

MEETING MINUTES OF THE PROFESSIONALISM COMMITTEE

MEETING HELD ONLINE

ON THURSDAY 2 APRIL 2020 FROM 08.30-13.00 CEST

Venue: loop up conference room

Name List: BK – Birgit Kaiser / CH – Christophe Heck / EK – Esko Kivisaari / HM – Hillevi Mannonen / KG – Karel Goossens.

The list of participants is attached at the end of these minutes as **Appendix 0.1**.

1.	OPENING OF MEETING AND ADOPTION OF THE AGENDA	Owner
	<p>Items:</p> <ul style="list-style-type: none"> - CH welcomed and thanked the ProfC Members for their contribution throughout the semester. - No notice of confidential matters were raised. 	CH
2.	MINUTES OF PREVIOUS MEETING	
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC approved the meeting minutes of the ProfC meeting held in Vienna on 11 October 2019. <p>Items:</p> <ul style="list-style-type: none"> - No matters not covered elsewhere as substantive items on the agenda were raised. 	CH
3.	MONITORING PROFESSIONALISM AND SUPPORT TO FMAs	
3.1.	Compliance to the Statutes of the AAE	CH
	<p>Items:</p> <ul style="list-style-type: none"> - Members presented a status update on their compliance with the new AAE Code of Professional Conduct (see Appendix 3.1.1). The number of FMAs which have already implemented the new AAE CoC is low and it is important to stress the importance to implement the new AAE CoC by the end of this year. - Several proposals were discussed on how to audit compliance with the AAE Statutes (CoC and Disciplinary process). The exchanges lead to the following consensus: <ul style="list-style-type: none"> ○ Creation of a Task Force (TF) reporting to the ProfC; ○ TF to develop a process (e.g. declaration, language considerations, etc.) which is pragmatic and which provides a good trade-off between resource requirements and appropriate checking; ○ Review needs to be seen as an opportunity to further developing relationship with the Full Member Associations 	

	(FMAs). Members of the Boards (liaison officers) could be the link between the TF and the FMAs.	
3.2.	MRA	CH
	Items: <ul style="list-style-type: none"> - Work of Litigation Risk Task Force on hold until official communication from the IFoA and AAE Board. 	
4.	ACTUARIAL STANDARDS AND EANS	
4.1.	Work of the ASSC	HM
	Decision: <ul style="list-style-type: none"> - Proposal of Jean-Claude De Pooter as new ASSC Member was approved. Items: <ul style="list-style-type: none"> - HM presented the work of the ASSC, including Workplan. - HM proposed to prepare a quarterly report to put on the website to update on the work of the ASSC if meeting minutes are not available. 	
4.2.	EAN IORP	HM
	Items: <ul style="list-style-type: none"> - The ASSC has reviewed the EAN IORP II and submitted comments to the Pensions Committee. - When finalised the ProfC Members will be contacted to provide comments and approval on the EAN IORP II electronically. 	
4.3.	EAN ESAP 3	HM
	Items: <ul style="list-style-type: none"> - The EAN ESAP 3 was approved by the ProfC electronically, an additional amendment by Gabor was approved and the EAN will now be submitted for approval to the General Assembly (GA). 	
4.4.	Style Guide for ESAPs and EANS	HM
	Decision: <ul style="list-style-type: none"> - The ProfC approved the Style Guide subject to implementing Gábor's comments (as per e-mail exchange). Items: <ul style="list-style-type: none"> - Presentation of the Style Guide. 	
4.5.	Cross references across AAE documents	HM
	Items: <ul style="list-style-type: none"> - Based on Gábor's comments, the ASSC will review the cross-references on the AAE documents and website. 	
4.6.	EAN on Professional Judgment	KG
	Decision: <ul style="list-style-type: none"> - The ProfC approved the proposal to develop an EAN (PDEAN) and appoint the Task Force subject to implementing the clarification proposed by Gábor and ensuring the liaison with the IAA. Items: <ul style="list-style-type: none"> - Presentation of PDEAN. - Gábor mentioned that it is important to look at the European aspect of Professional Judgement (e.g. Solvency II) as per the comments he sent prior to the meeting and to liaise with the IAA. Gábor's comment will be added to the meeting minutes (Appendix 4.6.1) and will be incorporated in the PDEAN. 	

	<ul style="list-style-type: none"> - CH mentioned that the Commentary Paper was presented at the IAA ProfC meeting and was well received. The IAA ProfC is considering adapting or taking over the paper. CH will liaise with the IAA to ensure alignment. 	
5.	ROLES OF ACTUARIES	
5.1.	Work of the Roles of Actuaries Task Force	KG
	<p>Items:</p> <ul style="list-style-type: none"> - KG presented the report of the RoA Task Force. - Two of the three workstreams coming to a final phase, it is necessary to redefine the priorities and organisation of the task force. New possible topics for the RoA Task Force were discussed: <ul style="list-style-type: none"> o Role of actuaries under IORP II; o Role of actuaries under IFRS 17 (a working group on this topic already exists within the AAE); o Strategic issue that actuaries are losing traction (e.g. data science). 	
5.2.	Work of the Big Data and AI workstream	EK
	<p>Items:</p> <ul style="list-style-type: none"> - EK provided an update on the Task Force: <ul style="list-style-type: none"> o ToR almost finalised; o WS will ensure that there is no duplication of work with the IAA; o Strong AAE representation in the EIOPA consultative Expert Group on Digital Ethics; o Call for new members was successful. 	
5.3.	Legal recognition of the Profession – presentation	KG
	<p>Decision:</p> <ul style="list-style-type: none"> - The ProfC agreed to go ahead based on the next steps described below. <p>Items:</p> <ul style="list-style-type: none"> - The working group presented the intermediary report. - The recommendation of the working group are: <ul style="list-style-type: none"> o To consider legal recognition to be a topic on the agenda of the AAE; o To consider legal recognition in different ways : reserved activity and reserved title; o To consider legal recognition in the context of the subsidiarity principle; o AAE to take up duties in the context (inform and support members, represent, monitor and promote). - The proposed actions are: <ul style="list-style-type: none"> o AAE Board to represent the legal recognition of the profession at the European Commission; o Creation of a platform to exchange on legal recognition per country to support FMAs; o Find out about local procedures for the application. - The ProfC Members made the following comments: <ul style="list-style-type: none"> o It is a strategic topic for the AAE; o Need to be careful not to be perceived as self-serving and anti-competitive; 	

	<ul style="list-style-type: none"> ○ Reference to the banking industry (which is similar to the insurance industry) was made where there is no reserved or legally recognised profession (e.g. risk managers are not legally recognised); ○ Consider political next to legal recognition; ○ Consider how European legislation can influence local legislation on the subject. <p>- The following additional next steps were agreed:</p> <ul style="list-style-type: none"> ○ Make a comparison with other professions and in particular the audit profession which is close to the actuarial one <u>and a profession that provides risk management services to the banking industry</u> when doing the case study per country (see planned action) and add this to the report. ○ Present/visualise what it means concretely for an actuary; ○ ProfC Members to report back to the FMAs on the intermediary report and discuss with their leadership and get feedback. CH will ask the ProfC Members to provide an update for the meeting which will take place in Munich. 	
6.	GENERAL BUSINESS	
6.1.	Accreditation of Member Associations	CH
	<i>Items:</i> <ul style="list-style-type: none"> - No updates. 	
6.2.	Webinars	CH
	<i>Items:</i> <ul style="list-style-type: none"> - ProfC to note that Siegbert Baldauf, Xavier Gómez and Esko Kivisaari presented a webinar “Solvency II, Big data and AI: chances and challenges for actuaries in the context of professional judgement”. - Members of the ProfC to send topics for the 2021 webinar. 	
6.3.	Meeting with External Organisations and Stakeholders	CH
	<i>Items:</i> <ul style="list-style-type: none"> - Overview of meeting held between delegations of the AAE and the respective stakeholders. 	
6.4.	Future Annual and Spring Meetings	CH
	<p><i>Annual Meetings</i></p> <ul style="list-style-type: none"> - 2020 – Munich, Germany – 9 October 2020. - 2021 – Zürich, Switzerland – 1 October 2021. - Offers to host other Annual meetings from 2022 onwards will be discussed. <p><i>Spring Meetings</i></p> <ul style="list-style-type: none"> - 2021 – Bratislava, Slovakia, 14-16 April 2021 – all committees. - Offers to host other Spring meetings from 2022 onwards will be discussed. 	
6.5.	Information Exchange	CH
	<i>Items:</i> <ul style="list-style-type: none"> - No major issue was raised. - Country reports are in Appendix 6.5. 	
6.6.	Any Other Non-Reserved Business	CH
	<i>Items:</i> <ul style="list-style-type: none"> - No confidential business was raised. 	

Appendix 0.1

Participants meeting Professionalism Committee Virtual | 2 April 2020

	First name	Family name	Country	Nominating association	Role
1	Karin	Hirhager	Austria	Aktuarvereinigung Österreichs	Observer
2	Karel	Goossens	Belgium	IA BE	Delegate
3	Ksenija	Sanjkovic	Croatia	Hrvatsko Aktuarsko Društvo	Observer
4	Jan	Svab	Czech Rep.	Ceská Společnost Aktuáru	Delegate
5	Kristoffer	Bork	Denmark	Den Danske Aktuarforening	Delegate
6	Hillevi	Mannonen	Finland	Suomen Aktuaariyhdistys	Chair ASSC
7	Esko	Kivisaari	Finland	Suomen Aktuaariyhdistys	Delegate
8	Romain	Durand	France	Institut des Actuaire	Delegate
9	Siegbert	Baldauf	Germany	Deutsche Aktuarvereinigung	Observer
10	Birgit	Kaiser	Germany	Deutsche Aktuarvereinigung	Vice-chair
11	Gábor	Hanák	Hungary	Magyar Aktuárius Társaság	Delegate
12	Jan	Kars	Netherlands	Het Koninklijk Actuarieel Genootschap	Observer
13	Jules	Krijgsman van Spangenberg	Netherlands	Het Koninklijk Actuarieel Genootschap	Delegate
14	Falco	Valkenburg	Netherlands	Het Koninklijk Actuarieel Genootschap	Observer
15	Stig Harry	Olsen	Norway	Den Norske Aktuarforening	Delegate
16	Helge-Ivar	Magnussen	Norway	Den Norske Aktuarforening	Observer
17	Jose	Mendinhos	Portugal	Instituto dos Actuários Portugueses	Delegate
18	Philip	Shier	Ireland	Society of Actuaries in Ireland	Observer
19	Tony	Jeffery	Ireland	Society of Actuaries in Ireland	Delegate
20	Cathal	Fleming	Ireland	Society of Actuaries in Ireland	Observer
21	Mária	Kamenárová	Slovak Rep.	Slovenská spoločnosť aktuárov	Delegate
22	Luis Maria	Sáez De Jáuregui	Spain	Instituto de Actuários Españoles	Delegate
23	Malcolm	Campbell	Sweden	Svenska Aktuarieföreningen	Delegate
24	Christophe	Heck	Switzerland	Association Suisse des Actuaire	Chair
25	Lutz	Wihelmy	Switzerland	Association Suisse des Actuaire	Observer
26	Emma	Stewart-Potter	UK	Institute and Faculty of Actuaries	Delegate
27	Ben	Kemp	UK	Institute and Faculty of Actuaries	Observer
28	Tom	Wildsmith	USA	American Academy of Actuaries	Observer