

TERMS OF REFERENCE FOR THE ACTUARIAL STANDARDS SUBCOMMITTEE (DRAFT)

1. Mission

To support the strategic objectives of the Actuarial Association of Europe (AAE) and under the oversight of the Professionalism Committee, the Actuarial Standards Subcommittee (ASSC) will develop, review and maintain European Standards of Actuarial Practice (ESAPs) and assist the Professionalism Committee and Board in their promotion and encouragement of the adoption of ESAPs by Full Member Associations of the AAE (FMAs). **The ASSC also has a supporting role in the process of developing European Actuarial Notes (EANs).**

2. Objectives

- (a) To review and, if necessary, make recommendations for amendments to each ESAP at least every five years to ensure that all existing ESAPs are up-to-date, relevant and meet the needs of users of actuarial services and of actuaries;
- (b) To consider, and if thought appropriate to recommend to the Professionalism Committee, that an ESAP should be developed and to prepare, in accordance with the Due Process, the Proposal to Develop a Standard with defined scope and purpose;
- (c) To develop, in accordance with the Due Process, exposure and final drafts of ESAPs;
- (d) To review at least every five years and, if necessary, make recommendations for the due process for the development and issuance of ESAPs;
- (e) To support and follow up, as necessary, the implementation by FMAs of actuarial standards based on the ESAPs;
- (f) To liaise with the AAE Committees as appropriate in respect of the development of particular ESAPs;
- (g) To provide representation from the AAE to relevant international groupings of actuarial standard-setters, such as the Standard-Setters Round Table;
- (h) To liaise with the Actuarial Standards Committee of the IAA and cooperate with the IAA to ensure that there is, to the extent appropriate, consistency between any model standards developed by the AAE and those developed by the IAA and that overlaps and conflicts are avoided; and
- (i) **To review the exposure drafts and the final proposals of the EANs in terms of language and format, to confirm that the due process for EANs has been followed and to report of the results to the Professionalism Committee.**

3. Reporting authority

The ASSC reports to the Professionalism Committee at least biannually including the work-plan for consideration by the Professionalism Committee and approval by the General Assembly.

4. Task Forces reporting to the ASSC

Subject to the Professionalism Committee and Board approval the ASSC may establish Task Forces in order to enable it to carry out its work in the most effective way.

5. Membership

The chairperson of the ASSC is appointed by the Professionalism Committee subject to endorsement by the Board. The members of the ASSC are appointed by the Professionalism Committee. The ASSC appoints the chairperson and the members to its Task Forces. The membership of the ASSC and any Task Forces established by the ASSC shall be such as to ensure a reasonable geographic spread and representation of associations with different regulatory structures. The ASSC shall take care to ensure that, in carrying out its work, it is sensitive to the views of FMAs.

6. Communication

The ASSC shall maintain a work-plan for consideration by the Professionalism Committee and approval on a regular basis by the Board.

The ASSC shall assist the Board and Professionalism Committee as appropriate with

- a) their regular communication with FMAs of the AAE regarding plans, activities and outputs, and
- b) their maintenance of an appropriate level of communication and liaison with the European Commission and with EIOPA, as well as with other standard-setting bodies, in relation to the AAE's activities concerning the development and implementation of ESAPs.

the place and date of approval