Travelers to San Marino**

The preventive measures you need to take while traveling in Western Europe depend on the areas you visit and the length of time you stay. For most areas of this region, you should observe health precautions similar to those that would apply while traveling in the United States.

Travelers' diarrhea, the number one illness in travelers, can be caused by viruses, bacteria, or parasites, which can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli*, *Salmonella*, cholera, and parasites), fever (typhoid fever and toxoplasmosis), or liver damage (hepatitis). Make sure your food and drinking water are safe. (See below.)

A certificate of yellow fever vaccination may be required for entry into certain of these countries if you are coming from countries in tropical South America or sub-Saharan Africa. (There is no risk for yellow fever in Western Europe.) For detailed information, see Comprehensive Yellow Fever Vaccination Requirements (<http://www.cdc.gov/travel/yelfever.htm>).

Tickborne encephalitis, a viral infection of the central nervous system, occurs chiefly in Central and Western Europe. Travelers are at risk who visit or work in forested areas during the summer months and who consume unpasteurized dairy products. The vaccine for this disease is not available in the United States at this time. To prevent tickborne encephalitis, as well as Lyme disease, travelers should take precautions to prevent tick bites (see below).

**CDC Recommends the Following Vaccines (as Appropriate for Age):**

See your doctor at least 4-6 weeks before your trip to allow time for shots to take effect.

- Hepatitis A or immune globulin (IG). You are not at increased risk in Northern, Western, and Southern Europe, including the Mediterranean regions of Italy and Greece.
- Hepatitis B, if you might be exposed to blood (for example, health-care workers), have sexual contact with the local population, stay longer than 6 months in Southern Europe, or be exposed through medical treatment.
- As needed, booster doses for tetanus-diphtheria. Hepatitis B vaccine is now recommended for all infants and for children ages 11-12 years who did not complete the series as infants.

**All travelers should take the following precautions, no matter the destination:**

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- Wash hands often with soap and water.
- Because motor vehicle crashes are a leading cause of injury among travelers, walk and drive defensively. Avoid travel at night if possible and always use seat belts.
- Always use latex condoms to reduce the risk of HIV and other sexually transmitted diseases.
- Don't eat or drink dairy products unless you know they have been pasteurized.
- Don't share needles with anyone.
- Never eat undercooked ground beef and poultry, raw eggs, and unpasteurized dairy products. Raw shellfish is particularly dangerous to persons who have liver disease or compromised immune systems. (Travelers to Western Europe should also see the information on Bovine Spongiform Encephalopathy ["Mad Cow Disease"] and New Variant Creutzfeldt-Jakob Disease [nvCJD] at URL <http://www.cdc.gov/travel/madcow.htm>.)

**Travelers to rural or undeveloped areas should take the following precautions:**

**To Stay Healthy, Do:**

- Drink only bottled or boiled water, or carbonated (bubbly) drinks in cans or bottles. Avoid tap water, fountain drinks, and ice cubes. If this is not possible, make water safer by BOTH filtering through an "absolute 1-micron or less" filter AND adding iodine tablets to the filtered water. "Absolute 1-micron filters" are found in camping/outdoor supply stores.
- Eat only thoroughly cooked food or fruits and vegetables you have peeled yourself. Remember: boil it, cook it, peel it, or forget it.
- Protect yourself from insects by remaining in well-screened areas, using repellents (applied sparingly at 4-hour intervals), and wearing long-sleeved shirts and long pants tucked into boots or socks as a deterrent to ticks.
- To prevent fungal and parasitic infections, keep feet clean and dry, and do not go barefoot.

**To Avoid Getting Sick:**

- Don't eat food purchased from street vendors. Do not drink beverages with ice.
- Don't handle animals (especially monkeys, dogs, and cats), to avoid bites and serious diseases (including rabies and plague).

**What You Need To Bring with You:**

- Insect repellent containing DEET (diethylmethyltoluamide), in 30%-35% strength for adults and 6%-10% for children. The insecticide permethrin applied to clothing is an effective deterrent to ticks.
- Over-the-counter antidiarrheal medicine to take if you have diarrhea.
- Iodine tablets and water filters to purify water if bottled water is not available. See Food and Water Precautions and Travelers' Diarrhea Prevention (<http://www.cdc.gov/travel/foodwatr.htm>)

and Risks from Food and Drink (<http://www.cdc.gov/travel/food-drink-risks.htm>) for more detailed information about water filters.

- Sunblock, sunglasses, hat.
- Prescription medications: make sure you have enough to last during your trip, as well as a copy of the prescription(s).

### **After You Return Home:**

If you become ill after your trip-even as long as a year after you return-tell your doctor where you have traveled.

### **For More Information:**

Ask your doctor or check the CDC web sites for more information about how to protect yourself against diseases that occur in Western Europe, such as:

#### **For information about diseases-**

Carried by Insects

Lyme disease

Carried in Food or Water

Bovine spongiform encephalopathy ("mad cow disease"), *Escherichia coli*, diarrhea, Hepatitis A, Typhoid Fever

Person-to-Person Contact

Hepatitis B, HIV/AIDS

For more information about these and other diseases, please check the Diseases (<http://www.cdc.gov/travel/diseases.htm>) section and the Health Topics A - Z (<http://www.cdc.gov/health/diseases.htm>).

*Note:*

*San Marino is located in the Western Europe health region.*

*Sources:*

*The Center for Disease Control Destinations Website:*

<http://www.cdc.gov/travel/destinat.htm>





# **Chapter 6**

## **Environmental Overview**

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## Environmental Issues

### General Overview:

San Marino is landlocked by Italy. It thus shares most of the same environmental issues that Italy has as well.

### Current Issues:

- air pollution
- acid rain

### Total Greenhouse Gas Emissions (Mtc):

N/A

### Country Rank (GHG output):

N/A

### Natural Hazards:

- regional risks include
  - landslides
  - mudflows
  - avalanches
  - earthquakes
  - volcanic eruptions
  - flooding
-

## Environmental Policy

### **Regulation and Jurisdiction:**

The regulation and protection of the environment in San Marino is under the jurisdiction of the following:

- Ministry of State for Territory, Environment, and Agriculture

### **Major Non-Governmental Organizations:**

N/A

### **International Environmental Accords:**

*Party to:*

- Biodiversity
- Climate Change
- Desertification

*Signed but not ratified:*

- Air Pollution

*Kyoto Protocol Status (year ratified):*

San Marino is not a signatory to the Kyoto Protocol

## Greenhouse Gas Ranking

Greenhouse Gas Ranking

### GHG Emissions Rankings

| <b>Country Rank</b> | <b>Country</b> |
|---------------------|----------------|
| 1                   | United States  |
| 2                   | China          |
| 4                   | Russia         |
| 5                   | Japan          |
| 6                   | India          |
| 7                   | Germany        |
| 8                   | United Kingdom |
| 9                   | Canada         |
| 10                  | Korea, South   |
| 11                  | Italy          |
| 12                  | Mexico         |
| 13                  | France         |

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|    |              |
|----|--------------|
| 14 | South Africa |
| 15 | Iran         |
| 16 | Indonesia    |
| 17 | Australia    |
| 18 | Spain        |
| 19 | Brazil       |
| 20 | Saudi Arabia |
| 21 | Ukraine      |
| 22 | Poland       |
| 23 | Taiwan       |
| 24 | Turkey       |
| 25 | Thailand     |
| 26 | Netherlands  |
| 27 | Kazakhstan   |
| 28 | Malaysia     |
| 29 | Egypt        |
| 30 | Venezuela    |
| 31 | Argentina    |
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|----|----------------------|
| 32 | Uzbekistan           |
| 33 | Czech Republic       |
| 34 | Belgium              |
| 35 | Pakistan             |
| 36 | Romania              |
| 37 | Greece               |
| 38 | United Arab Emirates |
| 39 | Algeria              |
| 40 | Nigeria              |
| 41 | Austria              |
| 42 | Iraq                 |
| 43 | Finland              |
| 44 | Philippines          |
| 45 | Vietnam              |
| 46 | Korea, North         |
| 47 | Israel               |
| 48 | Portugal             |
| 49 | Colombia             |
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|----|---------------------|
| 50 | Belarus             |
| 51 | Kuwait              |
| 52 | Hungary             |
| 53 | Chile               |
| 54 | Denmark             |
| 55 | Serbia & Montenegro |
| 56 | Sweden              |
| 57 | Syria               |
| 58 | Libya               |
| 59 | Bulgaria            |
| 60 | Singapore           |
| 61 | Switzerland         |
| 62 | Ireland             |
| 63 | Turkmenistan        |
| 64 | Slovakia            |
| 65 | Bangladesh          |
| 66 | Morocco             |
| 67 | New Zealand         |
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|----|--------------------|
| 68 | Oman               |
| 69 | Qatar              |
| 70 | Azerbaijan         |
| 71 | Norway             |
| 72 | Peru               |
| 73 | Cuba               |
| 74 | Ecuador            |
| 75 | Trinidad & Tobago  |
| 76 | Croatia            |
| 77 | Tunisia            |
| 78 | Dominican Republic |
| 79 | Lebanon            |
| 80 | Estonia            |
| 81 | Yemen              |
| 82 | Jordan             |
| 83 | Slovenia           |
| 84 | Bahrain            |
| 85 | Angola             |
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|-----|----------------------|
| 86  | Bosnia & Herzegovina |
| 87  | Lithuania            |
| 88  | Sri Lanka            |
| 89  | Zimbabwe             |
| 90  | Bolivia              |
| 91  | Jamaica              |
| 92  | Guatemala            |
| 93  | Luxembourg           |
| 94  | Myanmar              |
| 95  | Sudan                |
| 96  | Kenya                |
| 97  | Macedonia            |
| 98  | Mongolia             |
| 99  | Ghana                |
| 100 | Cyprus               |
| 101 | Moldova              |
| 102 | Latvia               |
| 103 | El Salvador          |
|     |                      |

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|     |               |
|-----|---------------|
| 104 | Brunei        |
| 105 | Honduras      |
| 106 | Cameroon      |
| 107 | Panama        |
| 108 | Costa Rica    |
| 109 | Cote d'Ivoire |
| 110 | Kyrgyzstan    |
| 111 | Tajikistan    |
| 112 | Ethiopia      |
| 113 | Senegal       |
| 114 | Uruguay       |
| 115 | Gabon         |
| 116 | Albania       |
| 117 | Nicaragua     |
| 118 | Botswana      |
| 119 | Paraguay      |
| 120 | Tanzania      |
| 121 | Georgia       |
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|     |                  |
|-----|------------------|
| 122 | Armenia          |
| 123 | Congo, RC        |
| 124 | Mauritius        |
| 125 | Nepal            |
| 126 | Mauritius        |
| 127 | Nepal            |
| 128 | Mauritania       |
| 129 | Malta            |
| 130 | Papua New Guinea |
| 131 | Zambia           |
| 132 | Suriname         |
| 133 | Iceland          |
| 134 | Togo             |
| 135 | Benin            |
| 136 | Uganda           |
| 137 | Bahamas          |
| 138 | Haiti            |
| 139 | Congo, DRC       |
|     |                  |

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|-----|-------------------|
| 140 | Guyana            |
| 141 | Mozambique        |
| 142 | Guinea            |
| 143 | Equatorial Guinea |
| 144 | Laos              |
| 145 | Barbados          |
| 146 | Niger             |
| 147 | Fiji              |
| 148 | Burkina Faso      |
| 149 | Malawi            |
| 150 | Swaziland         |
| 151 | Belize            |
| 152 | Afghanistan       |
| 153 | Sierra Leone      |
| 154 | Eritrea           |
| 155 | Rwanda            |
| 156 | Mali              |
| 157 | Seychelles        |

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|     |                                |
|-----|--------------------------------|
| 158 | Cambodia                       |
| 159 | Liberia                        |
| 160 | Bhutan                         |
| 161 | Maldives                       |
| 162 | Antigua & Barbuda              |
| 163 | Djibouti                       |
| 164 | Saint Lucia                    |
| 165 | Gambia                         |
| 166 | Guinea-Bissau                  |
| 167 | Central African Republic       |
| 168 | Palau                          |
| 169 | Burundi                        |
| 170 | Grenada                        |
| 171 | Lesotho                        |
| 172 | Saint Vincent & the Grenadines |
| 173 | Solomon Islands                |
| 174 | Samoa                          |
| 175 | Cape Verde                     |
|     |                                |

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|            |                     |
|------------|---------------------|
| 176        | Nauru               |
| 177        | Dominica            |
| 178        | Saint Kitts & Nevis |
| 179        | Chad                |
| 180        | Tonga               |
| 181        | Sao Tome & Principe |
| 182        | Comoros             |
| 183        | Vanuatu             |
| 185        | Kiribati            |
| Not Ranked | Andorra             |
| Not Ranked | East Timor          |
| Not Ranked | Holy See            |
| Not Ranked | Hong Kong           |
| Not Ranked | Liechtenstein       |
| Not Ranked | Marshall Islands    |
| Not Ranked | Micronesia          |
| Not Ranked | Monaco              |
| Not Ranked | San Marino          |

|            |         |
|------------|---------|
| Not Ranked | Somalia |
| Not Ranked | Tuvalu  |

\* European Union is ranked 3rd

Cook Islands are ranked 184th

Niue is ranked 186th

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## Global Environmental Snapshot

### **Introduction**

The countries of the world face many environmental challenges in common. Nevertheless, the nature and intensity of problem vary from region to region, as do various countries' respective capacities, in terms of affluence and infrastructure, to remediate threats to environmental quality.

Consciousness of perils affecting the global environment came to the fore in the last third or so of the 20<sup>th</sup> century has continued to intensify well into the new millennium. According to the United Nations Environment Programme, considerable environmental progress has been made at the level of institutional developments, international cooperation accords, and public participation. Approximately two-dozen international environmental protection accords with global implications have been promulgated since the late 1970s under auspices of the United Nations and other international organizations, together with many additional regional agreements. Attempts to address and rectify environmental problems take the form of legal frameworks, economic instruments, environmentally sound technologies and cleaner production processes as well as conservation efforts. Environmental impact assessments have increasingly been applied across the globe.

Environmental degradation affects the quality, or aesthetics, of human life, but it also displays potential to undermine conditions necessary for the sustainability of human life. Attitudes toward the importance of environmental protection measures reflect ambivalence derived from this bifurcation. On one hand, steps such as cleaning up pollution, dedicating parkland, and suchlike, are seen as embellishments undertaken by wealthy societies already assured they can successfully perform those functions deemed, ostensibly, more essential-for instance, public health and education, employment and economic development. On the other hand, in poorer countries, activities causing environmental damage-for instance the land degradation effects of unregulated logging, slash-and-burn agriculture, overgrazing, and mining-can seem justified insofar as such



activities provide incomes and livelihoods.

Rapid rates of resource depletion are associated with poverty and high population growth, themselves correlated, whereas consumption per capita is much higher in the most developed countries, despite these nations' recent progress in energy efficiency and conservation. It is impossible to sequester the global environmental challenge from related economic, social and political challenges.

First-tier industrialized countries have recently achieved measurable decreases in environmental pollution and the rate of resource depletion, a success not matched in middle income and developing countries. It is believed that the discrepancy is due to the fact that industrialized countries have more developed infrastructures to accommodate changes in environmental policy, to apply environmental technologies, and to invest in public education. The advanced industrialized countries incur relatively lower costs in alleviating environmental problems, in comparison to developing countries, since in the former even extensive environmental programs represent a rather minuscule percentage of total expenditures. Conversely, budget constraints, lagged provision of basic services to the population, and other factors such as debt service and militarization may preclude institution of minimal environmental protection measures in the poorest countries.

A synopsis for the current situation facing each region of the world follows:

### **Regional Synopsis: Africa**

The African continent, the world's second-largest landmass, encompasses many of the world's least developed countries. By global standards, urbanization is comparatively low but rising at a rapid rate. More heavily industrialized areas at the northern and southern ends of the continent experience the major share of industrial pollution. In other regions the most serious environmental problems typically stem from inefficient subsistence farming methods and other forms of land degradation, which have affected an increasingly extensive area under pressure of a widely impoverished, fast-growing population. Africa's distribution of natural resources is very uneven. It is the continent at greatest risk of desertification, especially in the Sahel region at the edge of the Sahara but also in other dry-range areas. Yet at the same time, Africa also harbors some of the earth's richest and most diverse biological zones.

### **Key Points:**

Up to half a billion hectares of African land are moderately to severely degraded, an occurrence reflecting short-fallow shifting cultivation and overgrazing as well as a climatic pattern of recurrent droughts.

Soil degradation is severe along the expanse directly south of the Sahara, from the west to the east coasts. Parts of southern Africa, central-eastern Africa, and the neighboring island of Madagascar suffer from serious soil degradation as well.

Africa contains about 17 percent of the world's forest cover, concentrated in the tropical belt of the continent. Many of the forests, however, are severely depleted, with an estimated 70 percent showing some degree of degradation.

Population growth has resulted in continuing loss of arable land, as inefficient subsistence farming techniques affect increasingly extensive areas. Efforts to implement settled, sustainable agriculture have met with some recent success, but much further progress in this direction is needed. Especially in previously uninhabited forestlands, concern over deforestation is intensifying.

By contrast, the African savanna remains the richest grassland in the world, supporting a substantial concentration of animal and plant life. Wildlife parks are sub-Saharan Africa's greatest tourist attraction, and with proper management-giving local people a stake in conservation and controlling the pace of development-could greatly enhance African economies.

Significant numbers of mammal species in parts of northern, southern and eastern Africa are currently threatened, while the biological diversity in Mauritania and Madagascar is even further compromised with over 20 percent of the mammal species in these two countries currently under threat.

With marine catch trends increasing from 500,000 metric tons in the 1950s to over 3,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Water resource vulnerability is a major concern in northeastern Africa, and a moderate concern across the rest of the continent. An exception is central Africa, which has plentiful water supplies.

Many Africans lack adequate access to resources, not just (if at all) because the resources are unevenly distributed geographically, but also through institutional failures such as faulty land tenure systems or political upheaval. The quality of Africa's natural resources, despite their spotty distribution, is in fact extraordinarily rich. The infrastructure needed to protect and benefit from this natural legacy, however, is largely lacking.

### **Regional Synopsis: Asia and the Pacific**

Asia-earth's largest landmass-and the many large and nearly innumerable small islands lying off its Pacific shore display extraordinarily contrasting landscapes, levels of development, and degrees of

environmental stress. In the classification used here, the world's smallest continent, Australia, is also included in the Asia-Pacific region.

The Asia-Pacific region is home to 9 of the world's 14 largest urban areas, and as energy use for utilities, industry and transport increases in developing economies, urban centers are subject to worsening air quality. Intense population density in places such as Bangladesh or Hong Kong is the quintessential image many people have of Asia, yet vast desert areas such as the Gobi and the world's highest mountain range, the Himalayas, span the continent as well. Forested areas in Southeast Asia and the islands of Indonesia and the Philippines were historically prized for their tropical hardwood, but in many places this resource is now severely depleted. Low-lying small island states are extremely vulnerable to the effects of global warming, both rising sea levels and an anticipated increase in cyclones.

Key Points:

Asian timber reserves are forecast to be depleted in the next 40 years. Loss of natural forest is irreversible in some areas, but plantation programs to restore tree cover may ameliorate a portion of the resulting land degradation.

Increased usage of fossil fuels in China and other parts of southern Asia is projected to result in a marked increase in emissions, especially in regard to carbon dioxide. The increased usage of energy has led to a marked upsurge in air pollution across the region.

Acidification is an emerging problem regionally, with sulfur dioxide emissions expected to triple by 2010 if the current growth rate is sustained. China, Thailand, India, and Korea seem to be suffering from particularly high rates of acid deposition. By contrast, Asia's most highly developed economy, Japan, has effected substantial improvements in its environmental indicators.

Water pollution in the Pacific is an urgent concern since up to 70 percent of the water discharged into the region's waters receives no treatment. Additionally, the disposal of solid wastes, in like manner, poses a major threat in a region with many areas of high population density.

The Asia-Pacific region is the largest expanse of the world's land that is adversely affected by soil degradation.

The region around Australia reportedly suffers the largest degree of ozone depletion.

The microstates of the Pacific suffer land loss due to global warming, and the consequent rise in the levels of ocean waters. A high-emissions scenario and anthropogenic climate impact at the upper end of the currently predicted range would probably force complete evacuation of the lowest-elevation islands sometime in this century.

The species-rich reefs surrounding Southeast Asia are highly vulnerable to the deleterious effects of coastal development, land-based pollution, over-fishing and exploitative fishing methods, as well as marine pollution from oil spills and other activities.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of China and south-east Asia are currently threatened, while the biological diversity in India, Japan, Australia, the Philippines, Indonesia and parts of Malaysia is even further compromised with over 20 percent of the mammal species in these countries currently under threat.

Water resource vulnerability is a serious concern in areas surrounding the Indian subcontinent.

### **Regional Synopsis: Central Asia**

The Central Asian republics, formerly in the Soviet Union, experience a range of environmental problems as the result of poorly executed agricultural, industrial, and nuclear programs during the Soviet era. Relatively low population densities are the norm, especially since upon the breakup of the U.S.S.R. many ethnic Russians migrated back to European Russia. In this largely semi-arid region, drought, water shortages, and soil salinization pose major challenges.

#### **Key Points:**

The use of agricultural pesticides, such as DDT and other chemicals, has contributed to the contamination of soil and groundwater throughout the region.

Land and soil degradation, and in particular, increased salinization, is mostly attributable to faulty irrigation practices.

Significant desertification is also a problem in the region.

Air pollution is prevalent, mostly due to use of low octane automobile fuel.

Industrial pollution of the Caspian Sea and the Aral Sea, as a result of industrial effluents as well as mining and metal production, presents a challenge to the countries bordering these bodies of water.

One of the most severe environmental problems in the region is attributable to the several billion

tons of hazardous materials stored in landfills across Central Asia.

Uzbekistan's particular problem involves the contraction of the Aral Sea, which has decreased in size by a third, as a consequence of river diversions and poor irrigation practices. The effect has been the near-total biological destruction of that body of water.

Kazakhstan, as a consequence of being the heartland of the former Soviet Union's nuclear program, has incurred a high of cancerous malignancies, biogenetic abnormalities and radioactive contamination.

While part of the Soviet Union, the republics in the region experienced very high levels of greenhouse gas emissions, as a consequence of rapid industrialization using cheap but dirty energy sources, especially coal.

By contrast, however, there have recently been substantial reductions in the level of greenhouse gas emissions, especially those attributable to coal burning, with further decreases anticipated over the next decade. These changes are partially due to the use of cleaner energy technologies, such as natural gas, augmented by governmental commitment to improving environmental standards.

### **Regional Synopsis: Europe**

Western Europe underwent dramatic transformation of its landscape, virtually eliminating large-scale natural areas, during an era of rapid industrialization, which intensified upon its recovery from World War II. In Eastern Europe and European Russia, intensive land development has been less prevalent, so that some native forests and other natural areas remain. Air and water pollution from use of dirty fuels and industrial effluents, however, are more serious environmental problems in Eastern than in Western Europe, though recent trends show improvement in many indicators. Acid rain has inflicted heavy environmental damage across much of Europe, particularly on forests. Europe and North America are the only regions in which water usage for industry exceeds that for agriculture, although in Mediterranean nations agriculture is the largest water consumer.

### **Key Points:**

Europe contributes 36 percent of the world's chlorofluorocarbon emissions, 30 percent of carbon dioxide emissions, and 25 percent of sulfur dioxide emissions.

Sulfur and nitrogen oxide emissions are the cause of 30 to 50 percent of Central and Eastern Europe's deforestation.

Acid rain has been an environmental concern for decades and continues to be a challenge in parts

of Western Europe.

Overexploitation of up to 60 percent of Europe's groundwater presents a problem in industrial and urban areas.

With marine catch trends increasing from 5,000,000 metric tons in the 1950s to over 20,000,000 metric tons by 2000, there was increasing concern about the reduction in fisheries and marine life, should this trend continue unabated.

Significant numbers of mammal species in parts of western Europe, Eastern Europe and Russia are currently threatened, while the biological diversity on the Iberian Peninsula is even further compromised with over 40 percent of the mammal species in this region currently under threat. As a result, there has been a 10 percent increase in protected areas of Europe.

A major environmental issue for Europe involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Some estimates suggest that up to 50 percent of the continent's fish species may be considered endangered species. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species.

Fortunately, in the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Recently, most European countries have adopted cleaner production technologies, and alternative methods of waste disposal, including recycling.

The countries of Eastern Europe have made air quality a major environmental priority. This is exemplified by the Russian Federation's addition to the 1995 "Berlin Mandate" (transnational legislation based on resolutions of the Rio Earth Summit) compelling nations to promote "carbon sinks" to absorb greenhouse gases.

On a relative basis, when compared with the degree of industrial emissions emitted by many Eastern European countries until the late 1980s, there has been some marked increase in air quality in the region, as obsolete plants are closed and a transition to cleaner fuels and more efficient energy use takes place.

### **Regional Synopsis: The Middle and Near East**

Quite possibly, the Middle East will exemplify the adage that, as the 20<sup>th</sup> century was a century

fixated on oil, the 21<sup>st</sup> century will be devoted to critical decisions about water. Many (though far from all) nations in the Middle East rank among those countries with the largest oil and gas reserves, but water resources are relatively scarce throughout this predominantly dry region. Effects of global warming may cause moderately high elevation areas that now typically receive winter "snowpack" to experience mainly rain instead, which would further constrain dry-season water availability. The antiquities and religious shrines of the region render it a great magnet for tourism, which entails considerable economic growth potential but also intensifies stresses on the environment.

### Key Points:

Water resource vulnerability is a serious concern across the entire region. The increased usage of, and further demand for water, has exacerbated long-standing water scarcity in the region. For instance, river diversions and industrial salt works have caused the Dead Sea to shrink by one-third from its original surface area, with further declines expected.

The oil industry in the region contributes to water pollution in the Persian Gulf, as a result of oil spills, which have averaged 1.2 million barrels of oil spilt per year (some sources suggest that this figure is understated). The consequences are severe because even after oil spills have been cleaned up, environmental damage to the food webs and ecosystems of marine life will persist for a prolonged period.

The region's coastal zone is considered one of the most fragile and endangered ecosystems of the world. Land reclamation, shoreline construction, discharge of industrial effluents, and tourism (such as diving in the Red Sea) contribute to widespread coastal damage.

Significant numbers of mammal species in parts of the Middle East are currently threatened.

Since the 1980s, 11 percent of the region's natural forest has been depleted.

### **Regional Synopsis: Latin America and the Caribbean**

The Latin American and Caribbean region is characterized by exceedingly diverse landforms that have generally seen high rates of population growth and economic development in recent decades. The percentage of inhabitants residing in urban areas is quite high at 73.4 percent; the region includes the megacities of Mexico City, Sao Paulo, and Rio de Janeiro. The region also includes the world's second-highest mountain range, the Andes; significant expanses of desert and grassland; the coral reefs of the Caribbean Sea; and the world's largest contiguous tropical forest in the Amazon basin. Threats to the latter from subsistence and commercial farming, mineral exploitation and timbering are well publicized. Nevertheless, of eight countries worldwide that still retain at least 70



percent of their original forest cover, six are in Latin America. The region accounts for nearly half (48.3 percent) of the world's greenhouse gas emissions derived from land clearing, but as yet a comparatively minuscule share (4.3 percent) of such gases from industrial sources.

Key Points:

Although Latin America is one of the most biologically diverse regions of the world, this biodiversity is highly threatened, as exemplified by the projected extinction of up to 100,000 species in the next few decades. Much of this loss will be concentrated in the Amazon area, although the western coastline of South America will also suffer significant depletion of biological diversity. The inventory of rainforest species with potentially useful commercial or medical applications is incomplete, but presumed to include significant numbers of such species that may become extinct before they are discovered and identified.

Up to 50 percent of the region's grazing land has lost its soil fertility as a result of soil erosion, salinization, alkalinization and overgrazing.

The Caribbean Sea, the Atlantic Ocean, and the Pacific Ocean have all been contaminated by agricultural wastes, which are discharged into streams that flow into these major waters. Water pollution derived from phosphorous, nitrates and pesticides adversely affects fish stocks, contributes to oxygen depletion and fosters overgrowth of aquatic vegetation. Marine life will continue to be severely compromised as a result of these conditions.

Due to industrial development in the region, many beaches of eastern Latin America and the Caribbean suffer from tar deposits.

Most cities in the region lack adequate sewage treatment facilities, and rapid migration of the rural poor into the cities is widening the gap between current infrastructure capacity and the much greater level needed to provide satisfactory basic services.

The rainforest region of the Amazon Basin suffers from dangerously high levels of deforestation, which may be a significant contributory factor to global warming or "the greenhouse effect." In the late 1990s and into the new millennium, the rate of deforestation was around 20 million acres of rainforest being destroyed annually.

Deforestation on the steep rainforest slopes of Caribbean islands contributes to soil erosion and landslides, both of which then result in heavy sedimentation of nearby river systems. When these sedimented rivers drain into the sea and coral reefs, they poison the coral tissues, which are vital to the maintenance of the reef ecosystem. The result is marine degradation and nutrient depletion. Jamaica's coral reefs have never quite recovered from the effects of marine degradation.



The Southern Cone of Latin America (Argentina, Brazil, Chile, Paraguay, and Uruguay) suffers the effects of greatly increased ultraviolet-B radiation, as a consequence of more intense ozone depletion in the southern hemisphere.

Water resource vulnerability is an increasingly major concern in the northwestern portion of South America.

### **Regional Synopsis: North America**

North American nations, in particular the United States and Canada, rank among the world's most highly developed industrial economies—a fact which has generated significant pollution problems, but also financial resources and skills that have enabled many problems to be corrected. Although efforts to promote energy efficiency, recycling, and suchlike have helped ease strains on the environment in a part of the world where per capita consumption levels are high, sprawling land development patterns and recent preferences many households have demonstrated for larger vehicles have offset these advances.

Meanwhile, a large portion of North America's original forest cover has been lost, though in many cases replaced by productive second-growth woodland. In recent years, attitudes toward best use of the region's remaining natural or scenic areas seem to be shifting toward recreation and preservation and away from resource extraction. With increasing attention on the energy scarcity in the United States, however, there is speculation that this shift may be short-lived. Indeed, the energy shortage on the west coast of the United States and associated calls for energy exploration, indicate a possible retrenchment toward resource extraction. At the same time, however, it has also served to highlight the need for energy conservation as well as alternative energy sources.

Despite generally successful anti-pollution efforts, various parts of the region continue to suffer significant air, water and land degradation from industrial, vehicular, and agricultural emissions and runoff. Mexico, as a middle-income country, displays environmental problems characteristic of a developing economy, including forest depletion, pollution from inefficient industrial processes and dirty fuels, and lack of sufficient waste-treatment infrastructure.

### **Key Points:**

Because of significantly greater motor vehicle usage in the United States (U.S.) than in the rest of the world, the U.S. contribution of urban air pollution and greenhouse gas emissions, especially carbon dioxide, is disproportionately high in relation to its population.

Acid rain is an enduring issue of contention in the northeastern part of the United States, on the border with Canada.

Mexico's urban areas suffer extreme air pollution from carbon monoxide, nitrogen oxides, sulfur dioxide, and other toxic air pollutants. Emissions controls on vehicles are in their infancy, compared to analogous regulations in the U.S.

The cities of Mexico, including those on the U.S. border, also discharge large quantities of untreated or poorly treated sewage, though officials are currently planning infrastructure upgrades.

Deforestation is noteworthy in various regions of the U.S., especially along the northwest coastline. Old growth forests have been largely removed, but in the northeastern and upper midwestern sections of the United States, evidence suggests that the current extent of tree cover probably surpasses the figure for the beginning of the 20<sup>th</sup> century.

Extreme weather conditions in the last few years have resulted in a high level of soil erosion along the north coast of California; in addition, the coastline itself has shifted substantially due to soil erosion and concomitant landslides.

Agricultural pollution-including nitrate contamination of well water, nutrient runoff to waterways, and pesticide exposure-is significant in various areas. Noteworthy among affected places are California's Central Valley, extensive stretches of the Midwest, and land in the Chesapeake Bay watershed.

Inland waterways, especially around the Great Lakes, have substantially improved their water quality, due to concentrated efforts at reducing water pollution by governmental, commercial and community representatives. Strict curbs on industrial effluents and near-universal implementation of sewage treatment are the chief factors responsible for this improvement.

A major environmental issue for Canada and the United States involves the depletion of various already endangered or threatened species, and most significantly, the decline of fish stocks. Coastal fisheries have been over-harvested, resulting in catch limits or moratoriums on many commercially important fish species. In the last few years, these policies have started to yield measurable results with decreasing trends in marine fish catch.

Due to the decay of neighboring ecosystems in Central America and the Caribbean, the sea surrounding Florida has become increasingly sedimented, contributing to marine degradation, nutrient depletion of the ecosystem, depletion of fish stocks, and diseases to coral species in particular.

## **Polar Regions**

### Key Points:

The significant rise in sea level, amounting 10 to 25 centimeters in the last 100 years, is due to the melting of the Arctic ice sheets, and is attributed to global warming.

The Antarctic suffers from a significant ozone hole, first detected in 1976. By 1985, a British scientific team reported a 40 percent decrease in usual regeneration rates of the ozone. Because a sustained increase in the amount of ultraviolet-B radiation would have adverse consequences upon all planetary life, recent environmental measures have been put into effect, aimed at reversing ozone depletion. These measures are projected to garner significant results by 2050.

Due to air and ocean currents, the Arctic is a sink for toxic releases originally discharged thousands of miles away. Arctic wildlife and Canada's Inuit population have higher bodily levels of contaminants such as PCB and dioxin than those found in people and animals in much of the rest of the world.

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## **Global Environmental Concepts**

### **1. Global Warming and Greenhouse Gases**

#### **The Greenhouse Effect:**

In the early 19<sup>th</sup> century, the French physicist, Jean Fourier, contended that the earth's atmosphere functions in much the same way as the glass of a greenhouse, thus describing what is now understood as the "greenhouse effect." Put simply, the "greenhouse effect" confines some of the sun's energy to the earth, preserving some of the planet's warmth, rather than allowing it to flow back into space. In so doing, all kinds of life forms can flourish on earth. Thus, the "greenhouse effect" is necessary to sustain and preserve life forms and ecosystems on earth.

In the late 19<sup>th</sup> century, a Swedish chemist, Svante Arrhenius, noticed that human activities, such as the burning of coal and other fossil fuels for heat, and the removal of forested lands for urban development, led to higher concentrations of greenhouse gases, like carbon dioxide and methane, in the atmosphere. This increase in the levels of greenhouse gases was believed to advance the "greenhouse effect" exponentially, and might be related to the trend in global warming.

In the wake of the Industrial Revolution, after industrial development took place on a large scale and the total human population burgeoned simultaneously with industrialization, the resulting increase in greenhouse gas emissions could, many scientists believe, be significant enough to have some bearing on climate. Indeed, many studies in recent years support the idea that there is a linkage between human activities and global warming, although there is less consensus on the extent to which this linkage may be relevant to environmental concerns.

That said, some scientists have argued that temperature fluctuations have existed throughout the evolution of the planet. Indeed, Dr. S. Fred Singer, the president of the Science and Environment Policy Project has noted that 3,000-year-old geological records of ocean sediment reveal changes in the surface temperature of the ocean. Hence, it is possible that climate variability is merely a normal fact of the planet's evolution. Yet even skeptics as to anthropogenic factors concur that any substantial changes in global temperatures would likely have an effect upon the earth's ecosystems, as well as the life forms that inhabit them.

### **The Relationship Between Global Warming and Greenhouse Gases:**

A large number of climatologists believe that the increase in atmospheric concentrations of "greenhouse gas emissions," mostly a consequence of human activities such as the burning of fossil fuels, are contributing to global warming. The cause notwithstanding, the planet has reportedly warmed 0.3°C to 0.6°C over the last century. Indeed, each year during the 1990s was one of the very warmest in the 20<sup>th</sup> century, with the mean surface temperature for 1999 being the fifth warmest on record since 1880.

In early 2000, a panel of atmospheric scientists for the National Research Council concluded in a report that global warming was, indeed, a reality. While the panel, headed by Chairman John Wallace, a professor of atmospheric sciences at the University of Washington, stated that it remained unclear whether human activities have contributed to the earth's increasing temperatures, it was apparent that global warming exists.

In 2001, following a request for further study by the incoming Bush administration in the [United States](#), the National Academy of Sciences again confirmed that global warming had been in existence for the last 20 years. The study also projected an increase in temperature between 2.5 degrees and 10.4 degrees Fahrenheit by the year 2100. Furthermore, the study found the leading cause of global warming to be emissions of carbon dioxide from the burning of fossil fuels, and it noted that greenhouse gas accumulations in the earth's atmosphere was a result of human activities.

Within the scientific community, the controversy regarding has centered on the difference between surface air and upper air temperatures. Information collected since 1979 suggests that while the earth's surface temperature has increased by about a degree in the past century, the atmospheric temperature five miles above the earth's surface has indicated very little increase. Nevertheless, the

panel stated that this discrepancy in temperature between surface and upper air does not invalidate the conclusion that global warming is taking place. Further, the panel noted that natural events, such as volcanic eruptions, can decrease the temperature in the upper atmosphere.

The major consequences of global warming potentially include the melting of the polar ice caps, which, in turn, contribute to the rise in sea levels. Many islands across the globe have already experienced a measurable loss of land as a result. Because global warming may increase the rate of evaporation, increased precipitation, in the form of stronger and more frequent storm systems, is another potential outcome. Other consequences of global warming may include the introduction and proliferation of new infectious diseases, loss of arable land (referred to as "desertification"), destructive changes to existing ecosystems, loss of biodiversity and the isolation of species, and concomitant adverse changes in the quality of human life.

### **International Policy Development in Regard to Global Warming:**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
2. To ensure and enable sustainable development and food production on a global scale.

\*\*\* See section on "International Environmental Agreements and Associations" for information related to international policies related to limiting greenhouse gases and controlling climate change emanating from historic summits at Kyoto, Copenhagen, Doha, and Paris. \*\*\*

## **2. Air Pollution**

Long before global warming reared its head as a significant issue, those concerned about the

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environment and public health noted the deleterious effects of human-initiated combustion upon the atmosphere. Killer smogs from coal burning triggered acute health emergencies in London and other places. At a lower level of intensity motor vehicle, power plant, and industrial emissions impaired long-range visibility and probably had some chronic adverse consequences on the respiratory systems of persons breathing such air.

In time, scientists began associating the sulfur dioxide and nitrogen oxides released from coal burning with significant acid deposition in the atmosphere, eventually falling as "acid rain." This phenomenon has severely degraded forestlands, especially in Europe and a few parts of the [United States](#). It has also impaired some aquatic ecosystems and eaten away the surface of some human artifacts, such as marble monuments. Scrubber technology and conversion to cleaner fuels have enabled the level of industrial production to remain at least constant while significantly reducing acid deposition. Technologies aimed at cleaning the air and curtailing acid rain, soot, and smog may, nonetheless, boomerang as the perils of global warming become increasingly serious. In brief, these particulates act as sort of a sun shade -- comparable to the effect of volcanic eruptions on the upper atmosphere whereby periods of active volcanism correlate with temporarily cooler weather conditions. Thus, while the carbon dioxide releases that are an inevitable byproduct of combustion continue, by scrubbing the atmosphere of pollutants, an industrial society opens itself to greater insolation (penetration of the sun's rays and consequent heating), and consequently, it is likely to experience a correspondingly greater rise in ambient temperatures.

The health benefits of removing the sources of acid rain and smog are indisputable, and no one would recommend a return to previous conditions. Nevertheless, the problematic climatic effects of continually increasing emissions of carbon dioxide and other greenhouse gases pose a major global environmental challenge, not as yet addressed adequately.

### **3. Ozone Depletion**

The stratospheric ozone layer functions to prevent ultraviolet radiation from reaching the earth. Normally, stratospheric ozone is systematically disintegrated and regenerated through natural photochemical processes. The stratospheric ozone layer, however, has been depleted unnaturally as a result of anthropogenic (man-made) chemicals, most especially chlorine and bromide compounds such as chlorofluorocarbons (CFCs), halons, and various industrial chemicals in the form of solvents, refrigerants, foaming agents, aerosol propellants, fire retardants, and fumigants. Ozone depletion is of concern because it permits a greater degree of ultraviolet-B radiation to reach the earth, which then increases the incidences of cancerous malignancies, cataracts, and human immune deficiencies. In addition, even in small doses, ozone depletion affects the ecosystem by disturbing food chains, agriculture, fisheries and other forms of biological diversity.

Transnational policies enacted to respond to the dangers of ozone depletion include the 1985

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Vienna Convention on the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol was subsequently amended in London in 1990, Copenhagen in 1992 and Vienna in 1995. By 1996, 155 countries had ratified the Montreal Protocol, which sets out a time schedule for the reduction (and eventual elimination) of ozone depleting substances (OPS), and bans exports and imports of ODS from and to non-participant countries.

In general, the Protocol stipulates that developed countries must eliminate halon consumption by 1994 and CFC consumption by 1996, while developing countries must eliminate these substances by 2010. Consumption of methyl bromide, which is used as a fumigant, was to be frozen at the 1995 in developed countries, and fully eliminated in 2010, while developing countries are to freeze consumption by 2002, based on average 1995-1998 consumption levels. Methyl chloroform is to be phased out by 2005. Under the Montreal Protocol, most ODS will be completely eliminated from use by 2010.

#### **4. Land Degradation**

In recent decades, land degradation in more arid regions of the world has become a serious concern. The problem, manifest as both "desertification" and "devegetation," is caused primarily by climate variability and human activities, such as "deforestation," excessive cultivation, overgrazing, and other forms of land resource exploitation. It is also exacerbated by inadequate irrigation practices. Although the effects of droughts on drylands have been temporary in the past, today, the productivity and sustainability of these lands have been severely compromised for the long term. Indeed, in every region of the world, land degradation has become an acute issue.

#### **Desertification and Devegetation:**

"Desertification" is a process of land degradation causing the soil to deteriorate, thus losing its nutrients and fertility, and eventually resulting in the loss of vegetation, known as "devegetation." As aforementioned, "desertification" and "devegetation" are caused by human activities, yet human beings are also the greatest casualties. Because these forms of land degradation affect the ability of the soil to produce crops, they concomitantly contribute to poverty. As population increases and demographic concentrations shift, the extent of land subject to stresses by those seeking to wrest subsistence from it has inexorably risen.

In response, the United Nations has formed the Convention to Combat Desertification-aimed at implementing programs to address the underlying causes of desertification, as well as measures to prevent and minimize its effects. Of particular significance is the formulation of policies on transboundary resources, such as areas around lakes and rivers. At a broader level, the Convention



has established a Conference of Parties (COP), which includes all ratifying governments, for directing and advancing international action.

To ensure more efficacious use of funding, the Convention intends to reconfigure international aid to utilize a consultative and coordinated approach in the disbursement and expenditure of donor funds. In this way, local communities that are affected by desertification will be active participants in the solution-generation process. In-depth community education projects are envisioned as part of this new international aid program, and private donor financing is encouraged. Meanwhile, as new technologies are developed to deal with the problem of desertification, they need to be distributed for application across the world. Hence, the Convention calls for international cooperation in scientific research in this regard.

Desertification is a problem of sustainable development. It is directly connected to human challenges such as poverty, social and economic well-being and environmental protection as well. Broader environmental issues, such as climate change, biological diversity, and freshwater supplies, are indirectly related, so any effort to resolve this environmental challenge must entail coordinated research efforts and joint action.

### **Deforestation:**

Deforestation is not a recent phenomenon. For centuries, human beings have cut down trees to clear space for land cultivation, or in order to use the wood for fuel. Over the last 200 years, and most especially after World War II, deforestation increased because the logging industry became a globally profitable endeavor, and so the clearing of forested areas was accelerated for the purposes of industrial development. In the long term, this intensified level of deforestation is considered problematic because the forest is unable to regenerate itself quickly. The deforestation that has occurred in tropical rainforests is seen as an especially serious concern, due to the perceived adverse effects of this process upon the entire global ecosystem.

The most immediate consequence of deforestation is soil degradation. Soil, which is necessary for the growth of vegetation, can be a fragile and vital property. Organically, an extensive evolution process must take place before soil can produce vegetation, yet at the same time, the effects of natural elements, such as wind and rain, can easily and quickly degrade this resource. This phenomenon is known as soil erosion. In addition, natural elements like wind and rain reduce the amount of fertile soil on the ground, making soil scarcity a genuine problem. When fertile topsoil that already exists is removed from the landscape in the process of deforestation, soil scarcity is further exacerbated. Equally significant is the fact that once land has been cleared so that the topsoil can be cultivated for crop production, not only are the nutrient reserves in the soil depleted, thus producing crops of inferior quality, but the soil structure itself becomes stressed and deteriorates further.



Another direct result of deforestation is flooding. When forests are cleared, removing the cover of vegetation, and rainfall occurs, the flow of water increases across the surface of land. When extensive water runoff takes place, the frequency and intensity of flooding increases. Other adverse effects of deforestation include the loss of wildlife and biodiversity within the ecosystem that supports such life forms.

At a broader level, tropical rainforests play a vital role in maintaining the global environmental system. Specifically, destruction of tropical rainforests affects the carbon dioxide cycle. When forests are destroyed by burning (or rotting), carbon dioxide is released into the air, thus contributing to an intensified "greenhouse effect." The increase in greenhouse gas emissions like carbon dioxide is a major contributor to global warming, according to many environmental scientists. Indeed, trees themselves absorb carbon dioxide in the process of photosynthesis, so their loss also reduces the absorption of greenhouse gases.

Tropical rainforest destruction also adversely affects the nitrogen cycle. Nitrogen is a key nutrient for both plants and animals. Plants derive nitrogen from soil, while animals obtain it via nitrogen-enriched vegetation. This element is essential for the formation of amino acids, and thereby for proteins and biochemicals that all living things need for metabolism and growth. In the nitrogen cycle, vegetation acquires these essential proteins and biochemicals, and then cyclically returns them to the atmosphere and global ecosystem. Accordingly, when tropical rainforest ecosystems are compromised, not only is vegetation removed; the atmosphere is also affected and climates are altered. At a more immediate level, the biodiversity within tropical rainforests, including wildlife and insect species and a wealth of plant varieties, is depleted. Loss of rare plants is of particular concern because certain species as yet unknown and unused could likely yield many practical benefits, for instance as medicines.

As a result of the many challenges associated with deforestation, many environmental groups and agencies have argued for government policies on the sustainable development of forests by governments across the globe. While many countries have instituted national policies and programs aimed at reducing deforestation, and substantial research has been advanced in regard to sustainable and regenerative forestry development, there has been very little progress on an international level. Generally speaking, most tropical rainforests are located in developing and less developed countries, where economic growth is often dependent upon the exploitation of tropical rainforests. Timber resources as well as wildlife hunting tend to be particularly lucrative arenas.

In places such as the Amazon, where deforestation takes place for the construction of energy plants aimed at industrialization and economic development, there is an exacerbated effect on the environment. After forests are cleared in order to construct such projects, massive flooding usually ensues. The remaining trees then rot and decay in the wake of the flooding. As the trees deteriorate, their biochemical makeup becomes more acidic, producing poisonous substances such

as hydrogen sulphide and methane gases. Acidified water subsequently corrodes the mechanical equipment and operations of the plants, which are already clogged by rotting wood after the floodwaters rise.

Deforestation generally arises from an economically plausible short-term motivation, but nonetheless poses a serious global concern because the effects go beyond national boundaries. The United Nations has established the World Commission on Forest and Sustainable Development. This body's task is to determine the optimal means of dealing with the issue of deforestation, without unduly affecting normal economic development, while emphasizing the global significance of protecting tropical forest ecosystems.

## **5. Water Resources**

For all terrestrial fauna, including humans, water is the most immediate necessity to sustain life. As the population has increased and altered an ever-greater portion of the landscape from its natural condition, demand on water resources has intensified, especially with the development of industrialization and large-scale irrigation. The supply of freshwater is inherently limited, and moreover distributed unevenly across the earth's landmasses. Moreover, not just demand for freshwater but activities certain to degrade it are becoming more pervasive. By contrast, the oceans form a sort of "last wilderness," still little explored and in large part not seriously affected by human activity. However, coastal environments - the biologically richest part of the marine ecosystem-are experiencing major depletion due to human encroachment and over-exploitation.

### **Freshwater:**

In various regions, for instance the Colorado River in the western [United States](#), current withdrawals of river water for irrigation, domestic, and industrial use consume the entire streamflow so that almost no water flows into the sea at the river's mouth. Yet development is ongoing in many such places, implying continually rising demand for water. In some areas reliant on groundwater, aquifers are being depleted at a markedly faster rate than they are being replenished. An example is the San Joaquin Valley in California, where decades of high water withdrawals for agriculture have caused land subsidence of ten meters or more in some spots. Naturally, the uncertainty of future water supplies is particularly acute in arid and semi-arid regions. Speculation that the phenomenon of global warming will alter geographic and seasonal rainfall patterns adds further uncertainty.

Water conservation measures have great potential to alleviate supply shortages. Some city water systems are so old and beset with leaking pipes that they lose as much water as they meter. Broad-scale irrigation could be replaced by drip-type irrigation, actually enhancing the sustainability of

agriculture. In many areas where heavy irrigation has been used for decades, the result is deposition of salts and other chemicals in the soil such that the land becomes unproductive for farming and must be abandoned.

Farming is a major source of water pollution. Whereas restrictions on industrial effluents and other "point sources" are relatively easy to implement, comparable measures to reform hydraulic practices at farms and other "nonpoint sources" pose a significantly knottier challenge. Farm-caused water pollution takes the following main forms:

- Nitrate pollution found in wells in intensive farming areas as a consequence of heavy fertilizer use is a threat to human health. The most serious danger is to infants, who by ingesting high-nitrate water can contract methemoglobinemia, sometimes called "blue baby syndrome," a potentially fatal condition.
- Fertilizer runoff into rivers and lakes imparts unwanted nutrients that cause algae growth and eventual loss of oxygen in the body of water, degrading its ability to support fish and other desirable aquatic life.
- Toxic agricultural chemicals - insecticides, herbicides, and fungicides - are detectable in some aquifers and waterways.

In general, it is much easier to get a pollutant into water than to retrieve it out. Gasoline additives, dry cleaning chemicals, other industrial toxins, and in a few areas radionuclides have all been found in water sources intended for human use. The complexity and long time scale of subterranean hydrological movements essentially assures that pollutants already deposited in aquifers will continue to turn up for decades to come. Sophisticated water treatment processes are available, albeit expensive, to reclaim degraded water and render it fit for human consumption. Yet source protection is unquestionably a more desirable alternative.

In much of the developing world, and even some low-income rural enclaves of the developed world, the population lacks ready access to safe water. Surface water and shallow groundwater supplies are susceptible to contamination from untreated wastewater and failing septic tanks, as well as chemical hazards. The occurrence of waterborne disease is almost certainly greatly underreported.

### **Marine Resources:**

Coastal areas have always been desirable places for human habitation, and population pressure on them continues to increase. Many types of water degradation that affect lakes and rivers also affect coastal zones: industrial effluents, untreated or partially treated sewage, nutrient load from

agriculture figure prominently in both cases. Prospects for more extreme storms as a result of global warming, as well as the pervasiveness of poorly planned development in many coastal areas, forebode that catastrophic hurricanes and landslides may increase in frequency in the future. Ongoing rise in sea levels will force remedial measures and in some cases abandonment of currently valuable coastal property.

Fisheries over much of the globe have been overharvested, and immediate conservation measures are required to preserve stocks of many species. Many governments subsidized factory-scale fishing fleets in the 1970s and 1980s, and the resultant catch increase evidently surpassed a sustainable level. It is uncertain how much of the current decline in fish stocks stems from overharvesting and how much from environmental pollution. The deep ocean remains relatively unaffected by human activity, but continental shelves near coastlines are frequently seriously polluted, and these close-to-shore areas are the major biological nurseries for food fish and the smaller organisms they feed on.

## **6. Environmental Toxins**

Toxic chemical pollution exploded on the public consciousness with disclosure of spectacularly polluted industrial areas such as Love Canal near Buffalo, New York. There is no question that pollutants such as organophosphates or radionucleides can be highly deleterious to health, but evidence to date suggests that seriously affected areas are a localized rather than universal problem.

While some explore the possibilities for a lifestyle that fully eschews use of modern industrial chemicals, the most prevalent remediative approach is to focus on more judicious use. The most efficient chemical plants are now able to contain nearly all toxic byproducts of their production processes within the premises, minimizing the release of such substances into the environment. Techniques such as Integrated Pest Management (IPM) dictate limited rather than broadcast use of pesticides: application only when needed using the safest available chemical, supplemented as much as possible with nontoxic controls.

While heightened public awareness and growing technical sophistication suggest a hopeful outlook on limiting the damage from manmade environmental toxins, one must grant that previous incidents of their misuse and mishandling have already caused environmental damage that will have to be dealt with for many years to come. In the case of the most hazardous radioactive substances, the time scale for successful remediation actually extends beyond that of the recorded history of civilization. Moreover, in this era of high population density and rapid economic growth, quotidian activities such as the transport of chemicals will occasionally, seemingly inevitably result in accidents with adverse environmental consequences.

## **7. "Islandization" and Biodiversity**

With increased awareness regarding the adverse effects of unregulated hunting and habitat depletion upon wildlife species and other aspects of biodiversity, large-scale efforts across the globe have been initiated to reduce and even reverse this trend.

In every region of the world, many species of wildlife and areas of biodiversity have been saved from extinction. Nationally, many countries have adopted policies aimed at preservation and conservation of species, and one of the most tangible measures has been the proliferation of protected habitats. Such habitats exist in the form of wildlife reserves, marine life reserves, and other such areas where biodiversity can be protected from external encroachment and exploitation.

Despite these advances in wildlife and biodiversity protection, further and perhaps more intractable challenges linger. Designated reserves, while intended to prevent further species decline, exist as closed territories, fragmented from other such enclaves and disconnected from the larger ecosystem. This environmental scenario is referred to as "islandization." Habitat reserves often serve as oversized zoos or game farms, with landscapes and wildlife that have effectively been "tamed" to suit. Meanwhile, the larger surrounding ecosystem continues to be seriously degraded and transformed, while within the islandized habitat, species that are the focus of conservation efforts may not have sufficient range and may not be able to maintain healthy genetic variability.

As a consequence, many conservationists and preservationists have demanded that substantially larger portions of land be withheld as habitat reserves, and a network of biological corridors to connect continental reserves be established. While such efforts to combat islandization have considerable support in the [United States](#), how precisely such a program would be instituted, especially across national boundaries, remains a matter of debate. International conservationists and preservationists say without a network of reserves a massive loss of biodiversity will result.

The concept of islandization illustrates why conservation and preservation of wildlife and biodiversity must consider and adopt new, broader strategies. In the past, conservation and preservation efforts have been aimed at specific species, such as the spotted owl and grizzly bear in North America, the Bengal tiger in Southeast Asia, the panda in [China](#), elephants in Africa. Instead, the new approach is to simultaneously protect many and varied species that inhabit the same ecosystem. This method, referred to as "bio-regional conservation," may more efficaciously generate longer-term and more far-reaching results precisely because it is aimed at preserving entire ecosystems, and all the living things within.

### **More About Biodiversity Issues:**

This section is directly taken from the United Nations Environmental Program: "[Biodiversity](#)"

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## Assessment"

The Global Biodiversity Assessment, completed by 1500 scientists under the auspices of United Nations Environmental Program in 1995, updated what is known (or unknown) about global biological diversity at the ecosystem, species and genetic levels. The assessment was uncertain of the total number of species on Earth within an order of magnitude. Of its working figure of 13 million species, only 13 percent are scientifically described. Ecological community diversity is also poorly known, as is its relationship to biological diversity, and genetic diversity has been studied for only a small number of species. The effects of human activities on biodiversity have increased so greatly that the rate of species extinctions is rising to hundreds or thousands of times the background level. These losses are driven by increasing demands on species and their habitats, and by the failure of current market systems to value biodiversity adequately. The Assessment calls for urgent action to reverse these trends.

There has been a new recognition of the importance of protecting marine and aquatic biodiversity. The first quantitative estimates of species losses due to growing coral reef destruction predict that almost 200,000 species, or one in five presently contributing to coral reef biodiversity, could die out in the next 40 years if human pressures on reefs continue to increase.

Since Rio, many countries have improved their understanding of the status and importance of their biodiversity, particularly through biodiversity country studies such as those prepared under the auspices of UNEP/GEF. The [United Kingdom](#) identified 1250 species needing monitoring, of which 400 require action plans to ensure their survival. Protective measures for biodiversity, such as legislation to protect species, can prove effective. In the USA, almost 40 percent of the plants and animals protected under the Endangered Species Act are now stable or improving as a direct result of recovery efforts. Some African countries have joined efforts to protect threatened species through the 1994 Lusaka Agreement, and more highly migratory species are being protected by specialized cooperative agreements among range states under the Bonn Agreement.

There is an emerging realization that a major part of conservation of biological diversity must take place outside of protected areas and involve local communities. The extensive agricultural areas occupied by small farmers contain much biodiversity that is important for sustainable food production. Indigenous agricultural practices have been and continue to be important elements in the maintenance of biodiversity, but these are being displaced and lost. There is a new focus on the interrelationship between agrodiversity conservation and sustainable use and development practices in smallholder agriculture, with emphasis on use of farmers' knowledge and skills as a source of information for sustainable farming.

Perhaps even more important than the loss of biodiversity is the transformation of global biogeochemical cycles, the reduction in the total world biomass, and the decrease in the biological productivity of the planet. While quantitative measurements are not available, the eventual

economic and social consequences may be so significant that the issue requires further attention.

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Environmental Protection Agency Global Warming Site. URL: <http://www.epa.gov/globalwarming>

Food and Agriculture Organization of United Nations: Forestry. URL: <http://www.fao.org/forestry/site/sofo/en/>

Global Warming Information Page. URL: <http://globalwarming.org>

U n i t e d N a t i o n s E n v i r o n m e n t a l P r o g r a m . U R L : [http://www.unep.org/GEO/GEO\\_Products/Assessment\\_Reports/](http://www.unep.org/GEO/GEO_Products/Assessment_Reports/)

United Nations Global Environmental Outlook. URL: <http://www.unep.org/geo/geo4/media/>

Note on Edition Dates:

The edition dates for textual resources are noted above because they were used to formulate the original content. We also have used online resources (cited above) to update coverage as needed.

Information Resources

For more information about environmental concepts, CountryWatch recommends the following resources:

The United Nations Environmental Program Network (with country profiles)

<http://www.unep.net/>

The United Nations Environment Program on Climate Change

<http://climatechange.unep.net/>

The United Nations Environmental Program on Waters and Oceans



<http://www.unep.ch/earthw/Pdepwat.htm>

The United Nations Environmental Program on Forestry: "Forests in Flux"

<http://www.unep-wcmc.org/forest/flux/homepage.htm>

FAO "State of the World's Forests"

<http://www.fao.org/forestry/FO/SOFO/SOFO99/sofo99-e.stm>

World Resources Institute.

<http://www.wri.org/>

Harvard University Center for Health and the Global Environment

<http://www.med.harvard.edu/chge/the-review.html>

The University of Wisconsin Center for Sustainability and the Global Environment

<http://sage.aos.wisc.edu/>

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## International Environmental Agreements and Associations

### **International Policy Development in Regard to Global Warming:**

#### **Introduction**

Regardless of what the precise nature of the relationship between greenhouse gas emissions and global warming may be, it seems that there is some degree of a connection between the phenomena. Any substantial reductions in greenhouse gas emissions and global warming trends will likely involve systematic changes in industrial operations, the use of advanced energy sources and technologies, as well as global cooperation in implementing and regulating these transformations.

In this regard, the United Nations Framework Convention on Climate Change (UNFCCC) stipulated the following objectives:

1. To stabilize "greenhouse gas" concentrations within the atmosphere, in such a manner that would preclude hazardous anthropogenic intervention into the existing biosphere and ecosystems of the world. This stabilization process would facilitate the natural adaptation of ecosystems to changes in climate.
2. To ensure and enable sustainable development and food production on a global scale.

Following are two discussions regarding international policies on the environment, followed by listings of international accords.

### ***Special Entry: The Kyoto Protocol***

The UNFCCC was adopted at the Rio Earth Summit in 1992, and entered into force in 1994. Over 175 parties were official participants.

Meanwhile, however, many of the larger, more industrialized nations failed to reach the emissions' reduction targets, and many UNFCCC members agreed that the voluntary approach to reducing emissions had not been successful. As such, UNFCCC members reached a consensus that legally binding limits were necessitated, and agreed to discuss such a legal paradigm at a meeting in Kyoto, [Japan](#) in 1997. At that meeting, the UNFCCC forged the Kyoto Protocol. This concord is the first legally binding international agreement that places limits on emissions from industrialized countries. The major greenhouse gas emissions addressed in the Kyoto Protocol include carbon dioxide, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, and methane.

The provisions of the Kyoto Protocol stipulate that economically advanced nations must reduce their combined emissions of greenhouse gases, by approximately five percent from their 1990 levels, before the 2008-2010 deadline. Countries with the highest carbon dioxide emissions, such as the [United States](#) (U.S.), many of the European Union (EU) countries, and [Japan](#), are to reduce emissions by a scale of 6 to 8 percent. All economically advanced nations must show "demonstrable progress" by 2005. In contrast, no binding limits or timetable have been set on developing countries. Presumably, this distinction is due to the fact that most developing countries - - with the obvious exceptions of [India](#) and [China](#) -- simply do not emit as many greenhouse gases as do more industrially advanced countries. Meanwhile, these countries are entrenched in the process of economic development.

Regardless of the aforementioned reasoning, there has been strong opposition against the asymmetrical treatment assigned to emissions limits among developed and developing countries. Although this distinction might be regarded as unfair in principle, associations such as the Alliance of Small Island States have been vocal in expressing how global warming -- a result of greenhouse gas emissions - has contributed to the rise in sea level, and thus deleteriously affected their very

existence as island nation states. For this reason, some parties have suggested that economically advanced nations, upon returning to their 1990 levels, should be required to further reduce their greenhouse gas emissions by a deadline of 2005. In response, interested parties have observed that even if such reductions were undertaken by economically advanced nations, they would not be enough to completely control global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming. Indeed, a reduction in the rate of fossil fuel usage by developing nations would also be necessary to have substantial ameliorative effect on global warming.

As such, the Protocol established a "Clean Development Mechanism" which permits developed countries to invest in projects aimed at reducing emissions within developing countries in return for credit for the reductions. Ostensibly, the objective of this mechanism is to curtail emissions in developing countries without unduly penalizing them for their economic development. Under this model, the countries with more potential emissions credits could sell them to other signatories of the Kyoto Protocol, whose emissions are forecast to significantly rise in the next few years. Should this trading of emissions credits take place, it is estimated that the Kyoto Protocol's emissions targets could still be met.

In 1999, the International Energy Outlook projected that Eastern Europe, the former Soviet Union and Newly Independent States, as well as parts of Asia, are all expected to show a marked decrease in their level of energy-related carbon emissions in 2010. Nations with the highest emissions, specifically, the U.S., the EU and [Japan](#), are anticipated to reduce their emissions by up to 8 percent by 2012. By 2000, however, the emissions targets were not on schedule for achievement. Indeed, the U.S. Department of Energy estimates forecast that by 2010, there will be a 34 percent increase in carbon emissions from the 1990 levels, in the absence of major shifts in policy, economic growth, energy prices, and consumer trends. Despite this assessment in the U.S., international support for the Kyoto Protocol remained strong, especially among European countries and island states, who view the pact as one step in the direction away from reliance on fossil fuels and other sources of greenhouse gases.

In 2001, U.S. President, George W. Bush, rejected his country's participation in the Kyoto Protocol, saying that the costs imposed on the global economic system, and especially, on the US, overshadowed the benefits of the Protocol. He also cited the unfair burden on developed nations to reduce emissions, as another primary reasons for withdrawal from the international pact, as well as insufficient evidence regarding the science of global warming. Faced with impassioned international disapproval for his position, the U.S. president stated that his administration remained interested in dealing with the matter of global warming, but would endorse alternative measures to combat the problem, such as voluntary initiatives limiting emissions. Critics of Bush's position, however, have noted that it was the failure of voluntary initiatives to reduce emissions following the Rio Summit that led to the establishment of the Kyoto Protocol in the first place.

In the wake of the Bush administration's decision, many participant countries resigned themselves to the reality that the goals of the Kyoto Protocol might not be achieved without U.S. involvement. Nevertheless, in Bonn, [Germany](#), in July 2001, the remaining participant countries struck a political compromise on some of the key issues and sticking points, and planned to move forward with the Protocol, irrespective of the absence of the U.S. The key compromise points included the provision for countries to offset their targets with carbon sinks (these are areas of forest and farmland which can absorb carbon through the process of photosynthesis). Another compromise point within the broader Bonn Agreement was the reduction of emissions cuts of six gases from over 5 percent to a more achievable 2 percent. A third key change was the provision of funding for less wealthy countries to adopt more progressive technologies.

In late October and early November 2001, the UNFCCC's 7<sup>th</sup> Conference of the Parties met in Marrakesh, [Morocco](#), to finalize the measures needed to make the Kyoto Protocol operational. Although the UNFCCC projected that ratification of the Protocol would make it legally binding within a year, many critics noted that the process had fallen short of implementing significant changes in policy that would be necessary to actually stop or even slow climate change. They also maintained that the absence of U.S. participation effectively rendered the Protocol into being a political exercise without any substance, either in terms of transnational policy or in terms of environmental concerns.

The adoption of the compromises ensconced within the Bonn Agreement had been intended to make the provisions of the Kyoto Protocol more palatable to the U.S. In this regard, it failed to achieve its objective as the Bush administration continued to eschew participation in the international accord. Still, however, the Bonn Agreement did manage to render a number of other positive outcomes. Specifically, in 2002, key countries, such as [Russia](#), [Japan](#) and [Canada](#) agreed to ratify the protocol, bringing the number of signatories to 178. The decision by key countries to ratify the protocol was regarded as "the kiss of life" by observers.

By 2005, on the eve of a climate change conference in London, British Prime Minister Tony Blair was hoping to deal with the problems of climate change beyond the provisions set forth in the Kyoto Protocol. Acknowledging that the Kyoto Protocol could not work in its current form, Blair wanted to open the discussion for a new climate change plan.

Blair said that although most of the world had signed on to Kyoto, the protocol could not meet any of its practical goals of cutting greenhouse gas emissions without the participation of the United States, the world's largest polluter. He also noted that any new agreement would have to include India and China -- significant producers of greenhouse gas emissions, but exempt from Kyoto because they have been classified as developing countries. Still, he said that progress on dealing with climate change had been stymied by "a reluctance to face up to reality and the practical action needed to tackle problem."

Blair also touted the "huge opportunities" in technology and pointed toward the possibilities offered by wind, solar and nuclear power, along with fuel cell technology, eco-friendly biofuels, and carbon capture and storage which could generate low carbon power. Blair also asserted that his government was committed to achieving its domestic goal of reducing carbon dioxide emissions by 20 percent by 2010.

In the United States, President George W. Bush has said that global warming remained a debatable issue and despite conclusions reached by his own Environmental Protection Agency, he has not agreed with the conclusion that global warming and climate change are linked with human activities. Bush has also refused to ratify Kyoto on the basis of its economic costs.

Australia, an ally of the United States, has taken a similarly dim view of the Kyoto Protocol. Ahead of the November 2005 climate change meeting in Canada in which new goals for the protocol were to be discussed, Australia's Environment Minister, Ian Campbell, said that negotiating new greenhouse gas emission levels for the Kyoto Protocol would be a waste of time. Campbell said, "There is a consensus that the caps, targets and timetables approach is flawed. If we spend the next five years arguing about that, we'll be fiddling and negotiating while Rome burns." Campbell, like the Bush administration, has also advocated a system of voluntary action in which industry takes up new technologies rather than as a result of compelling the reduction of emissions. But the Australian Conservation Foundation (ACF) has called on its government to ratify the Kyoto Protocol, to establish a system of emissions trading, and to set binding limits on emissions. Interestingly, although it did not sign on to Kyoto, Australia was expected to meet its emissions target by 2012 (an 8 percent increase in 1990 levels in keeping with the country's reliance on coal). But this success has nothing to do with new technologies and is due to state-based regulations on land clearing.

Note: The Kyoto Protocol calls for developed nations to cut greenhouse emissions by 5.2 percent of 1990 levels by 2012.

### ***Special Entry: Climate Change Summit in Copenhagen (2009) --***

In December 2009, the United Nations Climate Change Summit opened in the Danish capital of Copenhagen. The summit was scheduled to last from Dec. 7-18, 2009. Delegates from more than 190 countries were in attendance, and approximately 100 world leaders, including British Prime Minister Gordon Brown and [United States](#) President Barack Obama, were expected to participate. At issue was the matter of new reductions targets on greenhouse gas emissions by 2020.

Despite earlier fears that little concurrence would come from the conference, effectively pushing significant actions forward to a 2010 conference in [Mexico](#) City, negotiators were now reporting that the talks were productive and several key countries, such as [South Africa](#), had pledged to

reduce greenhouse gas emissions. The two main issues that could still lead to cleavages were questions of agreement between the industrialized countries and the developing countries of the world, as well as the overall effectiveness of proposals in seriously addressing the perils of climate change.

On Dec. 9, 2009, four countries -- the [United Kingdom](#), [Australia](#), [Mexico](#) and [Norway](#) -- presented a document outlining ideas for raising and managing billions of dollars, which would be intended to help vulnerable countries dealing with the perils of climate change. Described as a "green fund," the concept could potentially help small island states at risk because of the rise in sea level. [Bangladesh](#) identified itself as a potential recipient of an assistance fund, noting that as a country plagued by devastating floods, it was particularly hard-hit by climate change. The "green fund" would fall under the rubric of the United Nations Framework Convention on Climate Change, for which developed countries have been committed to quantifying their emission reduction targets, and also to providing financial and technical support to developing countries.

The [United Kingdom](#), [Australia](#), [Mexico](#) and [Norway](#) also called for the creation of a new legal treaty that would replace the Kyoto Protocol. This new treaty, which could go into force in 2012, would focus largely on the reduction of greenhouse gas emissions by 2020. But [Australia](#) went even further in saying that the successor treaty to the Kyoto Protocol, should be one with provisions covering all countries. Such a move would be a departure from the structure of the Kyoto Protocol, which contained emissions targets for industrialized countries due to the prevailing view that developed countries had a particular historic responsibility to be accountable for climate change. More recently, it has become apparent that substantial reductions in greenhouse gas emissions demanded by scientists would only come to pass with the participation also of significant developing nation states, such as [China](#) and [India](#). Indeed, one of the most pressing critiques of the Kyoto Protocol was that it was a "paper tiger" that failed to address the impact of the actions of emerging economies like [China](#) and [India](#), with its focus on the developed economies.

Now, in 2009, [China](#) -- as the world's biggest greenhouse gas emitter -- was responding this dubious distinction by vocalizing its criticism of the current scenario and foregrounding its new commitments. Ahead of the Copenhagen summit, [China](#) had announced it would reduce the intensity of its carbon emissions per unit of its GDP in 2020 by 40 to 45 percent against 2005 levels. With that new commitment at hand, [China](#) was now accusing the [United States](#) and the European Union of shirking their own responsibilities by setting weak targets for greenhouse gas emissions cuts. Senior Chinese negotiator, Su Wei, characterized the goals of the world's second largest greenhouse gas emitter -- the [United States](#) -- as "not notable," and the European Union's target as "not enough." Su Wei also took issue with [Japan](#) for setting implausible preconditions.

On Dec. 11, 2009, [China](#) demanded that developed and wealthy countries in Copenhagen should help deliver a real agreement on climate change by delivering on their promises to reduce carbon emissions and provide financial support for developing countries to adapt to global warming. In so doing, China's Vice Foreign Minister He Yafei said his country was hoping that a "balanced



outcome" would emerge from the discussions at the summit. Echoing the position of the Australian government, He Yafei spoke of a draft agreement as follows: "The final document we're going to adopt needs to be taking into account the needs and aspirations of all countries, particularly the most vulnerable ones."

China's Vice Foreign Minister emphasized the fact that climate change was "a matter of survival" for developing countries, and accordingly, such countries need wealthier and more developed countries to accentuate not only their pledges of emissions reduction targets, but also their financial commitments under the aforementioned United Nations Framework Convention on Climate Change. To that end, scientists and leaders of small island states in the Indian Ocean, the Pacific Ocean and the Caribbean Sea, have highlighted the existential threat posed by global warming and the concomitant rise in sea level.

China aside, attention was also on [India](#) -- another major player in the developing world and a country with an industrializing economy that was impacting the environment. At issue was the Indian government's decision to set a carbon intensity target, which would slow emissions growth by up to 25 percent by the 2020 deadline. This strong position was resisted by some elements in [India](#), who argued that their country should not be taking such a strong position when developed wealthy countries were yet to show accountability for their previous commitments to reduce greenhouse gas emissions. The matter grew so heated that the members of the opposition stormed out of the parliament in protest as Indian Environment Minister Jairam Ramesh defended the policy. But the political pressure at home in [India](#) was leaving the Indian delegation in Copenhagen in a state of chaos as well. In fact, India's top environmental negotiator refused to travel to Copenhagen in protest of the government's newly-announced stance.

China and [India](#) were joined by [Brazil](#) and [South Africa](#) in the crafting of a draft document calling for a new global climate treaty to be completed by June 2010. Of concern has been the realization that there was insufficient time to find concurrence on a full legal treaty, which would leave countries only with a politically-binding text by the time the summit at Copenhagen closed. But Guyana's leader, President Bharrat Jagdeo, warned that the summit in [Denmark](#) would be classified as a failure unless a binding document was agreed upon instead of just political consensus. He urged his cohorts to act with purpose saying, "Never before have science, economics, geo-strategic self-interest and politics intersected in such a way on an issue that impacts everyone on the planet."

Likewise, [Tuvalu](#) demanded that legally binding agreements emerge from Copenhagen. Its proposal was supported by many of the vulnerable countries, from small island states and sub-Saharan Africa, all of whom warned of the catastrophic impact of climate change on their citizens. [Tuvalu](#) also called for more aggressive action, such as an amendment to the 1992 agreement, which would focus on sharp greenhouse gas emissions and the accepted rise in temperatures, due to the impact the rise in seas. The delegation from [Kiribati](#) joined the call by

drawing attention to the fact that one village had to be abandoned due to waist-high water, and more such effects were likely to follow. Kiribati's Foreign Secretary, Tessie Lambourne, warned that the people of [Kiribati](#) could well be faced with no homeland in the future saying, "Nobody in this room would want to leave their homeland." But despite such impassioned pleas and irrespective of warnings from the Intergovernmental Panel on Climate Change that the rise in sea level from melting polar ice caps would deleteriously affect low-lying atolls such as such as [Tuvalu](#) and [Kiribati](#) in the Pacific, and the [Maldives](#) in the Indian Ocean, the oil-giant [Saudi Arabia](#) was able to block this move.

Meanwhile, within the developed countries, yet another power struggle was brewing. The European Union warned it would only agree to raise its target of 20 percent greenhouse gas emissions reductions to 30 percent if the [United States](#) demonstrated that it would do more to reduce its own emissions. It was unknown if such pressure would yield results. [United States](#) President Barack Obama offered a "provisional" 2020 target of 17 percent reductions, noting that he could not offer greater concessions at Copenhagen due to resistance within the [United States](#) Congress, which was already trying to pass a highly controversial "cap and trade" emissions legislation. However, should that emissions trading bill fail in the Senate, the [United States](#) Environment Protection Agency's declaration that greenhouse gases pose a danger to human health and the environment was expected to facilitate further regulations and limits on power plants and factories at the national level. These moves could potentially strengthen the Obama administration's offering at Copenhagen. As well, President Obama also signaled that he would be willing to consider the inclusion of international forestry credits.

Such moves indicated willingness by the Obama administration to play a more constructive role on the international environmental scene than its predecessor, the Bush administration. Indeed, ahead of his arrival at the Copenhagen summit, President Barack Obama's top environmental advisors promised to work on a substantial climate change agreement. To that end, [United States](#) Environmental Protection Agency Administrator Lisa Jackson said at a press conference, "We are seeking robust engagement with all of our partners around the world." But would this pro-engagement assertion yield actual results?

By Dec. 12, 2009, details related to a draft document prepared by Michael Zammit Cutajar, the head of the Ad-hoc Working Group on Long-Term Cooperative Action, were released at the Copenhagen climate conference. Included in the document were calls for countries to make major reductions in carbon emissions over the course of the next decade. According to the Washington Post, industrialized countries were called on to make cuts of between 25 percent and 40 percent below 1990 levels -- reductions that were far more draconian than the [United States](#) was likely to accept. As discussed above, President Obama had offered a provisional reduction target of 17 percent. The wide gap between the released draft and the United States' actual stated position suggested there was much more negotiating in the offing if a binding agreement could be forged, despite the Obama administration's claims that it was seeking greater engagement on this issue.



In other developments, the aforementioned call for financial support of developing countries to deal with the perils of climate change was partly answered by the European Union on Dec. 11, 2009. The European bloc pledged an amount of 2.4 billion euros (US\$3.5 billion) annually from 2010 to 2012. Environment Minister Andreas Carlgren of [Sweden](#) -- the country that holds the rotating presidency of the European Union at the time of the summit -- put his weight behind the notion of a "legally binding deal." Meanwhile, Yvo de Boer, a top United Nations climate change official, focused less on the essence of the agreement and more on tangible action and effects saying, "Copenhagen will only be a success if it delivers significant and immediate action that begins the day the conference ends."

The division between developed and developing countries in Copenhagen reached new heights on Dec. 14, 2009, when some of the poor and less developed countries launched a boycott at the summit. The move, which was spurred by African countries but backed by [China](#) and [India](#), appeared to be geared toward redirecting attention and primary responsibility to the wealthier and more industrialized countries. The impasse was resolved after the wealthier and more industrialized countries offered assurances that they did not intend on shirking from their commitments to reducing greenhouse gases. As a result, the participating countries ceased the boycott.

Outside the actual summit, thousands of protestors had gathered to demand crucial global warming, leading to clashes between police and demonstrators elsewhere in the Danish capital city. There were reports of scattered violence across Copenhagen and more than 1,000 people were arrested.

Nevertheless, by the second week of the climate change summit, hopes of forging a strong deal were eroding as developed and developing nations remained deadlocked on sharing cuts in greenhouse gases, and particularly on the matters of financing and temperature goals. In a bid to shore up support for a new climate change, [United States](#) President Barack Obama joined other world leaders in Copenhagen. On Dec. 14, 2009, there was a standoff brewing between the [United States](#) and [China](#). At issue was China's refusal to accept international monitoring of its expressed targets for reducing greenhouse gas emissions. The [United States](#) argued that China's opposition to verification could be a deal-breaker.

By the close of the summit, the difficult process eventually resulted in some consensus being cultivated. A draft text called for \$100 billion a year by 2020 to assist poor nations cope with climate change, while aiming to limit global warming to two degrees Celsius compared with pre-industrial levels. The deal also included specific targets for developed countries to reduce greenhouse gas emissions, and called for reductions by developing countries as a share of their economies. Also included in the agreement was a mechanism to verify compliance. The details of the agreement were supported by President Barack Obama, Chinese Premier Wen Jiabao, Indian Prime Minister Manmohan Singh and Brazilian President Luiz Inacio Lula da Silva.

This draft would stand as an interim agreement, with a legally-binding international pact unlikely to materialize until 2010. In this way, the summit in Copenhagen failed to achieve its central objective, which was to negotiate a successor to the Kyoto Protocol on greenhouse gas emissions.

#### Editor's Note

In the background of these developments was the growing global consciousness related to global warming and climate change. Indeed, as the Copenhagen summit was ongoing, it was clear there was enormous concurrence on the significance of the stakes with an editorial on the matter of climate change being published in 56 newspapers in 45 countries. That editorial warned that without global action, climate change would "ravage our planet." Meanwhile, a global survey taken by Globescan showed that concern over global warming had exponentially increased from 1998 -- when only 20 percent of respondents believed it to be a serious problem -- to 64 percent in 2009. Such survey data, however, was generated ahead of the accusations by climate change skeptics that some climate scientists may have overstated the case for global warming, based on emails derived in an illicit manner from a British University.

#### ***Special Entry: Climate change talks in Doha in [Qatar](#) extend life of Kyoto Protocol (2012)***

December 2012 saw climate talks ensue in the Qatari city of Doha as representatives from countries across the world gathered to discuss the fate of the Kyoto Protocol, which seeks to minimize greenhouse gas emissions. The summit yielded results with decisions made (1) to extend the Kyoto Protocol until 2020, and (2) for wealthier countries to compensate poorer countries for the losses and damage incurred as a result of climate change.

In regards to the second matter, Malia Talakai of [Nauru](#), a leading negotiator for the Alliance of Small Island States, explained the necessity of the compensation package as follows: "We are trying to say that if you pollute you must help us."

This measure was being dubbed the "Loss and Damage" mechanism, and was being linked with [United States](#) President Barack Obama's request for \$60 billion from Congress to deal with the devastation caused by Hurricane Sandy months before. The sight of a hurricane bearing down on the northern Atlantic seaboard, along with the reality of the scope of reconstruction, appeared to have illustrated the economic costs of climate change -- not so much as a distant environmental issue -- but as a danger to the quotidian lives of people. Still, there was blame to be placed on the [United States](#) and European countries -- some of world's largest emitters -- for failing to do more to reduce emissions.

To that latter end, there was in fact little progress made on the central issue of reducing greenhouse

gas emissions. Had those emissions been reduced, there would have been less of a need to financially deal with the devastation caused by climate change. One interpretation was that the global community was accepting the fact that industrialization was contributing to global warming, which had deleterious effects on the polar ice caps and concomitantly on the rise of sea level, with devastating effects for small island nations. Thus, wealthier countries were willing to pay around \$10 billion a year through 2020, effectively in "damages," to the poor countries that could be viewed as the "collateral damage" of industrial progress. But damages today could potentially be destruction tomorrow, leaving in place the existential challenges and burdens to be born by some of the world's smallest and least wealthy island countries.

Perhaps not surprisingly, the representative for the small island nation states at the Doha summit responded with ire, characterizing the lack of progress on reducing emissions as follows: "We see the package before us as deeply deficient in mitigation (carbon cuts) and finance. It's likely to lock us on the trajectory to a 3,4,5C rise in global temperatures, even though we agreed to keep the global average temperature rise of 1.5C to ensure survival of all islands. There is no new finance (for adapting to climate change and getting clean energy) -- only promises that something might materialize in the future. Those who are obstructive need to talk not about how their people will live, but whether our people will live."

Indeed, in most small island countries not just in the Pacific, but also the Caribbean and Indian Ocean, ecological concerns and the climate crisis have been dominant themes with dire life and death consequences looming in the background for their people. Small island nations in these region are already at risk from the rise of sea-level, tropical cyclones, floods. But their very livelihoods of fishing and subsistence farming were also at risk as a result of ecological and environmental changes. Increasingly high storm surges can wipe out entire villages and contaminate water supplies. Accordingly, the very existence of island nations, such as [Kiribati](#) and [Tuvalu](#), are at severe risk of being obliterated from the map. Yet even with the existential threat of being wiped off the map in the offing, the international community has been either slow or restrictive in its efforts to deal with global warming, climate change, economic and ecological damage, as well as the emerging global challenge of environmental refugees.

A 2012 report from the United Nations Environment Program (UNEP) and the Pacific Regional Environment Program underlined the concerns of small island nations and their people as it concluded that the livelihoods of approximately 10 million people in Pacific island communities were increasingly vulnerable to climate change. In fact, low-lying islands in that region would likely confront losses of up to 18 percent of gross domestic product due to climate change, according to the report. The report covers 21 countries and territories, including [Fiji](#), [Kiribati](#), [Samoa](#) and [Tonga](#), and recommended environmental legislation intended to deal with the climate crisis facing the small island countries particularly. As noted by David Sheppard, the director general of the Pacific Regional Environment Program that co-sponsored this study: "The findings... emphasize the need more than ever to raise the bar through collective actions that address the

region's environmental needs at all levels."

Regardless of the failures of the summit in [Qatar](#) (discussed above), the meeting did facilitate a process starting in 2015, which would bind both wealthy and poor countries together in the mission of forging a new binding treaty that would replace the Kyoto Protocol and tackle the central causes of climate change.

For more information on the threats faced in small island nations by climate change and the measures being undertaken to lobby for international action, please see the Alliance for Small Island States available online at the URL: <http://aosis.org/>

### ***Special Report***

#### ***COP 21 summit in Paris ends with historic agreement to tackle climate change; rare international consensus formed on environmental crisis facing the planet (2015) --***

In mid-December 2015, the highly-anticipated United Nations climate conference of parties (COP) in Paris, [France](#), ended with a historic agreement. In fact, it would very likely be understood as the most significant international agreement signed by all the recognized countries of the world since the Cold War. Accordingly, the Paris Agreement was being distinguished as the first multilateral pact that would compel all countries across the world to cut its carbon emissions -- one of the major causes of increasing greenhouse gas emissions, which contribute to global warming, and its deleterious effects ranging from the dangerous rise in sea level to catastrophic climate change.

The accord, which was dubbed to be the "Paris Agreement," was the work of rigorous diplomacy and fervent environmental advocacy, and it aimed to address the climate change crisis facing the planet. As many as 195 countries were represented in the negotiations that led to the landmark climate deal. Indeed, it was only after weeks of passionate debate that international concurrence was reached in addressing the environmental challenges confronting the world, with particular attention to moving beyond fossil fuels and reducing greenhouse gas emissions.

The success of the COP 21 summit in Paris and the emergence of the landmark Paris Agreement was, to some extent, attributed to the efforts of France's Foreign Minister Laurent Fabius who presided over the negotiations. The French foreign minister's experience and credentials as a seasoned diplomat and respected statesman paid dividends. He skillfully guided the delegates from almost 200 countries and interest groups along the negotiations process, with ostensibly productive results and a reasonably robust deal to show for it.

On Dec. 12, 2015, French Foreign Minister Fabius officially adopted the agreement, declaring: "I

now invite the COP to adopt the decision entitled Paris Agreement outlined in the document. Looking out to the room I see that the reaction is positive, I see no objections. The Paris agreement is adopted." Once Foreign Minister Fabius' gavel was struck, symbolically inaugurating the Paris Agreement into force, the COP delegate rushed to their feet with loud and bouyant cheers as well as thunderous applause.

In general, the Paris Agreement was being hailed as a victory for enviromental activists and a triumph for international diplomats, while at the same time being understood as simply an initial -- and imperfect -- move in the direction of a sustainable future. China's chief negotiator, Xie Zhenhua, issued this message, saying that while the accord was not ideal, it should "not prevent us from marching historical steps forward."

United States President Barack Obama lauded the deal as both "ambitious" and "historic," and the work of strenuous multilateral negotiations as he declared, "Together, we've shown what's possible when the world stands as one." The [United States](#) leader acknowledged that the accord was not "perfect," but he reminded the critics that it was "the best chance to save the one planet we have. "

Former [United States](#) Vice President Al Gore, one of the world's most well known environmental advocates, issued a lengthy statement on the accomplishments ensconced in the Paris Agreement. He highlighted the fact that the Paris Agreement was a first step towards a future with a reduced carbon footprint on Planet Earth as he said, "The components of this agreement -- including a strong review mechanism to enhance existing commitments and a long-term goal to eliminate global-warming pollution this century -- are essential to unlocking the necessary investments in our future. No agreement is perfect, and this one must be strengthened over time, but groups across every sector of society will now begin to reduce dangerous carbon pollution through the framework of this agreement."

The central provisions of the Paris Agreement included the following items:

- Greenhouse gas emissions should peak as quickly as possible, with a move towards balancing energy sources, and ultimately the decrease of greenhouse gases in the second half of this century
- Global temperature increase would be limited to 1.5 degrees Centigrade above pre-industrial levels and would be held "well below" the two degrees Centigrade threshold
- Progress on these goals would be reviewed every five years beginning in 2020 with new greenhouse gas reduction targets issued every five years
- \$100 billion would be expended each year in climate finance for developing countries to move forward with green technologies, with further climate financing to be advanced in the years beyond

It should be noted that there both legally binding and voluntary elements contained within the Paris Agreement. Specifically, the submission of an emissions reduction target and the regular review of that goal would be legally mandatory for all countries. Stated differently, there would be

a system in place by which experts would be able to track the carbon-cutting progress of each country. At the same time, the specific targets to be set by countries would be determined at the discretion of the countries, and would not be binding. While there was some criticism over this non-binding element, the fact of the matter was that the imposition of emissions targets was believed to be a major factor in the failure of climate change talks in Copenhagen, [Denmark](#), in 2009.

In 2015, the talks faced challenges as several countries, such as [China](#) and [India](#), objected to conditions that would stymie economic and development. In order to avoid that kind of landmine, a system Intended Nationally Determined Contributions (INDCs) was developed and formed the basis of the accord. As such, the Paris Agreement would, in fact, facilitate economic growth and development, as well as technological progress, but with the goal of long-term ecological sustainability based on low carbon sources. In fact, the agreement heralded as "the beginning of the end of the fossil fuel era." As noted by Nick Mabey, the head of the climate diplomacy organization E3G, said, "Paris means governments will go further and faster to tackle climate change than ever before. The transition to a low carbon economy is now unstoppable, ensuring the end of the fossil fuel age."

A particular sticking point in the agreement was the \$100 billion earmarked for climate financing for developing countries to transition from traditional fossil fuels to green energy technologies and a low carbon future. In 2014, a report by the International Energy Agency indicated that the cost of that transition would actually be around \$44 trillion by the mid-century -- an amount that would render the \$100 billion being promised to be a drop in the proverbial bucket. However, the general expectation was that the Republican-controlled Senate in the [United States](#), which would have to ratify the deal in that country, was not interested in contributing significant funds for the cause of climate change.

A key strength of the Paris Agreement was the ubiquitous application of measures to all countries. Of note was the frequently utilized concept of "flexibility" with regard to the Paris Agreement. Specifically, the varying capacities of the various countries in meeting their obligations would be anticipated and accorded flexibility. This aspect presented something of a departure from the 1997 Kyoto Protocol, which drew a sharp distinction between developed and developing countries, and mandated a different set of obligations for those categories of countries. Thus, under Kyoto, [China](#) and [India](#) were not held to the same standards as the [United States](#) and European countries. In the Paris Agreement, there would be commitments from all countries across the globe.

Another notable strength of the Paris Agreement was the fact that the countries of the world were finally able to reach consensus on the vital necessity to limit global temperature increases to 1.5 degrees Centigrade. Ahead of the global consensus on the deal, and as controversy continued to surface over the targeted global temperature limits, the leaders of island countries were sounding



the alarm about the melting of the Polar ice caps and the associated rise in sea level. Prime Minister Enele Sopoaga of [Tuvalu](#) issued this dismal reminder: “Tuvalu’s future ... is already bleak and any further temperature increase will spell the total demise of [Tuvalu](#). No leader in this room carries such a level of worry and responsibility. Just imagine you are in my shoes, what would you do?” It was thus something of a victory for environmental advocates that the countries of the world could find consensus on the lower number -- 1.5 degrees rather than 2 degrees.

A significant weak point with regard to the Paris deal was a "loss and damage" provision, which anticipates that even with all the new undertakings intended to reduce greenhouse gas emissions and move to a low carbon future, there would nonetheless be unavoidable climate change consequences. Those consequences ranged from the loss of arable land for farmers as well as soil erosion and contamination of potable water by sea water, to the decimation of territory in coastal zones and on small islands, due to the rise in sea level, with entire small island countries being rendered entirely uninhabitable. The reality was that peoples' homes across the world would be destroyed along with their way of life.

With that latter catastrophic effect being a clear and present danger for small island countries, the Association of Small Island States (AOSIS) demanded that the developed world acknowledge its responsibility for this irreversible damage.. Despite the fact that greenhouse gas emissions and the ensuing plague of global warming was, indeed, the consequence of development in the West (the [United States](#) and Europe) and the large power house countries, such as [Russia](#), [China](#) and [India](#), there was no appetite by those countries to sign on to unlimited liability. Under the Paris Agreement, there was a call for research on insurance mechanisms that would address loss and damage issues, with recommendations to come in the future.

The call for research was being regarded as an evasion of sorts and constituted the weakest aspect of the Paris Agreement. Not surprisingly, a coalition of small island nations demanded a "Marshall Plan" for the Pacific. Borrowing the term "Marshall Plan" from the post-World War II reconstruction effort, the coalition of Pacific island nation, which included [Kiribati](#), [Tuvalu](#), [Fiji](#), and the [Marshall Islands](#), called for an initiative that would include investment in renewable energy and shoreline protection, cultural preservation, economic assistance for economies in transition, and a plan for migration and resettlement for these countries as they confront the catastrophic effects of the melting of the Polar ice caps and the concomitant rise in sea level. The precise contours of the initiative remained unknown, unspecified, and a mere exercise in theory at the time of writing. Yet such an initiative would, at some point, have to be addressed, given the realities of climate change and the slow motion calamity unfolding each day for low-lying island nations across the world.

As noted by Vice President Greg Stone of Conservation International, who also functions as an adviser to the government of [Kiribati](#), “Imagine living in a place where you know it’s going to go away someday, but you don’t know what day that wave’s going to come over and wash your

home away." He added, "It's a disaster we know is going to happen." Meanwhile, the intervening years promised to be filled with hardship for small island nations, such as [Kiribati](#). Stone explained, "For every inch of sea-level rise, these islands lose 10 feet of their freshwater table to saltwater intrusion," Stone explained. "So it's not just about the day the water finally goes over the island; it's also about the day that there's just not enough water left and everyone has to move off the island." Presaging the future for island nations that could face submersion, Stone said, "If you look ahead 50 years, a country like [Kiribati](#) could become the first aqueous nation. possibility of migration. That is, they own this big patch of ocean, and they administer it from elsewhere."

Foreign Minister Minister Tony Debrum of the [Marshall Islands](#) emerged as the champion advocating on behalf of small island nation states and a loose coalition of concerned countries from the Pacific to the Caribbean, but with support from the [United States](#). He addressed the comprehensive concerns of small island nations regarding the weaknesses of the deal, while simultaneously making clear that the Paris Agreement signified hope for the countries most at risk. In a formal statement, Debrum declared: "We have made history today. Emissions targets are still way off track, but this agreement has the tools to ramp up ambition, and brings a spirit of hope that we can rise to this challenge. I can go back home to my people and say we now have a pathway to survival." Debrum highlighted the imperatives of Pacific island nations, saying, "Our High Ambition Coalition was the lightning rod we needed to lift our sights and expectations for a strong agreement here in Paris. We were joined by countries representing more than half the world. We said loud and clear that a bare-bones, minimalist agreement would not fly. We instead demanded an agreement to mark a turning point in history, and the beginning of our journey to the post-carbon era."

Debrum of the [Marshall Islands](#) espoused the quintessential synopsis of the accord and its effects for those most likely to be affected by climate change as he noted, "Climate change won't stop overnight, and my country is not out of the firing line just yet, but today we all feel a little safer."

Editor's Entry on [Environmental Policy](#):

The low-lying Pacific island nations of the world, including [Kiribati](#), [Tuvalu](#), the [Marshall Islands](#), [Fiji](#), among others, are vulnerable to the threats posed by global warming and climate change, derived from carbon emissions, and resulting in the rise in sea level. Other island nations in the Caribbean, as well as poor countries with coastal zones, were also at particular risk of suffering the deleterious effects of climate change.

Political policy in these countries are often connected to ecological issues, which have over time morphed into an existential crisis of sorts. Indeed, ecological concerns and the climate crisis have also been dominant themes with life and death consequences for the people of island nations in the Pacific. Indeed, the very livelihoods of fishing and subsistence farming remain at risk as a result of



ecological and environmental changes. Yet even so, these countries are threatened by increasingly high storm surges, which could wipe out entire villages and contaminate water supplies. Moreover, because these are low lying island nations, the sustained rise in sea level can potentially lead to the terrain of these countries being uninhabitable at best, and submerged at worst. Stated in plain terms, these countries are at severe risk of being obliterated from the map and their plight illuminates the emerging global challenge of environmental refugees. In these manifold senses, climate change is the existential crisis of the contemporary era.

Since the time of the 1997 Kyoto Protocol, there have been efforts aimed at extending the life of that agreement, with an eye on minimizing greenhouse gas emissions, and thus minimizing the effects of climate change. Those endeavors have largely ended in failure, as exemplified by the unsuccessful Copenhagen talks in 2009 and the fruitless Doha talks in 2012 respectively. The success of the COP 21 talks in [France](#), with the adoption of the landmark Paris Agreement in 2015, was regarded as the first glimmer of hope. Not only did the Paris Agreement signify the triumph of international diplomacy and global consensus, but it also marked the start of the end of the fossil fuel era, with the path forward toward a low carbon future reliant on greener technologies. Most crucially, the Paris Agreement stood as the first significant response in recent times to the central challenge of climate change and its quotidian effects on the lives of real human beings across the world.

## **1. Major International Environmental Accords:**

### **General Environmental Concerns**

Convention on Environmental Impact Assessment in a Transboundary Context, Espoo, 1991.

### **Accords Regarding Atmosphere**

Annex 16, vol. II (Environmental Protection: Aircraft Engine Emissions) to the 1044 Chicago Convention on International Civil Aviation, Montreal, 1981

Convention on Long-Range Transboundary Air Pollution (LRTAP), Geneva, 1979

United Nations Framework Convention on Climate Change (UNFCCC), New York, 1992

Vienna Convention for the Protection of the Ozone Layer, Vienna, 1985 including the Montreal Protocol on Substances that Depleted the Ozone Layer, Montreal, 1987

## **Accords Regarding Hazardous Substances**

Convention on the Ban of the Import into Africa and the Control of Transboundary Movements and Management of Hazardous Wastes within Africa, Bamako, 1991

Convention on Civil Liability for Damage Caused during Carriage of Dangerous Goods by Road, Rail and Inland Navigation Vessels (CRTD), Geneva, 1989

Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention), Basel, 1989

Convention on the Transboundary Effects of Industrial Accidents, Helsinki, 1992

Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region (Waigani Convention), Waigani, 1995

European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR), Geneva 1957

FAO International Code of Conduct on the Distribution and Use of Pesticides, Rome, 1985

## **2. Major International Marine Accords:**

### **Global Conventions**

Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (London Convention 1972), London, 1972

International Convention for the Prevention of Pollution from Ships, 1973, as modified by Protocol of 1978 relation thereto (MARPOL 73/78), London, 1973 and 1978

International Convention on Civil Liability for Oil Pollution Damage 1969 (1969 CLC), Brussels, 1969, 1976, and 1984

International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (1971 Fund Convention), Brussels, 1971

Convention on Liability and Compensation for Damage in Connection with the Carriage of

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Hazardous and Noxious Substances by Sea (HNS), London 1996

International Convention on Oil Pollution Preparedness, Response, and Co-operation (OPRC), London, 1990

International Convention Relation to Intervention on the High Seas in Cases of Oil Pollution Casualties (Intervention Convention), Brussels, 1969

United Nations Convention on the Law of the Sea (UNCLOS), Montego Bay, 1982

### **Regional Conventions**

Convention for the Prevention of Marine Pollution by Dumping from Ships and Aircraft (Oslo Convention), Oslo, 1972

Convention for the Prevention of Marine Pollution from Land-based Sources (Paris Convention), Paris, 1974

Convention for the Protection of the Marine Environment of the North East Atlantic (OSPAR Convention), Paris, 1992

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1974 Helsinki Convention), Helsinki 1974

Convention for the Protection of the Marine Environment of the Baltic Sea Area (1992 Helsinki Convention), Helsinki 1992

Conventions within the UNEP Regional Seas Programme

Convention on the Protection of the Black Sea against Pollution, Bucharest, 1992

Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, Cartagena de Indias, 1983

Convention for the Protection, Management, and Development of the Marine and Coastal Environment of the Eastern African Region, Nairobi, 1985

Kuwait Regional Convention for Co-operation on the Protection of the Marine Environment from Pollution, [Kuwait](#), 1978

Convention for the Protection and Development of the Marine Environment and Coastal Region of the Mediterranean Sea (Barcelona Convention), Barcelona, 1976

Regional Convention for the Conservation of the Red Sea and Gulf of Aden Environment, Jeddah, 1982

Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, Noumea, 1986

Convention for the Protection of the Marine Environment and Coastal Area of the South-East Pacific, Lima, 1981

Convention for Co-operation in the Protection and Development of the Marine and Coastal Environment of the West and Central African Region, Abidjan, 1981

### **3. Major Conventions Regarding Living Resources:**

#### **Marine Living Resources**

Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), Canberra, 1980

International Convention for the Conservation of Atlantic Tunas (ICCAT), Rio de Janeiro, 1966

International Convention for the Regulation of Whaling (ICRW), Washington, 1946

#### **Nature Conservation and Terrestrial Living Resources**

Antarctic Treaty, Washington, D.C., 1959

Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention), Paris, 1972

Convention on Biological Diversity (CBD), Nairobi, 1992

Convention on the Conservation of Migratory Species of Wild Animals (CMS), Bonn, 1979

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Washington, D.C., 1973

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Convention to Combat Desertification (CCD), Paris 1994

FAO International Undertaking on Plant Genetic Resources, Rome, 1983

International Tropical Timber Agreement, 1994 (ITTA, 1994), Geneva, 1994

### **Freshwater Resources**

Convention on the Protection and Use of Transboundary Watercourses and International Lakes, Helsinki, 1992

### **4. Major Conventions Regarding Nuclear Safety:**

Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Assistance Convention), Vienna, 1986

Convention on Early Notification of a Nuclear Accident (Notification Convention), Vienna, 1986

Convention on Nuclear Safety, Vienna, 1994

Vienna Convention on Civil Liability for Nuclear Damage, Vienna, 1963

### **5. Major Intergovernmental Organizations**

Commission on Sustainable Development (CSD)

European Union (EU): Environment

Food and Agriculture Organization (FAO)

Global Environment Facility (GEF)

International Atomic Energy Agency (IAEA)

International Council for the Exploration of the Sea (ICES)

International Fund for Agricultural Development (IFAD)

International Labour Organization (ILO)

International Maritime Organization (IMO)

International Monetary Fund (IMF)

International Oil Pollution Compensation Funds (IOPC Funds)

Organization for Economic Co-operation and Development (OECD), Environment Policy Committee (EPOC)

United Nations Children's Fund (UNICEF)

United Nations Development Programme (UNDP)

United Nations Educational, Scientific, and Cultural Organization (UNESCO)

United Nations Environment Programme (UNEP)

United Nations Industrial Development Organization (UNIDO)

United Nations Population Fund (UNFPA)

World Bank

World Food Programme (WFP)

World Health Organization (WHO)

World Meteorological Organization (WMO)

World Trade Organization (WTO)

## **6. Major Non-Governmental Organizations**

Atmosphere Action Network East Asia (AANEAA)

Climate Action Network (CAN)

Consumers International (CI)

Earth Council

Earthwatch Institute

Environmental Liaison Centre International (ELCI)

European Environmental Bureau (EEB)

Forest Stewardship Council (FSC)

Friends of the Earth International (FoEI)

Greenpeace International

International Chamber of Commerce (ICC)

International Confederation of Free Trade Unions (ICFTU)

International Planned Parenthood Federation (IPPF)

International Solar Energy Society (ISES)

IUCN-The World Conservation Union

Pesticide Action Network (PAN)

Sierra Club

Society for International Development (SID)

Third World Network (TWN)

Water Environment Federation (WEF)

Women's Environment and Development Organization (WEDO)

World Business Council for Sustainable Development (WBCSD)

World Federalist Movement (WFM)

World Resources Institute (WRI)

World Wide Fund For Nature (WWF)

### **7. Other Networking Instruments**

Arab Network for Environment and Development (RAED)

Global Legislators for a Balanced Environment (GLOBE)

Regional Environmental Center for Central and Eastern Europe (REC)

United Nations Non-Governmental Liaison Service (UN-NGLS)



# Appendices

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- Nauru
- Cuba
- Palau
- Holy See
- San Marino
- Korea, North
- [Serbia](#) & Montenegro
- Liberia
- Somalia
- Liechtenstein
- Tonga
- Monaco
- Tuvalu

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World Health Organization. URL: <http://www.who.int/home-page/>

World News Connection, National Technical Information Service. Springfield, Virginia, USA.

Internet News Service, Xinhua News Agency (U.S.) Inc. Woodside, New York. URL: <http://www.xinhuanet.com/english/>

#### Note on Edition Dates:

The earlier edition dates are noted above because they were used to formulate the original country reviews and serve as the baseline for some of the information covered. Later editions have been used in some cases, and are cited as such, while other more recent online resources (cited above) contain recent and ever-updated data sets used for research.

#### Methodology Notes for the HDI:

Since 1990, the United Nations Development Programme, in concert with organizations across the globe, has produced the [Human Development Index](#) (or HDI). According to the UNDP, the index measures average achievement in basic human development in one simple composite index, and produces from this index a ranking of countries. The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by combination of adult literacy and mean

years of schooling. Standard of living is measured by purchasing power, based on real GDP per capita (in constant US\$) adjusted for differences in international living costs (or, purchasing power parity, PPP). While the index uses these social indicators to measure national performance with regard to human welfare and development, not all countries provide the same level of information for each component needed to compute the index; therefore, as in any composite indicator, the final index is predicated on projections, predictions and weighting schemes. The index is a static measure, and thus, an incomplete measure of human welfare. In fact, the UNDP says itself the concept of human development focuses on the ends rather than the means of development and progress, examining in this manner, the average condition of all people in a given country.

Specifically, the index is calculated by determining the maximum and minimum for each of the three components (as listed above) and then measuring where each country stands in relation to these scales-expressed as a value between 0 and 1. For example, the minimum adult literary rate is zero percent, the maximum is 100 percent, and the reading skills component of knowledge in the HDI for a country where the literacy rate is 75 percent would be 0.75. The scores of all indicators are then averaged into the overall index.

For a more extensive examination of human development, as well as the ranking tables for each participating country, please visit: <http://www.undp.org>

#### Note on [History](#) sections

In some CountryWatch Country Reviews, open source content from the State Department Background Notes and Country Guides have been used.

#### **Environmental Overview**

Environmental Profiles: A Global Guide to Projects and People. 1993. Linda Sobel Katz, Sarah Orrick, and Robert Honig. New York: Garland Publishing.

The Environment Encyclopedia and Directory, 2nd Edition. 1998. London: Europa.

Environmental Protection Agency Global Warming Site. URL: <http://www.epa.gov/globalwarming>

Food and Agriculture Organization of United Nations: Forestry. URL: <http://www.fao.org/forestry/site/sofo/en/>

Global Warming Information Page. URL: <http://globalwarming.org>

Introduction to Global [Environmental Issues](#), 2nd Edition. 1997. Kevin Pickering and Lewis Owen.

London: Routledge.

Trends: Compendium of Data on Global Change. URL: [http://cdiac.esd.ornl.gov/trends/emis/em\\_cont.htm](http://cdiac.esd.ornl.gov/trends/emis/em_cont.htm)

United Nations Environmental Program. URL: [http://www.unep.org/GEO/GEO\\_Products/Assessment\\_Reports/](http://www.unep.org/GEO/GEO_Products/Assessment_Reports/)

United Nations Global Environmental Outlook. URL: <http://www.unep.org/geo/geo4/media/>

United States Department of Energy, Country Analysis Briefs. URL: <http://www.eia.doe.gov/emeu/cabs/contents.html>

World Climate Data Online. URL: <http://www.worldclimate.com>

World Directory of Country Environmental Studies. 1996. The World Resource Institute.

World Factbook. US Central Intelligence Agency. Washington, D.C.: Printing and Photography Group.

1998-1999 World Resources Guide to the Global Environment by the World Resources Institute. May, 1998.

1998/1999 Yearbook of International Cooperation on Environment and Development. 1998. London: Earthscan Publications.

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#### **Other Sources:**

General information has also been used in the compilation of this review, with the courtesy of governmental agencies from this country.

#### **News Services:**

CANA Daily Bulletin. Caribbean Media Agency Ltd., St. Michael, [Barbados](#).

Central and Eastern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Central and Eastern Africa.

Daily News, Panafrican News Agency. Dakar, [Senegal](#).

PACNEWS, Pacific Islands Broadcasting Association. Suva, [Fiji](#).

Radio Free Europe/Radio Liberty. Washington D.C. USA.

Reuters News. Thomson Reuters. New York, New York. USA.

Southern Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for Southern Africa.

Voice of America, English Service. Washington D.C.

West Africa Report, United Nations Office for the Coordination of Humanitarian Affairs - Integrated Regional Information Network for West Africa. 1998-1999

Note: Some or all these news services have been used to research various sections of this Country Review.

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**Examples:**

Youngblood-Coleman, Denise. *Country Review: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *Country Review:France*. Online. Available URL : [http://www.countrywatch.com/cw\\_country.asp?vCOUNTRY=61](http://www.countrywatch.com/cw_country.asp?vCOUNTRY=61) October, 12, 2003.

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**Examples:**

Youngblood-Coleman, Denise. "People." *CountryWatch.com: France*. 2003. Houston, Texas: CountryWatch Publications, 2003. *CountryWatch.com: France*. Online. Available URL : [http://www.countrywatch.com/cw\\_topic.asp?vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT](http://www.countrywatch.com/cw_topic.asp?vCOUNTRY=61&SECTION=SOCIAL&TOPIC=CLPEO&TYPE=TEXT). October 12, 2003.

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***For further source citation information, please email:*** editor@countrywatch.com or education@countrywatch.com.

# CountryWatch

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