

# Other topics *Must to Know*

September 24, 2016

# Agenda

- ⦿ EU directives
- ⦿ News from Actuarial Association of Europe
- ⦿ News in Actuarial association of Latvia

EU directives

# PRIIPs

## ◎ PRIIPs: **Packaged Retail and Insurance-based Investment Product**

- ◎ The regulation states that a PRIIP is an investment where, *regardless of the legal form of the investment, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference insurance-based the performance of one or more assets investment purchased by the retail investor, products such as product that offers a maturity unit-linked wholly or partially exposed, directly policies, with- fluctuations. profits policies*

EU directives

## PRIIPs

*(cont')*

- ⊙ PRIIPs Regulation will take effect in the European Union (EU) at **December 31, 2016**. As a regulation, the PRIIPs Regulation is directly applicable without any additional domestic legislation being passed. Therefore, from that date firms in the EU will need to comply with the PRIIPs Regulation
- ⊙ The PRIIPs Regulation will require firms to prepare, **publish and provide a Key Information Document (KID)** for each PRIIP manufactured.

EU directives

# PRIIPs

*(cont')*

⊙ Each KID will need to be **no more than three pages long** and contain specified information, presented in a pre-determined sequence. Firms will need to give **specified information about the PRIIP under sections entitled:**

- ⊙ What is this product?
- ⊙ What are the risks and what could I get in return?
- ⊙ What happens if [name of the PRIIP] may pay out?
- ⊙ What are the costs?
- ⊙ How long should I hold it and can I take it out?
- ⊙ How can I complain?
- ⊙ Other relevant information.

RTS: Regulatory  
Technical  
Standards

# EU directives



XVI International conference

**29 September 2016**

**Radisson Blu Daugava hotel**

24 Kuģu street, Riga, Latvia

14.15	<b>Directive on insurance distribution (IDD) in the EU, impact to global competitiveness</b> <i>Elisabeth Stiller</i> <i>German Insurance Association (GDV)</i>
14.45	<b>Possible impact of IDD on Baltic markets</b> <i>Eleonora Zelmene</i> <i>Klaviņš Ellex</i>
15.15	<b>PRIIPs, IDD in life insurance</b> <i>Mari Pekonen-Ranta</i> <i>Federation of Finnish Financial Services</i>

Regulatory issues:  
including panel  
discussions



LATVIJAS AKTUĀRU  
ASOCIĀCIJA

# News from Actuarial Association of Europe

## Strategy

- ◎ Task force was established
- ◎ The proposals relate to two main topics;
  - the Strategic Statements (Vision and Mission) and the Strategic Objectives (i.e. what the AAE should focus on)
  - the Governance Structure (i.e. how the AAE should organize itself to optimize the effort)

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News from Actuarial Association of Europe

# Strategy

*(cont')*

## ◎ Current Strategic Objectives

- ◎ SO1: Establish/maintain/strengthen relationships with key European institutions
- ◎ SO2: External communication - raise the profile and reputation of actuaries
- ◎ SO3: Support and add value to member associations
- ◎ SO4: Education and research
- ◎ SO5: Promote development and recognition of actuarial profession

# Strategy

*(cont')*

## ⊙ Proposed changes

- ⊙ SO1 is still valid and SO1 describes the most important focus of the AAE;
- ⊙ The existing SO3 should be rephrased and is proposed to become the new SO2; The title could be “Promote Professionalism”
- ⊙ The title of new SO3 could be to “Promote a European Community of Actuaries”

# News from Actuarial Association of Europe

## Education

- ⦿ Comments on the new IAA Education Syllabus
  - ⦿ Syllabus content
  - ⦿ Assessment process
  - ⦿ Requirements: lower stages «Remember», «Understand»
  - ⦿ Suggestion: In Bloom's taxonomy this ability is only reached at the last stages «Evaluate» and «Create» of the «Cognitive Process Dimension».

# News in Actuarial association of Latvia

- ◎ **Working Group:** RBNS annuities methodology
- ◎ Cooperation with Latvian Insurers Association
- ◎ Education: University of Latvia course on ***Actuarial Risk Management***

Your  
involvement  
is crucial

Closing of the Event

**CERTIFICATES**