

PENSIONS AND EMPLOYEE BENEFITS COMMITTEE REPORT FOR THE PERIOD NOVEMBER 2006 TO MARCH 2007

Proposal for International Actuarial Standard for Accounting for Pension Costs

A Drafting Sub-Committee has reviewed the IAS on Actuarial Practice in Insurance with a view to developing a pensions version. The second draft for the standard will be discussed in the Committee meeting in April.

Involvement in the revisiting of IAS 19

The IAA was granted two representatives on the IASB working group. The work has not actually started yet but the Committee will intensively follow the progress of the working group with co-operation from the Insurance Accounting Committee.

IPSASB

The committee prepared a short comment on the Proposed International Public Sector Accounting Standard on Employee Benefits released by the International Public Sector Accounting Standards Board. It was thought that the work of the IAS 19 working group will have an impact on this and therefore more thorough comments were not prepared.

Extension of the Groupe Consultatif professionalism survey

The Groupe Consultatif has undertaken a professionalism survey among its members. This survey has been much appreciated within the OECD. Therefore the Committee extended the survey to other OECD countries. The related survey was sent to non-European IAA members for response. The results of the extension will be discussed in the meeting in April.

Discussion on mortality assumptions

The so-called Cass study has pinpointed the significance of mortality assumption to companies' pension liabilities and the different approaches to the level of mortality and allowance for future trends. The Committee will continue discussion in this area in April.

OECD / IOPS

The IAA has Observer Membership in the OECD Insurance Committee, which includes the Pensions and the Private Pensions Working Party. Progress is being made with the application for Observer Membership in the IAA for the OECD. Meetings of the OECD Private Pensions Working Party have been attended by IAA representatives, with continued email exchanges. Links between the two insurance committees need to be developed.

The IAA has been granted Observer Membership of IOPS. The committee was represented in the IOPS Technical Committee meeting and the conference in Amsterdam in March. Discussions continue with respect to the observer membership of IOPS in the IAA.

Esko Kivisaari, Chairperson