

**Notes of a call of the AAE Board and Committee Chairs**  
**12 March 2020 | 13:00 – 15:00 CET**

**Participants:**

Falco Valkenburg	FV	Chairperson
Wilhelm Schneemeier	WS	Vice-Chairperson
Esko Kivisaari	EK	Immediate Past Chairperson
Gunn Albertsen	GA	Board member (joined from 14.40)
Mária Kamenárová	MKam	Board member
Luis Saez de Jauregui	LS	Board member
José Manuel Mendinhos	JMM	Board member (joined at 13.36 until 15.34)
Kartina Thomson	KT	Board member
Lutz Wilhelmy	LW	Board member (joined from 14.45)
Christophe Heck	CH	Chairperson ProfC (attended until 13.50)
Malcolm Kemp	MKe	Chairperson RMC (attended until 13.50)
Maitane Mancebo	MM	Chairperson PC (attended until 13.50)
Henning Wergen	HW	Chairperson EC (attended until 13.50)
Siegbert Baldauf	SB	SII Project Manager (attended until 13.50)
Cecilia Thorn	CT	Chief Executive
Monique Schuilenburg	MSch	Executive Assistant

**Apologies:**

Tony O’Riordan	TOR	Chairperson IC
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		Action
1.	<b>Opening of the meeting and adoption of the agenda</b> Falco opened the meeting. No further topics were added to the agenda. Falco emphasised the need to have sufficient time to discuss some big issues (items 7 and 13) and stressed to further discuss only urgent issues.	
2.	<b>Committee issues</b> <b>What is the issue:</b> To receive an update on committee issues <u>that require the Board’s immediate attention.</u>  <i>Insurance:</i> Roles of actuaries in IFRS17 <ul style="list-style-type: none"> <li>Mária referred to the annex on IFRS 17 and the role of the actuary. The WG made a lot of progress and intends to deliver 3 of documents:               <ul style="list-style-type: none"> <li>- a paper</li> <li>- a one pager</li> <li>- action plan</li> </ul> </li> <li>Christophe asked how this is linked to the ProfC Roles of Actuaries TF – Mária answered that Kristoffer Bork is assigned to align with this TF.</li> <li>Mária mentioned that IFRS17 is postponed for one year.</li> <li>Mária confirmed that the intention is to align with the Commission and Accountancy Europe to have a common view. They will also connect with EFRAG and would like to reach out to the relevant members of</li> </ul>	

	<p>Parliament and perhaps also to EIOPA (oversight support). Cecilia agreed to assist in approaching the relevant stakeholders.</p> <ul style="list-style-type: none"> <li>• MKam reported that Jean-Michel Pinton and Kristoffer Bork participated in a call with representatives from the EU Commission (from the pension, insurance and audit units) on the role of actuaries in relation to IFRS 17. For the AAE, the call confirmed the value of cooperating with Accountancy Europe.</li> </ul> <p>In relation to the endorsement of ISA's, it was mentioned that EFRAG is considering the auditability of IFRS 17. The AAE needs to figure out how to plug into that process.</p> <ul style="list-style-type: none"> <li>• Malcolm mentioned that he would have expected the actuarial function to be aligned. It might be worth expanding the logic in the note. Mária answered that this is not necessarily the same in all countries; we might have 3 different roles of the Actuarial Function, which can be very confusing.</li> <li>• Cecilia mentioned the reluctance of approval of ISAs in EU.</li> <li>• Mária agreed to send the draft paper to the Board for further comments. Comments should reach her a.s.a.p.</li> <li>• The Board supported the proposed next steps and asked Mária to share their appreciation with the WG.</li> </ul> <p>Mária agreed to share this with the WG including the following points of attention:</p> <ol style="list-style-type: none"> <li>1. Explain and contrast the Actuarial Function holder and Reporting Actuary.</li> <li>2. What is the value added by having Reporting Actuary additionally</li> <li>3. Cecilia mentioned reluctance of approval of ISAs in EU.</li> </ol> <p>Due to time constraints ongoing issues in the EC, PC, ProfC and RMC were not discussed. There were no urgent issues reported.</p> <p><i>Nominations Panel:</i></p> <p>Regarding the upcoming Call for Nominations, Esko added that we currently have no candidates for the position of Pensions Committee Chairperson. Wilhelm added that the DAV is due to send their nominations shortly. The deadline expires on 23 March, so further nominations may still come in.</p>	<p><b>CT</b></p> <p><b>MKam</b></p>
3.	<p><b>AAE Consultations</b></p> <p><b>What is the issue:</b> To check that responses to consultations are proceeding as intended and to react to problems.</p> <p><b>Update:</b></p> <ul style="list-style-type: none"> <li>• Siegbert mentioned that the SII WG agreed that this is not actuarial. It was decided not to answer to this consultation.</li> </ul>	
4.	<p><b>Webinars</b></p> <p><b>What is the issue:</b> to confirm dates and determine the topics for webinars in 2020</p> <p><b>Update:</b></p> <ul style="list-style-type: none"> <li>• Maitane is hoping to be able to organise a webinar on Pensions Stress Test.</li> </ul> <p>This will be further discussed after this meeting.</p>	
5.	<p><b>Blogs</b></p>	

	<p><b>What is the issue:</b> To monitor delivery of blogs</p> <p><b>Update:</b></p> <ul style="list-style-type: none"> <li>The blog overview was not updated after the last Board call, since the notes were only available just before this meeting.</li> </ul>	
6.	<p><b>Action list</b></p> <p><b>What is the issue:</b> To check that actions are proceeding as intended and to react to problems. The irregularities in the actions are the following, etc.</p> <p><b>Update:</b> All were requested to check their items. It was agreed not to spend too much time on this today.</p>	All
7.	<p><b>AAE Spring Meetings in Bratislava</b></p> <p><b>What is the issue:</b> To discuss the impact of the corona-virus on the Bratislava attendance</p> <p><b>Action needed:</b> To discuss/decide whether to cancel the Bratislava meetings and have all meetings take place (following the same meeting schedule) using LoopUp</p> <p><b>Update:</b></p> <ul style="list-style-type: none"> <li>Falco thanked all CommChairs for checking in their committees whether their delegates would travel to Bratislava.</li> <li>Mária mentioned that Slovakia called the Emergency State yesterday and confirmed that Bratislava airport is closed now.</li> <li>All agreed to follow the guidelines of the European Commission, and the World Health Organisation who issued a statement that the situation is perceived as a pandemic.</li> <li>Falco also mentioned, to keep in mind that we may need to take similar measures and following the same guidance for future meetings (such as the Presidents' Meeting in May).</li> <li>Falco proposed – with a lot of regret - to cancel the physical meeting.</li> <li>Falco recognized that the colleagues in Slovakia had put a lot of time and effort into the preparations and extends his sincere apologies for having to take this decision.</li> <li>It was agreed to go for virtual meetings and to use LoopUp for these meetings. Training will be offered.</li> <li>Maitane mentioned that she may have difficulties to organise her time. She will ask Gabor Borza (vice chair) to step in.</li> <li>Mária emphasized that she understood the decision.</li> <li>Falco mentioned that the AAE would be happy if the SSA would organise a Spring Meeting in the future. Mária agreed to discuss this with the SSA Board.</li> <li>From a practical point of view it was agreed to follow the same schedule as drafted for Bratislava. The only change is that the Seminars (on 1 and 2 April) will be cancelled.</li> <li>A message will sent to all delegates to be sent today informing them of the decision and that the meetings will take place online.</li> <li>It was agreed to change the Board meeting time on 1 April: 14:00 till 18:00 CET.</li> </ul>	<p>MKam</p> <p>MSch</p>

	<ul style="list-style-type: none"> <li>Kartina asked about the hotel cancellations policy. Mária mentioned that her colleagues are already negotiating a discount on the cancellation fees. The Emergency State in Slovakia will be used in these negotiations.</li> <li>Christophe asked if he would need to stay in the call since a meeting of the Litigation Risk TF is scheduled for 3 April and since the IFoA issue has quite an impact on this. He mentioned that Ben Kemp has registered to attend the ProfC meeting. Falco confirmed to Christophe that it is not necessary to stay in the call, since details regarding Litigation will not be addressed.</li> <li>Wilhelm mentioned that DAV will contact Munich re (host of the Annual Meeting in October) since they may have restrictions on a longer horizon.</li> </ul>	
8.	<b>Notes of the Board meeting of 12 February 2020</b> Approval of these notes is postponed until next meeting due to late submission.	
9.	<b>AAE secretariat - role of the vice-chair</b> <b>What is the issue:</b> To discuss the role of the vice-chair as liaison to the AAE secretariat <b>Update:</b> <ul style="list-style-type: none"> <li>The proposal to have a role of the vice-chair as liaison for operational matters was approved. The proposal will be further developed.</li> <li>It was noted that the continuity of the secretariat is a separate topic. As agreed earlier Luis will be the designated Board member for this.</li> </ul>	
10.	<b>CE Report</b> <b>What is the issue:</b> To receive an update on AAE/CE matters <b>Update:</b> <ul style="list-style-type: none"> <li>The Board agreed to postpone the decision on DODs monitoring service.</li> <li>Wilhelm mentioned that the next DAV meeting with EIOPA (end of March) will be done by video conference.</li> </ul>	
11.	<b>Brussels visits – agree on dates</b> <b>What is the issue:</b> To define dates and availability for Brussels meetings – please note that EP has now in place meeting restrictions due to the Corona virus <b>Action needed:</b> To agree on dates EIOPA meeting July and Didier Millerot (propose 2 July) <b>Update:</b> <ul style="list-style-type: none"> <li>Related to the current situation with the corona virus, physical meetings cannot be scheduled at the moment.</li> <li>Falco asked if conference calls can be arranged with MEPs instead of physical meetings.</li> <li>Cecilia mentioned that we have MEPs that are keen on meeting with us. She will contact them and start arranging (virtual) meetings. Cecilia mentioned as well that she will draft a response to the Commission’s working programme with EK.</li> </ul>	CT
12.	<b>Topics for agenda next Board meetings &amp; Any other business</b> <b>What is the issue:</b> to identify the topics for the agenda of the next Board meetings <b>Topics for the next meeting:</b> <ul style="list-style-type: none"> <li>IFoA situation</li> </ul>	

	<ul style="list-style-type: none"> <li>• Cost reduction</li> <li>• Presidents' Meeting / GA on 15 May 2020</li> </ul>	
13.	<p><b>Update on interactions with IFoA</b></p> <p><b>What is the issue:</b> To receive an update on IFoA developments, including the meeting held between AAE and IFoA in Brussels on 11 March 2020</p> <p><b>Update:</b></p> <ul style="list-style-type: none"> <li>• Kartina asked if she should stay in the call. Falco asked her to stay for the update and then excuse herself for the discussion. All agreed to this.</li> <li>• FV reported on the call (physical meeting cancelled because of Corona). The video option in LoopUp was used for this call.</li> <li>• Falco confirmed that the meeting is still considered informal since there is no mandate from the GA.</li> <li>• The message of AAE to IFoA is that we discussed it in the Board and that we would like to share some options with the IFoA.</li> <li>• The IFoA indicated that they want to remain active in the AAE, and to stay connected and contribute to the AAE but for a lower price.</li> </ul> <p>Current options are:</p> <ul style="list-style-type: none"> <li>➤ The AAE mentioned to the IFoA that a reduction in fees is possible. However, this would mean that the IFoA will lose certain rights (GA vote – link to EU institutions). Giving this up could lead to a reduction of 20%. In this scenario they could still deliver a chairperson for EC and ProfC, but not for the technical committees (IC, PC, RMC).</li> <li>➤ Another option relates to the European community of actuaries. If IFoA would cease this relation, that could lead to a further reduction of fees (20%). No formal involvement would be possible in EC, ProfC. It would still be possible to deliver a chair for the technical committees (IC, PC, RMC).</li> <li>➤ In both situations the IFoA cannot deliver a member of the Board.</li> <li>➤ IFoA could choose the nuclear option to give up membership in full.</li> </ul> <ul style="list-style-type: none"> <li>• AAE mentioned to the IFoA that the intention is to try to find an end goal and agree on a transition period. In any case the AAE insists to receive full payment for 2020 (IFoA voted in favour of the budget at the last GA).</li> </ul>	

	<p>AAE also proposed to have a 5 year transition period to get to the final position that the IFoA would wish.</p> <ul style="list-style-type: none"> <li>• AAE would be willing to call for an extraordinary GA. 15 May could be an option.</li> <li>• In any case the GA should be informed. We do not have to present a proposal, but we can at least inform the GA and add whether or not the Board is supportive.</li> <li>• The IFoA briefly responded that the AAE proposal was interesting. They seemed to have expected more.</li> <li>• IFoA will now have further internal discussions.</li> <li>• A next call is scheduled for 19 March.</li> <li>• After this update Kartina left the call (to avoid conflict of interest).</li> </ul> <p>The question whether the notes of the discussion should be shared with Kartina was discussed. There were some differences of opinion: Luis shared his views on why he was of the opinion that the full meeting notes (including the discussion) should be shared with Kartina. He emphasized that as Board member we are not speaking on behalf the MA, we are defending the opinion of the AAE. Lutz and other Board members disagreed with Luis for the main reason that we should avoid bringing Kartina in a difficult position, as she has been very careful in the whole process. It was agreed not to share the discussion notes and to draft a separate document, at least pending the negotiations with the IFoA.</p> <p>Further notes on this topic can be found in a separate document. These will be distributed only to those Board members who were in the discussion.</p>	
14.	<p><b>Future meetings / conference calls: 13:00 – 15:00 CE(S)T on the second Wednesday of every month unless shown otherwise</b></p> <ul style="list-style-type: none"> <li>• 1 April 2020, Bratislava <b>(virtual), 14:00-18:00 CEST</b></li> <li>• 15 May 2020, Paris, 09:00-11:00 CEST</li> <li>• 10 June 2020</li> <li>• 1 July 2020, The Netherlands, 09:00-16:00 CEST</li> <li>• 8 July 2020, 13:00-14:00 – short call to update the CommChairs</li> <li>• 9 September 2020</li> <li>• 7 October 2020, Munich, 14:00-18:00 CEST</li> </ul>	