



# ACTUARIAL ASSOCIATION OF EUROPE

## Task Force Roles of Actuaries

### Next Steps

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*Professionalism Committee 12 May 2021*

# *Where are we coming from ?*

- The Task Force Role of Actuaries (TFRoA) was launched in November 2014
- 2014 – 2017 :
  - Role of the Actuary and Actuarial Function SII
  - Role of the Actuary and Risk Management
- 2018 – 2021 :
  - Professional Judgement
  - Artificial Intelligence and Data Science
  - Reserve of Activity
- 2022 - ... :
  - Subjects are in a final stage (see agenda)
  - Next steps to be decided

# *What are new topics ?*

- Input has been asked
  - from the members of the TFRoA,
  - the members of the Professional Committee,
  - the Member Associations,
  - the Board of the AAE,
  - the other Committees of the AAE.
- Research has been done on the web sites of Member Associations and the IAA.
- Many thanks to the associations of Hungary, Italy, Germany, Ireland, Slovakia, and Belgium and to the chairpersons of the Risk Management and Pensions Committees for their valuable ideas.

# *What are new topics ?*

- One MA does see no new topics for the TFRoA for the time being,
- Others put forward a wide range of upcoming subjects that are of interest for actuaries
  - Some are already covered by existing initiatives (WG)
  - Others are in the scope of other committees (Com)
- We should rather focus on possible new areas where actuarial skills could be of value instead of just thinking about creating new opportunities

# *What are new suggested topics ?*

- Replace declining role in DB by new opportunities
- Data for forecasting
- Link data science and actuarial science (WG)
- Big tech
- IFRS (WG)
- Health
- Non Life (Ins Com)
- With profits and fairness
- Banking
- ERM (RM Com)
- Embedding IORP II (Pens Com)
- De-risking and termination and restriction transfer risk from client
- Climate (WG)
- Micro-insurance
- Specific risk coverages
- Consumer protection (WG)
- Communication by actuaries

# *New objectives for the TFRoA*

- Multiple interest fields of actuaries
- Number of roles actuaries can fulfill in all segments of society
- There is not a specific fundamental subject that is not yet covered by the AAE
- Increase awareness on AAE activities
- As a consequence it would be appropriate to redefine the objectives of the TFRoA.
- Instead of preparing the AAE to integrate existing fundamental changes in the actuarial activity, the TFRoA is going to detect new area with interest for actuaries.

# *New objectives for the TFRoA*

- After identification and analysis, the TFRoA will prepare cases and will present those to the PC for decision on the approach.
- The detection can be based on the input given by the MAs, consultation with the European Institutions, research by the TFRoA itself.
- If subjects or themes are considered relevant for a significant group of actuaries or a potential group and/or for the profession as such, groups of interest can then be created with the intention to position the role of the actuary and the contribution of the AAE in this area.

# *New objectives for the TFRoA*

It is proposed to the PC to examine 3 cases in the next year :

- Health :
  - Insurance and collective systems
  - Interaction between commercial and public interest
  - Existing activity subject of bigger MAs
- Banking :
  - Actuaries are probably underrepresented in the banking sector,
  - Attention especially Anglo Saxon countries
  - Competences of actuaries in financial risks and products .
- Fairness :
  - De-risking applied by the pensions and insurance sector (discretion of profit allocation, accessibility of protection in terms of both insurance and financial risks)
  - The actuarial approach and professional judgement can help to assure that reasonable options are analysed
  - Systems such as micro insurance can help to offer alternatives



# *New objectives for the TFRoA*

- Suggestion to nominate a limited group of experts in those domains to prepare the cases for the AAE and to recommend how to support the European actuarial profession
  - Health : NL, D, B
  - Banking : UK, Ireland, F
  - Fairness : RM Com, H, Sustainability group
- Renew composition of the TFRoA

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