Dear friends,

I must say that I am quite proud of succeeding Asmo Kalpala as the President of AMICE. I would like to thank all of you for your support and hope that I can continue to rely on this support during the coming years. Asmo has been an outstanding President during the past six years. His personal engagement in our association and his passion for the mutual and cooperative movement have been a big inspiration for many of us and have helped the sector to move forward.

It is also an honour for me to follow in Asmo’s footsteps. I will make every effort to live up to your expectations and will defend the interests of the mutual and cooperative insurance sector as good as I can – together with the dedicated staff at the AMICE Secretariat and the members of the Board and its Executive Committee.

We will use the summer months for a strategic review of our organisation and its aims. What do we really want to achieve as an organisation? Which issues will be in our focus – and which will not? Where do we want to stand in three or five years’ time? The results of the latest member survey are a valuable source of inspiration: protecting the development of our SME insurers, finding solutions for an aging population, decreasing the pressure on our health care systems are important challenges to be tackled. Once the strategic options have been worked out, we will propose a concrete action plan to be implemented in the working groups and task forces.

But we can only move forward with the help of you, our members. The more you will put into it, the more you will get out of it, as an organisation but also as a person. I therefore invite and strongly encourage you all to take part in AMICE’s activities.

Over the summer, I will try to talk to as many members as I can. And if we don’t get a chance to talk, I hope to meet you at one of the forthcoming AMICE events. Until then, have a great summer!

Hilde Vernaillen

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Farewell to Asmo Kalpala

Having been asked to share a few thoughts and phrase a few wishes on the occasion of Asmo Kalpala’s departure from AMICE, and considering that his last Board meeting as AMICE’s President has also been my last, a few thoughts and questions run through my mind:

As we know, the idea of insurance started in a mutual way. But ever since we have non-mutual competitors, we ask ourselves: What makes the difference in our undertakings? And how are we, the mutual managers, different? A superficial answer is quickly found: legal structure, control, ownership, financing. That’s easy and comfortable – almost too easy and good to be true.

But we have to dig deeper, and this is where it gets difficult. What does it mean for our daily activities, for our members? Do they benefit from our legal structure, our financing concepts, or is there more. Studies evidence that mutuals regularly outperform their peers. But what are the real reasons?

One of the beautiful things of our fellowship in AMICE is that, in addition to all the business issues we debate, we also take time to ponder over such philosophical questions. I have always enjoyed this a lot, during my many years as a Board member of first AISAM and then AMICE.

I remember well the day in 1990 when a new colleague from Finland introduced himself to the AISAM Committee, calm, balanced, but unmistakably a man with a mission: Asmo Kalpala, the CEO of the Tapiola Group. Both his missions seemed extremely challenging: bringing Tapiola into steady waters and steering the group towards a top position in Finland. And working towards a strong representative organisation for the mutual insurance sector in Europe. And so he worked as it was his characteristic way: calmly, gradually, but steady and never wavering.

Missions accomplished, he can say today. At home, after the merger of Tapiola with Local Insurance group, the new group is the market leader and most solvent player in the non-life market. And in Brussels, soon after identifying the potential of a merger of ACME and AISAM, he tackled it, pursued the goal relentlessly and – no surprise – was chosen as AMICE’s first President. Today, AMICE is well-established and a strong and respected voice for the sector in Europe.

I paraphrase my opening questions: What makes the difference in a truly mutual manager? What made Asmo what he is, and what made him so successful? Again, the formal response is easy: knowledge, intelligence, perseverance, to name but a few. But this can be said of many and again we have to dig deeper, which is not so easy this time. There must be more ...

My strongest recollection of Asmo and his ways is the phone call I received from him a while after I had taken leave from my international activities and had left the AISAM Board. Relations between the association and its Dutch members had deteriorated, but times were hard for me and I did not spare many thoughts about what was going on in Brussels. And then one day during a drive to Germany, my phone rang. And Asmo simply said: “Cor, I want you to come back.” – “No,” I said, “I can’t. And I don’t want to. I am too busy. And you know that I had good reason to take a time-out.” Asmo’s next question was very simple: “And if I personally ask you to come back?” And my reply was equally simple and short: “Then I’ll come back.” You just do not let down such a man.

Is the answer to above questions now evident, why mutuals are so successful and why Asmo is so successful? What do they have in common? Or, perhaps in other words: What makes mutuals, Asmo and AMICE such a perfect match? It is THE HUMAN DIMENSION. Mutuals are organisations of and for people, based on attention and commitment towards another; and Asmo is no different. The hard facts are surely important, but it is the human aspects that determine success in the longer run. The common success story of the mutuals and of Asmo is a story of the human dimension in business and in life.

So, we have to say goodbye to Asmo Kalpala. Tapiola loses an excellent CEO, AMICE loses a great President, and we all lose a good colleague and, before all, a wonderful friend. We all can only wish him that he can, from now on, take things a bit easier. And we all can only thank him in deep appreciation for all that he has contributed to the solid position of mutuals in Finland and in Europe. Kiitos ja hyvästi!

Cor Ensing
Motor liability insurance no-claims bonus cover: LocalTapiola’s first joint customer benefit

The Finnish LocalTapiola group officially began operating on 1 January 2013. The most significant changes took place in non-life insurance operations, when Local Insurance and Tapiola non-life insurance companies merged to form LocalTapiola General Mutual Insurance Company. The partners began offering their first joint customer benefit – a no-claims bonus cover for motor liability insurance – in summer 2012, before the official merger date.

No-claims bonus cover, which protects customers from losing their no-claims bonus in the event of a road accident, can be obtained by drivers who have had a 70% no-claims bonus for three years without accidents. The benefit applies to private cars and private customers only. Customers are not required to take any action in order to obtain the cover. Instead, no-claims bonus cover is automatically included – without surcharge – in Tapiola and Local Insurance motor liability insurance policies that have enjoyed the full 70% no-claims bonus for at least three years. The aim of no-claims bonus cover is to reward skilled Finnish drivers who have had the full no-claims bonus for a long time, should a road accident occur. In the event of an accident, no-claims bonus cover for motor vehicle and motor liability insurance could easily be worth hundreds of euros.

No-claims bonus cover for previous motor vehicle insurance policies

For Tapiola’s renewed motor vehicle insurance policies, no-claims bonus cover came into force in 2011. No-claims bonus cover was included in Local Insurance’s comprehensive motor vehicle insurance as of 1 June 2012. All new LocalTapiola customers have been eligible for no-claims bonus cover for motor vehicle and motor liability insurance since the beginning, provided that they had enough accident-free years with their previous insurance company. Once no-claims bonus cover has been used for an accident, it must be accumulated again through careful driving. When changing car, no-claims bonus cover is automatically transferred to the new car if the insurance policy remains with LocalTapiola.

Continuing product combination

As regards other products, LocalTapiola also added flood damage insurance to home, farm and real estate insurance as of 1 January 2013. In addition to joint motor liability and motor vehicle insurance, joint boat insurance was launched at the beginning of 2013.

The merger extended the coverage of LocalTapiola Life and Tapiola Bank services to all of LocalTapiola’s approximately 300 offices throughout Finland. The next step in the LocalTapiola merger in 2013 will be to transfer non-life insurance portfolios to the regional companies. The merger will be fully complete in 2014.

Commission Study on Mutuals – Consultation: State of affairs

On 11 March 2013, the European Commission (DG Enterprise and Industry) launched a Consultation on Mutual Societies and more specifically on the results of the 2012 study on the current situation and prospects of mutual societies in Europe.

AMICE’s members have worked very closely with the Secretariat over the past months, preparing a common answer by our association to the consultation. In a very constructive manner, members of AMICE’s EMS taskforce and their colleagues from the Legal Affairs taskforce provided valuable input for our common response.

In addition to numerous technical comments, we emphasised particularly the necessity to inform citizens and policymakers properly of our business model, to defend it against uninformed and unwarranted attacks and to extend it across the EU. We wrote:

“Against the background of the current financial crisis it appears that mutuals are likely to be more resilient than joint stock companies in such times. The large variety and diversity of mutuals in the various EU member states fosters competition and has a clear effect on providing increased consumer choice and product quality to a significant number of European Union citizens.

Our members conduct business in a socially responsible way and offer a broader choice of insurance products (covering specific sectors and niche markets) to their customers-owners. Moreover, given the specificities and the proximity embedded in our business model, our members act as significant local employers investing responsibly in the well-being and growth of their local communities.”

The consultation is available from the website of the Commission; AMICE’s response can be found in the Publications > Positions section of our website.

New solvency rules for pension funds are postponed, but …

In a statement made in Brussels on 23 May 2013, the Internal Market and Services Commissioner, Michel Barnier, specified his intentions with regard to the future regulation of occupational pension funds within the European Union.

A legislative proposal for a Directive addressing the governance and transparency of IORPs can be expected for the autumn of 2013. It will address the “pillars 2 and 3”, as we know them from the Solvency II project, namely governance, transparency and reporting requirements. The Commissioner noted that, in these areas, there seems to be a broad consensus supported by a majority of stakeholders – at least on the principles of regulation.

In contrast, the proposal shall for the moment not cover the issue of the solvency of pension funds. The Commissioner explained that, in view of the very diverse landscape of retirement products and pension funds in the Member States of the EU, more comprehensive data is needed and the technical work on solvency for this sector has to continue. Moreover, Solvency II for insurers is not yet completed.

AMICE has repeatedly underlined that the provisions of the Solvency II framework should indeed serve as the basis for regulating all financial institutions providing occupational pension products, even if a certain need to adapt individual Solvency II provisions to pension activities is evident. After all, the level of protection under Solvency II is clearly higher than that under Solvency I. Therefore, AMICE argues, it would be neither sensible nor defendable to establish a less protective regime for institutions providing occupational retirement products.
Annual General Meeting 2013

AMICE’s Annual General Meeting took place in Brussels on 11 June 2013, preceded by a Gala Dinner on the Grand’ Place on the evening of 10 June. Almost half of AMICE’s members and observers were present or represented.

On the afternoon before the dinner, European Commission Vice-President Olli Rehn welcomed the attendees and gave insights into social dimension of the current economic and financial crisis. He encouraged the mutual and cooperative insurance sector to take on a proactive role in ensuring affordable and sustainable social services throughout Europe.

At the AGM, Asmo Kalpala stepped down after six engaged and successful years as the President of the association. Since the term of the complete Board also ended, the delegates elected a new Board (see list on the right) and, from among the Board, Hilde Vernaillen, the CEO of P&V Group (BE) as AMICE’s new President. Werner Görg from Gothaer (DE) and Marcel Kahn from ROAM (FR) were re-elected as Vice Presidents, and Robert Lilli of KÖBE (HU) is the new Treasurer.

The General Meeting also approved the 2012 accounts, a revised budget for 2013 and the budget for 2014, maintaining membership fees at the same level as in 2013.

AMICE Health Symposium

Emphasising the unique positioning and the preparedness of the mutuals and cooperative insurance sector to step in where the public hand withdraws from providing cover in the area of health, is one of AMICE’s leitmotifs in the work year 2013/2014.

Over 60 attendees from AMICE members and other stakeholders therefore came to the AMICE Symposium on “Providing sustainable and affordable healthcare in the European Union – the mutual way” in the morning of 11 June 2013 in Brussels.

In view of the challenges arising from demographic changes such as the universal access to safe, high-quality, affordable and efficient healthcare services, the symposium offered the opportunity to obtain an overview of existing systems in Europe and the core policies developed by the European Commission (DG SANCO), to hear about three successful national solutions (France, Netherlands, and Germany), and to discuss the potential role that mutual and cooperative insurers could play in securing the level and quality of health cover for European citizens.

AMICE’s AGM appoints the new Board

President
Hilde Vernaillen, P&V Group (BE)

Vice-Presidents
Werner Görg, Gothaer (DE)
Marcel Kahn, ROAM (FR)

Treasurer
Róbert Lilli, KÖBE (HU)

Members
Wolfgang Bitter, Itzehoer (DE)
Grzegorz Buczkowski, TUW SKOK (PL)
Jean-Luc de Boissieu, GEMA (FR)
Patrick Forget *, Covéa (FR)
Markus Hongler, Swiss Mobiliär (CH)
Wim Janssens, Achmea (NL)
Luigi Lana, Reale Mutua (IT)
Hans-Christian Marschler, R+V Versicherung (DE)
Pablo Mongelos García, Seguros Lagun Aro (ES)
Christophe Ollivier, FNMF (FR)
Marisa Parmigiani, Unipol (IT)
Anu Pylkkänen*, LähiTapiola (FI)
Conrad Rombout*, Univé Schade (NL)
Richard Rowney, LV= (UK)
Patrik Schinzel*, Folksam (SE)
Mogens N. Skov, Kebstådærenes (DK)
Ann Sommer, Länsförsäkringar (SE)
Bernard Thiry, Ethias (BE)
Jorge Vázquez Morenés, Mutua Madrileña (ES)
Wolfgang Weiler, HUK-Coburg (DE)
Dimitrios Zorbas, Syneteristiki (GR)

*new on the AMICE Board

AMICE’s Annual Report

AMICE’s Annual Report is available in English and French from the association’s website.

AMICE’s Annual Report 2013
Meeting of European Mutual & Cooperative Reinsurance Managers

On 23-24 May 2013, 31 reinsurance experts from 12 European countries came together to jointly discuss recent and upcoming challenges in the area of reinsurance.

Organised by the AMICE taskforce on reinsurance, the fifth meeting of this series was hosted by the Finnish LähiTapiola in Helsinki and offered a broad range of topics among which: matching reinsurance to regulation; developing new products; spreading the risk; catastrophe management and outsourcing versus in-house IT systems for reinsurance programmes. Alternating with the different contributions by key speakers, the group split into smaller working groups to elaborate on these inputs and to share their own experience.

AMICE Members will find the presentations and the conclusions in the Events section of the Members’ Meetings area of the AMICE website.

Save the date – Reinsurance Training for Non-Reinsurers

On 18-20 September, the AMICE/ICMIF “Reinsurance Training for Non-Reinsurers” will take place at P&V Group in Brussels. Designed by the AMICE Taskforce on Reinsurance, the training will be highly interactive and outcome focused, offering valuable insights into the basics of reinsurance. It combines 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.

The course has been developed for people who are new to the reinsurance department and or have a role that demands at least a working knowledge of how reinsurance operates. Participants will develop a clearer understanding of the basics of reinsurance, gain a deeper practical knowledge of the reinsurance process, learn how reinsurance can be used to support your company’s business strategy and develop a network of peers from other mutual and cooperative insurers in Europe and beyond.

For further information, please contact Jessica Sommer at the AMICE Secretariat or Mike Ashurst at ICMIF.
Next MCN/WCI seminar on 3-4 October in Italy

Under the title “Addressing tomorrow’s challenges & shaping the future for European insurers of people”, an AMICE seminar will take place at Reale Mutua in Turin on 3-4 October 2013. Prepared by our Taskforces on Motor Claims & Workers’ Compensation, the meeting aims at discussing some of the future key challenges for European insurance undertakings.

A high level speaker from Capgemini will deliver a keynote speech on drawing key lessons from their World Insurance Report 2013. Subsequently, a number of presentations will address topics of common interest such as mediation systems, data protection, fraud prevention and fraud management in Europe. On the second day, practical case studies on some of these topics will provide ample opportunity for, more detailed and focussed discussion.

Whatever your insurance area of expertise, whether motor, accident, health or workers’ compensation, or if you have an interest in the broader remit, you will find useful aspects to the programme.

And of course, this is the opportunity to exchange and network with your peers from other AMICE members and to get to know the hosting company Reale Mutua. As the number of places is limited, please visit AMICE’s website for more details and to register.

→ AMICE meetings and events

- 24 July . . . . . . . . Brussels . . . . Solvency II taskforce
- 9 September . . . . Brussels . . . . Legal Affairs taskforce
- 16 September . . . . Brussels . . . . Communications working group
- 16 September . . . . Brussels . . . . Solvency II taskforce (tbc)
- 16 September . . . . Brussels . . . . AMICE reception
- 17 September . . . . Brussels . . . . Executive Committee
- 18-20 September. . . . Brussels . . . . Reinsurance Training for Non-Reinsurers (AMICE/ICMIF event)
- 23-24 September . . . . Bologna . . . . CSR taskforce
- 3-4 October . . . . . . . Turin . . . . . . . . MCN/WCI seminar
- 24 October . . . . . . . Paris . . . . . . . . Meeting of national mutual associations
- 29 October . . . . . . . Brussels . . . . . . . . Executive Committee (tbc)
- 30 October . . . . . . . Brussels . . . . . . . . Communications working group
- 12 November . . . . Madrid . . . . . . . . Board
- 12 December . . . . Brussels . . . . . . . . CSR taskforce