



Pensions and Employee Benefits Committee (PEBC) Meeting
Mexico City, Mexico
Friday, November 30, 2018 – 14:00 – 18:30
Minutes

The list of attendees is at the end of these minutes.

1. Opening of the meeting

Yasuyuki Fuji, Chair of the Pension and Employee Benefits Committee (PEBC), opened the meeting and welcomed all attendees, following introductions of committee members and observers.

2. Minutes

The minutes of the last meeting held on 31 May and 1 June 2018 in Berlin, were approved as presented.

3. Background, PEBC Workplan 2019, Update from the Berlin Meeting

The Chair mentioned to the attendees that he was available for any questions or interest to discuss the workplan etc but they would not be discussed in details during the scheduled meeting because of the time constraints.

4. Funding Monograph

Charles Cowling provided an update on the funding monograph and next steps. The monograph was presented at the ICA in Berlin and the webinar was held on 6 August 2018.

Action : Standing item on agenda to discuss monograph on a regular basis to update document. Charles will lead effort in the next 12 months to update the document and expand the country list including Belgium. The objective is to finalize in Tokyo in November 2019.

5. Actuaries and DC plan

Tim Furlan was unfortunately not available.

Action : Committee members are asked to provide comments on the draft document included in the agenda of the meeting.

6. De-Risking monograph

Abe Hernández presented the abstract submitted for the Colloquium to be held in Cape Town in April 2019 and the request for information. Objective of the project is to describe the shifting of risks from an employer to employees that is often described as a de-risking exercise but should be also viewed as transferring of risk.

Action : Committee members are asked to provide any examples of similar documents on this topic. Abe will provide an initial draft prior to the Cape Town Colloquium.

7. Pension & Benefits Accounting Subcommittee

Jim Verlautz updated the Committee on PBAS activities which was discussed in more detail at the PBAS meeting on 29 November.

The main focus of the work has been on the projects currently underway at the IASB including the upcoming hybrid project under IAS19 as well as the disclosure project. And, the PBAS was preparing a comment to the FASB on the importance of improving its standard on pensions as it has lost interest in DB plans.

8. PBAS Leadership Assignment

Jim Verlautz was elected as Chairperson of the PBAS, replacing Tim Furlan, effective 1 January 2019.

9. The IAA Restructuring

Charles Cowling provided a summary of the IAA restructuring. Concerns were raised on the suggestion of a trial meeting with the PBSS at the Colloquium in Cape Town, as many PEBC members have responsibilities in Council and/or committees thus more cost and travel.

10. Mexican experience

Verónica González provided an overview of the Mexican pension environment.

The presentation provided the current proposal for renewal of the Mexican pension social security system.

11. Round robin update of national/regional developments

- Switzerland – Reform of social security was voted down. Interest rates are above zero so relief from previous issues when it was negative.
- [Japan](#) – Only 6 risk sharing plans in Japan in initial few years.
- Mexico – Platform on application to charge spending tax to save for retirement
- UK - Failure of large scheme causing discussions. Proposals to set up consolidator pension schemes without employer sponsor. Pension age will start going up and will be the same for men and women. Brexit consequences still created uncertainty.
- Netherlands – insurance companies are derisking so making it difficult for DB plans to de-risk.
- USA – Big increase in annuitization in DB plans above availabilities in the market. ASOP51 directs the actuary to disclose risk in report.
- Canada – Large employer establishing insurance company. Quebec making illegal the closure of plans to new hires.
- France – Pension reform for unionized employees.
- Norway - Just after our last meeting we got the new solvency rules for pension funds, as expected in line with the rules for Life Insurance Companies.

12. [IOPS Report](#)

Esko provided an update on the IOPS.

13. OECD Subcommittee

The video presentation of Jessica Mosher, a staff person of the OECD was played.

14. PBSS Colloquium

Abe Hernández provided an overview of the colloquium which will take place in Cape Town in April 2019.

15. Next Meeting

The next meeting of the IAA is currently scheduled to be in Washington DC, USA on 15 May 2019 to 19 May 2019.

Attendance:

Attendees	Association
Yas Fujii, Chair	
Charles Cowling, Co Vice-Chair	
Jason Malone, Co Vice-Chair	
Urs Barmettler	Association Suisse des Actuaire
Jenny Condron	Association of Consulting Actuaries Ltd.
Philippe Demol	Institut des Actuaire en Belgique
Tim Furlan	Chair, PBAS
Ken Hohman	Conference of Consulting Actuaries US
Jan Kars	Suomen Aktuaariyhdistys
Tonya Manning	Society of Actuaries
Shinji Mukaikubo	Japanese Society of Certified Pension Actuaries
José Muriel Delsordo	Colegio Nacional de Actuarios A. C.
Kenji Sekine	Institute of Actuaries of Japan
Odd Svendsen	Den Norske Aktuarforening
OBSERVERS	
Richard Deville	Institut des Actuaire
Veronica González	Colegio Nacional de Actuarios A. C.
Abraham Hernández Pacheco	PBSS
Esko Kivisaari	Suomen Aktuaariyhdistys
Nobu Shimizu	Institute of Actuaries of Japan
James Verlautz	American Academy of Actuaries