Dear friends,

The Congress in Nice has again convinced me of the value that our association can bring to its members. Listening to the speeches by the invited experts, following the case studies from our members of all different sorts, and mingling with the 200 participants during breaks or at the fabulous gala dinner, I felt the spirit of unity: “United in Diversity” we were in Nice and this also applies to our work in the association.

At the same time, I felt the potential that we have and that we will have to unfold in the future. The elections to the European Parliament and the renewal of the European Commission provide us with new stakeholders. Work in and with the new Parliament will be different, but not necessarily more difficult for us than before. The pro-European political groups may have to cooperate more closely – but this means that they will have to pay greater attention and more respect to each other’s political views.

On the other hand, I also think that our sector has a case to stake in the discussions with those that argue in favour of more decentralised solutions, of more proximity to the citizen, of “less state”. What else is mutual and cooperative insurance? Our model is based on citizens’ involvement, on member-driven business decisions and on fulfilling an important societal role in times of declining public-hand engagement.

With the European Mutual Insurance Manifesto, we have a tool in hand to inform policymakers about the great contribution of our sector to the well-being and security of European citizens and to forge alliances with them towards full recognition of the mutual and cooperative business model as the true and original alternative in insurance.

I invite you also to use the Manifesto at home, in your societies and for the information and education of your own political stakeholders. For the benefit of your members, the citizens of your country and of society at large – for truly mutual benefit.

Hilde Vernaillen
Tackling age-related problems in Belgium: three AMICE members join forces

Three Belgian insurance companies, Ethias, Intégrale and P&V, have joined forces to reflect on weighty social problems relating to ageing and its impact on the country. The three insurers, all members of AMICE, had a fresh look at the social aspects of pensions, healthcare and age-related long-term care. They assert that the solutions must be thoroughly rethinked. In order to map out the avenues for solutions to this social challenge, three conferences have been scheduled. The first was held on 15 November 2013, in Brussels, on “The economic and budgetary problems of ageing in Belgium” and the second conference was held on 21 March last on “Long-term care, the challenge of ageing”.

The initial focus was on diagnosing the problem in a general way. Bernard Thiry, CEO of Ethias, explained the following points in his introduction on the two big challenges of ageing.

- how to ensure the future of the current retirement schemes;
- how to keep healthcare costs under control.

Next, several specialists explained their ideas in this area. Each focussed on a particular aspect of the problem and tried to outline solutions.

Pension costs in Belgium, which today account for around 10% of GDP, will evolve (based on forecasts of economic growth, productivity increases, and changes in the population, above all, in the age groups) by up to 13.6% in 2030 and nearly 15% in 2060. The cost of healthcare will increase from 8.1% of GDP in 2012, to 10.7% in 2060. The total cost of the Belgian system is forecast to increase from 25.8% of GDP in 2012, to 29.1% in 2030, and to 31.2% in 2060.

The rise in healthcare costs is attributed to the ageing population as well as to advances in medicine and its applications. The ageing population will need more and more long-term care.

We are already seeing that chronic diseases, such as Alzheimer’s and Parkinson’s, diabetes and even several types of cancer, are increasing sharply. These diseases require specific care and, in many cases, specialised care institutions.

In her introduction to the second conference, Hilde Vernaillen, CEO of P&V, explained the day’s theme, age-related long-term care, a subject that directly or indirectly affects many people.

The many speakers and discussion panel members came from a wide range of spheres of activity: representatives of mutuals, senior citizens, care institutions and academia.

The first presentation described the long-term care landscape in Belgium, after which Corinna Hartrampf, Project Manager at the Association Internationale de la Mutualité (AIM), provided four examples of programmes that directly or indirectly relate to support, communication and assistance for the elderly.

Then the audience listened to a description by Jean-Louis Davet, Director of MGEN, of a distinctly innovative offer in the area of care insurance in France.

The panellists demonstrated that people who are already frail owing to their state of health may be quickly challenged, along with family and friends, by other issues, including financial ones. Another subject taken up by the panel concerned preparations for old age, from the material and financial standpoints as well as prevention, along with better information and sensitivity towards people before they become dependent. Another aspect discussed concerned advances in gero-technology, i.e. all the techniques designed to help the aged.

Speakers and panellists stressed that together we can work effectively even in an austere budgetary climate to maintain the quality of life of the elderly for as long as possible.

The third conference will take place in the autumn and will be devoted to specific solutions for pensions, in particular pensions that Belgian social economy insurers offer.

Solvency II – Consolidated version including Omnibus II

Lieve Lowet, partner at ICODA European Affairs, has just finalised updated versions of her Solvency II compilation in EN and FR (in printed and e-book formats), inserting all amendments made since the publication of Directive 2009/38, including Omnibus II.

For further information see
Advocacy | Updates

Solvency II

With Omnibus II being “on the books”, the Delegated Acts are approaching their finalisation. In a discussion with the incoming Presidency, we have urged the Italian financial attaché to see to it that the Council would not use the full six months of comments period once the Delegated Acts are published by the Commission. We will make the same request to the EP’s ECON Committee.

Dutch consultancy firm Second Floor has developed an Excel-based SCR calculator, based on the QISS templates, but updated to account for the last changes in Omnibus II and the Delegated Acts. Please contact Silvia Herms at the Secretariat to obtain your copy.

On the proportionality front, we regret to see that the Commission no longer pursues the idea of exempting small insurers from the strict obligation to keep the internal control function independent. Discussions now go in the direction of opening the opportunity to national supervisors to “trade off” slightly easier governance requirements against some additional reporting requirements.

A great concern remains the plans of the ECB to ignore the possibility in Solvency II to exempt smaller insurers (up to a joint market share of 20%) from quarterly reporting. AMICE was part of an industry delegation that met with ECB experts on the issue and also submitted written comments requesting that ECB rules should not deviate from the proportionality elements gained in Omnibus II. Our comments were also circulated to all national central banks present at that meeting.

AMICE has finalised and submitted its comments to EIOPA on the Implementing Technical Standards on approval processes (among others for Undertaking Specific Parameters and Ancillary Own Funds). The next wave of consultations by EIOPA started on 2 June with the so-called “first set of Guidelines” (Pillar 1 including Internal Models, Governance and ORSA). The consultation will last until 29 August. This is why the Solvency II WG will meet twice during the summer months to develop AMICE’s response.

For further information on AMICE’s Solvency II work, please contact Silvia Herms.

European Mutual Statute

Just before Easter, DG ENTR sent a draft text for a European Mutual Statute to all Commission DGs in the form of a “recast” of the European Cooperative Statute. The “recast” technique leaves all existing provisions for European cooperatives untouched, but extends, where possible, their application to European mutuals. Articles that are not applicable to mutuals (e.g. on cooperative shares) are being explicitly restricted to cooperatives while other provisions relating to specifics of mutuals (e.g. on mutual groups) are added.

Feedback from several other DGs is reported to have been favourable, but the Secretariat General of the Commission has stopped the process as the Regulation has to be accompanied by a Directive on employee involvement for which DG EMPL has the responsibility. AMICE has addressed letters to Commission President Barroso and Commissioner Andor requesting progress on the dossier and in particular the swift presentation of a draft Directive.

Meanwhile, the Secretariat remains in constant working contact with Commission services at DG ENTR with the aim of assisting the officials by making concrete proposals for text improvements.

Other regulatory issues

During the past months, AMICE also sent comments to the IAIS on their draft issues paper on group governance, a project where we had already been involved throughout the drafting process. Members of the Regulatory Affairs WG also received updates on the new Audit Directive and Regulation, on the priorities of the Italian Council Presidency, on developments around the Equal Treatment Directive of 2004, and on the EIOPA consultation on conflicts of interest in PRIIPs selling.

Members interested in receiving such updates should contact the Secretariat and request inclusion in the distribution list for such information.

Promotion | Updates

The Promoting Mutual and Cooperative Values and Communications working groups saw their main projects of the past months closed with the successful Congress in Nice where the European Mutual Insurance Manifesto was presented. The Promoting WG will discuss potential new activities in the autumn and the Communications WG will, in addition to its ongoing activities, turn to new projects, too.

Social Media Survey

More and more EU companies are active on social media networks to share information and build a relationship with various stakeholders. This new communication channel has the particularity of enabling two-way communication that is not possible with conventional media. The Secretariat is currently carrying out a survey among AMICE members on the use of social media with the aim of getting an overview and understanding better the extent and practices of the sector. The aggregated results will soon be available. We will discuss them in the Communications WG and share them with all members so that they, too, can use the findings in their own social media strategies.

The re-launch of Associations’ Meetings

After a longer interval and for the first time since the adoption of the revised AMICE strategy, AMICE’s association members from Belgium, France and Netherlands met on 23 June with their (non-member) colleagues from the UK (AFM), Denmark (Gjensidig) and Germany (ARGE VVaG) and from ICMIF to exchange information about developments and activities in their associations and their national markets. The group agreed on maintaining the relatively informal character of their group which will meet about twice a year. How to present and roll out the European Mutual Insurance Manifesto in their respective countries was also one of the agenda items of the meeting.
AMICE in Nice, 4-6 June 2014

Congress

“With about 200 participants from almost all European countries, this congress is already a success!” AMICE President Hilde Vernaillen said at the opening – and a success it was from beginning to end. All sessions were well attended, right through to Friday, and presentations found an attentive audience, whether given by external experts or AMICE members. All available presentations can be downloaded from the dedicated website http://www.insurance-mutuals.org/html/congress_2014.html. There, you will also find the three editions of the congress newsletter with brief overviews of the sessions and many photos of the event. We will also shortly publish a longer report – our thanks go to Stephanie Dedeyan from French member MACSF for writing these.

For the welcome reception, the Mayor of Nice hosted us in the beautiful venue of the Villa Massena and for the Gala Dinner we went to Domaine Mont Leuze – quite an impression for all lucky enough to be there. For a taster of these events, have a look at some of the photos available via a link on the same website.

The organisation of the Congress would not have been possible without the availability of the hosting associations, GEMA, FNMF and ROAM, the hard work of all their staff, and the support of the sponsors, AON Benfield, SCOR, OFI Asset Management and Swiss Re.

General Meeting

In the morning before the opening of the Congress, Hilde Vernaillen, President of the association since 2013, opened her first General Meeting, sharing her vision for AMICE on the basis of the new AMICE Strategy 2013-2018. The revised objectives of the association follow three main strategic axes, also reflected in the three Commissions: Promotion, Advocacy and Assistance. The Commission Chairs, Grzegorz Buczkowski (Promotion), Anu Pylkkänen (Assistance) and Patrik Schinzel (Advocacy) reported about the achievements during the past year in their areas of responsibility. Members can download the presentation from the Member Area of the AMICE website and the 2013 Annual Report is available in the Publications Section of the AMICE website or, in printed format, upon request from secretariat@amice-eu.org.

The General Meeting approved a series of amendments to the Articles of Association: allowing a Board member to be re-elected more than twice; clarifying the role of the Presidency; allowing the Secretary General to attend the Nomination Committee, and giving the General Meeting the duty to nominate the statutory auditor in line with Belgian legislation. Following this last decision, the General Meeting confirmed Ernst & Young as AMICE’s auditor for the financial years 2014, 2015 and 2016.

The General Meeting also received the financial report (available for members in the Member Area of the AMICE website) by Treasurer Róbert Lilli and approved the accounts for 2013 with a surplus of EUR 45,412. The meeting also approved a revised budget for 2014 and the budget for 2015 with unchanged fee levels.

The General Meeting extended warm wishes to the three Board members leaving this June: Jean-Luc de Boissieu, GEMA (FR), Werner Görg, Gothaer (DE), and Anu Pylkkänen, LähiTapiola (FI), and noted two other earlier departures: Marcel Kahn, ROAM (FR) and Mogens N. Skov, Købstædernes (DK). Arnaud Chneiweiss, GEMA (FR) and Jari Sundström, LähiTapiola (FI) were welcomed as new Board members and Martin Nielsen, GF Forsikring, Denmark, was confirmed, having been coopted earlier in the year. Wolfgang Weiler, HUK-Coburg, Germany, was unanimously elected as new Vice President.

The next General Meeting will be held in Brussels on 12 June 2015.

Save the date in your diaries now:
1-3 June 2016
Ghent, Belgium
European Mutual Insurance Manifesto – United in Diversity

The Congress in Nice provided the perfect setting for presenting AMICE’s European Mutual Insurance Manifesto 2014 (EMM).

Against the backdrop of the continuing information deficit among European policymakers (and citizens) about mutual and cooperative insurers, this Manifesto reaches out to the newly elected members of the European Parliament and to the new Commission, to regulators and to national political instances. It invites them to understand the sector better, to value the member-oriented services that it brings to citizens, and to support the diversity and stability that mutuals and cooperatives bring to the markets in which they operate.

The Manifesto demonstrates the relevance of our sector throughout Europe, it explains in straightforward terms why mutual and cooperative insurers benefit Europeans and proposes an action plan under which the European Parliament and the Commission can help to maximise the contribution of mutual and cooperative insurers to Europe’s economy and society.

• In the area of policy actions, we call on the policymakers to give full consideration to the impact of all legislation on the constituents of our sector, to provide the same freedom to do business, to preserve and enhance business diversity, and to promote our business model as the true and original alternative to shareholder ownership.

• In the area of institutional actions, the Commission should endorse a clear roadmap for mutuals, including projects to quantify market diversity and to measure the footprint of mutuals, to develop a diversity roadmap for regulators, and to establish a dedicated unit for cooperatives and mutuals in the Commission to coordinate work in support of the principles of the Manifesto.

• In the area of actions to influence others, the EP and the Commission should use their position and its weight in discussions with Member States and with bodies like EIOPA and the IAIS to ensure that also at these levels mutuals and cooperatives are properly recognised. This includes insistence on a proper application of proportionality in the implementation of Solvency II in the Member States and by EIOPA and national regulators in the development of standards and guidelines and their day-to-day application.

The EMM will be disseminated widely in Brussels and to key contacts throughout Europe. We offer it also to members and ask them to make use of it in their national campaigns towards a better knowledge and understanding of our sector. It is available electronically, and printed copies are also available (in English) without cost from the secretariat.

New statistics (2012) about our sector: 28.4% market share in Europe

At the Congress we also presented Market Insights Europe 2012, a joint publication by AMICE and ICMIF in EN and FR. The report shows that in 2012, the market share of the mutual and cooperative insurance sector has continued to grow in Europe, in life and non-life insurance.

Overall, the market share of the sector reached 28.4%, up by 2.5 percentage points (or 10%) from the 2008 level. Our standing in the non-life sector is traditionally stronger (32.5% market share in 2012), but also in life insurance, more than a quarter of Europe’s premium volume (25.3%) is taken in by the mutual and cooperative insurance sector.

About half of Europe’s close to 6,000 insurance undertakings have a mutual or cooperative background and they employ more than 350,000 staff.

Market Insights Europe 2012 is part of a package of market statistics recently produced by ICMIF. See http://www.icmif.org/publications.
Eye witness account from AMICE

Three months in a new country, with daily doses of different languages, new habits and many meetings with interesting people? Of course I wanted to do a secondment at AMICE!

My name is Johanna Eriksson and I am an actuary at the mutual insurance company Folksam in Sweden. During my three months at the AMICE office in Brussels I had the chance to meet people both within the insurance industry and at the EU institutions. It’s been very valuable to get a closer look at how new laws are made in the power centre of Europe.

I definitely won’t forget the day when I attended a meeting at the European Parliament. This particular day they were discussing whether the time of preparation for a vote had been enough or not. The meeting did indeed end with a vote but it wasn’t a vote about the question itself but only a vote about whether or not they should do the real vote. I found it quite amusing, I must admit. But I have also, on other occasions, been convinced about how much is achieved and decided here in Brussels. I’m not sure if we at a national level always understand how important the decisions taken here are for our own countries.

At Folksam I work with sickness and disability insurance and back in Sweden I manage a team working with these health products. Because of this I spent a lot of my time at AMICE learning about health insurance in different countries. My first conclusion was that there is no social health system similar to another. All countries for example have their own priorities when it comes to what kind of health protection they want to provide to their citizens. And since the private market depends on what is already covered by the state, it makes the private markets very different too.

Another thing I learned is that a trend in many countries is that the states are withdrawing from social protection due to lack of resources. This makes the responsibility for private insurers bigger. It is indeed a challenge now and in the future to manage this important task in the best way for the security of all citizens and I think that we as mutuals can play a big role. AMICE will launch a new working group in September handling this topic and at the first meeting I will present the most interesting findings I have so far. It will be very exciting to see what can be achieved in this working group.

One of the most enjoyable things about working at the AMICE office was that everyday I heard different languages in the hallway outside my room. A very international feeling that I liked a lot.

But the best part of working at AMICE was to meet so many experienced and competent people. It has truly been a pleasure to visit institutions, organizations and companies and hear more about them and how they work.

I am very happy that I have had the opportunity to do this secondment at AMICE. It has given me so much new insight and a lot of new ideas to bring into my and my colleagues’ daily work at Folksam.

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CSR working group

On 26 March, the group invited the European Commission official responsible for the EU directive on non-financial disclosure and received a status update. In a Q&A session, participants were able to gain clarification on issues of particular concern to them. After the meeting the Secretariat prepared an e-mail information note on the issue and sent it to AMICE members.

The next meeting of the WG with a focus on “CSR driving innovation” will take place in Brussels on 8 September, with more details on Unipol’s incubator and crowdfunding projects presented at the AMICE Congress in Nice, and examples of how CSR affects your product development, such as insurance for electric bikes or solar panels.

Reinsurance working group

The Reinsurance working group is busy planning the next Meeting of Mutual and Cooperative Reinsurance Managers to be held in April next year: more news on exact dates and venue to be announced shortly!

Health working group

The working group on health aims to exchange experiences and follow developments in the health area which is considered to be a priority area for many AMICE members.

Insuring people’s health is a broad area and covers sectors like medical insurance, sickness and disability insurance, workers compensation, critical illness, and more.

Examples of suggested topics to be explored by the Health working group include:

- Changes in national health systems (and the impact on health insurance)
- The mutual sector’s role in offering insurance products and providing (or just giving access to) healthcare services
- Exchange of views on national questions and how to solve problems faced
- Exchange of best practices (for example, analysis and pricing of medical risks, collection, treatment and use of data, risk selection, how to avoid moral hazard)
- EU legal/regulatory issues (in cooperation with the AMICE Advocacy Commission)

The kick-off meeting will take place on 24 September 2014 at the AMICE offices in Brussels. For more information contact helen.sheppard@amice-eu.org.
AMICE meetings and events

- 08 July ............... Brussels .......... Solvency II working group
- 25 August ............. Brussels .......... Solvency II working group
- 08 September .......... Brussels .......... CSR working group
- 09 September .......... Brussels .......... Executive Committee
- 09 September .......... Brussels .......... Presidency Meeting
- 10 September .......... Brussels .......... Reinsurance working group
- 10 September .......... Brussels .......... Communications working group (tbc)
- 22 September .......... Online ............. Solvency II working group
- 24 September .......... Brussels .......... Health working group
- 16 October ............. Brussels .......... Solvency II working group
- 04 November .......... Brussels .......... Board
- 13 November .......... Brussels .......... Associations Meeting (tbc)
- 18 November .......... Paris .......... CSR working group
- 27 November .......... Online ............. Reinsurance working group
- 28 November .......... Brussels .......... Solvency II working group

External Events Calendar

  Infoline
  *10% discount for AMICE members.
  Please contact the Secretariat to get your promotional code.

  Infoline
  *15% for AMICE members

  FC Business Intelligence
  *GBP200 discount for AMICE members.
  Please contact the Secretariat to get your promotional code.

  The International Summit of Cooperatives

  Centre for Sustainability and Excellence
  *15% discount for AMICE members.
  Please contact the Secretariat to get your promotional code.