



Change of Presidency
on June 7, 2003 in Helsinki

(left to right) Diego AQUILINA,
Technical Committee Past Chairman

Emile DEREYMAEKER,
Board Past Chairman

and Bruno GABELLIERI,
Secretary General

• The Management Board

The Management Board manages the association. The Board is composed of the members appointed by the General Meeting. The Management Board shall necessarily include a representative of each associate member.



Managing Board in Budapest on November, 2003

*(left to right) Marc VILBENOIT, AGIRC Chairman and CTIP delegates : Jean-Louis FAURE, General Delegate,
Michel ANGE, Employer representative, Jacques NOZACH, Commission "Europe" Chairman and Catherine DENIS*

Employees :

Mr. Jean de SANTIS (CTIP) - F
Mr. Emile DEREYMAEKER (INTEGRALE) - B
Mr. Vladimiro RAMBALDI (ASSOPREVIDENZA) - I
Mr. Willi BUDDE (BKK-BV) - D
Mr. Pierre-Alain FERREOL (Fondation BCV 2^{ème} p.) - CH
Mr. Marc VILBENOIT (AGIRC) - F
Mr. Bernard DEVY (ARRCO) - F
Mr. Esa SWANLJUNG (TELA) - FIN
Mr. Klaus WIESEHÜGEL (SOKA-BAU) - D

Employers :

Mr. Michel ANGE (CTIP) - F
Mr. Pierre MEYERS (INTEGRALE) - B
Mr. Sergio CORBELLO (ASSOPREVIDENZA) - I
Mr. Hans-Wilhelm VON DAMM (BKK-BV) - D
Mr. Christopher PRESTON (Fondation BCV 2^{ème} p.) - CH
Mr. Dominique de CALAN (AGIRC) - F
Mr. Georges BOUVEROT (ARRCO) - F
Mr. Lauri KOIVUSALO (TELA) - FIN
Mr. Wolfgang SCHÄFERS (SOKA-BAU) - D

In 2003, the Management Board meetings took place in Helsinki on June 6 and in Budapest on November 22.



*Esa SWANLJUNG,
Employees representative, TELA (FIN)*

• The Bureau

The Management Board appoints some of its members to act as a Bureau. The Bureau's mission is to help prepare the work of the Management Board. Like the Management Board, the AEIP Bureau includes an equal number of members of both employers and employees. In 2003, a new member for the Bureau was designated: As from June 2003, Esa SWANLJUNG, employee representative for TELA has become a member of the AEIP bureau. A new member will be nominated for the Bureau for SOKA-BAU.

Employees :

Vice-Chairman

Mr. Jean de SANTIS (CTIP) - F

Treasurer

Mr. Emile DEREYMAEKER (INTEGRALE) - B

Mr. Marc VILBENOIT (AGIRC) - F

Mr. Esa SWANLJUNG (TELA) - FIN

Employers :

Chairman

Mr. Sergio CORBELLO (ASSOPREVIDENZA) - I

Secretary

Mr. Hans-Wilhelm von DAMM (BKK-BV) - D

Mr. Christopher PRESTON (Fondation BCV 2^{ème} p.) - CH

Mr. Georges BOUVEROT (ARRCO) - F

• The Technical Committee

The Technical Committee has no decision-taking power. It carries out studies relevant to the objectives of the Association, either on its own initiative or at the request of the Management Board.

MEMBERS

Chair:

Ms Laura CRESCENTINI (ASSOPREVIDENZA) - I
 Mr. Andrea LESCA (ASSOPREVIDENZA) - I
 Mr. Diego AQUILINA (INTEGRALE) - B
 Mr. Paul ROELS (INTEGRALE) - B
 Mr. Wolfgang SCHMEINCK (BKK-BV) - D
 Ms Hildegard DEMMER (BKK-BV) - D
 Mr. Jean-Louis FAURE (CTIP) - F (assisté de Mme Catherine DENIS (CTIP) - F)
 Mr. Jacques NOZACH (CTIP) - F
 Mr. Tito SOLARI (Fondation BCV 2^{ème} p.) - CH
 Mr. Fabrice WELSCH (Fondation BCV 2^{ème} p.) - CH
 Mr. Jean-Jacques MARETTE (ARRCO) - F
 Mr. Pierre CHAPERON (ARRCO) - F
 Ms Marie-Thérèse LANCE, (AGIRC) - F
 Ms Cécile VOKLEBER, (AGIRC) - F
 Mr. Matti LEPPÄLÄ, (TELA) - FIN
 Mr. Reijo VANNE, (TELA) - FIN
 Mr. Peter KIPPENBERG, (SOKA-BAU) - D
 Mr. Karl-Heinz SAHL, (SOKA-BAU) - D



*Laura CRESCENTINI, Technical Committee Chairwoman
 and Cécile VOKLEBER, (GIE AGIRC - ARRCO.F)*

Mr. Peter BORGDORFF (VB) - NL
 Mr. Martin VAN'T ZET (VB) - NL

CORRESPONDENTS

M. Georges TSATIRIS, Hellenic Bank Association - GR
 M. Pedro MUÑOS PEREZ, Confédération Nationale des Entités de Prévoyance Sociale (CNEPS) - E
 M. Bryn DAVIES, Union Pension Services (UPS Ltd)- UK
 M. Stilian BALASSOPOULOV, Central Union of Workers' Productive Cooperatives - BUL
 M. Tamas HAMORI, Országos Nyugdíjbiztosítási Főigazgatóság, (ONYF) - H
 Mme Barbara MISINSKA, Dolnoslaska Regionalka Kasa Chorych - PL

OBSERVERS

Mr. Pat FERGUSON (CFOPS) IRL
 Mr. William AHERN (CFOPS) IRL (†)
 Mr. Alain RODER (ARTÉSIA) - B
 Mr. Michel VANDERELST (ARTÉSIA) - B
 Mr. Brian GRIFFITHS (B&CE) - UK

• Commissions

AIEP's technical work is organized in three statutory committees:

- ☞ **Commission 1: Coordinated retirement schemes**
- ☞ **Commission 2: Pension funds**
- ☞ **Commission 3: Health and provident societies**

In 2003, a decision was taken to increase the number of meetings of the three Commissions in order to work better given the number of subjects that are relevant for AEIP members. They now meet every two months to work on current technical issues on European social protection and internal market policy. Furthermore, it has been decided to institutionalize the Construction Task Force.

The permanent membership of the Commissions is as follows:

☞ **Commission 1: Coordinated retirement schemes**

Moderator : Mr. Pierre CHAPERON, ARRCO, F
 Ms Cécile VOKLEBER, AGIRC, F
 Mr. Fabrice WELSCH, 2nd pillar foundation BCV, CH
 Mr. Matti LEPPÄLÄ, TELA, FIN

☞ **Commission 2: Pension Funds**

Moderator : Ms Laura CRESCENTINI, ASSOPREVIDENZA, I
 Mr. Paul ROELS, INTEGRALE, B
 Ms Catherine DENIS, CTIP, F
 Mr. Fabrice WELSCH, 2nd pillar foundation BCV, CH
 Mr. Matti LEPPÄLÄ, TELA, FIN

☞ **Commission 3: Health and provident societies**

Moderator : Mr. Jean-Louis FAURE, CTIP, F
 Ms Catherine DENIS, CTIP, F
 Ms Hildegard DEMMER, BKK-BV, D



*BKK-BV : Hildegard DEMMER, Willy BUDDE
 and Hans-Wilhelm von DAMM (D)
 at the meeting of the Commissions in Paris last September 5, 2003*

Presentation AEIP



Construction Task Force

This working group is dedicated to social protection issues in the construction sector



Visit TELA in PRO BTP, Cagnes sur Mer August 2003

(left to right) Lauri KOIVUSALO (TELA and ETERA), Michel TOURVIELLE (PRO BTP), Bruno GABELLIERI, Esa SWANLJUNG (TELA.FIN)

Members of the Construction Task Force are the following:



Peter KIPPENBERG,
SOKA-BAU (D)

Animator : Mr. Bruno GABELLIERI,
Secretary General, AEIP
Mr. Pat FERGUSON, CFOPS, IRL
Mr. Brian GRIFFITHS, B&CE, UK
Mr. Serge PUJOL, PRO BTP, F
Mr. Stéphan REUGE, PRO BTP, F
Mr. Lauri KOIVUSALO, Etera, FIN
Mr. Eelco HOOGENDIJK, SFB Group,
NL
Mr. Peter KIPPENBERG, SOKA-BAU, D
Mr. Olivier SCHUMACHER, SOKA-
BAU, D



Olivier SCHUMACHER,
SOKA-BAU (D)

All members of the AIEO Technical Committee of the AEIP are invited to participate in the work of the Committees.

The AEIP Team

Bruno GABELLIERI is the Secretary General of AEIP. Since the creation of AEIP, he and his personal assistant, Ms. Corinne LAMARCQ, have been seconded by the APRI Group, France, to work part time for AEIP. The APRI Group is member of CTIP, the technical centre for provident societies, and a founding member of AEIP.

The permanent representative is Sibylle REICHERT. The AEIP office is located in the European Building of Social Protection (MEPS) with other social protection associations such as ESIP (European Social Partners), AIM (International Association of Mutual Societies), ACME (European Association of Cooperatives and Insurance Mutual Societies), DSV (German Social Protection Insurance). The presence of AEIP in the European Building of Social Protection helps create synergies between the organisations, which share information and orga-

nise common meetings twice a year. In order to support the permanent representation of AEIP in Brussels, it was decided in 2003 to hire a part time assistant for the beginning of 2004. The assistant works part time and is shared with the German Federal Employment Agency.



Corinne LAMARCQ,
General Secretariat in Paris.



Sibylle REICHERT,
Permanent Representative in Brussels

AEIP, the European Association of Paritarian Institutions of Social Protection was founded in 1997 as an International Association under Belgian law. The objectives of AEIP are the following:

- Promotion of paritarism
- Representation of members at EU level and accredited organisations
- Monitoring of EU legislation and follow-up of relevant subjects
- Defence of AEIP members' interests at EU level
- Promotion of cooperation between the members

The values supported by AEIP are based on a balanced representation of employers and employees and include joint management, solidarity and transparency, as well as social policy resulting from collective bargaining. This approach is complementary to the approach within a social economy.

Ultimately, the aim of the association is to gain recognition of the status of the European Paritarian Institution of Social Protection, as the only structure that enables joint negotiation and management of cross-border collective agreements on pensions, health and providence.

Three areas of implementation of paritarism are at the heart of AEIP's concerns:

- coordinated pension schemes;
- pension funds;
- health and provident insurance.

AEIP's main activities include the study and dissemination of paritarism in the field of social protection by means of conferences, seminars and publications, and representation at EU-level through close contacts and cooperation with the European Commission, the European Parliament and the Economic and Social Committee.

Introduction

In 2003, Chairman Emile DEREYMAEKER, representative of the group of employees and alternating chairman of INTEGRALE (Belgium) handed over the chair of AEIP to Chairman Sergio CORBELLO, representative of the group of employers and Chairman of ASSOPREVIDENZA (Italy) for the next two year term. Responsibilities within the AEIP Bureau are as follows:

Chairman: Mr. Sergio Corbello (ASSOPREVIDENZA)
Vice-Chairman: Mr. Jean de Santis (CTIP)
Secretary of the Board: Mr. Hans-Wilhelm von Damm (BKK BV)
Treasurer: Mr. Emile Dereymaeker (INTEGRALE)

2003 marked a year of expansion in terms of new members and reinforcement of our team. AEIP welcomed three new observers and one new associate member:

- * Artésia, a 2nd pillar pension fund of DEXIA, B
- * B&CE, a 2nd pillar pension fund of the construction industry, UK
- * VB, Vereniging van Bedrijfstakpensioenfondsen, the federation of 2nd pillar sector wide pension schemes, ND
- * SOKA-BAU, pension insurance and paid holiday schemes in the building sector, D

AEIP has also decided to create a job for a full-time permanent representative employed under Belgian law in Brussels in order to fully respond to the needs of all its members. Sibylle REICHERT, a German, started to work for AEIP in February 2003.

In 2003, preparations were made for the enlargement of the European Union and a draft of the European Convention was presented, but negotiations to find an agreement on the convention have failed.

The Commission and the Council of Ministers have continued to work on:

- the social policy agenda,
- the Open Method of Coordination,
- modernisation of 1408/71
- the follow-up of social protection reforms in pensions in the European countries.

AEIP was especially active in the following fields: pensions, insurance of individuals and health. There were also subjects of common interest for all AEIP members.



Board and General Meeting on June 2003 in Helsinki

A - Pension related issues

● Ongoing pension reforms in Europe

In many European countries, pension reforms are under discussion or have been adopted in 2003. AEIP followed up current work in the different Member States and exchanged information on the reforms in Finland, Belgium, Hungary, France, the Netherlands and Italy. The main issues covered by all the reforms have either been adopted already as in France or are under discussion as in the Netherlands. The main common issues for all the reforms have been:

- ✎ Equalization of contribution periods for workers in the private sector and civil servants,
- ✎ increase in retirement age and/or contribution periods,
- ✎ information of workers on their pension rights,

● Joint report on pensions.

In order to compare pension schemes across Europe, the European Council adopted the European Commission's «Joint report on Pensions» on March 21, 2003, which was developed using the Open Method of Coordination. This report is a first comprehensive assessment of national pension schemes and policies at EU level. It has been prepared against in the context of an ageing society and the impact of that ageing on the adequacy of pensions and their financial sustainability. Furthermore it gives an overview of the need to modernize pension schemes within the Member States.

AEIP has adopted a common position on this issue stating that it welcomes increased participation of the social partners in national retirement strategies. AEIP also globally approves the reforms of retirement schemes based on mutual consent and is satisfied that economic, financial and social aspects of those schemes have been taken into account. AEIP will follow-up the Open Method of Coordination in the pension field and the development of indicators. The latter should provide quantitative elements to help establish a comparative inventory between the various Member States.

● Revision of regulation 1408/71.

On December 2, 2003, the Council reached a partial mutual agreement on the general direction that this regulation should take:

- ✎ The applicability of 1408/71 will be extended to non-employed persons, students, liberal professions,
- ✎ Pre-retirement provisions will be included,
- ✎ Social security agreements concluded in third countries will be integrated.

AEIP welcomes this achievement, which takes account of our active participation in 1997 and 1998 as an expert together with AIM, UNICE, ETUC and the ACCLI in the work of the «SLIM» group piloted by the Commission, to simplify the regulation 1408/71. The new regulation is currently being discussed at the European Parliament and should be adopted in the 2nd half of 2004.

● Directive on the «Activities and Supervision of Institutions for Occupational Retirement Provision»

On June 3, 2003, the European Parliament and the Council of Ministers adopted the Directive on the «Activities and Supervision of Institutions for Occupational Retirement Provision». The directive was published in the Official Journal on September 23 and it must be implemented by the Member States by September 23, 2005.

AEIP welcomed the Directive and appreciated the fact that the final text was not based exclusively on a financial approach. Thus, AEIP is gratified that cross border retirement schemes will not be detrimental to provisions of national labour and social law. AEIP believes that the Directive paves the way for the emergence of real European occupational retirement schemes within companies or branches on the condition that they are decided by the social partners.

AEIP will further study a project for a European Paritarian Institution of Occupational Retirement Provision (EPIORP) and has launched a survey of its members. The objectives of this paper are to study the concrete implementation of this Directive with regard to cross-border membership, the application of national social and labour law and how the implementation of that law can be verified. Furthermore, the recognition of the institutions and the means for developing of paritarian management will be reviewed. In this respect, AEIP underlines the supremacy of the social dialogue for complementary social protection.

The objectives of the AEIP study on the project for creating a European Paritarian Institution of Occupational Retirement provision are the following:

- ✎ Development of legal guidelines for collective negotiations on European level,
- ✎ Finding technical procedures to ensure that social and labour legislation in each Member State can be effectively implemented and to guarantee that beneficiaries of the schemes are well informed,
- ✎ Verify the relationship between mandatory national supplementary retirement schemes and a future European scheme.

The project will be presented at the end of 2004.

● Portability of pensions.

The European Commission has decided to launch a consultation of the Social Partners on portability. The first phase of the consultation started on June 12, 2002 and the second phase on September 15, 2003. The Commission wanted to reach a European collective agreement on the portability of pension rights.

AEIP has testified its hope that the Commission's initiative will be successful. The Social Partners did not wish to negotiate on this issue. Consequently, the European Commission has decided to prepare an initiative on the portability of pension rights. The subject will be dealt with during the Commission's Pension Forum based on a new questionnaire and the works of the technical subgroups, which already had meetings on this subject in 2002.

● Taxation

The Commission published a press release in February 2003, stating that tax discrimination affecting pension funds located in another Member State of the European Union would prevent full implementation of the Internal Market for occupational pensions.

AEIP has organized an audition with DG Taxud to discuss the latest developments in the field of taxation. The subject was the elimination of tax obstacles to cross border provision of occupational pensions within the EU. According to the European Commission, the absence of cross-border deductibility is still an obstacle for the free provision of services, and mobility of workers and businesses that want to operate cross-border. Also the difference in the taxation systems of the Member States considered as an obstacle. Currently there is no European legislation on pension taxation, because adoption of legislation on this subject requires unanimity. If in the new convention, unanimity is maintained, there will be no new legislation. In the latest case-law, the Skandia case (C422/01), the European Court of Justice rejected the fiscal cohesion argument used by the Swedish government and judged that Swedish tax law that privileges national pension schemes is not compatible with Community law.

AEIP will follow the tax question closely, since it is still a major obstacle to a real European pension market and should be a priority at EU level.

● Pension Forum European Commission

AEIP has been a member of the Pension Forum of the European Commission since 2001. The objectives of the Forum are «to act as a consultative body to the Commission on any problems and developments at Community level affecting supplementary pensions. In particular, the pension forum assists the Commission in finding solutions to the problems and obstacles associated with cross-border mobility of workers in the area of supplementary pensions.»

There are two plenary meetings every year, which took place in April and in October in 2003.

In 2003, the chair of the Commission Pension Forum was taken over by Mr. Jérôme Vignon, the successor of Ms. Gabrielle Clôtuche as Director of DG Employment and Social Affairs.

Vice-chairmen are Mr. Handels from UNICE and Mr. Lourdelle from ETUC.

At the end of October 2003, the representatives of the new countries acceding to the EU obtained observer status within the Pension Forum. They will become full members of the Pension Forum in May 2004. Thus, the number of participants of the Forum will be 55.

The European Commission Pension Forum dealt with the following issues this year:

- ✎ Portability of pension rights
- ✎ Transferability of supplementary pension rights: Technical obstacles to the transferability of occupational pension rights and the state of the implementation of Council Directive 98/49 have been discussed.
- ✎ Open Method of Coordination in the field of pensions
- ✎ Cross-border membership in supplementary pension schemes
- ✎ Taxation
- ✎ Equal treatment of men and women within occupational pension schemes

AEIP, represented by Mr. Bruno Gabellieri in all the Pension Forum meetings, pleaded for stronger inclusion of supplementary pension schemes that fall under the scope of 1408/71 and that, at the same time, are private paritarian schemes within the Pension Forum. AEIP deplored the impossibility of further enlarging the Pension Forum and suggested linking the supplementary and the basic schemes in a global perspective. Furthermore, a link should be established between the services of general interest and solidarity, particularly with regard to the general compulsory pension schemes. The compulsory nature of these schemes introduces the solidarity component, which is political. On the other hand, it has but a technical aspect, because it brings the social partners to collective agreements.

● European Parliament Pension Forum

Ms. Ieke van den Burg and Mr. Othmar Karas, Members of the European Parliament, have decided to launch a Pension Forum within the European Parliament. The objectives of the forum are to bridge the different situations of the pension schemes in the Member States, to create a mutual understanding on pensions all over Europe and a forum of dialogue, and to promote information sharing between stakeholders, interested parties, Members of the European Parliament and the Member States.

AEIP has been a member of the European Parliament pension forum since its launch in November 2003. In this first meeting, speakers and participants defined their positions on the subjects they would like to see treated within this forum. The following issues have been mentioned as being of major interest for the forum:

- ✎ Adequacy and sustainability
- ✎ Financial aspects in respect to the impact of pensions on public finances
- ✎ Employment policies and their influence on pensions
- ✎ Gender Equality
- ✎ Directive on the «Activities and the Supervision of Institutions for Occupational Retirement Provision»
- ✎ Corporate Governance
- ✎ Portability
- ✎ Taxation

AEIP expressed the need for discussion of the question of solidarity in combination with competition and Services of General Interest. AEIP also mentioned the possibility of Europe wide comparison of all legal capitalized or pay-as-you-go schemes in the 2nd stage of the first pillar, which are coordinated through 1408/71.

The working method of the European Parliament Pension Forum will be to deal with one issue at each meeting and to try to find a common answer.

AEIP will follow the works of the European Parliament Pension Forum and will contribute its expertise on each subject.

● OECD Working Party on Private Pensions

AEIP has been invited to the meeting of the OECD Working party on private pensions. This working party was established in 1999 to provide a forum for policy-makers from OECD countries to discuss public policy on private pensions. The subjects of this meeting are of common interest for the AEIP members active in occupational pensions. In the meeting which took place in November 2003, the following topics have been considered:

- ✎ Supervision of pension funds
- ✎ Pension fund investment

Both topics are highly important for AEIP members. AEIP has launched a study on the investment policy of its members, along the lines of work of the European Commission on this question. This study is particularly based on the work of the OECD.

B - Insurance related issues



*Hans-Wilhelm von DAMM, AEIP Treasurer
introducing the 2002 accounts*

● International Accounting Standards

The regulation on the International Accounting Standards was adopted in 2002. The Council formally adopted the Directive amending current legislation on accounting standards and harmonising the accounting rules for companies not subject to the June 2002 Directive on application of IAS standards to companies quoted on the stock exchange. The IAS 32 and 39 norms have been excluded from the Directive. These norms refer on how to deal with financial instruments in consolidated company accounts. This means that insurance companies are not required to include financial assets at market, rather than at acquisition prices in the consolidated accounts. This so-called «fair-value» mechanism would not cover long-term commercial banking or insurance undertakings. AEIP welcomes these latest guidelines of the Council in the sense that some of its members active in insurance would be especially threatened by the volatility of capital resources.

● The Lamfalussy Method

The Lamfalussy Method is a process to rationalise the decision-making process aiming at inviting the market to participate in developing norms before their final adoption by the Parliament and the Council. The method works on four levels:

- ✎ Adoption of legislation by the Council and the Parliament
- ✎ Consultation phase (regulators and supervision)
 - ➔ Technical advice through security regulators based on consultation with market actors
 - ➔ Vote of Member States (qualified majority) as represented in the European Market Committee
 - ➔ Adoption of a resolution by the European Parliament
- ✎ Implementation of texts through the European Committee of market regulators
- ✎ The Commission checks compliance of Member State laws with EU legislation.

The Commission adopted a decision in November setting up regulation and inspection committees for insurance undertakings and investment funds. These committees are meant to help the Commission adopt legislation in these areas using the Lamfalussy method. The decision to establish those committees was taken to complete the action plan for financial services for 2005. The European Parliament questions this method and a report on the method is expected for the year 2004. The European Parliament wants to be consulted on future procedures concerning secondary legislation for banks and insurance undertakings. The President of the European Parliament Economics Committee, Ms. Christa Randzio-Plath, underlined the right of the European Parliament to intervene - if legislation is adopted in this manner, this would dispossess the Parliament of its legislative power.

The AEIP stated that it would like one of its experts to be a member of the consultative panel of the European Committee of Insurance and Occupational Pensions Supervisors (CEIOPS). Although this application has not been considered in the first two stages of the nomination of independent experts, AEIP feels it is very important to participate in this consultative panel in order to represent paritarian institutions and to understand the new working methods of the Union.

● Reinsurance and Solvency

Since its foundation, AEIP has taken part in the work of the DG Internal Market on reinsurance and solvency issues. The Provident Societies in France, INTEGRALE and TELA, are particularly concerned by this issue.

In 2003, a working document on «Proposing supplementary recommendations in the form of quantitative criteria for the future reinsurance operations supervision system» was published by the Commission. In its response, AEIP argued in favour of reducing the solvency margin requirement by up to 75% for insurance companies taking out coverage with reinsurers approved by the European Union, since it can take more account of solvency requirements of insurance undertakings. Furthermore, AEIP supported the proposal that the same solvency margin should be required for all reinsurance operations. AEIP emphasizes that the solvency requirements should be different for life and non-life insurers given the calculation method for the solvency margin for life and non-life insurance operations.





AEIP feels that the future prudential system should be based on the solvency margin levels currently applicable to insurance companies and that the actual degree of exposure to risks according to the type of reinsurance operation performed, in particular proportional and non-proportional operations should be taken into account.

C - Health related issues

● European Health Reforms

In the health sector, many countries are currently working on reforms of their health system. In Germany, the health reform was adopted by Parliament in September 2003. An important issue for the further cooperation between the members of AEIP is the fact that, with the adoption of the German Health Reform, German sickness funds are now allowed to act as an agent for supplementary health insurance. This could facilitate cross-border cooperation which was not possible previously.

In France, the Health Reform is being discussed in the «High Council on the Future of Health Insurance». As for pension reforms, the sustainability of the systems is of utmost importance. The reforms throughout Europe include the following issues:

-  Increase of financial sustainability of the health insurance sector
-  High quality health care
-  Increase of efficiency in the health insurance sector
-  Facilitating access to health care

● Health Insurance Card

For the first time in the «SLIM» working party on the simplification of the regulation 1408/71, AEIP suggested the creation of a European Health Insurance Card, supporting mutual recognition of a European nomenclature of medical reports based on World Health Organisation (WHO) norms. AEIP has been following up this issue ever since and has discussed it within its working groups. AEIP has drawn attention to sensitive issues such as data protection, cooperation between the Member States, improvement of quality and efficiency of medical treatment and technical problems linked to the creation of a health insurance card (introduction of a computerized solution through the interconnection of data between Member States and questions concerning security). Those issues have to be considered thoroughly before the implementation of a so-called «Smart Card».

The European Council of March 2003 strongly supported the introduction of the European Health Insurance Card. In June 2003, three decisions have been published by the Administrative Commission of the Social Security of Migrant Workers concerning the Health Insurance card. At the same time, the European Commission has published a proposal for a Regulation to further simplify administrative procedures which should be amended to Regulation 1408/71. This proposal deals with the procedures for the introduction of the Health Insurance Card. In a first state, the Card is meant to replace the E111 Form and in a second stage all other forms that are currently being used. It also envisages unification of rights and the suspension of the distinction between employees, posted workers, un-employed persons and retired persons. The use of the card should be based on medical necessity. A person using the Health Insurance Card could thus use it directly at the health care provider without prior agreement. However, it is not a payment card, nor a card containing medical data.



Budapest conference: Rob ten WOLDE, AZL Director (NL), Matti LEPPÄLÄ, TELA Director International and Legal Affairs, Lauri KOIVUSALO, TELA Chairman and Esa SWANLJUNG, TELA Managing Director (FIN)

Common issues for all AEIP Members

D - Common issues for all AEIP Members



*Rob ten WOLDE, AZL Director (NL)
Matti LEPPÄLÄ, Lauri KOIVUSALO
and Esa SWANLJUNG, TELA (FIN)*



*Marc VILBENOIT,
AGIRC Chairman (F)
and Bernard DEVY,
ARRCO Chairman (F)*



*Bernard DEVY, ARRCO Chairman (F), Marie-Thérèse LANCE, AGIRC Managing Director (F), Bruno GABELLIERI, AEIP Secretary General,
and Alan PICKERING, EFRP Chairman*

● The Open Method of Coordination

The Open Method of Coordination has been developed further in 2003. Through the Open Method of Coordination, the European Union aims at coordinating social protection policies in Europe, which up to now are not subject to harmonization. Using this method, the European Union seeks to compare the European social protection schemes and find examples of best practice in order to be able to give indications for the modernization of the social protection schemes of the Member States.

In a first step, the Open Method of Coordination was applied to social inclusion, with strong inspiration from the European Employment Strategy, and then to retirement schemes. The joint report on pensions published in 2003 was an initial report on the Member States' retirement schemes. The next step of the Open Method of Coordination will be to coordinate the health care policies and care for the elderly.

In May 2003, the Commission published a communication on «Strengthening the social dimension of the Lisbon Strategy: Streamlining open coordination in the field of social protection». AEIP presented a common position on this communication. AEIP welcomed the intention of the Commission to further improve the coordination of economic and social policies. AEIP underlined the importance of «solidarity» as a basic value of the European Social Model. According to AEIP, the principle of subsidiarity has to be taken into account and the Member States should keep their sovereign right to organize their national social policy. Thus, AEIP considers that the open coordination method is a complementary method to reinforce the employment and macro-economic procedures based on the Treaty of the European Union. AEIP is following up the development of indicators closely so as to improve transparency and efficiency of the comparison of social protection systems throughout Europe. The development of those indicators must include the stakeholders. AEIP has offered to cooperate in the work on the indicators and first contacts have been made with the «Indicators» sub-group of the Council's Social Protection Committee.

For 2004, the Commission has published a communication on the extension of the Open Method of Coordination on health care.

A joint report on social protection (including pensions, social inclusion, health care and care for the elderly) is envisaged for 2005. A yearly follow-up report will then be presented when deemed necessary.

AEIP will monitor further development of the Open Method of Coordination closely and has offered its cooperation and the benefit of the experience of its members to the General Directorate of Employment and Social Affairs.

Common issues for all AEIP Members



● Services of General Interest

As almost all members of AEIP are social protection institutions in the general interest, they are largely concerned by the work of the European Union on Services of General Interest.

In 2003, the General Secretariat published a Green Paper on Services of General Interest. In this paper, stakeholders were asked about the advantages of a general legal framework in this respect. AEIP has adopted a common position and made it clear that up to now, Services of General Interest are not expressly mentioned in the Treaty of Rome. In the current proposal for a European Constitution, it has only been stressed that there is a need to clarify economic and financial conditions for the functioning of public services. AEIP also draws attention to the jurisdiction of the European Court of Justice, which considers an activity to be of an economic nature if it faces actual or potential competition from private companies. In doing so, it has established a strong presumption for the economic character of any activity. Thus, retirement benefits or health care are of an economic nature. Only pension providers that manage retirement schemes based on different criteria, and most importantly the principle of solidarity, are left outside the scope of competition rules. AEIP therefore is in favour of having the new Treaty take account of Services of General Interest, because they are an essential objective of the European Union.

AEIP pleads for a general legal framework, but at the same time, Member States should have the possibility to define which services are of general interest and which not according to their specific complementary social schemes. AEIP would like to stress the need for sectoral rules and the importance of solidarity. Collective bargaining is at the root of the social protection schemes represented at AEIP and should be taken into account in current reflections. Furthermore, AEIP sees the need for a clear definition of the criteria used to determine whether a service is or is not of an economic nature on a European level. According to AEIP, the Green Paper is still unclear as to whether funding based on solidarity and compulsory membership is or is not a recognized feature of services of general interest.

As a paritarian association, AEIP underlines the need to involve Social Partners in the work on services of general interest.

Following the Green Paper on Services of General Interest, Philippe Herzog, Member of the European Parliament, prepared a report. The Economic Committee of the European Parliament adopted this report in December. This report recommends a legal act based on a co-decision and not a framework directive. In the vote in Parliament, it was decided that the rules of the Internal Market would be adapted to the SIG and not vice versa. According to the vote of the Parliament, health social services among others will be excluded from liberalisation.

In 2004, a White Paper on services of general interest is to be expected. The Parliament also asked the Commission to give a position on the Parliamentary report and to take a stance in favour of a legislation using the co-decision procedure.

AEIP will continue to monitor this question thoroughly.

● Invalidity and rehabilitation

Invalidity and rehabilitation are subjects that concern both AEIP members active in pensions and those active in health. AEIP members have shared information on these issues during committee meetings. Invalidity leave has increased in almost all Member States and actions are being undertaken to make working life more appealing, to determine the reasons for this increase and to find out how to re-integrate workers into working life. AEIP will follow-up these issues and the work being done in the Member States and at the European level.

● Equal treatment between men and women

In the field of employment and work

The European Commission prepared an options paper on July 2003 listing a number of possible approaches which could be followed to simplify and improve legislation in the field of equal treatment of men and women. Interested parties were invited to respond to that paper and provide their opinion on the approaches suggested in the options paper. AEIP answered this consultation with the following statement:



Jean-Louis FAURE, CTIP General Delegate (F)



*Pierre CHAPERON, GIE AGIRC-ARRCO Director (F)
and Cécile VOKLEBER, GIE AGIRC-ARRCO (F)*

Common issues for all AEIP Members



Georges BOUVEROT, ARRCO Vice-Chairman (F)
and Serge PUJOL, PRO BTP General delegate (Task force construction)(F)

« The social protection schemes represented by AEIP promote the ideas of solidarity, transparency and paritarism. As a result of their social orientation, they are involved as a matter of principle, in defending the application of gender equality principles and believe the non-discrimination approach should prevail over any technical rules that may at present conflict with this principle.

However, the AEIP seeks to draw attention to the fact that in practice, the application of these principles should not lead to any inverted discrimination and should not make an impact that is out of proportion to the goal being sought. »

AEIP expressed itself in favour of the adoption of a general consolidated text in order to guarantee legal security and legibility of the legislation as a whole.

Since some AEIP members voluntarily fall under the scope of Regulation 1408/71, the distinction between first and second pillar schemes has to be made in any Directive.

Nonetheless, AEIP draws the attention to the fact that the application of the principle of gender equality to retirement is an extremely complicated task. AEIP recalls the possibility of a boomerang effect that equalization of ages could have, especially on tariffs. AEIP sees the need for further reflection on the technical aspects of gender equality in order to clarify interpretations of and conformity with the principle of equal treatment.

Concerning access to and supply of goods and services

On November 5, 2003, the European Commission proposed a directive «Implementing the principle of equal treatment between women and men in the access to and supply of goods and services». The Directive forbids direct and indirect discrimination. Different mortality tables for men and women used in insurance companies based on different risks for women, men or elderly are no longer allowed in the insurance sector. If the Directive is adopted, a transition period of six years is foreseen for the insurance sector to adopt the provisions of this Directive.

At the Pension Forum of the European Parliament, AEIP indicated that there was a danger of higher cost when setting insurance rates for individuals, but that this would have to be calculated by both the Commission and insurance undertakings. Nonetheless, taking into account the opposition of some Member States, this provision could be modified in order to reach a consensus at the Council.

● Data Protection

Since Data Protection is an important issue in both pensions (information of pension rights) and health schemes (health insurance card and exchange of information between statutory and complementary schemes), AEIP has been working on this issue in 2003.

At EU level there is a directive on data protection (95/46 EC), which deals with general subjects. Proportionality, adequacy and the need for data processing are important principles of this directive. AEIP has organized an audition with the DG Internal Market to exchange information on data protection. The legislation on Data Protection is different in the Member States and a structured dialogue between the Commission and the Member States should result in a report in 2004.

Furthermore, the Commission is currently working on a proposal for a new directive on the data protection of workers.

The members of AEIP have exchanged information on this issue in all meetings.



Emile DEREYMAEKER,
AEIP Past Chairman
and INTEGRALE Chairman (B)

A - Helsinki: Equality in Social Europe

This conference was organized in Helsinki at Illmarinen Mutual Pension Insurance Company on June 6, 2003 with the cooperation of the Finnish Pension Alliance (TELA). The principle of equal treatment between women and men in the field of pension law, as well as in health insurance were discussed. Professor Maija Sakslin, Professor Yves Jorens and Professor Philippe Langlois presented the legal framework. National experience of Finland, Germany, Ireland, Estonia and the Netherlands was considered alongside the view of the European Parliament represented by Ms. Pia-Noora Kauppi and the European Commission represented by Mr. Dimitrios Kontizas.

Ms. Sinikka Mönkäre, Minister of Social Affairs and Health in Finland and Mr. Antero Kiviniemi, Finnish expert at the Council of Ministers showed the participants that Finland is one of the most advanced countries in this respect.



*Bruno GABELLIERI, AEIP Secretary General
and Sergio CORBELLO, ASSOPREVIDENZA Chairman (I)
and new AEIP Chairman*

B - Budapest: Pensions: Solidarity, Delivery and Competition:

The objective of this conference, organised in Budapest on November 21, 2003, was to report on the open coordination method applied to statutory and supplementary pension schemes linked with the European Directive on occupational pensions in the light of the enlargement of the European Union to Eastern European countries.

Beyond the statutory schemes, current concerns were illustrated using the example of AGIRC and ARRCO in France, presented by Mr. Pierre Chaperon, TELA in Finland, presented by Mr. Esa Swanljung and the statutory second pillar schemes in Hungary, analysed by Ms. Daboczyk. Mr. Rob ten Wolde addressed the subject of the Dutch complementary branch pension schemes. He discussed the characteristics of these statutory schemes and their relation to Regulation 1408/71, but at the same time as occupational retirement schemes they clearly fall under the scope of the Bolkestein Directive.

Mr. Peter Stein of the European Social Protection Committee and Mr. Henri Bogaert of the European Economic Committee set forth the question of the indicators and of best practice examples which give a better understanding of this issue. Ms. Ieke van den Burg expressed the point of view of the European Parliament and pleaded for a more coherent and global approach taking the social dimension into account.

The European view was presented by Mr. Antero Kiviniemi, representing the European Commission. He presented the objectives of the European Pension Forum on the portability of pension rights. Mr. Diego Aquilina presented a first concrete experience of a pan-European pension fund. Based in Luxemburg, this fund has set up a differential scheme for a European multinational company through Integrale Luxembourg. 200 managers are beneficiaries of an additional pension fund at equal terms for all. Four different national laws are being applied and commit the company and the insurer to calculate differential contributions.

The representative of the French Banking Federation, Mr. Jean-Claude Guéry, has welcomed the French pension reform which will finally open the market for occupational pension products which could help companies and sectors find complementary pension solutions for their employees.

Mr. Alan Pickering, chairman of the European Federation for Retirement Provision (EFRP) and Mr. Bruno Gabellieri concluded the conference. Both welcomed the introduction of the directive on occupational retirement provision in view of the specificities of their associations. Mr. Pickering pleaded for speedy implementation of the Directive through the Member States and of the pan-European project of EFRP. He explained the feasibility of the project especially for multinationals from the UK, the Netherlands and Ireland. Mr. Gabellieri stressed the need to develop panEuropean occupational pension schemes based not only on collective agreements in big European companies, but also in professional sectors such as the construction sector.

Finally EFRP and AEIP announced that they would publish their thoughts on this issue in pilot projects.

Conclusion

The year 2003 seems to be a consolidation year for the AEIP, which continues to strengthen its representation.

AEIP's activities are growing, in step with the increase in the work of the Commission, the Parliament and the Council of European Ministers. Its working methods have been re-organized in a strategic seminar of the Bureau and the Technical Committee held in Athens in September.

The Commissions have a greater work allow for faster reactivity of the AEIP team together with the AEIP members. They have heightened their awareness of the implications of the construction of social Europe by the actors themselves. Our strong conviction remains — we must defend and promote paritarism for the benefit and the interest of companies and their employees.



Siège social :

Rue d'Arlon, 50 - 1000 Bruxelles - Belgique
Tél. 00 32 2 230 93 30 / Fax. 00 32 2 230 77 73

Secrétariat Général :

C/o Groupe APRI - 29 bd Edgar Quinet - 75014 Paris - France
Tél. 00 33 1 42 79 12 83 / Fax. 00 33 1 43 22 00 39

info@aeip.net

www.aeip.net