



AAE Pensions Committee/Professional Committee/General Assembly

Consultation on educational note on the Actuarial Function under IORP II

Background

A task force was set up in early 2016 to consider whether there was a need for model standards for Actuarial Function Reporting and Risk Reporting for IORPs
Task force concluded that there was no need for model standards

- Pensions Committee agreed in April 2016
- Pensions Committee also agreed that an educational note should be considered

An educational note was drafted but differing opinions expressed at Professionalism Committee

Agreed to consult with member associations and ask them a few questions

Questions

- Q1 - *Are there many defined benefit IORPs in your country (an estimate is sufficient) ?*
- Q2 - *Do you have local actuarial standards or regulations for reports or calculations for the Actuarial Function for IORPs (This can include guidance that will be reviewed to reflect the actuarial function)? YES/NO*
- Q3 - *Would an educational note be helpful if no local actuarial standards/regulations exist? YES / NO*
- Q4 - *Would you prefer a model standard? YES / NO*
- Q5 – *Comments on the draft educational note*

Responses

| | BU | ES | FI | FR | GE | HU | IR | IT | NE | PO | SP | SP | S W |
|----|----|----|----|----|---------|----|---------|---------|---------|---------|----|----|--------|
| Q1 | - | - | 40 | 3 | 17 0 | - | 61 4 | 11 2 | 20 0 | <1 0 | 8 | 7 | ? |
| Q2 | N | N | N | Y | N | N | Y | N | Y | N | Y | Y | Y |
| Q3 | Y | N | Y | Y | N | N | Y | Y | Y | Y | Y | Y | Y |
| Q4 | Y | N | N | Y | N | N | N | N | N | Y | N | Y | N |
| Q5 | N | N | Y | Y | Y | N | N | N | N | N | N | Y | Y |

Summary of responses

Responses received from 13 member associations covering 12 countries

Q1 – Responses cover 9 countries with over 1100 defined benefit IORPs

Q2 – 6 member associations (5 countries) out of 13 member associations (12 countries) have local actuarial standards or regulations for reports or calculations for the Actuarial Function for IORPs .

Q3 – 10 out of 13 member associations responded that an educational note **would be helpful** if no local actuarial standards/regulations exist.

Q4 – 4 out of 13 member associations would prefer a model standard

Q5 – Comments received from 5 member associations

Conclusion - preference for an educational note instead of a model standard

Process

1. Initial approval by ASSC - done
2. Initial approval by ProfC - done
3. **Exposure period of 3 months – end of the exposure period 30.09.2019**
4. Final approval by ASSC incl comments from exposure period – to be approved
5. Final approval by ProfC incl comments from exposure period – to be approved
6. Approval by AAE Board – to be approved
7. Approval by GA – to be approved

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