

ACTUARIAL ASSOCIATION OF EUROPE
INSURANCE COMMITTEE MEETING
2 DECEMBER 2020

Participants:

to be added

Agenda

1. General topics

Lauri opened the meeting and welcomed all participants. He told that Daphne was now been approved as the IC Vice-chair formally in the board November meeting and in the nominations panel. He also updated members on some of the current activities of AAE highlighting the publication of the IFRS17 paper and the attendance of Siegbert and Lauri at the EIOPA Solvency II review related Stakeholder event held on 23 October 2020. Also AAE board had approved both ToR of IC and ToR of IFRS17 WG. He told also that AAE is preparing for a one-pager on Solvency II changes which is being prepared by SII wg and IC. As a last point it he mentioned that ECA2021 will be postponed until 2022 but there's an idea to possibly organize a virtual event in June 2021.

AAE has also been answering into different consultations, such as one on Risk mitigation techniques, other on the results on EIOPA roundtable 23rd Oct and finally on the Roles of actuaries in relation to IFRS17.

2. IFRS 17

Kristoffer gave an update on the on-going activities of the working group that needed committee member's attention. He also made a request for ic members on efrag issues / member state experiences re IFRS17 implementation and asked everybody to send any possible input for him before Christmas. The final response will be sent to EFRAG on mid-January.

3. Solvency II.

Siegbert gave an update on what had been happening since the AAE annual meetings. The wg was preparing 3 technical papers; extrapolation, RM and VA to look some of the underlying issues around Solvency II and possible changes to it. Also Daphne had been continuing the work on the AAE Survey SII in COVID-19. Siegbert went through the various consultations:

- RM techniques was already sent, here 5 member associations gave input and bit more could have been needed.

- taxonomy consultation – art 8. This introduces some key performance indicators and the ways that could be adapted to insurance. The DL for this is 12th Jan 2021. → It was decided to liaise with RMC on this one.
- ORSA & climate risk needs also attention as important for AAE. The DL for IC is 4th Dec and will be sent to EIOPA on 5th Jan.
- Also a new consultation was released on 25th Nov on actions relating to SCR breach. The DL for this is in Feb 2021
- On SII review the outcome of the stakeholder event held on 23rd Oct was also responded towards EIOPA.

Conor asked if few more days was possible on the response on climate on ORSA which was fine. He also Suggested that the consultation process could be made bit more clear, e.g. marking by colors the different stages.

Daphne introduced shortly the covid-19 survey and said that few more answers still could be added into that.

4. Low interest rates working group

Matthias Pillaudin told about the recent work; the LIRWG work plan update for 2021. He also called for new volunteers which were needed in the wg. The different workstreams include; book of existing business, liquidity management and rise of interest rates and IFRS17 & SII impact and consequences.

There was a discussion on possible overlaps as there is both SII and IFRS 17 wg in place but the LIR wg had a different and more practical and business related angle on the work. Therefore the LIR wg ground work should mostly just build arguments and make findings that could be further used e.g. in the various consultations.

5. Consumer protection working group

Valery gave an update for committee members on the on-going work of the wg. There was a question of the current consultations and whether AAE is responding or not. This was discussed shortly but left to be decided in a later stage.

6. Non-life issues

Declan Lavelle was not able to participate so Lauri went through shortly the recent activities and future work:

- The progress on the work on USPs and Risk Mitigation Techniques which had been done via member association surveys.
- Identifying new topics and a work plan for the NLWG to focus on in the coming year. Here some initial ideas included reviewing EIOPA's agenda over 2021/22 and identifying suitable areas of focus and reviewing the existing literature on one, or both, of the following topics and promote awareness of it in the AAE
 - Cyber Risk
 - Technology for Non-Life Reserving – machine learning / AI

7. Other topics noted

Lauri told that IC needs to prepare for a webinar on 2021 but no topics have been identified yet, activity here was needed especially from the wg's. Also AAE will participate on an EIOPA Sustainability roundtable on 16th Dec, any input from IC member here was also welcomed.

Lauri thanked all participants, wished nice year-end holidays for everybody and closed the meeting.