

**AAE****ACTUARIAL
ASSOCIATION
OF EUROPE**

AAE Board report to MAs - July - December 2024



The Board of the AAE is pleased to present this report, highlighting the key developments that have occurred during the second half of 2024.

Contents

- **Update from the AAE Board**
- **Events**
- **Publications**
- **News from the AAE and its committees**

Update from the AAE Board

We would like to update you on the recent activities of the AAE Board and Senior Officers. During this period, the AAE Board held 7 meetings and the Senior Officers

also met 7 times during this period to prepare for each Board meeting.

The Second half of 2024		
<div><div>07</div><div>July</div><div><div>Sun</div><div>Mon</div><div>Tue</div><div>Wed</div><div>Thu</div><div>Fri</div><div>Sat</div></div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div><div>11</div><div>12</div><div>13</div><div>14</div><div>15</div><div>16</div><div>17</div><div>18</div><div>19</div><div>20</div><div>21</div><div>22</div><div>23</div><div>24</div><div>25</div><div>26</div><div>27</div><div>28</div><div>29</div><div>30</div><div>31</div></div></div>	<div><div>08</div><div>August</div><div><div>Sun</div><div>Mon</div><div>Tue</div><div>Wed</div><div>Thu</div><div>Fri</div><div>Sat</div></div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div><div>11</div><div>12</div><div>13</div><div>14</div><div>15</div><div>16</div><div>17</div><div>18</div><div>19</div><div>20</div><div>21</div><div>22</div><div>23</div><div>24</div><div>25</div><div>26</div><div>27</div><div>28</div><div>29</div><div>30</div><div>31</div></div></div>	<div><div>09</div><div>September</div><div><div>Sun</div><div>Mon</div><div>Tue</div><div>Wed</div><div>Thu</div><div>Fri</div><div>Sat</div></div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div><div>11</div><div>12</div><div>13</div><div>14</div><div>15</div><div>16</div><div>17</div><div>18</div><div>19</div><div>20</div><div>21</div><div>22</div><div>23</div><div>24</div><div>25</div><div>26</div><div>27</div><div>28</div><div>29</div><div>30</div></div></div>
<div><div>10</div><div>October</div><div><div>Sun</div><div>Mon</div><div>Tue</div><div>Wed</div><div>Thu</div><div>Fri</div><div>Sat</div></div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div><div>11</div><div>12</div><div>13</div><div>14</div><div>15</div><div>16</div><div>17</div><div>18</div><div>19</div><div>20</div><div>21</div><div>22</div><div>23</div><div>24</div><div>25</div><div>26</div><div>27</div><div>28</div><div>29</div><div>30</div><div>31</div></div></div>	<div><div>11</div><div>November</div><div><div>Sun</div><div>Mon</div><div>Tue</div><div>Wed</div><div>Thu</div><div>Fri</div><div>Sat</div></div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div><div>11</div><div>12</div><div>13</div><div>14</div><div>15</div><div>16</div><div>17</div><div>18</div><div>19</div><div>20</div><div>21</div><div>22</div><div>23</div><div>24</div><div>25</div><div>26</div><div>27</div><div>28</div><div>29</div><div>30</div></div></div>	<div><div>12</div><div>December</div><div><div>Sun</div><div>Mon</div><div>Tue</div><div>Wed</div><div>Thu</div><div>Fri</div><div>Sat</div></div><div><div>1</div><div>2</div><div>3</div><div>4</div><div>5</div><div>6</div><div>7</div><div>8</div><div>9</div><div>10</div><div>11</div><div>12</div><div>13</div><div>14</div><div>15</div><div>16</div><div>17</div><div>18</div><div>19</div><div>20</div><div>21</div><div>22</div><div>23</div><div>24</div><div>25</div><div>26</div><div>27</div><div>28</div><div>29</div><div>30</div><div>31</div></div></div>
<div>●</div>	AAE Board Conference calls	
<div>●</div>	AAE Board physical meetings	
<div>○</div>	AAE Senior Officers Conference calls, meetings	
<div>●</div>	AAE (Extraordinary) General Assembly	

We are pleased to report that the Board made significant progress on several important initiatives during this period.

Decisions/Approvals

SO1: Enhance Relations with European Institutions	SO2: Promote professionalism	SO3: Promote a European Community of actuaries
An overview of meetings with stakeholders in the second half of 2024 can be found by using this link .(Login required)	Approved the Terms of Reference for the Task Force on Statutes Review as well as the Terms of Reference for the Code of Professional Conduct Review Task Force	Approved the updated Q&A document to the MRA and to include IFoA in the appendix of the existing and unchanged MRA; Received confirmation from IFoA that it will rejoin the Mutual Recognition Agreement from 1 January 2025; Asked All FMAs to re-sign the MRA acknowledging the re-entry of IFoA
Approved the AAE position paper on the IORP II Directive Review	Approved the CPD in Data Science paper	Reviewed the Board liaisons to MAs following the changes in the AAE Board

Consultations (link)		Voted in favour of France hosting ECA2026

SO – AAE Strategic objectives ([link](#))

In addition to decisions/ approvals disclosed above, AAE Board continued to work on activities supporting AAE's strategic plan and identified 4 priority topics:

- **Target Operating Model** - established a Task Force for the Target Operating Model (TOM TF) to examine financial and operational implications, and approved the Terms of Reference.
- **Play a prominent role in relevant European consultations**
- **Review of AAE Statutes**
- **Competency Framework** to support education and CPD.

There is on-going work on several other activities supporting fulfilment of AAE Strategic plan, such as, work on core areas of AAE: insurance, pensions; increased contribution to areas as AI, Sustainability (including developing of AAE own sustainability frame);developing stakeholder management framework; and work on improvement of efficiency of AAE internal processes.

We believe that these initiatives will contribute significantly to the further development of the AAE's capabilities and effectiveness. We remain committed to fostering effective communication and collaboration with all our stakeholders as we work towards achieving our goals.

Meetings

Presidents' Meeting

The next President's Meeting will be held in Edinburgh (in conjunction with the AAE Spring Meetings) on 11 April 2025. The initial proposal for the Target Operating Model is anticipated to be presented as one of the agenda items during the meeting.

Meetings with European stakeholders

An overview of meetings with stakeholders in the second half of 2024 can be found by using this [link](#). (*Login required.*)

We believe that these meetings are critical in ensuring effective collaboration and

engagement with our European partners, and we value these opportunities to share our insights and expertise.

Among the various contacts with European Stakeholders, we would like to highlight the following meetings with:

- Pensions Europe, held on 9 July 2024 (virtual)
- CRO Forum, held on 2 September 2024 (virtual)
- EIOPA, held on 5 November 2024 (virtual)
- Pensions Europe, held on 20 November 2024 (Brussels)
- European Commission, DG FISMA held on 20 November 2024 (Brussels)

We remain committed to fostering strong relationships with our European counterparts and look forward to future opportunities for collaboration.

Events

The Board decided to organise the following webinars/(virtual) events:

Events in Q3 and Q4 2024 were held on:

- **AAE Webinar 'What should an actuary know about AI'. organised by the Professionalism Committee**, 17 September 2024.
- AAE Annual Meeting 2024, Budapest, Hungary, 9-11 October 2024
- **AAE Webinar 'Solvency II Review, where are we now and what is expected'**, organised by the AAE Insurance Committee, 6 December 2024

Events in scheduled in 2025:

- AAE Webinar '**How to address the challenges of ageing?**'; organised by the Social Security Subcommittee, 11 March 2025.
- AAE Spring Meeting 2025, Edinburgh, Scotland, 9-11 April 2025
- AAE Webinar, organised by the AAE Pensions Committee, scheduled for 6 May 2025
- AAE Webinar organised by the AAE Education Committee, schedule for 13 June 2025
- AAE Webinar organised by the AAE Professionalism Committee (AI-DS WG), scheduled for 24 June 2025
- AAE Annual Meeting 2025, Paris, France, 24-26 September 2025

AAE's YouTube
Channel

Event Calendar



Publications

Press releases, Consultations and other publications

Consultations

The AAE regularly responds to consultations that are of actuarial interest. Following these responses AAE publishes a summary of the response and a link to the full responses and the consultation.

In Q3 and Q4 of 2024 the following responses were submitted:

- On 16 September 2024 the AAE submitted a response to **European Commission's Targeted consultation on artificial intelligence in the financial sector.**
- On 18 September 2024 the AAE submitted a response to **European AI Office's consultation on the AI Act: Have Your Say on Trustworthy General-Purpose AI.**
- On 24 October 2024 the AAE submitted a response to **EIOPA's consultation on new proportionality regime under Solvency II.**

- On 12 November 2024 the AAE submitted a response to [Commission's consultation on Artificial intelligence – implementing regulation establishing a scientific panel of independent experts](#).
- On 11 December 2024 the AAE submitted a response to the [Commission's consultation on on AI Act prohibitions and AI system definition](#).
- On 19 December 2024 the AAE submitted a response to [EIOPA's consultation on supervising the liquidity risk management of IORPs](#).
- On 20 December 2024 the AAE submitted a response to [EIOPA's Consultation on scenarios for best-estimate valuations for life insurance obligations – Solvency II Review](#).
- On 23 December 2024 the AAE submitted a response to [EIOPA's Consultation on the criteria for the identification of exceptional sector-wide shocks – Solvency II Review](#).
- On 28 December 2024 the AAE submitted a response to [EIOPA's Consultation on liquidity risk management plans – Solvency II Review](#).

AAE Positions and publications

- On 2 September 2024 the AAE published the [AAE Discussion paper 'Explainable Artificial Intelligence for C-Level Executives in Insurance'](#).
Watch the AI generated introduction [here](#)
- On 18 December 2024 the AAE published the [AAE Position Paper: Review of the IORP II Directive](#)

AAE Press Releases and News items

- On 2 September 2024 the AAE published a [press release on the publication of the AAE Discussion Paper 'Explainable Artificial Intelligence for C-Level Executives in Insurance'](#).
- On 14 October 2024 the AAE published [a press release on the AAE's elections](#).
- On 18 December 2024 the AAE published a [Press Release on the AAE Position Paper 'Review of the IORP II Directive'](#)

AAE Newsletters

- From April 2022 a regular AAE newsletter for all interested actuaries is published.
All issues can be found on [the AAE website](#).
- Subscribe to the AAE mailing list via the website footer by entering your email and clicking "Sign Up."

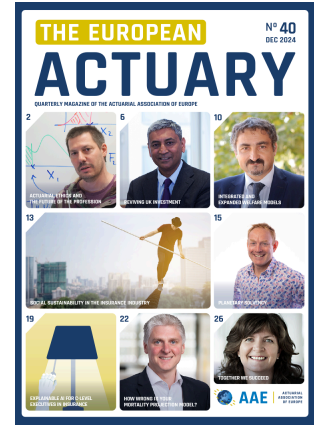
SIGN UP FOR NEWSLETTER

E-mail address

SIGN UP

The European Actuary

- September 2024 **issue #39** was published.
- December 2024 **issue#40** was published.



The European Actuary

Blogs

Blogs written by board members or committee chairs are now a regular feature on the AAE website. In this period, the following blogs were published:

- **Do you see the writing on the wall?** by Esko Kivisaari, Chairperson AAE Artificial Intelligence – Data Science Working Group (August 2024)
- **The Climate Resilience Dialogue** by Jérôme Crugnola-Humbert, Chairperson AAE Sustainability and Climate-related Risk Working Group (September 2024)
- **Is a fair value fair?** by Esko Kivisaari, Chairperson AAE Artificial Intelligence – Data Science Working Group (November 2024)
- **Have actuaries been fair in their services? Can they be fairer?** by Gábor Hanák - member of the AAE Professionalism Committee (December 2024)

All press releases and news items are available **on the website under AAE News**.

Issues of the European Actuary magazine and Publications are available **on the website under Publications**.

Blogs



News from the AAE and its Committees

actuvview

Since the last report, AAE and its FMAs have added exciting new content to their channels:

Latest AAE webinars and TEA interviews

- **Solvency II Review: Where are we now and what is expected** with Patrick Hoedjes, Siegbert Baldauf, Daphne De Leval, and Lauri Saraste
- **The European Actuary No 40 | Actuarial Ethics and the Future of the Profession** - Interview with Arthur Charpentier
- **The European Actuary No 39 | How Academia and Industry Drive Innovation Together** - Interview with Katrien Antonio
- **What Should an Actuary Know About Artificial Intelligence?** with Bogdan Tautan, Claudio Senatore, Esko Kivisaari, Jonas Hirz, Santiago Escudero Ossorio, and Thomas Behar

National events of AAE FMAs:

- **Journée 100% Actuaire 100% Data Science 100% Durabilité** (France)
- **DAV/DGVFM Autumn Meeting 2024** (Germany)
- **Sustainability in (Re-)Insurance Conference** (Switzerland)
- **EAL Anniversary Conference 2024 – Forward Together** (Estonia)

AAE Member Associations that would like to invite their members again to actuvview or also want to feature their content on actuvview can contact the actuvview team at contact@actuvview.com at any time to receive support, new promotion material or additional registration codes.

Education Committee

The AAE Education Committee met on 10 October 2024 in Budapest, Hungary, in conjunction with the AAE Annual Meeting.

Training in Data Science / Artificial Intelligence

The report of the Task Force on 'CPD in Data Science' was published on the AAE website and received much positive feedback.

This paper needs to be regularly checked for necessary updates to keep it relevant in an environment of increasing complexity, and always linking it with the AAE Core Syllabus.

The IAA has a Task Force on AI with over 100 volunteers and the specific workstream Education. This workstream has three central deliverables:

1. Collect information on AI Education Plans around the globe
2. Create a repository for AI-enhanced Actuary Case Studies
3. Create a proposal for Key AI Education Topics

This field is very rapidly developing, so it is very important to keep updated with the advances. Several members of the AAE Education Committee are involved in the work of the IAA.

Future work of the AAE Education Committee

Pillar 3 of the AAE Strategic Plan reads "Lifelong Learning and Exchange of Ideas" and it is directly linked to the work of the Education Committee.

To look for an alignment with the objectives in that pillar of the Strategic Plan and to collect topics for its future work, the Education Committee agreed in Budapest to set a Task Force to review its Terms of Reference. The Task Force started working on the ToR Review in November and has already come to a draft which will be presented to the Committee in its meeting in Spring 2025. Then, it will be presented to the AAE Board for its approval.

In particular, the Committee considers that an AAE competency framework might help individual actuaries or member associations to identify training topics, and, at the same time, it could work as a strong marketing tool for the actuarial profession. A Task Force started working in November to investigate the topic until the next meeting of the Committee in Spring 2025.

Webinar

The Education Committee will offer a webinar in Q2/2025 with two parts: a) brief description of a competency framework and how it could be used and b) Generative AI in an actuarial context with a link to the CPD in Data Science paper.

Insurance Committee

Insurance committees' second half of 2024 was busy with following and being active in several ongoing topics, especially those relating to Solvency II review. The work, which relies heavily on the active experts on each of the 4 working groups, can be summarised as following:

- Both Solvency II review and the new IRRD directive was finalised before the end of the year closing also the starting day to January 2027. With a set of both new and changed regulatory requirements there has been a lot to process in the Solvency II working group. In addition to this, EIOPA started its way of putting out consultation which will last for a couple of years. With our members being active and providing a lot of input and the AAE office helping put everything together, we were able to provide answers to nearly 10 consultations during the last quarter of 2024.
- The AAE had a meeting on November with the new DG FISMA team, headed by Tilman Lueder. In the meeting we deep dived into Solvency II technical principles, which was something Tilman was eager to understand fully. Other topics in the agenda, including IRRD, sustainability and value for money, was not covered in depth. Anyway, we gave a good impression of AAE and future bilateral meetings should follow.
- The non-life working group identified potential new topics, such as; agricultural insurance, claims data for sustainability analyses and work relating to weather and climate data. They also did some cross-professional collaboration and have helped AAE to respond to EIOPA consultation, for instance one on Solvency II USP's started in the end of the year.
- The Economics and Finance WG drafted a paper on liquidity risk management, a topic that is a lot under discussions and was also under consultation by EIOPA at the end of the year. The paper is still in progress and will be discussed with IC and RMC during the spring 2025.
- Consumer protection working group continued their close work on the retail investment strategy (RIS) and specially with value for money benchmarks, where EIOPA also published a new paper. Because of the high importance, it will be decided whether a new position paper should be published in 2025.
- In the insurance committee autumn meeting was held in Budapest. The minutes of the meeting can be found from ([LINK](#)).
- A webinar with the headline 'Solvency II Review, where are we now and what is expected' was held on the 6th of December, with a guest speaker, Patrick

Hoedjes, from EIOPA. The topic was considered very interesting as there was some 300 registered participants and all speakers and topics was scored very high and a number of questions was raised during the event.

Pensions Committee

During the second half of 2024 the PC activities were mainly focused to collect and present the views of the actuarial profession on different questions touched in the consultations on the IORP II legislation.

- **Review of the IORP II Directive – AAE Position paper**

The TF on Review of IORP II Directive and the Pension Risk Management Working Group has been responsible for submitting the AAE's response to the EIOPA consultation on the Review of the Directive in the first half of the year. Simultaneously, the Pension Risk Management Working Group conducted a survey on the IORP regime in various countries. The results helped identify the most important risk management topics that AAE should focus on during the IORP II Review. The two working structures were collaborating on a position paper on the IORP II consultation, which was presented and discussed during the PC' meeting in Budapest. Thanks to the efforts of the authors (Philip Shier, Martin Melchior and Stephanos Hadjistyllis) the final version of the paper was published at the end of December. The full paper can be read here.

- **SSSC**

Following a successful 2023 Forum on “Challenges facing Social Security in our times”, the AAE Social Security Subcommittee (SSSC) was focussing on the preparation of the next paper. As a starting point several members of the SSSC gave 5 different presentations during the ECA 2024 in Rome.

After that, in the mid of July, a call took place in order to discuss the items that should be included in the SSSC next paper. The first draft of the SSSC next paper was circulated mid- September 2024. The program of the webinar, scheduled for March 2025 was prepared.

- **PTS wg**

The WG on PTS (chaired by Jeroen van den Bosch) is focused on a survey on the current status of the PTS in place in different countries. In December a collaboration with the working group on the data format for ETS was initiated. The outcome will be presented during the Spring meeting in April 2025.

Professionalism Committee

MRA

- The Institute and Faculty of Actuaries (UK) has re-joined the Mutual Recognition Agreement (MRA) on 1 January 2025. In the meantime, all 33 Full Member Associations have signed the MRA again to validate this decision.
- A Task Force is being set up by the Professionalism Committee to monitor how the MRA and the new conciliation process work on an ongoing basis. This monitoring activity and a report by the Task Force will serve as important input for the next MRA review in 2027.

Actuarial Standards Subcommittee:

- ESAP 1 is now being reviewed. Since this model standard is closely based on the IAA ISAP 1, the subcommittee has closely monitored the work of the review there. The review will focus in particular on the topics of data science / AI, climate change / sustainability and risk awareness in general.

AI / Data Science Working Group:

- The AI/DS Working Group continues to be very active. In September, it has published a discussion paper on “[Explainable AI for C-level executives in insurance](#)”. On 17 September 2024, the Working Group has conducted a web session on what an actuary should know about AI. The presentations are available [here](#). The recording is available on the AAE’s [YouTube channel](#) and on [actuview](#) (*log in to actuview required*).

CPD review Task Force:

- The Task Force to review FMA’s compliance with AAE CPD requirements has accomplished its objectives and has therefore been disbanded.

Statutes and code of conduct review:

- The work of the task force to review the Statutes and the Code of conduct is ongoing. The review of the Code of Conduct is well underway; work is now focussing on the review of the Statutes.

Engagement of volunteers:

- The work of the task force to promote engagement of volunteers is ongoing.

Risk Management Committee

Following leadership changes in the Risk Management Committee (RMC), Marika Guralnik replaced Loudina Erasmus as interim chair beginning in October. During this

period, the RMC continued to align its efforts with the AAE's strategic objectives and prepared for upcoming meetings in 2025.

Key Activities and Discussions:

- **Leadership Transition and Strategic Focus:**

- Marika joined as Vice-Chair in October and assumed the interim chair role in November. She emphasised continuity in committee activities during the leadership transition.
- The RMC reviewed the AAE's three-year strategic plan and explored how its work contributes to long-term goals.

- **Sustainability and Climate Risks:**

- Discussions emphasised building on existing initiatives rather than starting from scratch.
- The RMC proposed a practical guidance paper ("good practice" document) to assist actuaries in conducting climate change scenarios. Coordination with the SCrR WG began on this initiative.

- **Emerging and Existing Risk Topics:**

- The RMC explored a range of topics, including model risk, holistic risk management approaches, and consumer protection.
- Additional discussions focused on conduct risk, operational risk, and the implications of AI adoption on risk modeling and governance frameworks.

- **Preparation for Future Meetings:**

- A meeting held on 19 December set the stage for upcoming discussions.
- Plans were made for additional calls in January and March 2025 to finalise the agenda and ensure alignment on priority topics.





ACTUARIAL ASSOCIATION OF EUROPE

Silversquare North

Boulevard Roi Albert II 4

B-1000 Brussels Belgium

Telephone: +32 2 274 06 61

FOLLOW US ON SOCIAL MEDIA

[View email in browser](#)

[update your preferences](#) or [unsubscribe](#)