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Notes of a call of the TF Roles of Actuaries on 27 February 2015

Participants:
Karel Goossens (chair) - Belgium
Gábor Hanák (SFPC) - Hungary
Richard Herrmann (Pensions) - Germany
Régis de Laroullière (Education) – France
Kartina Thomson (Insurance) - UK
Ad Kok - AAE Chief Executive

Apologies:
Tony Hewitt (SFPC) - UK
Mária Kamenárová (Insurance) - Slovakia
Patrick McKenna (IFR) - Ireland

Please note that this document contains 4 links.

1. **Opening of the meeting and adoption of the agenda**

   The chairman Karel Goossens opened the meeting and the agenda was adopted.

2. **Notes of the call of 27 January 2015**

   The notes of the call were confirmed.

3. **Developments in Solvency II implementation re Actuarial Function**

   Karel reported on the situation in **Belgium**: the National Bank Belgium (NBB) held two public seminars in February. They announced to keep the role of the appointed actuary for the statutory accounts, next to the Actuarial Function holder, although these roles could be fulfilled by the same person. Depending on the solvency position of a company there will be new profit sharing rules

   Also the so-called additional interest rate reserve ('flashing light reserve') will remain in the statutory accounts and will be part of the advisory work of the appointed actuary. Other (external) actuarial expert roles were not discussed.

   A consultation has been started with respect to the role of the Actuarial Function within a Belgian IORP.

   Richard noted that the situation in Belgium reflects the situation in **Germany** and Austria.

   Gábor reported on a meeting in **Hungary** on the role of the actuary providing audit support. It was confirmed that auditors need to come to an opinion on the financial statements, and through the notes, on the capital requirements, the own funds and the SCR. And as such it will be part of the actuary providing audit support.

Kartina reported about a new consultation started by the PRA ("Prudential Regulation Authority") in the **UK** on a senior manager regime, proposing a requirement for pre-approval by the PRA of senior managers in control functions. It concern CFO's, CRO's and also Chief actuaries.

As a result the Institute and Faculty of Actuaries ("IFoA") presented a consultation to its members if they would like to have a compulsory practising certificate for such roles. IFoA were also asking whether there would be a demand (on a voluntary basis) for a practising certificate for actuaries carrying out CRO roles. (*AK: See also the IFoA response to the PRA consultation*)

Results will be available in the next coming months.

Ad reported no news in **the Netherlands** with respect to the development of actuarial roles. The Dutch Actuarial Association initiated work on the independence of actuaries. A full report will be available for the members meeting in autumn this year.

4. **Working plans per work stream**

All authors present in the call introduced their draft work programmes and gave indications for further work. With respect to the work stream on Independence Tony indicated (off-line) to start working on a theoretical case study on independence issues.

The work programmes will be completed (if possible by 3 March) to be more specific on timing and output.

The working programmes will then be sent to the Officers (4 March 2015). In the upcoming spring meetings (Berlin 20 March and Paris 26-27 March) each member of this task force can report back to their committee on the status of our work.

All authors will continue their work and will present to the Paris meeting what is available.

As a result of the work programmes discussion the following actions were agreed:

- Esko will be asked to organise an update of the mini survey to be ready for the next meeting of the Insurance Committee (**Action: Karel**)
- Update the AAE survey on the "Actuarial Function under Solvency II" (June 2011) (**Action: Karel**)
- Esko will be asked to discuss the status of the Portuguese survey for the next meeting of the Insurance Committee (**Action: Karel**)
- Report to the Officers of the progress of this TF work (**Action: Karel**)

5. Any other business

There was no other business.

6. Future meetings

It was agreed to hold a next meeting in Paris on Wednesday 25 March starting 19:00 CET - location to be confirmed - with the possibility to dial-in facility for those not present.

7. Close of meeting