

**Press release**  
**23 April 2010**

### **FERMA welcomes the new EU insurance BER with some reserves**

FERMA, the Federation of European Risk Management Associations, welcomes the adoption of the new EU insurance block exemption regulation (BER) by the European Commission on 24 March 2010. The entry into force of the BER ends an intense two-year period of consultations in the course of which FERMA submitted proposals and actively defended the views and interests of risk managers.

FERMA welcomes the Commission's renewal of the exemption for co(re)insurance pools. The new conditions and revised market share thresholds will however trigger fresh examination of existing pooling arrangements. FERMA expects that these revised conditions for the common coverage of certain risks will benefit corporate insurance buyers.

FERMA further takes note that the Commission ultimately decided to abandon the exemption concerning cooperation between insurers on standard terms and conditions (SPC). However, given the important benefits that SPC's bring in terms of transparency and reduced transaction costs to risk managers, FERMA strongly supports the Commission's commitment to provide guiding principles on horizontal cooperation. It is hoped that, compared to the rules for exemption that were previously in place, no substantive changes will be introduced that would have the effect of hindering or reducing the incentives for efficient and beneficial cooperation.

Finally, FERMA is pleased with the balanced approach that the Commission has adopted in relation to cooperation on compilations, tables and studies. In particular, under the new exemption, risk management associations may now seek under reasonable conditions access to actuarial data generated by insurers. FERMA looks forward to collaborate actively with insurer associations in order to give meaningful effect to data access.

To conclude FERMA continues to believe that the practice of ad hoc co-(re)insurance arrangements on the subscription of industrial risks, as part of the basic functioning of the insurance market in Europe, has been working properly and proved its benefits. This practice should be permitted and allowed to continue as it brings cognizable efficiencies under Article 81.3 of the EC Treaty.

### **Notes to the press**

FERMA brings together 20 national risk management associations in 18 European countries. They have over 4,000 individual members representing a wide range of business sectors from major industrial and commercial companies to financial institutions and local government organisations. FERMA's members play a crucial role within their companies with respect to the management and treatment of complex risks and insurance issues.

Member associations are from the following countries: Belgium (BELRIM), Bulgaria (BRIMA), Czech Republic (ASPAR CZ), Denmark (DARIM), Finland (FinnRiMa), France (AMRAE), Germany (Bfv & DVS), Italy (ANRA), Netherlands (NARIM), Norway (NORIMA) Poland (POLRISK), Portugal (APOGERIS), Russia (RusRisk), Spain (AGERS and IGREa), Sweden (SWERMA), Switzerland (SIRM), Turkey (ERMA) and United Kingdom (AIRMIC).

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#### *Mission Statement*



*FERMA exists to support its members by coordinating and enhancing awareness and effective use of risk management, insurance and risk financing in Europe*

#### **Strategic Objectives**

- 1. To coordinate, promote and support the development and application of risk management in Europe*
- 2. To be recognized as a significant stakeholder in the decision making process at the European level on risk Management and Insurance issues*