A warm welcome to you all, founding and adherent members. I am happy to see that so many of you are here today in this lovely and prestigious hall: many more than in past years.

As usual, we will bring you up-to-date on the major events of the past year.

But first, on behalf of you all, I wish to thank His Eminence Cardinal Calcagno, who as President of APSA must supervise our Foundation’s activity, for the attention, wisdom and affectionate care with which he carries out this task. A special thanks goes also to our international assistant, Archbishop Claudio Maria Celli, who has been following the Foundation almost from day 1, to the Secretary of APSA Msgr. Luigi Mistò and to all the national and diocesan ecclesiastic assistants. Their contribution to the educational work carried out at local level is invaluable.

Last year the Foundation celebrated its first 20 years of life and we have honored this milestone with a series of important initiatives:

1. A €250,000 donation to the Holy Father for his charitable work

2. Creation of the Economy and Society International Award that has gone to the works of two authors: Fr. Julio Martinez, S.J. and Prof. Stefano Zamagni. As you know this is a €50,000 biennial award, which in 2013 was split between those two scholars. The Jury, chaired by His Eminence Reinhard Cardinal Marx, decided that in 2015 €30,000 shall go to the winner and the remaining €20,000 to works by young authors.

3. A one year subscription to the weekly edition of L’Osservatore Romano for all members. Since last September each one of you has been receiving a copy of the weekly in his/her language. We do hope you are pleased with this initiative.

4. The campaign to increase the Foundation’s endowment raised € 267,650.00 in the period between the first quarter of 2012 and the first quarter of 2014. A special thanks goes to the 48 members who have made a donation, in some cases a very sizable one.

Our educational activity has continued at full rhythm, with residential and online courses. As for the residential ones, in May 2013 we concluded those that had begun in 2012; last October we began the 13th course, due to end in June 2015. Enrolment in the courses for the laity has consistently been of 15/18 students, which is a promising sign for the future. Responding to repeated requests from students who have obtained the diploma from the Pontifical Lateran University in past years we decided to schedule a
third year of lessons, reserved for them, starting next October. We will contact these students as soon as all the information is available.

The residential course for priests and religious, now in its seventh edition, could not begin last fall, as usual, because there were practically no students and this despite the fact that we had been repeatedly in touch with diocesan bishops. It did start in February, but with only three students. In the future it would probably be better to hold the course every two years and we will discuss the issue with the Italian Episcopal Conference, which has always supported the initiative paying 50% of the tuition fees.

As for the online course, operational since 2012, participation has been very poor. Only two of our members have enrolled and I would like to renew my invitation to you all to have a go at it. Perhaps the format we have adopted is too rigid, not easy for those who are not digital experts. So we are considering whether or not to adopt the new system which is being programmed in the US for the English version of the SDC course. If the reaction is positive we will try to adapt it to the Italian one.

The annual international Conference that will begin in an hour has been planned to leave more space to active participation by the public, especially by our members who have been invited to work with their local groups on specific issues, drafting interventions that will be debated during the event. A big thank you goes to all those who have participated in this effort.

The conference conclusions and the recommendations that will emerge will be summarized in a paper that the Foundation would like to present to the Holy Father at the end of 2014 or the beginning of 2015. This paper will include also the findings of the meeting that CAPP-USA will host in New York on September 26 and 27 next on the theme “Poverty and Development: a Catholic Perspective” and those of the “consultation” that will be held in Dublin on October 24 and 25 on the theme “A Dialogue on Finance and the Common Good”.

The Dublin event is reserved to a group of experts, but the New York one is open to all members. Those who are interested should make enquiries with our office that will provide all necessary information.

The Foundation has also intensified its international activity. We have been following up on contacts established in France (a new French member, M. Robert Leblanc, is with us today) and in the UK and chapters are in the process of being set up in Rumania and the Netherlands. In Rumania Fr. Antonio Panico and the undersigned had a fruitful meeting with several businessmen, promoted by our member Georg Teseleanu with the blessing of the Apostolic Nuncio and of the two Bishops of Bucarest, Greek Catholic and Roman Catholic. In the Netherlands our member Hendrix and the undersigned have recently met with the Ordinary and the Nuncio and plans are afoot for the creation of a chapter.

In countries where the Foundation is already present local members have been very active. In Spain a conference was held last October in Valencia on the theme “Para salir de la crisis: ideas e inspiracion en la doctrina social de la Iglesia” with a large participation of members from Spain itself and from Italy,
Germany and the Netherlands. The event ended with an impressive meditation led by Archbishop Celli, who also celebrated the final Mass.

In Malta the second edition of the master in “Business Ethics”, organized in cooperation with the local University, is now under way. Membership has increased and the educational activity is intensifying: a seminar on “Evangeli Gaudium” will be held shortly.

In Germany there have been two important meetings. One in Pfaffenhofen, at the HQs of the Hipp company, a CAPP member and example of family run business run in accordance with SDC principles. The second one in Munich, attended by Cardinal Marx and practically all the German members. Mr. Sugranyes was present at both events.

In Austria our Director Mrs. Borghese got together several potential members at a meeting in Vienna, attended also by Director Loewenstein who gave a very interesting talk and actively promoted the Foundation. In Canada a CAPP member is working on a revised version of the Canadian Trust, that would better fit the requirements of potential local members.

CAPP members in Slovakia, Sweden and Switzerland have also been active.

In Italy, the country that still has the most members, the annual assembly of members took place last October in San Miniato. Approximately 80 participants analyzed and debated the theme “Faith, Reason and Economics. The Path to Common Good“ well introduced by Prof. Alberto Quadrio Curzio. The speakers were Archbishop Claudio Maria Celli, Prof. Giovanni Marseguerra and Prof. Fabio Pammolli. It was a very good meeting and we are very grateful to our local members who spared no efforts to ensure its success. Another meeting was held in San Miniato on February 19 last on the theme “Globalization, human needs and free market”; the speakers were the Bishop of San Miniato, Msgr. Tardelli, and Prof. Paolo Garonna, member of our Scientific Committee.

And finally at the end of December our groups in Milan and Bologna met with their respective Ordinaries, Angelo Cardinal Scola and Carlo Cardinal Caffarra, to exchange Christmas greetings and brief them on their activity.

As you no doubt had the opportunity to verify, our website has been improved. With the help of Webgreen we upgraded it and you can now access a much wider range of information on the Foundation’s activity. On logging in the first novelty is the promotional video made during last year’s conference; the text of all the presentations is now on line, as well as all the documents concerning our local and central activities and in particular the papers debated during the “consultation” held in September. The site is fully operational in both Italian and English and by the end of 2014 the Spanish version should also be on line. Local groups can be in touch with the General Secretariat through their coordinators, whose precious cooperation is much appreciated, to have information on their activity posted on the website. Access from mobiles is now available and a forum will soon be operational. We will be in touch as soon as it is ready with all necessary information.
The Newsletter is being issued at regular intervals and is always posted. It has been downloaded by over three hundred visitors (220 for the Italian version and over 80 for the English one).

During 2013 the Board of Directors met four times: on March 1st in the Vatican, on May 23rd in Rome at the Palazzo della Cancelleria, on September 27th in the Vatican and on November 22nd in Valencia. In 2014 it has already met twice: on March 7th in the Vatican and this morning.

The new Secretary of State, Pietro Cardinal Parolin, whom our Chairman had already met at the end of December, graciously accepted our invitation to attend the March meeting. He was briefed on our activity, for which he had very supportive words, and personally conferred a Vatican honor on Prof. Alberto Quadrio Curzio. In thanking him Prof. Quadrio Curzio said he felt the honor was meant for the entire Foundation, whose Scientific Committee he chairs.

The Board’s Vice President, Mrs. Grazia Bottiglieri, completed her second five year term and Mrs. Lisa Ferrarini (a Reggio Emilia entrepreneur) was coopted to replace her. Directors Borghese and Zahra were also coopted for a second five year term.

Today, as mandated by CAPP’s By-Laws, you will be called upon to elect a new Director replacing Mr. Federico Falck, whose mandate has expired and whom we wish to thank most sincerely for his generous and effective contribution to the Board’s work over the past five years.

The Scientific Committee, which has two new members, Prof. Paolo Garonna and Prof. Antonio Maria Costa, met last September in the Vatican and again this morning. The committee continues to provide invaluable assistance to the Foundation, identifying issues to be debated and the international experts best qualified to address them at our annual conferences.

The Advisory Board continues its unobtrusive work. Its members, highly qualified global leaders in the field of economics and academia, are instrumental in promoting the Foundation’s role as a prime cultural SDC center.

There is also a Financial Committee, formed by the Chairman and four Directors, who assists the Board in the choice of investment policies. This Committee usually meets before each Board meeting, sometimes by conference call.

It is also on the basis of their recommendations that the Board manages the Foundation’s portfolio. You will be happy to know that the 2013 annual report shows a €269,086.97 profit. The P & L statement at December 31st, 2013 shows the following aggregate postings:

<table>
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<tr>
<th>Expenses</th>
<th>€</th>
<th>Revenue</th>
<th>€</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overhead</td>
<td>179,836.89</td>
<td>Financial earnings</td>
<td>221,002.58</td>
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</table>
Conferences 163,155.40  Securities trades 219,999.10
Accrued losses, financial costs 82,875.96  Membership fees 167,957.98
Donation to the Holy Father 250,000.00  Donations 9,867.05
Subscriptions to L’Osservatore Romano 30,000.00  2012 profit 250,000.00
SDC courses and accrued costs 137,905.16  Conferences (fees and donations) 163,645.33
International Award 25,000.00  SDC courses, accrued Income, books 120,372.64
Medals and publications 14,984.50

Total costs 883,757.71

2013 profit 269,086.97

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1,152,844.68 1,152,844.68

I would like to highlight two things. Number one, all our conferences are self financed. Number two, membership fees are used to cover overhead expenses. Thanks to your generous cooperation we have been able to operate without touching our endowment, which in 2013 has increased by €110,150.00 (from €4,884,539.61 to €4,994,689.61).

In the last three months it has further increased by €62,500 and €50,000 more should be coming in shortly. Between the end of 2012 and the beginning of 2014 the campaign to increase our capital has thus raised approximately €317,000.00.

On the strength of the above results the Board moved to donate €250,000 to the Holy Father, the same as last year. Practically the whole 2013 profit will be used to this purpose, on top of other forms of support to the Holy See such as the International Award and the subscriptions to L’Osservatore Romano. Our Chairman personally informed the Holy Father of the donation with a letter written on behalf of all our members.

During 2013 46 membership applications have been approved. Taking into account those approved today, the Foundation is now active in the following 21 countries: Argentina, Austria, Belgium, Brazil, Canada, France, Germany, Korea, Italy, Luxembourg, Malta, Netherlands, Philippines, Rumania, Slovakia, Spain, Sweden, Switzerland, Venezuela, UK and USA.

As regards future events, I wish to remind you of the New York conference and of the next meeting of Italian members in San Severo – San Giovanni Rotondo on October 10/11 next.

Now some news that concern directly all our members: at its last meeting the Board appointed Prof. Flavio Felice “Local Groups Coordinator”: his task will be to keep in touch with local groups on a regular basis, tell
them which themes should be studied and debated, circulate papers and promote cooperation among groups. This should allow the Secretariat General to provide permanent monitoring, dialogue and feedback.

Prof. Felice, who is already Scientific Coordinator for the SDC courses, is Tenured Professor of Economic and Political Doctrines at the Pontifical Lateran University, is the author of many publications and can communicate in both Italian and English. His new responsibility will be to provide the service outlined above in cooperation with the local coordinators, keeping the Chairman of the Board regularly informed; he will refer to the Secretary General on all administrative questions and copy him on all correspondence.

Prof. Felice is expected to make the maximum use of the FCAPP website and local CAPP website, where these exist, as an instrument for active communication and exchange; to this end the FCAPP website will fully develop its technical possibilities for inter-active subscribers’ communication, which had been designed but not yet used to their full extent.

Finally I wish to extend a heartfelt thanks to all the ecclesiastic assistants who follow our groups wherever they are. There has been only one change, in Spain, where Fr. Fernando Fuentes has been replaced by Fr. José Manuel Aparicio.

I am sure you have all gone through the accreditation process: in the folder you received there is the 9th volume of our series, just out of the Libreria Editrice Vaticana’s presses, with the ACTA of last year’s conference. On behalf of you all I wish to thank Prof. Pammolli, President of the foundation which sponsored the volume.

And now some personal news: in 2015 I will complete 20 years of service to our Foundation and it is time for me to hand the baton. The Board acknowledged this and after an extensive search found a suitable candidate in the person of Mr. Eutimio Tiliacos, who will work side by side with me for about a year. For the affection I feel for this Foundation I wish although to assure my helpfulness to all members of the Board of Directors and to all of you to proceed with my cooperation with my successor. After this transition period the Board will make a final decision. I have met Mr. Tiliacos several times and you will soon have the opportunity to do so: I will be grateful if you will welcome him with your usual generosity and friendship. We have a long period of time ahead of us to bring about a smooth succession and in the meantime you will find me here at your disposal as usual.

Thank you again for your participation today. In a short while the conference will start: I am confident it will meet with your full approval.

Massimo Gattamelata