



AAE Professionalism Committee

Survey on ESAPs 2019

Results / Update 1 August 2019

Background

During the meeting of the AAE Professionalism Committee in autumn 2018 members have agreed on a questionnaire similar to a corresponding survey by the IAA to monitor how ESAPs are assessed and how they are applied.

Members of the Professionalism Committee have also agreed to gather the information requested themselves and report back to the Professionalism Committee during the meeting in Sofia early in April 2019.

A survey to collect comparable information from member associations was therefore sent to the members of the Professionalism Committee on 8 January 2019.

After the meetings in Sofia it was agreed to re-open the survey and contact all FMAs which hadn't responded yet and ask them to provide the information needed.

Till July 27, 22 (before: 18) of the 32 FMAs represented on the PC responded to the survey.

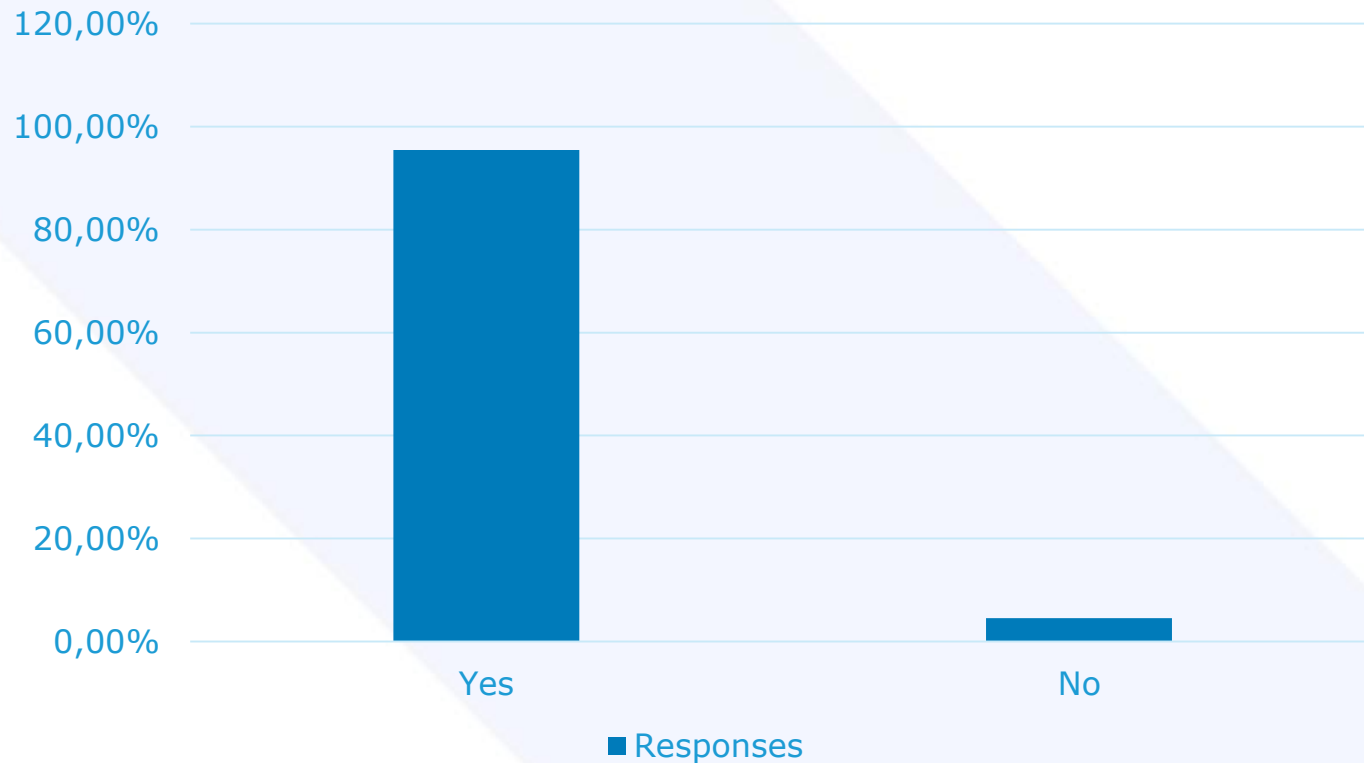
Responses received

22 of the 32 FMAs represented on the PC responded to the survey. The responses are summarised in this presentation:

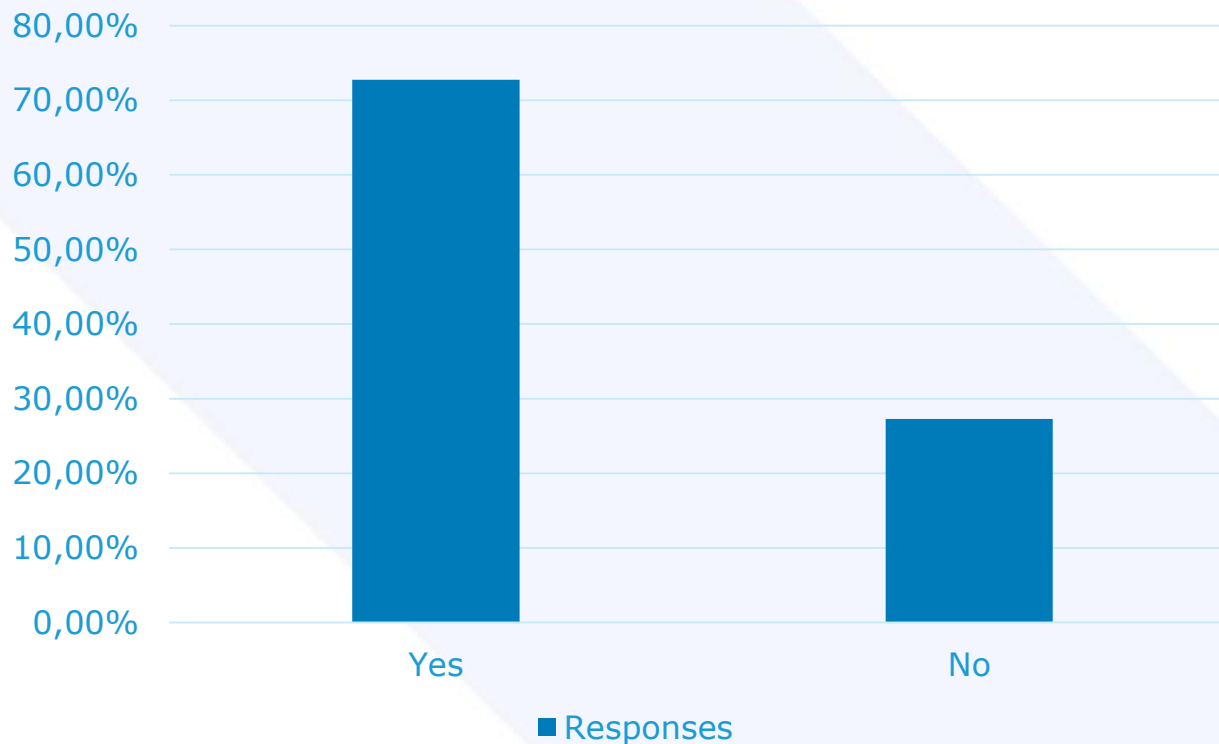
Country of Member Association	Name of Member Association
Austria (new)	Aktuarvereinigung Österreichs
Belgium	IA BE
Cyprus (new)	Cyprus Association of Actuaries
Czech Republic	Česká společnost aktuárů
Denmark	Den Danske Aktuarforening
Finland	Suomen Aktuaariyhdistys - Actuarial Association of Finland
France	Institut des actuaire
Germany	Deutsche Aktuarvereinigung (DAV)
Hungary	Hungarian Actuarial Society
Ireland	Society of Actuaries in Ireland
Italy	ISOA
Lithuania	Lietuvos aktuaru draugija
Netherlands	Actuarieel Genootschap
Norway	Norwegian Actuarial Association
Poland (new)	Polish Society of Actuaries
Portugal	Instituto dos Atuários Portugueses
Slovakia	Slovenska spoločnosť aktuarov
Spain	Col.legi d'Actuaris de Catalunya
Spain (new)	Instituto de Actuarios Españoles
Sweden	Svenska Aktuarieföreningen
Switzerland	Association Suisse des Actuaire
United Kingdom	Institute and Faculty of Actuaries

Thank you for
completing the
survey!

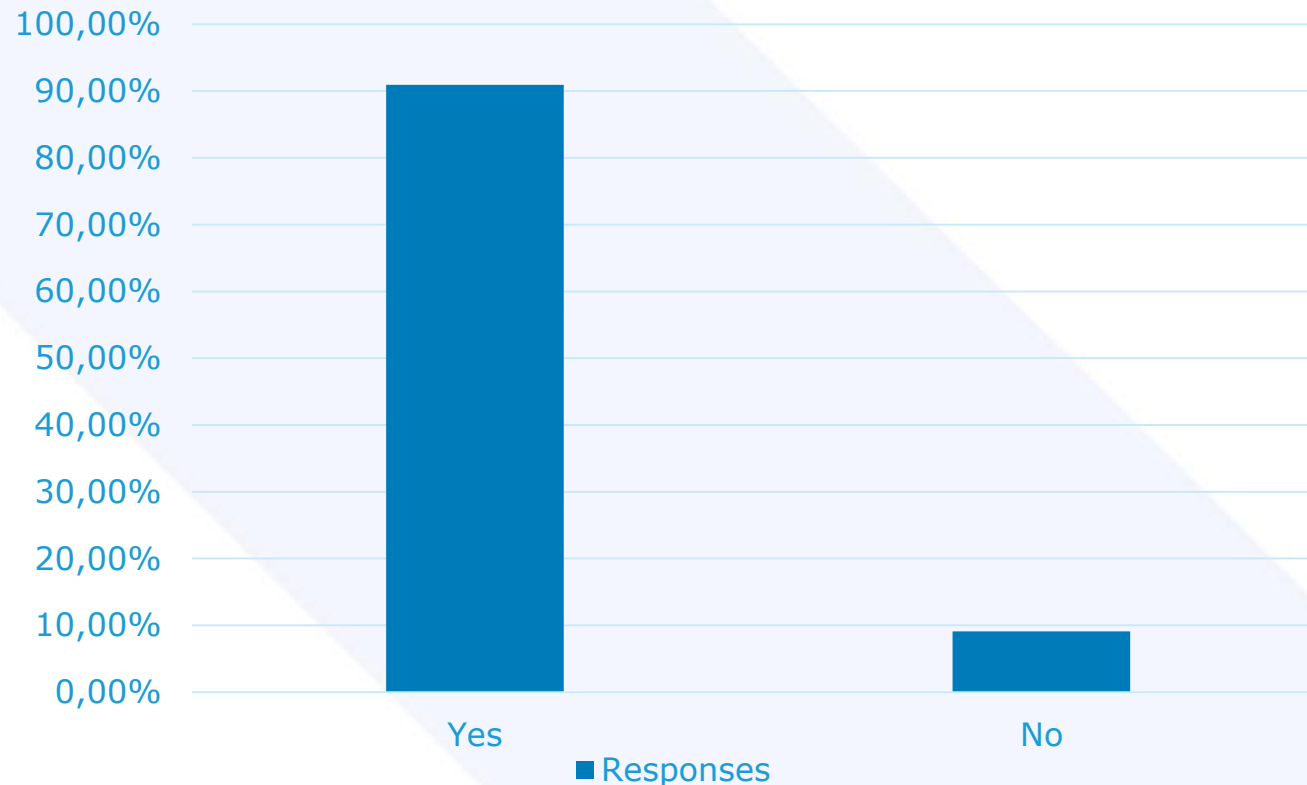
2. Does your association consider ESAPs adopted by the AAE as helpful for your association?



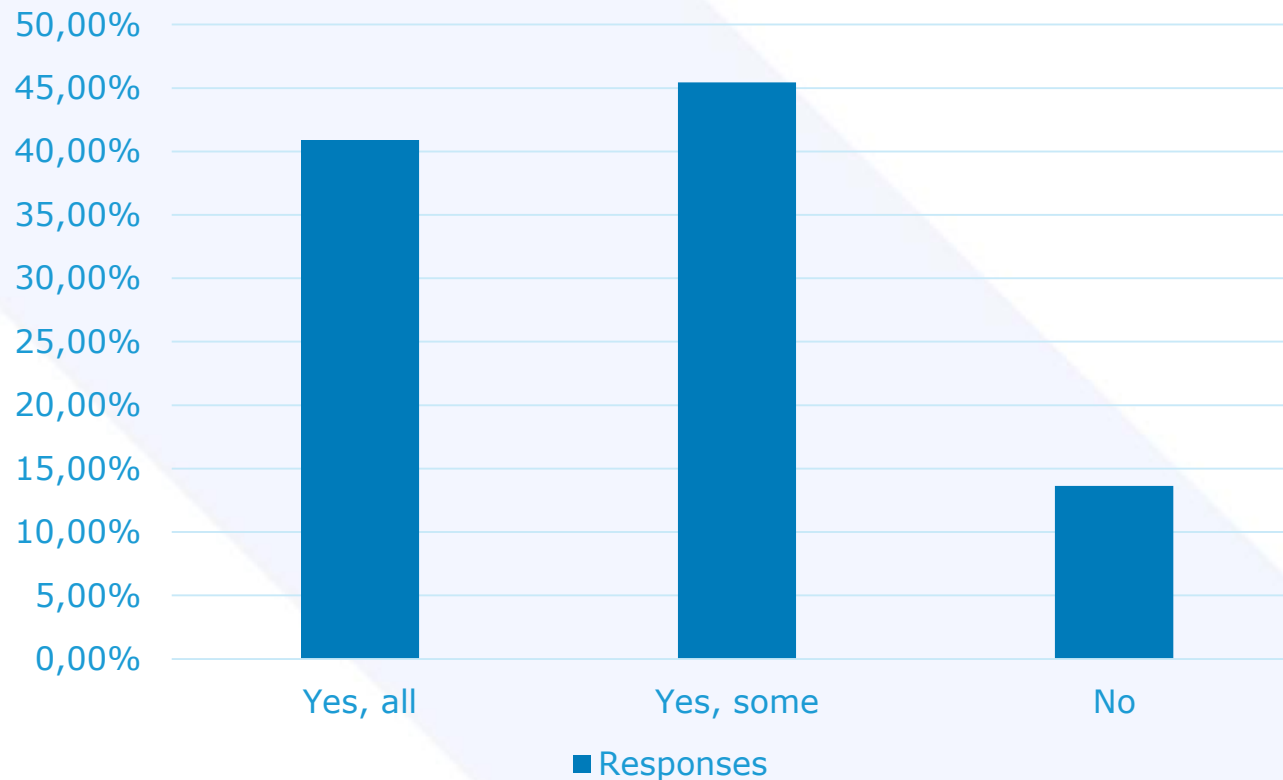
3. Has the development of ESAPs by the AAE increased your association's confidence in the quality of actuarial services in Europe?



4. Does your association communicate with members about ESAPs adopted by the AAE?

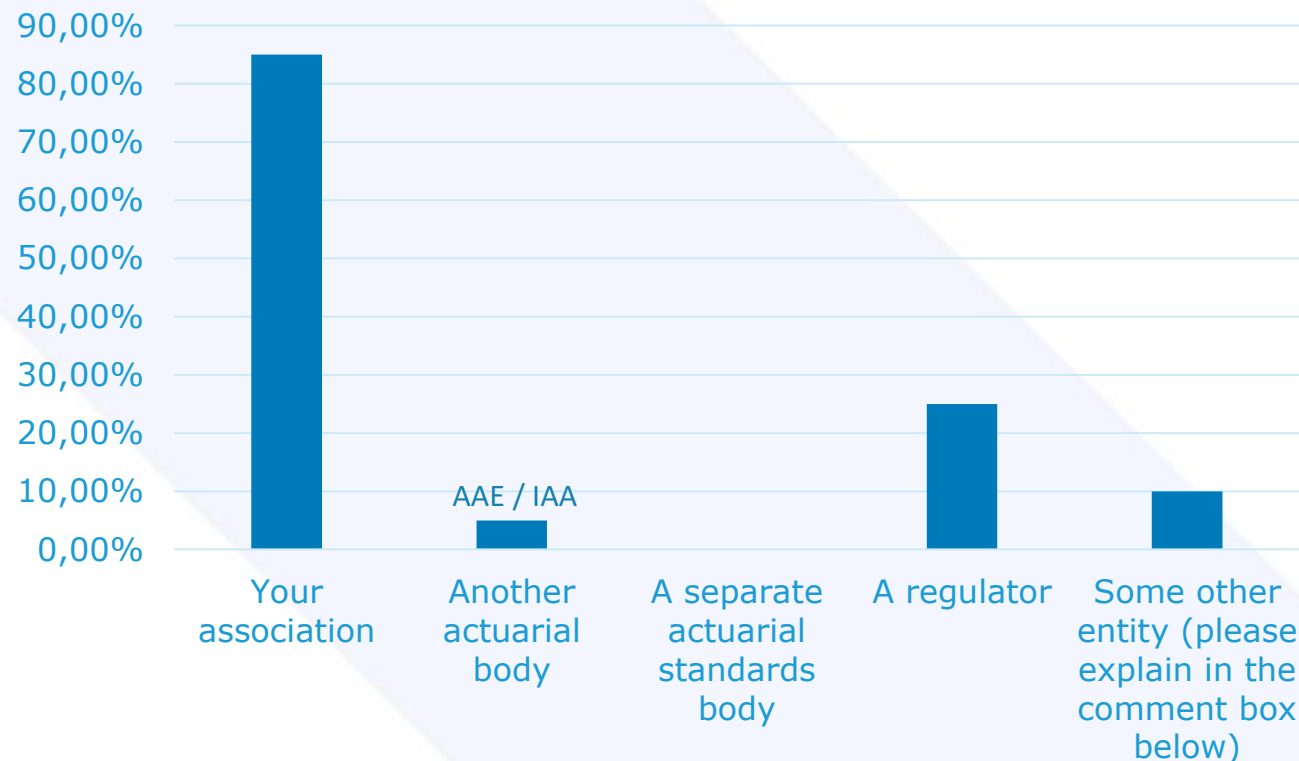


5. Are some or all of your members subject to standards of actuarial practice?



6. By whom are standards set?

(applies only to member associations where some or all of their members are or may be subject to actuarial standards of practice)



■ Responses

2 FMAs didn't respond

Other entities:

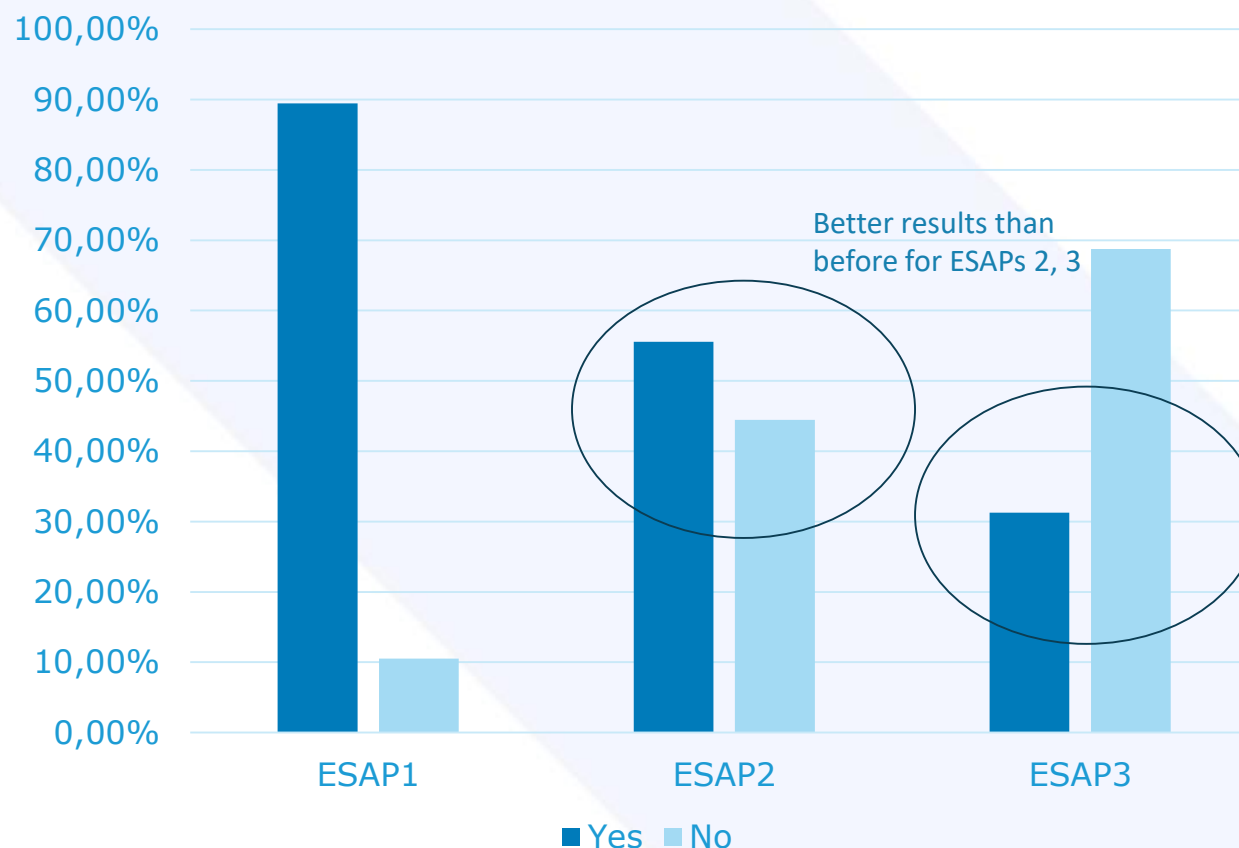
Financial Reporting Council (UK)

Pension Accounting Standard Board (Norway)

ESAP1 is part of legal system (Spain, Circular 1/2018)

7. Has your organisation (or the standard setter for actuaries of your association) adopted, or asserted consistency with, any ESAPs in your jurisdiction?

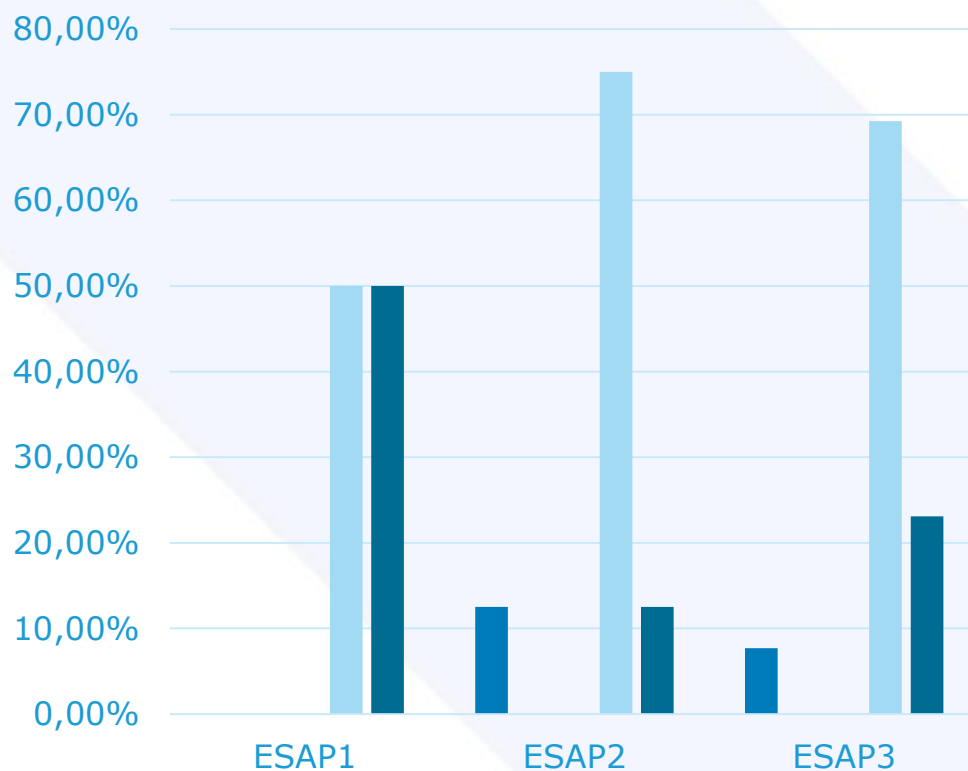
(applies only to member associations where some or all of their members are or may be subject to actuarial standards of practice)



3 FMAs didn't respond

8. If you've chosen No for any ESAP above, what are the reasons for that?

(applies only to member associations where some or all of their members are or may be subject to actuarial standards of practice)



■ The ESAP has not been relevant for our jurisdiction

■ There are legal reasons precluding us from adopting ESAPs

■ There is disagreement with the guidance in the ESAP

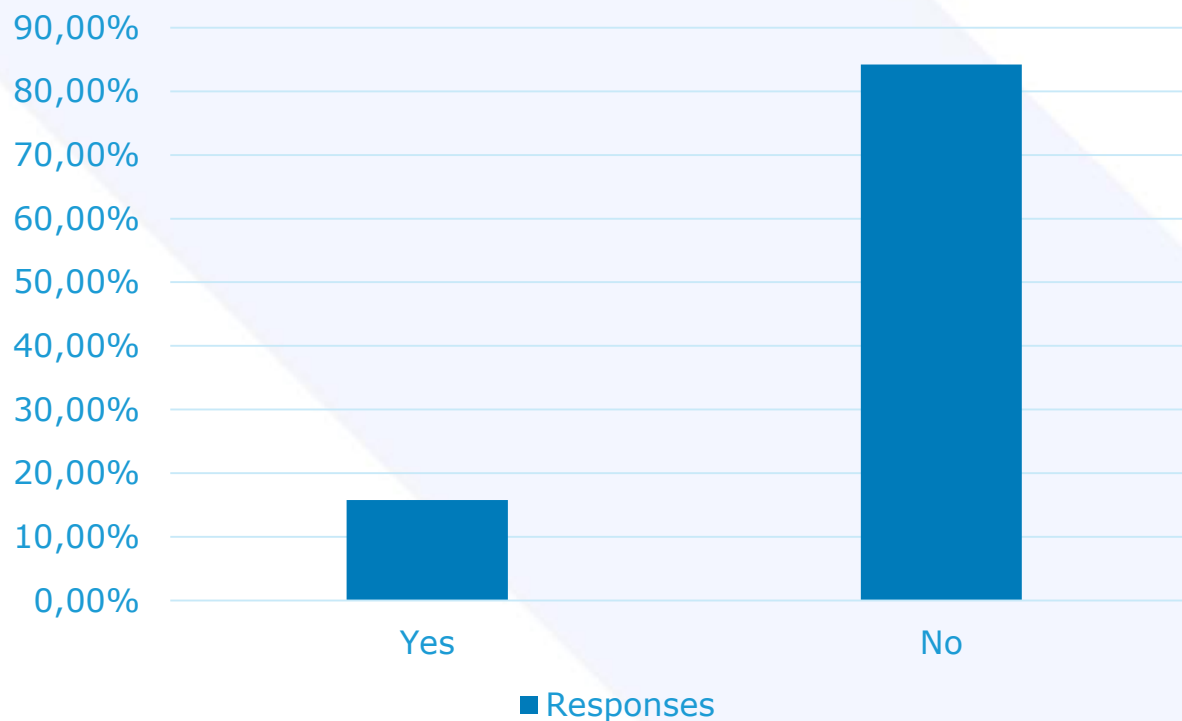
■ We have not yet made a decision

■ Other

- There is extensive guidance from the insurance supervisor on the ORSA and so we do not feel a pressing need to adopt/adapt ESAP3.
- Switzerland doesn't have Solvency II and therefore these ESAPs cannot be implemented. Nevertheless, the Swiss Actuarial Association is considering implementing a new Standard for the Swiss equivalent of ORSA.

9. Has your organisation (or the standard setter for actuaries of your association) made any substantive amendments to its own standards as a result of ESAPs being adopted by the AAE?

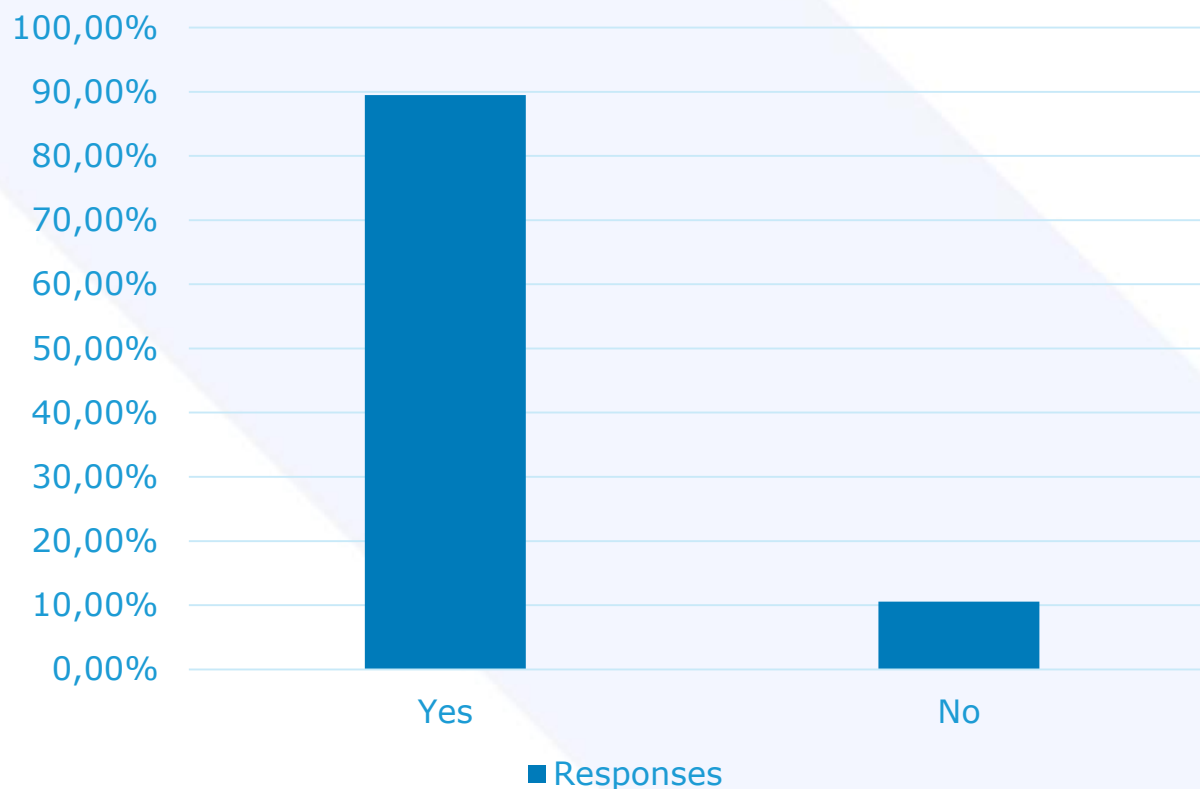
(applies only to member associations where some or all of their members are or may be subject to actuarial standards of practice)



3 FMAs didn't respond

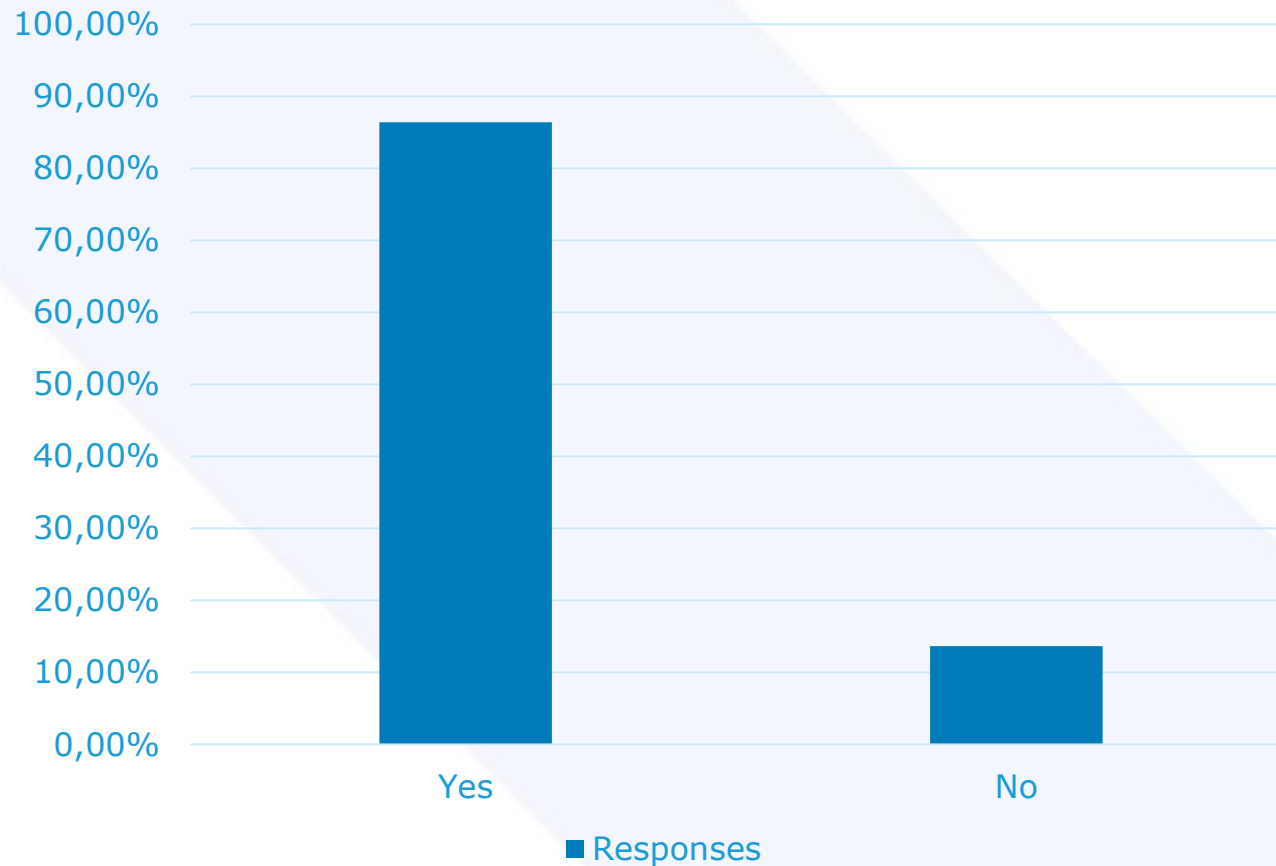
10. Has the development of ESAPs influenced or aided the development of local standards?

(applies only to member associations where some or all of their members are or may be subject to actuarial standards of practice)

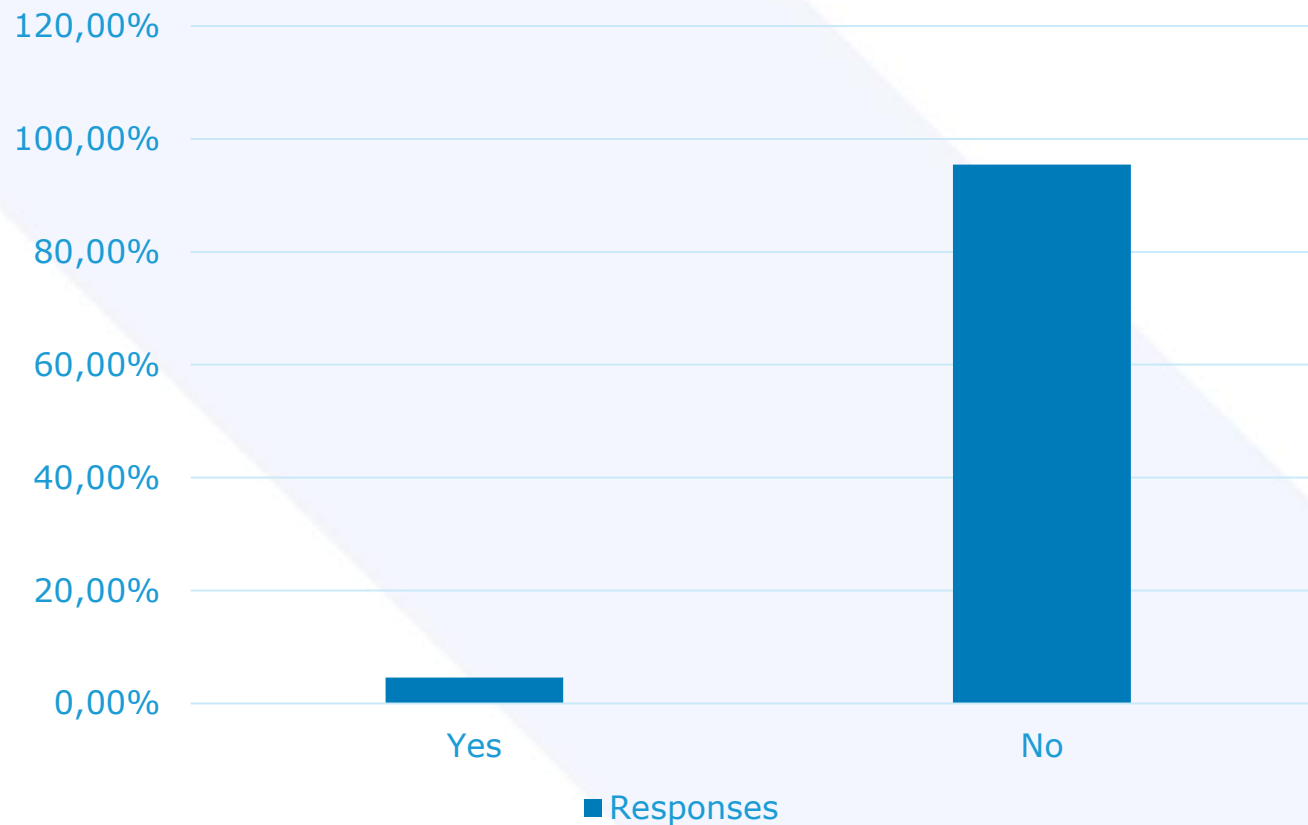


3 FMAs didn't respond

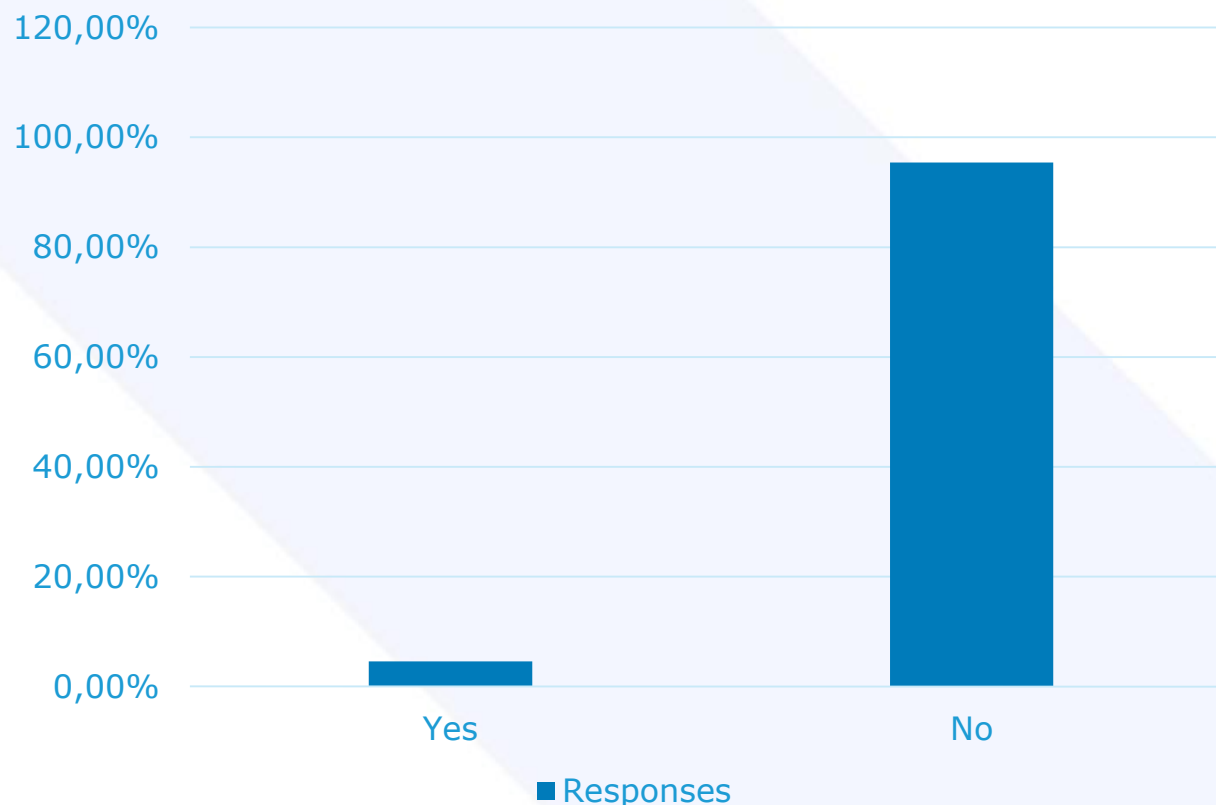
11. Is consistency with ESAPs an objective of your organisation?



12. Has your association faced any problems in adopting or attaining consistency with ESAPs because of lack of clarity regarding the scope and the intended application?



13. Has your organisation faced any other difficulties in interpreting, adapting or adopting ESAPs?



Explanation: Currently, there is no obligation to apply the ESAP. Without any legal/regulatory/mandatory obligation we expect little buy-in or adoption of the standard.

14. Are there any other comments or suggestions that you would like to make regarding the ESAPs or the due process for developing them?

Spain: We have organized a WG about professionals standards. Based on the results of said WG, and the response of our professional collective, we will see the convenience to deepen the organization of the application of standards in our market.

Switzerland: It would be valuable to have standards on the use of Big Data and Artificial Intelligence by Actuaries.

Comments

1. Still rather low response rate: 22 out of 32
Any other ideas to improve this?
2. The overall picture hasn't changed.
3. But more associations than before have signalled consistency with ESAP 2.
4. The next survey will take place in 2022.

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