

## MEETING OF THE RISK MANAGEMENT COMMITTEE

TO BE HELD IN VIENNA, AUSTRIA

ON FRIDAY 11 OCTOBER 2019 FROM 08.30-12.30 CEST

### AGENDA

**Venue:** [Hotel & Palais Strudlhof](#) on the 2<sup>nd</sup> floor. Address: Pasteurgasse 1, 1090 Vienna Austria.

**1. OPENING OF MEETING AND ADOPTION OF THE AGENDA**

Chair (Malcolm Kemp) to welcome attendees. [Link](#) to the agenda on the AAE website.

**2. MINUTES OF PREVIOUS MEETING**

2.1 To confirm the [Minutes of the meeting](#) held in Sofia on 12 April 2019 (further copy at **Annex 2.1**).

2.2 To consider any matters arising not covered elsewhere as substantive items on the agenda.

**3. REPORT ON RECENT MEETINGS**

Malcolm Kemp and others to provide an oral report on

- AAE's meeting with EIOPA in July 2019
- AAE's meeting with European Stability Mechanism in September 2019.

**4. OPEN/ONGOING PROJECTS**

4.1 *CRO Round Table*

To discuss how best to develop the CRO Round Table.

4.2 *Solvency II Working Group*

To note activity of this Group, to seek volunteers for the activities of the Working Group and to discuss how best the RMC can assist this Working Group.

4.3 *Operational risk*

To note the finalised version of the paper prepared by Malcolm Kemp, Christoph Krischanitz, Daphné de Leval and Eddy Van den Borre (and presented to the European Congress of Actuaries in June 2019) and to discuss whether any further activity for this workstream is merited (**Annex 4.3**).

4.4 *Risk management aspects for IORPs*

To discuss actuarial involvement in risk management for IORPS, in the light of EIOPA guidelines to national supervisory authorities on IORP II risk and governance

disciplines, available at: <https://eiopa.europa.eu/Pages/News/EIOPA-issues-opinions-on-governance-and-risk-management-of-pension-funds.aspx>.

4.5 *Solvency II Risk Margin*

To note a paper on the Solvency II Risk Margin developed by various members of the Solvency II Working Group and the RMC (**Annex 4.5a – to follow**) and by a working party of the Institute and Faculty of Actuaries (**Annex 4.5b**) and to decide how best to utilise this work.

4.6 *IFRS 17*

To discuss assistance RMC might offer to the AAE IFRS 17 task force particularly regarding

- The IFRS risk adjustment
- The level of aggregation of contracts

4.7 *Sustainability and Environmental, Social and Governance Issues*

To discuss RMC involvement in this area.

4.8 *Systemic risk and macroprudential policy*

To note a presentation given by Frank Schiller at a recent seminar and to discuss potential for further work in this space (**Annex 4.8**).

4.9 *European Safe Assets*

To note a paper on this topic from Malcolm Kemp and to discuss potential for further work in this space (**Annex 4.9**).

4.10 *Calibration and Validation of Economic Scenario Generators*

To discuss a workstream proposed by René Knapp and Paul Buchner (**Annex 4.10**).

4.11 *Conduct and Reputational Risk*

To discuss a workstream proposed by Tomasz Kryłowicz (**Annex 4.11**).

4.12 *Contribution to well-being of society and concern for the public interest*

To discuss how the RMC might promote the aim of the AAE being more explicit in how it is contributing to these goals.

4.13 *Forward workplan*

To discuss:

- Progress / issues on other items included in current workplan (**Annex 4.13**)
- Any existing projects to be deemed closed or reallocated to new owners
- Topics which could / should be added to our workplan.

5. **CONSULTATIONS**

To note that the RMC assisted with responses to the following consultations:

- [EIOPA's consultation on Systemic Risk and Macroprudential Policy in Insurance](#) – the [AAE response is available on the AAE website](#) and attached as **Annex 5a**.
- [ESMA's Survey on collection of evidence on undue short-term pressure from the financial sector on corporations](#) – the AAE response is attached as **Annex 5b**.

6. **WEBINARS**

6.1 To confirm topics (and presenters) for a webinar scheduled for 5 December 2019 from 10:00-12:00 CET (**Annex 6.1**). It is proposed that the webinar covers the following topics:

- (a) Actuaries and Operational Risk (which one or more of the authors of the paper noted above would present, based on the corresponding presentation given to the ECA in June 2019)
- (b) The Solvency II Risk Margin (which one or more of the authors of the paper noted above would present)
- (c) EIOPA's Macroprudential Framework (which Frank Schiller would present based on the presentation noted above)

6.2 *Potential future webinars*

To discuss potential topics for future webinars (next RMC webinar is scheduled for Q4 2020).

7. **MEETING WITH EXTERNAL ORGANISATIONS AND STAKEHOLDERS**

To note the [overview of meetings](#) held between delegations of the AAE and the respective stakeholders (see **Annex 7** for 2019 Q2).

8. **EXCHANGE OF INFORMATION ON CURRENT ISSUES**

To exchange information on current issues in member associations of interest to other members (members are invited to send a note of any current issues for circulation to the Committee before the meeting, especially if they are unable to attend), including topics believed to be of interest from EIOPA, NSAs or other bodies.

9. **JOINT MEETING INSURANCE, PENSIONS AND RISK MANAGEMENT COMMITTEE**

To receive feedback of [the Joint meeting held on 10 October 2019](#) not covered elsewhere in the agenda (Agenda attached as **Annex 9**).

10. **FUTURE MEETINGS**

To discuss arrangements for the next physical meeting in Bratislava, including scope for time dedicated to individual sub-committees and to joint meetings with Pensions Committee and Insurance Committee

11. **REAPPOINTMENT OF VICE-CHAIR**

12. **ANY OTHER BUSINESS**

13. **DATE OF NEXT MEETING**

To note that the next meeting of the Risk Management Committee will be held in Bratislava, Slovakia, on Friday 3 April 2020 (to be confirmed) at the invitation of Slovenská Spoločnosť' Aktuárov.