

REPORT OF THE ACTUARIAL STANDARDS SUBCOMMITTEE TO THE PROFESSIONALISM COMMITTEE MEETING IN SOFIA, 12 APRIL 2019 (DRAFT)

Since the meeting of Professionalism Committee (ProfC) in Utrecht, 21 September 2018, the Actuarial Standards Subcommittee (ASSC) reports the following.

ESAPs

At the moment no model standards are under work.

The IAA has approved the revised ISAP 1. As agreed in Utrecht the ASSC has prepared a discussion paper of possible approaches in respect to ESAP 1. The ASSC recommends changing ESAP 1 accordingly. The ASSC also recommends that an AAE Glossary would be created and the definitions removed from the ESAPs. Other ESAPs will be reviewed later as planned.

Due Process for the European Actuarial Notes (EANs) and ASSC Terms of Reference

The ASSC has reviewed the AAE Due Process (DP) for EANs and prepared a proposal for the updated DP. The proposal streamlines and clarifies the wording of the current DP but also suggests certain duties to be given the ASSC. The ASSC also proposes minor amendments to its Term of Reference to cover those duties. The ASSC has submitted both proposals to the ProfC.

The ASSC has also reviewed the draft EANs on ESAP3/ORSA and IORP II. The preliminary comments have been forwarded to the TFs and a report to the ProfC. The ASSC has also prepared a draft format for the EANs and an updated style guide as requested by the Chair of the ProfC.

Standard setting activity in the IAA

In December 2018 the IAA Council approved the revised *ISAP 1 General Actuarial Practice* and some minor modifications to *ISAP 2 Financial Analysis of Social Security Programs* and to the *Glossary*. It also adopted *ISAP 6 Enterprise Risk Management Programs* and *IAIS Insurance Core Principles*.

The Actuarial Standards Committee (ASC) is currently working on *ISAP 4 IFRS17 Insurance Contracts*. The second exposure draft has been published for consultation with the deadline of 30 April 2019. The proposal for adoption by the IAA Council is expected in Autumn 2019.

Other matters

The ASSC has operated mainly by emails. Since Utrecht it has held two conference call. The agendas and minutes are available on the AAE websites.

An updated work-plan for ESAPs is in Annex 1.

Hillevi Mannonen
Chairperson, Actuarial Standards Subcommittee
27 April 2019