

IAA:n komiteat Pietari 25 – 28.5.2016

Raportti vain siltä osin kun olen edustaja kokouksissa tai kun minulla oli erityinen rooli jossakin komiteassa

1. Actuarial Standards Committee

Tämä komitea on siis ns. suljettu komitea, jossa kauteni päättyy vuoden lopussa ja ainakaan automaattisesti tänne ei tule Suomesta uutta edustajaa.

Voimakkaimmin työn alla on IASB:n vakuutusstandardin rinnalle laadittava ISAP. Kokouksessa käsitelty luonnos sai osakseen toki kiitoksia, mutta myös kritiikkiä siksi, että se on muodostumassa laajaksi. Task force sai tehtäväkseen harkita voimakasta lyhentämistä. Standardiin ISAP 1 tulee liitännäiseksi malleja koskeva ISAP 1 A. Toistaiseksi tämä pysyy irrallisena osana mutta kun ISAP 1 myöhemmin avataan, niin mallit liitetään sen osaksi. ERM alueella on kehitteillä standardi, jonka ED on ollut lausunnolla. Näyttää menevän aika hyvin eteenpäin. Erikseen kehitteillä ERM standardi liittyen IAIS:n työhön. Tämä ei ole aivan yhtä pitkällä.

IAIS:n vakavaraisuusstandardin rinnalle on kehitteillä aktuaaristandardi. Työ menee eteenpäin vaikkei voikaan olla kauhean pitkällä kun IAIS:n työ on kesken.

Muulta osin ehkä voisi sanoa työn olevan enemmänkin hallinnollista.

2. Pensions and Employee Benefits Committee

Komitean osalta varsinainen raportti tulee varsinaisen edustajan kautta. Liitän tämän osalta liitteeksi diat esityksestä, jonka pidin komiteassa.

3. Joint OECD Subcommittee of the PEBC and IRC

Olen tämän alakomitean puheenjohtaja. Liitän mukaan diat kokouksesta sekä kirjoittamani pöytäkirjan.

Background

Long-term investment is a key contributor to growth, job creation and stability. It contributes to OECD member priorities, including fostering inclusive growth and environmental sustainability, and is a part of the OECD Programme of Work, for both the Committee on Financial Markets and Insurance and Private Pensions Committee. It is also a key element of the OECD's NAEC (New Approaches to Economic Challenges) initiative as well as G20, and APEC work streams and priorities. As such, it is an important component of several Key Partners' policies.

Background

The OECD Project on Institutional Investors and Long-term Investment (OECD Long-Term Investment project www.oecd.org/finance/lti) and the Network on Institutional Investors and Long-Term Investment (the Network; see below) will play a key role in delivering on this agenda. This project has aimed to facilitate long-term investment (LTI) by institutional investors such as pension funds, insurance companies, and sovereign wealth funds, addressing both potential regulatory obstacles and market failures. The goal is improve the data, information, and analysis on long-term investing, helping institutional investors and policy makers to better understand the opportunities and challenges in the LTI space

What has been done?

- *Summary Report on Effective Approaches to Support Implementation of the G20/OECD High-Level Principles on Long-term Investment Financing by Institutional Investors*
- *Survey Report on National Long-term Investment Financing Strategies and Institutional Investors*
- *Regulation of Insurance Company and Pension Fund Investment*
- *Mapping of Instruments and Incentives for Infrastructure Financing: A Taxonomy*
- *Opportunities and Constraints of Market-based Financing for SMEs*
- *G20/OECD High Level Principles on SME Financing*
- *Capital Market Instruments to Mobilize Institutional Investors to Infrastructure and SME Financing in Emerging Market Economies*
- *Mapping Channels to Mobilise Institutional Investment in Sustainable Energy*

What has been done?

- *Risk and Return Characteristics of Infrastructure Investment in Low Income Countries (LICs)*
- *Addressing Data Gaps in Long-term Investment: An Agenda for Research*
- *Large Pension Fund and Public Pension Fund Reserve Funds Survey*

Expected in 2016

- *Infrastructure financing and the right-siting of capital*
- *Follow up work on the taxonomy*
- *Infrastructure as an asset class - the promotion of international infrastructure data collection*
- *Extension of the G20/OECD survey and report on the self-assessment economies against the G20/OECD Checklist on long-term investment financing strategies and institutional investors, to include APEC economies*
- *Continued regional and global dialogue:*

Potential 2016

- *Promoting better understanding of risk and return in infrastructure investment in LICs*
- *Good practices conducive to infrastructure investment by pension funds*
- *Work on data gaps in long term investment*
- *Regulation and long-term illiquid investment*
- *Alignment of incentives and fiduciary duty*
- *Work on green financing*
- *Effective approaches to the G20/OECD High-Level Principles on SME Financing*
- *Fintech and innovative financing for SMEs*

Our mission

The mission of the Organisation for Economic Co-operation and Development (OECD) is to promote policies that will improve the economic and social well-being of people around the world.

The OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems. We work with governments to understand what drives economic, social and environmental change. We measure productivity and global flows of trade and investment. We analyse and compare data to predict future trends. We set international standards on a wide range of things, from agriculture and tax to the safety of chemicals.

We also look at issues that directly affect everyone's daily life, like how much people pay in taxes and social security, and how much leisure time they can take. We compare how different countries' school systems are readying their young people for modern life, and how different countries' pension systems will look after their citizens in old age.

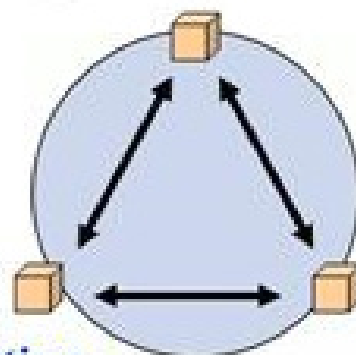
Drawing on facts and real-life experience, we recommend policies designed to improve the quality of people's lives. We work with business, through the Business and Industry Advisory Committee to the OECD ([BIAC](#)), and with labour, through the Trade Union Advisory Committee ([TUAC](#)). We have active contacts as well with other civil society organisations. The common thread of our work is a shared commitment to market economies backed by democratic institutions and focused on the wellbeing of all citizens. Along the way, we also set out to make life harder for the terrorists, tax dodgers, crooked businessmen and others whose actions undermine a fair and open society.

Who drives the OECD's work?

Council

Oversight and strategic direction

Representatives of member countries and of the European Commission;
chaired by the Secretary-General; decisions taken by consensus



Committees

Discussion and implementation

Representatives of member countries and of countries with Observer status work with the OECD Secretariat on specific issues

Secretariat

Analysis and proposals

Secretary-General
Deputy Secretaries-General
Directorates

Council

Decision-making power is vested in the OECD Council. It is made up of one representative per member country, plus a representative of the European Commission.

The Council meets regularly at the level of permanent representatives to OECD and decisions are taken by consensus. These meetings are chaired by the OECD Secretary-General. The Council also meets at ministerial level once a year to discuss key issues and set priorities for OECD work. The work mandated by the Council is carried out by the OECD Secretariat.

Committees

Representatives of the 34 OECD member countries meet in specialised committees to advance ideas and review progress in specific policy areas, such as economics, trade, science, employment, education or financial markets.

There are about 250 committees, working groups and expert groups. Some 40 000 senior officials from national administrations go to OECD committee meetings each year to request, review and contribute to work undertaken by the OECD Secretariat. Once they return home, they have online access to documents and can exchange information through a special network.

Secretariat

Angel Gurría heads the OECD Secretariat and is assisted by one or more Deputy Secretaries-General. Mr Gurría also chairs the Council, providing the link between national delegations and the Secretariat.

The Secretariat in Paris is made up of some 2 500 staff who support the activities of committees, and carry out the work in response to priorities decided by the OECD Council. The staff includes economists, lawyers, scientists and other professionals. Most staff members are based in Paris but some work at OECD centres in other countries.

Departments

[Development Co-operation Directorate](#)

[Economics Department](#)

[Directorate for Education and Skills](#)

[Directorate for Employment, Labour and Social Affairs](#)

[Centre for Entrepreneurship, SMEs and Local Development](#)

[Environment Directorate](#)

[Directorate for Financial and Enterprise Affairs](#)

[Public Governance and Territorial Development Directorate](#)

[Directorate for Science, Technology and Innovation](#)

[Statistics Directorate](#)

[Centre for Tax Policy and Administration](#)

[Trade and Agriculture Directorate](#)

Special Bodies

[Development Centre](#)

[Financial Action Task Force](#)

[International Energy Agency](#)

[International Transport Forum](#)

[Nuclear Energy Agency](#)

[Sahel and West Africa Club](#)

Directorate for Financial and Enterprise Affairs

› Bribery in international business

› Competition

› Corporate affairs

› Financial markets, insurance
and pensions

› International investment

Find

›› [Publications](#)

›› [Working papers](#)

›› [Events](#)

›› [Global dialogue](#)

›› [Newsletter](#)

Latest Documents

What's

›› Launch
Finan

›› Corru
refug

›› Terro
explo

Development Co-operation Directorate (DCD-DAC)

- › Aid effectiveness
- › Aid for trade
- › DAC global relations
- › Environment and development
- › Evaluation of development programmes
- › Financing for sustainable development
- › Gender equality and development
- › Governance and peace
- › Peer reviews of DAC members

Find

- ›› [DAC statistics](#)
- ›› [DACnews](#)
- ›› [DAC members](#)
- ›› [DAC events](#)
- ›› [DAC glossary](#)

Latest Documents

Focus

- ›› Development spending
- ›› DAC
- ›› The Sum

The DAC: Enabling effective development

Through inclusive partnerships for development. th

Economics Department

› Economic surveys and country surveillance

› Economic outlook, analysis and forecasts

› Monetary and financial issues

› Public finance and fiscal policy

› Regulatory reform and competition policy

› Labour markets, human capital and inequality

› Productivity and long term growth

› Economic policies to foster green growth

Find

› [Working Papers](#)

› [Economic Outlook](#)

› [Policy Papers](#)

› [OECD Journal: Economic Studies](#)

› [Economic Surveys and Country Surveillance](#)

Latest Documents

What's

› Eco

› Eco

› The
A T

[Sign up to our Blog](#)



Re
Th

Directorate for Employment, Labour and Social Affairs

› Employment policies and data

› Health policies and data

› Social policies and data

› Families and children

› Pension systems

› International migration policies and data

Find

›› [International Migration Outlook](#)

›› [OECD Health Statistics 2015](#)

›› [ELS Seminar Series](#)

›› [Working Papers on Employment, Labour and Social Affairs](#)

Latest Documents

What's

›› Youth e

›› Pensio

Environment Directorate

- › Biodiversity, water and natural resource management
- › Chemical safety and biosafety
- › Climate change
- › Consumption, innovation and the environment
- › Environment and trade
- › Environment in emerging and transition economies
- › Environmental country reviews
- › Environmental indicators, modelling and outlooks
- › Environmental policy tools and evaluation
- › Greening transport
- › Resource productivity and waste

Find

- ›› [Policy papers](#)
- ›› [Working papers](#)
- ›› [Blogs](#)
- ›› [Water programme](#)
- ›› [Environment Policy Committee \(EPOC\)](#)

Latest Documents

Focus

- ›› OECD at a glance
- ›› The Economic and Environmental Outlook for the World 2014
- ›› Environment and the World 2014
- ›› The Netherlands and the Environment

We help countries to design environmental policies that meet environmental objectives.

FOCUS ON CHANGE MITIGATION

VIDEO: Meeting climate goals will require stronger policies to cut emissions
Advanced and emerging economies have made progress in addressing climate change, but they are on a trajectory that would see them fall short of their mitigation goals. Governments need to significantly accelerate their efforts and strengthen

Directorate for Science, Technology and Innovation

- › Innovation in science, technology and industry
- › Industry and globalisation
- › Science and technology policy
- › Biotechnology policies
- › Internet economy
- › Broadband and telecom
- › Consumer policy
- › International futures programme

Find

- ›› [Broadband Portal](#)
- ›› [STI Policy Papers](#)
- ›› [STI Working Papers](#)
- ›› [Digital Economy Papers](#)
- ›› [OECD Science, Technology and Industry Scoreboard](#)

Latest Documents

Focus

- ›› The OECD revision
- ›› The OECD Meas
- ›› Global econ



[› Agriculture and fisheries](#)

[› Bribery and corruption](#)

[› Chemical safety and biosafety](#)

[› Competition](#)

[› Corporate governance](#)

[› Development](#)

[› Economy](#)

[› Education](#)

[› Employment](#)

[› Environment](#)

[› Finance](#)

[› Green growth and sustainable development](#)

[› Health](#)

[› Industry and entrepreneurship](#)

[› Innovation](#)

[› Insurance and pensions](#)

[› Internet](#)

[› Investment](#)

[› Migration](#)

[› Public governance](#)

[› Regional, rural and urban development](#)

[› Regulatory reform](#)

[› Science and technology](#)

[› Social and welfare issues](#)

[› Tax](#)

[› Trade](#)

IPPC 9-10 June 2016

Launch of the OECD Business and Finance Outlook 2016

The launch of the OECD Business and Finance Outlook will be taking place at 9.30 on 9 June. An invitation will be sent to delegates separately

Launch of the OECD Business and Finance Outlook and High-Level Roundtable: *Doing Business in a Fragmented World*

Key issues

1. Fragmentation challenges to productivity and investment and the role of fiscal incentives for R&D
2. Trust in the equity markets and challenges for long-term financing, especially in green energy infrastructure
3. Maintaining sustainability and equitability in fragmented pension and life insurance systems
4. Addressing legal fragmentation, with a focus on enforcing anti-bribery regimes and improving investment treaty protection

IPPC 9-10 June 2016

1. OECD Roundtable on technology and innovation in the insurance sector

Delegates have expressed interest in examining how technology has impacted insurance both in discussions and in terms of the Programme of Work for 2017-2018. Given this interest, a roundtable is being organised to inform the Committee of ongoing developments relevant to the insurance sector, and the role regulation plays.

2. Approval of agenda and summary record

3. Tour d'horizon

3.a. Update on Global Insurance Statistics and Global Insurance Market Trends (2016 edition)

3.b. Thematic monitoring: The negative interest rate environment and the search for yield

3.c. Updates by member countries on insurance market trends and policy and regulatory developments

IPPC 9-10 June 2016

4. Analytical tools

Based on the inputs provided to the survey questionnaire, the Committee is invited to discuss a draft report on analytical tools of the insurance sector. The findings of the report could inform the expected the Task Force on Insurance Statistics in December.

5. Update on project on cyber risk insurance

6. Project proposal on technology and innovation in the insurance sector

Following the discussion that took place in the Roundtable on Thursday, and to further discuss how financial innovation could be impact the insurance sector, a project is proposed to examine potential regulatory implications from technology and innovation in the insurance sector. Delegates are invited to provide comments and suggestions on the proposed outline of a report, and approve the project.

IPPC 9-10 June 2016

7. Joint projects with WPPP

7.a. Annuities project: final report

7.b. Investment governance and the integration of ESG factors

8. Institutional investors and long-term financing

8.a. Revised draft report on the investment strategies of insurers and long-term investment

9. Disaster risk financing and insurance

9.a. Draft revised Recommendation on Disaster Risk Financing Strategies

9.b. Report on the financial management of flood risks

9.c. Project proposal on the financial management of earthquake risks

9.d. Outcome of the May Conference on Floods Risk and scheduled global events

10. Proposed revisions to the OECD Guidelines on Insurer Governance

IPPC 9-10 June 2016

11. Updates

11.a. Financial consumer protection, financial education, and long-term investment financing: Information note

11.b. WPPP and other OECD activities

11.c. International organisations

Closed Session

12. Accession: Draft Formal Opinion for Colombia

13. Codes of Liberalisation

13.a. Revision of country reservations relevant to the Capital Movements Code

13.b. Activities of the ATFC and the review of the Code of Capital Movement

14. OECD Review of legal instruments

15. PWB and work planning: 100th session of the IPPC in December 2017

16. Other business

16.a. Committee Progress Report (for information)

WPPP 6-7 June 2016

- 1. Adoption of the agenda**
- 2. Summary Record December 2015 Meeting**
- 3. Annuity products projects: final report**
- 4. Private pension provision in light of public pensions**
- 5. Financial and fiscal incentives for retirement**

CLOSED SESSION

- 6. Core Principles of Private Pension Regulation**
- 7. Accession review of Colombia**
- 8. Accession review of Costa Rica**
 - 8.a. Answer to the accession questionnaire**
 - 8.b. Presentation of the main features of their pension system**
 - 8.c. Self-assessment of their pension regulatory system according to the OECD Core Principles of Pension Regulation**
 - 8.d. Secretariat evaluation of their regulatory framework**

WPPP 6-7 June 2016

- 9. Conflict of interest of retirement financial advisors**
- 10. The integration of ESG in investment**

During the afternoon several IOPS documents will be discussed

- 11. Cost and fees**
- 12. Consumer protection in private pensions**
- 13. Non-traditional investments**
- 14. Role of large pension funds**

Joint OECD-CEPR Pension Conference - The Pension Research Council - Netspar Research Challenges for Global Pensions: Trends and Heterogeneity

Session 1: Pension choice and design: trends and heterogeneity

Session 2: How aging trends and heterogeneity are shaping the future of retirement

The WPPP work on mortality differences across socio-economic groups and its implications for pensions will be presented in this session.

Session 3: Round table on pension research challenges

Speaker wanted

**OECD-ADBI Roundtable on Insurance and Retirement Saving
22-23 June 2016
Tokyo, Japan**

"We are still missing someone from the IAA in the conference we are organizing in Tokyo (see attached preliminary agenda) to talk about mortality, managing longevity risk and annuities. Yas agreed to speak but he only felt comfortable speaking about pension system design and not annuities or mortality."

INTERNATIONAL ACTUARIAL ASSOCIATION

Meeting of the Joint OECD Subcommittee of the Pensions and Employee Benefits Committee and Insurance Regulation Committee

Corinthia Hotel, St. Petersburg, Russia

Thursday, May 26, 2016 – 10:30 - 12:30

Room: Nevsky 3

Participation: see attendance list attached to these minutes

1. Opening of the meeting

The chair opened the meeting and welcomed the participants. He also thanked the Russian Guild of Actuaries for inviting IAA Committees to St. Petersburg. Especially the video projector attracted amazement from all Subcommittee members.

It was noted that this Subcommittee was established by the PEBC and the IRC in Vancouver. The chair reminded that the OECD documents handled by the Subcommittee should be treated as fairly confidential. This is the reason for using the dropbox for sharing, with limited access controlled by the chair. The chair will continue discussions on whether we could have a limited access area in the IAA website.

2. Minutes

It was noted that this is the first official meeting of the Subcommittee. Some notes from Vancouver can be found in [attachment 1](#) and [attachment 2](#). From now on also formal minutes for the committee will be taken.

3. IAA strategic plan and the MoU with the OECD

The chair reminded participants of the [IAA strategic plan](#) and the [MoU](#) with the OECD.

4. Overview of the activities of the OECD

Traditionally the IAA has been active only in a very limited subset of OECD activities. This has meant contacts with the Insurance and Private Pensions Committee (IPPC) and its Working Party of Private Pensions (WPPP), as well as some contacts also in the area of Social Security.

In Vancouver it was discussed in different contexts that the IAA could interact with the OECD on a much broader basis. The chair presented briefly the activities of the OECD to facilitate a discussion on where to be more active. The slides used by the chair are attached to these minutes.

It was noted that there are many topics dealt with the OECD where actuaries in the context of the IAA have more or less activity. It was noted that we can easily overextend our resources by trying to engage into cooperation on a too broad selection of activities. We should be able to identify topics where we could really add value to the work undertaken by the OECD. It was clearly understood that the agenda should be broader than what it is today but it should still have its limits.

In the discussion it was noted, among other things, that:

- Resource and Environment Working Group has many active issues on its agenda that could be added to topics under cooperation,
- the OECD has a joint working group with the IAIS on ICS and ICP issues – we need to talk with both organisations and to try to get integrated into this work,
- Ksenia X reported that she has participated in the work of some OECD work streams especially in the area of export credit. In export credit insurability and insurance premiums pop up constantly. It would very probably be fruitful to have IAA integrated into this work
- the OECD publishes extensive statistical information that is highly esteemed by many stakeholders. It could make sense to have actuaries integrated into OECD statistical work in some areas.

5. What has happened since Vancouver

☐Christelle Dieudonné reported of her interaction with Valérié Paris on health issues. The slides are attached to these minutes.

☐The chair reported on the contacts in the areas of the Working Party of Private Pensions and the Insurance and Private Pensions Committee where a number of papers have been commented on

☐It was noted that Rob Brown had participated in the EUROSTAT/IMF/ILO/OECD Workshop on Pensions. Rob was not attending this meeting which meant that there was not much to report here on this.

6. Discussion of the aims of this subcommittee

Based on information of minutes 4 and 5, and noting our ToR, the Subcommittee decided that it will propose, through its parent Committees, to the EC that the IAA should send a letter to the OECD proposing areas into which we would like to extend our cooperation with the OECD. If the EC agrees to send such a letter it needs to be discussed to whom the letter should be addressed. Maybe it could go to Mr. Tamaro, the Deputy Director General who has signed the MoU, or even to Mr. Gurria, who is the Director General.

It was decided that the chair will start drafting such a letter utilising in this the members of the Subcommittee as well as liaisons in appropriate Committees and Working Groups of the IAA.

It was additionally noted that it is unclear where in the IAA some apparently meaningful topics are discussed. It was noted that some of the issues seem to fall naturally into the scope of the newly founded General Insurance Committee. Of the topics we discussed at least:

- low/negative interest rates – should the IAA think about this and make preparations for the possibility that in some regions rates will be ultralow for a substantial period of time
- infrastructure (or other very long term) investments – should the IAA work on this issue?
- consumer protection is getting higher on regulator agenda – should actuaries have a role in consumer protection.
- it was assumed that the GIC will do what might need to be done in cyber risk and insuring cyber risk
- financial management of disaster risks would probably be handled by the REWG although the GIC would certainly be needed also.
- Big Data is high on many agendas and it is good that there is now a working group in this area.

It was felt necessary that the need to at least decide whether the IAA needs to be active in these areas should be discussed within the IAA.

7. IPPC issues

It was noted that the Insurance and Private Pensions Committee will have its meetings in Paris on June 9 and 10. The material of the meeting comes always fairly late. We only know that the topics are:

- OECD Roundtable on technology and innovation in the insurance sector;
- The negative interest rate environment and the search for yield and other topics;
- Update on project on cyber risk insurance;
- Joint projects with the WPPP (see item 8);
- Institutional investors and long-term financing;
- Disaster risk financing and insurance;
- OECD guidelines and insurer governance; and
- Financial consumer protection, financial education, and long-term investment financing.

The chair will distribute additional material for comments as soon as it will be available.

8. WPPP issues

It was noted that the Working Party of Private Pensions will have its meetings in Paris on June 6 and 7 – with June 7 meetings together with the technical committee of the

International Organisation of Pension Supervisors.. The material of the meeting comes always fairly late. We only know that the topics are:

- Annuity products projects: final report;
- Private pension provision in light of public pensions;
- Financial and fiscal incentives for retirement;
- Core principles of private pension regulation (there is a new draft already now in the folder – this is a document the IAA has quite extensively commented on);
- Consumer protection in private pensions;
- Non-traditional investments; and
- Role of large pension funds.

The chair will distribute additional material for comments as soon as it will be available. It was also noted that the IAA representatives attending the Paris meetings will have a networking meeting with relevant OECD staff on June 7.

It was agreed that the draft IAA monograph will be discussed in Paris to get informal feedback from OECD staff already now.

15. AOB, possible other topics

It was noted that this OECD Subcommittee is active in really many areas addressed by many other Committees and Working Groups in addition to the two parent Committees of this Subcommittee. It needs to be discussed whether from a governance point of view it makes sense to have just these two Committees as parent Committees.

16. Next meeting

The necessity of having physical meetings for this Subcommittee was discussed. It was felt beneficial to have these meetings also in the future. There was therefore the wish to allocate a slot to this Subcommittee also in the schedule of IAA Committee meetings in Cape Town, November 17 – 22, 2016.