2006 AEIP 2007

AEIP

1 Who is AEIP?

AEIP IS THE EUROPEAN REPRESENTATION OF 25 SOCIAL PROTECTION SCHEMES THROUGHOUT 16 EUROPEAN COUNTRIES INCLUDING SWITZERLAND. THE ASSOCIATION COUNTS IN 2006 11 ASSOCIATED MEMBERS, 6 OBSERVERS AND 8 CORRESPONDENTS THAT ARE ACTIVE IN THE FIELD OF COORDINATED RETIREMENT SCHEMES, PENSIONS, HEALTH AND PROVIDENT BENEFITS (COVERING AGAINST RISKS OF OCCUPATIONAL INJURY, DISABILITY AND DEATH) AND PAID HOLIDAY SCHEMES.

At the heart of AEIP's activities is the promotion of joint management of social protection institutions by representatives of employers and employees at European level.

Through its common positions, studies, conferences and active participation in discussions on social, economic and financial subjects, AEIP has become a well recognized European stakeholder. Its expertise is more and more requested by the European institutions. AEIP's values are solidarity and transparency, values that lie in the very nature of the paritarian movement. Equal representation of employers and employees in its bodies, puts AEIP in the centre of the ongoing discussions about the European social model and the promotion of social values on the one hand and the Lisbon strategy and the demand for growth and jobs on the other.

The long-term objective of AEIP is the European Paritarian Institution of Social Protection. This would allow negotiation and joint management of cross-border collective agreements on pensions, health, provident benefits and paid holiday schemes in multinational companies, professional sectors or regions. ★

~~« Pour nous, l'AEIP est tout à la fois un laboratoire d'idées et de réflexion afin de trouver ensemble les meilleures formules de coopération européenne. »~~

~~Jacques Brossard, Président du conseil d'administration (collège employeurs), LODH, Suisse.~~

"AEIP is a recognised, highly effective lobby that defends the interests of paritarian social protection systems in Brussels."

Esa Swanljung, Treasurer (employee representative), TELA, Finland.

~~« L'AEIP recherche en permanence les bonnes pratiques en Europe spécialement pour nos organismes du secteur de la construction. »~~

~~Peter Huber, Trésorier du conseil d'administration (collège employeurs), SOKA-BAU, Allemagne.~~

~~« L'AEIP défend les accords collectifs, sources de solidarité en Europe. »~~

~~Peter Borgdorff, Secrétaire du conseil d'administration (collège employeurs), VB, Pays Bas.~~

2 AEIP in 2006

2006 IS THE SECOND YEAR OF THE FRENCH PRESIDENCY OF AEIP BY BERNARD DEVY, REPRESENTATIVE OF THE EMPLOYEES AND CHAIRMAN OF ARRCO. IN NOVEMBER 2006, AEIP ENLARGED ITS TEAM AND HIRED A LEGAL ADVISOR, FRANCESCO BRIGANTI, AN ITALIAN WHO WILL SUPPORT THE TEAM IN BRUSSELS AND WORK ON ALL LEGAL ASPECTS OF THE AEIP PROJECTS. FURTHERMORE HIS SPECIAL TASK WILL BE TO CONCENTRATE ON THE EUROPEAN PARITARIAN INSTITUTION OF SOCIAL PROTECTION.

Following members have joined AEIP in 2006: TEA-ELTA, Greece joined AEIP as an observer CARCD and CAVAMAC joined AEIP as correspondents.

In September 2006, AEIP celebrated with great success its 10th anniversary in Brussels with the presence of Leila Kostiainen, Secretary of State, Ministry of Social Affairs and Health, Finland, Vladimir Spidla, Commissioner for Employment, Social Affairs and Equal Opportunities, Ieke van den Burg, Member of the European Parliament and Josly Piette, Member of the European Social and Economic Committee and President of the "Consultative Commission on Industrial Change (CCMI).

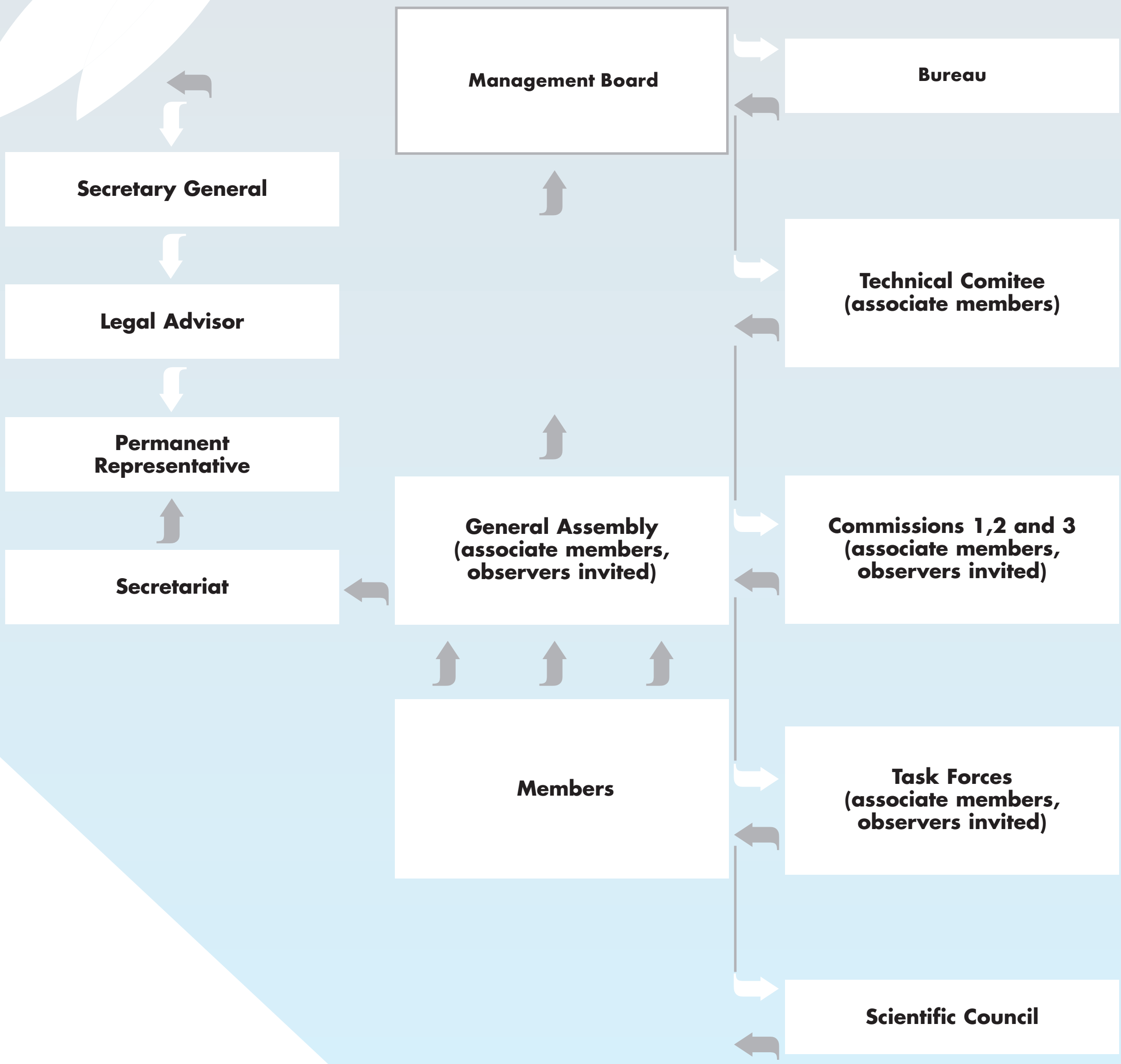
AEIP continued in 2006 on its works on "solidarity" and prepared a legal framework for solidarity based social protection schemes that it will publish together with its answer to the questionnaire of the European Social Protection Committee on "Social Services of General Interest".

Furthermore, in November, AEIP presented the report "The development of a legal matrix on the meaning of national social and labour legislation in directive 2003/41/EC" with regard to five member states, prepared in cooperation with Prof. Dr. Yves Stevens from the Social Law Institute of the Katholieke Universiteit Leuven. The final results of this report will be presented in February to the CEIOPS (European Committee of Insurers and Occupational Pensions Supervisors) after a presentation to the Pension Forum of the European Commission in November 2006.

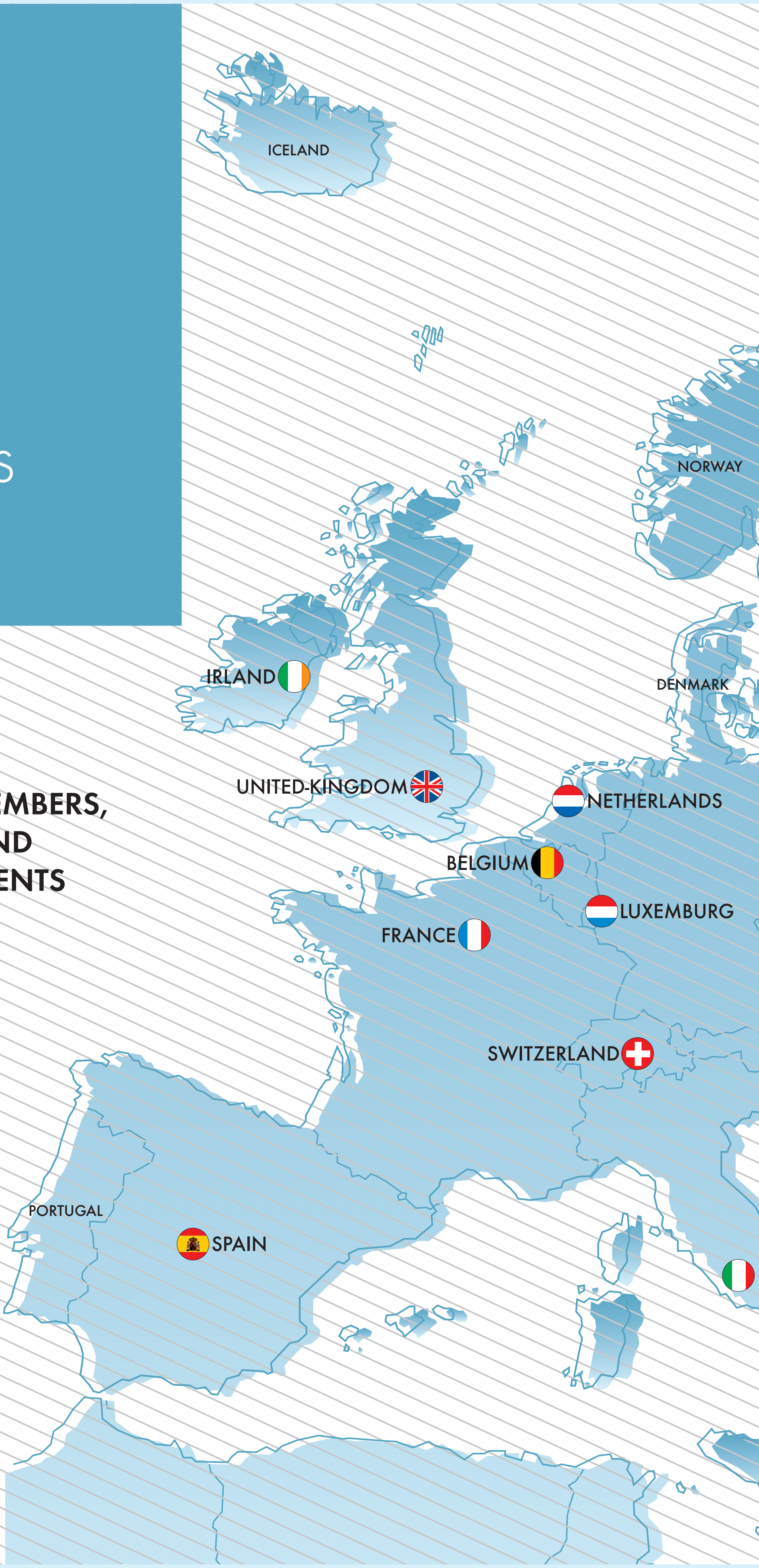
Another important project that AEIP has continued to work on is "Governance of Social Protection Schemes".

Following the accession of CARCD and CAVAMAC, AEIP has launched a new Task Force on Social Protection Schemes for independent and self-employed. The objective of the Task Force is to establish a European Platform for such schemes and work on issues of common interests such as solidarity, governance of social protection schemes and portability. ★

AEIP's current structure

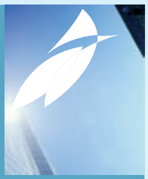


3 Members of AEIP



ASSOCIATE MEMBERS, OBSERVERS AND CORRESPONDENTS IN EUROPE


FINLAND
SWEDEN
ESTONIA
LATVIA
LITHUNIA
GERMANY
POLAND
CZECH REP.
SLOVAKIA
AUSTRIA
HUNGARY
SLOVENIE
ROMANIA
CROATIA
BOSNIA
SERBIA-MONTENEGRO
BULGARIA
ITALY
MACEDONIA
ALBANIA
GREECE
MALTA
CYPRUS



3 Members of AEIP

ASSOCIATE MEMBERS

GERMANY

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SOKA-BAU
Wettiner Str. 7 – D-65189 Wiesbaden
Tel.: 00 49 611 707 1406 – Fax: 00 49 611 707 1300
www.soka-bau.de **Member since: 2004**

BG BAU
Berufsgenossenschaft der Bauwirtschaft
Hauptverwaltung – Hildegardstr.29/30 – D-10715 Berlin
Tel.: 00 49 30 85781 0 – Fax: 00 49 30 85781 500
www.bgbau.de **Member since: 2007**

BELGIUM

INTEGRALE
Place Saint-Jacques 11/101 – B-4000 Liège
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www.tela.fi **Member since: 2002**

FRANCE

ARRCO
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AGIRC
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www.agirc.fr **Member since: 1998**

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IRLAND

CWPS
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ITALY

ASSOPREVIDENZA
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www.assoprevidenza.it **Founder Member: 1996**

LUXEMBURG

DEXIA Pension Fund
69, Route d'Esch – L-2953 Luxembourg
Tel.: 00 352 4590 4590 – Fax: 00 352 4590 4987
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THE NETHERLANDS

VB
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OBSERVER

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FRANCE

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www.tvr.fi **Member since: 2007**

GREECE

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Fax: 00 30 210 5200012
www.elta-net.gr **Member since: 2006**

ITALIE

CNCE
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www.cnce.it **Member since: 2005**

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CIA Caisse de Prévoyance du personnel enseignant de l'instruction publique et des fonctionnaires de l'administration du Canton de Genève
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www.cia.ch **Member since: 2005**

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www.cneps.es

MGC Mutua General de Catalunya
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www.mgc.es

FRANCE

CARCD Caisse Autonome de Retraite des Chirurgiens-Dentistes
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www.carcd.tm.fr

CAVAMAC Caisse d'Allocation Vieillesse des Agents Généraux
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Tel.: 00 33 1 44 01 19 64 – Fax: 00 33 1 44 01 19 20
www.cavamac.fr

Carac(2)
2 bis rue du Château – F-92577 Neuilly sur Seine
Tel.: 33 1 55 61 55 08 – Fax: 33 1 55 61 55 62
www.carac.fr

Groupe France Mutuelle(2)
56, rue de Monceau
F-75008 PARIS
Tel.: 33 1 58 36 12 99 – Fax: 33 1 43 59 32 57
www.groupefrancemutuelle.fr

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GR Hellenic Bank Association
1 Massalias Street – GR – 106 80 Athens
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www.hba.gr

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ONYF Orszagos Nuygdijbiztositasi Föigazgatosag
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Tel.: 00 361 270 81 32 – Fax: 00 361 270 81 91
www.onyf.hu

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Adam Smith Centre(2)
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www.adam-smith.pl /
http://www.smith.pl/

UK

UPS Ltd
Trinity Gardens 50
GB – London SW9 8DR
Tel.: 00 44 20 7737 06 82 – Fax: 00 44 20 7737 06 56
www.unionpension.co.uk

(1) Observateur since 2001 – (2) New member since 2007.

4 Events in 2006-2007

A. RETIREMENT SCHEMES AND PENSIONS

AEIP's Commissions 1 and 2 work on Retirement Schemes and Pensions. Concerning Commission 1, AEIP has decided to reinforce its works on 1408/71 schemes. Like AGIRC/ARRCO in France there are many similar schemes in Europe that are considered to be the second stage of the so-called first pillar schemes or the so-called first pillar bis. In this respect, AEIP would like to provide its expertise to such schemes and provide input to the Commission on the following subjects:

- find definitions for such schemes,
- clarification of the grey zone with other schemes,
- determine the link to the State,
- find out under which conditions they operate,
- work on the prudential rules of such schemes.

In its Commission 2, AEIP worked on the following subjects:

IORP Directive

As announced in 2005, AEIP in cooperation with the KU Leuven published a first version of its report on "The development of a legal matrix on the meaning of "National social and labour legislation" in directive 2003/41/EC with regard to five Member States. – Belgium, France, Germany, Italy and the Netherlands.

A part from the Dutch legislation little has been done to embed the paradigmatic pillars of social and labour law in the legislation with regard to occupational pensions and IORPS. IORPS are legally strictly considered financial pension vehicles.
Fiscal and prudential law risks undermine the principles of labour and social law. Prof. Stevens fears a race to the social bottom, since labour and social law are considered impediments to the free market. It is also necessary to have a fair definition of social and labour law in each country. If not, the success of the IORP directive could be put into danger.

Paritarian participation is considered to be an important key to social breakthrough. Thus, paritarian pension schemes have a stable viability because of the representative governance.

Prof. Yves Stevens underlines as in the first report published in 2004, that a common European approach in defining the notion of "national social and labour law" is necessary. Minimum social standards applicable in occupational pensions should be implemented. There is a need for redefining the established divisions between public and private responsibility for old age security. Funded pensions can form, if socially correctly implemented – a means to combat pensioner poverty with a relative small increase of the public obligations.

In order to find binding elements of social and financial services policy, both the financial and the social authorities should be included in the decision making process of IORPS and occupational pensions.

The future of financial services will not only depend on the EU wide financial coherence, but also on the streamlining and ensuring of EU wide coherence of social policy in occupational pensions.

A first example of cross-border activities in the area of pensions using the tool of the IORP Directive has emanated from a member of Assoprevidenza, associated member of AEIP. Pensplan, the territorial pension fund of the region of South Tyrol has plans to go cross border and offer a territorial pension fund in Germany. Meetings with the national supervisors have taken place in 2006 and Pensplan and AEIP presented the idea to the CEIOPS (Committee of European Insurance and Occupational Pensions Supervisors). This fits well in to the AEIP works on social and labour law as well as on the longterm project of a European Institution of Social Protection.

Portability of pensions

AEIP presented its position on the portability directive in May 2006. AEIP perceived the proposal as a good starting point for discussions. It underlined the necessity to exclude pension schemes that fall under the scope of the 1408/71 (soon to be 883/04) regulation from the directive. AEIP furthermore emphasised the subsidiarity principle and therefore judged the determination of a maximum employment period before acquiring pension rights as arbitrary.

Concerning the qualifying period, AEIP called the attention to the fact that there are different qualifying periods in PAYG schemes and in funded schemes. A preservation of rights in the PAYG schemes was therefore necessary.

With regards to reimbursement and transferability, AEIP saw the need to emphasise that a transfer of pension rights should be linked to a new job and that the transfer period should be specified in the proposed directive. In a collective scheme, it was difficult to individualise original employer contributions. Collective meant the contribution / benefit relation for all insured and not only for one employee. Therefore, AEIP pleaded for a long transitional period or for a separation between (old) rights and those financed after the implementation of the directive in order not to jeopardise the financial stability of the schemes.

Concerning indexation, AEIP pointed out that this can be an unfunded part of the second pillar scheme too. Dormant rights had to be treated the same way as rights for pensioners. Any adjustment of the indexation rules should take account of the unfunded part of such schemes.

Furthermore AEIP pleaded for an exemption of such systems, which are based on a collective equivalence, because any engagement could delete the balance and consequently threaten their existence."
Finally, in order to preserve pension rights, AEIP stressed the necessity to have rules for calculating their value. There was a danger of a loss of value in case of different discount rates from one scheme to another. Therefore, it was necessary to define the conversion rules for acquired pension rights according to actuarial parameters when a worker enters or leaves a scheme.

In its position AEIP suggested furthermore clarification of the wording of the proposal.

Pension Forum of the European Commission

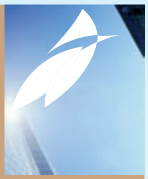
Since the creation of the Pension Forum of the European Commission, AEIP has been represented by its secretary general, Bruno Gabellieri, in this consultative committee comprising representatives of the European Commission, Member States and stakeholders.
The working program included the following subjects:

- technical work in order to find solutions to the problems and obstacles associated with cross-border mobility in the field of supplementary pensions,
- technical matters related to the Open Method of Coordination within the scope of the Decision establishing the Forum,
- share of information on national systems in the area of supplementary pensions and development of a common understanding of the terminology used,
- provide advise to the Commission on how to gather information from the Member States on supplementary pension provision in quantitative and qualitative terms,
- discussions on setting up a working group on transparency of supplementary pension schemes and the degree to which people are well informed in particular on the conditions on access to supplementary pension schemes,
- provide expertise on other Community initiatives in the field of supplementary pensions.

The Pension Forum is the place where the European Commission is presenting the situation of all the topics in the field of pensions from Directorates EMPL, Internal Market, ECOFIN and Taxation including the pending ECJ cases.

Pension Forum of the European Parliament

The Forum was established in November 2003 to bring together stakeholders and decision makers in the area of retirement provisions and pension schemes. The EPPF provides a platform at EU-level to exchange of views on pension related issues.
Sibylle Reichert, permanent representative of AEIP in Brussels, assisted to the meeting that took place in October 2006. The topic of this meeting was portability. Stakeholders and Members of the European Parliament discussed on the proposal and its consequences.



Cooperation with EFRP

Having members in common, AEIP and EFRP, the European Federation for Retirement Provision, seek cooperation in topics that are relevant for both organisations especially concerning the promotion of second pillar pension schemes. AEIP has been invited to participate in the EFRP Pension Fund Congress that took place in November 2006.
It has been decided that in 2007, AEIP and EFRP will organise a common conference about governance on May 15, 2007.

B. AEIP ACTIVITIES IN INSURANCE AND FINANCIAL SERVICES

Differences between pension funds, asset management and insurance companies

Since there is more and more pressure on pension funds to be dealt with as financial services, AEIP prepared a common position on the differences between pension funds, asset management and insurance companies. AEIP emphasised in this document that solidarity based pension schemes were long term investors that generate more stable and higher returns at lower risk that are far more difficult for commercial providers to achieve. Furthermore, solidarity and compulsory participation could balance out the limits of markets.
Inter- and intra-generational risk sharing, combined with sophisticated risk management techniques of solidarity based schemes lowers the potential investment risk for an individual investor well below the level that a commercial provider could achieve. Furthermore, solidarity based pension schemes pursue social goals and guarantee a decent standard of living for elderly. Paritarian management of pension schemes and thus, the involvement of social partners as their representatives increase the trust of beneficiaries. Recent developments have shown the need to involve pensioners separately in pension fund governance. Such mechanisms would not be normal in commercial institutions.
Finally, compulsory and solidarity based pension funds are under the supervision of the state and therefore provide for a high level of trust by the beneficiaries.

AEIP will continue promoting the values of solidarity based pension schemes and emphasise the difference with commercial products.

Solvency II

AEIP and its members that are covered by the insurance directives have accompanied the works of the European Commission on solvency II from the start.

Concerning its works on Solvency II in 2006, especially of its member CTIP, AEIP organised a meeting with DG Internal Market in order to stress the need to take account of the specificities of the "health" risk as encountered in provident benefit societies.

The permanent representative participated in the hearing on the solvency II project of the European Commission in June 2006 where the Commissioner for the Internal Market set the outlines of the Solvency II Directive that is supposed to be published in July 2007.

CTIP has actively participated in answering the questionnaire on the Quantitive Impact Study 2. This impact study focuses on the effect on insurance undertakings of the possible restatement of the value of assets and liabilities under the solvency II framework. Furthermore, it looks at the possible options for setting the capital requirements.

The application of solvency II on pensions is also more and more raised. AEIP is about to work on a position on this issue and has met CEIOPS (Committee of European Insurance and Occupational Pensions Supervisors) in October 2006 in order to discuss about the possible impact for the pension industry. AEIP will publish its position in the course of 2007.

Cooperation with ACME

Several meetings with representatives of ACME (Associations des Assureurs Coopératifs et Mutualistes Européens) have taken place in 2006. Both organisations decided to start a working group on Solvency II in 2007 in order to work on common subjects, find synergies, if it is possible, and have a strong voice at European level.

C. HEALTH

In AEIP's Commission 3, AEIP's members shared information on the ongoing health reforms. Especially Germany will undergo a deep reform that will change the whole system. The future of the health care systems is an important subject at European level and many countries face the same challenges such as demographic change, sustainability and mobility of patients.

AEIP has been asked to participate in the working group of "Confrontations Europe" on health services in order to prepare the Conference that Confrontations organised in June 2006. In this working group, the challenges for the health systems across Europe, the impact of the Open Method of Coordination on the health systems, the economic dimension of health services, the problematic on reimbursement of health care cost and the sustainability of health care have been discussed.

AEIP prepared a common position on the consultation about the health services launched by the European Commission. The position has been published in February 2007. In this document, AEIP subscribes to the common values and principles of the European health care systems set by the European Council in June 2006: The values such as universality, access to good quality care, equity and solidarity are promoted by its members.

Furthermore, AEIP reminds that the organisation of health care underlies the subsidiarity principle and is thus under the sovereignty of the Member States. According to Art. 152, the role of the Community shall be directed towards improving public health, preventing human illness and diseases and encourage cooperation between Member States.

For AEIP it is of utmost importance to put the needs of the patients into the centre of the reflections and at the same time respect the role of the different actors of health systems. AEIP sees a role for the EU in the following areas: benchmarks for quality standards, equivalence of medical practice, licensing and accreditation, patient's rights and support for regional projects.

Through its Polish member, AEIP has been asked to provide expertise for the Polish health reform. Bruno Gabellieri and Bernard Devy, the president of AEIP met Polish officials in order to discuss the possibilities for paritarian organisations to be set up in Poland.

Cooperation with AIM

Several meetings took place with AIM (L'Association internationale de la mutualité) in 2006. The Director of AIM participated in the AEIP Conference on "Health Reforms – Common Challenges – Common Solutions" in Lisbon in March. It has been decided that a common working group on "Health of Elderly and Longterm Care" will be created in 2007 and a common conference organised at the end of 2007.

D. AREAS OF COMMON INTEREST

Social Services of General Interest

The Social Protection Committee launched a questionnaire on the Social Services of General Interest in October 2006. AEIP provided its answer on the questionnaire in January 2007.
AEIP members provided its points of views and described their specificities. In its answer, AEIP underlined that it was difficult to make a distinction between social services of general interest and services of general interest, since according to the subsidiarity principle; the Member States themselves define the general interest of their citizens. Thus AEIP favours a holistic approach to services of general interest including social and health services of general interest.

Solidarity

AEIP pursued its project on solidarity. In 2005, AEIP published its reflection document on solidarity and organised a conference on this subject. The idea of the project on solidarity was to look at whether solidarity could be considered not only as a philosophical value at European level, but be transferred to a legal value. So far, in its respective judgements, the European Court of Justice had recognised that solidarity based and compulsory social protection schemes that are fulfilling a service of general interest fall out of the scope of competition law.

Following internal discussions and several meetings with Commission officials, the AEIP decided to elaborate a legal framework on solidarity that has been published in February 2007 as an attachment to the AEIP answer on the Questionnaire of the Social Protection Committee on "Social Services of General Interest". AEIP is of the opinion that in future, the social pillar of the European Model needs to be emphasised and that social protection schemes need to be promoted based on an existing European legal basis and codifying the judgements of the European Court of Justice. Thus, AEIP asked for an option to exempt compulsory social protection schemes based on solidarity from competition rules for the following reasons:

- institutions completely covered by regulation 1408/71 as well as public maternity and health schemes, fulfilling an exclusively social function and performing an activity based on the principle of national solidarity which is normally non-profit-making and where the benefits paid are statutory, bearing no relation to the amount of contribution paid, are not undertakings and therefore not covered by the rules of articles 81-86EC,
- an IORP, collective health insurance and provident scheme, or paid holiday scheme that is established by social partners and is entrusted with a monopoly is not covered by article 81(1) EC in so far as the application of this article obstructs the performance, in law or in fact, of the missions legitimately assigned to them with special regards to the level of solidarity that the scheme realises. In this framework, compulsory participation should be an essential condition,
- an IORP, collective health insurance and provident scheme, or paid holiday scheme must be capable of performing the missions assigned to it, either by itself or through subcontracting.

These arguments could be the core of an option for an exemption from the Commission (possibly including language on the economic efficiency of compulsory participation in this sector) on the interpretation of articles 81-86 EC for the social sector (consisting of state, mandatory and professional pension funds, collective health insurance, provident schemes and paid holiday schemes). According to AEIP, this would have the following advantages:

- it would be in line with article 83.1 and 83.2(c) EC,
- it would codify jurisprudence, now scattered over a significant number of cases,
- it would generalize and clarify this jurisprudence,
- it would take decisions in this matter from the legal to the administrative realm, thereby promoting legal uniformity as well as lightening ECJ case law,
- it would stabilize the current situation, helping social institutions to perform the tasks assigned to them,
- it would therefore be in the spirit and to the letter of article 2 EC.

These works will be continued in 2007.

Governance of social protection schemes

Another subject of common interest for all AEIP members is Governance of Social Protection Schemes. Based on the example of the guidelines for the governance of pension funds published by the OECD, AEIP will compare the rules and provisions that AEIP members apply at national level.

It was decided that AEIP would deal with the aspect of governance focusing on the internal management of the member organisations and the current role devoted to social partners and/or stakeholders.

AEIP recognises the importance of good governance of pension and social protection schemes and would like to share best practice examples in its working groups. Furthermore, the work examines the advantages of paritarian management in terms of good governance of social protection schemes.

Besides the conference that AEIP organises in cooperation with EFRP, AEIP will seek to publish a common position on this subject in 2007.

E. TASK FORCES

Task Force Construction

The Task Force Construction exists since 2001 and comprises AEIP member or adherents of its members that are paritarian social protection schemes in the construction sector. In 2006, eight European countries were represented in this working group.

In 2006, the cooperation with the social partners of the

Construction sector, EFBWW and FIEC has been strengthened. Representatives participated in the meetings to share information and to follow-up the works.

In cooperation with the social partners of the Construction sector, FIEC and EFBWW, AEIP conducted a project on the “European aspects of occupational pension rights in the construction industry”. The study has been realised by Prof. Yves Jorens, from the social law department of the University of Gent, also a member of the AEIP Scientific Council.

The study included 9 countries: Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands and the United Kingdom.

The results found by Prof. Jorens were the following:

From a technical point of view, the problems encountered by the occupational pension schemes of the construction industry seemed less enormous than expected. Most of the actual systems already correspond to the rules set out in the Directive with the exception of the German scheme. Such and similar schemes may be confronted with undeniable major risks and so one could imagine here that an exception would be foreseen for systems based on collective labour agreements. Practical execution would cause problems in particular looking at the tax treatment of supplementary pensions. Therefore, further action from the European Commission is needed.

There seem to be more political issues such as subsidiarity and the relation to other legal instruments that might cause problems in the future.

Looking at the ongoing discussions on the proposed directive on portability and the proposed discussion paper by the Finnish Presidency, a compromise seems difficult to achieve.

AEIP informed the members of the Task Force Construction on its works on pensions.

In its October meeting, two organisations presented their newly set up pension products.

Concerning Asset Management Benchmarking, the members continued to compare investment strategies and find best practice examples. During the meetings, asset managers presented the strategies of the respective paritarian organisation and thus gave an insight on the used tools.
The Task Force discussed also about prolonging working life and more specifically on rehabilitation, prevention and training.

Task Force Paid Holiday Schemes

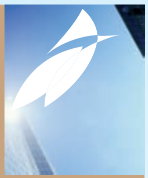
The Task Force Paid Holiday Schemes that meets together with the Task Force Construction, worked on the following issues:

Services Directive: AEIP provided an update on the draft directive to the members and the impact on the construction sector was discussed.

Posting of workers directive: Following a Communication by the European Commission on "Guidance on the posting of workers in the framework of the provision of services", the Task Force Paid Holiday Schemes prepared a common position that fed into the report on the application of Directive 96/71/EC on the posting of workers of Elisabeth Schroedter (Greens/EFA, Germany), Member of the European Parliament and rapporteur on that subject. AEIP argued that the construction sector being prone for misuse, effective control and sanction mechanisms were necessary to protect the workers. The monitoring system for services providers needed to be improved and fair competition safeguarded at European level.

Irregular work: Concerning irregular work, a phenomenon, widely spread in the construction sector, the Task Force focused on the problem of temporary workers. The members think about a statute for the building industry for this category of workers. Furthermore, the works of the social partners in this area were followed-up. EFBWW and FIEC undertook a study in this area and looked at the possibility of sanctioning.

Mobility of workers: The mobility in the Construction Sector being a historical phenomenon, it is getting higher in the recent years. Therefore, it is difficult to plan even at medium term the production activities of public and private works. There is an increase in using independent and foreign workers; there are more and more temporary



working sites and a high fluctuation of work force. The role of paritarian institutions is important in this respect with regard to training, security, social protection and assistance.

Task Force Territorial Social Protection Schemes:

This Task Force has been created in 2005 due to the increasing role of Regions in the area of social protection. The objective is to identify what social partners do at territorial level and to build a European network of territorial social protection schemes, share information of existing initiatives and promote this idea that already has been realised in the area of pensions in the region of South Tyrol. In 2007, a seminar in Germany is planned to promote this idea.

Task Force Social Protection for Independent and self-employed workers / liberal professions

Following the membership as correspondent members of CARCD and CAVAMAC, two French social protection institutions for the liberal professions and thus not paritarian, AEIP has decided to create a new Task Force. A platform for networking of such schemes that so far are not organised at European level shall be created. The subjects that will be worked on are solidarity, governance, the portability of pensions and information about relevant EU legislation.

Conferences of AEIP

In order to promote its ideas and share expertise with the European Commission, representatives of Member States, stakeholders and Social Partners, AEIP organised four conferences in 2006. The minutes of the conferences are available on our website: www.aeip.net

"European Health Reforms Against the Background of an Ageing Society – Same Challenges – Same Solutions?" – March 16, 2006:

The objective of the conference was to show how Member States address the challenges of an ageing society and increasing costs in the health sector:
Furthermore, the speakers looked at the challenges of the European health services provision Another theme of the conference included projects about cross-border care initiatives and the possible legal framework for such projects. As an outlook to the conference of AEIP in 2007, the final theme was long term care policies and the main global challenges for health of elderly.

Solidarity – a value for the future European Social Policy – June 8, 2006

As a follow-up of the solidarity conference held in 2005, AEIP examined in this conference the notion of solidarity against the background of an ageing society.

The speakers looked at the concept of solidarity and the challenges against the background of budgetary and social challenges encountered in European societies.
Solidarity and competition were juxtaposed and a possible legal framework was discussed. Finally, AEIP members presented the application of solidarity in the different social protection schemes represented at AEIP.

Employees' saving accounts – September 1st 2006

The objective of the conference was to look at different models for employees to save for their retirement.

Departing from the question, whether employees' saving accounts for financing pensions were necessary, experts presented their national solutions pointing at experiences in guaranteeing a decent pension for all salaried workers and complementing the legal schemes in their Member States.

Representatives of French Social Partners discussed about their role in promoting employees' saving accounts based on collective agreements and on solidarity. The speakers talked about existing activities in different branches, concrete examples and paritarian supervision and branding of such retirement products.

The very innovative idea of territorial social protection schemes has been presented at the end of the conference: In France and in Italy, there are territorial social protection schemes that fill the gap between the 1st and the 3rd pillar. These schemes have been implemented to provide a decent supplementary second pillar pension. In the case of the region of South Tyrol, scheme members are small and medium sized companies of the region. This project called "Pensplan" is ready to launch its idea cross-border and is the first European-wide pension project that is followed-up and accompanied by AEIP.

Interesting about the French experience is the combination between the PERCO (Collective Retirement Saving Scheme) and the territorial approach. The example given by Interexpansion, showed that it is possible to promote such schemes which are based on an agreement between social partners.

Governance and socially responsible investment – November 23, 2006, Geneva

The Conference organised in cooperation with AEIP's Swiss member, Fondation de Prévoyance de LODH, looked at fiduciary duty and responsible investment: Concrete examples of institutional investors presented their strategy on socially responsible investment.

At the end of the conference, a representative of the UN gave an overview of the United Nations Principles for Responsible Investment that have been launched in April 2006.

The conference led to a vivid debate on the subject. During the sessions, a poll has been organised to find out about the opinion of the audience on socially responsible investment.

In his conclusion, Patrick Odier, Managing Partner, Lombard Odier Darier Hentsch and Cie underlined that the political driven type of thinking has moved to the process process of trying to analyse the pros and cons of mixing idealistic objectives with the reality of the duties that have to be pursued in order to meet financial responsibilities. ★

5 Conclusions and outlook

IN 2006 AEIP CONTINUED TO BE A WELL-RECOGNISED INTERLOCUTOR FOR THE DISCUSSIONS AROUND THE EUROPEAN SOCIAL MODEL. THE SUCCESSFUL EVENT OF ITS 10TH ANNIVERSARY SHOWED THAT THE IDEAS PROMOTED BY AEIP FIND A LARGE INTEREST AT EUROPEAN LEVEL. AEIP FEELS HONOURED AND IS GRATEFUL FOR THE SUPPORT PROVIDED BY THE EUROPEAN COMMISSION, THE EUROPEAN PARLIAMENT AND ITS PARTNER ORGANISATIONS THAT CONTRIBUTED TO THE FURTHER DEVELOPMENT OF ITS ACTIVITIES.

Thanks to the commitment of its members, AEIP has been able to offer its expertise and input on the initiatives of the European Commissions.

In 2007, AEIP will further promote the paritarian idea and stand for the strengthening of the social pillar of the European model. ★

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