2001 Pensions Convention

Professional Responsibilities of Pensions Actuaries in EU

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Introduction

Groupe Consultatif study of professional responsibilities of pension actuaries
→ based on a questionnaire
→ participation of 26 countries
→ should not be considered as final study
→ gives first impression
Existence of a statutory role of pension actuary

- certification of funding & solvency requirements
- certification of contributions
- certification of individual transfers
- certification of employer debt on winding up
- certification of (bulk) transfers (i.e. M&A)

Major differences between countries
Countries

Existing
(complete)

Existing
(Partial)

Not Existing

Legislation on occupational pensions in developing phase

Existing

- UK
- Ireland
- Germany
- Austria
- Belgium
- Croatia
- Cyprus
- Denmark
- Finland
- Iceland
- Luxembourg
- Norway
- Sweden
- Switzerland
- Estonia
- Hungary
- Slovenia
- Portugal

Only in these countries: membership of national actuarial society is mandatory

Central & Eastern European Zone
(Czech Republic, Latvia, Lithuania)
Existence of guidance notes or practice standards

Guidance notes give:
- contents of advice
- reflections on certain subjects
- actuarial techniques

Guidance notes:
- no code of conduct
- no ethical code
Existence of guidance notes or practice standards

- Austria
- Cyprus
- The Netherlands
- Switzerland

Existing (complete)

Direct relationship with legislation

- UK
- Ireland

Integration of some GN in legislation

Complimentary but no official relationship between legislation & GN

- Austria
- Cyprus
- The Netherlands
- Switzerland

Existing (Partial)

Not existing and not aware of plans for designing!

- France
- Belgium

Not Existing
Requirements on actuaries to report problems to the supervisor

“Protection” for actuary in different forms:
- statement/report of outgoing actuary
- incoming actuary has to enquire about professional position
- supervisor to be informed if replacement
- protection by law not to be prosecuted if reporting material breaches
Guidance to actuaries when reporting requirements override client confidentiality

Only some countries have a solution:
- refer to code of conduct or ethical rules
- cover this issue in the Scheme Actuary’s appointment
- address problem to a committee set up by actuarial association

- Denmark
- Ireland
- Slovenia
- Spain
- Netherlands
Conclusions

• enormous differences between countries
• Central and Eastern Europe: starting up
• European Community:
  – statutory role is mostly defined, but can be improved
  – guidance notes/practical standards: a great challenge for national and European actuarial associations ⇒ priority!
  – constructive dialogue with supervisors to improve the legal framework
• best examples: Ireland & UK