



EDITORIAL



Dear members,

Over the last two months, the Federation has been active in reinforcing its links with member- and sister-associations. The level of service required to launch and tap the resources of the results of the Benchmarking Survey has also been considerable this year. The Forum has also been keeping the Committee very busy. The hot European topics: Solvency II and Block Exemption Regulation are also being followed very closely with the European authorities.

I believe that the Risk management profession is under considerable pressure, both internally and externally. The role of Associations is essential in helping risk managers cope with these pressures, by providing pertinent information, keeping them up-to-date with new developments, allowing for networking and defending the profession's interests with government agencies or other trade organizations.

Summer is knocking on our doors now and so I wish you very pleasant holidays and hopefully some rest after this tremendous first half-year.

Thank you for all your support!

Kind regards,

*Marie-Gemma Dequae
President*

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FERMA HIGHLIGHTS

Board Meeting on 25th June

The Board of Directors of FERMA met on 25th June for a very busy agenda. The board examined and took position on the proposal for the new strategy of FERMA and also discussed FERMA's position with regard to some important issues such as ISO and the Block Exemption Regulation. The Directors in charge of specific areas also gave a report on their activities.

General Assembly on 26th June

The General Assembly was more oriented towards a professional meeting reporting to the association's members and to the individual members about the activities of FERMA.

Seminar 2008: Where European risk managers meet!

The Seminar will address current European affairs & developments and the results of the FERMA Risk Management Survey. The event is exclusively reserved for risk managers, members of FERMA and we expect a high level of registrations.

Places are limited! Registrations are on a First come, First served basis! Don't hesitate to book now!

The invitations have been distributed personally to each member of FERMA (including those who did not answer the FERMA survey but who will hear about what the others have said).

For more information go to: www.ferma.eu or contact: info@ferma.eu

Ferma Risk Management Forum 2009

The most recent Forum Committee meeting took place in Brussels on 24th June and the Committee decided on the theme, the panel representatives and the attribution of pre-selected workshops in the programme and other developments. The President of the Czech Association, Jana Bicanova, is assisting FERMA in developing contacts with local representatives and in the promotion of the event in the country. FERMA has contacted a press agency to support media relations.

EUROPEAN AFFAIRS

Block Exemption Regulation – Consultation with FERMA

The EU's competition rules require companies to assess for themselves whether their agreements are compatible with the EC Treaty's ban on restrictive business practices (Article 81). The BER exempts certain categories of agreements from the prohibition in Article 81 and provides a safe harbour for companies. Such a general exemption needs to be assessed at regular intervals, in order to determine whether the conditions which originally justified it, continue to exist. The BER was last renewed in 2003. The EU Commission has consulted FERMA in order to take position, which will be done after the topic has been discussed by the Board of Directors.

SOLVENCY II

FERMA's efforts to defend the captives' position in the Solvency II directive have been rewarded by the Council's position but the efforts continue. The position with regard to captives has been addressed to the Parliament and the Council, which recognize captives' special status. In the Council's position, Insurance and reinsurance captives are taken into account, a reference in the preamble is made, as well as a reference to a lower solvency margin for reinsurance captives. The amendments are awaited (600!) and the vote has been postponed to November.

The Czech Risk Management Association has applied to become a member of FERMA!

The Czech Risk Management Association, ASPAR, has applied to become a member of FERMA. The association comprises 10 risk managers and intends to increase its presence at European level and also be a representative body towards the authorities.

MEMBERS NEWS



AIRMIC – ASSOCIATION OF RISK AND INSURANCE MANAGERS – UK

Compliance of international insurance programmes is rapidly emerging as a top concern of risk managers in the UK, with AIRMIC receiving a growing number of inquiries on the subject. The association recently held a half-day training session on compliance at a London hotel, and plans to do the same in other UK cities in the autumn.

"One of the points to emerge from our event is that no one, not even the experts, has a thorough grasp of the entire subject," said technical director Paul Hopkin.

"Despite talk of insurance being a global industry, there are hundreds of different rules around the world which are liable to change at any time. Regulators and tax authorities are becoming stricter in their enforcement and firms that fail to comply could suffer fines and damage to reputation, and they may find that their claims are no longer valid."

As well as organising training for its members, AIRMIC is testing the appetite for a shared industry-wide database of insurance regulations and tax laws.

Events are moving forward rapidly in a number of other areas. In June, AIRMIC will publish its long-awaited research into the effectiveness of Enterprise Risk Management. It will also unveil the next stage of its work towards implementing an insurer claims performance index.

There has, meanwhile, been an enthusiastic response to the joint AIRMIC-Advisen benchmarking exercise, which was announced recently. The project will enable insurance buyers to compare their programmes with their peer groups, with the market figures aggregated to guarantee confidentiality."



DVS – DEUTSCHER VERSICHERUNGS- SCHUTZVERBAND E.V

At this year's General Assembly at the end of April, DVS President Ralf Oelßner stepped down after his retirement from Deutsche Lufthansa last autumn. He had been President of the Association since 1999 and was elected Honorary Member for his outstanding merits. His successor is Dr. Stefan Sigulla, Siemens, who has been DVS Vice President for the last nine years. The new Vice President is Klaus Greimel, E.ON.

The day started with an opening speech by Dr. Thorsten Oletzky, new CEO of ERGO group, which is the primary insurance unit of Munich Re. Thereafter, DVS Managing Director Günter Schlicht gave an overview of last year's market and regulatory developments as well as DVS activities. In the afternoon, the DVS Committee met to discuss the present state of the Industrial Insurance market, the increasing number of criminal charges against directors and officers and the numerous changes brought about by the new insurance contract law which was enacted as of Jan. 1st, 2008.

At present DVS is preparing this year's Symposium which will take place from September 8th to 10th in Munich. Last year the event attracted around 400 participants, and this year's programme again highlights a number of excellent speakers and panellists. Keynote speakers will be Evan Greenberg, CEO ACE, Michael Diekmann, CEO Allianz: The opening speech will be held by the Federation of German Industries' Executive Director and Board Member, Dr. Werner Schnappauf. Participants from other European Countries are very welcome.



**FINNRIMA – FINNISH
RISK MANAGEMENT
ASSOCIATION –
FINLAND**

The Risk Management Association of Finland was founded in 1987 based on a working group of the Central Chamber of Commerce of Finland. In the beginning the Association consisted of insurance managers from Finnish paper and steel mills, trade banks and other industries. Today the members are widely representing Finnish organizations working with risk management issues. At the end of 2007 there were over 230 representatives in the Association.

The mission statement of the Association is to support and promote risk management awareness. It operates as an open information, benchmarking and development forum for risk management issues. It organizes seminars for members and grants scholarships for academic research done on risk management. The Association has very comprehensive internet home pages which are widely used.

During 2007 the Risk Management Association of Finland organized five seminars for its members. The seminars have succeeded in getting very professional and respected lecturers from different fields. The seminars have been well organized and have received very positive feedback from the members. The topics have been drawn from currently interesting issues such as

- business continuity management
- supply chain management
- recent EU regulations concerning risk management
- personnel risks
- risk managers work specification
- insurance premium tax
- loss adjusting (several lectures)
- crisis management (several lectures)
- risks related to Russia

The Risk Management Association of Finland joined FERMA during 2007. Other international contacts e.g. with the Russian Risk Management Association are currently being negotiated.

The speed date session was a great success. The participants had 3 minutes to discuss one to one, their agreement or disagreement with 9 tantalizing statements. The results of this Networking Event were worked out and formed the input for an interesting debate with Leaders of Industry which took place the next day.



**NARIM –
NEDERLANDSE
ASSOCIATIE VAN RISK
EN INSURANCE
THE NETHERLANDS**

Annual NARIM Conference: A Successful Networking Event

The annual NARIM Conference took place in Ermelo on 29th and 30th May and attracted more than 200 participants.

For years, this conference has been an important platform for Risk & Insurance Managers, representatives of the insurance sector and insurance brokers. The central theme of this year's conference was Networking, but the participants also had the chance to discuss current topics in the workshops.

Chairman Hans Gorree announced during the opening speech that he would resign as a member of the Board and Peter den Dekker would take over the chairmanship from him as of May 30th, 2008.



H. Gorree and P. den Dekker

This year's programme was not only interesting but indeed very diverse. It started off with the key-note speaker Melvin Redeker, who as a renowned mountaineer, could explain that climbing mountains is indeed taking -calculated- risks.





NARIM Annual Congress
Participants

On both days, people could subscribe to three different workshops: Forensic Readiness of your ICT-organization, Claim Management and Strategic Risk Management. During these sessions, the participants openly discussed specific's of these subjects. As a result from the claim management session an initiative arose to further study the possible improvement of the claims handling process and responsibilities (i.e. ownership of process) of parties involved. NARIM will act as platform for this discussion through NARIM-board member Yvar van Weenen. Together with NARIM members as well as representatives from the industry a committee will be formed to address the issues raised during the two sessions.

The reactions on the annual conference were more than positive. According to the new chairman Peter den Dekker, the purpose of the conference, to exchange knowledge and information by networking, has been definitely reached.

SIRM – SWISS ASSOCIATION OF INSURANCE AND RISK MANAGERS – SWITZERLAND

The story of a sleeping Beauty...

A story that SIRM member firms have been living for almost three years, relates to the official fire insurance schemes in place in 19 cantons of Switzerland. In this area, insurance coverage against such hazards is not offered on the free market, but is awarded by virtue of cantonal legal monopolies to all owners of real estate property, including commercial and industrial companies. The latter – among which representatives from eminent SIRM member firms– have encountered more and more difficulties to manage insurance portfolios with terms and conditions that differ from one cantonal area to the other (for example, differences in distinguishing between movable and immovable property oblige firms to assess inventories and to proceed to loss settlements distinctively for each and every canton, and prevent them from practising global policies and pool solutions).

In view of these bottlenecks, SIRM contacted the Association of the fire insurance institutes (Vereinigung Kantonaler Feuerversicherungen – VKF) in late 2005 with petitions a) wishing for a more harmonised approach in insurance terms and

conditions and b) for examining solutions of increased self-insurance (higher optional deductibles). The first answer, not what could really be called customer-friendly", SIRM was informed that the cantonal fire insurance institutes did not perceive a need for harmonizing insurance conditions, that higher deductibles could not be based on current legal prescriptions and above all, that the VKF Association had no power to request harmonised solutions from its member institutes.

Being aware of the weight of its members (seven big SIRM member firms alone account for a total insurance sum of some 30 billion Swiss francs), SIRM made further attempts to open the way to a solution. In a further letter in mid-2007, SIRM was informed that a further official VKF statement would be delayed, due to the restructuring of the management, but nevertheless some signals were registered of a slightly increased willingness to examine the possibility of harmonising certain conditions of the cantonal fire insurance institutes.

While accepting the burden of multiplying petitions, SIRM continues to lobby for its legitimate interests, in favour of improved and harmonised fire insurance conditions in all of Switzerland. From the beginning of its campaign, SIRM made it clear that there is no intent to attack the legal monopolies, but that it is more promising to search for solutions in a private-public-partnership, which could offer a win-win situation to both insurers and insureds. To sum up, SIRM will not lose heart and hopes it will awaken in a near future... a sleeping beauty.



Focus on a Member

1. What is your favourite expression?
2. Which talent would you like to have?
3. What do you fear the most?
4. What do you like the best in life?
5. What is your biggest challenge?
6. What is your biggest weakness?
7. What is your biggest quality?
8. What is your preferred hobby?
9. What lessons have you learned from your experience?
10. What is your best souvenir in Risk Management?
11. What is your favourite book on risk management?
12. What movie inspired you?

PUB

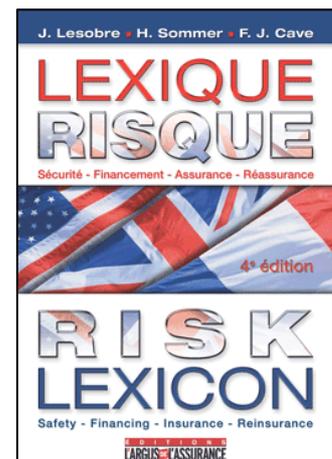
Lesobre-Sommer-Cave RISK LEXICON: ENGLISH – FRENCH – AMERICAN

WHY THIS RISK LEXICON? Taking RISK is an essential part of any human enterprise; it is necessary to promote success and sometimes to suffer defeat.

A fourth edition became essential to embrace the adjustments made by organisations faced with a riskier world, by adopting new methods of risk analysis, intensified safety engineering and naturally the latest methods of risk control and risk financing.

You will find further 12 000 terms and locutions and 3 000 abbreviations and acronyms.

The RISK LEXICON: ENGLISH – FRENCH – AMERICAN to put an end to inaccuracies and grasp even the most esoteric terms.



AGENDA

June		September		October	
2	FERMA Executive Board – Conf call	8 - 10	DVS Symposium – Muenchen, Germany	1	FERMA Seminar 2008 - Brussels
17 & 18	AIRMIC Conference - Edinburgh	30	FERMA Forum 2009 Committee Meeting - Brussels	2	FERMA Board Meeting - Brussels
19	BELRIM – General Assembly - Brussels				
	FERMA Forum 2009 Committee meeting				
25	FERMA Board Meeting - Brussels				
26	FERMA General Assembly - Brussels				