



## ACTUARIAL ASSOCIATION OF EUROPE

ASSOCIATION ACTUARIELLE EUROPÉENNE

1 PLACE DU SAMEDI

B-1000 BRUSSELS, BELGIUM

TEL: (+32) 22 01 60 21 FAX: (+32) 27 92 46 48

E-MAIL: [info@actuary.eu](mailto:info@actuary.eu)

WEB: [www.actuary.eu](http://www.actuary.eu)

**MINUTES**  
**of the Thirty-ninth meeting of the**  
**GENERAL ASSEMBLY**  
**held in Barcelona**  
**on Friday, 23 September 2016**

---

**PRESENT:**

**Members of the General Assembly:**

Philip Shier	Chairperson
Kristoffer Bork	Vice-Chairperson
Michael Renz	Immediate Past Chairperson
David Martin	Chairperson, Standards, Freedoms and Professionalism Committee
Esko Kivisaari	Chairperson, Insurance Committee
Christoph Krischanitz	Chairperson, Investment and Financial Risk Committee
Mark Stocker	Chairperson, Education Committee
Karel Goossens	Honorary Treasurer
Peter Prieler	Aktuarvereinigung Österreichs
Manfred Rapf	Aktuarvereinigung Österreichs
Philippe Demol	Institut des Actuairens en Belgique / Instituut van Actuarissen en Belgie
Jiri Fialka	Ceská Společnost Aktuárů
Thomas Béhar	Institut des Actuairens
David Dubois	Institut des Actuairens
Richard Deville	Institut des Actuairens
Richard Herrmann	Deutsche Aktuarvereinigung
Wilhelm Schneemaier	Deutsche Aktuarvereinigung
Birgit Kaiser	Deutsche Aktuarvereinigung
Gábor Hanák	Magyar Aktuárius Társaság
Tony O'Riordan	Society of Actuaries in Ireland
Giampaolo Crenca	Istituto Italiano & Consiglio Nazionale degli Attuari
Rokas Gylys	Lietuvos Aktuarijų Draugija

Jeroen van den Bosch	Het Koninklijk Actuarieel Genootschap
Magne Nilsen	Den Norske Aktuarforening
Anne Sundby Magnussen	Den Norske Aktuarforening
Jose Manuel Mendinhos	Instituto dos Actuários Portugueses
Florin Gingham	Asociația Română de Actuarial
Jozef Ducky	Slovenská spoločnosť aktúárov
Gregorio Gil de Rozas	Instituto de Actuarios Españoles
Rafael Moreno Ruiz	Instituto de Actuarios Españoles
Miquel Viñals	Col·legi d'Actuaris de Catalunya
Felix Arias Bergada	Col·legi d'Actuaris de Catalunya
Malcolm Campbell	Svenska Aktuarietopikerna
Lutz Wilhelmy	Schweizerische Aktuarvereinigung
Nick Dumbreck	Institute and Faculty of Actuaries
David Hare	Institute and Faculty of Actuaries
Malcolm Kemp	Institute and Faculty of Actuaries
Ad Kok	Chief Executive, AAE
Michael Lucas	Secretary-General, AAE

**Others attending as alternates or by invitation:**

Mike Poulding	Channel Islands Actuarial Society
Christos Loucaides	Cyprus Association of Actuaries
Lauri Saraste	Suomen Aktuaariyhdistys
Matthias Pillaudin	Institut des Actuaire
Alexander Schalk	Deutsche Aktuarvereinigung
Gennaro Olivieri	Istituto Italiano & Consiglio Nazionale degli Attuari
Cinzia Ferrara	Istituto Italiano & Consiglio Nazionale degli Attuari
Raffaello Marcelloni	Istituto Italiano & Consiglio Nazionale degli Attuari
Jan Kars	Het Koninklijk Actuarieel Genootschap
Tjemme van der Meer	Het Koninklijk Actuarieel Genootschap
Monique Schuilenburg	Het Koninklijk Actuarieel Genootschap
Rita Marques	Instituto dos Actuários Portugueses
Pedro Barbosa	Instituto dos Actuários Portugueses
Ana Maria Martins Pereira	Instituto dos Actuários Portugueses
Wojciech Mojzuk	Polskie Stowarzyszenie Aktuarystów
Javier Olaechea	Instituto de Actuarios Españoles
Aitor Milner	Instituto de Actuarios Españoles
Eduardo Trigo Martinez	Instituto de Actuarios Españoles
Marc Arias Bellot	Col·legi d'Actuaris de Catalunya
Joaquim Celma	Col·legi d'Actuaris de Catalunya
Lionel Candaux	Schweizerische Aktuarvereinigung
Olivier Steiger	Schweizerische Aktuarvereinigung
Chris Daykin	Institute and Faculty of Actuaries

John Woodall	Institute and Faculty of Actuaries
Tom Terry	International Actuarial Association
Aebe Aalbers	Guest speaker

### Apologies:

Falco Valkenburg	Chairperson, Pensions Committee
Nikolai Todorov	Bulgarian Actuarial Society
Dubravka Zoricic	Hrvatsko Aktuarsko Društvo
Tarmo Koll	Estonian Actuarial Society
George Kravvaritis	Hellenic Actuarial Society
Steinunn Gudjonsdottir	Félag íslenskra tryggingastærðfræðinga
Inga Helmane	Latvijas Aaktuāru Asociācija
Franck Marchand	Association Luxembourgeoise des Actuaire
Ranjini Paramalingam	Malta Actuarial Society
Branko Pavlovic	Udruženje Aktuara Srbije
Stanislav Vrtunski	Slovensko Aktuarsko društvo
Orhun Emre Çelik	Actuarial Society of Turkey
Antonina Redka	Society of Actuaries of Ukraine

## 1. Opening of meeting and adoption of the agenda

- 1.1 The Chairperson welcomed members to Barcelona, particularly those for whom it was their first meeting, and thanked Col·legi d'Actuaris de Catalunya for hosting the meeting.
- 1.2 The agenda, as circulated, was adopted and a copy is attached to these minutes as **Annex I**. The Chairperson reminded those present that, while members of AAE Committees and invited guests are welcome to attend the General Assembly as observers, only membres titulaires and membres suppléants may vote.

## 2. Minutes of previous meeting

The Minutes of the 38th Annual Meeting, held on 25 September 2015 in Bucharest, were confirmed.

## 3. Chairperson's Report

The Chairperson, Philip Shier, gave a brief personal overview of significant events during his year in office, noting that several of these items would be addressed in greater detail in other reports below. He referred in particular to:

- terrorist outrages in Paris, Brussels and Nice, after which he had written letters of sympathy and solidarity to the French and Belgian associations
- Brexit – no immediate consequences for AAE, and Philip hoped that IFoA will continue to be an active member
- interactions with EU institutions, including better links with MEPs – member associations are encouraged to facilitate introductions for AAE to

key MEPs (e.g. Irish rapporteur for IORP2, who was influential in securing reference to fit and proper requirements for the Actuarial Function holder)

- improving communications with associations through the web site, more meetings between Officers and association Boards, etc
- ECA2016 – format and content was very well received although attendance was disappointing: regarded as an important showcase event
- move to new office

Philip thanked the Officers, committee representatives and associations for their support throughout the year.

#### **4. Chief Executive's Report**

The Chief Executive, Ad Kok, in a short slide presentation (attached to these Minutes as **Annex II**), gave an overview of significant developments in 2016. Ad referred in particular to :

- the challenge of securing meetings with MEPs, who prefer discussion on political issues
- the transfer of The European Actuary to the aegis and branding of AAE: appointment of members of TEA's Editorial Board may be made with assistance from the Nominations Panel
- ECA 2016 – what we can learn from this to improve the next ECA, especially promotion and number of registrations
- seminars and webinars planned for 2016-17, starting on 16 November with seminar on the Ageing Report – to which we want to attract MEPs

#### **5. Finances**

The Honorary Treasurer, Karel Goossens, referred to his report and the annual accounts for 2015 which had been initially circulated in July to allow the General Assembly time to review the accounts and identify any concerns. Karel pointed out that the accounts had already been approved by the independent auditor. He also drew attention to the policy to hold a reserve equivalent to twice annual expenditure. There were no questions, and the General Assembly formally approved the accounts for 2015.

Turning to the estimate for 2016, Karel pointed out that the out-turn will be lower than the original budget, as a result of the loss incurred on ECA2016. For the 2017 budget and forward forecasts, which showed an annual surplus, Karel explained that these were based on no changes in annual fee or areas of expenditure. He acknowledged that there is scope, therefore, to undertake additional activities – Tony O'Riordan suggested that professional assistance with consultations, in particular the Solvency II review, would be valuable. Karel observed that the question of use of resources and additional activities would be

addressed once the strategy review is complete. The General Assembly formally approved the revised budget for 2016, the budget for 2017, and the forward forecasts. The annual fee for 2018 was also approved.

For the future, Gábor Hanák suggested that it would be helpful to show the financial figures on screen during the discussion of the Honorary Treasurer's report.

## **6. Committee Reports**

Reports from the Committees were considered.

[**Note:** The Standards, Freedoms and Professionalism Committee, the Insurance Committee, the Pensions Committee, the Investment and Financial Risk Committee and the Education Committee had all met earlier in the day or on the previous day. The agenda and papers for these Committee meetings had all been circulated to members of the General Assembly.]

### **6.1 Education Committee**

The Committee's report was noted. The Chairperson of the Committee, Mark Stocker, drew attention to the principal issues discussed at the meeting on 22-23 September:

- ECA2016, in particular
  - high quality of organisation, content and speakers confirmed by feedback questionnaire responses
  - significant shortfall in budgeted attendance, much lower than ECA2012, but financial loss absorbed
  - possible reasons for low attendance – terrorism; other similar events; busy time/financial constraints for employers
  - appetite to continue with ECA2020 as an AAE “flagship” event, but need to look at arrangements in light of strategy review
- syllabus review
  - awaiting outcome/implementation of IAA syllabus review
- exchange of information of mutual interest among member associations

### **6.2 Standards, Freedoms and Professionalism Committee**

The Committee's report was noted. The Chairperson of the Committee, David Martin, highlighted the major items discussed at the meeting on 22 September.

- actuarial standards:
  - agreement to proceed with second Exposure Draft of ESAP3 after brief informal consultation
  - disparity in definition of ‘model’ between AAE and IAA (ISAP1A): various alternative approaches have been identified, and we await IAA's decision on adoption of ISAP1A

- agreement to circulate second Exposure Draft of revised Code of Conduct
- review of MRA – a revised questionnaire, qualitative rather than quantitative, will be circulated to member associations; the “Heubeck letter” (guidance on implementation of the MRA) will also be updated
- further survey on Roles of Actuaries to capture additional information requested by EIOPA
- strategy review proposals – included under minute 7 below
- need to have full day SFPC meeting in autumn (as in Spring)

Gábor Hanák suggested that the name of the Committee should be simplified to “Professionalism Committee”. It was noted that this could be addressed under the strategy review proposal to remove the names of the committees from the Statutes.

### 6.3 **Insurance Committee**

The Committee’s report was noted. The Chairperson of the Committee, Esko Kivisaari highlighted the principal issues discussed at the meeting on 22-23 September:

- the Solvency II project is increasingly active following implementation, and the Commission’s forthcoming review: EIOPA expects significant input from AAE
- IAIS consultation in International Capital Standard – EIOPA has urged AAE to give active and robust input on behalf of Europe
- activities by the non-life working group
- development of a discussion paper on the technical and economic impact of negative interest rates
- development of an EAN linked to ESAP 3
- consumer protection issues around PRIIPs and Insurance Distribution Directive, but lack of volunteer resources in this area

### 6.4 **Pensions Committee**

The Committee’s report was noted. Richard Deville highlighted the following issues discussed at the meeting on 22 September:

- review of IORP Directive, in particular the capital requirement
- conflict between Actuarial Function and Risk Management function over ALM
- suggestion to include reference to risk management in AAE branding
- personal pension framework – preparation of response to Commission consultation
- Social Security Sub-Committee issues

## 6.5 Investment and Financial Risk Committee

The Committee's report was noted. The Chairperson of the Committee, Christoph Krischanitz, highlighted the following issues discussed at the meeting on 23 September:

- future and role of IFR Committee in light of
  - AAE strategy review
  - Roles of Actuaries round table on ERM
- preparation of a paper for EIOPA on skills required (beyond education) to be a good risk manager
- working group to investigate impact of negative interest rates on actuarial models
- issues around Key Information Documents (KIDs) for PRIIPs: need to liaise with Insurance Committee

Gábor Hanák noted that there are a number of topics where work overlaps between committees: he suggested that these areas should be identified in a table and possibly discussed in a single session at the Spring meetings.

## 7. AAE Strategy Review

Kristoffer Bork gave a presentation in which he described in some detail the work of the strategy review task force and its proposals for changes to the strategic objectives and governance of AAE. (A copy of this presentation is attached to these minutes as **Annex III** – this is an updated version of the report from the task force which was circulated as part of the agenda before the meeting). He also referred to a joint letter which had been submitted to AAE Chairperson, Philip Shier, by the three largest associations (UK, Germany, France) shortly before the meeting. This letter (copy attached as **Annex IV**) sets out a number of comments on the task force proposals, in particular in relation to governance and the composition of the Board:-

- Board - delegated authority from General Assembly
- 9 members – Chairperson, Vice-Chairperson, Immediate Past Chairperson), plus 6 nominated by Nominations Panel and elected by General Assembly
- Committee chairpersons and Honorary Treasurer eligible but unlikely to have majority on board
- other Committee chairpersons are invited to attend Board meetings, but not vote
- General Assembly guidelines to Nominations Panel
  - balance of representation of member association (eg size)
  - Chair of SFPC considered
  - diversity (area & gender)

- collective responsibility – Board members must not represent their own associations
- no guaranteed places for any member association
- likely that UK, Germany and France would be able to produce eligible candidates for the Board and would have places
- these three associations will be involved at the highest level

In slide 23 of **Annex III**, Kristoffer drew attention to a number of additional points which had been made during discussion at the Standards, Freedoms and Professionalism Committee –

- Sweden:
  - the Statutes should not define how to run the General Assembly
  - Committee chairpersons should remain on an expanded Board
  - as an example, the IAA Executive Committee (11 members) is the absolute maximum number. of members in order to have efficient meetings
- Switzerland:
  - it is a good step forward to have a properly constituted board with a defined role
  - it is essential to define criteria for Board candidates for the Nominations Panel
- Hungary:
  - acknowledge UK, Germany and France comprise 70% of all members, but it is important that these three associations buy into the fact that they need to ensure a supply of suitable volunteers in good numbers
- Portugal:
  - see no need to change, but accept wish of others to do so
  - concern over extent of power vested in Nominations Panel

Gábor Hanák pointed out that the strategy review task force had considered the question of paid support for committees: there had been no conclusion, and this was left open for the next stage of the review. David Martin emphasised the importance of working with the IAA to ensure that overlap and duplication of activities is avoided.

Kristoffer referred to the final slide of his presentation, Proposed Next Steps. He pointed out that the current task force has fulfilled its remit. The Standards, Freedoms and Professionalism Committee agreed that it should now be succeeded by a new task force to undertake implementation of the review proposals. The new task force could possibly be split into two parallel streams, to address strategic objectives and governance separately. Members of the original



task force may continue if they wish, and new volunteers may be added, but Kristoffer should stand down as convener: Thomas Béhar was proposed as his successor. Thomas and Kristoffer will draft Terms of Reference for the new task force. for approval by the Committee It was noted that Thomas would be welcome to join the ongoing IAA strategy review.

The General Assembly endorsed the SFPC proposals to continue with implementation of the strategy review through a new task force, led by Thomas Béhar, which will report back to SFPC and the General Assembly.

## **8. Report of Nominations Panel**

### ***Election of Officers***

Michael Renz presented the report from the Nominations Panel and highlighted the following recommendation:

- Vice-Chairperson of AAE - Thomas Béhar

The General Assembly approved this recommendation.

## **9. International Actuarial Association**

In his capacity as President of IAA, Malcolm Campbell gave a short presentation on the work of the IAA (attached to these minutes as **Annex V**). In view of time constraints, Malcolm focused on slide 14, Areas of Common Interest. He emphasised the need and benefit to be gained from rationalising and formalising links between IAA and AAE, including a Memorandum of Understanding and a formal place for AAE at IAA meetings. It was confirmed that there will be discussions on this during the coming months between the Officers and the IAA Executive Committee.

## **10. Future Annual Meetings**

Arrangements for future Annual Meetings were noted as follows:

- 2017 – Copenhagen, Denmark – 22 September 2017
- 2018 – Netherlands - (*location and date to be confirmed*)
- 2019 – Vienna, Austria – *date to be confirmed*

## **11. Chairperson of the Groupe**

The Chairperson, Philip Shier, invited the Vice-Chairperson, Kristoffer Bork, to take the chair. Philip thanked the General Assembly for their trust and for the privilege of serving as Chairperson of AAE, which he had found very rewarding.

In accepting the chair, Kristoffer looked forward to leading the AAE and implementing the strategy review, building links with member associations and external stakeholders, and promoting the profile of the profession. He hoped to be

able to maintain the high standards and achievements which his predecessors had established. He thanked Philip for his enthusiastic leadership over the past year.

**12. Any other business**

Kristoffer observed that Michael Renz was now stepping down after three years as an Officer: he thanked Michael for his energy and hard work on behalf of AAE.

Kristoffer also drew attention to the forthcoming retiral, at the end of December, of Michael Lucas from his appointment as Secretary-General. He thanked Michael for his dedicated service to Groupe Consultatif and AAE over the past 15 years, and wished him a long and fruitful retirement.

**13. Date and place of next meeting**

It was noted that the next meeting would be held in Copenhagen on Friday, 22 September 2017, with Committee meetings on 20-22 September.