



## Chairperson's Update

### January 2016



Dear Colleagues,

It does not seem very long since I took office as Chairperson of the AAE at the end of our General Assembly in Bucharest last September, but we are already into 2016. I hope that it will be a successful year for all of our Member Associations and that the actuarial profession in Europe will continue to prosper during 2016.

First, I would like to record my personal thanks to Malcolm Campbell, who stepped down from the Officer Board at Bucharest, having completed his year as Immediate Past Chairperson, for his contribution to AAE over many years, and I am sure he will continue to provide support into the future. We are honoured that the IAA has chosen Malcolm as their President for 2016, and we wish him well for his year as leader of the global profession. I would also like to thank Chris Daykin for his outstanding contribution as (inaugural) convenor of the Standard Task Force, which role he relinquished after the AGM, but I am pleased that Chris continues to contribute to AAE, most notably as chair of the very active Social Security Sub-Committee. Gábor Hanák has taken on the important role of leading the Standards Task Force, and we wish him every success.

The Officers are reviewing the AAE strategy in line with the presentation which I gave to the General Assembly in Bucharest. The current structure of the Strategic Plan underpinning our strategic objectives contains a lot of duplication and lacks clarity. The Officers have agreed that the list of actions should be simplified, and milestones made clearer. The aim is to prepare a simpler, better defined and achievable Strategic Plan to present to the General Assembly in Barcelona.

A key objective of the AAE is to ensure that European policymakers obtain and value input from actuaries on issues where we can offer professional, objective opinions. To this end, I am pleased to report that the Officers have had a number of successful meetings over the last 4 months with MEPs and their assistants or advisors, the European Commission – in particular DG FISMA, along with Ms. Mette Toftdal Grolleman of Commissioner Hill's cabinet, and DG EMPL, as well as our regular six-monthly meeting with EIOPA senior management which took place on 18 December. It is essential that AAE develops and maintains contacts with appropriate people in the European institutions, and other stakeholders, and I think that meetings with MEPs in particular play an important part in raising our profile.

During the last four months, AAE has produced a number of important policy documents, namely

- Position paper on proposed revision of the IORP Directive
- Insurance Block Exemption Regulation
- Conduct Risk Indicators

We have issued for consultation the proposed revised Code of Conduct (deadline for responses 19 February) and we have asked for approval of ESAP 2: Actuarial Function Report under Solvency II by 31 January 2016. We look forward to receiving responses from all of our Member Associations on these important documents.

Work is ongoing on the production of papers or consultation responses on a number of topics, including

- A discussion paper on The ageing of the EU – implications for pensions
- Response to ESAs consultation on Regulatory Technical Standards for PRIIPs Key Information Document
- Position Paper for EIOPA on Insurance Stress tests
- The impact of low interest rates
- Role of the Actuary under Solvency II

One of my key objectives for the year is to enhance the interaction between the AAE Officers and our Member Associations, with the objective of enhancing the value which we can provide to Member Associations, which we hope in turn will lead to increased involvement of individual members of those Associations in the work of the AAE. The work of the AAE is heavily dependent on the volunteer input of individual actuaries (representing their own Member Associations) and whilst we have been well served in the past by many such volunteers, additional resources are needed to ensure that we can continue and expand the work that we doing, as well as developing new areas of interest and benefitting from fresh ideas. Specific areas where we are seeking additional volunteers are listed below. We would be pleased to receive the names of any colleagues in your Association who have expertise in one of these areas who would be willing to contribute:

- Solvency II working groups
- Task forces on new standards of actuarial practice (ESAPs)
- Pensioner mortality task force
- Consumer protection working group

It was very encouraging to see the level of interest in the recent call by EIOPA for membership of their two Stakeholder Groups, and a very strong field of candidates were proposed by Associations. We will shortly be inviting nominations for the position of Vice-Chairperson of AAE: this is an opportunity to participate at the highest level in developing AAE policy and influence in an increasing range of issues where actuaries can (and do) provide objective professional advice, and we would ask that all Member Associations consider whether they can put forward suitable candidates. I am conscious that in recent years, some Associations have been under-represented in the Officer Board, and that there has been a complete lack of gender diversity amongst the Officers and I hope that these shortcomings can be rectified over the next few years.

I am delighted to have received invitations from some of our Member Associations to attend or make a presentation at their annual meetings. I would encourage all Associations to invite me, the Chief Executive or the member of our Officer Board responsible for liaison with your Association to attend/address a meeting of your Board or Association so that we can discuss what you see as the key priorities for your Association, how AAE might help with these, and encourage participation by members of your Association in AAE activities. At the Annual Meeting in Bucharest, the Romanian Association took the opportunity to organise a seminar of general actuarial interest which proved to be successful and popular. A similar event is planned for the Spring 2016 meeting in Cyprus. The Officers are happy to contribute to similar local events as part of our efforts to improve communication with Member Associations.

I was pleased to represent the AAE, along with the Chief Executive, at the European Actuarial Academy Risk Management Summit celebrating the tenth anniversary of the EAA. I was honoured to attend the public policy forum marking the 50<sup>th</sup> anniversary of the American Academy in Washington DC on 12-13 November. The Chief Executive attended the EIOPA conference on 18 November at which Falco Valkenburg, Chairperson of the Pensions Committee, chaired a session entitled “Retirement savings in the 21st century”.

The AAE will continue to engage with the IAA with the objective of establishing a more structured relationship between the two organisations. As discussed at the Presidents’ meeting last August, there may be a role for AAE in formally representing the views of European Associations who may not be able to attend meetings of the IAA.

We have recently agreed with a Brussels based firm to help for a trial period with the publication of an EU Newsletter, the first edition of which was circulated to Associations in the middle of November. In addition, we have reached agreement with the Associations in France, Germany, Netherlands and UK for AAE to take over responsibility for publication of The European Actuary.

The Spring 2016 meetings will take place as follows -

- Standards, Freedoms and Professionalism – 10 March 2016 - Nicosia
- Insurance – 11 March 2016 – Nicosia
- Pensions, IFR and Education – 8 April 2016 – London

and we look forward to good attendance and constructive discussion at those meetings.

Our big public event of the year is the second European Congress of Actuaries in Brussels on 21-22 April 2016. The organising committee has put together an excellent mixture of plenary sessions with keynote speakers, smaller presentations and interactive sessions, under the title “The Actuarial Profession spreading its wings” and we look forward to meeting actuaries and other interested persons from all over Europe at ECA 2016. Please ensure that your members are aware of this opportunity ([www.eca2016.org](http://www.eca2016.org)) and encourage as many as possible to attend.

Finally, on behalf of the Officers of AAE, I would like to take this opportunity to thank all our colleagues who contribute in our committees, working groups and task forces to AAE's work.

Philip S. Shier

Chairperson

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