United in Diversity
The European Mutual Insurance Manifesto 2014
Summary

Policy Actions

Institutional Actions

Actions to influence others
The manifesto sets out the importance of the mutual and cooperative insurance sector to the mission of the European Union. It explains the crucial role that these businesses play in providing financial security to citizens across many of the countries within the Union. It is the contribution of a sector that serves more than 200 million EU citizens, employs some 350,000 people and contributes positively to European prosperity.

It describes how mutual and cooperative insurers are good for markets and competition. Their different ownership structure allows them to focus on the needs of their customers for high quality products at good prices, rather than the interests of investing shareholders.

The presence of these mutual businesses creates a strong competitive force in the insurance market which can drive all firms, regardless of their ownership structure, to price their products competitively.

Mutuals and cooperatives also help to spread risk in economies. The experience of the global financial crisis is one that shows the danger of too many financial services institutions being owned by outside shareholders and listed on stock markets. The high importance of a diverse range of ownership types and business models in these sensitive sectors should be reflected in the active policy of the European Union and its Member States.

Yet, with the valuable contribution of mutual and cooperative insurers not in doubt, it is remarkable that these firms often are not able to take full advantage of the freedom to provide services that is the cornerstone of the Union. Many countries restrict mutual and cooperative insurers from competing equally with their listed counterparts, and providing even greater value to the economy and society of the EU than they currently do.

We have seen that the European institutions increasingly recognise the value of our sector. The European Economic and Social Committee has always been aware of the importance of mutuals and cooperatives, the Parliament passed two landmark reports (Toia and Berlinguer) in 2013, and the Commission study of 2012 on the situation and prospects of mutuals sets the scene for the new Commission of 2014-2019.

With its recent proposal for a Statute for a European Mutual Society alongside the already existing Statute for the European Cooperative Society, the Commission has demonstrated its commitment to mutuality and to the mutual business model in insurance.

**Six factors that show why mutual and cooperative insurers are good for Europe:**

- A different business purpose
- Customer trust and accountability
- Society and community
- Competition
- Corporate plurality and diversity
- Economic resilience and sustainability
The European Parliament and the Council as co-legislators are now called upon to take up the issue and work constructively towards establishing this landmark legislation.

This manifesto calls for **further action** from the European Commission and the European Parliament. It calls for a **formal recognition** of the value that mutual and cooperative insurers add to the economy and society of the EU. Even more than this, it calls for action to translate this recognition into **meaningful improvements** to the regulatory, legal and business support structures of the EU and its Member States.

We have outlined a detailed action plan with three sections under which the European Commission and European Parliament can help to maximise the contribution of mutual and cooperative insurers to Europe’s economy and society.

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**Policy actions**

“We call upon the European Commission and European Parliament to endorse a Mutuals Manifesto that will establish the principles for working with the mutual sector.”

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**Institutional Actions**

“The Commission, with the political support of the Parliament and the Member States in the Council, can be an agent for change to improve the competitiveness of the single market by empowering mutuals to play their full role.”

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**Actions to influence others**

“The European Commission and the European Parliament should also use their influence on others in pursuit of the objectives established in the principles of the Mutuals Manifesto.”

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The Commission and Parliament must be guided by a **clear purpose** that is mindful of the mutual and cooperative sector when making rules and regulations. We propose principles that should guide their actions in dealing with mutuals; and the policy objectives that they should endorse.

The mutual and cooperative difference must be understood and reflected in the actions of the European Commission when it proposes and the Parliament and the Council when they discuss and pass laws, seek to regulate activities, or set policy objectives. We propose **institutional changes** that the Commission and the co-legislators can make to ensure the implementation of the above policy objectives and principles.

Much of the day to day business of mutuals is determined by regulators at the national and international level. We suggest ways that the Commission and Parliament can influence the actions of other relevant institutions and national governments.
Mutual and cooperative insurance in the EU

More than one in three Europeans is protected by a mutual or cooperative insurer

Market share of mutual and cooperative insurance in Europe

To obtain the full European Mutual Insurance Manifesto in hard copy or in electronic format please contact tatiana.paraskeva@amice-eu.org

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AMICE is the voice of the mutual and cooperative insurance sector in Europe and advocates for appropriate and fair treatment of all mutual and cooperative insurers in a European Single Market.

The mutual and cooperative sector accounts for more than half of the almost 6,000 insurance companies in Europe and more than 28% of premiums. With 110 direct members and representing 1,000 more insurers indirectly, AMICE, the Association of Mutual Insurers and Insurance Cooperatives in Europe, speaks for a significant part of the insurance sector.