



REPUBBLICA DI SAN MARINO  
SEGRETERIA DI STATO PER GLI AFFARI ESTERI

## AIDE-MEMOIRE

The establishment of official relations between the Republic of San Marino and the European Community dates back to February 1983. Since then, the relationship between the two parties has progressively strengthened and consolidated, also thanks to the *Co-operation and Customs Union Agreement* signed in Brussels on 16 December 1991.

Indeed, as the process of European integration went on, more and more important issues had to be dealt with, not only with the neighbouring Italy, but also in Brussels. Thus, it became evident that the definition of appropriate relations with the Community Institutions was of critical importance for the Republic of San Marino, a third country, in order to avert the danger of remaining isolated in an anachronistic position, and, at the same time, to preserve the political and cultural but also economic and social features typical of a small State.

The implementation of the 1991 Co-operation and Customs Union Agreement, which entered into force only last April, and whose application has so far concerned only its trade and customs union provisions, has produced significant results which enabled the Republic of San Marino and its economic operators to participate in the creation of the European single market. Nonetheless, the difficulties encountered by San Marino businesses in their economic and trade relations with EU Countries have remained unsolved.

In the light of its ten-year implementation – though partial - and of the problems emerged, the Agreement may be adapted to the new circumstances and even extended considering that it is now possible to fully benefit from its provisions on co-operation in clearly defined areas, such as economic development, environmental protection, tourism, communications, information and culture, social aspects, transport and any other sector which may be included by virtue of Art. 19, providing for a possible



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enlargement of the scope of the Agreement. There is the awareness, however, that the Agreement will allow the Republic to benefit only in a very limited manner from the opportunities offered by the EU to its member States.

Another remarkable and noteworthy result has been achieved in the monetary area with the signature, on 29 November 2000, of the *Monetary Agreement between the Italian Republic, on behalf of the European Community, and the Republic of San Marino* which establishes, inter alia, San Marino's right to use the euro as official currency and to issue euro-denominated coins with a legal tender status, on an equal footing with all participating member States.

Therefore, the relations between San Marino and the European Community have always represented one of the fundamental aspects of the Republic's political, social and economic life, and as such it has always received special attention by San Marino Government.

Indeed, the Government is fully convinced that the valuable and fruitful experience gained in almost twenty years of official relations must be further widened and strengthened, also in consideration of the fact that the shaping of a Europe, destined to welcome an increasing number of States, has been marked, over the last few years, by an extraordinary acceleration.

San Marino economy is closely intertwined with the European one and its culture and history clearly reflect its century-old strong ties with Europe. Therefore, devising new forms of collaboration over and above the Co-operation and Customs Union Agreement now in force can no longer be procrastinated, since San Marino belongs to Europe not only from a geographical point of view.

On the other hand, San Marino Government deems it important to thoroughly consider all implications – which the Republic cannot and does not intend to circumvent - of a



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possible membership in the European Union for a Country which, in terms of territorial extension and population, is a microstate and wants to preserve its own identity. Such implications would not only affect the Republic of San Marino, but also the European Union.

The Government of the Republic of San Marino maintains that the recent implementation of the "European Convention" is a valuable opportunity to jointly address the above-mentioned issues and expresses its interest and willingness to start together a study and assessment activity, which will enable San Marino Government and the Community Institutions to define a common strategy, so as to meet the expectations of both parties and lay the foundations of the relations between the Republic of San Marino and the new European Union of the third millennium.