



Record numbers attend Seminar and celebrations



Plenary Session at Square - Seminar 2014

A record number of 384 risk managers and other risk professionals came to Brussels on 20 and 21 October for the combined FERMA Seminar and 40th anniversary celebrations. It was the occasion of the publication of FERMA's first European Risk and Insurance Report based on the results of the 7th edition of the FERMA's Risk Management Benchmarking Survey.

The post-event feedback from delegates was enthusiastic, especially for the European Risk and Insurance Report and the risk manager only roundtables, which were an innovation this year. More than 80% who provided feedback judged the report as excellent or good. All the plenary sessions had positive approval ratings with the top

ranking going to the risk manager's profile session, and the risk manager only roundtables were very well received. Despite some reservations about aspects of the venue, the majority of ratings were positive and there was wide approval for the location. **p. 2**

From your President



Julia Graham

As I draft this message, I am taking the time to reflect on a wonderful FERMA Seminar in Brussels and the memory of our special 40th birthday party. We have received very positive feedback and many requests to view and download the first FERMA European Risk and Insurance Report with the results of the 2014 FERMA Benchmarking Survey. There is also great interest in the joint ECIIA/FERMA Guidance on updates to European legislation and best practices, also released at the Seminar. We were delighted to welcome colleagues from ECIIA and other associations including FUEDI, IRMSA and the BCI to the Seminar.

I would like to extend a very warm thank you to the teams - FERMA staff, our consultants and advisors, the FERMA board, and our partners and sponsors - who made this all possible. Long hours and dedication are needed to deliver so professionally. I would also like to thank you, our member associations and their members, because we also achieve this with and for you. **p.3**



FERMA President, Julia Graham, the Board of Directors, the Executive Director, Florence Bindelle and the whole FERMA team wish you a wonderful holiday season and a happy new year 2015.

Let the Forum add power to FERMA's voice



Edwin V. Meyer

The FERMA Risk Management Forum in 2015 should put its weight behind FERMA's core activities, representing the views of its members with European institutions and acting as the voice of risk managers at European level. This view comes from the chairman of the programme committee for the event, FERMA board member Edwin V. Meyer.

"At the Forum, I would like to see attention to European issues, such as cyber risks and insurance law, which FERMA on behalf of its member associations is working on. The result should lead to the creation of a FERMA manifesto," says Edwin. His aim is to have discussions and workshops during the event focus on selected European topics with a vote on the final day to establish agreed positions. **p.6**

Risk management today – a tour of Europe

Presidents of FERMA's national associations talk about their goals, challenges and favourite memories. **p.11**

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Record numbers attend Seminar and celebrations



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Jo Willaert

FERMA Vice President Jo Willaert, who headed the Seminar committee says, "The new concept of more sponsors, partial opening to non-risk managers, very active participation in the working sessions and the 40th anniversary dinner in a great venue made this edition of the Seminar a real celebration. The choice of Brussels, capital of Europe, for the Seminar was symbolic for FERMA."

The keynote speaker was Danish meteorologist and climate change expert Jesper Theilgaard who told risk managers not to regard climate change as something so terrible that nothing could be done about it. Instead, he said, they should look for business opportunities in helping to mitigate the possible impacts and make local adaptations to the changing environment. "It is very important when we talk about climate change that it is not as a Doomsday scenario but as risks and opportunities."

Jo says that for him the high points were the risk managers' closed session round tables, the refreshed way of commenting on the survey which highlighted better the results, and the choice of the keynote speaker. "He brought a different message than we

are used to, a potential positive challenge to the economic world regarding the climate change."

Lessons for the next seminar?

Jo believes it is too early to be definite at this stage about the lessons for the next Seminar, but his initial reaction is that:

- the new concept seems to be appreciated by risk managers and sponsors.
- we should give even more attention to closed session round tables;
- and have more time for Q&A/interaction during the general sessions;

"Feedback will certainly give us room for further improvement," he adds

If you want to relive some selected moments of the Seminar, discover

- Recordings of the plenary sessions are available at <http://www.ferma.eu/ferma-seminar-2014/watch-seminar-sessions/>
- Our photo albums at <http://www.ferma.eu/ferma-seminar-2014/photos/>

Roundtables

For the first time, FERMA organised closed sessions for risk managers at the Seminar to discuss specific issues in small groups. This innovation was very well received. In feedback, almost everyone gave an excellent or good rating to the topics chosen, and the discussions and reporting also received positive assessments.

The roundtables :

- Role of insurance
- Digital risks and opportunities
- Risk management: creator of business value
- Captives
- Natural catastrophe
- Compliance
- ERM best practices
- Claims management
- Internal audit versus risk management
- Supply chain
- Political risks
- Crisis management
- Environmental Liability Directive
- Master class on reform of the London market



Round table session at Square - Seminar 2014



Round table session at Square - Seminar 2014

Association panel

Risk management associations, including FERMA members and Asia's PARIMA, took part in a panel discussion on world perspectives.

Reports will be available at www.ferma.eu/ferma-seminar-2014

Fast facts:

Total attendance: **384**

Top attenders

- Risk managers from member associations: **157**
- Risk managers non-members: **13**
- Insurers: **91**
- Brokers: **32**

Top countries

- Belgium: **91**
- France: **81**
- United Kingdom: **55**
- Netherlands: **41**

National associations with highest proportion of representation

- Excellent: Czech Republic, Poland, Slovenia and Sweden
- Good: Netherlands, Spain and Turkey



Round table session at Square - Seminar 2014

Keynote speaker: Do not treat climate change as “Doomsday”



Jesper Theilgaard

Seminar keynote speaker Danish climate scientist and TV weatherman Jesper Theilgaard told risk managers that they should not regard climate change as a disaster so terrible that nothing could be done to reduce or mitigate its impacts. “The biggest risk in dealing with climate change is to treat it as Doomsday and think there is nothing we can do about it. It is very important when we talk about climate change that it is not as a Doomsday scenario but as risks and opportunities,” he said.

Theilgaard gave the Seminar an overview of many inter-related ways that the emission of greenhouse gases is continuing to change the environment from more extremes of weather, higher sea levels, toxic air pollution and the migration of disease agents and crop pests. There are, he advised, certainly enormous risks but also great opportunities in developing long-term mitigation and local adaptations to these changes.

For example, there will be a mismatch between different parts of the world in terms of the supply of fresh water. Today, it is very

expensive to supply fresh water in places where there is a shortage. Alternative sources of energy are not new technology, but we need better ways to integrate diverse energy sources into the electrical grid. Such problems can provide opportunities for companies to innovate.

According to Theilgaard, for much of Europe, increased flooding is probably the greatest threat from climate change, as a result of more extreme storms and rising sea levels. “Europe has a lot of coast line where there are big cities. We are thinking about the effects of climate change now, but we have a large stock of older buildings and infrastructure which has not taken climate change into account,” he said. “The infrastructure issue – bridges, roads and railways – is an important one for corporates to consider even if their own buildings are generally resilient.”

[Press release](#)

[Presentation](#)

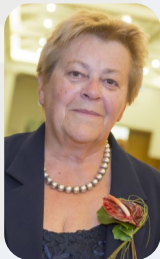
[WRIN TV interview with Jesper Theilgaard.](#)



Jesper Theilgaard

From your President

(Continued from front page)



Julia Graham

In the last few weeks, I have had the honour to attend as President of FERMA some wonderful events, in addition to visiting the 2015 FERMA Forum venue in Venice (a stunning event and programme are being planned).

This is where I have recently been: the ANRA conference in Milan; the Aon Risk Symposium in the Italian Lakes, a Commercial Risk Africa and BELRIM event in Brussels focussing on Africa; the ACE European multinational risk forum in London, the Global Business Continuity Institute annual awards dinner and conference in London; the UK AXA Corporate Solutions client event in the UK; the SIRM Forum and conference in Zurich; an inaugural ERM governance risk and compliance conference in Athens (with 140 delegates); a Commercial Risk Africa event in Nairobi with risk managers from East Africa; the Advisen European D&O insights conference in London and the Belgian internal auditor’s conference in Brussels.

To round the month off, I attended a dinner with a number of risk managers and colleagues from Chubb including the new CEO for UK and Mainland Europe, Jalil Ur Rehman, and attended and presented to the AIG Risk Management Academy for young European risk management professionals.

And in the middle of all this, I enjoyed the wedding of my lovely daughter Kate to her Canadian fiancé Tyler!

Why do I mention this “tour”? Well, it is the way to take the opportunity to speak about FERMA and our objectives - and about risk management and insurance in Europe from the FERMA perspective - and to listen to what you want FERMA to be and to achieve, which is priceless knowledge. Thank you for the privilege of meeting so many people who love our profession and support all that FERMA represents.

And yet I must apologise to those whose events I could not attend - but I hope you will understand why and will invite me back another time.

Now we are all thinking about 2015 - and what next? We have much we wish to achieve. Some things continuing, other things new. However, we will achieve our objectives from a position of strength. FERMA is the established risk management, insurance and risk financing voice of Europe. There is no doubt of this, and the launch of the European Certification for Risk Managers and a successful Forum in Venice will further confirm this.

Finally, at this seasonal time as we approach the end of 2014, I wish you all peace and good wishes for a positive 2015 - and I extend my thanks in advance for your continued enthusiasm and support for FERMA.

Letter from Brussels



Florence Bindelle

With a successful Seminar and our 40th anniversary celebrations behind us, FERMA has turned its attention to the projects which our European Risk and Insurance Report and Risk Management Benchmarking Survey show us are the priorities for our members.

At the top of our agenda is Certification. The report demonstrates that there is a great need for this qualification, and we are now finalizing the implementation timeline.

This is the first time that we have published the European Risk and Insurance Report, and the format and outreach are excellent. The survey identified key EU matters for our members, and those findings will be a source of guidance for our actions in the regulatory field.

On the Seminar, the feedback we received was very good to excellent. It is interesting that repeat attendance was more than 60% with nearly 40% attending their first seminar. A valuable innovation was the risk managers' roundtable discussions. Some of the reports from the roundtables are now available on our website, and others are coming soon. Our presence on the communication side has never been so high, and we received extensive press coverage in Europe and North America for the Seminar, the European Risk and Insurance Report, and our 40th anniversary.

We have also to take account the excellence of the presidents' summit before the formal opening of the Seminar, which gathered members, stakeholders and experts for a discussion on the topical issue of data protection. We will explore extending such platforms in future.

The next driving force is the Forum on 4-7 October 2015 in Venice. The Forum committee has defined the topics and innovations in the format. Its aim is to continue with the topical discussions at the Seminar, while always raising the level of quality. We are also considering our future guidance to risk and audit committees in line with the European Commission's agenda.

December's board meeting will vote on FERMA's 2015 budget and approve the 2015 strategic plan, including key priorities. It will also elect a deputy president. Pierre Sonigo will retire as secretary general and Fernand De Winter as treasurer, and the board will elect their replacements while thanking them for their enormous contribution to FERMA.

Later in December, we will hold a communication meeting to review our press, social media and website presence in 2014 and refine our strategy for 2015. We will follow up with a meeting with the communication officers of some of our larger members to develop a European plan and offer support to our members in raising their profiles.

I wish you all a happy holiday and joyful new year. We hope to see you at our offices in Brussels or at the Forum in Venice.

Great support for European Risk and Insurance Report



FERMA's first European Risk and Insurance Report, containing the results and analysis of the 7th edition of FERMA's Risk Management Benchmarking Survey, has received a strongly positive reception from risk managers and partners alike. More than 80% of the feedback from the Seminar, where it was launched, rated it excellent or good, and the online reports have already been accessed or downloaded. Some partners have already indicated they want to support the next edition of the report and survey.

With the launch of the report, FERMA changed the presentation of the results of the survey at the Seminar so that there was more time for discussion among the delegates, and this also proved popular.

Cristina Martinez, FERMA board member and head of the survey working group, says, "We are delighted with the response to the European Risk and Insurance Report. We cover the issues that risk managers told us they want to know, and we want the results to help us raise the standards by which we, as risk managers, judge ourselves. We can use this survey to learn how others perform and then talk to our CEOs about how to grow from key differences".

"Of course, since this is the first edition, there are refinements we will want to make in 2016. The working group will be happy to have members' feedback."

One idea has already come from the partners who supported the survey: "We suggest including an 'all eyes on the news' section dedicated to recent events likely to impact businesses over a long period. A focus on risks such as natural catastrophes, supply chain disruption, or pandemics, including scenarios, could be interesting."

Get the reports

There are two versions of the European Risk and Insurance Report: an executive summary that risk managers can use for their own information and to inform their top management and stakeholders, and a full analysis of the survey including country-by-country results.

For more information, follow links:

[Press release](#)

[European Risk and Insurance Report Executive Summary and Analysis](#)

[WRIN-TV interview with Cristina Martinez](#)

Individual sessions from the Seminar

[Risk managers' profile](#)

[Risk environment perspectives](#)

[Leveraging insurance to optimise risk management](#)

[Reporting from survey roundtables](#)

Thank you to our partners

FERMA thanks its partners AXA Corporate Solutions, EY, Marsh, XL Group and Zurich for their support for the European Risk and Insurance Report.

XL Group
Insurance
Reinsurance



EY
Building a better
working world

ZURICH

MARSH

CORPORATE
SOLUTIONS
redefining / standards

A gala celebration for 40 years

To mark its 40 years, FERMA published a special brochure celebrating its history and held a Champagne reception and gala dinner at the Palais des Beaux Arts, an art deco masterpiece by Victor Horta (1861-1947), which is now a prestigious Brussels venue for the arts.



The 40th anniversary brochure tells the story of FERMA since its beginning in 1974 to the present day through the story of its presidents, and at the dinner, the current President of FERMA Julia Graham welcomed many of her predecessors, including Life President François Settembrino, and other guests. “It is,” said Julia, “a history created by people who share a passion for our profession.”

She also thanked FERMA Treasurer Fernand De Winter and his predecessor Serge Marchand, Secretary General Pierre Sonigo, Executive Director Florence Bindelle who became FERMA’s first member of staff, and the FERMA office team of Julien Bedhouche, Véronique De Hertogh and Christel Jaumouille.



Julia Graham

Julia added that a number of people also quietly and generously give of their time, including the board and her three Vice Presidents Michel Dennerly, Alessandro De Felice and Jo Willaert, association members and their presidents, FERMA’s partners, and countless volunteers who work on FERMA’s projects and committees.

“Thank you for all for that you do - and for all that you will continue to do in support of FERMA,” Julia said, and she concluded by following British tradition and raising a toast “to FERMA”.

[Download the FERMA 40th anniversary brochure](#)



Pictures from the FERMA 40th Anniversary

FERMA and ECIIA respond to new corporate transparency requirements



FERMA and the European Confederation of Institutes of Internal Auditing (ECIIA) have responded to increased EU requirements for more corporate transparency with a new joint guidance document on the 8th Company Law Directive which was launched at the Seminar.

The new document “*Audit and Risk Committees: News from EU Legislation and Best Practices*” examines specifically how these committees should support their board and be supported by the two professions: risk managers and internal auditors.

The Guidance identifies 10 possible responsibilities to share between audit and risk committees and is meant to help boards of companies and the chairpersons of audit and risk committees to handle the increased EU requirements on financial and non-financial transparency.

The joint working group which prepared the Guidance sought views from the chairs of four European audit and risk committees from various business sectors not just on the challenges coming from the regulatory environment but also interactions with other functions within their organisations.

The Guidance can be downloaded free: http://www.ferma.eu/app/uploads/2014/10/ECIIA_FERMA_Brochure_v8.pdf

Let the Forum add power to FERMA's voice

(Continued from front page)



Edwin V. Meyer

"We want to create an outcome that will strengthen FERMA's position with regulators and add value for its members," he explains. "Member associations can and do organise their own conferences. However, lobbying at European level is difficult for them to do, so FERMA needs to act as an aggregator of their opinions, and their collective views will carry more weight."

The 2015 Forum will continue the overall theme of Living and Working in a Riskier World, in the terms of profession, innovation and diversity. On profession, it will focus on the wider stakeholders in the industry and their associations and, of course, the FERMA Risk Manager Certification. Innovation will address not only developments in insurance and risk management, but also disruptive technologies that will influence the future risk landscape. Diversity will encompass gender, age and culture. The key words for the work streams will be inspire, educate and influence.

"We plan to make the Forum content wider and more encompassing while largely maintaining the same format," explains Edwin. With the framework agreed, the programme committee now has to fill out the programme with speakers and events.

"What are the promises we are making when we invite our members and our colleagues to take time out of their schedules and attend the FERMA Forum?" he asks.

"I want my spirit to be lifted, to be inspired and to take away tangible solutions rather than pure information. I also want to network and attend workshops together with industry colleagues to exchange views and to gain knowledge. Finally, I also want to feel that I have and can influence together with my colleagues European affairs by voting on common issues, creating one voice so that we can express our opinions and change minds," he says.

Sponsorship

For the first time, FERMA is introducing a diamond sponsorship that will be available to a leading company in the host country of the Forum. There are also other many and varied sponsorship opportunities at platinum, gold and silver levels. The sponsorship brochure and more information are available from Véronique De Hertogh in the FERMA office at veronique.dehertogh@ferma.eu.

Forum exhibition applications opening

Applications for exhibition stands at the FERMA Forum 2015 will open on **5 December**.

There will be 600sqm of space available on two floor plans in the Casino. The FERMAgora will offer other opportunities for companies to interact and network with conference delegates.

Venice and risk

Bringing the FERMA Risk Management Forum to Venice is a return to the cradle of risk financing. We know that early types of insurance and associated instruments had already been developed in Imperial Rome. But it was really with the development of trade, shipbuilding and banking in the maritime republics of Venice, Genoa, Pisa, and Amalfi, that we see the birth of modern insurance. The earliest known marine insurance policy dates from 1343 in Genoa.



Picture of Venice



Picture of Venice

By the 15th century, the fortunes of Venice had triumphed and with its trade, the city had become a major centre for marine insurance. The area between San Marco and the Rialto was a centre of commerce and marine insurance to the extent that one of the narrow lanes leading into the Rialto is called Calle della Scurtà – or

insurance street.

Apparently brokers in this street provided forms for shipowners to complete with their name, the name of the vessel and cargo, and the insured value. The brokers would then take the slip to other business people who would subscribe shares in the insurance of the venture. Co-insurance, therefore, has been a successful way of supporting trade for 500 years!

As the President of FERMA, Julia Graham, says, "The history and situation of Venice make the city a wonderfully appropriate venue for a risk management event. Venice has for centuries been associated with trade and the management of risk through the development of marine insurance.

"Today, Venice is also a symbol for risk management as it works to mitigate the effects of global warming and rising sea levels on its heritage. The reputation of the city is such that we expect a high very participation from risk managers, insurers and brokers from all over Europe. ANRA will ensure that we receive a warm welcome."

Be social:

Follow us on @fermarisk and @fermaforum.
Use our hashtag: #FERMAForum



What association does FERMA belong to?



Danièle Vranken

FERMA is part of an important and growing business sector in Belgium – that of international associations based in the country, most commonly in Brussels. This group of organisations has its own body which provides a platform for members to share concerns and experiences with their peers: the Federation of European and International Associations (FAIB).

FAIB represents 280 of more than 2250 extremely varied European and international organisations that are established in Belgium today. FERMA is one of them, and FERMA's Executive Director, Florence Bindelle is a member of the FAIB board.

In addition to membership activities, FAIB has a lobbying role for its members in demonstrating the socio-economic value of their activities to the Belgian government. FAIB estimates that the turnover of these international associations in Belgium is about €2.9 billion a year, a clear indicator of the essential role of these associations to society in general.

Every five years, FAIB conducts a survey of Belgian-based members of the Union of Associations, including an evaluation of Belgium as a host country. We share the results with the Belgian authorities so as to convince them of the need to pay more attention to the valuable stakeholders represented by the international associations.

Types of members

Members can be classified into four major categories:

- Trade associations are representatives of their industries presenting their members' views on legislation at all regulatory levels (European Commission, Parliament, national and regional bodies).
- Professional associations, such as FERMA, offer a forum for their members to exchange views and findings and draw the attention of regulators and of the public to their concerns, achievements and perspectives.
- Civil society bodies, such as patient groups, cultural bodies, education and the environment, offer an interactive forum for their members to exchange views and share experiences and concerns.
- Non-governmental organisations (NGOs) and other charities play an essential role in alerting public opinion to critical situations around the world and address issues according to their specific role.

FAIB helps such varied organisations to share concerns and experiences since they often work in isolation concentrating on their own subjects. It addresses issues of interest to all its members, whatever their field of activity, by organising seminars, and reporting in its quarterly newsletter and occasional newflashes, notably on fiscal, legal, human resources, administrative and general matters.

This is just a brief overview of the somewhat ignored but fascinating world of associations to which I am proud to cooperate!

The FAIB Socio-Economic Survey 2013 is available from the website at faib@faib.org.

Danièle Vranken is Secretary General of FAIB.



Florence Bindelle

Florence Bindelle, FERMA's Executive Director

FAIB membership has been growing over recent years. It is consulted regularly by the European Commission on regulatory initiatives and by the Belgian authorities on legal, fiscal, social and economic issues. Such matters include the transparency initiative of the European Commission, the intergovernmental FATF risk of terrorist abuse in nonprofit organisations and the maintenance of the legal status of international associations in Brussels. To present its interests, FAIB organises regular meetings with the responsible ministers.

FAIB is involved in discussions with European Society of Association Executives and the international Union of International Associations to create a "one stop shop" platform for international associations established in Brussels to facilitate their activities and business ambitions.

Some of the benefits would be a sort of guidance from authorities. FAIB recommended in its last survey 2013 to facilitate and simplify the administrative and legal formalities and to reduce the fiscal charges.

My role as board member of FAIB puts FERMA in a privileged position raise to its points and be part of the process.



EU antitrust rules : a right to a compensation for citizens

Until now and for a majority of EU countries, cartel issues have been dealt with only through a public enforcement of European antitrust law by national competition authorities.

The new *Directive on antitrust damages actions*, which will be signed by the end of November 2014, acknowledges a right to compensation for anyone who has suffered harm caused by a cartel.

A few jurisdictions, in Germany, United Kingdom and the Netherlands, have been familiar for many years with private litigation connected to cartel damages. For many jurisdictions, however, this will constitute a new layer of possible liability applicable to cartel participants, in addition to the possible fines and sanctions imposed by national competition authorities.

Nevertheless, the Directive is protecting leniency programmes, the possibility of full or partial immunity granted by national competition authorities for a cartel participant who is providing information about the cartel. A claimant will not be able to obtain a court order for access to documents related to companies cooperating with the competition authority. This constitutes a

“ A powerful incentive for companies to choose the cooperation and the settlement options ”

powerful incentive for companies to choose the cooperation and the settlement options.

The status of whistle blower is now beneficial for two reasons: possible immunity and reduced fines from the competition authorities, and the chance to avoid civil litigation and damage claims from individuals in courts.

Expanding remedies

With this new Directive, European antitrust laws are expanding beyond public enforcement through national competition authorities to civil remedies through the courts and the full compensation of the damages resulting from a cartel.

The text will start to apply in the 28 EU countries with the introduction, phased in over two years, of these new requirements into their national legal systems.

This was part of a package of measures released in June 2013 by the European Commission which aims to facilitate actions for damages across the European Union.

If the Directive here specifically deals with antitrust violations and damages actions in the antitrust field, this package also included, among others, a recommendation setting out common principles to be followed by member states when implementing collective redress schemes by July 2015.

IMD2 / IDD2 – the return of the professional customer in 2015 ?

The recast of the Insurance Mediation Directive (IMD 2) is coming to a conclusion with the adoption by the Council of the European Union of a new compromise on 28 October (the sixth since May 2014).

The Council has re-qualified the original proposal as the IDD 2, standing for Insurance Distribution Directive 2; one possible explanation for this wording change is to have a broader scope and to cover all channels of insurance distribution and not just intermediaries.

Unfortunately for the risk management community, however, large risks are still excluded from the new disclosure regime imposed on insurance distributors.

The new text will be discussed with the European Parliament for a final approval before its publication to the *Official Journal of the European Union*, probably around April 2015. Member States are then expected to implement the Directive by mid-2017 at the latest, during a two years implementation phase.

The file has become a priority for the Italian Presidency of the EU that will end on 31 December 2014 when Latvia and Luxembourg take on two, six months terms of a rotating presidency for 2015.

The new disclosure regime will apply to remunerations and commissions, whether they are fees charged to insureds or

commission received from premiums paid by insureds. It also extends to “variable remunerations” like sales incentives or contingent commissions paid to intermediaries by insurers on a targeted basis.

More positive

On a positive note, the Council has maintained the original annex 1 on the professional customer definition. This was not the case in the version adopted by the European Parliament last February when the annex was almost entirely carved out. This means that the possibility for a “professional customer” to benefit “on request” from the new disclosure regime is still part of the dialogue negotiations with the European Parliament., which are expected to resume in January.

Finally, in the FERMA European Risk and Insurance Report published in October, The Insurance Mediation Directive was chosen by 34% of European risk management community as a regulatory priority for FERMA in the defence of the interests of the profession in Brussels. When asked about the adequate level of protection for the professional insurance buyer, 69% of the respondents opted for either a mandatory or an “on request” disclosure on remunerations and fees. Only 15% estimated that the disclosure obligations should depend on the size of the client (turnover, employees...).



(Re) Insurance pools to remain outside the scope of EU competition rules

FERMA has called for renewal of the Insurance Block Exemption Regulation (IBER) for (re)insurance pools in its response to the European Commission consultation exercise.

IBER provides a legal certainty of exemption from EU competition rules for every (re)insurance pool in the European Union, and this benefits all stakeholders: providers of insurance capacity and users.

The Commission launched the consultation in August ([see here](#)) to begin its assessment whether the claimed benefits for the insurance market and customers of insurance pooling still justify the special treatment they receive from EU competition authorities. Thirty-six organisations have provided their responses (consultable [here](#)) and the Commission must provide a report to member states before 31 March 2016 with the objective of deciding on its renewal in 2017.

Without the exemption, such pools would come under the EU general guidelines on horizontal cooperation agreements which allow wide discretion to national competition authorities.

FERMA believes this change would result in the use of expensive legal services to assess the compliance of such arrangements in multiple jurisdictions diverting investment from core, value generating activities.

FERMA has told the European Commission that the current

Healthy workplaces manage stress – a FERMA partnership

FERMA believes that stress in the workplace is an enterprise risk management issue to be shared with HR and other departments because of its enormous potential consequences for employers, including:

- ✓ Reduced overall business performance;
- ✓ Higher workforce turnover;
- ✓ Increased absenteeism and presenteeism (at work but not working to capacity);
- ✓ Increased accident and injury rates;
- ✓ Liability claims, depending on the jurisdiction.

To help companies reduce the impact of stress on their workforce and also on their operations, the European Agency for Safety and Health at Work (EU-OHSA), adopted *The Healthy Workplaces Manage Stress* as its 2014-2015 campaign. FERMA is one of the 80 partners in the campaign. (#EUmanagestress for twitter users.)

“Psychosocial risks and work-related stress give rise to significant costs for organisations and national economies,” according to EU OHSA.

It says that more than half of the European workers questioned regard exposure to stress as the main workplace health and safety risk. Twenty-seven percent of workers said they suffered from stress, depression or anxiety caused by or worsened by work during the previous 12 months.

Campaign events

The most recent event in the campaign was a two-day partnership between EU-OSHA and Toyota on 26 and 27 November at Toyota’s head office and factory in Mjölby, Sweden.

On the first day, EU OSHA and the Swedish Work Environment Authority gave insights into the business case for managing stress and discussed the toolkits that Healthy Workplaces Manage Stress has made available for organisations.

Day two involved benchmarking sessions on indicators of occupational safety and health performance facilitated by experts from Toyota, Heineken, LEGO, INERIS, and EU OSHA. Heineken’s Global Safety Manager Reyes Gonzales, a DARIM member, was among one of them.

Roundtable discussions included a case study from Heineken; tools available to manage stress; stress in materials handling operations; differentiating psychosocial risks from a challenging but healthy work environment, and tips for creating momentum and a safety campaign with impact.

EU-OHSA says, “Psychosocial risks can be prevented and managed regardless of business size or type.”

Some photos here: <https://www.healthy-workplaces.eu/en/media-centre/photo-gallery>





FERMA's selection of recently published useful reports for risk managers.

Conference reports

AGERS conference report (English)

A short summary of the annual conference is available at <http://bit.ly/1FPsBu1>

ANRA annual conference report 2014 (English)

This report includes the results of ANRA's Observatory on Corporate Risk Managers in Italy and risk governance survey.:

<http://bit.ly/15QgX7m>



BELRIM

General assembly: report of the chairman (English) :

<http://bit.ly/1w3s9ZO>

General Assembly
Report of the Chairman
18/09/2014

SIRM

A short summary of the annual conference (English) is available at <http://bit.ly/1FRYUdI>

Human resources

AMRAE

Mastering the risks of human resources: the engine of development for enterprises: conference reports (French)

<http://bit.ly/1w3sc7X>

Public sector



The Barometer of Risk Management for Local Authorities (French)

AMRAE report in association with the Association des Directeurs Généraux des Grandes Collectivités:

<http://bit.ly/1tRc6H3>



Risk management

Die Versicherungspraxis (German)

Magazine from DVS available at <http://bit.ly/1solRae>



Pushing the limits; managing risk in a faster, taller, bigger world (English):

The CRO Forum (Geneva Association) emerging risks initiative

<http://bit.ly/11YCYib>



Wharton School of Business Risk Management Review 2014

This report is produced by the Risk Management and Decision Processes Center at the Wharton School, Univ. of Pennsylvania. (English)

<http://whr.tn/1yRK3wy>

Terrorism and political risk



Airmic has created this new resource to collate information from external sources to help companies manage risks associated with terrorism and political violence. (English)

<http://bit.ly/1FRZLuR>

Workplace safety

Documents from EU OSHA seminar on psychosocial risks in Europe (English) – FERMA's partnership campaign

<http://bit.ly/1yiMa9U>

FEDERATION OF EUROPEAN RISK MANAGEMENT ASSOCIATIONS - FERMA AISBL

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A tour of Europe: FERMA's members reflect at 40

Today FERMA has 22 members from 20 countries across Europe. Some have started within the last 10 years, and a few are older than FERMA. As part of FERMA's 40th anniversary celebrations, we asked their presidents to reflect on their challenges and their objectives and summon up their best memories.

Gaëtan Lefèvre, President of Belgium's BELRIM, sums up the view of many. "Recognition of the added value of risk and insurance management is one of the big challenges. Certification is one answer, and we need to continue to push for and protect our jobs."



Alexander Mahnke

Alexander Mahnke, President of Germany's DVS, sees three linked challenges.

One is to communicate the value of insurance and financial management of insurable risk. "How do we make sure that people around us who are not insurance experts are clear what we are doing? We have to use the right vocabulary."

A second is to make sure that risk managers are part of the risk management value chain when some colleagues with responsibility for insurance in their groups may not be considered as more than the insurance procurement department. An increase in professionalism will help to secure the risk manager's standing.

Finally, he highlights the HR aspect. "Where are we going to get the next generation of risk managers? We need to show them that what we do is relevant and very interesting and can be an attractive career path."

"What are the biggest challenges for risk management in Malta today? The change in the culture from reactive to proactive..." is the comment from **Simon Grima**, President of Malta's MARM "Risk management is still viewed as another regulatory burden. Also, these functions are being carried out by other professions such as the accountants or lawyers who are reactive in nature and tend to look at problems within their own disciplines. The risk management function is a proactive function. It will remain an unknown and not understood profession until a type of professional warrant is designed and awarded."



Simon Grima

Maja Šušteršič, President of SI. Risk, says, "Enterprise risk management will need to move further in its evolution to strategic risk management, where management of risks directly adds value to strategic planning and the achievement of the strategic objectives. That way we would also emphasise the difference between managing risks strategically and operationally."



Tapio Huovinen

"We are trying to influence the risk management culture in Finland, which varies a lot between companies," explains **Tapio Huovinen**, President of FinnRima. "Some people are called risk managers when they are really insurance or insurance and hazard managers. We are also trying to influence board level understanding of enterprise risk management (ERM). This is one of the reasons we have picked up ISO 31000; it makes it much easier to explain ERM to board members."

This list of goals for risk managers comes from **Gilbert Canameras**, President of France's AMRAE:

- Be more visible in companies' organisations;
- Find the good and more efficient way to work with those brokers who are the "best friends" of risk managers;
- Become one of the main decision makers for strategic development of the company.

Helen Pope, Chair of Airmic, picks up on FERMA's current diversity theme: "We need a broader cross-section of people generally coming into the business. There is an external perception that the industry is not changing. We need visibility for role models so people see that it is changing."



Helen Pope

According to DARIM's President **Charlotte Enggaard**, the challenge is also the opportunity, "The term 'risk management' is becoming a part of our vocabulary, which is a very positive trend," she says. "However, we also need to make sure that we capture the benefits and the best practices to ensure that 'risk management' is serving the purpose of adding value to the business and shareholders."

External events

Helen Pope became the Chair of Airmic in June 2014, yet the few months that followed have been eventful. "We have had the developing situations in Ukraine, Syria and Iraq; the outbreak of Ebola virus in some African countries and the threat of another Icelandic volcano eruption."

Hans-Jörg Schill, President of Germany's BfV, says the most important external events during his time have been:

- The Arab spring which affected terrorism and political risk insurance;
- The meltdown at Japan's Fukushima nuclear reactor following the earthquake and tsunami in 2011 affected attitudes toward nuclear power and highlighted the risks of non-damage business interruption.
- Revelations by former US security officer Edward Snowden made the world rethink cyber security.
- The Euro crisis of 2012-3 affected the supply of credit insurance for the euro-zone.



Hans-Jörg Schill

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The financial crisis was the key event for Portugal, says **José-Manuel da Fonseca**, President of APOGERIS. "The crisis has had a strong impact. It was not the best environment for insurance or risk management. Companies seized the opportunity to cut costs. It was not easy for risk management because we need to spend money on consultancy or protection, for example. Things are getting better in 2014, and it looks like we are turning the corner."

José-Manuel da Fonseca

However, the financial crisis also helped to draw risk managers together, comments NARIM President **Annemarie Schouw**. "The risk management function can be a rather lonely job. We saw more and more members attending meetings and our annual event. We see there is a need to discuss what is going on and the changes that are taking place." As a result, she says, "NARIM is more and more a force to be recognised."



Annemarie Schouw

European issues



According to IGREA President **Daniel San Millan Del Rio**, the European issues most affecting Spain are professional certification, captive regulation under Solvency II, other EU regulations such as environmental liability, the geopolitical situation in eastern Europe and the growth of southern EU countries. He adds that managing the huge and incredibly rapid internationalisation of Spanish multinational companies is a major risk management challenge today.

Daniel San Millan Del Rio

"Slovenia is affected by any EU regulations from a business and risk perspective," says SI. Risk President **Maja Šušteršič**. "When something changes, we have to check what this means for our businesses and for company law. This is particularly important for environmental issues and anything which can affect the financial markets, since financial risks are really on top here. We are also concerned about the reporting of non-financial risks, collective redress and insurance regulations in the way they affect tax and national regulations. For me as an insurance manager, another issue is transparency of remuneration for intermediaries."



Maja Sustersic



Gaëtan Lefèvre

"We need to follow all these measures coming from Europe," says **Gaëtan Lefèvre**, "and very clearly this is why we support contact with neighbouring associations and reinforce the role of FERMA as our European federation."

Although not part of the EU, Switzerland has to be aware of everything that is taking place within the EU, explains **Sabrina Hartusch**, President of Switzerland's SIRM. For example, many companies have captives in EU countries so Solvency II has important implications for SIRM members.

Many sizes

FERMA member associations range in size from the modest to the very large and mature. The organisations their members represent also vary from global corporations to medium sized organisations and industry sectors, so they have different challenges.



Victor Vereshchagin

Geographically, RusRisk is FERMA's largest member. Its President **Victor Vereshchagin** was elected 11 years ago when the association was created by the representatives of professional business communities, banks and insurance businesses. At that time, he says, people knew little about risk management and did not understand its importance for management and business efficiency.

"I consider that our main achievement since then is an integration of professionals and experts representing the large and medium-sized industrial companies, banks and other credit and financial organisations, the insurers, brokers and consulting companies around our national association."

Says **Jana Bicanová** President of ASPAR CZ in the Czech Republic: "As companies and risk managers aim for budget savings and optimisation of internal processes, this can bring new challenges to achieve the right cost-effective quality of risk management. There is still a need to support the risk management and insurance role especially in smaller entities."



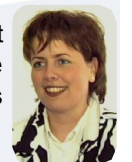
Jana Bicanová



Marco Zwick

Luxembourg's ALRIM started as the association of professionals in risk management mainly for banks, according to its President **Marco Zwick**. "It has substantially enlarged its scope to the investment fund and insurance sectors over the past few years and the next step will be to further extend the scope to corporates."

From DARIM's **Charlotte Enggaard** comes this view. "The FERMA certification project may be one step in the right direction looking at competencies, but also developing corporate governance to include risk management will ensure continued focus. As an organisation of insurance and risk management professionals, we will of course continue to focus on sharing experience and developing practices to support the management of risks."



Charlotte Enggaard

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Aims



Juan Carlos López Porcel

Here the responses could be described as a theme with variations. **Juan Carlos López Porcel**, President of AGERS, highlights the importance of innovation: "There is no doubt that a competitive advantage will be obtained by the organisations that identify and manage new situations properly. We are thinking about terms such as compliance, acquisition and retentions of talent, cyber risk, natural catastrophes due to climate change, use of apps not authorised by organisations, health, product recall and environmental issues. We also have to mention intangible risks such as image, reputation and ethics. It is our task to keep an eye on changes, taking into account the perception of these risks and their possible management."

Sabrina Hartusch highlights SIRM's collaborative approach. "We want to get members work closer together, to share knowledge and meet each other more often."



Sabrina Hartusch

SWERMA's President **Fredrik Finnman** lists its objectives as:



Fredrik Finnman

- Improve on membership benefits through relevant seminars, education and networking.
- Enhance communication with our members through our new web platform launched in 2012.
- Support our captive members in preparing for Solvency II but also through lobbying towards the Swedish Treasury and Financial Supervisory.
- Increase awareness for the risk and insurance profession through our university thesis competition.

"An important issue in Turkey," explains **Aysan Sinanlioglu**, President of Turkey's ERMA, "is the need to have the board of directors and CEO internalise ERM and bring clarity to the role of a risk manager in the organisation – specifically in the non-financial sector. A second one is around the pursuit of a healthy and steady risk intelligence flow in the organisation, one that is founded on (lean) governance structures that allow the risk function to operate and analyse. Locally, we also should be working on the synthesis of risk managers and insurance managers – which are perceived as two separate disciplines at this time. As a young association, this is where ERMA wants to support our risk managers most in the short term."



Aysan Sinanlioglu

Gaëtan Lefèvre says, "One of my targets is to open BELRIM to Europe. Brussels is, after all, at the centre of Europe with many of the major organisations in the city. We are developing strong relationships with our neighbouring associations. For instance we worked with NARIM to host the 2013 FERMA Forum in Maastricht. It is also important to build bridges with other organisations; this is part of our added value."



This openness is a growing characteristic of FERMA members. AMRAE is promoting and facilitating risk management activity in French speaking countries with the help of other Francophone associations as such as Belgium or Canada. It has also created two regional offices. "Risk management is not only the preoccupation of large companies but it is as well a challenge for medium-capitalised companies," explains **Gilbert Canameras**. "These two outposts have already generated a flow of activities in line with the preoccupations of smaller regional companies."

Some memories

"What is my best memory as president of APOGERIS? The FERMA Forum in Lisbon in 2005!" is the instantaneous answer of **José Manuel da Fonseca**. "APOGERIS only became a member of FERMA in 2003 but we persuaded FERMA that we should hold the Forum. It was the first time there were more than 1000 attendees. We had great keynote speakers and great weather. It created a lot of interest among the Portuguese risk and insurance community, too."

Annemarie Schouw remembers the FERMA Forum in Maastricht in 2013 with great pleasure. "My favourite memories are working with my colleague NARIM board members especially planning an event, thinking about speakers and working how to give everyone the best experience, such as the 2013 FERMA Forum in Maastricht which we organised in cooperation with BELRIM and our 'own' annual NARIM Conferences."

Jana Bicanová says, "We were delighted to host the 2009 FERMA Forum in Prague which encouraged us to hold our annual insurance and risk management conferences."

"What have I learned? Risk management is a permanent challenge which we have to meet every day in all our functions. Lessons once learned have to be renewed all the time." Hans-Jörg Schill, BfV

"Training is highly relevant to us. We need to ask ourselves - what I have learned today? If we have an answer to that question, then our day will be productive," Juan Carlos López Porcel, AGERS