



## Forum 2015 – just over six months to go

4 - 7 October 2015



The FERMA Forum 2015 moves ever closer. The Forum website is now open at <http://www.ferma.eu/ferma-forum-2015/>, the programme is taking shape and online registration will start any day.

### Highlights of the programme so far

- Welcome reception on Sunday (4 October) from 18.00 to 20.00 at a special venue not to be disclosed until May;
- Generali CEO Mario Greco will be the opening keynote speaker;
- There will be risk managers only roundtable sessions over lunch on Monday (5 October). Such sessions were very

successful at the Seminar in Brussels in 2014;

- A presidential style debate for high ranking industry leaders will take place on Tuesday (6 October): this was very popular at the Maastricht Forum in 2013;
- Since we are in Venice, host association ANRA will present a keynote session on Monday afternoon on the ambitious MOSE project to protect the city and the Venetian Lagoon from flooding;
- Students will have a special programme;
- Monday and Tuesday sessions will close with a FERMA cocktail reception. **p.2**

## Certification enters the testing phase

FERMA's plans for European Certification of Risk Managers have moved forward to a testing phase for the application and examination process by volunteers and the finalisation of the first set of exam questions. The project is on track for a launch during the FERMA Forum on 4-7 October.



Michel Dennerly

Over the last few months, the Certification Steering Committee, led by Vice President Michel Dennerly, has done extensive work to capture the reasons for a Certification programme and get the full endorsement of all national association members of FERMA. On 12 March, the steering committee held a conference call to discuss some new key elements of the project with national associations and others representing the European risk management community. The call gave the steering committee confidence that national associations are fully supportive and will help draw the project to a successful conclusion. **p.3**

## Experiences in diversity

As part of FERMA's focus on diversity, FERMA has been listening to the experiences of women working in the risk management community. In this issue, we focus on France and Belgium. **p.5**



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## Tributes to Edwin V Meyer



Edwin V. Meyer

Tributes flowed into FERMA following the unexpected death of FERMA Board member and Secretary General Edwin V Meyer on 7 February.

FERMA offered friends and colleagues the opportunity to express their thoughts via LinkedIn and on the FERMA website. Other condolences came direct. **p.3**

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## Key themes

The programme has been structured so that each day will focus on one of the key themes of the event: profession (Monday), innovation (Tuesday) and diversity (Wednesday), although the topics will run throughout the event in the workshops.

On Monday, there will be a panel discussion on the important profession issues of risk appetite, methodology, risk strategy and insurance linked to corporate strategy.

Innovation takes centre stage on Tuesday with the presidential debate and a panel discussion in the afternoon.

Two special events also take place on Tuesday:

- Young risk professionals' breakfast – sponsored by ACE – this is open to all risk professionals attending the Forum under the age of 35.
- Ladies' lunch – sponsored by Zurich – this is open to all women risk professionals at the Forum.

Then on Wednesday, the diversity discussion will be open to all with a leadership and diversity breakfast, also sponsored by ACE, and a panel discussion in the morning.



Pictures of Venice

## Industry participation

By mid-March, there were fewer than 10 exhibition stands left and the hospitality rooms were fully booked. Three captive domiciles have joined the list of sponsors, Isle of Man, Guernsey and Malta.

## Discounts on offer

As usual FERMA is offering a number of schemes to make it possible for the largest possible number of risk professionals to attend. Each member association, for example, has a free registration which it can offer to a student. Young risk professionals can attend for half price and there are early bird and same company discounts.



**Individual and corporate members – join now and come to the Forum at the members' rate**

Are you interested in Europe risk and insurance management but not eligible to join a FERMA member association?

You can apply for individual or corporate membership and attend the Forum at the members' rate. You will also be able to take part in other FERMA activities.

For more information, visit the webpage <http://www.ferma.eu/about/members-of-ferma/become-member/> or contact Christel Jaumouille at [christel.jaumouille@ferma.eu](mailto:christel.jaumouille@ferma.eu)

## Top insurer will be opening keynote at FERMA Forum



Mario Greco

One of Europe's leading insurance personalities is to be the opening keynote speaker at the 2015 FERMA Forum. He is Mario Greco, CEO of the Forum's diamond sponsor Generali Group.

Generali is one of the largest insurance companies in the world. Its headquarters are in Trieste where it was founded in 1831 but it has had a strong presence in Venice from its earliest years. Venice's symbol, the Lion of St. Mark, is actually Generali's trademark. The company operates in more than 60 countries occupying a leadership position in West European markets and an increasingly important place in markets in Central Eastern Europe and Asia.

Sn Greco took the helm at Generali in 2012. He is a native of Naples, graduated with an economics degree from the University

of Rome and then a master's degree in international economics and monetary theory from Rochester University in New York State. He started his career in 1986 at consultants McKinsey & Company, where he worked until 1994, and then moved into the insurance industry, first as head of the claims division, then general manager and managing director for RAS. In 2000 he was appointed Chief Executive Officer of the company. In 2004 he joined the executive board of Allianz.

Sn Greco's career then took him to leadership roles in EurizonVita (Sanpaolo IMI Group) and Eurizon Financial Group, and then Zurich Financial Services. In 2010 he was appointed CEO General Insurance at Zurich Insurance Group, a job he held until June 2012 when he moved to his current position at Generali. Outside work, he is known as a keen and competitive cyclist.

# Certification enters the testing phase

(Continued from front page)

These aspects include designing a designation that is suitable for a wide range of risk management professionals, from the new generation that is starting out with master's degrees in risk management to the highly valued risk managers who came into the profession before such degrees were available. A fast track process is seen as the most appropriate for senior risk managers with more than 30 years of experience, who will have the choice of an examination or a dissertation to complete the application.

Since Certification is designed as a tool to bring value to the profession, it must also be widely accessible. Applications will, therefore, be open to non-members of national associations, although the focus will remain on the associations. The steering committee's thinking is that risk management is a broad role description and some people who want to become certified may not be eligible to join one of

FERMA's member associations. These could include people with engineering roles, for example.

At this stage, FERMA is bringing in more founder members from among FERMA board members, presidents of national associations and members of the teams designing the content of the four pillars of Certification: the body of knowledge, the experience and skills needed to apply the knowledge, continuing professional development (CPD) and a code of ethics.

Founder status will be granted to turn risk management volunteers who are helping to build the Certification programme into ambassadors of the profession. The engagement of founders is seen as fundamental to the success of Certification in turning risk management from a discipline into a profession.

## Accreditation

When it comes to the accreditation of risk

management programmes and the licensing of CPD providers, national associations will be consulted in March to identify education bodies and CPD providers that will want to apply.

Work is still being done regarding the appropriate proportion of classroom time and e-learning that will be required from education programmes to become accredited, and personal work may also be considered in the mix.

## Governance

The steering committee has also worked to ensure that behind the scenes, proper governance is in place so that processes and committees are defined and well managed. Ethical issues, for example, will be dealt under the ethics committee composed of existing committee members belonging to steering, certification, accreditation committees whose composition is still to be determined.

# Tributes to Edwin V Meyer

(Continued from front page)

Julia Graham, President of FERMA, says: "We have been heartbroken at the loss of a dear friend and a good colleague. Condolences messages have included the words: professional, enthusiastic, engaging, humble, cheerful, thoughtful, a good listener and a true gentleman. Edwin's death has left an enormous gap in our profession. He had only recently taken up the role of FERMA secretary general and was going to build on the important work done by his predecessor Pierre Sonigo."



Edwin V. Meyer

It was not just Edwin's wisdom and leadership as a risk manager and as a FERMA board member that Julia and her colleagues will remember him for. "We all recall his wry smile," she says. "You would be developing an intellectual argument and thought you had made a great point, when out of the corner of your eye, that smile would appear on Edwin's face and you just knew you were in trouble! He was such a thoroughly nice, thoughtful and smart person."

Jo Willaert, Deputy President of FERMA,

said: "Edwin and I were colleagues during our time at Sedgwick together. Our paths came together again when we became peers as risk and insurance managers. Our friendship, his smile and good advice, and his positive way and creativity of approaching challenges will be forever in my mind."

Julia, Jo and board member Carl Leeman travelled to Heemstede in the Netherlands for Edwin's funeral. "The church service and the service at the crematorium were very well attended and there were wonderful tributes and opportunities to reflect with Edwin's family and friends on a lovely man who led an interesting life," said Julia.

## Career

Throughout his career Edwin worked internationally with a focus on risk management and insurance servicing the needs of global clients. As General Manager Risk and Insurance for ArcelorMittal based in Luxembourg, he had global responsibility for setting ArcelorMittal's insurable risk strategy, standards and procedures as well as worldwide implementation. He was a director of various captive insurance companies in a number of territories and

handled ArcelorMittal's captive.

Edwin joined the FERMA board in 2013, served as a board member of the German risk management association DVS and was a member of the Dutch risk management association NARIM.

The family has asked for any donations in Edwin's memory to go to: Happy Children-Hilfe für Nepals Kinder e.V.- Volksbank Hochrhein  
IBAN: DE5068492200001069020- BIC: GENODE61WT1

To read some of the tributes, see: <http://www.ferma.eu/blog/2015/02/ferma-announces-great-sadness-death-secretary-general-edwin-v-meyer/?fulllist=1>

## Secretary General appointment

FERMA board member from Denmark Helle Friberg has agreed to fulfil the job of secretary general until the FERMA general assembly in June 2015 when Edwin's successor will be formally selected



Helle Friberg

# From the President



Julia Graham

Diversity is one of the key issues for my term as FERMA President. The theme for International Women's Day on the 8 March this year was "Make it happen" - which echoes what we aim to achieve at FERMA in 2015.

Gender diversity for FERMA is about recognising and celebrating the differences between men and women, working out how businesses can be encouraged to take advantage of the opportunities these differences present and, for FERMA, doing what we can to reduce the gender gap. It is also about how women can be encouraged to hunt out opportunities and rise to the challenge. Gender diversity is not about ironing out the different characteristics and qualities of gender.

At a country level, there has been slow progress in closing gender gaps. The Global Gender Gap Report produced by the World Economic Forum (WEF) highlighted persisting gender imbalance in businesses across and within regions. Increased gender diversity at the top of companies correlates with better company performance and even of less risk of controversial behaviour – yet women are still under-represented at top-management levels. In France, for example, women account for only 9% of executive committee members, and as you will see from our interviews at the AMRAE conference, women make up the majority of workers in the insurance sector in France, but they are less than 20% of senior management.

Previous research by the consultants McKinsey upended the myth that female managers are less ambitious than their male colleagues. Women are just as ambitious as men, but on average tend to display less confidence about their chances of succeeding in the environment in which they are working.

Confidence is most correlated with collective factors, meaning that the corporate culture matters twice as much as the mind-sets of individuals in terms of the confidence of women leaders in succeeding, McKinsey found. Support from male colleagues was critical to overcoming these barriers, while that the current "anytime, anywhere" performance model penalises women more than men, again as our interviews from France illustrate.

*« The Global Gender Gap Report produced by the World Economic Forum (WEF) highlighted persisting gender imbalance in businesses across and within regions ».*

More recent research by KPMG highlighted three reasons for CEOs to take on the gender challenge:

- **Business** - it makes business sense to release the talent of your total work force. There are countless articles about the "brain drain" in the risk and insurance profession and about the dearth of talent at leadership level. This argument is key if we believe that risk leadership is the way forward for our profession.
- **Social** - most businesses have a clear vision and values. There is a fundamental link between these fine words and gender parity in businesses.
- **Personal** – this may be an afterthought for many business leaders, but men who identify with the ambitions of women in their families are likely to support the gender case more strongly.

FERMA with its good record of women in leadership has a position of influence and an objective to use this "special place" to make a difference to gender-diversity in our profession.

Our objectives during this year are:

- To develop a FERMA vision, mission statement, policy and strategic action programme for diversity;
- To have that strategic action programme make a sustainable improvement in gender diversity visibility and performance.

While supporting diversity-related activities across our association boundaries, publishing articles and celebrating successes, we have been building a network of "diversity champions" who we are ready to activate.

See the next page for the interviews with French risk leaders and top career tips from former FERMA President and now technical adviser, Marie-Gemma Dequae.



## Diversity in the Risk Professions: everyone's career is different

Everyone's career is different, says former FERMA and BELRIM President Marie-Gemma Dequae. Marie has combined a successful career as an academic, risk manager, wife and mother with four children, and now non-executive director. "You have to consider where you come from, where you are and where you want to be in 5 to 10 years' time. Do not look only inside your existing work environment, but into the broader world. There are lots of opportunities out there!"

Here are her tips for women in the risk professions. For the full story of Marie's career see <http://bit.ly/diversity-belgium>

Tip1: Consider developing your knowledge when you have a young family. I was able to build my family during a fundamental period of study, which was easier to combine.

Tip 2: When you do not see the result of your investment (mine was as a full time professor), reflect, evaluate, look at all alternatives and do not be afraid of taking strong decisions.

Tip 3: Do not focus on the past, do not complain, but look at the broad future.

Tip 4: Do not be afraid to take drastic decisions in your career, but be ready to take the consequences.

Tip 5: Training and continuous development are and remain very important, together with building a good international, broad and diverse network.

Tip 6: Listen to your colleagues (all over the world), take the time needed to discuss proposed solutions and find win-win solutions. Some projects take time, but be patient and persist.

Tip 7: Find simple solutions and good internal co-operation.

Tip 8: It is important to bring people together, work in teams and lead, as the risk management process is really team based and the further the process is realised, the more collaboration is needed.

Tip 9: Be aware of what is changing in your company and convince your bosses of the need for right involvement and place of risk management.

Tip 10: Exchange of views between colleagues and partners is crucial to grow in risk management and has to be organised, so membership of associations is of utmost importance.

It has to be positively valued by your company; sometimes some convincing is needed



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## Diversity in the risk professions – a view from France



23rd Rencontres of AMRAE

Visitors to the 23rd Rencontres of AMRAE in February could have left Cannes with the impression that women have a huge presence in France's risk management and insurance sectors.

Women composed a large share of participants in the event's sessions and workshops, as well as among the executives, advisers and sales personnel hosting the exhibitors' stalls, set up by the insurance industry.

As of today, most of the people who work in the sector, at least in France, are women. But if women are a majority among insurance workers, they still represent a minority among the industry's leaders.

According to the latest report by l'Observatoire sur les Métiers et les Formations des Salariés de l'Assurance, a think-tank that deals with labour issues in the sector, women represent almost 60% of all insurance workers, but they fill a

miserly 27% of all executive positions. Ten years ago, the ratio was an even less impressive 16.6%.

We interviewed several leading risk professionals in France to learn their views on gender diversity in the risk management and insurance sectors. The picture that emerged shows that there is progress, but plenty more to be achieved, and many companies have still to put the value of diversity into effect in their business.

Some of their comments are specific to France; others could apply in many other countries.

- There are few women on the executive committees of most large companies in France, like most other industries.
- Men are still seen as more natural leaders.
- Where women do play a leadership role in an insurance business, typically the company is not French.
- Working practices are often not family friendly.
- Women may be more risk

conscious than male colleagues – good qualities for risk professionals but possibly less valued in candidates for leadership.

- Informal networks are important.

For the full report, see <http://bit.ly/diversity-france> which includes interviews with:

Isabelle Bousquet, Senior Director of Global Business Continuity & Crisis Management at Carlson Wagonlit Travel

Raïa Faby, the Head of Technical Claims at broker Gras Savoye

Corinne Cipièrre, Managing director at RSA France

Consultant Béatrice Blanchard Duhayon

Marie-Claude Delaveaud, Director of Risks and Insurance at DCNS

Patricia Goudarzi, Director for Sales and Distribution for ACE in Continental Europe

Nadia Côté, Managing Director at ACE France



Florence Bindelle

The last month was a difficult time for FERMA. We have all been very affected by the sudden loss of our Secretary General Edwin V Meyer. All the board and the risk community shared their sympathy in these sad moments. Edwin initiated and was leading major projects such as international programmes and the technical content of the FERMA Forum 2015, in addition to his prominent new role as secretary general.

FERMA has moved forward with the reassignment of his major tasks. At the same time, in many meetings his presence and spirit still drive our actions and remind us of the direction we should take.

Our activities are continuing, and we address warm thanks to the 2015 Forum committee and the partners who are working hard to make the conference in Venice a unique professional event for you all. As an example, we have developed a joint communication and marketing plan with our partners and members to enlarge the scope of outreach to our target segments. On the technical side, during the Forum, manifestos will be presented on the four main issues that interest risk managers. Volunteers from our national associations are engaged in our working groups.

On cyber insurance, we welcomed two officials of the French Ministry on cyber security and insurance coverage. The EU-OSHA conference on combatting workplace stress took place in Brussels where we were one of the official partner organisations honoured by EU-OHSA as part of the event.

FERMA is preparing a guidance paper for organisations on risk management aspects of their duty of care for work-related international travel and assignments, and we will call for expert risk managers to be interviewed.

The first training session for risk managers on the Environmental Liability Directive (ELD) has been fixed for 17-19 June. It is open to 15 risk managers on a first come, first served basis.

Our main project of Certification is moving ahead and the steering committee organised a conference call with all the key actors to ensure we are aligned with our members on intended outcomes and the main components of the framework.

We are proud to have welcomed a young Russian student, Maxim, from the Moscow State Institute of International Relations this month.

Finally, I personally congratulate our President Julia Graham on her appointment as Technical Director of Airmic. I am convinced that her experience in the profession and with associations will contribute to the further development of the profession. We are delighted she is able to complete her terms as president and board member, and wish her great success.

### Proposed White Paper FERMA – International SOS Foundation – EU OSHA

FERMA proposes to publish a white paper providing the European risk managers' perspective on the management of safety, health and security risks for work-related international travel and assignments. The paper, which would be prepared in cooperation with the International SOS Foundation and the EU Occupation Safety and Health Agency (EU-OHSA) will provide information and guidance on organisations' duty of care for their workers on cross-border assignments.

Duty of care is the moral and legal responsibility of organisations to their workers, contractors, volunteers and others such as family members, especially when they are on international assignments or in remote areas of their own country. Businesses need to manage those responsibilities and ensure the health and safety of those workers through a proper travel risk management policy.

Duty of care embraces responsibilities from different business areas, functions and roles in an organisation. Various decision-makers including senior management, managing directors, corporate security managers, travel managers, medical directors, heads of HR, legal managers, and risk and insurance managers all have a part to play.

In 2014, the International SOS Foundation, together with more than 13 leading international health, safety and security experts including EU OSHA and national bodies, launched the world's first global framework to protect workers travelling or on overseas assignments. The document provides strategic guidance for organisations to identify hazards and threats and manage risks to ensure the safety, health and security of their workers.



Global Framework of International SOS

#### Key lessons from the document:

- Only 32% of the 628 organisations the International SOS Foundation surveyed conducted person/location risk assessments prior to expatriate assignments;
- The number of mobile workers is growing rapidly. A report by PwC *Talent Mobility 2020 and Beyond* estimated a 50% growth in mobile workers by 2020;
- Companies need to look beyond direct employees and assess the risk to the whole umbrella of business travelers including volunteers, students, trainees, dependents and sub-contractors;
- Insurance is not sufficient to ensure the health and safety of travelers.

Today, FERMA believes that educating the risk management community on this very topical subject, spanning risks such as Ebola, Ukraine, injuries and traffic accidents, falls within its role as a leader in the effective practice of risk management.

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### Purpose of the white paper

The purpose of the white paper "Safety, health and security risks management for work-related international travel and assignments – The European risk manager's perspective" would be to help organisations better understand their duty of care responsibilities towards their employees and dependents and provide them with practical recommendations.

The document including national and European legislation and obligations, benchmarking of existing practices and recommendations should become educational material for the risk management community.

FERMA invites experts in the field to share ideas and knowledge through interviews. If you would like to participate in this project, please contact Christel Jaumouille at the FERMA office: [christel.jaumouille@ferma.eu](mailto:christel.jaumouille@ferma.eu)

## European Affairs



### Solvency II and the treatment of third country jurisdictions

Because insurance is a global industry, the Solvency II regime (entering into force on 1 January 2016) includes some provisions regarding the recognition of third country jurisdictions as offering an equivalent level of supervision. For FERMA, an equivalence decision means an easier access to insurance capacities.

The process leading to the Solvency II equivalence of the insurance supervisory system of a third country jurisdiction is conducted by the European Commission in cooperation with EIOPA, the European insurance supervisor.

The Solvency II Directive has three types of equivalence.

1. Equivalence under article 172 deals with the recognition of reinsurance contracts between an EU reinsurer and a non-EU reinsurer. If equivalence is granted for the non-EU reinsurer, the contract will be treated as it were a full EU reinsurance contract.
2. A second type of equivalence is about the group solvency calculation and is of particular interest for EU-based insurance companies (article 227). If the country where the EU insurance has subsidiaries receives an equivalence decision, then the insurance group will be authorised to calculate capital requirements for its branch according to the local solvency rules, deemed as equivalent to the Solvency II capital requirements.
3. Finally, the third type of equivalence relates to the question of group supervision (article 260). When a non-EU insurance company in an equivalent jurisdiction has subsidiaries in the European Union, the home supervisor will be responsible for the whole insurance group. This is meant to avoid duplication of supervision for a single insurance group.

For these three types of equivalence, which could be temporary or unlimited, the EU with the support and advice of EIOPA is responsible for drafting an equivalence decision for the specific

jurisdiction. The equivalence assessment is a long and technical process. The objective is to ensure a level of supervision and customer protection for policyholders that is similar to what Solvency II offers.

#### Implications for risk managers

For risk managers, equivalence decisions are likely to impact the offering of insurance capacities in the EU. Equivalence facilitates greatly the insurance trade between the EU and approved jurisdictions. It saves, among other things, compliance costs and lengthy procedures, making the EU insurance market more attractive to the benefit of risk managers. Competition is increased and there is a wider access to foreign financial capacities.

This is why FERMA has supported since 2010 equivalence decisions for mature and well known jurisdictions like Bermuda, Switzerland or Japan, for which EIOPA has recently published its equivalence advice.

This level of sophistication and their stable regulatory environments are strong arguments towards a positive equivalence decision.

The European Commission is expected to release in the upcoming weeks the legal texts of equivalence decisions about this first batch of countries. As delegated acts, those texts are subject to the scrutiny with veto powers of the European Parliament and the Council of the EU, giving a political taste to a highly technical process.

FERMA intends, therefore, to tell both legislators about the financial impacts of delaying or denying the equivalence of some non-EU jurisdictions that are, nevertheless, essential for the protection of EU industries and their coverage of risks. Businesses rely for protection against some major losses in EU on payments which partly originate from these offshore jurisdictions.



## Cyber insurance market: incentives and improved cybersecurity for organisations

French and British initiatives are taking the role of insurance for cyber risks into account in their national strategy for cybersecurity.

In June 2014, the UK Government launched a joint initiative with some major British insurers to increase the level of IT security in UK companies. Called the Cyber Essentials scheme, it is based on certificates and will ensure that certified organisations have a certain amount of security measures in place. Cyber Essentials has been developed in close consultation with the insurance industry and is backed by AIG, Marsh, Swiss Re, the British Insurance Brokers' Association (BIBA) and the International Underwriting Association (IUA).

Some insurers committed to incorporate the "cyber essentials" in their risk assessment processes and to offer incentives to businesses to become certified, such as preferential rates for new cyber insurance policies. On 23 March, the British Government and Marsh released a report "UK Cyber Security: The Role of Insurance in Managing and Mitigating the Risk", based on input from 13 London insurers and a number of large companies. It confirms a desire by the UK insurance sector to lead the management of growing cyber threats. The full report is available here: <http://ow.ly/KFPcV>.

With a bit of delay, France is now catching up with the UK and has started to assess the use of insurance against cyber risks as a catalyst to increase the overall resilience of French industries. The Ministry of Finance has launched an initiative, and a report is expected in April.

FERMA received in February two representatives from the ministry and shared the experience and priorities of risk

managers as corporate clients of cyber insurance products.

The interest of governments in cyber insurance is guided by the idea that a large take-up of such insurance products would ultimately contribute to reinforcing the cybersecurity of private organisations.

As with previous initiatives with the European Commission, FERMA is always willing to share the point of view of risk and insurance managers, who are first in line as corporate insurance clients, about the latest development of the European cyber insurance market. This is work to be conducted with major national risk management associations like Airmic or AMRAE.

The biggest drivers for the cyber insurance market are likely to be regulatory, as shown previously in the US as data breach notifications have become mandatory in most states over the last decade. Future EU Data Protection is also likely to boost demand in the next five years to cover such notification costs.

The new EU regulation is still in discussion among member states at the Council of the EU; they struggle to find an agreement on key points like the form of the consent that the data subject (citizen, patient, client) must give before an organisation is allowed to store private data, or the right to be forgotten (right to request erasure of personal data).

Member states with a large digitalised administration, as in the Baltic countries, are pushing for flexible requirements. Others, traditionally attached to a high level of privacy protection like France or Germany, are demanding stronger formalities to collect consent from data subjects.

## New appointment for FERMA President Julia Graham

FERMA President Julia Graham is taking up a new risk management role. From 1 May she will become Technical Director of its UK member association Airmic. Until 31 October, she will be making a transition to this new job from her demanding role as Director of Risk Management and Insurance for her current employer DLA Piper, including retaining her non-executive directorships on Guernsey-based captives, including DLA Piper's.

Julia will continue as President of FERMA until the conclusion of her term on 7 October at the FERMA Forum and then as a FERMA board member until the next general assembly of FERMA in June 2016.

She explains, "I am very pleased that the FERMA constitution allows me to continue as president until the end of my term and then to support my successor Jo Willaert as a board member. I

will continue in my FERMA roles with the same enthusiasm and commitment and will remain active on FERMA's strategic projects including Certification."

FERMA Executive Director Florence Bindelle congratulated Julia on behalf of the board and executive committee. "We are delighted that we will have Julia's invaluable contribution to FERMA until the general assembly. She will, of course, be continuing with her passion to support risk management and the risk management profession in her new role, and we hope still to have the benefit of her wisdom."

Julia has a strong technical background in insurance and risk management. Her currently activities include acting as the UK expert of the Technical Committee for ISO 31000 and as a member of the relevant Working Group, where she also serves as a liaison representative for FERMA.

## Global Programmes



Günter Dröse

Günter Dröse, Chairman of the European Captive Insurance and Reinsurance Owners' Association (ECIROA), answered some questions from FERMA about ECIROA's initiative on the insurance supervision of global programmes.

**What aspects of global programmes does ECIROA want the International Association of Insurance Supervisors (IAIS) to look at?**

Our intention is to present the community of local supervisors, organised in IAIS, with facts that show that neither insurers, brokers nor insured corporations or supervisors can behave in a compliant manner with the accounting, tax and insurance regulation requirements in all jurisdictions. In this insurance market, all participants need to acknowledge that a change and adjustment in the regulatory area (or better, battle field?) is necessary.

Our aim is for IAIS to support and introduce a core principle in its Insurance Core Principles which demands a partial opening of barriers and borders, just and only, for the insurance coverage of excess layers, difference in conditions (DIC) and difference in limits (DIL) policies that are part of an international insurance programme provided by one or more insurers for a cross-border active corporation, with the condition that a locally issued policy is implemented in the "non admitted" country.

**Does this apply to global programmes in general or particularly when there is a captive involved?**

This is a general problem for all international insurance programmes above a certain size (in accordance with the countries involved). Captives usually write and carry risks of major industrial, trade or financial companies which - based on their volume and capital strength - are able to self-insure part of their entire exposure, following a more sophisticated risk management strategy. There is no difference with those programmes which are not reinsured with a captive.

**How does the compliance issue most affect companies with complex global programmes? Coverage, accounting, tax, other?**

There are accounting, tax and regulatory issues caused by requirements rolled out by the UN, OECD and accounting principles and tax laws. They cannot be applied in a fully compliant manner due to protectionist or self-interested local rules in some countries. But we are not trying to recommend remedies for the situation for each and every case in detail - this is not possible. The target is to achieve a principles-based understanding of such a core principle that local supervisors allow the regulations to come into line with international, (bi-lateral) generally accepted rules and standards.

**What classes of business are most affected and why?**

Programmes with high sums insured, especially D&O, or liability or financial lines, or with a very broad policy wording.

**What action would you like to see from the IAIS?**

First of all, we will ask IAIS to create a working group or sub-committee to study, develop and produce a proposal. Then, stakeholders will be invited to meet, discuss and prepare a draft wording which can be diligently discussed and presented to the IAIS secretariat and executive committee to be finally approved by the executive committee.

**What would you like European commercial insurance buyers to do, either through their associations or individually?**

Now, we are asking insurers who are active in cross-border business to support our action, which will be in the best interests of the entire insurance market and its customers. We very much appreciate the backing of all colleagues, from the industry and their local and international associations, as well as from the broker side or some local supervisors which may help us to start introducing and establishing the working group within IAIS.



Julia Graham

FERMA shares the objectives of the campaign by ECIROA. These issues are important, especially for larger organisations. Risks for these organisations can be complex and demand enterprise-wide, global solutions.

FERMA plans to collect the opinions of member associations and produce a co-ordinated message. The FERMA European Risk and Insurance Survey in 2014 provides a great starting point for evidence in support of a desire by risk managers to be able to set up international insurance programmes more efficiently, effectively and safely. This working group will create a document that addresses why international insurance programmes are used by large organisations, what the benefits of such programmes are and how they might help European companies to do business abroad.

This is not a new subject - far from it - but it is one that requires more noise to encourage buyer and supplier stakeholders to stand up and attract attention - and a call to action.



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

## Corporate governance

MSCI research (English)  
Scrutinising director characteristics  
<http://bit.ly/1ljviqW>



## Disaster Risks and Climate Change

Climate Change's Role in Disaster Risk Reduction's Future: Beyond Vulnerability and Resilience (English)  
<http://bit.ly/1OqlmzU>



## Global Programmes

• Compliance of multi-national insurance programs (English)  
Airmic  
<http://bit.ly/19KuMqB>



• Indirect taxation on insurance contracts in Europe (English)  
Insurance Europe  
<http://bit.ly/1BI7Opa>



## Occupational Safety and Health (OSH)

Event Summary of the Healthy Workplaces Campaign partner event, 'Benchmarking and exchange of good practices in OSH' (English)  
<http://bit.ly/1Nbyszr>



## Risk management

IGREA leaders interviewed in riesgo y empresa (Spanish)  
<http://bit.ly/1N5uE0F>



## Supply chain

La gestion du risque supply chain dans l'entreprise (French)  
AMRAE in partnership with KYU Associés  
This book is available for sale at €28 online from <http://bit.ly/amrae-library>



## Terrorism

The changing face of terrorism (English)  
Aon  
<http://bit.ly/1ECaXsP>



## Traveller risks

Return on Prevention (English)  
Cost-benefit analysis of prevention measures for business travel and international assignments  
International SOS  
<http://bit.ly/1Nis7Af>



## Recent association newsletters and magazines



AGERS  
Business continuity and crisis management event report (Spanish)  
<http://bit.ly/agers>



Airmic  
<http://bit.ly/airmic-news> (English)



BELRIM  
<http://bit.ly/belrim-news> (English)



DVS  
<http://bit.ly/dvs-news> (German)



NARIM  
<http://bit.ly/narim-news> (Dutch)



## FEDERATION OF EUROPEAN RISK MANAGEMENT ASSOCIATIONS - FERMA AISBL

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 – email: [florence.bindelle@ferma.eu](mailto:florence.bindelle@ferma.eu)

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