

News

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Asmo Kalpala
President

I have just returned from Gdansk, from the AMICE Congress which was a huge success – this I could hear from the very positive feedback from delegates and this is also my personal opinion.

My thoughts are circling these days around one topic: personal responsibility. Personal responsibility of those who lead organisations is the key to their responsible behaviour. Mutual and cooperative insurers are at the forefront of promoting responsible organisational behaviour in the world of business, in particular in the world of finance.

In my opening speech at the Congress, I again commented on the deficiencies of today's management education. I am deeply convinced that management education must stress pluralism and responsible behaviour. The most talented people are not driven by greed. On the contrary, they want to find solutions to the big social problems – and there is definitely no lack of such problems at the moment. Strengthening mutual and cooperative insurance companies' identity as actors promoting social responsibility was one of the goals of the Congress.

When listening to Peace Nobel Prize winner Lech Wałęsa during our Gala Dinner at the historic Gdansk shipyards, it also struck me that his preparedness to accept personal responsibility was at the roots of the success of the Solidarność movement that eventually paved the way for the abolishment of the Communist reign over Eastern Europe. Wałęsa, the electrician, could have walked away from trouble: after the first strikes were struck down bloodily in 1970, after his time in prison, after the introduction of martial law in 1981 or later when being asked to stand for the Presidential elections of 1990. He did not; he accepted the responsibility for the movement and thus for the future of his country, and thus became an example of leadership.

And finally, the splendid organisation of the Congress also makes me think of personal responsibility as the essential ingredient of team success. So, I would like to thank Grzegorz Buczkowski, CEO of AMICE member TUW SKOK, for his leading role in making the Congress the great event that it was; together with his President, Grzegorz Biericki of the SKOK organisation, and the tireless Dagmara Tokarska and her team.

To all who were there, I'd like to say *"It was great having you!"* and to all who missed the event, I can only say *"You really missed something!"*. But you will have your next chance at the 2014 Congress in Nice in France to which AMICE's French association members are pleased to invite you.

Asmo Kalpala

→ In this issue

- Editorial by the President Page 1
- Year of Cooperatives. Page 2
- General Meeting Page 2
- Congress 2012 Page 2
- Legal affairs. Page 3
- AMICE publications Page 3
- Congress 2014 Page 4
- Social dialogue. Page 4
- Solvency II update Page 4
- Events calendar. Page 4

International cooperative Year 2012 – Cooperative Week Brussels, April 2012

“At a time when Europe and our economy is striving for economic and employment growth we need now more than ever businesses which care about people’s needs, and therefore in particular we need co-operative businesses.” Commissioner Tajani at the opening of the Conference.

European cooperative actors, with the support of the Commission, organised a well-attended four-day conference in Brussels. Its aim was to gain wide recognition of the distinct business model of cooperatives into EU strategies. Cooperatives are active in many sectors: agriculture, housing, retail trades and consumer services, even industry – and in financial services, prominently in banking, but also in some countries in insurance (for details see the recent AMICE Facts & Figures study).

The opening conference was devoted to “Cooperative contributions to the EU 2020 strategy” and included a discussion on the future role of the European Cooperative Statute (SCE). Since 2003, cooperatives can count on a European statute which has not shown its full potential yet. A recent Commission study into the SCE’s implementation showed that the most important benefit of the SCE is the fact that it is European. On the other hand, the set-up costs, the complex procedures, the numerous references to national law and the legal uncertainty as to the application of the law, are the main discouraging factors..



Hilde Vernailen

A representative from the German Federation of Cooperative Enterprises (DGRV), emphasised the tangible recognition of cooperatives’ activities in Europe. The European Court of Justice had recently referred to the SCE in a State Aid case underlining the difference between cooperatives’ role in society and that of PLCs. The statute was also seen as an enabler for big cooperatives to compete on international levels. On the latter topic, AMICE Treasurer Hilde Vernailen, CEO of cooperative insurer P&V, argued that her company creates genuine values

with its stakeholders. As a large cooperative undertaking, it feels a great responsibility for society and ensures that *“a successful co-operative enterprise is a place for cooperation and respect rather than domination and control”*.

Sven Giegold MEP informed delegates that the EP’s aim was to get *“a wider recognition and integration of the cooperative business model in Europe. The specificities of cooperative enterprises must be taken into account (...) in financial legislation. It is not about giving a privilege to them, it is about recognising their social and economic contribution”*.

General Meeting, 6 June 2012

AMICE’s annual General Meeting preceded the Congress in Gdansk on 6 June and gave members the opportunity to hear the chairs of the different working groups report on the main activities of their taskforces. Grzegorz Buczkowski, Communications working group chair, reported on the increasing use of the AMICE website, the publications produced since last year (see separate article in this newsletter) and the marketing seminar of February 2011. Economics and finance chair Gunnar Andersson mainly focussed – naturally – on Solvency II issues but also thanked Tapiola’s Timo Laakso for his work as chair of the Capital Maintenance taskforce as he will be handing over to Aymeric Oudin from MACSF. Jean-Luc de Boissieu underlined the governance issues covered by the Legal Affairs working group, at EU level but also with the OECD and IAIS. On behalf of Cor Ensing, Member to Member working group chair, the Secretary General reported on three successful seminars organised by the M2M taskforces over the year.

The General Meeting unanimously approved a modification to the Articles of Association which clarifies membership criteria for full and associate members.

The accounts for 2011, as presented by the Treasurer, Hilde Vernailen, were also approved by the General Meeting as was the budget for 2013 of €1,125,000. The fee level for 2013 will remain at the same level as 2012 for Members with a small increase for Observers and the introduction of a ‘super-maximum’ fee of 160 % for future large groups.

The General Meeting applauded the five new members elected to the Board: Wolfgang Bitter (Itzehoer, Germany), Jean Fleury (Covéa, France), Jean-Philippe Huchet (FNMF, France), Wim Janssens (Achmea, Netherlands), and Marisa Parmigiani (Unipol Gruppo Finanziario, Italy).

The next General Meeting will be held on 11 June 2013 in Brussels.

→ Congress 2012

The presentations from the Congress sessions are available for download from http://www.insurance-mutuals.org/html/congress_2012.html along with the full programme and speaker profiles and three issues of the Congress Newsletter.

ecoDa's 2012 Conference 'Comply or Explain: Preserving Governance Flexibility with Quality Explanations'

This year's theme is by far not a new one for the European Confederation of Directors' associations (ecoDa), which had, in 2009, already co-authored an EU study into the Comply and Explain principle. The study had concluded on the need to enhance the quality of the explanations and for a better monitoring of these explanations.

The event gave the opportunity to European and national decision-makers, representatives from the business sector, as well as regulators and supervisors to exchange their thoughts with a view to improving the existing model with explicit and sensible explanations.

All agreed about the positive role of the "comply or explain" principle in the process of improving corporate governance practices, stressing, however, the need for an enhanced role of the market regulator as well as an improved oversight by other stakeholders.

The speakers urged undertakings to take their governance seriously so as to prevent mandated rules from removing the responsibility from both boards and shareholders, which in some instances already seems to be the case, as examples from Spain and Portugal show.

The multiplicity of situations – and codes – across the EU was also addressed, with insights into various EU Member States. It was clear that compliance is linked to culture and thus varies from one country to another.

But some communalities were identified:

- The intensity of dialogue between shareholders and management increases (among others, influenced by UCITS IV and national codes);
- The role of market regulators and statutory auditors gains weight;
- Most institutional investors still care about format, not content;
- Boards are in a dilemma between taking responsibility and leaving options open – a frequent way out is to introduce formalities as this reduces responsibility for options;
- Fragmentation of Boards through the creation of a plethora of committees leads to lack of information and overall insight at the level of the full Board.

Three new publications by AMICE

Facts & Figures

It took quite a while to compile and ended up 200 pages long. But for a complete overview of the mutual and cooperative insurance sector in the 27 Member States of the EU, neither of these is surprising. Based on a study by Lieve Lowet, last Secretary General of AISAM and now partner of ICODA European Affairs, the AMICE report gives an impressive picture:



- **3,300 (of 6,000) European insurers**
- **26% market share in the EU**
- **More than 150 million citizens served**
- **Some 300,000 people employed**

The report (in EN) can be ordered from the Secretariat at a price of €100 for AMICE members. Free summaries in EN, FR, DE, ES, and PL as well as an order form can be downloaded from http://www.amice-eu.org/publications/studies_reports.aspx. We

suggest that AMICE members make use of this publication and its very positive message when promoting the mutual and cooperative business model in insurance in their national environment.

Values of membership



- A strong interest representation – impossible for the single company;
- Learning from each other – not only small members from the larger ones;
- Exchanging opinions and experience – taking something home from every single meeting.

These were often-cited examples of what AMICE members see as the main benefits of their membership in the association.

Masterminded by Julien Hayen of P&V,

member of the COMM working group, we assembled testimonials from 11 members and a few informative texts for a new image brochure. This brochure will be used by the Secretariat and hopefully also by members to inform stakeholders, including potential new members, about the association.

Currently produced in EN and FR, we also plan versions in DE and ES. Members who would be interested in getting some copies for distribution in their national environment should contact the Secretariat.

Annual report

Finally, the 2011 Annual Report of the association was presented at the General Meeting in Gdansk. The report is available in EN and FR at http://www.amice-eu.org/publications/annual_report.aspx and in hardcopy from the Secretariat.



Congress 2014

AMICE's French members, led by their associations GEMA, ROAM and FNMF, kindly invite the 2014 Congress to Nice. Join your fellow mutualists and cooperators on the French Riviera in early June 2014!



Combatting the demographic challenge in the insurance sector - a collection and dissemination of good practices

European Social Partners booklet includes examples from AMICE members Gothaer, HUK Coburg, Maif and Reale Mutua

After the 2010 joint statement addressing demographic issues in the insurance sector from a pan-European perspective (see AMICE's website), the Insurance Sectoral Social Dialogue Committee issued a booklet comprising a selection of insurers' initiatives showcasing effective ways to address these challenges, but also providing examples of close and efficient collaboration between employer and employee representatives.

The good practices presented could serve as guidance for companies wishing to address the issues identified by the social partners, i.e. qualifications and life-long learning, work life balance and health and safety measures, thus making the booklet a starting point for increasing good practice within the insurance sector.

The partners of the project (AMICE, Insurance Europe, BIPAR and UNI-Europa) are also engaged in follow-up events, namely a conference (14 June in Brussels) and a seminar in the Czech Republic with a view to promoting the booklet and supporting its dissemination.

Copies of the booklet (in 8 EU languages) are available at the Secretariat.

Solvency II update

Not unexpectedly, the triologue on Omnibus II will require a fifth meeting between Council and Parliament, brokered and facilitated by the Commission which is now scheduled for 3 July.

Realising the imminent threat of a legal vacuum – Solvency I was set to stop after 31 October –, the Commission in the meanwhile proposed a “quick fix” Solvency I Extension Directive, essentially suggesting that the dates for the switchover from Solvency I to Solvency II be moved from 1 November 2012 to 1 July 2013 (for transposition) and 1 January 2014 (for implementation). While the ECON Committee of the EP seems to be prepared to wave through this proposal without comments, some Member States used the opportunity in the Council to raise concerns that the dates now foreseen are still too soon.

So, a possible start at the beginning of 2015 is now also on the table of at least one of the European institutions ...

→ AMICE meetings and events

- 4 September Brussels Executive Committee
- 5 September Brussels Communications working group
- 7 September Brussels Capital maintenance taskforce
- 10 September Trento Solvency II taskforce
- 2 October Brussels Board
- 3 October Brussels Member to Member working group & taskforces
- 10 October Brussels Marketing workshop on “Brand building”
- 15 October Paris Solvency II taskforce
- 6 November Brussels Executive Committee
- 7 November Brussels Communications working group
- 12 November Amsterdam SME seminar
- 27 November Brussels Board