

Slovenians seek improved standards through Ferma membership

By Ben Norris

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THE SLOVENIAN ASSOCIATION OF RISK and Insurance Management (SI.RISK) was confirmed by the local authorities as an 'official' representative association on September 9, 2011 which meant that it was formally created just in time to join Ferma for its Forum in early October in Stockholm along with the Maltese.

This was, however, not the beginning as Maja Šušteršič [pictured, right], President of SI.RISK and Head of Insurance and Risk Management for the Slovenian energy company PETROL, explained to *Commercial Risk Europe*, earlier this month.

Ms Šušteršič said that a group of risk and insurance professionals from major Slovenian companies first met on September 9, 2009. Before the formal 'founders' meeting' the group held six meetings at which they discussed all kinds of risks and invited a number of professionals to present their views on the topics discussed.

She said the next step was to decide how to organise the group officially and commence the procedure to set up the association.

The new association currently has 12 members that comprises three individuals and nine companies which are all leading and well-known companies in Slovenia and abroad, said Ms Šušteršič.

When asked why the Slovenians' decided to form an association in the first place she said: "We found it necessary to exchange our good practice and knowledge with risk and insurance professionals in other companies. We found the topics that were interesting for the biggest companies in Slovenia, and we invited them to help us improve different approaches."

Ms Šušteršič said the association's goals are written in its statute and the most important ones are to:

- Enhance awareness and the importance of risk and insurance management in companies
- Exchange experience, opinions and ideas
- Cooperate with other professional associations and organisations
- Represent expert interests and positions
- Monitor new developments in the area
- Provide conditions which will enable the increase in efficiency and higher quality of work for members.

SI.RISK members decided to focus on a wider range of topics of relevance and significance to the Slovenian economy. "We talked about business continuity, on the occasion of pandemic flu, about D&O, environmental insurance connected with EU directives, captives, receivables and the like," explained Ms Šušteršič.

She said that the group has already formed working groups to focus on some of these topics in future, have been allotted tasks and goals and are expected to report on progress to help maintain momentum.

"For the next year we have planned to organise meetings to discuss risks in supply chain, international risks, project risks, and many other topics. Risk and insurance managers from major Slovenian companies are members of the association. We wish to work for, and be the representatives of, all risk and insurance managers in all kinds of legal entities. Risk managers from banks and, under special conditions, insurance companies may also be members," said Ms Šušteršič.

Members of SI.RISK face the same problems as risk and insurance managers in other

European countries such as the stability of the Euro and the reforms that need to be introduced, said Ms Šušteršič.

"At one of the latest meetings we discussed business information (such as credit ratings) that different providers offer, forecasts of the default of our customers and the insurance of the claims due," she added.

As to the future development of risk management within Slovenia the law is helping to ensure that it will continue, said Ms Šušteršič.

Slovenian joint stock companies have to permanently report and manage risks under

local company law and this law 'stimulates' the development of risk management as a 'special role' in the company, she explained.

"The organisation of risk management differs from company to company. In some companies there are risk managers, in others a risk committee or the combination of both. The risk managers have to confirm that their risk management is working well and that they are up to date with the latest development and knowledge, and SI.RISK can help them," said Ms Šušteršič.

"We wish to establish a common understanding of risk management. At the moment views are diverse. The Slovenian auditors (internal and external) are in favour of COSO Risk Management Standard, while risk managers know that there are many other ways to deal with risks in a professional way. That is why one of our next meetings is going to deal with different risk management standards and different practice in Slovenia and worldwide," she continued.

MOVING FORWARD

Membership of Ferma will help in this fundamental goal, hope the Slovenians. "We believe that membership of Ferma is a step forward to improve understanding and different approaches to common risk and insurance management matters in Slovenian companies. The membership of Ferma will help us to exchange our opinion and knowledge with professionals in Europe and to develop the awareness and importance of risk management in companies. The membership of SI.RISK in Ferma will also give us a possibility to express our professional position on relevant issues, and to participate in surveys and benchmarks organised by Ferma," said Ms Šušteršič.

And the reaction to their membership of the European federation has been very positive, she said.

"We have support from all our members and also from other risk managers for this important achievement of joining Ferma," said Ms Šušteršič. "At the last meeting held in November, Florence Bindelle, Executive Manager of Ferma and Pierre Sonigo, General Secretary, presented Ferma to our members and other associations (the Insurance Brokers' Association of Slovenia, the University of Ljubljana, Faculty of Economics, the Slovenian Insurance Association and the Slovenian Institute of Auditors). All participants agreed that the membership of Ferma is of really great importance for Slovenia and its professionals," she concluded.

