Terms of Reference for the Standards Project Team (SPT)
(proposed revision as at July 2015)

1. Mission

Under the oversight of the Standards, Freedoms and Professionalism Committee (SFPC), the SPT will develop, review and maintain European Standards of Actuarial Practice (ESAPs), in accordance with the strategic objectives of the Actuarial Association of Europe (AAE), in the first instance in respect of actuarial roles in insurance entities under Solvency II, and promote and encourage the adoption of ESAPs by Full Member Associations.

2. Objectives

(a) To review and if necessary make recommendations for any changes needed in the due process for the development and issuance of ESAPs as model standards and the criteria for determining whether it might be appropriate for the AAE to develop and adopt an ESAP for a particular purpose;

(b) To make recommendations, as necessary, concerning the implementation by Full Member Associations of actuarial standards based on the ESAPs;

(c) To review and maintain existing ESAPs to ensure that they are up-to-date, relevant and meet the needs of users of actuarial services and of actuaries;

(d) To consider, and if thought appropriate to recommend to the SFPC, that additional ESAPs should be developed with defined scope and purpose;

(e) To consider the development of ESAPs for actuaries carrying out the actuarial function under Article 48 of the Solvency II Directive and association regulations and guidance;

(f) To consider whether ESAPs should be developed in respect of other work which actuaries may carry out under Solvency II (including the risk management function);

(g) To consider whether ESAPs should be developed for other areas of actuarial practice, such as pensions, investment and risk management, in respect of any specifically European considerations (such as a future IORPS II Directive);

(h) To make appropriate recommendations to the SFPC for the development of model standards to ensure compliance with the standard-setting policies and due process approved by the AAE, including administering the processes for preparing a Proposal to Develop a Standard (PDS), an Exposure Draft (ED) and a final version of an ESAP;

(i) To liaise with the Insurance Committee, the Solvency II Project Team, the Pensions Committee and the Investment and Financial Risk Committee as appropriate in respect of the development of particular ESAPs;

(j) To provide representation from the AAE to relevant international groupings of actuarial standard-setters, such as the Standard-Setters Round Table;

(k) To liaise with the Actuarial Standards Committee of the IAA in respect of the IAA's standard-setting activities and work in close cooperation with the IAA to ensure that there is, to the extent appropriate, consistency between any model standards developed by the AAE and those developed by the IAA and that overlaps and conflicts are avoided;

(l) To take into account standards already issued or in preparation by Full Member Associations or national supervisory bodies; and

(m) To consider whether the objective of developing model actuarial standards at the European level could be furthered by other related initiatives, such as the development of European Actuarial Notes (EANs), and improved ways of presenting the professionalism of actuaries to stakeholders, including, if appropriate, amendments to the AAE Code of Conduct.

3. Reporting authority

The SPT reports to the SFPC. The convenor of the project team is appointed by the SFPC, subject to the approval of the Officers of the AAE.

4. Working Groups reporting to the SPT

The SPT may establish Working Groups, which may include individuals (either actuaries or non-actuaries) who are not members of the SPT, in order to enable it to carry out its work in the most effective way.

5. Membership

The membership of the SPT and any Working Groups established by the SPT shall be such as to ensure a reasonable geographic spread and representation of associations with different regulatory structures. The SPT shall take care to ensure that, in carrying out its work, it is sensitive to the views of Full Member Associations.

6. Communication

The SPT shall maintain regular communication with Full Member Associations of the AAE regarding plans, activities and outputs, including the maintenance of a work-plan for consideration by the SFPC and .approval on a regular basis by the General Assembly.

The SPT shall maintain an appropriate level of communication and liaison with the European Commission and with EIOPA, as well as with other standard-setting bodies, in relation to the AAE's activities concerning the development and implementation of ESAPs.

Brussels
24 June 2015