

News

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Asmo Kalpala
President

After almost six years at the helm of the association, AMICE's first President, Asmo Kalpala, is stepping down at the Annual General Meeting in June this year. This coincides also with his retirement from his company, LocalTapiola. Asmo uses this opportunity to say good bye to the wider circle of readers of our newsletter.

Dear friends,

This is my last editorial. My time as the President of AMICE will come to an end this June, and I will also retire from LocalTapiola, the group that I joined as its CEO 26 years ago. Having been involved in the ACME-AISAM merger discussions, establishing AMICE, then launching the operations of our new association, and eventually serving as its President for two terms has been a most memorable experience for me.

The discussions I had with all of you, with my fellow Board members, and with outside stakeholders have greatly enriched my thinking and have revealed to me the enormous potential that mutuals and cooperatives have in Europe, in insurance and in other fields of economic activity. My work for AMICE and for you has inspired me and has given me enthusiasm and energy. Now I leave with everlasting good memories.

I would like to thank all of you for the support you have given me and AMICE over the past years. If you are managing a mutual or cooperative insurer, I encourage you to be active in the association and to benefit to the utmost from its work. If you work for one of our members, I encourage you to take an active interest in what AMICE has to offer – and that includes the opportunity to participate directly in a working group or task force. And if you are an outside stakeholder, I invite you to inform yourself of the fascinating opportunities that the mutual and cooperative sector can provide to citizens and to society at large.

And of course, I wish the best of luck and success to my successor, to the new Board and to the old and new staff at the Secretariat. I hope that I will be able to thank you personally and say good bye to as many as possible at this year's General Meeting on 10 and 11 June in Brussels. And to all others – I herewith bid farewell!

Asmo Kalpala

→ In this issue

- Editorial by the President Page 1
- Reale Mutua, a Green and Mutual Company Page 2
- "The Social Economy in the European Union" – 2012 Report . . Page 3
- AMICE's Second Meeting of National Associations of Mutuals . . Page 3
- Solvency II update Page 3
- Upcoming workshops on reinsurance at AMICE Page 3
- Introducing Co-operative Insurance to Turkey Page 4
- New staff member at AMICE Page 4
- Events calendar Page 5

Reale Mutua, a Green and Mutual Company

Reale Mutua is the first insurance company in Italy to have obtained the environmental certification ISO 14001:2004 on 26 April 2012. Being a mutual company might not be a random element in this regard. Mutual insurers have always paid special attention to the social dimension, to their member-policyholders, their personnel and society at large. Today, this way of operating, integrated with sensitivity towards the environment, is defined as “Sustainable Development” – and it has many features in common with the concept of mutuality that characterises our history. Our mutuality leads us to operate with a long-term strategic horizon, with the objectives of strengthening the financial stability of the company and of guaranteeing future commitments to member-policyholders, rather than pursuing only short-term profits throughout the year.

In the current economic scenario, sustainable development is increasingly becoming a necessity and can help companies improve and consolidate. Many environment-conscious activities can generate direct and measurable financial benefits, e. g. limiting the use of natural resources through sustainable construction technologies. These and other – primarily internal – efficiency measures on the use of paper and energy can reduce wastage and related costs. The savings generated over only a few years allow significant reductions in operating costs and significant returns on investments.

Today, many companies boast sustainability initiatives, but often these are mere tools to attract customers. When Reale Mutua intensified its commitment to environmental sustainability (in addition to social and economic sustainability) at the end of 2010, the company decided that this commitment should be evaluated by an independent external body and that an Environmental Management System (EMS) should be applied with the support of the Department of Land Planning, Environmental and Infrastructure Engineering at the Politecnico di Torino. We saw implementing an EMS as the first step towards a thorough understanding of what should be avoided and how to channel the company’s efforts towards continuous improvement of its environmental impact.



Bike-sharing in Turin, Italy

Acting in favour of environmental sustainability has been welcomed by people working at Reale Mutua and in the Group, across all levels and beyond. Not only have internal relations and processes generated impressive results, but environmental sustainability has also resonated in the company’s competitiveness and in stronger relationships with

the outside world. Through the lenses of current and potential customers, concrete results on the environmental front have led to a clearly positive perception and increased reliability of the company.



Federico Montemezzo

The staff at Reale Mutua have also been involved through specific training schemes: with the support of the Group School Academy, an on-line course has been developed in order to reduce travel between offices, thus limiting the environmental

impact. This course offers a general overview of the environmental certification project, analyses the environmental policy of the company and provides useful suggestions for improving the environmental impact in everyday office life.

The continuous improvement of a company’s environmental impact must rely on an environmental indicator measurement system. In the case of Reale Mutua, the system aims at measuring CO2 emissions related to the use of electricity and heating, as well as to business and commuter travel. As regards the latter, an on-line questionnaire was submitted to all employees to identify routes and means of transport used. In this way, the company tracks the number of employees who use public transport or bicycles to get to work and incentivises them by covering 40% of the annual costs for public transportation and bike sharing. Other indicators monitored include: the consumption of electricity and water, waste production, the share of paper sustainably produced in the total paper use, as well as building management indicators relating to heating and air conditioning.

The concrete tool for improving Reale Mutua’s environmental performance is the Environmental Programme, a set of actions planned over several years by the various company departments. These may range from increased use of recycled paper in the office to the regular use of video conferencing with the aim of reducing travel between business units or to the head offices. It also offers the opportunity to innovate through new insurance products that support sustainable behaviour of member-policyholders.

For more detailed information, the full Sustainability Report by Reale Mutua can be downloaded in English [here](#).

“The Social Economy in the European Union” – 2012 Report

CIRIEC, the International Centre of Research and Information on the Public, Social and Cooperative Economy, has recently delivered its report on the social economy in the EU to the European Economic and Social Committee (EESC).

The executive summary is available in [French](#), [German](#) and [English](#) on the website of the EESC (www.eesc.europa.eu).

The report – updated and more detailed than its 2007 version – offers a general view of the current state of the social economy within the EU and its Member States. Main theoretical approaches to the social economy are explored along with comparative analysis of prevailing definitions relating to the concept of social economy in the current Member States and candidate countries. Relevant EU statistics pertaining to the social economy are included in the study together with a presentation and analysis of the legal framework governing social economy actors throughout the Union.

In the foreword to the study, Mr. Luca Jahier, the President of the Various Interests Group of the EESC, recognises the value of the social economy, “a sector which makes a significant contribution to employment creation, sustainable growth and to a fairer income and wealth distribution.”

AMICE’s Second Meeting of National Associations of Mutuels

The second meeting of the National Associations of Mutuels took place in London on 31 January 2013. Participants came from AMICE association members in France, Germany and the Netherlands and, in addition, from national associations of mutuels in Denmark and the UK. The meeting, impeccably hosted by the Royal London Group, offered a very good opportunity for the exchange of information and for discussing, in an open and constructive way, the various challenges which our sector will have to address in the not so distant future, either at the European or the national level. Discussion points included updates on the current status of Solvency II and the expected evolution of the dossier at the European and EU Member States level, an informative follow-up to the Commission study on the situation and prospects of mutuels in Europe, and a presentation of the status of the Insurance Mediation Directive review process at the European Union level.

Martin Shaw, the CEO of the UK Association of Financial Mutuels (AFM) provided a very interesting presentation on “*Measuring value and engaging members in mutuels*”. The presentation, based on the findings of a study conducted by the Kellogg College (Oxford University), gave the group plenty of input for discussion. The slide presentation is available from the AMICE Secretariat.

Solvency II update

On 28 January, EIOPA launched the Long-term guarantees assessment (LTGA), the impact assessment exercise that runs until the end of March. In principle, EIOPA refers insurers with questions to their national supervisory authorities, but EIOPA has also started to provide sets of [Questions & Answers](#) every Wednesday. On a less positive note, Wednesday is also the weekday of choice for EIOPA to publish all [revisions and corrections](#) of the assessment spreadsheets on their website. Please contact [Silvia Herms](#) at the [AMICE Secretariat](#) if you have any questions about the LTGA.

As announced, EIOPA has embarked on a coordination exercise for the earlier implementation of parts of Solvency II contents across the EU. The guidelines for the interim phase until the full application of Solvency II (as from 2016 or later?) shall address governance, the ORSA, the pre-application for internal models and – most heavily criticised by industry – reporting to supervisors (where the threat of parallel reporting under Solvency I and II is looming). EIOPA have promised a proportionate approach, defining thresholds below which smaller insurers need not (or only partially) pre-implement some of the requirements.

We expect the draft guidelines in April/May for consultation until the summer and their application (on a minimum harmonisation basis!) as from 1 Jan 2014.

Upcoming workshops on reinsurance at AMICE

Organised by AMICE’s Reinsurance Taskforce, the AMICE Secretariat will launch two events on reinsurance issues in 2013. The fourth “*Meeting of European Mutual & Cooperative Reinsurance Managers*”, will be held on 23-24 May 2013 in Helsinki with the aim of exchanging experience and fostering joint learning among AMICE members. Following an introduction by the President of the hosting company LocalTapiola, the meeting will explore and discuss different aspects of reinsurance, ranging from new product development to risk management and other external compliance challenges within Solvency II.

The second event will be a “*Reinsurance Training for Non-Reinsurers*”, taking place on 18-20 September in Brussels. In close cooperation with ICMIF, the AMICE Taskforce on Reinsurance is currently designing a highly interactive and outcome focused reinsurance training programme that offers valuable insights into the basics of reinsurance by combining presentations from seasoned professionals with a powerful simulation tool that enables the participants to immediately apply what they have learned in a realistic, dynamic environment.

For further information and/or assistance, please contact the AMICE Secretariat.



Introducing Co-operative Insurance to Turkey

Koru Mutuel Sigorta (meaning Protective Mutual Insurance) was established in 2010 to be the first mutual insurance



organisation in Turkey. Amidst a growing insurance market, the co-operative concept has been well received by the Turkish market: it shares some fundamental principles with the Islamic principles for financial services and it has proven to be a reliable provider of insurance services. Key to setting up Koru Mutuel was also the support of state and financial authorities which was made possible through close discussions with key founders and industry experts.

In recent years, a strong economy and new laws liberalising the Turkish insurance market have helped the industry grow. More specifically, the International Year of Co-operatives 2012 was an additional lever for promoting the benefits of a new cooperative insurer.

Interest in becoming a member-policyholder has been considerable, growing from 200 participants at the start to around 95,000 in just under two years. Each member holds a minimum of one share (valued at 100TL, approx. 42 EUR), but can increase his holding up to 5,000 cooperative shares. Koru Mutuel offers non-life products, mainly in the field of motor insurance. Products are distributed by a network of co-operating agents as well as being available on-line.

Co-operative insurance has an important role in supporting the economic development in a growing economy, such as Turkey. On the potential customer side, there is a huge number of co-operatives who could benefit. More than 10% of the cooperatives in the world are operating in Turkey: nearly 85,000 cooperatives, active in 27 areas of business.

Building on good relations with reinsurers and other financial institutions, Koru Mutuel has been able to offer cost-effective and sustainable insurance services as an alternative to shareholder-oriented companies. It focuses on niche customer groups: agricultural cooperatives, retail societies, labour unions, chambers of artisans, and professional and social associations. As the capacity of the organisation continues to grow, Koru Mutuel works to spread the idea of mutuality as its core value. A friendly and open relation with client-members has resulted in strong feedback and ways to improve products and the service quality of Koru. Koru Mutuel is in fact the first to provide insurance covering bazaars which are a common form of shopping, trading and employment location across Turkey. Insurance covers accidents for those working in or visiting the bazaars.

Moving forward, Koru Mutuel sees for itself an important role in promoting the value of mutual insurance in Turkey. The company has many plans to expand its services and to develop new innovative distribution channels – and it will continue to build strong partnerships, both in Turkey and internationally.

→ Save the date – AMICE General Meeting 2013

The AGM will take place in Brussels on 10-11 June 2013. We start at 15.00 h on the 10th with a speech by **EU Commissioner Olli Rehn** (with discussion), and we have a dinner for all delegates on the Grand' Place on the same evening. The morning of the 11th will see the **AMICE Symposium 2013** on the role of mutuals and cooperative insurers in health insurance in Europe, followed by lunch and by the **General Meeting** (starting at 14.00 h).

Book your travel! Formal invitations (with hotel recommendations) will follow soon.

Dear Members of AMICE,

I have started to work for AMICE in January 2013, and would like to take this opportunity to briefly introduce myself. A Romanian/Belgian national, I have been educated in four EU Member States (Romania, Belgium, France and the UK) and hold a BA in Political Sciences/Public Economy and Masters in European Studies, International Relations and Public Law.



Vlad Olteanu

Immediately prior to joining AMICE, I have spent several years at a prestigious global law firm in their Brussels office, putting my legal and public affairs expertise to use on a variety of European and international regulatory projects, in various areas such as competition,

banking, insurance, and corporate governance. Prior to that I worked, since 2000, in an international transport association and for a well-established American law firm. During this time, I contributed to the representation of the interests of a significant number of stakeholders (including cooperative banks and insurance undertakings) at the European Union and global levels.

Going forward, I very much look forward to closely working together, jointly using our expertise to advance the cooperative and mutual industry agenda at the European Union level. Please do contact me; you can do so in English, French, and Italian – and, if you wish, even in Romanian!



→ AMICE meetings and events

- 19 March Brussels Executive Committee
- 9 April Brussels Member to Member working group & taskforces (REI, WCI, MCN, but not CSR)
- 10 April Cologne Board
- 17 April Brussels EMS Taskforce
- 18 April Paris Capital Maintenance Taskforce
- 24 April Nice Communications working group
- 25 April Brussels Solvency II taskforce
- 26 April Brussels Executive Committee
- 14-15 May Helsinki CSR taskforce
- 14 May Brussels Legal Affairs Taskforce
- 23-24 May Helsinki Meeting of European mutual & cooperative reinsurance managers
- 30 May Paris Solvency II taskforce
- 10 June Brussels Board and speech by EU Commissioner Rehn
- 11 June Brussels AMICE symposium “The role of mutuals in health insurance in Europe”
- 11 June Brussels General Meeting
- 27 June Brussels Solvency II taskforce
- 3 September Brussels Executive Committee
- 4 September Brussels Communications working group
- 16 September Brussels AMICE reception
- 17 September Brussels Board
- 18-20 September Brussels Reinsurance Training for Non-Reinsurers (AMICE/ICMIF event)
- 19 September Brussels Legal Affairs Taskforce
- 24 September Bologna (tbc) CSR taskforce
- 3/4 October Turin MCN/WCI seminar
- 29 October Brussels Executive Committee
- 30 October Brussels Communications working group
- 12 November Madrid Board
- 12 December Brussels CSR taskforce