



Quantifying Risk, Enabling Opportunity.

A 360 review of the Covid-19 experience from an Italian perspective

Author: Giampaolo Crenca

Date: 27/07/2020

CONTENTS

Agenda	page no.
Italian context and the Government's strategy	<u>3</u>
Statistics and trends	<u>7</u>
The position of Actuarial National Board and Association of Professions towards politics and Government	<u>15</u>
Professional activity	<u>20</u>

Italian context and the Government's strategy

On **30 January 2020**, Italy, following the **World Health Organization's (WHO) declaration of the international state of emergency**, immediately activated the first measures to contain the contagions on the entire national territory and, first in Europe, stopped flights to and from China.

In early March, in order to ensure the restriction of the infections after the beginning of the epidemic in **Lombardia**, a very important and large region in the north of Italy, the Government, first closed all schools and universities and then issued various measures and legislative decrees (**DPCM**).

Italian context and the Government's strategy

- **Dpcm 9 March 2020:** The Government has declared the entire Country a “red-zone”. All citizens have been **banned from travelling** within the Country unless for proven reasons of need, work or health.
- **Dpcm 11 March 2020:** Following the **WHO's declaration of the state of Pandemic**, Italy has put in place more restrictive measures through the closure of all **retail** activities (except grocery and necessities stores), **catering** and **personal care services** activities.
- **Health Minister Ordinance 20 March 2020:** A ban on **outdoor play or recreation** has been introduced, as well as access to parks, play areas and public gardens.
- **Dpcm 22 March 2020:** due to the increase in infections, these restrictive measures were confirmed and expanded with the closure of **all non-essential or strategic production** activities.

Italian context and the Government's strategy

- **Dpcm 10 April 2020:** The restrictive measures have been **extended until 3 May 2020** apart from some activities (stationery shop, bookshops, children's and infants' clothing stores) allowed to reopen from 14 April 2020.
- **Dpcm 26 April 2020:** The start of "**phase 2**" has been planned for **4 May 2020**. There have been allowed to **travel within the regions** to visit relatives, as well as the reopening of **parks** and **some activities** (manufacturing, construction, real estate brokerage and wholesale trade), according to individual protections and social distance.
- **D.L. 16 May 2020:** Starting from **18 May 2020 retail and business** activities, **catering** (as café and restaurants) and **personal care services** activities reopened, always according to social distances and individual protections.

Italian context and the Government's strategy

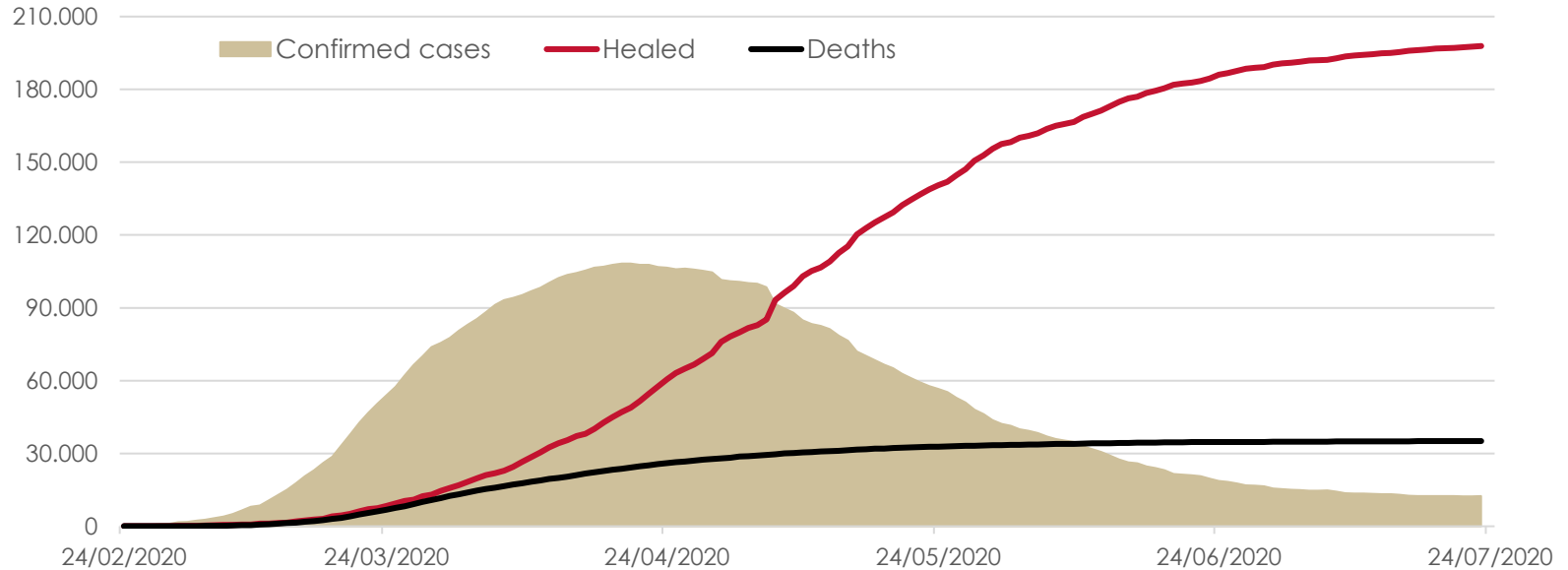
- **Press conference 3 June 2020:** Citizens have been allowed to travel within the regions without any justification.
- **Dpcm 11 June 2020: Further activities** have been authorized to **reopen** from **15 June 2020** (spas, thermal baths, cultural and social, shows, events and competitions without an audience) always ensuring the social distance. All activities that take place in discos, clubs and similar, both outdoors and indoors, remain suspended.
- **Dpcm 14 July 2020:** All measures contained in the **Dpcm 11 June 2020** have been **extended** until **31 July 2020**, expiration date of the emergency period.

We therefore expect short news from the Government according to the positive trend of COVID-19.

Statistics and trends

- In the chart of the following slide we can see together the curve of total daily confirmed cases (about 12.400 now with its maximum of about 108.000 on the 20th of April) and the curves of total Healed (about 197.800) and total Deaths (about 35.000).
- We observe that the pandemic in Italy is **on its way to the end**; cases' distribution has taken a **gaussian shape with right asymmetry**.
- An important note about the purity of data: **there are some doubts about the data collection particularly concerning “confirmed cases” and “death causes”, as in Italy as in the world.**

Statistics and trends

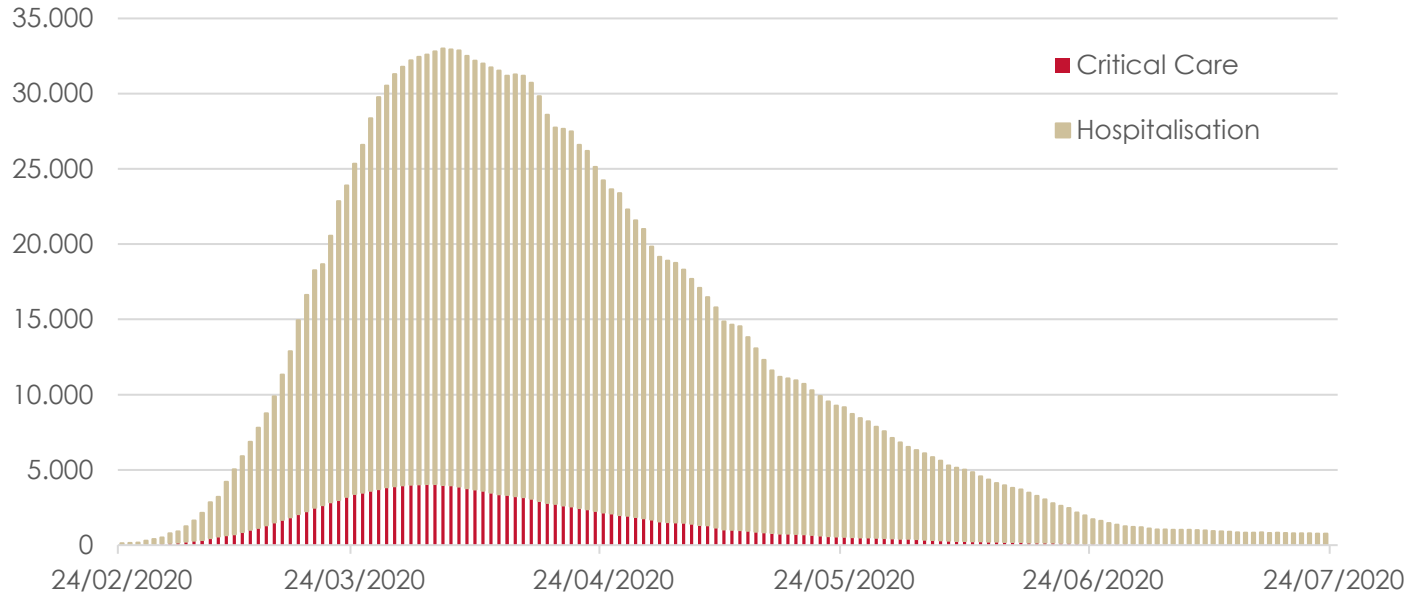


Data source: Dipartimento della Protezione Civile's report of July 23rd
<https://opendatadpc.maps.arcgis.com/apps/opsdashboard/index.html#/b0c68bce2cce478eaac82fe38d4138b1>

Statistics and trends

- We can observe in the following slide a graph with the distribution of the total hospitalization cases included the critical care (in red). It's a good indicator since one of the biggest issue of this pandemic is the necessity of sufficient critical care number of places in the Hospitals.
- **After the pick in April, in Italy the situation is stable and slowly decreasing to “0”.**
- **At the moment less than 720 people are hospitalized and less than 50 needs critical cares in our national Hospitals.**

Statistics and trends

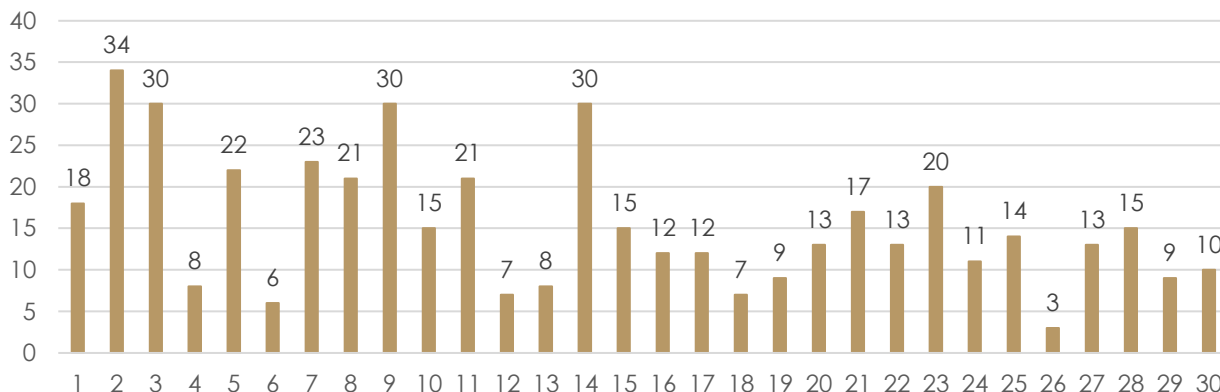


Data source: Dipartimento della Protezione Civile's report of July 23rd

<https://opendatadpc.maps.arcgis.com/apps/opsdashboard/index.html#/b0c68bce2cce478eaac82fe38d4138b1>

Statistics and trends

- In this graph we can see the trend of the last month about deaths due to COVID-19 in Italy; it's intuitive to understand that the phenomenon, after a big initial impact, shows a small tendency to continue.
- We believe and hope that in the next weeks (probably in August) the deaths will end.



Data source: Dipartimento della Protezione Civile's report of July 23rd

<https://opendatadpc.maps.arcgis.com/apps/opsdashboard/index.html#/b0c68bce2cce478eaac82fe38d4138b1>

Statistics and trends

Compared to the rest of the world, **Italy reached the final phase of the contagions** and spread of the virus, while in many countries we can assist to the rising phase.

In the following slides we can observe three tables:

- Two tables with the first 20 Countries sorted according to the total confirmed cases and total deaths: Italy is respectively **14th and 5th** and is destined to decrease (it was first in both the lists at the beginning).
- A table with another information, that is the ratio between total cases and the population of the Country: Italy is **40th with an index of 0,39%** (also in this case it was the first at the beginning).

#	Country	Total confirmed cases
1	United States	3.868.453
2	Brazil	2.159.654
3	India	1.238.635
4	Russian Federation	795.038
5	South Africa	394.948
6	Peru	362.087
7	Mexico	356.255
8	Chile	336.402
9	United Kingdom	296.381
10	Iran	281.413
11	Pakistan	269.191
12	Spain	267.551
13	Saudi Arabia	258.156
14	Italy	245.032
15	Turkey	222.402
16	Bangladesh	213.254
17	Colombia	211.038
18	Germany	203.368
19	France	167.456
20	Argentina	136.118

#	Country	Total deaths
1	United States	141.479
2	Brazil	81.487
3	United Kingdom	45.501
4	Mexico	40.400
5	Italy	35.082
6	France	30.060
7	India	29.861
8	Spain	28.426
9	Iran	14.853
10	Peru	13.579
11	Russian Federation	12.892
12	Belgium	9.808
13	Germany	9.101
14	Canada	8.862
15	Chile	8.722
16	Colombia	7.166
17	Netherlands	6.139
18	South Africa	5.940
19	Pakistan	5.709
20	Sweden	5.667

Data source: WHO's Situation Reports of July 23rd <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports/>

#	Country	Total conf. cases	Tot deaths	Population	Cases/Popul	Deaths/Popul	Deaths/cases	Index on cases	Index on deaths
1	Qatar	107.871	163	2.363.569	4,5639%	0,0069%	0,1511%	0,7185%	0,0263%
2	Bahrain	37.637	130	1.442.659	2,6089%	0,0090%	0,3454%	0,2507%	0,0210%
3	San Marino	716	42	33.779	2,1197%	0,1243%	5,8659%	0,0048%	0,0068%
4	Kuwait	61.185	417	2.916.467	2,0979%	0,0143%	0,6815%	0,4076%	0,0674%
5	Chile	336.402	8.722	17.925.262	1,8767%	0,0487%	2,5927%	2,2408%	1,4087%
6	Oman	71.547	349	4.613.241	1,5509%	0,0076%	0,4878%	0,4766%	0,0564%
7	Panama	55.153	1.159	3.800.644	1,4511%	0,0305%	2,1014%	0,3674%	0,1872%
8	Holy See	12	-	1.000	1,2000%	0,0000%	0,0000%	0,0001%	0,0000%
9	Armenia	36.162	688	3.038.217	1,1902%	0,0226%	1,9025%	0,2409%	0,1111%
10	United States	3.868.453	141.479	329.256.480	1,1749%	0,0430%	3,6573%	25,7678%	22,8505%
11	Peru	362.087	13.579	31.331.228	1,1557%	0,0433%	3,7502%	2,4119%	2,1932%
12	Andorra	889	52	85.708	1,0372%	0,0607%	5,8493%	0,0059%	0,0084%
13	Brazil	2.159.654	81.487	208.846.896	1,0341%	0,0390%	3,7732%	14,3855%	13,1611%
14	Luxembourg	5.854	111	605.764	0,9664%	0,0183%	1,8961%	0,0390%	0,0179%
15	Singapore	48.744	27	5.995.991	0,8129%	0,0005%	0,0554%	0,3247%	0,0044%
16	Maldives	3.103	15	392.473	0,7906%	0,0038%	0,4834%	0,0207%	0,0024%
17	Sweden	78.504	5.667	10.040.995	0,7818%	0,0564%	7,2187%	0,5229%	0,9153%
18	Saudi Arabia	258.156	2.601	33.091.112	0,7801%	0,0079%	1,0075%	1,7196%	0,4201%
19	South Africa	394.948	5.940	55.380.208	0,7132%	0,0107%	1,5040%	2,6308%	0,9594%
20	Belarus	66.521	513	9.527.543	0,6982%	0,0054%	0,7712%	0,4431%	0,0829%
21	Israel	54.369	427	8.424.904	0,6453%	0,0051%	0,7854%	0,3622%	0,0690%
22	Moldova	21.798	713	3.437.720	0,6341%	0,0207%	3,2709%	0,1452%	0,1152%
23	United Arab Emirates	57.734	342	9.701.315	0,5951%	0,0035%	0,5924%	0,3846%	0,0552%
24	Djibouti	5.030	58	884.017	0,5690%	0,0066%	1,1531%	0,0335%	0,0094%
25	Russian Federation	795.038	12.892	142.122.784	0,5594%	0,0091%	1,6216%	5,2958%	2,0822%
26	Belgium	64.534	9.808	11.570.762	0,5577%	0,0848%	15,1982%	0,4299%	1,5841%
27	Bolivia	62.357	2.273	11.306.341	0,5515%	0,0201%	3,6451%	0,4154%	0,3671%
28	Dominican Republic	56.043	1.005	10.298.756	0,5442%	0,0098%	1,7933%	0,3733%	0,1623%
29	Spain	267.551	28.426	49.331.076	0,5424%	0,0576%	10,6245%	1,7822%	4,5911%
30	Iceland	1.840	10	343.518	0,5356%	0,0029%	0,5435%	0,0123%	0,0016%
31	Kyrgyzstan	30.326	1.169	5.849.296	0,5185%	0,0200%	3,8548%	0,2020%	0,1888%
32	Ireland	25.819	1.754	5.068.050	0,5094%	0,0346%	6,7934%	0,1720%	0,2833%
33	Portugal	49.150	1.702	10.355.493	0,4746%	0,0164%	3,4629%	0,3274%	0,2749%
34	Ecuador	77.257	5.418	16.498.502	0,4683%	0,0328%	7,0130%	0,5146%	0,8751%
35	United Kingdom	296.381	45.501	65.105.248	0,4552%	0,0699%	15,3522%	1,9742%	7,3489%
36	Macedonia	9.547	442	2.118.945	0,4506%	0,0209%	4,6297%	0,0636%	0,0714%
37	Colombia	211.038	7.166	48.168.996	0,4381%	0,0149%	3,3956%	1,4057%	1,1574%
38	Kazakhstan	76.799	585	18.744.548	0,4097%	0,0031%	0,7617%	0,5116%	0,0945%
39	Switzerland	33.796	1.692	8.292.809	0,4075%	0,0204%	5,0065%	0,2251%	0,2733%
40	Italy	245.032	35.082	62.246.672	0,3936%	0,0564%	14,3173%	1,6322%	5,6662%

Data source: WHO's Situation Reports of July 23rd <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports/>

The position of Actuarial National Board and Association of Professions towards politics and Government

As National Italian Actuarial Board we faced 360 degrees the question COVID-19.

Indeed, we belong to the Italian Association of Professions that worked very much from February 2020 to protect, help and support professionals in case of some difficulties due to COVID-19.

So, many discussions were carried out with politics and Government in order to introduce rules in favor of professionals in the different laws issued from last March until now.

The position of Actuarial National Board and Association of Professions towards politics and Government

At the beginning the efforts were towards an help but, in the last weeks, a great attention has been paid on the revitalizing of the Country, especially when, starting from the beginning of last May, the effect of COVID-19 decreased very much and now is going slowly but constantly to the end (probably we hope in August).

The aim is to bring very significant changes (for instance against bureaucracy) in order to simplify our life and to improve the efficiency in the world of work.

The position of Actuarial National Board and Association of Professions towards politics and Government

The President of our Association was summoned by the Premier some days ago and so professionals were able to present proposals for the revitalization of the Country.

Particularly, Actuaries presented a specific proposal in order to set up a task force for studying the systemic risks (also pandemic) in order “to prevent rather than cure”.

The position of Actuarial National Board and Association of Professions towards politics and Government

In parallel the Social Security institutions of the professionals (so called «*Casse di Previdenza*»), a first pension pillar) carried out a very important work of subsidies and various supports, through the help of the Government and/or with an auto-financing approach when possible.

So, Association of Professions works towards politics and government to face economic crisis of the professionals' world, while *Casse di Previdenza* work about welfare.

The position of Actuarial National Board and Association of Professions towards politics and Government

We continue to work with this approach also because, after the European Recovery Fund's agreement, there is a lot of work to do in our Country, so the next months will be very challenging to revitalize Italy from all the points of view.

We must also say that, from the health's organization point of view, Italy was very able to face the dramatic situation, especially in the months of March and April, for instance increasing in a very short time the intensive care beds, and in these last weeks we are showing to be ready to face possible new COVID-19's returns (at now, in fact, no new red zone or new lockdowns, partial or total, were activated).

Professional activity

Following the epidemiological situation, most professionals' social security institutions have implemented some economic measures in favor of their members. These measures can be grouped mainly into 3 categories:

1. Income support

2. Reduction or postponement of contributions

3. Welfare services

Professional activity

1. Income support

- **Economic allowance**

Among the measures most adopted by Social Security institutions, on behalf of the Government, is that of the payment of one or more economic allowances to professionals. Some of these allowances were only paid to professionals with an income below certain thresholds.

- **Withdrawal of contribution**

Another income support measure adopted was to allow professionals to request a withdrawal about a part of the contributions paid so far. For those who request it, this will lead to a reduction of the future amount of pension or will involve the refund of the amount withdrawn.

Professional activity

2. Reduction or postponement of contributions

Some Social Security institutions decided that their members, or a part of them, will have to pay less social security contributions (even up to half for example) or that the deadline for the payment of contributions will be postponed (or both).

Professional activity

3. Welfare services

Some Social Security institutions have set up forms of assistance in favor of their members affected by the virus, such as:

- Daily allowance
 - for illness treated without intensive care
 - for illness treated with intensive care
 - for home isolation following the infection
- One-time allowance following the infection
- Post-illness psychological consultation
- Other

These forms of assistance were managed by institutions both in self-insurance and with the help of insurance companies.

Professional activity

3. Welfare services

In the case of self-insurance, actuaries worked on gradually consolidated over time data in order to verify the adequacy of the new measures.

With regards to private entities, really, there was also some examples more focused on business than on need.

THANK YOU FOR YOUR ATTENTION

Giampaolo Crenca

**Chairman Italian Actuarial Board
and Principal Crenca & Associati**