

News

june 15



Hilde Vernailen
President

AMICE's General Meeting was as usual the opportunity to review the good work of the association and its Commissions over the previous year, but it was also the occasion to look to the future.

Dear colleagues,

I believe that now is the time to build a better and stronger AMICE for the benefit of members. We have to make sure that our business model is understood, that AMICE's voice is heard at the European institutions, and that the sector is able to face the current global challenges, whilst staying true to its values and principles. The European Mutual Insurance Manifesto should be our guide to help us gain the recognition the sector deserves.

But to strengthen the representation of the mutual and cooperative sector in Europe and worldwide at the same time, the AMICE Board believes that AMICE should work more closely with ICMIF on a structural basis. This means finding synergies in the activities, resources and tools of both associations to increase value to members. It means all European mutual and cooperative insurers being part of the European organisation and the international one for one membership fee, without any obligation to be more or less active in one or the other association than they are today.

Discussions are at a very preliminary stage within AMICE's Board and ICMIF's Executive Committee but the common vision is to develop one global ICMIF organisation, acting as an umbrella (supporting, coordinating) with strong regional branches. AMICE, the European regional branch, will remain based in Brussels, retain its own legal personality, be governed by its own Board, and have its own budget and resources.

To take this vision forward, the AMICE Board decided that a new Secretary General should be recruited, a process which is currently ongoing following the departure of Gregor Pozniak. The other members of the AMICE secretariat continue to ensure, as far as possible, that members receive the services they expect from their European association in the meantime.

I and the other AMICE Board members will of course continue to inform you as the discussions progress and we hope to have a proposal ready for the General Meeting in 2016.

Hilde Vernailen

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Five new members for AMICE

AMICE is proud to welcome five new members approved by the Board on 31 March and 18 May, bringing the number of countries represented by the association to 21. AR-CO from Belgium, SiVZK from Bulgaria, ECCU and IPB from Ireland and PSN from Spain present their organisations below:

AR-CO, Belgium



AR-CO was created in 1962 as a cooperative insurance company to provide professional liability cover for architects and engineers. In 2014 it had a turnover of close to €10,000,000.

It is both the leading and oldest Belgian company providing cover for this particular sector of construction insurance. It is managed by representatives elected by the General Assembly, the majority of whom are both policy-holders and members of the cooperative. The Board of Directors has been chaired since 2014 by Eric Bombey, an insurance practitioner, and he is supported in this role by two architects, Steven Daelman and Bernard Hemeleers.

Since its creation more than 50 years ago, its activities have expanded to include other professionals in the sector, such as: interior designers, landscape architects, health and safety coordinators, designers, surveyors, developers, project managers, etc. The company has also introduced a "Global Project Management Policy" for building professionals.

Outside of Belgium, AR-CO covers design offices in France, as well as the missions undertaken throughout the world by its Belgian policy-holders (with the exception of the USA and Canada).

SiVZK – Trade Union Mutual Insurance Co-operation, Bulgaria



The idea of creating the mutual insurance co-operation dates back to the autumn of 1996 and the first 36 insurance contracts were concluded in December of that year. At that time there was no specific law on insurance which only came into effect on 01.01.1997.

The mutual insurance co-operation obtained its license to carry on life insurance activities under the name "Medic-center" on 10.08.1998. In 2005, the insurer changed its name to Sindikalna Vzaimozastrahovatelna Kooperacia - SiVZK (Trade Union Mutual Insurance Co-operation). SiVZK had 31,483 members at 31.12.2014, from all strata of the population, but especially employees. Premiums for 2013 amounted to about €13,000,000.

Boris Georgiev, CEO of SiVZK says *"In the united European family – experience, reunification and lobbying are the most powerful instruments through which our voice can be heard and our interests protected. The choice to become members of AMICE is dictated by our irresistible desire and our hard will to change things and to achieve a normal legal framework where we operate - in the Republic of Bulgaria."*

ECCU Assurance Co. Ltd, Ireland



ECCU is the Irish credit union movement's own life assurance company. It was established to provide loan and savings cover on a group basis

to credit unions in the island of Ireland affiliated to the Irish League of Credit Unions (ILCU). The Board of Directors of ILCU are the Shareholders and owners of the Company. Key to ECCU's success over the years has been the simple business model which gives the company its low cost base. ECCU operates on a not for profit basis and each year any remaining surpluses once expenses and reserving requirements are met, are returned to policyholders in the form of a claims experience refund.

This ensures that profits and commission which would otherwise be lost to the external insurance market are kept within the credit union movement.

According to Gerry Jordan, CEO, *"As a not for profit captive insurance company owned by a cooperative of co-operatives, being a member of AMICE is a great opportunity for ECCU to share and benefit from ideas & solutions in dealing with the challenges and opportunities faced by similar organisations."*

Previsión Sanitaria Nacional (PSN), Spain



Previsión Sanitaria Nacional (PSN) is a mutual insurance company that brings together

more than 110,000 university graduates, most of whom are directly linked to the healthcare sector in Spain and Portugal. PSN offers personal and family protection insurance as well as savings and investment instruments. The company's development in recent years has been very positive, with growth of more than 10% in its main figures, reaching more than €1 billion of savings under management. With more than 85 years of experience, PSN remains loyal to its founding principles of protecting its people by developing products and services adapted to the new needs of its professional members. Furthermore, since 2015, PSN owns a joint stock company, AMIC S.A. insuring the non-life risks for the same target group.

"For us, joining AMICE provides us with membership of a body that supports the values of mutual insurance and confirms its validity in full." Dr. Miguel Carrero, President of Previsión Sanitaria Nacional (PSN).

Irish Public Bodies Mutual Insurance Ltd, Ireland



IPB Insurance is a non-life mutual insurance company, comprising Local Authority and ETB (Education and Training Boards) members, which has been in

operation since 1926 and has grown to become one of the largest liability insurers in the Irish market. An experienced underwriter of major liability, property and motor risks, IPB Insurance successfully insures some of the largest organisations in the State, both in the public and private sector.

IPB is the only wholly Irish owned and managed insurance company in Ireland and also the only indigenous mutual insurer. The company is a Standard & Poor's rated insurer receiving a full notch upgrade to A- (stable) in December 2014. Employing 115 staff, IPB generated premiums of €97.5 million in 2014 with total assets of circa €1.3 billion.

The company fully embraces its mutual status with a mission to build a world class business putting its members at the centre of the mutual and society at the heart of its goals.

Advocacy | updates

Solvency II

Following the request from the European Commission (where Natalie Berger has just been appointed head of the Insurance and Pensions Unit) which is aiming for delegated legislation on the capital treatment of infrastructure assets by the end of the year, EIOPA is looking at the possibility of establishing a more granular treatment of infrastructure investments. The idea is to define a specific infrastructure asset class with clearly defined criteria and appropriate treatment; this should include adequate calibrations according to the underlying risk profile of infrastructure assets. EIOPA is currently organizing roundtable discussions with stakeholders including industry representatives where AMICE is represented by Swedish member Folksam.

Following intense lobbying activity at European level, EIOPA withdrew the feared Guidelines on External Audit; however a still worrying trend is the request by the national supervisory authorities in some Member States for an external audit of the Solvency and Financial Condition Report (SFCR) – the Solvency II public information – and the Regular Supervisory Report (RSR). This appears to be contradictory to the objectives of the regulation and an overlap with the duties of the supervisory authorities when conducting the Supervisory Review Process. Members are invited to inform [Silvia Herms](#) of their supervisory authority's position on External Audit.

The industry is anxiously awaiting the final delivery of EIOPA's second set of Guidelines and Implementing Technical Standards (ITS) which contain, among others, the Reporting Package. The final package, to be released in English by the end of June, will reinforce the principle of proportionality and the word "material" will be added to the guidelines when deemed appropriate. The final package will reduce the number of worksheets by more than 50% through a simplified naming convention, further aligning the business definition and IT implementation. The EIOPA guidelines will also state that the first Regular Supervisory Report (RSR) should be delivered in 2016 (according to the delegated regulation, the RSR has to be submitted at least every three years).

AMICE's Solvency II working group continues to meet, physically or on-line, every month to discuss AMICE's position on all these issues. Please contact [Silvia Herms](#) should you have any questions about implementation and/or the interpretation of the texts at all levels.

Accounting

AMICE is represented on the European Financial Reporting Advisory Group (EFRAG) which provides input on the development of IFRS issued by the IASB

and gives technical expertise and advice to the European Commission on accounting matters. Given the long history of delays in the finalisation of the insurance contracts standard, IFRS 4 Phase II tends to be a second order priority due to uncertainty over timing of the final standard and other pressing priorities such as Solvency II. However, the IASB is making significant progress towards a final standard on insurance contracts that responds to industry concerns. It is in this context that stakeholders and EFRAG have asked the IASB to defer the effective date of IFRS9 Financial Instruments for insurance companies so as to align it with that of the forthcoming insurance contracts standards (IFRS 4); quite a few AMICE members in Belgium, Sweden, France and the UK apply IFRS.

Regulatory Affairs

The Regulatory Affairs Working Group met on 29 April and exchanged views on how members are introducing **key functions**, fit and proper requirements and outsourcing under Solvency II.

A Commission representative briefed the members on the ongoing review process of the **Insurance Block Exemption Directive**. By March 2016, the Commission will submit a report with recommendations to the European Parliament and the Council, followed by a consultation in the second half of 2016 on the policy option chosen. The final proposal accompanied by an impact assessment will be issued in 2017.

As agreed with the Regulatory Affairs Working Group, AMICE submitted its [response](#) to the Commission's Green Paper on **Capital Markets Union**. Based on the replies received, the Commission will adopt an action plan in the autumn.

The IAIS is currently revising its insurance core principles on **governance**. AMICE submitted its comments during the pre-consultation phase and took part via a conference call in the Governance stakeholders' dialogue on 13 May. The IAIS will launch a consultation at the end of June, followed by a revision of the draft in September and a stakeholders' dialogue in October.

At the end of April, the Secretariat attended the first public hearing of the European Parliament's **Social Economy** Intergroup, which discussed how to integrate social economy into the EU policy programme. A future public hearing to be held in the autumn will focus on the legal recognition of social economy enterprises. Social Economy Europe runs the secretariat for this group of MEPs who provide a supportive environment for the mutual and cooperative sector within the European Parliament.

In its role as recognized European social partner within the insurance sector **social dialogue**, AMICE is present with Insurance Europe and BIPAR in discussions with the unions. The social partners are currently focusing on extending their demography project - which led to the publication of a collection of best practices in 2012 - to include the Central and Eastern European countries.

For more information, contact [Belma Yasharova](#).



Assistance I Updates

6th Meeting of European Mutual and Cooperative Reinsurance Managers Madrid, 16-17 April

35 delegates from 12 countries took part in AMICE's 6th reinsurance event hosted by Mutua Madrileña in Madrid on 16-17 April last. As well as the reinsurance managers from AMICE members, risk managers, actuaries, finance managers and CEOs also took part in the event which gave participants the opportunity to learn about insurance linked securities, reinsurance collaboration, reinsurance cover for Solvency II scenarios and retrospective reinsurance through presentations made by expert speakers (and which AMICE members can download from the [AMICE website](#)).

Participants particularly appreciated the discussions after each presentation which take place in small groups for maximum interactivity. The final session was the occasion for members to brainstorm about future topics for discussion, as well as other kinds of events such as exchanges between reinsurance departments and other departments, e.g. underwriters or actuaries, or a reinsurance training module for non-reinsurers.

Health working group

AMICE's new Health working group held its second meeting in early March, with a presentation on the Dutch health insurance system by AMICE member OOM Verzekeringen, and the preliminary results of a survey carried out by French member FNMF among AMICE members into technological innovation in the provision of health insurance and healthcare. The working group will next meet in Brussels on 15 October to learn more about the Danish health system and to continue working on the question of technological innovation and the effects on mutual and cooperative insurers.

For more information, contact [Helen Sheppard](#).

AMICE General Meeting & Symposium 2015

2015 being a non-congress year, the General Meeting took place in Brussels on 19 May, preceded by a convivial dinner at the BELvue museum the evening before where guests had a private visit of the museum of Belgian history.

As well as approving the budget for 2016 with fees remaining at the same level as the previous four years, the General Meeting also elected three new Board members: Frank Diegel, Itzehoer, Germany, Allan Luplau, Sygeforsikringen "danmark", Denmark, and Carlo Enrico de Fernex, Reale Mutua, Italy. The Nomination Committee was also renewed with the election of Arnaud Chneiweiss, GEMA, France and Ann Sommer, Länsförsäkringar, Sweden.

Dr Sarah Spiekermann from Vienna University of Economics and Business began the symposium on "the data triangle" by talking about the ethics of collecting and using data, and invited AMICE's members to be "wise leaders" in their approach to customers' data. Following an overview of the European Commission's policy for a digital single market by Ms Dr. Márta Nagy-Rothengass, Head of Unit at DG CONNECT, Dr Spiekermann led a panel discussion with the participation of AMICE members GEMA/MACIF from France and Sygeforsikringen "danmark" from Denmark, and the Italian consumers' association, Cittadinanzattiva. Members can download the presentations and a chapter of Dr Spiekermann's forthcoming book from the [AMICE website](#).

Promotion I Updates

Communications seminar

The programme for AMICE's forthcoming **Seminar on Communication in the digital age – How mutuals can deliver quality content and engage with customers and the media** hosted by Mutual Médica in **Barcelona** on **22-23 October 2015** is now complete.

Spanish journalist Albert Closas will provide the expert view for Session 1 on "How to deliver content that interests the press" with Elisabetta Ruà, Head of Institutional Communications for Italian AMICE member Reale Mutua, explaining how her company manages its relations with the press.

Session 2 calls on the contributions of two mutual insurers, one large and one small, to show which methods and what content mutuals should focus on to engage with customers, with a further 'expert' contribution from a well-known Spanish PR agency. During the third session, Swedish mutual, Länsförsäkringar, and Polish mutual, TUW SKOK, will present their experience in organising outward communication.

During the final session on the digital age and communications, large and small AMICE members will present their experience with social media.

Interpretation will be provided in English and Spanish. Practical information about the venue, hotels and registration can be downloaded from the AMICE website on the "[Assistance events](#)" page.

Communications working group

The communications working group met in Ghent on 21 April, visiting the venues for the 2016 AMICE Congress, and discussing the possibilities for working sessions and social events. It also started work on the programme for the Congress which it will continue over the coming months with the aim of making the event as successful as the Nice Congress last year.

AMICE publication on the origins of mutuals

Following the invitation to members to contribute to the collection of case studies on the origins of mutuals, showing how and why mutual and cooperative insurers were created and their values today, 13 proposals have been received to date. The aim being to include 20 examples from as many different countries and backgrounds as possible, members are invited to contact [Tatiana Paraskeva](#) to find out how to feature in this publication. The working group will meet on 3 September to discuss the proposals.

➔ **ICMIF Voice magazine**

ICMIF has published issue 82 of Voice magazine in EN, FR and ES. [Click here](#).

→ AMICE Calendar 2015

- 9 July Brussels Solvency II working group
- 3 September Brussels Promoting working group
- 8 September Brussels Solvency II working group
- 9 September Brussels Executive Committee
- 10 September Brussels Communications working group
- 15 September Paris CSR working group
- 1 October Stockholm Regulatory Affairs working group
- 13 October Brussels Solvency II working group
- 15 October Brussels Health working group
- 22-23 October Barcelona Communications seminar
- 13 November Brussels Solvency II working group
- 18 November Brussels CSR working group
- 24 November Athens Board
- 11 December Brussels Solvency II working group

→ External Events Calendar 2015

- 8-9 September Frankfurt [4th Conference on Global Insurance Supervision](#)
EIOPA & Goethe University Frankfurt
- 7-9 October Minnesota, USA [ICMIF Biennial Conference](#)
- 18 November Frankfurt EIOPA conference

