



ACTUARIAL ASSOCIATION OF EUROPE

Task Force Roles of Actuaries

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Initiative taken in 2014 leading to the launch of the
Task Force Roles of the Actuaries (TFRoA)

Terms of Reference approved in November 2014

- **Coordinate** the efforts of the AAE in the context of the role of the actuary in insurance, pensions, health care, banking and any other domains where the actuary is active
- **Assure a consistent approach** when the position of the actuary is promoted or defined so that opinions are aligned and position papers convey messages which are supported by the member associations
- **Assure a proactive approach** so that AAE is not only reacting on emerging opportunities but also create awareness about the contribution of the actuarial profession
- **Give input to the standard setting process** in function of the different roles and responsibilities of the actuary
- **Assure sufficient exchange of information** between the member associations and encourage the sharing of experience and knowledge in the context
- **Follow up on developments in external stakeholders** like professional organisations, European institutions, such as Commission and EIOPA, industry bodies and create contacts where appropriate
- **Assess the impact on the organisation** and references of the AAE implied by different roles and related professional context and make corresponding **recommendations to the SFPC**
- Take into account the work of the **International Actuarial Association** in this area

TFRoA approach in 2 cycles

- Cycle 2014 – 2017 created 4 workstreams
 - Actuarial Function under SII
 - Risk Management in Insurance
 - Risk Management in Pensions
 - Professional Judgement
- Cycle 2018 – 2021 created 4 workstreams
 - Data Science/Artificial Intelligence (merged in 2019)
 - Professional Judgement
 - Legal and Political Recognition
- TFRoA was in close contact with working group IFRS and role of actuary

- The TFRoA has been close to Member Associations
 - To find out what are the priorities of the associations
 - Surveys on emerging roles of actuaries in 2017, 2020
 - To receive input on the situation in the local markets on
 - The role of the actuary under SII 2016
 - The legal and political recognition 2018 and 2021
 - Creating platforms for exchange of information and ideas
 - Round Table on Risk Management
 - Working Party on Data Science
 - The TFRoA has involved actively more than 60 colleagues of 20 member associations
 - The IAA represented in several working groups

TFRoA was inspired by external environment

- Regulation is referring explicitly to actuarial competences
 - SII and IORP II with Actuarial Function, Risk Management Function and references to actuary
 - IFRS with eminent need for actuarial input in IFRS17 and IAS19
 - IAS501 (audit standards) with need for expert advice
- Technological environment is evolving quickly
 - Volume and accessibility to data creates competitive advantage and need for scientific approach
 - Auto generated models by embedded systems and algorithms

TFRoA contributed to position the profession in function of emerging roles

- Strengthen **professional framework** of the actuarial environment is key and is a continuous process
 - Education standard
 - Code of Conduct
 - Standards of Actuarial Practice and European Actuarial Notes
 - Continuous Personal Development
- Emerging roles urge us to focus also on
 - **Professional Judgement** of actuaries as a differentiator compared to other experts
 - **Legal and political recognition** as a basis for an unquestionable position of the actuary

TFRoA achievements

- TFRoA has brought report to GA several times
- TFRoA has impacted the AAE organisation
 - Transformation of the Investment and Financial Risk Committee into the Risk Management Committee
 - Emanation of the Workstream DS/AI into a Working group reporting to the Board
 - EAN on Professional Judgement ready for consultation
- TFRoA responded to multiple consultations especially in the field of DS/AI
- Subjects were presented to European Stakeholders such as EIOPA, EU Commission, Accountancy Europe
- TFRoA has been on agenda of the President's Meeting
- Subjects were published in TEA
- Subjects were presented at several events such as ECA
- Emerging Roles and Challenges for the Actuarial Profession has been presented at several actuarial events

Next steps

TFRoA is preparing a final report on the legal and political recognition especially the reserved activity as defined by European directives to the Board in November 2021

- The working group will conclude on 3 years work
- The consultation process of the MAs is continuing : the MAs still have the opportunity to respond to the survey in the Professionalism Committee or ask for a consultation interview

The Chairman of the Professionalism Committee has reported the achievements of the TFRoA to Board.

Task Board has assessed the achievements and considers goals as strategic and fulfilled. Consequentially, the Board agrees to close the TFRoA.

New AAE goals will be assessed at Strategic Board meeting in November, activities of Legal Recognition of Actuaries continues directly under Board.



**THANK YOU
FOR
YOUR
ATTENTION
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