



ACTUARIAL ASSOCIATION OF EUROPE
ASSOCIATION ACTUARIELLE EUROPÉENNE

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MINUTES
of a meeting of the
INVESTMENT AND FINANCIAL RISK COMMITTEE
held in Bucharest
on Friday 25 September 2015

Present:

Members of the Committee

Christoph Krischanitz (Chairperson)	Aktuarvereinigung Österreichs
Marc Arias	Col.legi d'Actuaris de Catalunya
Malcolm Kemp	Institute and Faculty of Actuaries
Tjemme van der Meer	Het Koninklijk Actuariel Genootschap
Ad Kok	AAE Chief Executive

Member of the General Assembly and other Committees

Tatiana Bitunska	Bulgarian Actuarial Society
Philippe Demol	IA BE
Richard Deville	Institut des Actuaire
David Martin	Chairman of the SFPC
Corina Moldovan	Den Norske Aktuarforening
Philip Shier	AAE Vice Chairperson

Observers

Serge Arias	Col.legi d'Actuaris de Catalunya
Octavian Cosenco	Romania
Birgit Kaiser	DAV
Craig Hanna	American Academy of Actuaries

Apologies for absence

Daphné de Leval	IA BE
Maria Teofilova	Bulgarian Actuarial Society
Steven Jones	Channel Islands Actuarial Association
Andreja Radic	Hrvatsko Aktuarsko Društvo
Marios Yiannas	Cyprus Association of Actuaries
Vladimir Krejci	Česká Společnost Aktuárů

Liselotte Milting
Veikko Tamlak
Pasi Laaksonen
François Bonnin
Alexander Schalk
Ioannis Sinos
Gábor Malicskó
Steinunn Gudjonsdottir
Patrick McKenna
Paolo De Angelis
Antonella Chiricosta
Elina Tilta
Rokas Gyls
Thierry Flamand
to be confirmed
Johann Desprie
Marcin Łuczyński
to be confirmed
Ana Tripsa
to be confirmed
Jelica Klúčovská
Liljan Belsak
Eduardo Trigo
Simon Kristoferson
Petra Wildemann
Şirzat Çetinkaya
Antonina Redka

Den Danske Aktuarforening
Eesti Aktuaaride Liit
Suomen Aktuaariyhdistys
Institut des Actuaire
Deutsche Aktuarvereinigung
Hellenic Actuarial Society
Magyar Aktuárius Társaság
Félag íslenskra tryggingastærðfræðinga
Society of Actuaries in Ireland
Istituto Italiano degli Attuari
Consiglio Nazionale degli Attuari
Latvijas Aaktuāru Asociācija
Lietuvos Aktuarų Draugija
Association Luxembourgeoise des Actuaire
Malta Actuarial Society
Den Norske Aktuarforening
Polskie Stowarzyszenie Aktuariuszy
Instituto dos Actuarios Portugueses
Asociatia Romana de Actuariat
Udruženje Aktuara Srbije
Slovenská spoločnosť aktúarov
Slovensko Aktuarsko društvo
Instituto de Actuarios Españoles
Svenska Aktuarieföreningen
Association Suisse des Actuaire
Actuarial Society of Turkey
Society of Actuaries of Ukraine

1. Opening of the meeting and adoption of the agenda

The Chairman welcomed members of the Committee to Bucharest, particularly those for whom it was their first meeting, and thanked Asociatia Romana de Actuariat for hosting the meeting.

It was agreed to first give the floor to Philip Shier (agenda item 5), then to discuss agenda item 16 and then to continue with the remaining items on the agenda.

2. Minutes of previous meeting

The minutes of the Committee meeting held in Berlin on 20 March 2015 were confirmed.

5. Review of IORP Directive

Philip Shier reported on the progress with the review of the IORP Directive. There had been talks with Brian Hayes MEP, the EU Parliament rapporteur for IORP, and two issues have been discussed with him. First the necessity to keep the text for the Actuarial Function in line with the text in the Solvency II Directive and secondly to eliminate the requirement for cross border pensions to be fully funded.

16. Review of Committee priorities

Christoph mentioned the necessity to review the activities of the IFR Committee in light on the overall AAE strategy. An extensive discussion took place with questions raised as:

- Should investment remain to be a topic for the committee?
- Should there be more emphasis on integral balance management?
- What should we do now to help built a stable position for the profession in ten years time?
- Should the committee become more leading in the area of risk management?
- Should there be more interaction with the IC and PC (joint meetings)?
- Should the committee also invite non-actuaries?
- What should the committee be doing beyond Solvency II and IORP?

It was agreed that each committee member would produce a one-pager with ideas and suggestions for the future activities and terms of reference of the IFR Committee. To be send to Ad Kok before the end of October 2015.

It was also suggested to organise a seminar on investment on 7 April 2016 in London (the day before the next committee meeting).

In addition the Committee's current action plan was discussed. The agreed changes will be added to the document and sent together with the minutes to members of the committee.

3. Solvency II

The Chairman noted the revised Project Team for Solvency II with Siegbert Baldauf as project leader. There will be three subcommittees: Life, Non-Life and Other.

4. Market Consistency

4.1. The Chairman reported that no progress had been made. The envisaged convenor had to step down due to other commitments. Christoph will check whether an Austrian colleague would be willing to take up this task.

4.2. To note that the position paper "Clarity before Solvency" had attracted quite some positive reactions.

6. EIOPA consultation on infrastructure investments

The EIOPA consultation paper, the AAE comments and a note of the Round Table meeting in Frankfurt on 4 September will be added to the minutes and also will be made available on the AAE website under "Members Only".

7. Interconnectivities between financial sectors

Christoph will continue to work on a draft position paper.

8. Capital Markets Union

Christoph noted a document from the EU that will be forwarded to committee members.

9. Risk Management Qualification

Christoph reported that the draft will be ready in the next coming weeks. A further meeting with EBA will be planned in November.

10. Regulation of indices

No news to report.

11. Shadow Banking

No news to report.

12. EC Consultation - on OTC derivatives, central counterparties and trade repositories.

Unfortunately the deadline for comments had passed.

13. Links with other organisations

13.1. Commission DG FISMA (Insurance & Pensions Unit)

To note that a meeting was held between Officers of AAE and staff of the Insurance and Pensions Unit of DG FISMA in Brussels on 16 January 2015.

13.2. EIOPA

To note that a meeting was held between Officers of AAE and the Chairman and staff of EIOPA on 1 July 2015.

13.3. IAA

To note the minutes of the IAA Enterprise and Financial Risk Committee held in Zurich on 9 April 2015

14. Committee Report to General Assembly

The Committee noted and approved the report of its activities which the Chairman will present to the General Assembly. He will add to the report as necessary in the light of discussions at this meeting.

15. Exchange of information on current issues

No written reports have been received from delegates and no further exchanges were made.

17. Any other business

There was no other business.

18. Date of next meeting

It was noted that the next meeting of the Committee will be held in London on 8 April 2016 at the invitation of the Institute and Faculty of Actuaries.