

Notes of a meeting of the AAE Board and Committee Chairs
Swiss Re, Mythenquai 50-60, Zurich, 15 June 2023 | 09:00-15:30 CEST

Participants:

Lutz Wilhelmy	LW	Chairperson
Giampaolo Crenca	GC	Vice-chairperson
Mária Kamenárová	MKam	Immediate Past Chairperson
Inga Helmane	IH	Board member
Matthias Pillaudin	MP	Board member
Philippe Demol	PD	Board member (joined online)
Kartina Thomson	KT	Board member
Frank Schiller	FS	Board member
Jette Lunding Sandqvist	JLS	Board member
Christophe Heck	CH	Chairperson ProfC (joined online from 10:45-11:30)
Malcolm Kemp	MKe	Chairperson RMC
Lauri Saraste	LS	Chairperson IC
Tatiana Bitunska	TB	Chairperson PC
Henning Wergen	HW	Chairperson EC
Siegbert Baldauf	SB	SII Project Manager
Monique Schuilenburg	MSch	Operations Manager
Annette Aragones	AA	Operations Assistant

1.	<p>Opening of the meeting and approval of agenda</p> <p>No remarks on the agenda, other than Lauri noting that the RTBF material was sent. He is happy to discuss but also to postpone the discussion.</p> <p>Christophe Heck was urgently called away to Paris and will connect upon arrival</p> <p>Agenda APPROVED.</p>
2.	<p>Minutes of the Board meeting of 17 May 2023</p> <p>No remarks received on the Minutes.</p> <p>Minutes are APPROVED.</p>
3.	<p>Strategic Priorities</p> <ol style="list-style-type: none"> Follow-up on Solvency II review: Matthias, Frank <ul style="list-style-type: none"> Frank reported that in the last few months not much activity. Rapporteurs are still discussing, bigger discussion to get the views in line, currently there are opposing opinions. Discussion is taking longer, political compromise probably towards the end of the year. Today they do not know how to include Climate Risk in SII. Lutz noted that he spoke to Siegbert as his contract ends in December 2023. Siegbert confirmed that he is available to continue in 2024. Stay alert and be ready when things are moving.

	<p>2. IRRD: Inga, Matthias</p> <ul style="list-style-type: none"> • Inga noted that in the congress this will be a topic. We received the results of the Irish survey. • Siegbert proposed to involve Mike Claffey who is also member of the SII WG. • Maria asked if the IGS is included. • Matthias explained that IRRD is more or less the same as SII. • Matthias proposed to work on an AAE position. It is now a political matter. Tiering and subordinating debt are the main issues to focus on in the IRRD position. • Lauri suggested to keep this high on the EIOPA agenda. • Inga suggested to update the current IRRD position accordingly. • Malcolm and Siegbert to liaise and work on it. <p>3. IORP II: Phillipe, Maria</p> <ul style="list-style-type: none"> • The response to the consulted was submitted. It is also on the agenda of the EIOPA meeting. • It is the objective to organise a webinar on this topic. Stay alert and be ready to response. • Mária asked to prepare a one-pager on this topic for the EIOPA meeting. • It is already foreseen to prepare a position paper with Philip Shier based on the AAE response. <p>4. Sustainability / ORSA scenarios: Kartina, Jette</p> <ul style="list-style-type: none"> • Kartina reported that the last action was a response to the consultation in March. Also here to stay alert and react if necessary. • Mária asked if we have a one-pager on this topic. It is not available, and ask the SCcR to produce. • Siegbert noted that a stress test on sustainability is planned for next year. We can ask EIOPA to be involved in the process. • Giampaolo added that he is continuously working on the presentation on Sustainability and will update also for the EIOPA meeting. • Malcolm noted that there is a lot of information available at the IAA. Mária noted that we have a MoU with IAA and we could ask to use the IAA material. Frank added that the ORSA is mainly a European issue. It may be easier to have a bottom-up approach. • Henning noted that giving educational support on relevant support to actuaries: kind of a syllabus. A programme for actuaries to build up knowledge in that area. • Frank noted that IFoA already has this in place. • Follow-up for SCcR and for the EC to be discussed in Cologne. Leverage on the work of IAA? There is European legislation on Sustainability (investment/product). It is interesting to include this in the follow-up. • Lutz proposed to ask the WG to come up with a proposal to follow up in one of the next Board meetings. <p>5. Consumer Protection in Pensions: Phillippe, Jette</p> <ul style="list-style-type: none"> • In March, the status was: standby. • Tatiana mentioned a meeting with the PRM WG. It was noted that the IORP consultation did not include some actuarial aspects. In September further analysis
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	<p>will be done on the country specifics in pension guarantee schemes. Update in the October Board meeting.</p> <ul style="list-style-type: none"> Philippe remarked that inflation in pensions was marked as a new topic following the IAA PBSS meeting in Sydney. Lauri added the value for money unit-linked topic. It may be good to connect. <p>6. Inclusiveness, Fairness, Non-Discrimination: Kartina, Frank</p> <ul style="list-style-type: none"> Pre-reading available. Maria noted that we could include this in our communication and Giampaolo remarked that he uses this information to update the Sustainability presentation to stakeholders. Happy with the progress. On the Fairness and Non-Discrimination it would be good to know the timeline. Frank added that he would need to chase Esko. <p>7. AAE Syllabus monitor: Giampaolo See the slide. The webinar was a success.</p> <p>8. Fit & Proper Position Paper: Giampaolo, Lutz ProfC prepared a survey to be used by Board liaison rather than sending.</p> <p>9. Attractiveness of the profession: Inga, Matthias, Jette</p> <ul style="list-style-type: none"> From March until now we introduced several points. Main steps taken: in Bratislava discuss the topic. Together with EC think about networking possibilities. To share tangible results in Cologne. At EAD on 27 June, the topic will be addressed as well. Kartina asked if we are linking with the IAA. Jette noted that she is in the IAA WG. The legal recognition was discussed for 6 years. To be discussed within AAE and not with stakeholders. <p>10. Demonstrable capabilities, Jette, Lutz</p> <ul style="list-style-type: none"> See pre-read. Henning added that the EC also discussed this in detail. There was positive feedback to take this further. Maria asked if we can already consider an AAE view. When are we ready to share wider. Jette mentioned that it is premature to share. We can say that it is our mindset, as a self-assessment tool it is there. Continue the exchange and have more understanding, some reluctance in ProfC. Worthwhile pursuing, in Cologne meeting. Giampaolo supports, but has some issues which he will share via email. Malcolm shared that in the past Frank produced the Merit of being an Actuary, which can be used for marketing. <p>11. IORPs Risk Function Paper: Phillippe</p> <ul style="list-style-type: none"> Survey done by Karel Goossens. Martin Melchior and his WG to check if this is what we want to pursue. If the enthusiasm is limited, we need to make a decision. Malcolm will check with Martin if there is commitment.
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	<p>12. Data Scientists & syllabus: Matthias</p> <ul style="list-style-type: none"> • On EC agenda. Good discussion in Bratislava. Difficult to give a direction since the MAs re not aligned. Is it an actuary by definition or is it another job. Webinar also on this. • Henning shared that the WG is very motivated/committed, and needed to be slowed down and focus. • Next report in September Board. <p>13. Artificial Intelligence: Frank, Philippe</p> <ul style="list-style-type: none"> • Hunting down Esko. • Esko presented at ICA and it is on the agenda at EAD. • AI Act was approved recently. • Matthias shared that we must work on the AI Act and not focus only on academic papers. • Philippe remarked that we could consider writing a methodology paper. • Lutz proposed to invite Esko to the next Board meeting to have a more intense discussion and see what ideas (guidance notes, explanatory notes/methodology) could be picked up by AI-DS. • Matthias noted that the Forum of Vivatext announced that they will allocate 500 million Euros for development (e.g. InsurTech). <p>14. Effective Processes: Lutz</p> <ul style="list-style-type: none"> • See pre-read. • To add CommP as user. • Shifting to using TEAMS. • Consistent use of MS Office 365. • Katrina: What is the level of security? • Lutz: We still send highly confidential documents via other channels, but for working documents, using Microsoft is secure. • The new website (in development) should also include more security. <p>15. Lack of Volunteers: Matthias, Inga, Philippe</p> <ul style="list-style-type: none"> • Inga: TF is already working. Mainly on collecting all necessary info to disclose what is our current situation. • Deliverables e.g. ToR in Cologne (GA reporting).
4.	<p>Urgent Committee issues</p> <p>1. Professionalism (10')</p> <p>a. Process re surveys/consultations: commitment of the board liaisons required</p> <ul style="list-style-type: none"> • CH explained the process and discussion in ProfC. In the last Board meeting the discussion took place and it was agreed to further discuss. • CH main point is use of liaisons and provided an example of Jette's result of liaising with Romania on the Syllabus.

4	<ul style="list-style-type: none"> • Jette – an overview of contact details and overview of all points of attention would be helpful. Also to share experience and report back. • Centralised overview of surveys request at secretariat. • CH: process needed. Liaisons to contact MAs 1-2 per year. • MKam: would benefit from guidance to liaisons and to get overview of outstanding requests (mandatory/voluntary – internal/external). • CH: structured approach: to centralise overview at Secretariat. • Lutz: Put it on paper. Who: MKam/IH. <p>2. Risk Management</p> <p>a. Update on paper Inflation Risk – contacted Jason Wiebe, it is being delayed by availability of a contributor. MKe will keep chasing.</p> <p>3. Insurance</p> <p>a. The Board agreed to appoint Christophe Krischanitz as new chairperson of NLWG.</p> <p>b. To discuss Right to be Forgotten and AAE’s activities: slides were sent quite late.</p> <ul style="list-style-type: none"> • LS summarize the info on the last slide. The group working on it aims to have a short paper, a position, to talk about the wider aspect. Heavily leaning on the Irish. • Lauri: a paper in early July will be provided; the RTBF comes from GDPR; The insurance part is not well understood by politicians currently; there is also the distinction between public and private • The Irish colleagues should be involved based on their good work to date on the topic • We should have a position, and a one-pager should be created – to be discussed within the WG • Lutz: Can the paper be created this year? • Lauri confirmed that a short paper will be ready before the Cologne meeting. <p>4. Pensions – see pre-read.</p> <ul style="list-style-type: none"> • Tatiana: Main priority this year is IORPs, and Sustainability of the pension and Customer protection • IORPs should be completed by end of the year, Risk mgmt. WG, could possibly include a paper based on information gathered in a recent survey • Sustainability: couple of papers are underway following discussion in Bratislava • Investments and Prudent person principle: listed as a priority and main objective; we should discuss with the new Finance WG, and should be decided and further developed • About Prudent Person Lauri suggested to link to the SII WG, Kartina agreed and mentioned the investment focus. • Kartina: Consistency and overlap in the bulk insurance programs, there are things that can be leveraged. <p>5. Education</p> <p>a. Update on Core Syllabus Assessment:</p>
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	<ul style="list-style-type: none"> • Austria and Cyprus now finalized • Confidential: Expect 1 association to have too many gaps. Follow-up with the Board. • Asks for support if an MA does not provide the info we asked for. Can we urge them to use it? HW realizes this may affect the timeline. • Lutz: apply the same method for all associations. • Tatiana: Bulgaria update: 30% ready. Expected in August, mainly Bloom's taxonomy. Examination process temporary stopped due to regulation issues, but continued to update the Core Syllabus. <p>6. Artificial intelligence and data science working group – we were invited by EIOPA to share common artefacts in the assessment of AI.</p>
5.	<p>Update on important business topics (max 10 min each)</p> <ol style="list-style-type: none"> 1. Update on Operations (Malta: on top of it with help of Frank Schiller, they are unresponsive. Moldova: ppt scheduled in ProfC meeting 22 June) 2. Update from Advisory panel: no update, meeting next week. <ol style="list-style-type: none"> a. Meetings with stakeholders (Lutz) Folder in Teams: 01 Meetings with stakeholders Outstanding requests: follow-up/schedule meetings with PE, IE, Commission. Accountancy Europe: to include Giampaolo ! b. Process for follow-up actions resulting from stakeholder meetings. <ol style="list-style-type: none"> i. To agree on a process: agreed to schedule debrief meetings. ii. Support to EIOPA on ICS – to follow up after the June Board meeting Lutz reported that Carlos Guine responded. iii. Value for money – to keep on agenda as a reminder c. Scheduled meetings: <ol style="list-style-type: none"> i. EIOPA – Frankfurt, 3 July 2023 – to take note of EIOPA's feedback to the draft agenda. Open insurance topic: Frank asked if we have a position/view. The answer is no. 3. Update from the Communications Panel <ol style="list-style-type: none"> a. To receive an update, including new website (Inga) <ol style="list-style-type: none"> i. New website: seems high amount. Be transparent on breakdown of costs. Website in need of update. Approved, though the question was raised to ask other parties (who may be more competitive). Pro for using same for integration of systems and speed. Get a quote and reassess based on the quote. ii. Staffing: The Board approved Jette to complete the CommP from October (Kartina leaves). We will have discussions in CommP on succession of Inga as Chair. Kartina raised the involvement in TEA. To be addressed in CommP.

5.	<ul style="list-style-type: none"> iii. External support: see pre-read. More feedback needed from Italian agency and proposal from Grayling. Decision postponed to 5 July meeting. If Grayling does not deliver, they are out. Giampaolo will remain silent because of conflict of interest. Matthias asked for more details Based in Brussels. Influence stakeholders is one of the main tasks. iv. Board report to MAs: send feedback to CommP. b. To discuss whether the article from CAS on actuaries and banking can be – though rewritten – in the next TEA: <ul style="list-style-type: none"> i. Kartina – does it align with the theme, and are there European associations who can write on banking? ii. Henning – not 100% sure. This topic has been driven by South African actuaries for years. iii. Philippe – less people involved in this area. Difficult to find volunteers in Europe if we wish to discuss. iv. To share this feedback with the TEA Editorial Board.
	<ul style="list-style-type: none"> 4. Update from the Nominations Panel (Mária) Mária reported on the last NP meeting and that the NP was able to vote for NP member and a Board member to fulfil the remainder of Kartina’s position. We now first send a letter/message to the nominating associations and after that to the MTs. No further NP meetings scheduled before the next GA. 5. Consultations: <ul style="list-style-type: none"> a. to assign reviewers to outstanding consultations <ul style="list-style-type: none"> i. Consultation 1: Jerome found 1 person to help but not to lead. Approached IC and RMC for volunteers. Jerome to decide if we respond or not, considering the short deadline. ii. Consultation 2: submitted. Thanks to Jerome, Stephane and Esko.
6.	<p>Effective support</p> <p>Issue: To receive an update on developments</p> <ul style="list-style-type: none"> • Job profile updated. • Frank: are there topics more important than others? • Lutz: Mixed feeling concerning the Job profile for Senior Actuary, preference to not include the salary expectations • The job itself could be split in 2, depending on the applicants • Lutz: new area, see what we receive in terms of applications. • Post job on actupool, LinkedIn and spread to MTs.

7.	<p>Finance</p> <p>Issue: To approve the report on FY2022 and to discuss the budget proposal</p> <p>Matthias presented the slides and explained the reasoning behind it.</p> <ul style="list-style-type: none"> • Matthias: This year we must discuss the forecast and the fee increase; following the audit, please address Matthias for any questions • The 5 year projection indicates a deficit of 115k, and therefore a 5€ increased, 25€ per member is to be introduced to MA's • A fee increase plan has been shared; the input of the Board is asked for presenting the fee increase plan during the GA in Cologne. <p>Matthias asked feedback about the strategy to implement the fee increase plan.</p> <p>Comments included:</p> <ul style="list-style-type: none"> • Frank: in DAV, OK with this fee increase plan. Need more details on what we do with the additional fee. That the AAE does more on PR, stakeholder meetings. • Maria: explain the difference in expenditure in actual 2022 and forecast 2024. (200K) During the covid years we saved on the expenditure. Rather than increasing fees while we have a surplus, perhaps see negative deficit first before raising the fee. • Kartina: in principle no material objection from IFoA. • Inga: discussion with MAs cat 1 (Baltic). Support the increase in fees. • Lauri: local associations have more problems with getting new members in. There is understanding for the increase. • Jette: Denmark, Romania, Norway, in various ways in principle OK. Sweden is different and are critical. • Lutz: CH – increase the service level. Using the accumulated money to use the transition for all MAs to the level of 25 Euro. OK to raise the fee. • Belgium: explain what AAE wants to do with the money and then increase the fees. Or find other source of income. • Henning: some expect that the ECA will have a positive results for the AAE. This should be taken into account. • Giampaolo: First impression from Italy is OK • Matthias: based on the feedback he will update in more detail. Send MA info to Monique and Matthias. • Kartina: in GA do we need unanimous vote. Yes. If not, cooling off period. <ul style="list-style-type: none"> • APPROVED; financial accounts 2022 • Directional OK draft budget 2024 : APPROVED (decision is not binding, and a staged approach and reconsideration of the topic can be discussed during the next meeting) • Directional OK fee increase from 2025: A Simple majority is voted, 1 vote against, and 1 abstain
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8.	<p>Events</p> <ol style="list-style-type: none"> AAE webinars and roundtables <ul style="list-style-type: none"> Think of topics for 2024. ELD - AI- IORP already lined up as potential topic. Title RMC webinar: Update on Risk Management topics. EAD 2023 <p>Sponsors prefer in-person event. Reason for the limited interest. Good number of registrations, curious to know the actual attendees.</p> Social Security Forum <ul style="list-style-type: none"> TB/JLT updated the Board that the program is nearly final and the objective is to publish the event and open registration around 26 June 2023. Confirmation letters will be sent to all speakers shortly. The keynote of the Commission (Dana Bachmann) will be pre-corded due to date conflict (days off in Commission, point of attention for future events). Lutz expressed his gratitude and appreciation for the excellent work done by all, and Maria Economou in particular. ECA 2024 <ul style="list-style-type: none"> Kartina provided an update using the pre-read. All is on track. Giampaolo explained that a subdivision of tasks was agreed to avoid overlaps. Henning/Martin focus on sponsors, Giampaolo on supporters. Also working on the list of speakers. Start sponsor acquisition now and then calculate the fee calculation (registration open in December). Theme/title of the congress done: Managing uncertainty in a changing world.
9.	<p>Update on the discussion with IFoA re-entering the MRA</p> <p>Issue: To follow-up on the next steps as discussed in the May meeting</p> <p>Feedback from the Board:</p> <ul style="list-style-type: none"> Frank: central agreement and to the central agreement we have additional agreement. The question is: how do we organise it. Need to further explore with experts. Jette: find it hard to find out what the process will be a in the MA. Lutz: CH and LW had talks with French and German association. There was some reluctance. Would creating an unlevel playing field in Europe. And also that we have to be careful with personal rights. If an application is rejected by IFoA, it can be damaging. <p>Malcolm Campbell like it a lot, but it is not like an MRA. Maybe with some more changes this would encounter a change of statutes. It is more clean and sound if we do it like that.</p> <p>Received quite a lot of good feedback. Any further feedback is welcome.</p> <p>In Cologne we will NOT vote on this topic. Projected for 2024.</p>

10.	<p>Update on the European Brand <i>For discussion/decision</i> Presenter/owner: Mária Issue: To receive an update (updated ToR for approval)</p> <ul style="list-style-type: none"> • MKam informed the Board that the topic will be on the agenda of the next ProfC meeting on 22 June. Presenting it to the ProfC in Bratislava did not result in progress. To inform the delegates and to agree on the issue of a Call for Volunteers. Maria asked Board members to ask within their Member Association. • We will certainly also include seeking legal advice. • The updated ToR comments: <ul style="list-style-type: none"> ○ Henning: not sure if the Board reached the agreement as described in point 2. Prefer: 'further work.....' ○ The earlier version was already approved, this further approval relates to the first point of contact. ○ It is not a legal title, but what you can put on your business card. ○ Lutz: this has been discussed and we suggested a change. Takeaway from Lutz' discussions with DAV in April were positive, at least no objections. ○ If there are clear questions, please share. ○ Kartina: further discussion within IFoA needed. Have other things to take into account. ○ Lutz: summary: ToR provide a good basis for the TF to start work. Take care of other questions e.g. intrinsic interest. ○ Vote on revised ToR: Against 1. Rest agreed. ToR were approved by the Board.
11.	<p>Office situation</p> <ul style="list-style-type: none"> • Lutz shared good news but not final good news. AI BE have a new home. • AAE to be confirmed. All is being taken care of in terms of storage, forward mail.
12.	<p>Legal representative and related issues <i>For information/discussion</i> Presenter/owner: Lutz/Monique Issue: To inform the Board of the upcoming update related to the legal representative, AAE statutes, Board composition (publication in Belgian Gazette).</p> <ul style="list-style-type: none"> • LW/MS updated the Board on the necessity to publish the documents as outlined in the presentation. For efficiency purposes this will be done all together shortly after the GA 2023.
13.	<p>Report AAE Secretariat <i>For information</i> Presenter/owner: Monique Issue: To receive an update</p> <ul style="list-style-type: none"> • The Board noted that the Secretariat is closed from 31 July-4 August. • No proposals were received for hosting Spring or Annual Meetings in 2024. Lutz approached Sweden, but spring 2024 will be too soon for them.
14.	<p>Topics for agenda next Board meetings NOT DISCUSSED DUE TO TIME CONSTRAINT.</p>

15.	Any other business <ul style="list-style-type: none"> Giampaolo presented in ICA online on Global Actuary. He will share the presentation. Mária: ICA took place and AAE did not have a representative. We can do better to consider for the future as we are part of the global actuarial community. Mária: big thanks to colleagues who presented for the Slovak association (Henning Jette Lutz). Very well received.
15.	Backlog topics <ul style="list-style-type: none"> Governance process one-pagers/positions/discussion papers

Appendix

	Future meetings / conference calls: 13:00 – 15:30 CE(S)T on the second Wednesday of every month unless shown otherwise
	<ul style="list-style-type: none"> 5 July 2023 13 September 2023 4 October 2023 – Cologne, 14:00-17:00

SUMMARY OF ACTIONS/DECISIONS:

Strategic priorities	<ul style="list-style-type: none"> AAE position IRRD: Malcolm and Siegbert to liaise and work on it. AAE position on IORP II: prepare a one-pager on this topic for the EIOPA meeting. AAE position on Sustainability/ORSA Scenarios: Lutz proposed to ask the WG to come up with a proposal to follow up in one of the next Board meetings. IORPSs Risk function paper: Malcolm will check with Martin if there is commitment. Data Scientists & syllabus: Next report in September Board. AI-DS: Lutz proposed to invite Esko to the next Board meeting to have a more intense discussion and see what ideas (guidance notes, explanatory notes/methodology) could be picked up by AI-DS. Lack of volunteers: Deliverables e.g. ToR in Cologne (GA reporting). 	Malcolm, Siegbert Tatiana, Philip Shier SCrR WG Malcolm Henning Lutz Inga
Professionalism Committee	<ul style="list-style-type: none"> Process re surveys/consultations/involvement liaisons: structured approach: to centralise overview at Secretariat. MKam/IH to prepare a proposal. 	Mária/Inga
Insurance Committee	<ul style="list-style-type: none"> The Board agreed to appoint Christophe Krischanitz as new chairperson of NLWG. RtbF: Lauri confirmed that a short paper will be ready before the Cologne meeting. 	Lauri

Education Committee	<ul style="list-style-type: none"> Core Syllabus assessment: apply the same method for all associations. 	Henning
Communications panel	<ul style="list-style-type: none"> New website: Get a quote and reassess based on the quote. Staffing: Jette to succeed Kartina as CommP member from GA 2023 External support: decision postponed to 5 July 	Inga
Effective support	<ul style="list-style-type: none"> Job profile approved. Post on actupool, LinkedIn and send to MTs/Secretariats To contact MAs to discuss proposal to raise fees from 2025 	Monique Board liaisons
Finance	<ul style="list-style-type: none"> APPROVED; financial accounts 2022 Directional OK draft budget 2024 : APPROVED Directional OK fee increase from 2025: A Simple majority is voted, 1 vote against, and 1 abstain Board members to liaise with MAs and to get their views on increase of fees 	Matthias Board members/ liaisons
European Brand	<ul style="list-style-type: none"> ToR were approved 	