

News

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Asmo Kalpala
President

The focus of AMICE over the first year or 18 months was much about securing a strong membership and creating a clear corporate identity for our association. Now that the structures are on track, the focus must be on working with and for members for their benefit and for a prosperous future for our sector. "Optimising Solvency II" is the ambitious title of one of AMICE's key projects for the coming years.

Optimising Solvency II

Solvency II is an extremely challenging and time-consuming exercise. CEIOPS is flooding us with informal and formal consultation papers. The Commission will draft its level 2 measures during 2010. Now is the time for discussions with CEIOPS and Commission staff with the aim of optimising the framework by developing good implementing measures. Then the legislative process will turn more political again and involve the EP and Member States. If at that point of time, the draft texts are not good, chances are low or probably gone that they can be substantially improved thereafter.

AMICE will respond to the extent possible to the consultations with a particular focus on proportionality and calibration issues. Many of our members are small or medium-sized insurers. Proportionality is one of the cornerstones of the Solvency II framework.

But the solvency exercise is not only one for the lawmakers and the supervisors. We all have to optimise our own solvency, our models, our risk structure, our governance and processes in order to be fit for Solvency II. AMICE will also assist you in your own optimisation exercise.

To do this effectively and efficiently, we need your feedback. Share your concerns and your experiences with the Secretariat and the Solvency II task force. The new members' area on AMICE's website will be available shortly. It will greatly facilitate your access to the ongoing work.

Asmo Kalpala

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TUW SKOK, A Great Place to Work

TUW SKOK, the P & C mutual insurance company of the Polish credit union system, has been recognised as one of the best places to work in Poland's first edition of the Great Place to Work survey. TUW SKOK provides insurance products and services to Poland's 62 credit unions and 1.9 million of their members.

TUW SKOK came 6th in the survey, which covered more than 10,000 companies nationwide, and thus became the highest rated Polish company as the top five contestants are all local operations of multinational organisations. Grzegorz Buczkowski, president of TUW SKOK and member of the Board of Directors of AMICE, claims to be particularly happy with this recognition: "The Great Place to Work award is exceptional in being based on anonymous opinions given by the employees of the company, not by external auditors. I am truly overjoyed by the fact that our employees rate us so highly; it has always been our policy to invest in people and to create opportunities for them to be committed, efficient and inventive. We all realise that only a joint effort supported by an effective, open and honest working environment will see us succeed in the long term."

Birth of a 100% French mutual hub

MACIF, MAIF and MATMUT are joining forces to create a distinct mutual hub in insurance and financial services. This rapprochement, which should be finalised by the end of 2009, will take place through a SGAM (Société de groupe d'assurance mutuelle-mutual insurance group company) to which each of the companies will belong. This legal structure allows each member to maintain its identity, its specificities, values, autonomy and operations while providing for financial solidarity between them. This project is proof of the three groups' will to reinforce the mutualist model and to spread the ideas of the social economy by adopting a structure which will increase the potential for innovation. The mutuals which have signed up to this alliance want to provide innovative mutual responses to peoples' societal needs and expectations. In an increasingly competitive environment and faced with ever more stringent regulatory requirements, the aim of the SGAM is to strengthen the position of each mutual individually and as a group so as to stimulate their development.



Roger Belot, Président Directeur Général, MAIF - Roger Iseli, Directeur Général, MACIF
Gérard Andreck, Président, MACIF - Daniel Havis, Président Directeur Général, MATMUT - photo : Mourad Chefai

→ European Parliament elections

For all the results of the European Parliament elections, see http://www.elections2009-results.eu/en/index_en.html



Defining our mutuality

AMICE's members come from 17 European countries, they range in size from large European players to small professional or regional insurers. Some of them have millions of individual member-policyholders, others have only a few dozen enterprises as customers. Variety in membership is a strength of AMICE, greatly enhancing the representative character of your association.

But: What are the common values among mutuals and cooperatives across jurisdictions, across the size spectrum, across areas of business?

In the context of the General Meeting in June, a panel of member executives gave their views on what a common definition of mutuality could be. Shaun Tarbuck (AMI, UK) set the tone reporting on a major market research and subsequent promotion exercise for the sector in the UK. He indeed saw a chance for growth if mutuals could improve their profile, demonstrate clear benefits for the policyholder, transport a positive message about traditional values, and – last but not least – make favourable comparisons with plc-type insurers. The panellists said:

Grzegorz Buczkowski (TUW SKOK, PL): "Listen and respond; feedback is the basis of mutuality."

Cor Ensing (Univé Drenthe-Overijssel, NL): "Proximity to the customer is key, e.g. through outlets in the areas where your customers live."

Steven Daniels (LV=, UK): "In the customer's buying decision, the price is important; the difference is that we treat our customers 'with a heart'."

Patrick Peugeot (La Mondiale, FR): "Our governance permits us to be always very close to our customers. This is something that truly distinguishes us from our non-mutual competitors."

Asmo Kalpala (Tapiola, FI): "Quality of the product and its attractive price are of course preconditions for being accepted by customers; but our main message to our customers is: 'There is no third party between you and us'."

"So it is much about proximity", concluded the Secretary General. "Responsiveness in the feedback process, proximity in the service, empathy and openness in the treatment of customers, involvement through a democratic and participative governance, and immediacy in sharing company results with member-policyholders."

AMICE will use the results of the panel discussion in the further development of its mid-term strategy.

AMICE Annual General Meeting

AMICE's annual General Meeting took place on 3 June, kindly hosted by AMICE member Secura at KBC's auditorium in Brussels. Almost half of AMICE's 125 full members were present or represented and some 40 people also attended the dinner the evening before held on the stage of the Vaudeville theatre in the centre of Brussels. The European Commission's Karel Van Hulle attended the dinner and gave an insight into the negotiations which led to the adoption of the Solvency II framework directive. In response, AMICE's President voiced the association's serious concerns regarding the short timeframe for implementing Solvency II.

The General Meeting approved the 2008 accounts and the budget for 2010, maintaining membership fees at the same level as in 2009. It also approved an amendment to the association's Articles of Association to allow Observers to attend the General Meeting but with no voting rights. Two new Board members were elected: Gunnar Andersson, Folksam, Sweden, and Wolfgang Weiler, HUK-Coburg, Germany. Wolfgang Weiler was also elected to the Nomination Committee along with Cor Ensing, Univé Drenthe-Overijssel, the Netherlands.

The composition of the Executive Committee was renewed by the Board to focus on the working groups whose new chairs were nominated by the Board in April for one year: Gunnar Andersson, Folksam, Sweden, will lead the Economics and Finance working group (Solvency II and accounting); Grzegorz Buczkowski, TUW SKOK, Poland will head the Communications working group; Luigi Lana, Reale Mutua, Italy, will chair the Legal Affairs working group (legal affairs and EMS); Mogens N. Skov, Kobstadaernes, Denmark, will continue to lead the Member to Member working group.

Members will be asked to respond to a general survey on their expectations for AMICE in the autumn which will form part of a strategic review to be carried out by the Board.

AMICE's Annual report is available in English and French from the association's website.

Mutuality today: sustainable values

is the title for AMICE's next congress to be held in Genoa, Italy from 24 to 26 May 2010. The Communications' working group is currently preparing the programme which will include sessions on how mutual/cooperative insurers (have)

cope(d) in the crisis; what sustainability really means in the financial sector and how mutuals apply it; risk management and meeting customers' expectations. The hosting companies, ITAS Group, Società Reale Mutua di Assicurazioni and Unipol, are planning an enjoyable social programme alongside the working sessions.



Reinsurance seminar in Athens

The second meeting of European mutual and cooperative reinsurance managers drew 35 participants from 13 countries to Athens on 23-24 April last. AMICE member Syneteristiki hosted the event which received 100% "excellent" or "good" approval ratings.

The first session examined the merits of ratings of reinsurers with the conclusion being that such ratings are necessary but should not be the only criteria for choosing a reinsurer. The regulation of rating agencies was seen as a way to improve their quality. The second session on catastrophe modelling was introduced by two speakers from Benfield who showed how such models are constructed and used. Participants then discussed how they used such models and how they could be improved, calling for more convergence between models, better transparency and more complete data.

Solvency II was the subject of session three: Xavier Chenut from Secura, Belgium, explained the impact of reinsurance on the Solvency Capital Requirement before participants discussed the way Solvency II will impact their reinsurance buying. The final speaker from Hannover Re gave an interesting overview of pandemics which proved to be very topical with the outbreak of swine flu.

CSR task force met with Mr Giuseppe Cacciato, Deputy Head of Unit in the European Commission, DG Enterprise and Industry

The CSR task force had invited Mr Cacciato to their meeting to hear the latest news from the Commission on CSR issues. He gave a resume of the discussions at the CSR Multi-stakeholder Forum held on 10 February this year where the impact of the economic downturn on CSR was discussed with the conclusion that CSR is now more important than ever. About 70% of Europeans trust business less now than in 2007 and CSR can be a way to rebuild the much needed trust. The Forum concluded that sustainable development is the way forward and companies that consider CSR as core business will lead the way out of the recession.

The never ending debate on whether to regulate or not to regulate CSR was also discussed and it seems that the focus will be more on regulating some specific concrete issues which relate to EU companies operating globally. A specific focus will also be put on transparency and reporting. Mr Cacciato referred to Danish legislation for the presentation of financial statements which provides a useful and flexible tool regardless of the company's size. The task force intends to look at this issue at its next meeting on 14 October with examples from Denmark and the UK.

Anu Pylkkänen, Tapiola, Finland, Chair of AMICE's CSR task force

“Accidents and illness at work: improving results for employment-related risks”



In the context of its Member to Member working group, AMICE's Workers' compensation task force organised a successful seminar on 11-12 May last. The seminar hosted by AMICE members Mutua dos Pescadores and Sagres, took place in Lisbon and drew over 30 participants from eight European countries.

The first day opened with an overview of the current workers' compensation schemes in Europe followed by a description of the Portuguese, Dutch and Belgian systems. The day ended with a presentation on the very topical subject of how to limit the exploding medical costs in European hospitals.

The academic presentations of the first day set the stage for concrete case studies on matters as diverse as how to evaluate the cost of illness and injuries, limit absenteeism, improving rehabilitation of severely injured patients and curbing fraud.

These two days showed that many challenges are expected for this line of business: insurers will need to raise their technical skills, lobby their authorities, organise prevention and manage risks. All agreed that such seminars and exchanges of information between members was essential to meet the challenges ahead.

Insurance Guarantee Schemes

The Commission will publish a White Paper in the autumn and might propose the obligation for national schemes to support each other across borders. This could require a high level of European harmonisation of schemes. AMICE will remain vigilant and critical, but members should also actively take part in the discussions at the national level.

Motor claims seminar, 24-25 September 2009

Registration has opened for AMICE's next Member to Member seminar hosted by Inter Mutuelles Assistance in Niort, France – see the link from AMICE's homepage.

The programme begins by setting the European scene with several presentations on the EU motor directives, Rome II and the situation regarding bodily injuries' compensation before taking a look at some innovations in the motor insurance business. The second day focuses on practical ways of reducing claims through accident prevention, fraud reduction and rehabilitation with case studies from Finland, Hungary, Italy, Switzerland and the UK.

Make sure you register early to guarantee your place!



→ AMICE meetings and events

- 26 June Brussels Solvency II task force
- 2 July Brussels IFRS task force
- 29 July Brussels Solvency II task force
- 21 August Brussels Solvency II task force
- 2 September Brussels Solvency II task force
- 16 September Brussels Legal affairs task force
- 16 September Brussels EMS task force
- 24-25 September. Niort AMICE motor claims seminar “Reducing claims to improve results”
- 8-9 October Genoa Communications working group
- 14 October Brussels CSR task force
- 20 October Brussels Executive Committee
- 13 November Paris Member to Member working group
- 23 November Brussels AMICE reception
- 24 November Brussels Board