

News

dec 14



Hilde Vernailen
President

Talk about our European Mutual Insurance Manifesto is picking up. Whether at a hearing at the European Economic and Social Committee, at a conference by the Italian Presidency in Rome, in the offices of MEPs or upon invitation by Commission services: AMICE is able to bring forward its strong arguments for full recognition of the contribution of our sector and its request for appropriate and fair regulation.

Dear colleagues,

It gives me great satisfaction to note that the discussions about our Manifesto and its policy proposals have begun in the European institutions. This encourages us to speak even more about our sector, its achievements and the prerequisites for its thriving.

But the work cannot be done in Brussels alone. To be successful in improving recognition of our contribution for citizens, society, and the economy, and in securing an appropriate and supportive legal environment for our activities, AMICE's efforts have to be mirrored and supplemented by national action – and this means by you and also by me.

It is no coincidence that in the UK, half a year before the next Parliamentary elections, the Association for Financial Mutuals has brought out a national Manifesto for Financial Mutuals and that the Building Societies Association published a study on “Corporate diversity in financial services”. Many of the observations and policy proposals echo the spirit (and the wording) of our own Manifesto: “... recognition of the value ... regulation which is appropriate and proportionate for the different organisational forms ... removal of barriers to raising capital ... lowering barriers to entry”.

Our Belgian association of mutual insurers, UAAM, is teaming up with French and Dutch partners, FNMF, GEMA, ROAM, and FOV, to produce translations of the EMIM for their domestic advocacy pro mutual insurance.

I invite you and encourage you to use the EMIM in your home environment, with your governments, regulators and Parliamentarians. No one else would be able to talk as competently and convincingly about our convictions and our ideas for a diverse, client-driven, sustainable and mutually beneficial insurance landscape.

We are currently translating the four-page summary into additional languages, but the overall layout and graphic concept of the whole EMIM is available to you completely free of charge should you be interested in using all of our sector's strong arguments in your own advocacy.

And AMICE will always be there to support you in your efforts.

Hilde Vernailen

→ In this issue

- Editorial by AMICE's President. Page 1
- New member at AMICE Page 2
- Advocacy | Updates Page 3
- Assistance | Updates Page 4
- Promotion | Updates Page 4
- AMICE calendar 2015 Page 6
- External events calendar 2015 Page 6

New member at AMICE

AMICE's Board welcomed a new member from Spain at its last meeting on 4 November; we asked FIATC to introduce themselves to the other AMICE members.

FIATC SEGUROS, REINVENTING INSURANCE

FIATC, a mutual founded in 1930, provides insurance in all sectors via multichannel distribution and offices throughout Spain. FIATC is most active in the healthcare sector, which accounts for 31% of its portfolio. With a view to healthcare expansion, in 2011 FIATC opened the *Clínica Diagonal* in Esplugues de Llobregat, Barcelona, in an innovative latest-generation building with cutting-edge technology, offering healthcare services in nearly all medical fields.



In recent years, the life assurance business has taken on greater importance in FIATC, and currently accounts for 21% of its portfolio. Within that sector, guaranteed benefit plans (PPA: assured savings plans and PIA: individual savings plans), as well as single premium insurance policies, are also playing a greater role. Other classes of insurance that FIATC provides to individuals include motor insurance, which is the most traditional, at 15% of the portfolio; home insurance, which was recently brought up to date; death insurance, which grew by 11% in 2013; and other classes such as travel, skiing, boat and equine insurance. In business insurance, FIATC provides industrial policies, general liability and multi-risk business policies that are flexible and adaptable.

Turning to its sales operations, FIATC pursues a multichannel policy, working with brokers, agents and its own teams to offer personalized sales as well as online and telephone sales. Its more than 800,000 policyholders and intermediaries are backed by a staff of 850 persons.

Constant adaptation

FIATC was founded in Barcelona in 1930 and, like many other mutuals, was created to meet the insurance needs of a particular group, in this case road hauliers. In the 1980s, FIATC underwent profound changes when the current CEO, Joan Castells, joined the company. He brought in a new management team to drive the company's transformation. During the 1980s and 1990's, FIATC went from a company focusing on motor insurance in Catalonia to a nationwide business, with a powerful sales and insurance network offering all classes of insurance. These changes brought uninterrupted growth to the company in the insurance sector. Today FIATC is **the second largest mutual in Spain**, with a volume of premiums in 2013 amounting to 448.74 million Euros and profits of 2.99 million Euros. The company holds net assets of 211.57 million Euros.

A forward-looking company

Early in the 21st century, FIATC saw that the advent of new technologies were an opportunity to optimize its processes. Starting with the e-business project begun in 2002, the company has incorporated into the digital realm functions such as data base access, calculation of premiums, contracting of policies and management of claims, among others. Consequently, intermediaries who work with FIATC and their employees have a powerful set of tools to facilitate their work at the same time that they optimize processes such as knowledge management and documentation, training and communication.

FIATC and society

FIATC endeavours to generate benefits for society as a whole. FIATC is a sponsor of the *Gran Teatre del Liceu* and works with the *Cases de nens*, a project that provides assistance to families with teenage children who are, or at risk of becoming, vulnerable, and the *Fundació Acció Social Infància* (FASI), of which Joan Castells is president. FIATC also works regularly with the TV3 Fundraising Marathon and other health-related initiatives, such as the installation of cardio-protection areas with defibrillators in the Barcelona metro.

Lastly, *Inverfiatc*, a subsidiary of FIATC, is active in the provision of services for the elderly, managing a number of residential homes and apartments with services in the province of Barcelona.

→ ICMIF

Follow ICMIF news on

<http://www.icmif.org/influence/news>

Advocacy | Updates

Solvency II

With the publication of the [Draft Delegated Acts](#) in early October and the waves of implementing measures and guidelines that EIOPA thrusts at the European insurance industry and at our members, we have arrived again at a crucial point for the advocacy on behalf of AMICE's members. As a red thread, we prepared a set of [five areas of greatest concern](#) which Silvia Herms presented to EIOPA at a meeting in Frankfurt: proportionality; contract boundaries and the unilateral right by undertakings to alter premiums and benefits; the look-through in unit-linked products; more flexible group rules to cater for typical mutual horizontal groups; and outsourcing requirements.

Proportionality of course remains a permanent issue, and every sentence in the guidelines reminding national authorities to apply a reasonable and appropriate approach is a step in the right direction. In other areas, we have achieved remarkable gains of territory: With regard to a mutual's general assembly, the first set of Guidelines now clarifies that a GA's right to approve changes in premiums is not seen as impeding the management's freedom in this respect. On groups, EIOPA experts admitted that their drafts were completely driven by vertical structures and guidelines have been improved and made more flexible.

The publication of the guidelines on governance and ORSA has been delayed until February, but there are indications that requirements will appropriately differentiate between internal (to other group undertakings, service subsidiaries etc) and external outsourcing.

AMICE continues to discuss all new publications by EIOPA in the Solvency II working group and to lobby – through formal responses, in stakeholder meetings and in bilateral discussions – for fewer, more flexible and appropriate rules. Members must parallel this process in their respective national environments. For an update on the further Solvency II timeline and any other information please contact [Silvia Herms](#).

Accounting

AMICE's observer status on the Insurance Accounting working group of [EFRAG](#) (the European Financial Reporting Advisory Group) has been confirmed with Silvia Herms replacing Fabrice Genoun (GEMA) as AMICE's appointed representative.

Regulatory Affairs

The Regulatory Affairs working group met in early October and held a first discussion about the consequences of the changes in the structure of the services of the European Commission. The group decided that no joint AMICE response should be sent

to the Commission [consultation](#) on an extension of the Insurance Block Exemption Regulation (IBER), but that a high-level political [response](#) should be submitted to the consultation on cross-border mergers and divisions (which again only addresses joint-stock companies) which was done on 1 December.

AMICE's observer status in IAIS comes to an end

The IAIS has decided to change its by-laws and to discontinue observer status for industry and consumer stakeholders. In future, stakeholders may only be sporadically invited to IAIS working group meetings to provide specific perspectives and input.

[AMICE](#), in its own right and jointly with [GFIA](#), is in an intense discussion process with the IAIS with the aim of securing transparency in the IAIS' procedures, information access for stakeholders, and a continuing discussion basis with the global organisation aiming at ensuring appropriateness and quality of its work.

After a first consultation on their new procedures for meeting participation and consultation of stakeholders which received heavy criticism from the stakeholders' side, the IAIS has issued a revised paper (taking up several AMICE comments) to which we will again respond in December.

→ Social Media Survey results

The Secretariat has analysed and compiled the results of the survey among AMICE members on the use of social media. One third of AMICE membership provided responses to the survey and 14 countries were represented. More than three quarters of the respondents stated that they were using social media and no clear correlation between the size of undertakings and their affinity to social media was identified.

The full report can be downloaded from the [AMICE website](#).



Assistance | Updates

CSR & risk management

AMICE member MACIF, together with the mutual social protection group, Humanis, and the French Study Centre for CSR (ORSE), presented their forthcoming guide on improving risk management methods in insurance by integrating CSR – to be published in January 2015 – to the CSR working group in Paris on 18 November. The guide identifies twelve processes in the governance, insurance technical (e.g. claims, product development or distribution) and support (e.g. HR or IT) areas within an insurance company and then analyses each of these processes in five steps which include identifying the risk, its possible impact and the mitigation actions. It gives some examples of the kind of risk, such as a liability claim filed against the company for long-term health and environmental impacts of services delivered in the claims' management process, and includes a practical summary sheet for each activity within the company.

Organising CSR strategically

Ethias and Reale Mutua presented their strategic CSR choices at the same meeting. Ethias have had a CSR strategy in place for more than ten years, in line with their leading role in AISAM's working group at the turn of the century. The CSR strategy is implemented transversally and has top management support. A CSR research cell composed of two staff members from each operational business unit meets monthly and is responsible for developing and ensuring the implementation of the five year CSR plan which has its own budget. The company's Ethics Committee, composed of employee and employer representatives, oversees and validates the plan. Ethias considers CSR to be a tool to trigger company innovation and creativity. Reale Mutua is looking at how to incorporate future societal trends into its CSR strategy and thus boost social innovation. It has identified five trends – ageing, technology, collaboration, low cost and entrepreneurship – on which it will focus future strategy, for example by rethinking its HR management of older employees, boosting hypermedia communication or creating a social innovation observatory.

The presentations from the meeting are available for members on the [AMICE website](#).

Reinsurance and Solvency II

At its meeting on 27 November, the members of the Reinsurance working group discussed how national supervisors were likely to consider ADC (Adverse Development Cover), such as retrospective reinsurance, as part of the SCR under the standard formula. Members believe that if there is no risk, since the risk has been ceded, this should reduce the capital requirements as stated in the technical specifications; but they are concerned that national supervisors may not accept this.

Solvency II and reinsurance will be the focus of one of the sessions at the 2015 Meeting of European Mutual and Cooperative Reinsurance Managers to be held in Madrid on 16-17 April. Other sessions will look at insurance linked securities, retrospective reinsurance and reinsurance collaboration. The working group finalised the seminar programme at the same meeting – see the [AMICE website](#) for more details.

Contact [Helen Sheppard](#) for more information on any of these items.

Promotion | Updates

The European Mutual Insurance Manifesto receives attention in Europe

The Secretary General spoke at a hearing and a [conference](#) at the European Economic and Social Committee on “Perspectives and priorities for the new Commission and the European Parliament: Social Economy and social innovation as drivers of competitiveness, growth and social well-being”. He [presented](#) and discussed the policy proposals of the EMIM in a panel session which led to the inclusion of five main AMICE proposals (a proper regard in regulation for the specificities of the sector, the creation of a dedicated unit at the Commission, progress on the EMS dossier, the development of statistics on the footprint of the sector, and pro-mutual work by the European institutions in their work at the global level) in the [conclusions](#) that the EESC forwarded to the Commission and the EP.



In November, the Italian EU Presidency organised a [conference](#) on “Unlocking the Potential of the Social Economy for EU growth”. Gregor Pozniak was invited to [speak](#) about how mutual insurers meet the new and changing needs of citizens and again used the opportunity to present the EMIM. He explained the benefits that mutual and cooperative insurers can bring to European citizens and emphasised the need for a fairer and more appropriate regulation that takes into account the specificities of the sector. [The Rome Declaration](#) published after the conference underlines the long-term perspective, acknowledges the contribution of the social economy sector to economic growth and underlines the participative governance models, the re-investment of surpluses, and – generally – the contribution of the sector to pluralism in the markets. A call for clear reference points for social economy actors at European Commission, Parliament and Council (a core EMIM proposal) figured prominently among the conclusions of the conference.

Nice Congress

On behalf of the three hosting associations of the 2014 AMICE Congress, I am proud to report that the Nice congress was a financial success as well as a success as regards the satisfaction of participants as we all read in the last AMICE newsletter.

The financial aim of an AMICE congress is to break even and, thanks to the prompt payment of registration fees by participants and the generous contributions of our sponsors, AON Benfield, SCOR, Swiss Re and OFI Asset Management, the income was slightly higher than our expenses. Of course, the accounting expenditure does not take into account the time put in by our associations' staff but I believe this extra effort is of mutual benefit. Any surplus is traditionally donated to a non-profit cause, in this case the organisers chose GEMA Prevention, the association set up by GEMA's members to reduce the number and seriousness of accidents at home and on the roads.

I should like to thank all those who attended our Congress or who contributed to its success, and encourage other AMICE members to take up this adventure in the future!

Arnaud Chneiweiss, Secretary General, GEMA

AMICE seminar: Solvency II, time for implementation

The 6th AMICE seminar on Solvency II hosted by MACIF in Paris on 5 December again drew a crowd: more than 70 delegates from 14 countries were present to hear EIOPA and the French supervisor present the guidelines and explain the reporting templates, to learn from members' experience with implementation of the ORSA and to exchange views on how to meet data quality requirements.



For more information see the [press release](#). Members can download presentations from the [AMICE website](#).



→ Save the date

8-9 October 2015

Barcelona

How can mutuals create quality content and engage with customers and the media?

AMICE
Communications Seminar
Hosted by Mutual Médica

→ AMICE Calendar 2015

- 14 January Brussels Promoting working group
- 20 January Brussels Communications working group
- 22 January Brussels Regulatory Affairs working group
- 26 January Brussels Solvency II working group
- 4 February Brussels Executive Committee
- 17 February On-line Reinsurance working group
- 26 February Brussels Solvency II working group
- 5 March Brussels Health working group
- 12 March Brussels CSR working group
- 26 March Brussels Solvency II working group
- 31 March Turin Board
- 16-17 April Madrid. Meeting of European Mutual & Cooperative Reinsurance Managers
- 22 April Brussels Executive Committee
- 27 April Brussels Solvency II working group
- 18 May Brussels Board
- 19 May Brussels General Meeting
- 21 May Brussels Solvency II working group
- 22 June Brussels Solvency II working group
- 9 September Brussels Executive Committee
- 15 September Paris CSR working group
- 8-9 October Barcelona Communications Seminar
- 18 November Brussels CSR working group
- 24 November Athens. Board

→ Change of date

AMICE's 2015 General Meeting will take place in Brussels **on 19 May** and not 12 June as originally announced

→ External Events Calendar 2015

- 26-27 January London Capital Management in Insurance
FC Business Intelligence
*£100 discount for AMICE members.
Please contact the Secretariat to get your promotional code.
- 05-06 February Stockholm. 3rd Annual Nordic Asset Allocation under Solvency II
Marcus Evans
*£200 discount for AMICE members. Please contact the Secretariat.
- 18-19 February London Solvency II: Preparing for Implementation Training Course
Incisive Media
*£500 discount for AMICE members. Please contact the Secretariat.
- 19 February Basel. 31st Regulation and Supervision (PROGRES) Seminar
The Geneva Association
- 24-26 February Brussels 2015 European Solvency II Summit
Infoline
*20% discount for AMICE members
- 23-24 April Prague 4th Annual Insurance ERM Forum
Uniglobal
- 26-27 May Luxembourg 7th International Conference and Insurance Europe General Assembly events
- 8-9 September. Frankfurt 4th Conference on Global Insurance Supervision
EIOPA & Goethe University Frankfurt
- 7-9 October Minnesota, USA ICMIF Biennial Conference