



Annual Report 2009

NFU – Nordic Financial Unions

Introduction

For the NFU member unions 2009 was a year marked heavily by the consequences of the global financial crisis. Firstly, there were the direct effects. We have witnessed layoffs in the sector due to the crisis, even in the Nordic countries. Employees have been concerned about their jobs and careers, seeking advice and reassurance from their unions. The negotiation climate in the finance industry has become a lot harder. We have seen a downfall in our national economies, particularly in Iceland. All this adds up to a stressful and burdensome situation for all stakeholders in the industry.

Secondly, there are indirect effects. As a result of the crisis, the European Commission has been very active in floating ideas and coming up with proposals regarding financial regulation. One of the most important pieces of legislation to us, the issue of remuneration baked into the revised Capital Requirements Directive, is one example. We do not know where it will end, but we do know that European legislation will become even more important in the future.

2009 was also the first year that NFU started working with a two year work plan. We will eventually evaluate this process, but from the NFU secretariat's point of view this is a very good manner. It gives us, all of us, a long term perspective on the issues at stake, and gives us the time to plan our actions in a good way. That said the year 2009 was a very special one from a work plan perspective. Due to the personnel situation at the NFU secretariat, we could not meet all of our planned goals. We managed a lot of it, but not all of it. Below we will go through what activities we have been doing, but also what we did not do that was planned for 2009.

As pointed out above, last year was strange and new. The effects of the financial crisis hit all of us head on. The new NFU secretariat took off, to boldly go where the NFU secretariat had not gone before. Unfortunately, the journey was hampered by unforeseen (and some foreseen) events. It was a good year, although it did not turn out exactly as we had planned. We learned a lot from all these experiences, and we got great support from our friends in the NFU family to see them through.

Personnel issues

The NFU secretariat was manned down during 2009 due to paternity leave and sick leave. Magnus Lundberg was on paternity for 6 months from March 1 to August 31. From September 1 to Dec 31 he worked 80%. Christina Colclough was on 100% sick leave from March 14 until August 3, and then worked 25% from August 3 through to December 31.

Arvid Ahrin-Larsson worked full-time throughout the year.

Activities according to Work Plan 2009-2010

Create terms of reference with working groups: Terms of reference have been created for the three working groups under the NFU umbrella, mainly orally.

Improve/develop NFU representation in UNI structures: After Allan Bang's resignation, Lillemor Smedenvall, FSU-SE, was temporarily appointed as responsible for EU/UNI matters in the NFU Steering Committee and will thus also be serving as the UNI-Europa Finance vice president for area 2.

Maintain strong ties to EU institutions and staff so we remain proactive and visible: This was done through telephone and email contacts with selected staff of EU institutions, and at official meetings arranged by the European Commission. The NFU secretariat, as well as representatives from NFU affiliates, continues to be active and appreciated at these meetings.

Besides the official meetings, high level contacts include:

- Ole Christensen, MEP, EMPL Committee, European Parliament (on the issue of CRD)
- Marita Ulvskog, MEP, European Parliament (introducing NFU and our work, and how to create a fruitful cooperation, also introducing our concerns regarding the CRD issue)
- Poul Nyrup Rasmussen, MEP, European Parliament (on the issue of hedge funds and private equity. Mr. Rasmussen was also speaking at the NFU Sector Conference in 2009)
- David Wright, DG MARKT (on the issue of hedge funds and private equity, as well as the CRD issue)
- Niall Bohan, DG MARKT (on the issue of hedge funds and private equity)
- Commission staff in DG MARKT and DG SANCO (on the issue of financial education)

EWC Directive revision and consequences: The NFU Secretariat has, together with the affiliates, been following the outcome of the revision of the EWC Directive that took place in 2009. The consequences and results of said revision have been analysed internally, but a lot of information has also been gathered from other sources to provide a full picture. This has then

been disseminated to affiliates and corporate clubs within the framework of the EWC project as well as the NFU Executive Forum.

EWC Guidelines: This work was assigned to a working group in the Europe Group that would be revising the draft – and unfinished – guidelines that Magnus was working on.

EU – project proposal (EWC training): NFU applied for, and received money from the EU Commission to conduct a project for existing and presumptive EWC members and trade union representatives. The aim of the project is to provide training, information and tools for the creation and maintenance of effective information, consultation and participation structures. The first workshop, that took place in Stockholm on 14-15 December 2009 on FSU-SE's premises, gathered around 40 participants, especially targeting younger, newly elected or presumptive representatives of EWCs and similar structures.

Among the issues discussed in the first workshop were the question of cultural differences and how to acknowledge and work with these matters. Christina Colclough from NFU introduced the topic, pointing to the importance of tackling challenges like language barriers and lack of communication to ensure sound transnational cooperation. Liisa Halme, If, and Claudia Saller, UNI-Europa, also provided the participants with thorough examinations of the concept of EWC, both from a theoretical and a practical perspective. The workshop also included a comparative study of how differently the concept of EWC's are interpreted in different companies, with different trade union cultures.

Round visit to EU Institutions: No round visits to EU institutions were conducted in 2009. The NFU secretariat did, however, lobby on the issue of remuneration in the Capital Requirements Directive. Contacts were established between the NFU secretariat and David Wright, Deputy Director General at DG MARKT. Contacts were also established with Ole Christensen, rapporteur on the CRD issue in the Committee on Employment and Social Affairs and Danish MEP. NFU was successful in speaking with one voice on the issue of remuneration, since it is a matter of utmost importance to us.

Project Proposal with UNI: The above mentioned EWC project is being conducted with UNI Europe Finance as official partner.

Globalisation Document: This document was postponed due to lack of resources.

Merger and Acquisitions Guidelines – Strategy document: This document was postponed due to lack of resources.

NFU sector conference, planning and execution: On June 11-12 2009, NFU 11th Finance Sector Conference took place in Gardermoen, Norway. The theme was "Shaping the Future – Financial Crisis and the Ways Forward", and it gathered 110 participants from all Nordic countries as well as the Baltic area and Europe.

Due to the personnel situation at the NFU Secretariat, Arvid received strategic help from FSU Sweden. Arvid also received great help from FSU-NO in planning the conference.

Nordic Training Camp: This activity was postponed due to a lack of resources.

NFU Website: The work with the renewal of the NFU website started up in 2009 with good results. The work will be finished early 2010, according to the designer agency, Söderhavet, which is constructing and designing the new website. All NFU's requirements will be catered to in the process, which is taking place in close cooperation between Söderhavet and the NFU secretariat.

The idea is to use existing web tools and combine them in a new way to cut costs and create a simple and easy-to-use product.

In relation to this work, the new NFU logo was designed and approved.

NFU Quarterly Newsletter: The NFU newsletter was published three times in 2009.

- Issue #1 focused to a large extent on the financial crisis, and how finance sector unions were dealing with it. Another topic was the NFU Baltic region work.
- Issue #2 was a thematic issue on the NFU Sector Conference 2009, which was called "Shaping the Future – Financial Crisis and the Ways Forward".
- Issue #3 reported on the revision of the Capital Requirements Directive, as well as the new AXA EWC agreement. The issue also contained many interesting stories from affiliates and corporate unions on transnational union work.

Mid-way evaluation of Baltic Sea activities: NFU has been in close contact with Ramunas/FPS regarding:

1. Development of work plan for FPS
2. Clarification of formal relations between NFU and FPS
3. Submission of monthly activity reports to NFU
4. Preparation to hold a seminar in Vilnius – FSU-SE prepared to send expert to aid Ramunas in the planning and practical phase

As a follow up to the meeting the GR Network held with Ramunas in November 2008, the GR Network held a meeting with Ramunas in September 2009, to clearly outline our expectations on his progress and on our cooperation.

Create meeting forums/structures for the leading representatives in the transnational corporations within the NFU umbrella: NFU organised two "Executive Forums" for representatives from our transnational corporate clubs in Oslo, April 27 and Helsinki, November 11. The first meeting dealt with topics like strategies and arguments for cooperation with management, Baltic Sea strategies and experiences and how the financial crisis was affecting the corporate unions.

The second meeting focused mainly on the issue of union roles and relations to management, and the participants discussed, among other things, if a trade union can become too closely involved with management.

Other activities

- NFU replied to 10 EU consultations papers in 2009:
 - NFU response to consultation on the UCITS Depository Function, 090915
 - NFU response to consultation on Responsible lending and borrowing, 090831
 - NFU response to consultation on the review of the Deposit Guarantee Schemes Directive, 090727
 - NFU response to the future of EU financial supervision, round II, 090715
 - NFU response to consultation on the future of financial services supervision in the EU, 090410
 - NFU response to consultation on Investor Compensation Schemes, 090408
 - NFU response to consultation on Financial Inclusion, 090406
 - NFU response to Consultation on the review of the Prospectus Directive 090310
 - NFU response to Consultation on Alternative Dispute Resolution (ADR), 090227
 - NFU response to consultation on hedge funds, 090131

- NFU had several meetings and presentations (presentations under each separate point) with our corporate unions and similar structures:
 1. If Union Team Baltic Group in Helsinki on January 29.
 2. Meeting with Danske Unions EWC in Denmark on February 17.
 3. Tryg's employee association in Denmark on March 11. (presentation)
 4. If Union Team in Stockholm on March 12.
 5. Organising team within Danske Bank regarding their EU-financed EWC training project. The meeting was held in Dublin on March 26.
 6. Kreds Nordea's AGM in Denmark on March 27-28.
 7. Danske Unions conference in Brussels on September 14-16.
 8. Nordea CC Seminar in Stockholm on October 12-13. (presentation & facilitation)

- NFU had several meetings and presentations (presentations under each separate point) with the secretariats of the NFU affiliates, regarding strategic and topical issues:
 9. FSU-DK, January 19-20 –Kreds Nordea and Danske Kreds
 10. FSU-DK, March 12-15
 11. DFL + FSU-DK, August 19
 12. FSU-DK, September 23-25
 13. FSU-DK, October 26
 14. FSU-NO, November 16-18 – presentation for FSU-NO Steering Committee

- NFU participated in the EU Commission conference on private equity and hedge funds on February 26-27 in Brussels.
- NFU participated in the EU Commission financed Expert Panel Workshop on financial services on February 26-27 in Brussels.
- NFU participated in several regular EU meetings throughout the year, such as Social Dialogue meetings in both bank and insurance sector and meetings with DG Internal Market.
- NFU has revised the book keeping system.
- NFU planned together with Poul Nyrup Rasmussen (MEP) an executive seminar on the regulation of private equity and hedge funds. However, due to low number of participants the seminar had to be cancelled.
- NFU participated in the 3rd meeting of the Expert Group on Financial Education in Brussels on November 6.

NFU meetings

Union Council

The Union Council meeting was held in Copenhagen on October 27-28. The first day was devoted to internal NFU business, including the discussion and voting procedure regarding amendments to the NFU statutes. Ulla-Britt Lundquist, FTF, was elected new vice-president. On the second day, the participants took part in a workshop on the financial crisis and union action. The NFU secretariat also introduced the participants to the new thought behind the work plan process for 2011-2012, where the participants to the Union Council could come up with themes and ideas for the work plan. This will be a reoccurring event for those years where the Union Council is not electing officials.

Steering Committee

Steering Committee members 2009

President	Allan Bang /FSU-DK	<i>January – November</i>
Vice-President	Henrik Frimand-Meier/DFL	<i>January - April</i>
Vice-President	Ulla-Britt Lundqvist	<i>October - December</i>
	Jorunn Berland/FSU-NO	
	Sirpa Komonen/FMF	
	Anna Karen Hauksdottir/SSF	
	Rauni Söderlund/SUORA	
	Mette Bergman/DFL	<i>September – December</i>
	Lillemor Smedenvall/FSU-SE	

Steering Committee Meetings

February 5, Copenhagen
 April 28, Oslo
 September 3, Reykjavik
 December 3, Helsinki
 December 8 (Phone-meeting)
 December 10, Dublin (extra meeting)

Among the more important issues that have been on the agenda throughout the year has been the reformation of the NFU, concerning bookkeeping standards, new webpage, new logo etc. The union response to the financial crisis and NFU's Baltic Sea activities have also been high on the agenda. Other internal matters, such as NFU statutes and the presidency, have also been thoroughly discussed.

Presidium meetings

March 13, Copenhagen	(Allan Bang & Henrik Frimand-Meier)
April 6, Copenhagen	(Allan Bang & Henrik Frimand-Meier)

July 9, Copenhagen (Allan Bang)

November 12, Copenhagen (Allan Bang & Ulla-Britt Lundqvist)

The Presidium meetings during 2009 dealt with the forthcoming Steering Committee meetings and the various agenda items. The meetings are partly designed to make sure all relevant information is passed on to the Steering Committee, and partly to discuss other NFU-related issues.

General Secretaries

January 15-16, Stockholm

May 28, Copenhagen

September 29, Helsinki

The General Secretaries have to a large extent been dealing with issues related to the running of the NFU secretariat due to the personnel situation. Other issues have included the practical side to the reformation of the NFU, concerning bookkeeping standards, new webpage, new logo etc.

Europa Group and Lawyer's Network

March 11, Copenhagen

June 10, Gardermoen

October 26, Copenhagen

The Europa Group and Lawyer's Network met on three occasions in 2009, all three times in joint meetings. It is the opinion of the NFU Secretariat as well as the members of the groups that this is the most reasonable and efficient way of conducting the work, since the two groups are dealing with issues that to a large extent are interlinked. One of the reoccurring issues is the preparations for the UNI Europa Finance consultative meeting with DG Internal Market. Another responsibility of the groups is the NFU EU priority list. The group is also responsible for preparing a wide variety of European issues.

The GR Network

January 30, Helsinki

April 3, Phone meeting

September 11, Phone meeting

September 24, Stockholm



The GR Network had four meetings in 2009. Two of these meetings were phone meetings. One of the main tasks has been the EWC project, where the GR Network serves as the project steering group. Another main responsibility of the group has been the support and evaluation of the Baltic Sea project, in particular vis-à-vis the operations by Lithuanian union FPS. The GR Network also serves as reference group in relation to the NFU Executive Forum.

External NFU groups

NFU Youth

NFU Youth had its annual meeting on June 7-9 in Copenhagen, co-hosted by FSU-DK and DFL.

At the meeting it was decided to form a working group which should plan the 2010 meeting. Since then, three phone meetings and a lot of online debate have taken place (a Facebook group was set up for this purpose, but emails were perceived as being a better alternative). NFU Youth has decided to "streamline" the youth meetings, including a few formal requirements for what the attending unions should prepare.

NFU Equality

March 23-24, Helsinki

September 30 – October 1, Oslo

The NFU Equality Group is dealing with issues related to equality work in the NFU affiliates, such as the exchange of ideas and experiences regarding equality work and the coordination of international activities. The theme for the first meeting in 2009 was "Allocation of quotas regarding board level representation", and for the second meeting "Differences in pay between men and women".

NFU Management

January 13, Oslo

March 24, Copenhagen

September 22, Copenhagen

December 18, Stockholm

The NFU Management Group is dealing with issues related to managerial work in the NFU affiliates, such as the exchange of ideas and experiences regarding managerial work and the

coordination of international activities. The NFU secretariat was represented at the first three meetings of the NFU Management Group in 2009.

Concluding comments

2009 was meant to be the year where the “new NFU” should unfold and begin its new activities. The membership fee to NFU rose per January 1, portraying a strategic commitment to expand the focus on transnational cooperation. Foreseen and unforeseen events, however, hampered that process of renewal and expansion. As such, some activities were not conducted, the most important are:

1. Nordisk Kurs
2. Nordic Training Camp
3. Merger and Acquisitions Guidelines
4. Globalisation Document
5. Regular lobbying trips to EU

Despite the activities not conducted according to the Work Plan, many other activities were. The frequent meetings with NFU affiliates and the increasing amount of presentations and facilitations at the NFU affiliates and transnational corporate clubs, bear witness to an improved awareness, and call for, the NFU secretariat’s expertise. Furthermore, many activities were made possible through the increased help and support the NFU secretariat received from the affiliates.

2009 was a year in the shadow of the financial crisis. As NFU affiliates supported their national members, the Annual Report of 2009 shows that the affiliates also managed to increase their strategic focus on transnational matters. Combining the national with the Nordic and international will be an ever-increasing task for the NFU affiliates. This must be seen in the light of the EU Commission’s rapid commitment to put legislation in place that will prevent another financial crisis of such great magnitude. In 2009 NFU answered to 10 EU consultation papers, twice as many as in 2008.

In addition representatives from the Nordic transnational corporate clubs actively supported the new Executive Forum, which is designed as a platform from which issues related to their work can be discussed and shared. The mutual sharing and contact creation between the representatives is highly important – there is no need to invent the wheel a multitude times over.

The 2009 Financial Statement (see below) shows a surplus on the accounts which is mainly due to lessened personnel costs, but is also due to the lowered activity rate compared to what was planned. This surplus can be used in various ways in future budgets. However, the future



NFU budgets are challenged by one main factor: that most affiliates will experience a significant lowering of active members due to a large generation of members who will be pensioning within the forthcoming years.

Since the membership fee to NFU is based on number of active members, a challenge for the future will be to match ambitions and finances within NFU.