



CORONAVIRUS IMPACT

AmCham “how-to” guide

A Message from the Ambassador of Italy to the United States of America

Dear AmCham Members,

Italy and the United States are facing an unprecedented challenge.

I am proud of Italy's response, and of its spirit of unity. From doctors and nurses on the front line to law enforcement officers, from the many volunteers to businesses and on to all citizens who daily make great sacrifices to comply with measures set out by the Government, as well as local and regional authorities.

Italy and the United States have adopted measures to contain the contagion, as well as significant stimulus packages for the economy, in order to support workers and businesses and enable our Countries to recover rapidly, once the health emergency is over.

Now is the time to join forces, in the footsteps of that indissoluble bond which for over 70 years has joined Italy and Europe to the United States. It is a bond that draws its strength from the vitality of our bilateral relations, founded on shared values, the dynamism of our industries, solid trade relations, and on our scientific communities that tirelessly work to defeat the virus.

The Embassy of Italy in the United States, together with the consular network and the entire structure of our Whole-of-Government, works relentlessly to tackle the emergency affecting our communities and to abet the supply of much-needed material and health equipment. Furthermore, we strive to lay the foundations, as from now, for the resumption of economic relations, which will be key in helping our Countries exit a crisis whose impact it is currently still difficult to assess.

The stakes could not be higher: the health of our fellow citizens – and of our very democracies. Together, we shall win, and overcome this challenge. Once again we will reaffirm our common belief: that the transatlantic bond is the best guarantee for the well-being of our societies, and the best tool to overcome future challenges.

Thank you, AmCham, President Arnaboldi, Director Crolla and indeed members all, for the contributions that you continue to provide, even at this difficult time, to strengthening bonds between our Countries. The role of the Chamber is pivotal now, and it will be all the more so when, together, we can say that we have defeated this invisible enemy.

Buon lavoro!

Armando Varricchio

Ambassador of Italy to the United States of America

As promised, AmCham Italy is continuing to be close to its Members with its [Coronavirus Observatory](#).

On this page you can find **updates and insights useful** for monitoring the situation and a lot of **information necessary** to better understand how to deal with the problems connected with the spread of COVID-19.

We'd like to point out two recent interviews given by AmCham Italy's Managing Director, Simone Crolla, to [Forbes](#) and [TgCom24](#), to highlight the proximity of the American government and the US corporations to our country.

We are pleased to share the updated results of our [survey](#) with which we are investigating the measures taken by some of our Members to deal with the Covid-19 emergency.

We also inform you that **AmCham's Tax Policies Working Group** is preparing some tax proposals to be sent to the Government during the first week of April in view of the next Decree on which the Government is currently working on. We will provide you with updates on this in the next newsletters.

The new pages have also been online for a few days: [Sector Member Councils, Legal and Tax Aspects](#) and [#Let's stop it together. Donate for the Covid-19 emergency](#).

Finally, we remind you that, to guarantee maximum support and information, the **AmCham TASK FORCE** is always active. You can contact us every day at the following contacts:

burani@amcham.it

cremona@amcham.it

THE TRANSATLANTIC ECONOMY

The **Transatlantic Economy Report 2020** was published on Thursday 26 March, an annual report with the most updated numbers and data on EU-US economic relations.

Today more than ever, the relationship between Europe and the US is crucial: the transatlantic economy generates 5.6 trillion total in commercial sales and employs 16 million workers on both sides of the Atlantic.

AmCham Italy, always at the forefront in monitoring and promoting transatlantic relations between Italy and the USA, is among the sponsors of this important Report.

Here are the main links to the Transatlantic Economy Report 2020:

- [The Transatlantic Economy 2020 Key Findings](#)
- [The Transatlantic Economy 2020 Executive Summary](#)
- [The Transatlantic Economy 2020 Full Report](#)

THE CURRENT STATE OF PLAY IN ITALY

After the four Prime Ministerial Decrees issued in recent weeks, the Council of Ministers, on the proposal of the President Giuseppe Conte and the Minister of Health, Roberto Speranza, approved the new [Prime Ministerial Decree n.19](#) on 25 March, which effectively establishes a **reformulation of the rules so far provided by the previous Prime Ministerial Decree** and greater autonomy for the Regions. The decree, in fact, includes a tightening of the sanctions adopted to date.

For some weeks now, it has become clear that coronavirus is not just a medical emergency. The specter of a global recession is almost upon us.

With these prospects, the most indebted countries risk being overwhelmed by an imposing financial crisis, with solvency that could be doubted to the point of reaching the '[default](#)'.

With [a public debt above 133%](#) of its GDP, Italy unfortunately falls under these dire predictions. Indeed, in hindsight, it is among the countries on which the greatest concerns are concentrated given the size of the Italian economy compared to that of others at risk (emerging and otherwise) that are definitely smaller. However, according to the famous economist Olivier Blanchard, our [public debt is absolutely sustainable](#).

Of the same opinion is the former ECB number one Mario Draghi, who, after weeks of silence, [returns to publicly express himself](#) in one of the most delicate moments in European history, invoking more incisive interventions, financed through the increase in public debt, as would happen in wartime.

da lunedì
23
marzo



nuovo servizio di consegna a domicilio
solo per la Lombardia

“CRI Pronto farmaco”

attivabile chiamando il numero

02.388.3350

Dalle 09:00 alle 19:00, dal lunedì al venerdì.

Destinatari in possesso di prescrizione medica (o con codice NRE della ricetta)
persone con oltre 65 anni;
persone non autosufficienti;
persone sottoposte alla misura della quarantena o risultati positivi al virus COVID-19.

THE MEASURES ADOPTED BY THE US ADMINISTRATION

The **Coronavirus Aid, Relief and Economic Security (CARES) Act** is the most massive aid plan ever! [Approved](#) on Wednesday evening by the Senate, as [previously called for by VP Pence](#), it was signed by President Trump on Friday March 27.

An unprecedented [\\$2 trillion](#) package of measures to support businesses, states, cities, hospitals, workers and families that, according to White House economic adviser Kudlow, could rise to 6 trillion, adding up Fed operations (in total, almost eight times the plan set aside to face the Great recession of 2008 or 30% of GDP), with a budget deficit doubled to 1 trillion. In addition, as specified by Treasury Secretary Steven Mnuchin, the plan includes postponing \$ 300 billion in taxes for 90 days.

Here are **the main points of the CARES act**:

- 500 billion in loans for companies with more than 500 employees. Of these, 50 billion will go to airlines and 17 to Boeing, protected as a company critical to national security;
- Small and medium-sized businesses will receive 350 billion - [President Trump](#) has repeatedly announced his administration's intention to protect SMEs;
- Measures for the public: 100 billion for hospitals and 40 billion for medical and health material, while states and local administrations will receive 150 billion;
- Unemployment: the latest updates speak of 3.28 people who have applied for the appropriate subsidy:
 - 250 billion will finance unemployment benefits, extended up to 4 months and increased by 600 dollars. Precisely this measure had prompted four Republican senators to threaten to block the approval, because according to them it incentivized people to stop working and live for assistance. However, it is specified that those who resign are not entitled to subsidies, intended only for those who are fired;
 - Companies that do not lay off and pay 50% of employees' salaries are also supported through tax credits;
- Helicopter money: 250 billion checks on citizens based on income:
 - \$ 1,200 for singles who earn less than \$ 75,000 a year
 - 2,400 for families under \$ 150,000; and \$ 500 per child;
- Agriculture: funds ranging from 30 to 50 billion dollars available;
- Discounts are also provided for student loans.

Finally, President Trump has signed an [Executive Order](#) that allows the Pentagon to call ex-military personnel, National Guard personnel and reservists into service to increase the contingent already deployed in order to deal with the coronavirus epidemic. The recall in service, which will take place both on an individual basis as on whole units, may extend up to 24 consecutive months.

THE STARS AND STRIPES SENTIMENT

[Stay home](#)

Deborah Birx, White House Coronavirus Response Coordinator

In the drama of the last few days, [the voice of Bill Gates](#) has risen more than others, trying to reassure the population struggling with the drastic measures to contain the infections and beat the coronavirus epidemic. **Staying calm and maintaining confidence** is the exhortation of the Microsoft co-founder, with the hope of returning to normal in 6-10 weeks (on the subject, Gates is known to have stated, in a [2015 Ted Talk](#), that viruses can be an even worse catastrophe than a nuclear war).

In the meantime, several states have declared a health emergency: California, Florida, Illinois, New

York and Washington, later extended to the whole country. However, not later than a few months ago, the United States had been [classified as the most prepared](#) country in the world with respect to pandemics by the Nuclear Threat Initiative (NTI) and the Johns Hopkins Center for Health Security (JHCHS). In virtue of the immediate and decisive measures implemented by the USA, WHO Director General **Tedros Adhanom Ghebreyesus** [praised the Trump Administration's political commitment](#) in its strategy to contain the spread of the virus. The Americans also agree with what their government has implemented, with an approval rating of President Trump, Vice President Pence and the CDC for [60% emergency management procedures](#). Private individuals and companies also seem to confirm this trend.

The stars and stripes [solidarity machine](#) run at full speed, **thanks to both private citizens and large US Corporations**, with millionaire donations and medical and health aid to support institutions and health structures located in the areas most affected by the pandemic.

PRODUCTION RECONVERSION IN THE US

In recent weeks, individuals and businesses have received maximum support, and little interference, from the Government, even if, to face the new "world record" of positive cases to the virus, on the evening of Friday March 27, President **Donald Trump** [ordered General Motors](#) not to waste time and [produce lung fans](#), appealing to the Defense Production Act of 1950, a law dating back to the Korean War that allows control of the industries necessary to defend the country, and appointing Peter Navarro, his commercial adviser, as coordinator of the policies to be adopted in the face of the health emergency which is rapidly becoming economic.

On the other hand, as [highlighted by Vice President Pence](#), hundreds of American companies are ready to intervene to support the country.

A virtuous example is **3M**, one of the main companies in the world at the forefront in dealing with health emergencies, which has converted its industrial processes in record time, allowing to [double the production of N95 surgical masks](#), among the most requested on the market.

As repeatedly pointed out over the past few weeks, it is necessary to [reprogram the production chains worldwide](#), as the [demand for medical and health material](#) exceeds by far the ability of companies to produce it.

Not only companies, but also large structures are preparing to face the battle against coronavirus. A few days ago, the announcement by the Governor of New York State Andrew Cuomo on the conversion of the Javits Center, a colossal convention center on the West Side due to become the main hospital in the area, as capable of absorbing part of the shock wave.

PRODUCTION RECONVERSION IN ITALY

Also in Italy the machine of solidarity set in motion at an entrepreneurial level has seen many companies engaged in the conversion of their production. From Prada to Ferrari, from Gucci to Bulgari, the great Italian brands have transformed the production for the benefit of gowns, protective devices, fans for resuscitation. **Ermanno Scervino** put his seamstresses in "smartworking" to make masks directly from home. The **FCA** and Ferrari engineers will work alongside **Siare Engineering**, one of the few companies that manufacture respirators, to help them double their productivity. **Giorgio Armani**, after donating € 2 million to hospitals, started the conversion of all its production plants to create disposable gowns intended for the individual protection of health workers. The last, in chronological order, is the Veronese group **Calzedonia**, which has converted some of its factories to the production of masks and gowns. The **Davines** group has temporarily stopped producing shampoos to concentrate on the sanitizing gel to be given to the Red Cross and other institutions active in the area. These are just some among the great many examples today in Italy and, to honor the country, along them other related less known companies which with their work are also really making a difference. This is the case of [Isinnova](#), the Brescia-based company that has transformed a snorkeling mask into a respirator.

SMART WORKING SURVEY

The survey carried out by AmCham Italy towards a selection of its member companies (American and Italian) was concluded to identify the behaviors adopted in the management of this crisis and assess future scenarios. The main aspects that emerge are:

- **Smart Working** is the working method that all companies are adopting to deal with this situation and ensure "business continuity"
- In most cases, **travel and personal meeting limitation measures** have been adopted, using **conferencing tools**
- Companies **are not yet clear on the impact** that COVID-19 will have on the business; **there are currently no revaluations** of development plans in Italy
- **Periodic updating briefings**, constant **monitoring** and **communication of the decisions adopted**

by the Government are the most requested services in this phase
Here you can consult the complete results of the [survey](#).



THE GLOBAL CONTEXT

As in previous editions, in addition to the map of [Johns Hopkins University](#), and that of [Worldometer](#), to have a continuously updated picture on the contagion in Italy and in the world, we invite you to constantly consult the map drawn up by the [World Health Organization](#), the tracker developed by the [Kaiser Family Foundation](#), the map developed by the [Civil Protection](#), the tracker of the [GIMBE Foundation](#) and [Covid Trends](#).

To specifically follow the evolution of the American situation, we recommend referring to this [page of the CDC](#) and to the [Covid Tracking Project](#).

FIRST ANALYSIS ON THE IMPACT OF COVID

What will the costs of the coronavirus pandemic that is hitting Italy and the whole world be? What role will uncertainty and fear play? What will the consequences of this situation be? Questions to which an analysis by the [London Business School](#) tries to answer, offering the basis for being able to face the efforts of reconstruction in a conscious way.

We need a strategy that goes beyond the national borders of individual countries, to put in place a [shared policy agenda](#) in dealing with the emergency.

A unified look and greater cooperation, as underlined by the appeal launched by Mario Draghi, for what seems to really be the proof of maturity for Europe, as promptly highlighted in two interesting analyses of the [Carnegie Endowment](#) and the [Peterson Institute for International Economics](#).

Unity of purpose not only to overcome the health emergency. It is necessary to [rethink the value chains and global trade](#), through [shared commercial and economic policies](#) to better face the consequences of the crisis and direct the world economy towards a recovery, starting from promoting trade for health supplies and medical equipment, and taking into consideration those strategic sectors most exposed to risks, such as [defense](#).

Even the [startup](#) world suffers the impact of the virus, although it is not yet possible to establish its extent. However, Sequoia Capital [issues the first warnings](#) about a probable slowdown - or at least a change of direction - in VC investments until the end of 2020, which must be taken into consideration by startups that are already in full swing and are theoretically aiming to grow through capital injections.

GLOBAL ECONOMIC OUTLOOK

Processing of possible estimates of the impact on the international economy continues, although, with the growth of positive cases also in the United States, the main international outlooks are more cautious than in recent weeks.

"[The global recession is already here](#)": economists from Standard & Poor's write it, according to which the increased contacts between individuals and the movements of people will lead, as in China, also in the USA and Europe to a collapse of demand with global growth that it will stop at 1.5% (maximum).

Given the coronavirus emergency, the risks for the forecast are on the downside, with the possibility of worsening as highlighted by the rating agency Fitch which has [cut the prices](#) of crude oil and natural gas, predicting a sharp drop in consumption which will lead to a considerable production surplus during 2020.

The same scenario painted by [Goldman Sachs](#), according to which Italy's GDP will drop by 11.6% in 2020, while Spain will drop by 9.7%, Germany at -8.9%, France at -7.4%, with [European banking](#)

[systems](#) particularly under stress. [Gloomy forecasts for US GDP](#) in the second quarter, with analysts forecasting a maxi-downgrade, from the previously expected -6% drop to a -24% slump in the second quarter.

For Italy, compared to -3.4% a week ago, this is basically a worsening, marked by a strong increase in the deficit, which will reach 10% of GDP, due to the urgent spending measures adopted to contain the health emergency and the impact of the economic crisis on businesses, workers and families.

Finally, we report that António Guterres, Secretary General of the United Nations, has launched an appeal to [raise \\$ 2 billion](#) in order to curb the epidemic in the poorest countries, while the [IMF and the World Bank](#) have asked for the stop to pay off their debts.

L'AMICIZIA TRA ITALIA E USA

We would like to thank Ambassador Eisenberg for his acknowledgment of the role played by AmCham Italy in mobilizing the resources necessary to deal with the COVID-19 emergency put in place by American and Italian companies. A more than welcome praise expressed during the interview given to Lucia Annunziata for the [RAI show "Mezz'ora in più"](#).

Without slogans, as due to the emergency of the moment, the American government and military forces are [by our side](#), despite the emergency is rapidly catching on "at home". Last week, 140 beds, stretchers, screens and other medical equipment were delivered with eight trucks and donated to the [Lombardy Region](#) by the US Embassy in Italy, in partnership with the Defense Security Cooperation Agency and the US Army Europe.



US corporations are also doing their part. In this regard, we have launched a **mapping project for all these initiatives** - many cannot be made public by the will of the companies themselves - **in agreement with the Ambassador of the United States of America in Italy, to collect as much information as possible on donations economic** (to date, over 18 million euros) and medical-health services intended to support both the Civil Protection and the Italian Red Cross as well as hospital bodies and structures present in the regions most affected by the pandemic.

As for Italy, we point out the [beautiful gesture by Danilo Gallinari](#), star of the NBA and of the Oklahoma City Thunder, who made a donation to the medical department of Oklahoma City county of 400 Corona Virus tests and other medical material, such as gloves and masks for healthcare professionals.

THE GOOD NEWS

"The vaccine against Covid-19 is still far away: it will take at least 12-18 months." This was stated by WHO Director-General [Tedros Adhanom Ghebreyesus](#) in the usual coronavirus briefing. If there are those [who wonder about our ability](#), to deal with the virus, technology comes to our rescue.

In recent weeks, encouraging news has come from South Korea, where [technology](#) has played a key role in limiting contagion, albeit in ways that have raised many doubts about [ethics and privacy](#). However, a few days ago the announcement was made about the use of drones to disinfect the streets in areas with higher population density, while it is already thought to experiment with an innovative method to measure the fever of residents through a drone with thermal imaging cameras.

Also in the technological field, as already anticipated, a [collaboration agreement](#) has been signed between **IBM and the White House Science and Technology Department of the Energy Department for the launch of the "COVID-19 High Performance Computing Consortium"**, a partnership that also includes **Amazon Web, Google Cloud, Hewlett Packard Enterprise, Microsoft** and representatives of prestigious academic realities, to help researchers around the world to better understand COVID-19, its treatments and its potential treatments.

We also report that [Apple](#), responding to President Trump's appeal to create a partnership between the public and private sector, has launched a website and an app for iOS that will allow an 'auto-screening' for the virus. Both tools were developed in collaboration with the CDC, the

Coronavirus Task Force established by the White House and the Federal Emergency Management Agency.

Not only Cupertino: it is a mobilization that, for a "moral responsibility", involves all the big names in [Silicon Valley](#), willing to employ the best talents to offer technological solutions that are up to par.

Good news also in the pharma sector. In the previous edition of this newsletter we had anticipated the progress of the Italian [DiaSorin](#) in the development of an innovative test to identify the presence of the virus. This week we report that **Abbott** got FDA approval for a new portable molecular test which, according to the company, will deliver positive results in just five minutes. Abbott will immediately start producing 5 million a month, initially for the American market, to deal with the growing number of positive cases found in the country.

Furthermore, in the unfortunate circumstances we are experiencing, we're proud to know of [Leonardo](#)'s frontline commitment worldwide in the fight against coronavirus, with the AW139, AW169 and HH-101A helicopters used to transport the sick also thanks to a special bio-containment kit.

Finally, we remind you of the extraordinary measures put in place by [Intesa Sanpaolo](#) and the [CDP Group](#), which invest in the future to support businesses and the territory and guarantee continuity and productivity, laying solid foundations for the relaunch of the country.

Ci si può proteggere dal coronavirus facendo gargarismi con la candeggina, assumendo acido acetico o steroidi

FALSO

Nessuna di queste pratiche protegge dal nuovo coronavirus e alcune di queste sono molto pericolose per la salute

**NON CREDERE ALLE BUFALE.
INFORMATI SOLO SU FONTI ATTENDIBILI.**

www.salute.gov.it/nuovocoronavirus

 *Ministero della Salute*

www.salute.gov.it/nuovocoronavirus

LEGAL INFORMATION

As part of the contingent emergency, you can consult here the legal notes produced by our Members.

[Andersen Tax & Legal](#) provides the information documents prepared on the government's emergency measures.

[Carnelutti Law Firm](#) has drafted memoranda on tax incentives for donations to support measures to combat coronavirus.

[Chiomenti](#) has set up a special section ([Ita](#) and [Eng](#)) linked to the COVID-19 issue, with particular attention to the "Cura Italia" decree.

[Juridicum](#) has drawn up a handbook aimed at clarifying the main points included in the "Cura Italia" Law Decree.

[Nixon Peabody](#) has carried out a careful analysis, mainly focused on the work benefits of employees, of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") just formalized by the Trump Government.

[Pedersoli Studio Legale](#) has prepared a note on the measures, included in the "Cura Italia" Law Decree, which, as far as possible, seek to facilitate the business activity, among which we note the provisions of article 106 regarding the conduct of company assemblies.

[Tosi & Partners High Tech Legal](#) carried out the issue related to eligibility (and related limits of digital health surveillance) linked to geolocation and GDPR.

[Virtax - Tremonti Romagnoli Piccardi and Associates Law and tax firm](#) has developed an analysis of the tax provisions linked to the "Cura Italia" decree.

In the coming days you will find all the documents listed here and also on our [dedicated page](#).

CORPORATE AID TRACKER

We report the appeal launched by the [Comune di Milano](#) to companies for "scuole aperte 3.0", delivering the first Lenovo devices to city institutions, to help make schools truly open and particularly support situations of greatest difficulty.

Finally, we remind you of the important campaign launched by the [Robert F. Kennedy Foundation of Italy Onlus](#) to raise funds for the purchase of medical devices for Civil Protection.

We invite you to report via email (cremona@amcham.it) all the initiatives launched by your

company, in terms of donations and / or aid in this difficult period for our country. We will be happy to highlight it in the coming days on our website and with the next editions of this newsletter.

Today more than ever it is essential to show the strength and generosity of the Italian-American business community!

Link Utili

Ministero della Salute

Protezione Civile

Organizzazione Mondiale della Sanità

Istituto Superiore di Sanità

Regione Lombardia

Presidenza del Consiglio dei Ministri

Epicentro

Department of State

Centers for Disease Control and Prevention

Segui i consigli del Ministero della Salute!

#coronavirus

Come tenere pulite le superfici?



Semplici disinfettanti sono in grado di uccidere il virus annullando la sua capacità di infettare le persone

Disinfetta **oggetti che usi frequentemente** (telefono, auricolari o microfoni) con prodotti contenenti **alcol al 75%** o a base di **cloro allo 0,5%**

Tieni sempre conto delle indicazioni fornite dal produttore



Ministero della Salute



www.salute.gov.it

#CORONAVIRUS

RESTA A CASA, MA RIMANI ATTIVO!



Fai esercizi seguendo lezioni online



Balla con un po' di musica



Prova dei videogiochi di allenamento



Salta con la corda



Fa esercizi di stretching



Ministero della Salute



www.salute.gov.it

Sincerely,
AmCham Italy

Stay connected!



Via Cesare Cantù 1 - 20123 Milano - Italia
+39 02 86 90 661 - amcham@amcham.it
amcham.it

[Gestisci la tua iscrizione](#) | [Cancella iscrizione](#)

Ricevi questa email perché ti sei registrato sul nostro sito e hai dato il consenso a ricevere comunicazioni email da parte nostra.
AmCham Italy, Via Cesare Cantu, 1, Milano, MI IT
www.amcham.it