

**Actuarial Association of Europe
Risk Management Committee
2019 Q2 Report**

The Risk Management Committee (RMC) met alongside other AAE committees in Sofia in April 2019. Topics covered included:

- (a) Risk management aspects of a cash flow approach for IORPs proposed by members of the Pension Committee
- (b) Next steps to establish a European-wide actuarial chief risk officer / risk management function holder forum
- (c) Developments in sustainable finance, including work by other actuarial bodies on climate change indices
- (d) Reviewing risk management aspects of the proposed EAN on ESAP3 prepared by members of the Insurance Committee

The RMC is currently responding to an ESMA survey on long-term investing. It has continued to support other AAE Committees and Working Groups, particularly the Solvency II Working Group, with preparatory work on risk margin aspects expected to arise during the 2020 Solvency II Review and in preparation of responses to other consultations such as ones from EIOPA on sustainability and on macroprudential policies.

Members of the RMC also:

- (a) Finished a paper on actuarial involvement in operational risk, which was presented to the European Congress of Actuaries.
- (b) Prepared a summary flyer promoting the role of actuaries in risk management, which was also presented to the European Congress of Actuaries

The RMC Chairperson represented the AAE at the June 2019 AFIR-ERM Colloquium. He used this as an opportunity to present the summary flyer referred to above and to promote other RMC activities and broader AAE initiatives to this audience.

Malcolm Kemp
Chairperson