



EUROPEAN PARLIAMENT

2009 - 2014

---

*Plenary sitting*

---

**A7-0018/2013**

28.1.2013

## **REPORT**

with recommendations to the Commission on the Statute for a European mutual society  
(2012/2039(INI))

Committee on Legal Affairs

Rapporteur: Luigi Berlinguer

(Initiative – Rule 42 of the Rules of Procedure)

Rapporteur for the opinion (\*):  
Regina Bastos, Committee on Employment and Social Affairs

(\* ) Associated committee – Rule 50 of the Rules of Procedure

## CONTENTS

	<b>Page</b>
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION .....	3
ANNEX TO THE MOTION FOR A RESOLUTION: DETAILED RECOMMENDATIONS AS TO THE CONTENT OF THE PROPOSAL REQUESTED .....	10
OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS (*).....	13
RESULT OF FINAL VOTE IN COMMITTEE .....	21

(\*) Associated committee – Rule 50 of the Rules of Procedure

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### with recommendations to the Commission on the Statute for a European mutual society (2012/2039(INI))

*The European Parliament,*

- having regard to Article 225 of the Treaty on the Functioning of the European Union,
- having regard to the Commission proposal for a Council Regulation on the Statute for a European mutual society (COM(1991)0273) and the amended proposal (COM(1993)0252),
- having regard to the Commission communication of 27 September 2005 on the outcome of the screening of legislative proposals pending before the Legislator (COM(2005)0462),
- having regard to the Commission communication of 13 April 2011 entitled ‘Single Market Act – Twelve levers to boost growth and strengthen confidence – Working together to create new growth’ (COM(2011)0206),
- having regard to the Commission communication of 25 October 2011 entitled ‘Social Business Initiative – Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation’ (COM(2011)0682),
- having regard to its resolution of 16 May 2006 on the outcome of the screening of legislative proposals pending before the Legislator<sup>1</sup>,
- having regard to its resolution of 4 July 2006 on recent developments and prospects in relation to company law<sup>2</sup>,
- having regard to its resolution of 19 February 2009 on Social Economy<sup>3</sup>,
- having regard to its resolution of 23 November 2010 on civil law, commercial law, family law and private international law aspects of the Action Plan Implementing the Stockholm Programme<sup>4</sup>,
- having regard to its declaration of 10 March 2011 on establishing European statutes for mutual societies, associations and foundations<sup>5</sup>,
- having regard to its resolution of 14 June 2012 on the future of European company law<sup>6</sup>,
- having regard to the European Added Value Assessment on a statute for European mutual societies, presented by the European Added Value Unit to the Committee on Legal Affairs

---

<sup>1</sup> OJ C 297 E, 7.12.2006, p. 140.

<sup>2</sup> OJ C 303 E, 13.12.2006, p. 114.

<sup>3</sup> OJ C 76 E, 25.3.2010, p. 16.

<sup>4</sup> OJ C 99 E, 3.4.2012, p. 19.

<sup>5</sup> OJ C 199 E, 7.7.2012, p. 187.

<sup>6</sup> Texts adopted, P7\_TA(2012)0259.

on 21 January 2013,

- having regard to Rules 42 and 48 of its Rules of Procedure,
  - having regard to the report of the Committee on Legal Affairs and the opinion of the Committee on Employment and Social Affairs (A7-0018/2013),
- A. whereas the Commission withdrew its draft proposal for a Regulation on the Statute for a European mutual society in March 2006;
- B. whereas a Regulation on the Statute for a European Cooperative Society (SCE)<sup>1</sup> was adopted in 2003 and whereas on 8 February 2012 the Commission presented a proposal for a Council Regulation on the Statute for a European Foundation (FE);
- C. whereas the study commissioned by Parliament's Committee on Employment and Social Affairs in 2011 gave a clear presentation of the social, political and economic implications of an intervention by the Union in the field of mutual societies;
- D. whereas in recent years Parliament has adopted several resolutions calling for the adoption of a regulation on the statute for a European mutual society; whereas it is regrettable that the Commission, having withdrawn its proposal for a statute for a European mutual society in 2006, has not brought forward any new proposals which would give mutual societies a suitable legal instrument to facilitate their cross-border activities;
- E. whereas the Commission has undertaken to review some of the previous proposals on the statute for a European mutual society and to reconsider the need for legislative intervention with a view to a comprehensive impact assessment; whereas Parliament welcomes the study which the Commission has commissioned in this context on the current situation and prospects of mutual societies in the Union, which explores the difficulties confronting mutual societies on account of the lack of existing legal frameworks in certain Member States and the problems concerning the creation of new mutual societies due to capital requirements and the lack of solutions for grouping; whereas the Commission should propose adequate solutions to those problems in order to better recognise the contribution made by mutual societies to the social economy, including a Statute;
- F. whereas the Commission has laudably recognised the need for a statute and is committed to delivering better legislation for social economy organisations (including mutual societies), while stressing that mutual societies must be able to operate across borders as a contribution to the European effort to ‘boost growth and strengthen confidence’ in the European Economic Area<sup>2</sup>;
- G. whereas it is to be hoped, therefore, that this European statute will be ambitious and innovative, with a view to protecting workers and their families when they move within the Union;

---

<sup>1</sup> Council Regulation (EC) No 1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society (SCE) (OJ L 207, 18.8.2003, p. 1).

<sup>2</sup> Commission Communication of 13 April 2011 entitled ‘Single Market Act – Twelve levers to boost growth and strengthen confidence – Working together to create new growth’ (COM(2011)0206).

- H. whereas mutual societies are voluntary groups of natural or legal persons whose purpose is to meet the needs of their members rather than to achieve a return on investment; whereas they operate according to the principles of voluntary and open membership and solidarity between members, and are managed according to democratic principles (such as the one member/one vote principle for mutual societies composed of individual persons), thereby contributing to responsible and sustainable management;
- I. whereas, due to their diversity, mutual societies in Europe exist within a very diverse framework, as regards the services provided by them, or their dimension, or their mission, or their geographical impact;
- J. whereas two main types of mutual societies exist in Europe, namely 'mutual benefit' (or 'health providence') societies and 'mutual insurance' societies; whereas 'mutual benefit' societies provide welfare coverage which is supplementary to, complementary to or integrated into statutory social protection systems; whereas 'mutual insurance' societies can cover all types of property and life risks, and whereas in some Member States mutual societies can even provide services in other fields, such as housing or credit;
- K. whereas, despite their diversity, mutual societies organise services and provisions in the interest of their members on a basis of solidarity and in a collectively financed manner; whereas they organise themselves democratically and use the surplus from their activities for the benefit of their members;
- L. whereas the Union, with the objective of ensuring equal terms of competition and of contributing to its economic development, should provide mutual societies, which are a form of organisation recognised in most Member States, with adequate legal instruments capable of facilitating the development of their cross-border activities and allowing them to benefit from the internal market;
- M. whereas mutual societies play a major role in the Union's economy by providing health care, social services and affordable insurance services to more than 160 million European citizens; whereas they represent more than EUR 180 billion in insurance premiums and employ over 350 000 people;
- N. whereas mutual societies facilitate access to care and social inclusion and participate fully in the provision of services of general interest within the Union;
- O. whereas in 2010 some 12.3 million European citizens, or 2.5% of the Union's active population, were working in another Member State;
- P. whereas in some Member States statutory health insurance funds are prohibited from operating as private-sector companies;
- Q. whereas mutual societies represent 25% of the insurance market and 70% of the total number of undertakings in the industry; whereas mutual societies cannot continue to be forgotten by the single market<sup>1</sup> and should be given a European statute to place them on an equal footing with other forms of undertaking in the Union; whereas the diversity of

---

<sup>1</sup> See COM(2011)0206, referred to above.

forms of entrepreneurship is an asset that should be fully recognised and encouraged;

- R. whereas mutual societies play or should play an important role in the Member States' economies, given that they contribute to the Union's strategic objectives – confirmed by demographic trends – of ensuring inclusive growth with access to basic resources, to social rights and services for all, and to adequate health and long-term care, on the basis of solidarity, affordability, non-discrimination and non-exclusion and the guarantee that the need of elderly persons for additional care will not lead them into poverty and financial dependency;
- S. whereas mutual societies are particularly active in the areas of health, long-term care, pensions and social services including the needs of an ageing population; whereas the involvement of mutual societies as major stakeholders is crucial for the long-lasting future of social protection, given that population ageing currently poses major challenges in Europe, placing a particular strain on national budget balances and risking putting public expenditure on social protection under pressure; and whereas mutual societies, whilst able to play an important role in proposing socially responsible pension schemes in the private sector, cannot replace a strong first pillar of the pension system;
- T. whereas the private sector is called upon to contribute in finding solutions to the challenges of the reform of the Union's welfare systems and the social economy; whereas, more specifically, mutual societies have a natural role to play as stakeholders in the attainment of this goal;
- U. whereas mutual societies, with their core values of solidarity, democratic governance and an absence of shareholders, operate for the benefit of their members and hence, by their nature, in a socially responsible way;
- V. whereas the values of mutual societies correspond to the fundamental principles of the European social model; whereas, as well as being based on values of solidarity, mutual societies are major operators in the social market economy of the Union and should be given greater recognition, particularly by establishing a European statute;
- W. whereas the increase in expenditure on health care and pensions could have significant consequences for the continuity and cover of the current social protection schemes; whereas mutual societies promote key values of the welfare state such as solidarity, non-discrimination, equal access and high quality of social services in the private sector; whereas the enhancement of mutual societies' contribution to the European social market economy should not take place at the expense of Member States' action on social protection; whereas, however, that voluntary social protection must not replace statutory social security; whereas the diversity of social protection systems, some of them borne fully by the state, some by the mutual societies and some on a shared basis between the two, should be respected; whereas the statute for a European mutual society is essential but must not be used to make up for Member States' deficiencies in terms of social protection;
- X. whereas it is to be hoped that it will be made easier for all workers, and in particular for workers in small businesses, to join a mutual society, and that they will be encouraged to do so;

- Y. whereas it is to be hoped that, in that case, a worker's membership of a system of mutual societies will be encouraged by exemptions from social security contributions or by tax relief;
- Z. whereas mutual societies, given the challenges which governments face in relation to social protection, could help to provide an affordable safety net for those at risk; whereas mutual societies offer additional and affordable opportunities for Union citizens;
- Aa. whereas certain mutual societies have a very strong voluntary component and whereas this volunteer ethos must be preserved and facilitated;
- Ab. whereas in some Member States, alongside insurance services, mutual societies provide low- or zero-interest loan services to their members;
- Ac. whereas the added value of mutual societies compared to their commercially driven counterparts will be even stronger at the Union level, taking into account their economic weight and the positive impact of a Union-wide playing field;
- Ad. whereas the social economy – and mutual societies in particular – plays an essential role in the Union economy, by combining profitability with solidarity, creating high-quality jobs and local jobs, strengthening social, economic and regional cohesion, generating social capital and promoting active citizenship, solidarity-based social welfare and a type of economy with democratic values which puts people first and supports sustainable development and social, environmental and technological innovation;
- Ae. whereas mutual societies have a role to play in meeting these challenges alongside the private sector and must, in order to do so, be able to compete on equal terms with other forms of undertaking in the Union; whereas the existing European statutes, such as those for the European cooperative (SCE) or the European company (SE), are not suitable for mutual societies due to the differences between their governance models;
- Af. whereas the gap in Union legislation is regrettable, as mutual societies are not specifically mentioned in the treaties and respect for their business models is not covered by any secondary legislation, which refers only to public and private enterprises, thereby undermining the status of mutual societies, their development and the establishment of cross-border groups;
- Ag. whereas the European statute for a mutual society is essential for achieving better integration in the single market, for enhancing awareness of the specific qualities of mutual societies and for enabling them to make a greater contribution to achieving the growth and employment objectives of the 2020 strategy; whereas a European statute would also facilitate the mobility of European citizens by enabling mutual societies to provide services in several Member States and thus create greater continuity and coherence in the single market;
- Ah. whereas the European statute for mutual societies would provide a way of promoting the mutualist model throughout an enlarged Union, especially in the new Member States, where it is not covered by some legal systems; whereas a Union regulation, which would naturally be applicable throughout the whole of the Union, would have the dual advantage

of providing those countries with a European reference statute and of contributing to the status and public profile of this kind of undertaking;

- Ai. whereas the statute could provide opportunities for mutual societies to create economies of scale in order to maintain competitiveness in the future and would increase recognition of the value of mutual societies within Union policy making;
- Aj. whereas mutual societies are solid and sustainable organisations which have well withstood the financial crisis in all economies and have contributed to a more resistant, diversified market, particularly in the area of insurance and social protection; whereas mutual societies are particularly active in the area of population ageing and social needs; whereas the involvement of mutual societies in the area of pensions offers additional opportunities for Union citizens and whereas they have a role to play in preserving the European social model;
- Ak. whereas mutual societies have no shares but are owned jointly, their surpluses being reinvested rather than distributed to the members; whereas this has helped mutual societies to resist the crisis better than other private-sector entities;
- Al. whereas a European statute would be a voluntary tool additional to existing national legal provisions applying to mutual societies, and would thus not affect the already existing statutes but would rather be a "28th" system making it easier for mutual societies to engage in cross-border activities;
- Am. whereas the Commission should take into account the specific characteristics of mutual societies so as to ensure a level playing field, with a view to avoiding additional discrimination and ensuring that any new legislation is proportionate, as well as guaranteeing a fair, competitive and sustainable market;
- An. whereas the plea for diversification in the insurance sector is growing, thus emphasising the role that mutual societies can play compared to their stock-holding counterparts in making the sector as a whole more competitive, less risky and more resilient to changing financial and economic circumstances;
- Ao. whereas mutual societies are subject to intense and growing competition, especially in the insurance sector, and whereas some of them are shifting towards demutualisation and financialisation;
- Ap. whereas in at least six Member States of the Union and the European Economic Area, it is legally impossible to create a mutual-type organisation; whereas this creates market distortions; whereas a European statute could remedy this and could inspire the creation of mutual societies in those Member States;
- Aq. whereas mutual societies lack the necessary legal instruments to facilitate their development and their cross-border activities within the internal market; whereas, given the availability of European statutes for other corporate forms, mutual societies are still at a disadvantage; whereas, in the absence of a European statute, mutual societies are often obliged to make use of inadequate legal instruments for their cross-border activities, leading to their demutualisation.



- Ar. whereas national laws on mutual societies vary considerably within the Union and whereas the European statute could allow the creation of transnational mutual societies, thereby strengthening the European social protection model;
- As. whereas mutual societies themselves should spread the idea of mutuality as their core value, and convince future members that this is a cost-effective and sustainable alternative to commercial service providers;
- At. whereas mutual societies must be prevented from taking steps, in order to remain competitive, to become lookalikes of their commercial counterparts, for instance by introducing risk selection or stricter criteria for membership, or even by issuing shares to increase their solvency margins;
- Au. whereas mutual societies, especially medium-sized ones, might be forced to become part of larger organisations, even joint-stock companies (by way of demutualisation), thereby increasing the distance between the organisation concerned and the policyholders;
- Av. whereas the lack of a statute continues to impede cross-border cooperation and mergers of mutual societies;
1. In the light of the outcome of the recent study on the situation of mutual societies in the Union, and bearing in mind the clear preference expressed on several occasions by Parliament for a statute for a European mutual society, requests the Commission swiftly to submit, following the detailed recommendations set out in the Annex hereto, on the basis of Article 352 or, possibly, Article 114 of the Treaty on the Functioning of the European Union, one or more proposals allowing mutual societies to act on a European and cross-border scale;
  2. Confirms that the recommendations respect fundamental rights and the principle of subsidiarity;
  3. Considers that the financial implications of the requested proposal should be covered by appropriate budget allocations;
  4. Instructs its President to forward this resolution and the accompanying detailed recommendations to the Commission and the Council.

**ANNEX TO THE MOTION FOR A RESOLUTION:  
DETAILED RECOMMENDATIONS AS TO THE CONTENT  
OF THE PROPOSAL REQUESTED**

**Recommendations regarding the statute for a European mutual society**

*Recommendation 1 (on the objectives of the statute for a European mutual society)*

The European Parliament considers that the diversity of enterprises should be clearly anchored in the Treaty on the Functioning of the European Union and proposes that mutual societies be included in Article 54 thereof.

The European Parliament considers that a combination of strategies and measures is required to establish a level playing field for mutual societies, including a European statute, giving them in equal measure the possibility of adding a European dimension to their organisation and activities and providing them with adequate legal instruments to facilitate their cross-border and trans-national activities. In this respect, mutual societies could operate across the Union according to their specific governance.

The European Parliament considers that a statute for a European mutual society will create a voluntary scheme in the form of an optional instrument allowing mutual societies to act in different Member States, to be introduced even in countries where they do not currently exist, and therefore insists that the European mutual society be considered a European legal form with a specific Union character.

The European Parliament recalls at the same time that any legislative initiative will leave unchanged the different national laws already in existence, and cannot be regarded as aiming to approximate the laws of the Member States applicable to mutual societies.

The European Parliament affirms that the essential aims of a regulation on the statute for a European mutual society will be:

- to remove all barriers to cross-border cooperation between mutual societies while taking account of their specific features, which are deeply rooted in the respective national legal systems, and to allow mutual societies to freely operate in the European single market, thus strengthening the principles of the single market itself;
- to allow for the establishment of a European mutual society by physical persons resident in different Member States or legal entities established under the laws of different Member States;
- to make it possible for a European mutual society to be established by the cross-border merger of two or more existing mutual societies, given the non-applicability to mutual societies of the Cross-border Mergers Directive<sup>1</sup>;
- to allow for the creation of a European mutual society by the conversion or transformation of a national mutual society into the new form without its first being wound up, where the society in question has its registered office and head office within one and the same Member

---

<sup>1</sup> Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies (OJ L 310, 25.11.2005, p. 1).

State;

– to allow for the creation of a European mutual group and to allow mutual societies to enjoy the advantages stemming from a European group of mutual societies, in particular in the context of the Solvency II Directive<sup>1</sup> for those mutual societies which provide insurance.

*Recommendation 2 (on the elements of a statute for a European mutual society)*

The European Parliament calls on the Commission to take into account that the making available of such an optional regulation in Member States' legislation should embody mutual societies' governance characteristics and principles.

The European Parliament recalls that a proposal for a statute for a European mutual society has to take account of the particular operating rules of mutual societies, which are different from those of other economic agents:

- mutual societies provide a broad spectrum of insurance services, loan services and other services, in the interests of their members, on a basis of solidarity and in a collectively financed manner;
- in return, the members pay a contribution or equivalent, the amount of which may be variable;
- the members cannot exercise any individual right over the assets of the mutual society.

The European Parliament believes that the statute will have to lay down precise and clear conditions for the creation of a true and effective new category of European mutual societies, and considers it essential, in this respect, to bear in mind previous model statutes of European entities where the significant flexibility afforded to Member States and the lack of an added value have failed to create the conditions for successful use of such a European tool.

The European Parliament calls on the Commission to introduce into the proposed regulation, based on Article 352 of the Treaty on the Functioning of the European Union, the main characteristics of mutual societies' person-based societies, namely the principle of non-discrimination as far as risk selection is concerned and the democratic orientation by their members, with a view to improving social conditions of local communities and of wider society in a spirit of mutuality.

The European Parliament underlines the importance of the principle of solidarity in mutual societies, where clients are also members and thus share the same interests; recalls the principle of common ownership of the capital and its indivisibility; and stresses the importance of the principle of disinterested distribution in the event of liquidation, that is to say, the principle that assets should be distributed to other mutual societies or to a body having as its object the support and promotion of mutual societies.

*Recommendation 3 (on the scope and coverage of a statute for a European mutual society)*

The European Parliament highlights the following aspects regarding the scope and coverage

---

<sup>1</sup> Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).

of the future regulation for a European Statute:

- it should not affect obligatory and/or statutory social security schemes managed in certain Member States by mutual societies, nor the freedom of Member States to decide whether or not, and under what conditions, to entrust the management of such schemes to mutual societies;
- in view of the specifically Union character of a European mutual society, the management arrangement adopted by the statute should be without prejudice to Member States' laws and should not pre-empt the choices to be made for other Union texts on company law;
- the regulation should not cover other areas of law, such as rules on employee involvement in the decision-making process, employment law, taxation law, competition law, intellectual or industrial property law or rules on insolvency and suspension of payments;
- since the framework within which mutual societies operate differs from one Member State to another, the regulation should ensure that European mutual societies are able to freely define their own objects and to provide a broad spectrum of services, including social insurance and health insurance and the granting of loans, to their members.

*Recommendation 4 (on governance of European mutual societies)*

- The European mutual society should be managed democratically and financed collectively for the benefit of its members. The statute should stipulate that the members are the collective owners of the mutual organisation.
- The statutes of a European mutual society should lay down governance and management rules providing for the following: a general meeting (which can take the form of a meeting of all members or a meeting of delegates of the members), a supervisory organ and a management or administrative organ, depending on the form adopted in the statutes.
- Each member (natural or legal person) or delegate of the general meeting should in principle have equal votes.
- The member or members of the management organ should be appointed and removed by the supervisory organ. However, a Member State may require or permit the statutes to provide for the appointment of the member or members of the management organ by the general meeting.
- No person should at the same time be a member of the management organ and a member of the supervisory organ.
- The effect of the Solvency II Directive on the corporate governance of mutual organisations should be closely monitored.

7.12.2012

## **OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS (\*)**

for the Committee on Legal Affairs

on the Statute for a European mutual society  
(2012/2039(INI))

Rapporteur for the opinion(\*): Regina Bastos

(Initiative – Rule 42 of the Rules of Procedure)

(\*) Associated committee – Rule 50 of the Rules of Procedure

### **SUGGESTIONS**

The Committee on Employment and Social Affairs calls on the Committee on Legal Affairs, as the committee responsible:

– to incorporate the following suggestions in its motion for a resolution:

1. Points out that the values of mutual societies correspond to the fundamental principles of the European social model; stresses that, as well as being based on values of solidarity, mutual societies are major operators in the social market economy of the European Union and should be given greater recognition, particularly by establishing a European statute;
2. Notes that mutual societies are voluntary groups of persons (natural or legal) whose purpose is to meet the needs of their members rather than achieve a return on investment, they operate according to the principles of voluntary and open membership, solidarity between members and are managed according to democratic principles (such as the one member - one vote principle for mutuals of individual persons), contributing to responsible and sustainable management;

3. Stresses that two main types of mutual societies exist in Europe, which are 'mutual benefit' (or 'health providence') societies and 'mutual insurance' societies. "Mutual benefit" societies provide welfare coverage supplementary, complementary or integrated into statutory social protection systems. "Mutual insurance" societies can cover all types of property and life risks. In some Member States mutual societies can even provide services in other fields such as housing or credit;
4. Points out that mutual societies play a major role in the EU economy by providing health care and social services to more than 160 million European citizens, that they represent more than EUR 180 billion in insurance premiums and that they employ over 350.000 people in the EU; stresses that mutual societies facilitate access to care and social inclusion and participate fully in the provision of services of general interest within the European Union;
5. Notes that in 2010, some 12.3 million European citizens, or 2.5% of the Union's active population, were working in another Member State;
6. Stresses that with a 25% share of the insurance market and 70% of the total number of undertakings in the industry, mutual societies cannot continue to be forgotten by the single market<sup>1</sup>, and that they should be given a European statute to place them on an equal footing with other forms of undertaking in the Union; emphasises that the diversity of forms of entrepreneurship is an asset that should be fully recognised and encouraged;
7. Points out that mutuals are particularly active in the area of health, long-term care, pensions and social services including ageing population and that the involvement of mutuals as major stakeholders is crucial for the long-lasting future of social protection, considering that population ageing currently poses major challenges in Europe, particularly straining national budget balances, and risking putting public expenditure on social protection under pressure; stresses that mutual societies can play an important role proposing socially responsible pension schemes in the private sector, nevertheless they cannot replace a strong first pillar of the pension system;
8. Points out that mutuals offer additional and affordable opportunities for EU citizens;
9. Points out that certain Mutual Societies have a very strong voluntary component and that this volunteer ethos must be preserved and facilitated.
10. Stresses that the increase in expenditure on health care and pensions could have significant consequences for the continuity and cover of the current social protection schemes; underlines that mutual societies promote key values of the welfare state such as solidarity, non-discrimination, equal access and high quality of social services in the private sector; considers that the enhancement of mutual societies' contribution to the European social market economy should not take place at the expense of Member States' action on social protection; stresses however that voluntary social protection must not replace statutory social security; stresses that the diversity of social protection systems, some of them borne fully by the state, some by the mutual societies and some

---

<sup>1</sup> COM(2011)0206.

- on a shared basis between the two, should be respected; considers that the statute for a European mutual society is essential but must not be used to make up for Member States' deficiencies in terms of social protection;
11. Hopes that it will be made easier for all workers and in particular for workers in small businesses, to join a mutual society, and that they will be encouraged to do so;
  12. Hopes, in that case, that a worker's membership of a system of mutual societies will be encouraged by exemptions from social security contributions or by tax relief;
  13. Points out that mutual societies lack the necessary legal instruments to facilitate their development and their cross-border activities within the internal market and given the availability of European statutes for other corporate forms, mutual societies are still at a disadvantage; underlines that, in absence of a European statute, mutual societies are often obliged to make use of inadequate legal instruments for their cross-border activities leading to their demutualisation.
  14. Notes that national laws on mutual societies vary considerably within the EU and that the European statute could allow the creation of transnational mutuals thus strengthening the European social protection model;
  15. Stresses that mutual societies do not exist in all Member States; underlines that this creates market distortions; points out that a European statute could remedy this and that it could inspire the creation of mutuals in these Member States;
  16. Regards as regrettable that the Commission, after having withdrawn its proposal for a statute for a European mutual society in 2006, has not brought forward any new proposals which would give mutual societies a suitable legal instrument to facilitate their cross-border activities;
  17. Calls on the European Commission to submit a new proposal for a Statute for the European mutual societies;
  18. Is pleased that the Commission has recognised the need for a statute and that it is committed to delivering better legislation for social economy organisations (including mutual societies), while stressing that mutual societies must be able to operate across borders as a contribution to the European effort to 'boost growth and strengthen confidence' in the European Economic Area<sup>1</sup>;
  19. Hopes, therefore, that this European statute will be ambitious and innovative with a view to protecting workers and their families when they move within the European Union;
  20. Welcomes the study commissioned by the European Commission on the current situation and prospects of mutual societies in the EU, which explores the difficulties mutuals have due to the lack of existing legal frameworks in some Member States, for the creation of new mutuals due to capital requirements and the lack of solutions for

---

<sup>1</sup> Commission Communication of 13 April 2011 entitled 'Single Market Act - Twelve levers to boost growth and strengthen confidence - Working together to create new growth' (COM(2011)206),

grouping; calls on the Commission to propose adequate solutions to resolve these problems in order to better recognize the contributions of mutuals to the social economy, including a Statute;

21. Points out that mutual societies play or should play an important role in the Member States' economies, given that they contribute to the EU's strategic objectives of ensuring inclusive growth with access to basic resources, to social rights and services for all and to high-quality health care for all on the basis of solidarity, affordability, non-discrimination and non-exclusion;
22. Reminds that a Regulation on European Cooperative Statutes (SCE)<sup>1</sup> was adopted in 2003 and that the European Commission presented on 8 February 2012 a proposal for a European Foundation Statute.
23. Stresses that the social economy – and mutual societies in particular – plays an essential role in the EU economy, by combining profitability with solidarity, creating high-quality jobs, local jobs, strengthening social, economic and regional cohesion, generating social capital and promoting active citizenship, solidarity - based social welfare and a type of economy with democratic values which puts people first and supports sustainable development and social, environmental and technological innovation;
24. Points out that mutual societies have a role to play in meeting these challenges alongside the private sector, and that in order to do so they must be able to compete on equal terms with other forms of undertaking in the EU; underlines that the existing European statutes like the European Cooperative (SCE) or the European Company (SE) are not suitable for mutual societies due to the differences between their governance models;
25. Regards as regrettable the gap in EU legislation, as mutual societies are not specifically mentioned in the treaties and respect for their business models is not covered by any secondary legislation, which refers only to public and private enterprises, which undermines the status of mutual societies, their development and the establishment of cross-border groups;
26. Points out that the European statute for a mutual society is essential for achieving better integration in the single market, for enhancing awareness of their specific qualities and for enabling mutual societies to make a greater contribution to achieving the growth and employment objectives of the 2020 strategy; stresses that a European statute would also facilitate the mobility *of* European citizens by enabling Mutual Societies to provide services in several Member States and thus create more continuity and coherence in the single market;
27. Points out that the European statute for mutual societies would provide a way of promoting the mutualist model throughout an enlarged Europe, especially in the new Member States, where it is not covered by some legal systems. A European regulation, which would naturally be applicable throughout the whole of the European Union,

---

<sup>1</sup> Council Regulation 1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society (SCE)



- would have the dual advantage of providing these countries with a European reference statute and of contributing to the status and public profile of this kind of undertaking.
28. Underlines that the statute could provide opportunities for mutual societies to create economies of scale in order to maintain competitiveness in the future and it would increase recognition of the value of mutual societies within European policy making;
  29. Stresses that mutual societies are solid and sustainable organisations which have well withstood the financial crisis in all economies and have contributed to a more resistant, diversified market, particularly in the area of insurance and social protection; points out that mutual societies are particularly active in the area of population ageing and social needs, and that the involvement of mutual societies in the area of pensions offers additional opportunities for EU citizens and that mutual societies have a role to play in preserving the European social model;
  30. Underlines that mutual societies have no shares but are owned jointly and that surpluses are reinvested rather than distributed to the members, stresses that this has helped mutual societies to resist the crisis better than other private sector entities;
  31. Notes that a European Statute would be a voluntary tool additional to existing national legal provisions applying to mutual societies and would thus not affect the already existing statutes, but would rather be a "28th" system facilitating mutuals to have cross-border activities;
  32. Calls on the Commission to take into account the specific characteristics of mutual societies so as to ensure a level playing field, with a view to avoiding additional discrimination and ensuring that any new legislation is proportionate as well as guaranteeing a fair competitive and sustainable market.

‘– to incorporate the following recommendations in the annex to its motion for a resolution:

33. Considers that the diversity of enterprises should be clearly anchored in the EU Treaty and proposes to include mutual societies in the article 54 of the EU Treaty;
34. Considers that a legal proposal for a Regulation on a European Mutual Society should comprise legal provisions in order:
  - to allow the existence of European Mutual Societies on the basis of individual or legal persons;
  - to allow Mutuals to freely operate in the European Single Market thus strengthening the principles of the Single Market itself;
  - to allow Mutuals to take the advantages stemming from a European Group of Mutuals in particular in the context of Solvency 2 for the mutuals societies providing insurance;
35. Considers that a combination of strategies and measures is required to establish a level playing field for mutual societies, including a European Statute, which gives them equal possibilities to add a European dimension to their organisation and activities and to provide mutual societies with adequate legal instruments to facilitate their cross-border and trans-national activities. In this respect, Mutuals societies could operate across EU according to their specific governance;
36. Calls on the Commission to take into account that making available such an optional Regulation in Member states' legislation should embody mutuals societies' governance characteristics and principles;
37. Calls on the EU Commission to introduce into the proposed regulation, based on Article 352 of the Treaty on the Functioning of the European Union, the main characteristics of Mutual societies' person-based societies namely the principle of non-discrimination as far as risk selection is concerned and the democratic orientation by their members, with a view to improving social conditions of local communities and of wider society in the spirit of mutuality;
38. Underlines the importance of the solidarity principle in mutual societies where clients are also members and thus share the same interests; recalls the principle of common ownership of the capital and its indivisibility; stresses the importance of the principle of disinterested distribution in case of liquidation, that is to say that assets should be distributed to other mutual societies or to a body having as object the support and promotion of mutual societies;
39. Stresses that a European Statute for mutual societies should not affect national systems for statutory social security managed by mutual societies;

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	6.12.2012
<b>Result of final vote</b>	+: 38 -: 3 0: 1
<b>Members present for the final vote</b>	Regina Bastos, Edit Bauer, Heinz K. Becker, Jean-Luc Bennahmias, Phil Bennion, Pervenche Berès, Philippe Boulland, Alejandro Cercas, Ole Christensen, Derek Roland Clark, Minodora Cliveti, Marije Cornelissen, Emer Costello, Frédéric Daerden, Karima Delli, Marian Harkin, Nadja Hirsch, Danuta Jazłowiecka, Martin Kastler, Ádám Kósa, Jean Lambert, Veronica Lope Fontagné, Elisabeth Morin-Chartier, Csaba Öry, Siiri Oviir, Sylvana Rapti, Licia Ronzulli, Nicole Sinclair, Jutta Steinruck, Andrea Zanon, Inês Cristina Zuber
<b>Substitute(s) present for the final vote</b>	Georges Bach, Françoise Castex, Edite Estrela, Sven Giegold, Jan Kozłowski, Svetoslav Hristov Malinov, Anthea McIntyre, Evelyn Regner, Birgit Sippel, Csaba Sógor
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Jens Nilsson



## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	22.1.2013
<b>Result of final vote</b>	+: 22 -: 0 0: 1
<b>Members present for the final vote</b>	Raffaele Baldassarre, Luigi Berlinguer, Sebastian Valentin Bodu, Françoise Castex, Christian Engström, Giuseppe Gargani, Lidia Joanna Geringer de Oedenberg, Sajjad Karim, Antonio Masip Hidalgo, Jiří Maštálka, Alajos Mészáros, Evelyn Regner, Francesco Enrico Speroni, Dimitar Stoyanov, Alexandra Thein, Rainer Wieland, Cecilia Wikström, Tadeusz Zwiefka
<b>Substitute(s) present for the final vote</b>	Piotr Borys, Vytautas Landsbergis, Eva Lichtenberger, Dagmar Roth-Behrendt, József Szájer, Axel Voss