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Actuarial Association of Europe
Insurance Committee meeting – Teams meeting
14th December 2022 10-11 am CET

Agenda

1. General issues. The Daphne acted as the chairperson in the call as Lauri was absent. She gave a brief update on some of AAE activities in the start.

2. IFRS17. **Kristoffer** told that the exposure draft was sent for consultation in August by the working group. They received feedback in November, which is already taken into account. The EAN is now in a process of final approval (deadline 2 January 2023). Afterwards, the EAN will be published.
   When the EAN will be approved and published, the IFRS working group will cease to exist. Kristoffer told that he will stop his participation to the IC meetings but that the AAE future needs on IFRS17 will be monitored.

3. Non-life working group update on the ongoing topics. Cyriaque was not present in the meeting so this topic was not covered.

4. Sam introduced the Interest rates working group's main activities after Rome meetings which where; 1) An article in the European Actuarial Magazine (tbd) and 2) A paper on inflation (scenarios/ORSA etc) in collaboration with the Risk Management committee. This paper will be published in January 2023.

   Other activities, such as liquidity risk and new business and product innovations (cost of guarantees) were looked at.

   He told that the main focus for the coming period is liquidity risk. The regulators and supervisors are pushing for regulation concerning liquidity risk and the expectation is that technical standards on liquidity risk will follow. The working group will therefore make an overview of all the aspects of liquidity risk (definitions/methods/risk management/….) with the purpose to have a reference when discussing this topic. For collecting the information especially on liability, a survey on liquidity practices in the several countries is likely to be issued.

5. Update on Solvency II and IRRD development in EU and also on open consultations. Siegbert gave a brief update and told that there is now a text proposal from the EP on almost all subjects, except sustainability in SII. A draft proposal on LTG/LTE has been prepared, but this is expected to be discussed in the 2nd or 3rd week of January. The EP aims to finalize their position by the end of January/early February 2023 (initially 1 December 2022), so that a vote in the ECON can be taken in February 2023. And the plenary vote in March 2023. The

Trilogue is then expected to start after Q1 2023. Furthermore, the EP aims to treat Solvency II and IRRD as one package.

Siegbert said that it will be discussed with the board whether/how the current AAE position can be updated for the IRRD (especially on resolution plan).

There was also two open consultations where AAE will be active on:
- Discussion paper on cyber risk in stress testing framework (23-2-23: submission to EIOPA)
- Discussion paper on prudential treatment of sustainability risks (5-3-23: submission to EIOPA)

Siegbert said that he will discuss with the AAE board how to proceed/responsibilities with these discussion papers.

6. Consumer protection working group activities. Valery was not able to make the call, this was not covered in the call.

7. Update on the Sustainability working group. Daphne said that there was a taskforce on criteria underlying sustainable products and also a taskforce on climate changing scenarios, which was led by Loudina Erasmus.

   The AAE is also represented in the EC dialogue on climate resilience and where 2 subgroups have been identified: insurance solutions and investing in adaptation to which TF will contribute.

8. No other business was identified.