



ACTUARIAL ASSOCIATION OF EUROPE

ASSOCIATION ACTUARIELLE EUROPÉENNE

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MINUTES of a meeting of the EDUCATION COMMITTEE held in Helsinki on 2 and 3 October 2014

Present:

Mark Stocker (Chairman)	Institute and Faculty of Actuaries
Christian Buchta	Aktuarvereinigung Österreichs
Kurt Lambrechts	Institut des Actuairens en Belgique/Instituut van Actuarissen in België
Karel Goosens	Institut des Actuairens en Belgique/Instituut van Actuarissen in België
Rossen Krachunov	Bulgarian Actuarial Society
Piret Raukas	Eesti Aktuaaride Liit
Janne Kaipio	Suomen Aktuaariyhdistys
Régis de Laroullière	Institut des Actuairens
Henning Wergen	Deutsche Aktuarvereinigung
Erzsébet Kovács	Magyar Actuárius Társaság
Yvonne Lynch	Society of Actuaries in Ireland
Ermanno Pitacco	Consiglio Nazionale degli Attuari
Inga Helmane	Latvijas Aktuāru Asociācija
Gerlinda Poolman-Muizelaar	Het Koninklijk Actuarieel Genootschap
Magne Nielsen	Den Norske Aktuarforening
Onofre Alves Simões	Instituto dos Actuários Portugueses
Florin Ginhina	Asociația Română de Actuarial
Rafael Moreno Ruiz	Instituto de Actuários Españoles
Mario Arias	Col·legi d'Actuaris de Catalunya
Erik Alm	Svenska Aktuarietöreningen
Alois Gisler	Association Suisse des Actuairens
Trevor Watkins	Chairman's Assistant (by telephone)

Observers:

Tony Hewitt	Institute and Faculty of Actuaries
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Craig Hanna	American Academy of Actuaries
Ad Kok	Chief Executive, AAE

Apologies

Erin Ferbrache	Channel Islands Actuarial Association
Ioanna Panti	Cyprus Association of Actuaries
Tatjana Racic-Zlibar	Hrvatsko Aktuarsko Društvo
Lucie Mazurova	Slovenská spoločnosť aktúarov
Vicki Njor	Den Danske Aktuarforening
Niki Agoglossaki	Hellenic Actuarial Society
Steinunn Gudjonsdottir	Félag íslenskra tryggingastærðfræðinga
Marco Pirra	Istituto Italiano degli Attuari
Eugenija Bieliauskiene	Lietuvos Aktuarių Draugija
Jean-Paul Shipley	Malta Actuarial Society
Łukasz Delong	Polskie Stowarzyszenie Aktuariuszy
Jelena Kocovic	Udruženje Aktuara Srbije
Janka Holesova	Slovenská spoločnosť aktúarov
Matija Senk	Slovensko Aktuarsko društvo
Şirzat Çetinkaya	Actuarial Society of Turkey
Taras Androschuk	Society of Actuaries of Ukraine

1. OPENING OF THE MEETING AND ADOPTION OF THE AGENDA

The Chairman opened the meeting and welcomed all members. He expressed his sincere thanks to the Finnish Association for hosting the meeting.

The Agenda was approved and adopted, and a copy is attached to these minutes as **Annex I**.

2. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held in Brussels on 9 May 2014 were confirmed.

3. ASSESSMENT

The outstanding assessments were reviewed:

Austria	Still outstanding but a response will be sent soon.
Greece	Still outstanding
Belgium	A response has been received which now needs review.
Finland	Response sent in May and needs review.
Poland	Nothing further received
Netherlands	A detailed response has been received referring to the syllabus coverage at the two university providers
Bulgaria	Reported that a response has been sent and needs review
Croatia	Nothing further received

Romania	<p>The Chairman reported that an alternative route based on the IFoA syllabus (CTs plus CA1) was considered for approval by the IAA with a recommendation for approval. It was reported that the IFoA do not return Associates as meeting the AAE core syllabus, only Fellows. Thus it would appear that this alternative route would not meet the AAE core syllabus requirements.</p> <p>Florin Ginghina, the Romanian representative, joined the meeting on Friday 3 October to explain the Romanian qualification process and the optional routes that were accepted. In particular he focused on the use of IFoA subjects discussed earlier in the meeting.</p> <p>The issue arose when a qualified member in Romania moved to Ireland and tried to use the AAE MRA to join the Irish association with what was only a subset of the IFoA exams compared with those needed in the UK and Ireland. Around 50 students are currently using the IFoA exams in Romania. Students have also taken an MSc which covers some of the material in the IFoA CA2 and CA3 exams on spreadsheet modelling and communications. Florin will check to identify any gaps and suggest how they could be covered</p>	FG
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Next steps

<p>The responses received need review. Volunteers were requested. Alois Gisler will check up on the response from Austria, Henning Wergen will do the same with the report given by the Dutch association. The Chairman would coordinate responses with his Assistant.</p>	<p>AS HW MS/TW</p>
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There was a general discussion about the need to check alternative routes other than the ones submitted by associations. It was suggested that the Chairman write to each association to seek clarification in order to have a complete record. The letter would refer to the information submitted and approved and ask if there are any further routes which the association accepts. The letter could also refer to the review undertaken on the data submitted by DAV.

<p>The aim would be to get the letter sent by mid November to the Educational representative copied to the president for each association. The letter would be drafted and peer reviewed by Yvonne Lynch, Rafael Moreno and Henning Wergen before sending.</p>	<p>MS/TW/ YL/RM/ HW</p>
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4. CORE SYLLABUS

Henning Wergen introduced the review undertaken to aggregate and compare the data submitted by associations. These analyses were used to provide overall averages for each association and the overall aggregate responses.

<p>The meeting discussed next steps for the review outcomes, in particular how to treat gaps in coverage for some topics. For example, there was no coverage of Economics in some routes in some countries. It was agreed that these gaps should be played back to the associations concerned.</p>	<p>MS/TW</p>
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The information collected would also be useful when the next syllabus review takes place so that learning objectives could be specified at the right level. It may also be possible to identify topics that could be dropped from the syllabus.

In relation to new topics, the only topic sent in was copulas. The Chairman suggested using the IAA core syllabus review, particularly in relation to the use of learning objectives, as a base for the next AAE Core Syllabus review. The AAE Core Syllabus has been set at a higher level than that of the IAA but topics could be added to the IAA syllabus once finalised.

It was noted that the AAE had also to consider mutual recognition which was a very important additional requirement not needed by the IAA.

It was suggested that as a draft IAA Core Syllabus would be available by the spring 2015 meeting that would be a good time to review the proposed draft IAA Core Syllabus. It was further suggested that it would be useful to consult with universities teaching actuarial science to identify potential new topics from their research work.

The need to ensure that the work of actuaries remained relevant to senior management in business, for example in the area of risk management.

5. IAA WORKING GROUP

Henning Wergen updated the meeting on the process for review used by the IAA Task force. A wide range of members had taken part in the first part of the review and the next stage is to move to a draft syllabus by the Spring 2015 IAA meeting for discussion at a full day's meeting of the Education Committee to review the draft 'straw man' syllabus. The intention is to consult widely at the meeting and all members of the AAE Education committee were encouraged to attend the IAA discussion if at all possible.

As the Spring AAE meeting is before that of the IAA, the Chairman would seek to obtain an early copy of the draft so it could be discussed then.

MS

6. CPD STRATEGY

Relatively few responses had been received to the survey. The Chairman noted that the issue of the mandatory nature of CPD was an issue for the Freedoms Committee and no response had yet been received to the query on the topic. Members present reported on their association's CPD policies to supplement the responses received before the meeting. An aggregate response would be circulated with the minutes.

TW

7. ROLE OF THE ACTUARY

A volunteer was sought to join a task force on behalf of the Education Committee. The Chairman would discuss the matter with interested members outside the meeting.

MS

It was noted that the needs of actuaries would have a very significant impact on the qualification syllabus. It was noted that the syllabus could not simply grow

bigger and bigger but there was a need to be clear about what practising actuaries actually use in their jobs and that CPD could be used to fill gaps in knowledge or to introduce new topics as they develop. The need is to ensure that qualifying actuaries are equipped with the ability to learn new material as it becomes available later.

The positioning of actuaries in organisations is important and there is a need to equip actuaries to move into wider fields and into senior management roles. The issue is how to make space for extra material by deciding what to drop from the current syllabus.

Karel Goosens joined the meeting on Friday 3 October to talk further about agenda item 7 the role of the Actuary. He explained further the context of the proposed review. The aim is to strengthen the links between actuaries and new areas such as risk management and 'big data' and financial modelling to provide new roles for actuaries. He explained what the education member of the group would be expected to do. It was suggested that Health insurance was an area for potential development but after discussion it was agreed that health should not be in the core syllabus even though some actuaries could study actuarial aspects of health. It could be an optional application study subject.

8. CERA

Trevor Watkins updated the meeting on the development of the qualification. At the end of September 2014 there were more than 2,300 award holders including 120 in Germany, 91 in France, 17 in the Netherlands and 292 in the UK.

Chinese Taipei and India have been approved since the last meeting and Denmark is currently being reviewed proposing to use the EAA route to the qualification.

The emphasis is now on promoting the qualification and to promote holders as risk management experts. The website is also being updated and lists of CERA award holders are being collated for publication as a list of experts in risk on the website.

It was noted that it would be important that employers back the qualification if it is to be successful in the longer term.

The high cost of gaining the qualification was discussed. Henning Wergen reported that the EAA were looking for ways to provide lower cost preparation for the CERA award and making it more widely available to more countries in Europe.

TW

It was suggested that the EU might be a source of funding for the qualification and it was suggested that the CERA Board should contact the AAE to discuss what might be possible.

9. CERTIFIED ACTUARIAL ANALYST (CAA)

It was reported that the IFoA had launched the new technician level qualification with the first exam (Module 0 the entrance exam) in August for around 100 entrants. From November 2014 until November 2015, candidates can transfer from the Fellowship route and gain some exemptions. It is expected that numbers will grow rapidly as a result particularly in developing countries. The exams are provided using computer centres under secure conditions and are available around the world. So far candidates from over 20 countries have taken the exam.

10. EUROPEAN CONGRESS OF ACTUARIES

The Chairman listed the topics covered at the last congress and the meeting discussed possible themes for the 2016 congress. An organising committee would be needed including education committee members.

The Chairman would consult Ron Hersmis who led the organising group last time to take advice on how to proceed. Volunteers for a working group would be needed to work on content for the congress. Suggestions for themes were requested.

ALL

There was discussion on themes and the consensus was that the congress should not be primarily scientific but more practical. There should be an emphasis on the European dimension to give a unique flavour to the event compared with others.

11. REVIEW OF COMMITTEE PRIORITIES

The main issue for the Education Committee seems to be the future role of the actuary but the other items are well known.

12. YEARLY PLAN AAE EDUCATION COMMITTEE

The Chairman ran through the proposed plan for the coming year. The actions are in hand or ongoing. It was agreed to add in planning for the 2016 European Congress where the Committee would take a leading role.

TW

13. OTHER ORGANISATIONS

13.1 IAA Education Committee meeting

The Committee discussed the strategy review and the Romanian application. The strategy review will now be moved on to the draft syllabus stage for the proposed full day meeting at the next IAA meeting in Spring 2015.

13.2 EAA

Henning Wergen introduced his report which is attached as an annex to the minutes.

14. REPORT TO THE GENERAL ASSEMBLY

The Chairman would update the draft report based on the discussion at the meeting. There were no other additions proposed apart from reference to the Congress and a CPD update. The issue of mandatory CPD should also be mentioned although there is not universal support for mandatory CPD among committee members.

MS

15. INFORMATION EXCHANGE

There were no further updates.

16. OTHER BUSINESS

Members were encouraged to ask academics in their country to join the IAA AEN which is a network of academics engaged in teaching and research actuarial lay related subjects. The link to the IAA website for the AEN is:

<http://www.actuaries.org/AEN/>

17. DATE OF NEXT MEETING

The next meeting will be held on 20 March 2015 in Berlin.