

## Press Release

Brussels, 15 February 2019

# AMICE highlights the impact of disparate and excessively burdensome regulation on the mutual and cooperative insurance workforce

## Joint statement signed in Brussels on the effects of regulatory requirements and compliance on employees

The Association of Mutual Insurers and Insurance Cooperatives in Europe ([AMICE](#)), the voice of the mutual and cooperative insurance sector in Europe, together with the Insurance Sectoral Social Dialogue Committee (ISSDC), has today signed a [statement on the effects of regulatory requirements and compliance on employees](#), and announced a follow-up to the joint declaration on the social effects of digitalisation.

The legislative reform of the insurance sector over the last decade is well documented. Ten years on, the pressure of reform is affecting people working in the financial services sector, as operators, customers and financial sector employees are witnessing the effects of increasingly burdensome, heavy-handed and duplicative legislative reforms.

For customers, the disclosure of extensive and technical information impedes straightforward decision making, creates confusion and makes the decision-making process unnecessarily difficult and stressful.

For employees, legislative reform has affected their wellbeing. In particular, the European social partners in the insurance sector noted that the significant increase in regulatory requirements has led to a substantial rise in insurance employees' workloads and stress levels, and today they call for employees to be given enough time to assimilate the latest changes in legislation and sufficient time to apply them.

Implementing new regulatory requirements involves the development and adoption of complex company compliance procedures, which need to be accompanied by proper training. The social partners declare in their statement that they are concerned about short implementation deadlines which leave too little time to properly implement complex and comprehensive pieces of legislation and for employees to have appropriate training.

The social partners further note that the negative effects have a disproportionate impact on small and medium-sized entities, which contribute significantly to local economies but face a heavy burden keeping up with constant regulatory changes.

Sarah Goddard, AMICE Secretary General commented,

*“At AMICE, we believe that good regulation is vital for the proper functioning of the insurance market, and the proper protection of policyholders. However, the past few years have seen a huge increase in both the level and the complexity of regulation, and it is questionable whether all these requirements are providing commensurate benefits in terms*

*of policyholder protection and market stability – particularly when you see the disproportionate burden on smaller insurers.“*

She continued,

*“The pressure on people working in the financial services industry on understanding and implementing such wide-ranging and complicated regulatory requirements has taken a significant toll. It is important to remember that insurance is ultimately a people business, and that we have a responsibility to ensure that all employees are protected from undue stress.”*

In addition to the statement on the effects of regulatory requirements and compliance on employees, the Insurance Sectoral Social Dialogue Committee (ISSDC) has issued a follow-up to build on the [declaration on the social effects of digitalisation](#) signed in October 2016. This follow-up looks to respond to the recent and increasingly rapid development of digitalisation. It seeks to frame further common measures across all participating organisations and their members to ensure long-term employability of the mutual and cooperative insurance workforce.

The [follow-up to the joint declaration on the social effects of digitalisation](#) comprises four key additional themes.

#### **DECLARATION FOLLOW-UP: ADDITIONAL THEMES<sup>1</sup>**

- Further training as a key
- Time and place of work
- Dealing in a social way with the digital structural change
- Employees' representatives in the digital age

The declaration aims to safeguard jobs and the employability of employees; improve the work-life balance of employees; encourage the adoption of all appropriate digital communication channels; and underline the need for continuous training to be provided by insurance companies and the importance of employees' willingness to undertake such training.

The full documents are available from the [AMICE Secretariat](#) or via the [AMICE website](#).

To continue building on the work already achieved, the European social partners in insurance will monitor the development of employment in the sector on a yearly basis, taking due account of existing statistics.

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<sup>1</sup> The additional statements should be read in conjunction with the related sections of the joint declaration. The statements contained therein must be considered with the principle of proportionality (size and specific activity of the company) in mind and with the aim of achieving a level-playing field.



## Notes to editors

### About AMICE (Association of Mutual Insurers and Insurance Cooperatives in Europe)

The Association of Mutual Insurers and Insurance Cooperatives in Europe aisbl (AMICE) is the voice of the mutual and cooperative insurance sector in Europe. The Brussels-based association advocates for appropriate and fair treatment of all mutual and cooperatives insurers in a European Single Market. It also encourages the creation and development of innovative solutions for the benefit of European citizens and society.

Mutual and cooperative insurance follows the principles of solidarity and sustainability, and is characterised by customer-membership and a democratic governance. The mutual business model, with its focus on using surpluses for the benefit of its members, is the natural way to provide insurance.

More than half of all insurance undertakings in the EU are mutual and cooperative insurers which account for a market share of more than 32%. They provide cover for more than 420 million members/policyholders and employ nearly 440,000 people.

*To learn more, visit [www.amice-eu.org](http://www.amice-eu.org)*

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### About ISSDC

The ISSDC is the EU level platform where insurance employer and employee representatives discuss topics of common interest with the support of the European Commission.

The ISSDC's employers' delegation is composed of AMICE, Insurance Europe (the European insurance and reinsurance federation), and the European Federation of Insurance Intermediaries (BIPAR). The European trade union federation (UNI-Europa) represents employees at the ISDCC.