

## MEETING MINUTES OF THE PROFESSIONALISM COMMITTEE

### HELD IN ROME, ITALY

ON FRIDAY 7 OCTOBER 2022 FROM 09.00-12.30 CEST

**Name List:** BK – Birgit Kaiser / CH – Christophe Heck / HM – Hillevi Mannonen / KB – Kristoffer Bork

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

1.	OPENING OF MEETING AND ADOPTION OF THE AGENDA	Owner
	<ul style="list-style-type: none"> <li>- Introduction and welcome;</li> <li>- No notice of confidential matters for item 6.5.</li> </ul>	CH
2.	MINUTES OF PREVIOUS MEETING	
	<p><i>Items:</i></p> <ul style="list-style-type: none"> <li>- Minutes of the meeting held online <a href="#">on 01.10.2021</a> (a further copy is at Appendix 2.1.1) were approved.</li> <li>- No matters arising not covered elsewhere as substantive items to be added on the agenda.</li> </ul>	CH
3.	MONITORING PROFESSIONALISM AND SUPPORT TO FMAs	
3.1.	<b>MRA</b>	CH
	<p><i>Items:</i></p> <ul style="list-style-type: none"> <li>- Update on feedback and exchanges with FMAs.</li> <li>- Portugal has an agreement with Brazil and asked how it should be handled under the MRA. A derived membership of a derived membership cannot be provided. If an individual assessment is done based on the current syllabus and membership criteria of the FMA, then the qualifying actuary can become an ordinary member of the FMA and then benefit from the MRA.</li> </ul>	
3.2.	<b>CPD Guidelines</b>	CH
	<p><i>Items:</i></p> <ul style="list-style-type: none"> <li>- The CPD guidelines must be implemented by 01.01.2024.</li> <li>- Portugal and Denmark mention that the number of FQA members are decreasing as they are not recording the CPDs. This is mainly an operational challenge as members are doing continuous training but they are not recording it. Exchange on best practice was done and it was mentioned that Actuvieview is a tool allowing to have a check directly done by the FMA, for example.</li> <li>- Switzerland records the attendance and implements it in their tracking tool directly for their members.</li> <li>- Denmark mentioned that they were able to make the CPD</li> </ul>	

	<p>requirements of their local association accepted as additional training for the consultants encouraging younger actuaries to continue the actuarial route.</p> <ul style="list-style-type: none"> <li>- Bulgaria is experiencing a challenge where non actuaries can become actuarial function holders by passing a simple test (50% pass rate) with the regulator. These professionals don't have to comply to a Code of Conduct or to do CPDs. On the other hand, FQAs of the Bulgarian Society of Actuaries have to do the full set of training. This is a challenge that the AAE will exchange on with the EIOPA.</li> </ul>	
3.3.	<b>Compliance Review Task Force</b>	<b>CH</b>
	<p><b>Decision:</b> The ProfC approved to present the non-compliance process to the AAE Board.</p> <p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- Some members of the ProfC want to ensure that the process is a last resort process and all efforts have to be made to avoid having to go through the process.</li> <li>- Some other members of the ProfC find it important to have a clearly defined process in order to support the reviewer and also to indicate what can happen in case one is not compliant.</li> </ul>	
<b>4.</b>	<b>ACTUARIAL STANDARDS</b>	
	<b>Work of the ASSC</b>	<b>HM</b>
4.1.	<p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- Presentation of the work of the ASSC, including Workplan (Appendix 4.1.1).</li> </ul>	
4.2.	<b>ESAP 3 review</b>	<b>HM</b>
	<p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- The ASSC is looking for an additional team member with experience in drafting standards.</li> <li>- Challenge with ESAP3 is that the SII changes will take time to be implemented and therefore the question was raised whether 1.) to finalise the review (changes of SII since ESAP3 was first introduced and of the ESAP3's format) now and restart a review later when the SII changes currently under development are enforced or 2.) whether it was better to wait. The ProfC decided to finalise the review as soon as possible as the SII changes (in particular on sustainability which should occur by 2025) will take months or even years to be implemented. On the sustainability part, it was also agreed to follow up what the IAA does at the international level before making changes at the European level. It was also noted that the EAN1 could be reviewed to address sustainability and climate risks.</li> <li>- <b>Action point:</b> call for volunteers</li> </ul>	
4.3.	<b>EAN on IFRS17</b>	<b>KB</b>
	<p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- Update on the current status.</li> <li>- The ProfC approved that at the end of the consultation period, a call will be organised to present the results of the consultation</li> </ul>	

	before submitting an electronic vote.	
4.4.	<b>Survey on ESAPs 2022</b>	<b>BK</b>
	<p><b>Decision:</b> In the future the survey on ESAPs will be sent out every 5 years as a general rule; it can of course be issued earlier subject to having a major change or a new standard being issued</p> <p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- BK to collect the feedback from the other FMAs before consolidating the results.</li> <li>- A reminder will be sent out to associations, clearly stating who has responded already.</li> </ul>	
<b>5.</b>	<b>ROLES OF ACTUARIES</b>	
5.1.	<b>Fit and Proper</b>	<b>CH</b>
	<p><b>Decision:</b></p> <ul style="list-style-type: none"> <li>- The ProfC agreed to propose to the AAE Board to engage with EU institutions, to define with the EU institutions what the minimum “fit and proper” requirements should be and ensure that AAE FQAs are then considered fit accordingly or in case there is a need to promote a convergence in education and CPD to support it.</li> </ul> <p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- DAV mentioned that they cannot guarantee that the term “actuary” will be reserved for their full members, as the regulator allows any person to be called “actuary” fulfilling some criteria whether they are member of the actuarial association or not). Only the associations own credential is reserved for full members.</li> <li>- IFoA mentions that the messaging should be sought of very carefully. We mentioned that this report will not be published and that it is aimed at the AAE Board for their strategic session.</li> <li>- Poland does not need a “fit and proper” process as they are already checked by the regulator.</li> <li>- We reiterated that the AAE’s goal is to promote “fit and proper” on a European level and to support FMAs, if needed, at a local level.</li> <li>- It was mentioned that in terms of communication it should be clearly mentioned that all FMAs are complying to AAE’s minimum education standards.</li> <li>- Esko mentioned that the European banking regulator is very strict and that this has consequences locally for insurance companies as they are sometimes regulated by a regulator who is also a banking regulator.</li> </ul>	
<b>6.</b>	<b>GENERAL BUSINESS</b>	
6.1.	<b>Meeting with External Organisations and Stakeholders</b>	<b>CH</b>
	<p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- <a href="#">Overview of meetings</a> held between delegations of the AAE and the respective stakeholders.</li> </ul>	

6.2.	<b>Future Annual and Spring Meetings</b>	CH
	<p><i>Annual Meetings</i></p> <ul style="list-style-type: none"> <li>- 2023 – Cologne, Germany – 04-06 October 2023.</li> </ul> <p><i>Spring Meetings</i></p> <ul style="list-style-type: none"> <li>- 2023 – Bratislava, Slovakia – 19-21 April 2023.</li> </ul>	
6.3.	<b>Information Exchange</b>	CH
	<p><b>Items:</b></p> <ul style="list-style-type: none"> <li>- Professional ethic classes (country report Ireland): <ul style="list-style-type: none"> <li>o Ireland is asking whether other FMAs can share their practices on onboarding external parties to provide for professional ethic classes. They find important to have an outside-in view.</li> <li>o The importance to consider data ethics and professional ethics is mentioned.</li> </ul> </li> <li>- Attract younger actuaries to the AAE: <ul style="list-style-type: none"> <li>o It is agreed that the ProfC Chair will make a request to the Board to creating a TF on how to attract younger actuaries.</li> <li>o AVÖ implemented a new policy requiring the appointment of two vice chairs for working group one of which is below 40 years old.</li> <li>o Some members mention that the reason younger actuaries are not involved is due to their family situation and the distance of the AAE meetings.</li> <li>o Other members mention that there is a need to rethink the meetings and collaboration tools in order to attract younger actuaries (e.g. 1 meeting per year, etc.) if we want to stay relevant to younger generations.</li> <li>o The importance to get one's company support was raised.</li> </ul> </li> </ul>	
6.4.	<b>Any Other Non-Reserved Business – None</b>	CH
6.5.	<b>Reserved (Confidential) Business – None</b>	CH

Annex 0.1

**Participants Professionalism Committee meeting  
Rome | 7 October 2022**

	<b>Family name</b>	<b>First name</b>	<b>Member Association</b>	<b>Country</b>	<b>Role</b>
1	Goossens	Karel	IABE	Belgium	Delegate
2	Bitunska	Tatiana	Bulgarian Actuarial Society	Bulgaria	Alternate
3	Bork	Kristoffer	Den danske Aktuarforening	Denmark	Delegate
4	Kivisaari	Esko	Actuarial Society of Finland	Finland	Delegate
5	Mannonen	Hillevi	Suomen Aktuaariyhdistys	Finland	Chair ASSC
6	Durand	Romain	Institut des Actuaies	France	Delegate
7	Kaiser	Birgit	Deutsche Aktuarvereinigung (DAV)	Germany	Vice-chair
8	Jung	Daniel	German Association of Actuaries	Germany	Observer
9	Hanak	Gabor	Magyar Aktuárius Társaság	Hungary	Delegate
10	Kovacs	Erzsebet	Magyar Aktuárius Társaság	Hungary	Observer
11	Crenca	Giampaolo	ISOA (ITALY)	Italy	Delegate
12	Olivieri	Gennaro	ISOA (ITALY)	Italy	Observer
13	Magnussen	Helge-Ivar	Den Norske Aktuarforening	Norway	Delegate
14	Krzykowski	Marcin	Polskie Stowarzyszenie Aktuaruszy	Poland	Delegate
15	Afonso	Lourdes	Instituto dos Atuários Portugueses	Portugal	Delegate
16	Dolan	Ramona	Society of Actuaries in Ireland	Rep. Ireland	Delegate
17	Moreno Ruiz	Rafael	INSTITUTO DE ACTUARIOS ESPAÑOLES	Spain	Delegate
18	Ferrando	Alberto	Col·legi d'Actuaris de Catalunya	Spain	Alternate
19	Ferrando	Albert	Col·legi d'Actuaris de Catalunya	Spain	Alternate
20	Campbell	Malcolm	Svenska Aktuarieföreningen	Sweden	Delegate
21	Wilhelmy	Lutz	Swiss Association of Actuaries	Switzerland	AAE Board-Observers
22	Heck	Christophe	Swiss Association of Actuaries	Switzerland	Chair
23	Dumbreck	Nick	Institute and Faculty of Actuaries	UK	Alternate
24	Wasserman	Simon	FRC	UK	Observer
25	Piper	Alice	IFoA/FRC	UK	Observer