



# Integrated Country Strategy

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## Italy and The Republic of San Marino

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## 1. Chief of Mission Priorities

Italy has long been one of our closest allies and best trading partners, with exceptionally strong bonds between our people, including tens of millions of Americans of Italian descent, and the exchange of millions of travelers and students between our two countries every year. Italy embraces its role as a founding member of NATO and the European Union, and Italian politicians and diplomats frequently observe that Italy has had a consistent foreign policy since the beginning of the Italian Republic in 1946, despite frequent changes of government. Under NATO, Italy hosts over 30,000 U.S. military and Department of Defense civilians and their families on five bases. Italy has been the second leading troop contributor to both the Defeat-ISIS Coalition in Iraq and the Resolute Support Mission in Afghanistan, and is strongly committed to UN peacekeeping. Italy has been a steadfast partner in international forums and our single most important ally for projecting military power into the greater Mediterranean. Due to its historical relationships and geographic proximity to North Africa, Italy has been vulnerable to the influx of migrants across the Mediterranean and has been a leader on addressing instability in Libya and the root causes of the migration crisis in the Sahel. Libya and North Africa will remain Italy's top security priorities for the foreseeable future. Mission Italy will continue to support Italy's efforts to secure multilateral resources to address regional stability issues when they intersect with U.S. strategic interests. The Mission will also reinforce Italy's strong support for UN efforts to stabilize Libya.

Italy is among our best partners in combating terrorism, nuclear proliferation, and all forms of criminal activity, including organized crime, narcotics smuggling, and cyber threats, and we continue to strengthen that relationship. Joint law enforcement and intelligence efforts have been effective in disrupting and dismantling criminal and proliferation activities. Italy is also a regional leader in countering violent extremism. The Mission supports Italian efforts to protect asylum seekers and to integrate immigrants and minorities into Italian society. We also work with Italy to improve its travel document controls and security procedures, as well as to fulfill its extradition treaty obligations.

In March 2018 elections, anti-establishment and populist parties secured enough seats in Parliament to form a majority without the support of the traditional center-left and center-right parties that have governed Italy throughout its history as a republic. Although some leaders moderated their positions opposing U.S. foreign policy objectives, others have continued to use rhetoric questioning NATO and the EU, and in support of Russia, including lifting sanctions imposed after Russia's invasion of Ukraine. This reflects a trend across Europe of political movements that challenge the international alliances and cooperation that have formed the basis of our post-World War II peace and prosperity. Italy is also likely entering a phase of political uncertainty, in which no party or coalition has a strong mandate to govern. The Mission will use every opportunity to explain to the new Italian

political leadership that the strength and continuity of our relationship is in the mutual interest of the United States and Italy and a high priority for America.

The Republic of San Marino has also been a consistent supporter of U.S. policy positions in international forums, such as the United Nations General Assembly. San Marino shares information on terrorism finance and fraud and is working with us to implement financial reforms and international tax compliance.

Italy remains the world's eighth-largest economy, but weak growth and high public debt limit its capacity for public investment. Although the recession from the 2011 financial crisis has recently ended, Italy must continue structural reforms to remove impediments to sustainable economic growth, which include a slow civil justice system, excessive red tape, unpredictable changes in regulation, and a lack of transparency. Strong economic engagement with Italy benefits U.S. foreign policy interests. We will continue our efforts to increase U.S. exports and Italian investment in the United States, while we coordinate with Italy on sanctions, international trade issues, energy diversification, and mutually beneficial environment, science, technology, and health initiatives.

To further strengthen and expand the bond between our people, we invest in the relationship between the United States and Italy through public diplomacy so the Italian public better understands U.S. policies. We also use public diplomacy to reach new audiences, especially youth, and encourage Italian leaders to continue to support the trans-Atlantic relationship, including our mutual security and economic prosperity. Italy's traditional elites and "old media" still command the majority of public attention and political and economic influence. Younger Italians, however, are flocking to new media for news, information, and entertainment, and they do not always share their parents' understanding of and appreciation for historic U.S.-Italy ties. As social media increasingly dominates the media environment in Italy, so too does the challenge of disinformation—both domestically produced and potentially influenced from outside Italy—increase. We will continue to work with a range of Italian contacts to ensure this does not undermine any of our U.S. policy goals.

The protection of U.S. citizens in Italy and the San Marino remains a high priority for Mission Italy. We strive to provide effective and efficient consular services at the Embassy in Rome, the Consulates General in Milan, Florence and Naples, and at our Consular Agencies in Genoa, Venice and Palermo. Over 6 million Americans visit Italy each year. An additional 35,000 American students attend well over 130 American study abroad programs in Italy (the second largest American student population in the world), and our Consular Sections have increased their public outreach efforts and related safety and security briefings to this important and growing constituency.

Mission Italy has reorganized operations, leveraged technology, and sought cost savings wherever possible. The budget environment, however, weakens our ability to invest in

repair, maintenance, and upgrades to our aging, historic infrastructure. A New Consulate Compound in Milan and a rehabilitation project in Rome should resolve some deficiencies in facilities. However, Management staffing in several key areas has not kept up with the growth of the customer base and local staff morale suffers from the lack of a salary increase since 2010. We are working with the EUR Bureau to find ways to address these obstacles, which substantially reduce our efficiency and capacity to promote U.S. interests. We are also developing a strategy to prepare for the expected retirement of a substantial portion of the overall workforce in the next five to ten years.

## 2. Mission Strategic Framework

**Mission Goal 1:** Italy Counters Threats to the United States and the International Order, and Together Italy and the United States Advance Civilian Security around the World.

**Mission Objective 1.1:** The United States and Italy continue robust foreign policy, defense, and basing cooperation to address threats and advance security around the world.

**Mission Objective 1.2:** Italy strengthens its capacity to counter terrorism, corruption, cyber threats, and transnational criminal activity, and continues to collaborate with the United States to protect America's borders and infrastructure.

**Mission Goal 2:** U.S. Interests, Including the Protection of American Citizens, Are Secure.

**Mission Objective 2.1:** Mission Italy enhances its ability to provide citizenship, visa and the full range of routine and emergency U.S. citizen services in a vigilant, efficient and timely manner, in order to protect U.S. citizens, contribute to the security of U.S. borders, facilitate the entry of legitimate travelers, and foster economic growth.

**Mission Objective 2.2:** U.S. engagement encourages Italy to take concrete steps to bolster the protection of migrants and asylum seekers in reception centers and promote the integration of its immigrant, minority, and other vulnerable populations.

**Mission Objective 2.3:** With U.S. support, Italy remains a leader in regional efforts to counter violent extremism.

**Mission Goal 3:** The U.S. Economy and U.S. Foreign Policy Interests Benefit from Strong Economic Engagement with Italy.

**Mission Objective 3.1:** Increase U.S. – Italy cooperation in key economic and ESTH sectors to the benefit of the United States.

**Mission Objective 3.2:** Improve Italy's judicial, commercial, technical, and financial practices in ways that benefit the United States, while also facilitating U.S. awareness of and adaptation to current realities in Italy.

**Mission Goal 4:** Advance U.S. Global and Regional Priorities by Investing in the Relationship between the United States and Italy through Public Diplomacy.

**Mission Objective 4.1:** The Italian public better understands and supports U.S. policies and is aware of our shared values and close ties between our countries through successful public diplomacy programming and media engagement.

**Management Objectives**

**Management Objective 1:** Maximize use of IT tools, including Cloud-based data and software applications, to improve IT security and increase efficiency of service delivery.

**Management Objective 2:** Manage resources efficiently in an uncertain budgetary environment, while improving delivery of services.

**Management Objective 3:** Maintain and strengthen Tri-Mission workforce through training, mentoring, and succession planning.

### 3. Mission Goals and Objectives

#### **Mission Goal 1: Italy Counters Threats to the United States and the International Order, and Together Italy and the United States Advance Civilian Security around the World.**

**Description and Linkages:** As a key partner in multilateral organizations and international forums and the European Union's third largest economy, Italy plays an important role in the stability and prosperity of Europe and the defense of our shared interests and ideals. Italy hosts U.S. forces in five major installations, providing us strategic reach in the greater Mediterranean. These are priorities in the National Security Strategy for Europe. Italy and the United States work together to combat terrorism and transnational criminal activity, as well as to deter conventional, nuclear, hybrid, and cyber threats, in line with the goals of the EUR Joint Regional Strategic Framework. A strong NATO Ally, Italy has also addressed shared security threats in Afghanistan and Iraq, is a leader on seeking to secure and stabilize Europe's Southern Frontier, and contributes robustly to UN peacekeeping efforts.

#### **Mission Objective 1.1: The United States and Italy continue robust foreign policy, defense, and basing cooperation to address threats and advance security around the world.**

**Justification:** Italy is one of our strongest allies, and a key partner in addressing challenges emanating from the Southern Frontier through the greater Mediterranean region into Europe. Libya is the linchpin of Italian foreign, security, and defense policy, and stresses the importance of stabilizing Libya through the UN-led political reconciliation process. Italy seeks to prevent Libya from becoming a terrorist safe haven and to stem the flow of migrants along with potential foreign fighters crossing into Europe. Italy provides technical assistance and maintenance support to Libyan naval vessels, while an Italian Rear Admiral commands the EU's naval mission Operation Sophia to disrupt smuggling networks and build the capacity of the Libyan Coast Guard. Italy supported the operation to liberate Sirte from ISIS, as well as recent U.S. counterterrorism strikes as part of a comprehensive approach to building security in Libya. Italy is working with UNHCR and IOM to improve conditions in Libya's migrant camps, discussing anti-smuggling mitigation with Libyan tribes, and negotiating repatriation agreements with sub-Saharan African source countries. Italy also has lobbied EU member states to do more to assist in maritime operations, migrant resettlement, and support for the UN-led process in Libya. Italy contributes the second and third largest number of troops, after the United States, to the Defeat-ISIS coalition in Iraq and to NATO's Resolute Support Mission (RSM). The Italian military and Carabinieri have trained more than 40,000 members of Iraq's security services, including 10,000 local police. Italy continues to lead as RSM's Framework Nation in the West, contributing to core training activities with Afghan security forces. In addition to holding the EU line on economic sanctions against Russia, Italy has shown a strong commitment to the NATO alliance's collective defense. The Italian military is deployed forward in Latvia, and participates in an air-policing mission over Montenegro. Italy currently leads NATO's Very High-Readiness Joint Task Force Land Brigade and contributes to NATO's Kosovo Force (KFOR); an Italian general commands KFOR for the fifth consecutive time. Italy remains

committed to the 2014 Wales Summit initiative to spend 2% of GDP on defense spending by 2024, and 20% of defense spending invested in major capabilities. Italy envisions the new NATO Strategic Direction-South Hub at Allied Joint Force Command-Naples as a tool to address long-term threats originating in the greater Mediterranean and to ensure a higher profile within the Alliance for migration and counterterrorism. Italy is a strong contributor to UN peacekeeping missions, maintaining one of the largest contingencies deployed as part of the UN Interim Force in Lebanon (UNIFIL). Italy also trains many UN peacekeepers via the Carabinieri Center of Excellence for Stability Police Units (CoESPU). Italy is the second-largest host to U.S. troops in Europe, with more than 30,000 U.S. forces and their families stationed at five major Italian bases.

**Mission Objective 1.2: Italy and the Republic of San Marino strengthen their capacity to counter terrorism, corruption, cyber threats, and transnational criminal activity, and continue to collaborate with the United States to protect America's borders and infrastructure.**

**Justification:** Italy is a key NATO ally, military basing partner, Schengen zone state, and, along with San Marino, a Visa Waver Program participant. Both countries have a long history of immigration to the U.S. which has fostered close cultural, commercial, and educational ties between our countries. Over the years this has helped Italy, San Marino, and the U.S. to develop a broad range of working and senior-level contacts which we use to exchange law enforcement and judicial information for the protection of U.S. citizens and Italian/Sammarinese citizens. Mission Italy actively collaborates with the with the government of Italy (including Italian judicial authorities) and the Republic of San Marino (RSM) to prevent terrorist attacks, use and transport of Weapons of Mass Destruction (WMD), and cybercrime; reduce organized criminal activity and foster the protection of U.S. borders and infrastructure. The United States has an interest in strengthening this collaboration and adapting to new threats posed by the return and transit of Foreign Terrorist Fighters (FTFs) from Syria, Iraq, and Libya to Europe, and by the drastic increase in clandestine migration across the Mediterranean to Italy. In addition, the evolving methods and sophistication of organized crime groups, cyber criminals, narcotics smugglers, and human traffickers require that we expand and develop our cooperation. Finally, the United States has an interest in boosting our ability to help Italy and RSM investigate and break up networks that plan and execute terrorist attacks or provide logistical support to terrorist organizations. An important aspect of this cooperation is the disruption and dismantlement of networks that provide support to terrorism through funding, propaganda, and communications. Our cooperation seeks to eliminate vulnerabilities that pose a threat to U.S. military and diplomatic facilities, the U.S. aviation transportation system, and our nation's borders, while minimizing the impact on these systems and continuing to facilitate the free flow and growth of trade and commerce. In Southern Italy, we have an ongoing interest in actively supporting the further development of civil society as an alternative to criminal activity. As outlined in Sections 5 and 12 of Executive Order 13768, the U.S. government believes that, under international law, every state is obliged to accept the return of all its nationals that another state seeks to expel, remove, or deport.

**Mission Goal 2: U.S. Interests, Including the Protection of American Citizens, Are Secure.**

**Description and Linkages:** The safety and protection of U.S. citizens overseas is among the U.S. government's highest priorities, and the Bureau of Consular Affairs' number one priority delineated in its Functional Bureau Strategy for FY 2018-2020. Mission Italy provides consular services that protect the lives and serve the interests of U.S. citizens living or travelling in Italy. We are committed to proactively reaching out to U.S. citizens to deliver the information they need to travel safely and responsibly in Italy. The Consular Information Program is a key tool for providing these U.S. citizens with timely, accurate information about potential threats to their safety abroad. We also assist U.S. citizens in Italy who may be affected by crises, including but not limited to natural disasters, political strife, and medical emergencies. Consular services are also provided to U.S. citizens affected by abuse, mental illness, and crime.

**Mission Objective 2.1: Mission Italy enhances its ability to provide citizenship, visa and the full range of routine and emergency U.S. citizen services in a vigilant, efficient and timely manner, in order to protect U.S. citizens, contribute to the security of U.S. borders, facilitate the entry of legitimate travelers, and foster economic growth.**

**Justification:** Mission Italy provides consular services that protect the lives and serve the interests of six million U.S. citizens who travel to Italy each year, including over 100,000 residents and 35,000 students. Our role issuing visas and passports is a critical component of national efforts to protect U.S. borders and facilitate legitimate international travel. We maintain our commitment to security while facilitating the cross-border movement of legitimate travelers through fraud detection efforts and vigilant adjudication of U.S. passports and visas. Executive Order 13780 required the Department to "review all nonimmigrant visa reciprocity agreements and arrangements to ensure that they are, with respect to each visa classification, truly reciprocal insofar as practicable with respect to validity period and fee." Presidential Proclamation 9645 states that, "It is the policy of the United States to protect its citizens from terrorist attacks and other public-safety threats," and "information-sharing and identity-management protocols and practices of foreign governments are important for the effectiveness of the screening and vetting protocols and procedures of the United States."

**Mission Objective 2.2: U.S. engagement encourages Italy to take concrete steps to bolster the protection of migrants and asylum seekers in reception centers and promote the integration of its immigrant, minority, and other vulnerable populations.**

**Justification:** Italy is the frontline European entry point for irregular migrants transiting the Central Mediterranean route. Since 2011, over 741,000 irregular migrants are believed to have entered Italy, with over 181,000 entering Italy in 2016. Italy hosts over 200,000 asylum seekers in reception center facilities distributed throughout the country and has the largest backlog of asylum applications. Under Dublin Regulations and tighter border control with France and Austria, Italy has pivoted from a transit country to a de facto end-destination point for migrants. This has strained the country's reception and asylum systems, led to an increase in

human trafficking, and generated political opposition in some communities. The transition from accepting and integrating migrants is a challenge for Italy as it faces growing anti-immigrant sentiments and high unemployment. Mission political and public affairs outreach throughout Italy can play an important role in assisting Italy in these challenges and promote the development of a more inclusive society. This objective links to the National Security Strategy: Pillar IV: Advance American Influence: Protect Religious Freedom and Religious Minorities, Reduce Human Suffering, Support the Dignity of Individuals, Empower women and Youth.

**Mission Objective 2.3: With U.S. support, Italy remains a leader in regional efforts to counter violent extremism.**

**Justification:** Italy's prominence in the Mediterranean region, close commercial and historic ties to North and East Africa, strong support for religious freedom, and a relatively good track record of integrating immigrants make Italy a strong partner for our CVE objectives. This objective links to the National Security Strategy Pillar I: Protect the American People, the Homeland, and the American Way of Life: Combat Radicalization and Recruitment in Communities and Share Responsibility.

**Mission Goal 3: The U.S. Economy and U.S. Foreign Policy Interests Benefit from Strong Economic Engagement with Italy.**

**Description and Linkages:** Mission Goal 3 will engage Italy across the full range of the economic sphere, which as the President's National Security Strategy (NSS) states, is vital to U.S. national security. According to NSS Pillar II, "Economic security is national security." Likewise, the second goal of the 2018-22 EUR Joint Regional Strategy Framework seeks to "Strengthen and Balance the Transatlantic Trade and Investment Relationship," by promoting fair trade, market reciprocity, and increasing foreign direct investment in the United States, while also supporting market-oriented economic and governance reforms that increase U.S. prosperity. The objectives and sub-objectives of Mission Goal 3 map out Mission Italy's strategy for achieving this goal in Italy.

**Mission Objective 3.1: Increase U.S.-Italy cooperation in key economic and ESTH sectors to the benefit of the United States.**

**Justification:** This objective focuses on strengthening the U.S.-Italy economic relationship, and cooperation to achieve international goals. The United States is Italy's third largest export market, and Italy's eighth largest import supplier; Italy bilateral trade surplus with the United States in 2017 was \$34.7 billion. Italian Foreign Direct Investment (FDI) in the United States has been increasing by \$7.3 billion per year and surpassed that of the United States FDI in Italy by over \$6 billion in 2015, reaching \$48.6 billion in 2016 by Ultimate Beneficial Owner. Trade and investment with Italy support over a quarter million jobs in the United States. Mission Italy will advocate for increased Italian investment in the U.S. and for increased opportunities and fair treatment for U.S. exporters to Italy, including agriculture. Italy is significant to broader

European energy security as a route for diverse energy sources, and potentially a market for increased U.S. liquefied natural gas exports; the Mission will advocate for both. The Italian government has generally been a cooperative partner with the U.S. on international trade and sanctions issues; the Mission will seek to retain and increase that cooperation despite significant changes in Italy's political leadership in 2018. Italy is also a strong U.S. partner in the areas of science, health, technology, and the environment, with notable benefits for the United States; the Mission will seek to maintain and expand that partnership.

**Mission Objective 3.2: Improve Italy's judicial, commercial, technical, and financial practices in ways that benefit the United States, while also facilitating U.S. awareness of and adaptation to current realities in Italy.**

**Justification:** This objective focuses on ways the Mission can advance market-oriented economic and governance reforms in Italy that can contribute to U.S. prosperity. The Mission will support Italy's efforts to strengthen its foreign investment screening process and intellectual property protection, through information exchange and outreach. The Mission also will track risks of malign foreign investment in Italy by countries of concern. The Mission will advocate for U.S. data privacy and digital policy objectives with Italian officials, and public influencers, as part of the broader European Union policy-making process. Italian national debt is the third largest as a percentage of GDP in the EU, and financial developments in Italy can affect EU and U.S. prosperity. The Mission will provide timely information on these developments to the U.S. government, and advocate for responsible economic policies.

**Mission Goal 4: Advance U.S. Global and Regional Priorities by Investing in the Relationship between the United States and Italy through Public Diplomacy.**

**Description and Linkages:** Public Affairs programming, exchanges, and messaging are key elements in advancing almost every Mission foreign policy priority and a key part of the National Security Strategy's (NSS) priorities of preserving peace through strength and driving effective communications. Areas of focus continue to be shared defense spending, security and economic cooperation, productive approaches to Russian relations, resilience among Italian media and other public influencers to disinformation, and better long-term bulwarks to Chinese and Russian influence, a specific goal of the EUR Joint Regional Strategy (JRS). Advancing American influence and values is also a priority of the NSS and JRS. Italy's unique challenges take on a new dimension under the newly-formed populist government. While Italy's print and broadcast media still shape public opinion, digital media increasingly commands a sizable share of the market; political figures use it to communicate directly with the public and youth consult it for news. The Mission engages on digital platforms while also nurturing professional relationships with individual journalists and influential news outlets, and engages with the next generation of reporters through outreach to journalism schools.

**Mission Objective 4.1: The Italian public better understands and supports U.S. policies and is aware of our shared values and close ties between our countries through effective public diplomacy programming and media engagement.**

**Justification:** The Mission designs and implements strategic public outreach to advance desired policy outcomes. Through print, broadcast, and digital media, the Mission engages with the Italian public across a wide spectrum of priority topics including security, political, economic, cultural, and social issues to reinforce mutual interests and understanding, compete for positive influence, and advocate for U.S. policy goals. The 2018 mid-term elections and evolving Administration priorities provide opportunities to discuss U.S. democracy, political frameworks, and shared interests. Through public outreach to key influencers via cultural programming, educational and professional exchanges, and English teaching, the Mission advances foreign policy goals, invests in long-term partnerships with successor generations of Italians, and encourages a broad understanding of our shared goals, values, history, culture, and sacrifice.

## **4. Management Objectives**

**Management Objective 1: Maximize use of IT tools, including Cloud-based data and software applications, to improve IT security and increase efficiency of service delivery.**

**Justification:** This objective supports Goal 1 of the Department’s IT Strategic Plan for 2017-2019 – “Deliver Advanced Capabilities to Foster Collaboration, Knowledge Management, and Analytics.” Information produced, collected and held by the Mission should be part of a comprehensive, shared, secure and easily accessible knowledge management system. Tri-Mission Rome will advance this vision by supporting the Department’s transition to cloud-based applications and modifying locally-developed applications to be more mobile-friendly. These enterprise and local changes will improve the ability of Mission employees to communicate and collaborate in real-time while also improving security, increasing office efficiencies, and improving remote data access.

**Management Objective 2: Manage resources efficiently in an uncertain budgetary environment, while improving delivery of services.**

**Justification:** This objective supports Goal 5 of the EUR Joint Regional Strategy by aligning human and financial resources to support American policy goals. Tri-Mission Rome will support this goal by examining current business practices and implementing programs to reduce costs while keeping services at the same high level. Regularizing the use of data-driven management techniques will be the key to supporting this goal.

**Management Objective 3: Maintain and strengthen Tri-Mission workforce through training, mentoring, and succession planning.**

**Justification:** This objective supports Goal 5 of the EUR Joint Regional Strategy by practicing performance management and training practices that support productive, effective, and respectful work environments. Creating a detailed training plan will improve the efficiency of the workforce and assist with creating a strategic budget for training courses.