

MEETING MINUTES OF THE
PROFESSIONALISM COMMITTEE MEETING HELD IN SOFIA, BULGARIA
ON FRIDAY 12 APRIL 2019 FROM 10.30-16.30 CEST

Venue: [InterContinental Sofia, 4 Narodno Sarbine Sq, Sofia, Bulgaria.](#)

List of attendees: Appendix 1 (attached at the end of these minutes)

Name List: BK – Birgit Kaiser / CF – Cathal Fleming / CH – Christophe Heck / EK – Esko Kivisaari / EP – Emma Potter / GH – Gábor Hanák / HM – Hillevi Mannonen / HW – Henning Wergen / JK – Jan Kars / KG – Karel Goossens / LMS – Luis Maria Saez De Jauregui Sanz / LS – Lauri Saraste / MK – Maria Kamenarova / PS – Philipp Shier / RM – Rafael Moreno Ruiz / SB – Siegbert Baldauf / TB – Thomas Behar / VJ – Valéry Jost / YL – Yvonne Lynch.

1.	OPENING OF MEETING AND ADOPTION OF THE AGENDA	Owner
	<ul style="list-style-type: none"> - CH thanked the ProfC Members for their contribution throughout the semester. - CH also outlined AAE's strategic objectives and how the ProfC can contribute to it. - CH mentioned that the ProfC is always looking for volunteers to work in the Task Forces, Working Groups and Sub-Committee. - No notice of confidential matters were raised. 	CH
2.	MINUTES OF PREVIOUS MEETING	
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC approved the meeting minutes of the ProfC meeting held in Utrecht on the 21 September 2018 April. 	CH
3.	ACTUARIAL STANDARDS	
3.1	Work of the ASSC	HM
	<ul style="list-style-type: none"> - HM presented the work (ESAP 1, EAN Due Process, ASSC ToR, review of the EAN on IORP 2 and EAN on ESAP 3) of the ASSC which was well received by the ProfC. - The ProfC thanked the ASSC for the great contribution to the Committee. - The ASSC couldn't finalise the style guide but it will do so for the meeting in Vienna. 	
3.2	EAN Due Process	HM
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC approved the EAN Due Process subject to some amendments (see below). <p>Discussion points:</p> <ul style="list-style-type: none"> - YL mentioned that the AAE may wish to keep some freedom in the future with regards to consistency with IAA standards and therefore 	

	<p>suggested to amend the sentences on consistency to IAA standards with “when appropriate”.</p> <p>Next steps:</p> <ul style="list-style-type: none"> - Exposure draft to be exposed. - Approval by the General Assembly in Vienna. 	
3.3	EAN IORP II	CF, HM
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC approved the EAN on IORP II subject to asking the Member Associations (MAs) – during the exposure draft – whether they would need an ESAP rather than an EAN. - If the MAs decide that an ESAP is preferable, then a new process to approve a new ESAP would have to be triggered. Otherwise, the Pension Committee and the ProfC would continue with the current EAN and EAN Due Process. <p>Discussion points:</p> <ul style="list-style-type: none"> - MK asked whether an ESAP on IORP II would make more sense. - PS mentioned that it should be a decision of the subject experts and therefore, the Pension Committee should opine on whether to make an EAN or an ESAP. PS also mentioned that IORP II is a directive based on minimum harmonization and that the topic is relatively new. Therefore, for PS, it would make sense to review the status (i.e. EAN versus ESAP) in a couple of years when IORP II will be fully implemented. <p>Next steps:</p> <ul style="list-style-type: none"> - Exposure draft to be exposed (including question on ESAP versus EAN). - Approval by the General Assembly in Vienna. 	
3.4	EAN ESAP 3	LS, HM
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC approved the EAN on ESAP 3 and approved the EAN to be exposed for approval at the General Assembly in Vienna subject to amendments (i.e. compliance with the style guide and clarification on some definitions). <p>Discussion points:</p> <ul style="list-style-type: none"> - GH mentioned that the Insurance Committee made some comments (e.g. clarification of the definitions) that need to be incorporated before submitting the Exposure Draft. - CH mentioned that the style guide should be applied to the document (e.g. add an executive summary). - LS confirmed that the amendments will be done and that the EAN will then be exposed. <p>Next steps:</p> <ul style="list-style-type: none"> - Exposure draft to be exposed. - Approval by the General Assembly in Vienna. 	
3.5	ISAP 1 and implication for the AAE	HM
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC chose Option A. <p>Discussion points:</p> <ul style="list-style-type: none"> - EP mentioned that Option A might not be in line with the principle of subsidiarity which was agreed between the IAA and AAE. 	

	<ul style="list-style-type: none"> - GH mentioned that Option A is in line with the principle of subsidiarity while also ensuring some freedom in case there will be divergences between the IAA and AAE in the future. - GH asked whether the ASSC could make a comparison of the differences with regards to the IAA and AAE glossaries. - HM mentioned that if the ProfC chooses Option A, then the ASSC will check which is the best due process to amend ESAP 1 and make a comparison of the IAA and AAE glossaries. - EK mentioned that if ISAP 1 would change in the future, then the AAE could do the amendments at the same time and expose the amendments with the IAA exposure draft. - HM mentioned that – in the future – when ESAPs will be updated, then the definitions should be updated and references should be made to the glossary. <p>Next steps:</p> <ul style="list-style-type: none"> - ASSC to make a comparison of the IAA and AAE glossaries. - ASSC to define the Due Process to amend ESAP 1 in an efficient and lean manner. 	
3.6	ESAP 3	CH
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC agreed to Disband the ESAP 3 Task Force and thanked the Task Force for the work which was done. 	
3.7	Survey on application of ESAPs	BK
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC decided to reopen the survey in order to collect more feedback from MAs by marketing the survey at the President’s Meeting. - The ProfC decided to make the survey every 3 years in parallel to the IAA survey. <p>Discussion points:</p> <ul style="list-style-type: none"> - BK mentioned that the response rate is low and asked whether the ProfC should reopen the survey and promote it via different channels (e.g. President’s Meeting, Board Members to reach out to designated MAs). The ProfC agreed with the Proposal. - BK mentioned that some of the Standards are not yet implemented by the MAs as their implementation at AAE level is recent. Therefore, it would be important to do a similar survey to check how the Standards are implemented in the next years. It was agreed that this survey should be done every 3 years in parallel to the IAA survey. - MK mentioned that some small associations may consider Standards as not being important and therefore some promotion is needed. The ProfC agreed that some marketing needs to be done to promote standards with AAE Members. <p>Next steps:</p> <ul style="list-style-type: none"> - Reopening of the survey. - Promotion of the survey at the President Meeting and by the Board Members to their designated MAs. - Survey to be held every 3 years. 	
4.	FUTURE OF ACTUARIES	
4.1	Work of the Future of Actuaries Task Force	KG

	<p>Discussion points:</p> <ul style="list-style-type: none"> - KG mentions that volunteers are needed for the Big Data topic. - EK mentioned that Big Data is an IAA topic as it is a global topic. - Some of the ProfC participants also mentioned that several legislation on Data are European (e.g. GDPR) and has an impact on European Actuaries. - CH mentioned that there is a need to do something about how Big Data are used by Actuaries with regards to Ethics (e.g. which data to use, discrimination, etc.). - TB mentions that France already has a standard on how data shall be used by actuaries. - LMS mentioned that Spain also developed a similar standard. <p>Next steps:</p> <ul style="list-style-type: none"> - CH to check with Tony O’Riordan and Henning Wergen on whether to create a Standard, EAN or position paper and revert back to the ASSC. 	
4.2	Professional Judgement – discussion paper	KG
	<p>Decision:</p> <ul style="list-style-type: none"> - Publish the discussion paper on Professional Judgement subject to adjusting the style as per the style guide. - Write a one-pager marketing paper which can be used when meeting external stakeholders. <p>Discussion points:</p> <ul style="list-style-type: none"> - KG mentioned that the goal of this paper was to get grip on the subject and is oriented to the AAE internally. A link with the CoC can be made with regards to what it means to apply the Code of Conduct and how it can be applied. - SB presented the paper and the amendments which were done. - The ProfC received the discussion paper well and qualifies it as ready for publication. - EK asked to prepare a one pager marketing summary that can be used with the external stakeholders (e.g. MEP, regulators, etc.). <p>Next steps:</p> <ul style="list-style-type: none"> - SB to amend the paper to reflect the style guide and YL comments. - SB to prepare a one pager marketing summary. - MS to publish the discussion paper. 	
4.3	Recognition of the Profession - presentation	KG
	<p>Decision:</p> <ul style="list-style-type: none"> - The paper needs to be reworked and corrected. - The ProfC to decide whether the Legal Recognition should be an AAE Strategic Objective. If yes, make a proposal to the Board. <p>Discussion points:</p> <ul style="list-style-type: none"> - The figures on the Membership was challenged by ProfC Members. - ProfC agreed that it could be AAE’s role to support MAs for the fit part of the “fit and proper” qualification by local regulators. In fact, Fully Qualified Actuaries (FQAs) could automatically be recognised as being fit by local regulators. <p>Next steps:</p> <ul style="list-style-type: none"> - Task Force to work on the paper for the ECA and Vienna. 	

	<ul style="list-style-type: none"> - ProfC to define next steps in Vienna (in particular, on how to achieve for FQAs to be automatically recognised as fit and on how to help MAs with this topic). 	
5.	MONITORING PROFESSIONALISM AND SUPPORT TO FMAs	
5.1	MRA	YL
	<p>Decision:</p> <ul style="list-style-type: none"> - Amendments to the MRA and Heubeck letter are approved by the ProfC subject to minor improvements, including the amendment to 2.b.i. as presented during the meeting. - CH to confirm interpretation of Statutes Article 6 with the Board. - The ProfC agreed to add the Actuarial Association of Turkey in the MRA. <p>Discussion points:</p> <ul style="list-style-type: none"> - YL mentioned that in the MRA, work experience of up to 3 years can be required before getting the Mutual Recognition. In the view of the TF, this should not be in the MRA but in the Education Committee syllabus as it should be applicable to all actuaries. The Education Committee discussed this and proposed to add a non-binding guideline on work experience of 2 years in the Education Syllabus. - This is why the TF proposes the following amendment to the draft MRA in 2.b.i.: “where his/her education and training and/or practical experience as an actuary differ substantially from that covered by the evidence of formal qualifications required in the host country;” - BK mentioned that in the end, the MRA cannot be against local laws. Therefore, if an exam is required in a country and in the local language, this can be required under the MRA before getting the Mutual Recognition. - CH mentioned that some of the countries don’t require work experience and the goal in the future should be to have a convergence in the Syllabus, CPD and Standards in order to safeguard the MRA. <p>Next steps:</p> <ul style="list-style-type: none"> - CH to send comments to YL and BK. - CH to reach out to the Board with regards to the reading of Article 6 of the Statutes. - Exposure draft to be exposed. - Approval by the General Assembly in Vienna. 	
5.2	New Code of Conduct	CH
	<p>Discussion points:</p> <ul style="list-style-type: none"> - CH mentioned that Member Associations have to comply by the end of the transition period ending 1st January 2021. CH also asked MAs to reach out to him in case there are any foreseen problems at this stage. <p>Next steps:</p> <ul style="list-style-type: none"> - CH to remind MAs at the ProfC meeting in Vienna. 	
5.3	CPD	RM
	Discussion points:	

	<ul style="list-style-type: none"> - RM presented the work done by the CPD Task Force. The Task Force will present different CPD strategy proposal/scenarios at the General Assembly in Vienna. - GH mentioned that the outcome based CPD should be considered in the CPD strategy. <p>Next steps:</p> <ul style="list-style-type: none"> - CPD Task Force to present different CPD strategy proposal/scenarios in Vienna. 	
6.	CONSUMER PROTECTION	
6.1	Work of the Consumer Protection Task Force	VJ
	<p>Discussion points:</p> <ul style="list-style-type: none"> - CH mentioned that the Consumer Task Force is working with the Insurance Committee on Past Performance and Costs. 	
7.	GENERAL BUSINESS	
7.1	Voting Categories	CH
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC approved the proposal. <p>Discussion points:</p> <ul style="list-style-type: none"> - JK mentioned that the Royal Dutch Actuarial Association is not against the proposal but wanted more background on which options have been considered to ensure that we don't need to amend the Statutes on this topic in the near future. - CH mentioned that several options were considered but when judging the cost/benefit impact, this proposal is the most pragmatic and the easiest to monitor and implement. <p>Next steps:</p> <ul style="list-style-type: none"> - Exposure draft to be exposed. - Approval by the General Assembly in Vienna. 	
7.2	Digital Platform for Actuaries in Europe	HW
	<p>Discussion points:</p> <ul style="list-style-type: none"> - HW presented Actuvie and mentioned that the content of the ECA taking place in Lisbon will be available to everybody. 	
7.3	Accreditation of Member Associations	CH
	<ul style="list-style-type: none"> - CH mentioned that the IAA is waiting for additional documents from some AAE Members but no major issues were identified. 	
7.4	AAE and IAA – Issues of Mutual Interest	CH
	<ul style="list-style-type: none"> - MK mentioned that anybody is welcome to send her any comments on the IAN 100 on the application of IFRS 17 by the 24.04.19. 	
7.5	Webinars	CH
	<p>Decision:</p> <ul style="list-style-type: none"> - CH will take this up with the ProfC leadership during the next leadership meeting. 	
7.6	Meeting with External Organisations and Stakeholders	CH
	<p>Discussion point:</p> <ul style="list-style-type: none"> - CH mentioned that the list of the meetings is in Appendix of the Agenda. 	
7.7	Future Annual and Spring Meetings	CH
	<p><i>Annual Meetings</i></p> <ul style="list-style-type: none"> - 2019 – Vienna, Austria – 11 October 2019 	

	<ul style="list-style-type: none"> - 2020 – Munich, Germany – 9 October 2020 - 2021 – Zürich, Switzerland – 1 October 2021 - Offers to host other Annual meetings from 2022 onwards will be discussed. <p><i>Spring Meetings</i></p> <ul style="list-style-type: none"> - 2020 – Bratislava, Slovakia, 2-3 April 2020 – all committees - Offers to host other Spring meetings from 2021 onwards will be discussed. 	
7.8	Information Exchange	CH
	<p><i>Discussion points:</i></p> <ul style="list-style-type: none"> - No issues were raised by ProfC members. 	
7.9	Any Other Non-Reserved Business	CH
	<p><i>Discussion points:</i></p> <ul style="list-style-type: none"> - No Any Other Non-Reserved Business was raised by ProfC members. 	

APPENDIX 1

Participants meeting Professionalism Committee Sofia, Bulgaria | 12 April 2019

	First name	Family name	Country	Nominating association	Role
1	Peter	Prieler	Austria	Aktuarvereinigung Österreichs	Delegate
2	Karin	Hirhager	Austria	Aktuarvereinigung Österreichs	Observer
3	Christoph	Krischanitz	Austria	Aktuarvereinigung Österreichs	Observer
4	Karel	Goossens	Belgium	IA BE	Delegate
5	Hillevi	Mannonen	Finland	Suomen Aktuaariyhdistys	Chair ASSC
6	Esko	Kivisaari	Finland	Suomen Aktuaariyhdistys	Delegate
7	Thomas	Béhar	France	Institut des Actuaire	Observer
8	Romain	Durand	France	Institut des Actuaire	Delegate
9	Siegbert	Baldauf	Germany	Deutsche Aktuarvereinigung	Observer
10	Michael	Renz	Germany	Deutsche Aktuarvereinigung	Observer
11	Birgit	Kaiser	Germany	Deutsche Aktuarvereinigung	Vice-chair
12	Gábor	Hanák	Hungary	Magyar Aktuárius Társaság	Delegate
13	Jan	Kars	Netherlands	Koninklijk Actuarieel Genootschap	Delegate
14	Stig Harry	Olsen	Norway	Den Norske Aktuarforening	Delegate
15	Marcin	Krzykowski	Poland	Polskie Stowarzyszenie Aktuariuszy	Delegate
16	Jose	Mendinhos	Portugal	Instituto dos Actuarios Portugueses	Delegate
17	Philip	Shier	Rep. of Ireland	Society of Actuaries in Ireland	Observer
18	Yvonne	Lynch	Rep. of Ireland	Society of Actuaries in Ireland	Delegate
19	Mária	Kamenárová	Slovak Republic	Slovenská spoločnosť aktúarov	Delegate
20	Luis Maria	Sáez De Jáuregui	Spain	Instituto de Actuarios Españoles	Delegate
21	Albert	Ferrando	Spain	Col.legi d'Actuaris de Catalunya	Observer
22	José	Blanco	Switzerland	Association Suisse des Actuaire	Delegate
23	Christophe	Heck	Switzerland	Association Suisse des Actuaire	Chair
24	Emma	Gilpin	UK	Institute and Faculty of Actuaries	Observer
25	Emma	Potter	UK	Institute and Faculty of Actuaries	Delegate
26	Ann	Muldoon	UK	Financial Reporting Council	Observer