



EDITORIAL



Dear Members,

Recently the European Parliament approved the Solvency II Framework, and Ferma has cautiously welcomed this approval, together with the European Commission report in favour of the renewal of the insurance BER (Block Exemption Regulation). We refer to the corresponding press releases you can find below.

On the economic front, the crisis is spreading further geographically and to more business sectors. We need to continue to pay close attention to the situation. Regulatory bodies are further reflecting on possible actions to be taken. Risk management is more than ever in the spotlight. With the recent worldwide spread of the H1N1 flu virus, preventive and protective actions within existing business continuity programs have to become very active.

FERMA recently opened registration for its Forum in October 'Global village' and we hope to meet you there, so that we can discuss and exchange views on these very hot risk topics.

*Enjoy reading this newsletter
Best regards*

*Marie-Gemma Dequae
President*

FEDERATION OF EUROPEAN RISK MANAGEMENT ASSOCIATIONS - FERMA AISBL.
Avenue L. Gribaumont 1 / B4 - B-1150 Brussels - Belgium
Phone : +32 2 761 94 32 - Fax : +32 2 771 87 20 - Email: info@ferma.eu - Website: www.ferma.eu

This Newsletter is produced by FERMA. If you have any questions concerning this Newsletter, please contact Florence Bindelle at FERMA on +32 2 761 94 32 (florence.bindelle@ferma.eu)

© Copyright 2009 FERMA. All Rights Reserved. No distribution or reproduction of this issue or any portion thereof is allowed without our written permission except by the recipient for internal use only within the recipient's own organisation.

FERMA HIGHLIGHTS

FERMA RISK MANAGEMENT FORUM 2009 – PRAGUE – 4th to 7th October!

FERMA's team is happy to inform you that companies are responding positively with their support for the FERMA 2009 Forum. To date, almost all the booths and sponsorship possibilities have been sold, and we already have 150 registrations, which is a good sign at this early stage of preparation.

We held a brainstorming session on possible incentives to increase attendance and decided to propose:

**A 50% discount on registration
beginning with the second registration
of a risk manager from the same company.**

Visit the Website Now! WWW.FERMA-FORUM.EU

EARLY BIRD RATES ARE AVAILABLE UNTIL 1ST JULY 2009!

FERMA ASSOCIATION AWARD!

FERMA will be launching for the first time the **FERMA ASSOCIATION AWARD** on the occasion of the FERMA Risk Management Forum 2009. With this award FERMA will institute special recognition of the association that has made outstanding achievements and acknowledge its work and dedication in furthering the promotion toward its Members.

The accomplishments of the winning association will serve as benchmark for FERMA's excellence. The intention is that it will inspire all associations to achieve higher and greater promotion and enhance participation and commitment at European level.



European Insurance Forum, Dublin, 30-31 March, 2009

The main topics discussed were the EU Reinsurance Directive, Solvency II, killer risks and catastrophes.

MG Dequae was invited to participate in a panel on associations moderated by Sarah Goddard (CEO DIMA) with Julia Graham (president Airmic), Mr. Green (president of the Irish RM Association), Steve Fowler (IRM). Amongst the topics discussed were the activities that the associations propose to their members.

MG Dequae presented the role of risk management associations and that of FERMA, explaining our strategic objectives and actions: to monitor the development of RM practices across Europe, to share information accordingly, and to maintain interest representation with European Institutions and organisations. Risk managers are expecting more information on associations' actions. They also want their associations to keep track of evolution in the broader context of management, with special focus on risk management and, therefore the associations are looking to ways to stay in contact with educational bodies (universities and business schools).

POLRISK Annual Conference, Warsaw, 21-22 April 2009

The subject of the conference was "Corporate risk management from the perspective of stakeholders"

- Place and role in a company – today and in the future
- Benefits for the company's reliability
- National and international case studies
- Supporting systems and tools

On the first day, important speakers, such as Prof. Krzysztof Opolski from Warsaw University explained what the place of the Risk Manager is in the economy and company management, where it should be and where it must be.

The rating agency Fitch also participated in the discussion on adding value to the process of corporate risk management. The qualifications needed by the risk manager were also discussed.

In the afternoon, MG Dequae, President of FERMA participated in the plenary session on directions of development of legislation with respect to risk management in Poland in the light of regulations applicable in the European Union. The moderator was Andrzej Nartowski, President of the Polish Institute of Directors (there is a consultation platform between the Institute of Directors and PolRisk). The other participants were Monika Kos, public finance sector audit department of the Ministry of Finance in Poland, Rafal Rudnicki, etc. Monika Kos gave an overview on risk management in the public sector. She explained how internal audit has to be based on good risk management and how it has been introduced in all public departments, based on a manual that was built up in collaboration with a British consultant, but indicated that a lot of improvement was still needed.

CEA - Environmental Liability Directive Guide available!

On April 23rd 2009, the CEA published its new guide on ELD: ***Navigating the Environmental Liability Directive - A practical guide for insurance underwriters and claims handlers.***

The publication is available on their website (http://www.cea.eu/uploads/DocumentsLibrary/documents/1240585425_eld-best-practice-guide-update.pdf)

EcoDa Annual Conference: "The Boardroom's Response to the Crisis", Brussels, 27 April 2009

Keynote speaker, Mr. José Maria Garrido Garcia, member of the European Corporate Governance Forum (ECGF) and member of the Spanish Commission for Corporate Governance reported on improvement of corporate governance, but noted that an evolution is still needed on the disclosure of information amongst other risk managers.

"Can the board manage risks?" was the subject discussed by the first panel.

The comments were that more cooperation is needed between audit, the risk committee and the full board. Getting the right information to the right persons on the board, or boards, is important.

The second panel addressed the topic entitled "*The boardroom after the crisis: getting the balance right*"

The need for a better trained leadership, which can balance between performance and risk, between short and long term was highlighted. A best practice model for good communication between directors, management and shareholders was also discussed.

IFRIMA Board Meeting, Orlando, 27 April 2009

The IFRIMA Board meeting took place on April 22, 2009 in Orlando, during the RIMS Annual Meeting. F. Baron and F. Bindelle represented FERMA.

On this occasion, the strategy of the association was redefined.

Major steps towards a clear strategy were taken with the development of 3 main objectives: networking, information sharing and presentations around the world.

A blog will be designed to compile an overview of ideas from associations and specialists around the world on main topics (example: ISO 31000).

The next IFRIMA Board will take place in Prague, during the FERMA Risk Management Forum.



We need you!

FERMA'S GENERAL ASSEMBLY

The Ordinary General Assembly of FERMA is scheduled on **June 10th, 2009** in Brussels.

The **election of two new board members** will take place on this occasion and we take this opportunity to ask our member associations for candidates. Members willing to contribute actively in the day to day management of our Federation are most welcome. More information on the procedure will be sent to the associations by email.



RIMS Annual Conference – April 2009 - Orlando

The leaders of RIMS who welcomed the attendees during the opening session of the meeting acknowledged that many could not participate because they are affected by the economic situation. They highlighted the efforts made by the organisation to keep these members up to date with the conference events by use of blogs, online editions of the RIMS Show Daily and even Twitter. All RIMS sessions should also be available online after the meeting.

Mary Roth, executive director of RIMS, noted the importance of the "RIMS Community", which goes well beyond the annual conference with regional chapters and their local meetings, with webinars, networking website and educational programmes.

Coming back to the economic crisis and its impact, RIMS officially recognised a decrease of 23% in the registrations compared with last year's conference.

In an effort to help the profession, RIMS is enhancing its career centre, providing tools and resources to help people upgrading their resumes and is working to make its professional development courses and workshops available through videos, podcast and webinars.

In his presidential address, coming back to the theme of the conference which was "Challenge your Risk IQ", Joseph A. Restoule said "Risk is indeed everywhere" and "it isn't that risks really emerge, they seemingly come out of nowhere". "Take yourself out of your comfort zone and I challenge you to challenge yourself". "I ask you, do you have the courage to lead? And I challenge you to challenge your risk IQ".

The Monday Keynote speakers, Mr Dennis NT Perkins came back on the importance of having a strong leadership in times of turmoil by outlining 10 leadership and teamwork strategies to survive extreme hardships.

***P. Sonigo, F. Bindelle, F. Baron
FERMA's representatives at
RIMS Annual Conference***



FERMA's Press releases on Solvency II

The Federation of European Risk Management Associations (FERMA) welcomes the vote of the European Parliament approving the Solvency II Directive, the new supervisory regime for EU insurance companies.

FERMA believes that Solvency II will improve security for corporate insurance buyers throughout the European Union. At the same time, FERMA does have its reservations on the impact Solvency II could have on the insurance market in general, once the provisions of the Directive take effect.

For more, see the full article on Solvency II available for download on FERMA website, http://www.ferma.eu/PressNews/Pressreleases/tabid/105/DMXModule/457/Command/Core_Download/Default.aspx?EntryId=858

FERMA's Press releases on BER Insurance

The Federation of European Risk Management Associations (FERMA) welcomes the European Commission Report in favour of renewal of the Insurance Block Exemption Regulation (BER). The legal certainty provided by the current BER has fostered cooperation among insurers to create competitive insurance markets with sufficient capacity to meet the needs of large international insurance programmes. A renewed BER in March 2010 will continue to achieve this fundamental objective by exempting joint calculations, tables and studies, and co-(re)insurance pools from EU competition rules.

For more, see the full article on BER Insurance available for download on FERMA website, http://www.ferma.eu/PressNews/Pressreleases/tabid/105/DMXModule/457/Command/Core_Download/Default.aspx?EntryId=855

MEMBERS NEWS



AIRMIC – Association of Risk and Insurance Managers UK

AIRMIC has made significant progress in its drive to improve the claims process. At the end of last year AIRMIC published a voluntary agreement with seven of the largest insurers to restrict the use of reservation of rights. Then in February, with the support of the same insurers and six of the leading broker firms, the association produced a claims best practice guide. This sets out, for the benefit of both insurance providers and buyers, the features of an excellent claims service. AIRMIC anticipates that over the next few months leading insurance companies will respond to the document by demonstrating how they shape up to the criteria set out in the guide. AIRMIC is also in discussion with the market about an agreement covering speed of payment.

On enterprise risk management, AIRMIC is following up the success of last year's research into ERM with a study into risk appetite: what it actually means and how it can be used in practice. The initial findings will be published at our annual conference in June.

The association has also just launched AIRMIC Academy, a series of free training sessions for members on a wide range of risk management and insurance topics, chosen after a membership survey.

I JULIO SAEZ Risk Management Research Award (Spain)



Cristina Martinez, Head of Risk & Insurance, IBERIA Finance, board member of AGERS and FERMA, has been awarded the I JULIO SAEZ Risk Management Research Award for her research paper entitled: Competing on value creation: Strategic ERM advantages.

After more than a decade in IBERIA and 4 years holding the risk manager position, Cristina Martinez has been named Corporate Risk Manager of CAMPOFRIO FOOD GROUP HOLDING, which is the European leader in the meat processed industry, based in Madrid. FERMA's Board members and team wish her all the best in this new post.



Association pour le Management des Risques et des Assurances de l'Entreprise - France

News

AMRAE's yearly conference "Les Rencontres AMRAE" took place in Strasbourg at the end of January. More than 1600 delegates were very pleased to discuss, to debate and to participate in 30 workshops & attend 2 plenary sessions at the meeting. For 3 days, a lot of hospitality suites and exhibitions allowed profitable contact and development of useful network.

AMRAE also realized its first survey on the Risk Manager profession titled "Baromètre du Risk manager". The main objective is to propose to companies and risk managers a benchmark tool on assignments, personal profile, earnings and job evolution on the risk manager function. The completed results will be presented during AMRAE's General Assembly; the executive summary was distributed during the annual conference in Strasbourg.

AMRAE also organizes a "Think Thank" with the French Administrators Association (IFA). After 18 months of brainstorming, debates, etc., a white paper will be delivered on the "New role of the administrator regarding the risk management process." Since December 2008, a new regulation binds French administrators to follow the performance of the risk management process.

AMRAE's General Assembly will be held on 18th June. This event will permit to discuss on our strategy and objectives, and to receive particularly new members and our principals' sponsors during a cocktail.

On the 24th June, AMRAE and Les Echos newspaper will hold a conference titled "Global risk management: strategic process in a crisis context". We hope more than 120 delegates in the conference.

ASPAR CR

ASPAR CR – Czech Republic

In March, Aspar held a seminar on Business Continuity Planning and the Situation on the Insurance Market.

On April 21st, 2009 a members' meeting was planned and on May 19th, ASPAR CR will be organizing a seminar on Environmental Liability.

ANRA Associazione Nazionale dei Risk Manager e Responsabili Assicurazioni Aziendali – Italy

On March 24th, 2009, the General Assembly of ANRA elected a new Board of Directors. Paolo Rubini, risk manager of Telecom Italia, has been appointed as new Chairman of the Board, and replaces Roberto Bosco, of Mediaset, who has been in charge for the last 10 years.

Paolo has a long experience in the area of risk management: he also served as Risk Manager at Olivetti, he's been member of the Board of ANRA for 20 years, and has represented the Italian Association on the Board of FERMA and IFRIMA and on the FERMA Forum Committee.

The Chairman delivered to the associates a set of strategic goals, and new governance rules.

Strategic goals

1. Embed in the mission of ANRA a holistic vision of corporate risks, and allow the risk manager to become the focal point for the Board of Directors for the profiling and treatment of all operational, pure, financial and strategic risk.
2. Spread the culture of Risk and Insurance Management in Italy, with the aim of extending the knowledge of advanced P&C coverages in Italian SME's (small & middle size enterprises).
3. Extend Risk management practices in the Public sector, both central and local.
4. Embed in the Risk Management process the metrics and methodology already used by banks and insurers, to come to a coherent "risk rating" of companies
5. Intensify the networking activity, establishing strong relationships with the professionals that are part of Risk Management process, such as CFOs, credit managers, business continuity managers, security & safety managers, internal and external auditors, etc.

These actions will have, as a natural consequence, an increase in the number of associates of ANRA.

Governance Rules

1. New structure of the Board of Directors:
 - a. By reducing the number of Board members from 13 to 9
 - b. By enhancing its focus on strategy and control
 - c. By assigning to each Member of the Board a specific responsibility
 - d. By involving an increasing number of associates in the daily activity of the Association
2. Increase the role of the Scientific Committee of ANRA, that will provide support to the Board in:

- a. Spreading the traditional education plan of ANRA
- b. Introducing education services through agreements with Universities and other professional associations such as CINEAS (Consorzio universitario per l'ingegneria nelle assicurazioni del Politecnico di Milano)
- c. Managing the ANRA Forum, that will become annual instead of bi-annual
- d. Developing seminars and workshops and their level of specialization
- e. Promoting and marketing attractive sponsorship plans



**DVS Deutscher
Versicherungs-
Schutzverband e.V -
Germany**

DVS held its annual General Assembly on May 7th in Bonn. It was decided to enlarge the DVS Board of Directors by three new members, two of whom represent organisations which deal specifically with the concerns of medium-sized companies. The Board now reflects more than ever the broad spectrum of interest represented by DVS.

The day's ensuing professional programme included the annual tour d'horizon of DVS Executive Director Günter Schlicht, a presentation by a representative of the German Insurance Supervisory Office BaFin on Solvency II and the crisis of the financial markets, a presentation from Karin Clemens from Standard & Poor's Frankfurt office and a discussion on models for optimizing self retentions under changing market conditions. FERMA Board member Peter den Dekker, who was a welcomed guest, presented the main features of FERMA's work and of the FERMA Forum in Prague.

DVS is presently preparing this year's Symposium, which will take place from September 8th to 10th in Munich and which will be chaired by DVS President Dr. Stefan Sigulla. The Plenary Sessions, including presentations and panel discussions, will deal with various aspects of the financial crisis and its impact on risk management and insurance, whereas a number of parallel sessions, which are chaired by DVS members, will focus on areas that are of practical relevance for members' work such as international programmes, supply chain risks, IT risks, credit risks, but also Solvency II and its impact on captives.



BELRIM - Belgian Risk Management Association - Belgium

News

Within BELRIM, there have been some changes on the Board and two more activities are planned before the summer break.

Marc Mathijssen has been appointed as new chairman of BELRIM, in replacement of Pierre Cambier.

Pierre Cambier has served very successfully as chairman of BELRIM over the last 3 years.

BELRIM thanks Pierre Cambier for his important contribution to the development of BELRIM. During his mandate, the quality of the exchanges was extremely high.

Marc Mathijssen is currently the Head of the Corporate Insurable Risks Management Department of ING Group. His responsibilities stretch worldwide over the global functional network of the regional insurable risks managers across all business lines of ING, including ING Direct, Banking, Insurance, Real Estate and Leasing. He will be supported by Carl Leeman as Vice President. Carl Leeman is Chief Risk Officer with Katoen Natie, a worldwide logistical and industrial subcontracting Company. Carl is also Board Member of Ferma and IFRIMA.

Two new members will join the Board of BELRIM, being Diane Mintjens, Insurance Risk Manager of the Belgian French Banking conglomerate DEXIA and Olivier Nagelmakers, risk manager of the service provider ATOS ORIGIN. BELRIM welcomes these two new members who will bring valuable expertise to the organisation.

BELRIM is closing the second quarter of 2009 with two last interesting exchanges:

On May 28th, in Brussels, there will be the General Assembly of the BELRIM Association at the ING premises, followed by an exchange about Art Insurance on the Belgian market and a free visit of the fabulous contemporary art collection at ING Premises.

The second and last exchange of this quarter will be a special exchange in June on the essentials of the US legal Liability and judicial system and Commercial General Liability (CGL) Insurance with some policy wording interpretation issues in American common law compared to the European continental insurance law.



NARIM - Nederlandse Associatie van Risk en Insurance - The Netherlands

NARIM facilitates courses for Risk and Insurance Managers

Together with the Dutch Institute for Education NIBE-SVV, NARIM took the initiative of organising three interesting courses for its members, which have had a huge success. For the first course, 100% of the participants passed the exams! Due to new insurance legislation Risk- and Insurance Managers who want to maintain their insurance licenses and certification have also to attend these training sessions followed by an exam.

Furthermore, NARIM is very busy organizing its **annual conference**, which will take place on **June 11 and 12 in Ermelo**. Many members, brokers, insurance companies and other companies linked to Risk- and Insurance Management will meet each other there and a range of interesting workshops will be organised. This conference has evolved into one of the leading conferences in the field of Risk and Insurance Management in the Netherlands.

For more information, check NARIM's congress website: <http://www.narimcongres.com>

INFLUENZA A (H1N1) FERMA's ACTION PLAN

FERMA has decided to summarize the initiatives of all member associations and others and to provide this information in the form of a library of documents and links to interesting sites available in a special section of the FERMA website.

Link to the Influenza A (H1N1) section:

<http://www.ferma.eu/PressNews/Latestnews/tabid/104/Default.aspx>



**SIRM – Swiss
Association of Insurance
and Risk Managers –
Switzerland**

SIRM has a new opportunity for reflecting on what is and what should be a broker's remuneration – a topic that comes close to resembling the monster of Loch Ness, with its appearances and disappearances...

It started with the revision of the Swiss legislation on insurance contracts, of which a pre-parliamentary draft is presently submitted to a country-wide consultation process, including professional unions like SIRM. The strongly disputed article 68 of the draft law provides that an insurance customer shall pay an insurance broker for his intermediary services, but that the latter shall return to the former all commissions and other payments collected from an insurance company in direct or indirect relation with the insurance contract concerned. However, according to the last paragraph of the same Article 68, the insurance customer can abstain from claiming the restitution of the said commissions and other payments, insofar as they represent the remuneration agreed between the insurance customer and the broker.

Strong opposition has already been voiced against the draft article 68 at this stage of the consultation process, invoking that it would make null and void all broker agreements fixed on a commission basis and above all, it would annihilate the freedom of contract in this regard, which is guaranteed by the Swiss Constitution and is vital for contracting in Switzerland.

The argument has also been put forward that with such a ruling, Swiss legislation would be more severe than EU regulations, as the EU Directive on insurance mediation does not prescribe pricing in insurance mediation contracts.

Whatever strength is given to this last argument – the said EU Directive dates from 2002 and is devoted to competition policy, without dealing with contract law in general -, the essential question is whether the said draft article 68 restricts unduly the conclusion of remuneration agreements between insurance customers and brokers.

It is for sure that business partners on the industrial market are interested in having a choice of possible contract solutions, including the choice of remuneration either on a fee or commission basis, but at the same time, insurance customers are interested in knowing with full transparency the transactions agreed between the broker and the insurance company. In this regard, a commission agreement, combined with a pro rata retrocession to the customer, might be exactly the trigger to obtain transparency about broker remuneration, an objective to which all parties to the consultation procedure formally adhere.

At all events, the Swiss law project on broker remuneration has not yet come out with a text giving full satisfaction and it will still have to be improved. Also, for the time being, SIRM is studying the entire draft law, in order to prepare a position taking best account of the legitimate needs and interests of its insurance customer members.



**SWERMA – Swedish Risk
Management Association -
Sweden**

On March 26 – 27, SWERMA held its **Annual Risk Forum**, which gathered about 60 interested members. We were also especially pleased to have two foreign guests, Mrs Florence Bindelle talking about many interesting subjects going on within FERMA benefiting members, and Mr Nathan Skinner from Strategic Risk, finding news for Strategic Risk Magazine.

The Risk Forum's theme this year was "Inspiration for successful Risk Management" and one uniting link among the speakers was "Information Security".

The first day started with the Annual General Meeting at which Charlotte Barnekow was re-elected as the Chairwoman of SWERMA. Hans Brandt was elected as the Secretary and three new Risk managers were also elected onto the Board.

The speakers at the Risk Forum spoke about "**Catastrophes that should not occur**" like Enron, Lehman, Parmalat, Satyam and concluded that there was too much faith in rules, forms... Another speaker, Catharina Lagerstam spoke in a very down-to-earth and interesting manner regarding "**Board work**". Other topics were "**Risks and threats in an Information Society**" and "**Information Security to protect valuable assets**".

Is it possible to insure "Information Risks" was the interesting subject of a Panel discussion between RM's, Insurance Companies and Brokers followed by another Panel discussion "**What amount of information should we provide to insurers to get good claims adjustment?**". Too much or too little might cause problems when a claim occurs. For full answers to these questions, kindly please turn to SWERMA!

Finally, day one ended with the special Jury announcing the winners of the **Gustaf Hamilton Award for 2009**, Mr Torbjörn Pettersson at the County of Östergötland and Mr Kaj Juhlin, Axfood Närlivs. However, the real ending of day one was at the Buffet and the drinks later on!

Day two offered two Work Shops, which were both very well attended. One was regarding ERM and the other about Solvency II and its impact on Captives.

In Summary

A very well attended and, according to voices from the participants, appreciated Risk Forum at which SWERMA seems to have attracted new prospect members as well as foreign interested parties.



Focus on a Member



Julia GRAHAM

**Chief risk Officer - DLA PIPER UK,
Chairman of AIRMIC**

1. What is your favourite expression?
Yes I can help you.
2. Which talent would you like to have?
To paint landscapes in watercolour - I have tried but I am just not good!
3. What do you fear the most?
Going underground - the most frightening thing I have ever done was to go down a coal mine and crawl along the coal face - just the thought of this makes me shiver!
4. What do you like the best in life?
Anything to do with the sea - walking along the beach, sailing or just gazing at the horizon.
5. What is your biggest challenge?
Fitting in everything I would like to do.
6. What is your biggest weakness?
Saying no.
7. What is your biggest quality?
I have a joy for living and I love the work that I do and the people that I work with - I hope that my enthusiasm rubs off on others.
8. What is your preferred hobby?
I enjoy cookery - and especially most things Italian.
9. What lessons have you learned from your experience?
Expect the unexpected - history is an imperfect guide
10. What is your best souvenir in Risk Management?
Best Risk Management Newcomer Award given by Strategic Risk 15+ years ago - caused much amusement among my colleagues - as I was approaching 40 at the time
11. What is your favourite book on risk management?
The Challenger Launch Decision: Risky Technology, Culture, and Deviance at NASA by Diane Vaughan
12. What movie inspired you?
12 Angry Men (1957) - starring Henry Fonda as a dissenting juror in a murder trial who "just wants to talk" and slowly convinces the other jurors that the accused might be innocent

AGENDA

May 2009		June 2009		July – August 2009		September 2009	
5-6	AGERS – Annual Congress & GA (Madrid)	9	FERMA Board of Directors' Meeting (Brussels)			8-10	DVS Annual Congress (Munich)
7	DVS - General Assembly (Bonn)	10	FERMA – GA (Brussels)			16	BRIMA – General assembly
9	DARIM – General Assembly (Copenhagen)	11-12	NARIM – Annual Congress & GA (Ermeloo)				
28	BELRIM – General Assembly (Brussel)	16-18	AIRMIC – Annual Congress & GA (Bournemouth)				