



Society of Actuaries in Ireland Life Insurance Committee Newsletter

July 2025

Foreword

Dear Member

It has been a busy start to 2025 for Life Insurers. The Life committee has met 5 times this year to discuss items with a Life Insurance focus. We have met regularly with the Central Bank of Ireland to discuss areas of mutual interest.

During the year, we have refreshed our strategy, aligned with the strategy of the Society itself, and related work plans. Our plans are wide-ranging, ambitious and highly relevant covering:

- Connection & engagement
- Education & professional development
- Profile & reputation
- Public interest
- Plus some other specific areas

We have set out below an overview of some of the areas we have been working on and also a signpost to future developments. We would love to hear from you on what we have been doing for you and with you (as a wider pool of volunteers).

The Life Committee held its annual Life Forum on 15th May 2025 in the Aviva Stadium. The chair of the Life Committee, Fergal O'Shea, opened the event and was followed by a plenary session entitled 'Diary of a Life CEO' in which three Life CEO's, Declan Bolger, Barry Cudmore and Jennifer Coleman provided some great insights into their careers. This was followed by a great selection of interesting presentations from which members could choose 3 of the 6 topics available.

The ASP review working group concluded their work and have issued 3 updated ASP's (LA-8, PEN-12 and PRSA-2). Also the PRSA committee have issued a number of updated PRSA ASP's. If you work in the area of policyholder disclosure or PRSA's please check out any relevant updates.

We hope you find that this newsletter provides valuable insights to the work done by the Committee. We are constantly looking to improve on how we communicate with members to support you on what is an ever-changing world. If you have any feedback on this or suggestions for other areas of focus, please do not hesitate to contact any of the Committee members or the Society directly at info@actuaries.ie

Committee Members

Fergal O'Shea (Chair)
Francis Furey (Deputy Chair)
Nia Powis (Secretary)
Patrick Byrne
Rory Coffey
Owen Ennis

Richard McMahon
Niall Mulvey
Niall Naughton
Conor O'Brien
Emer O'Connell
Aoife O'Leary

Viviana Pascoletti
Eamonn Phelan
Sarah Teehan
Michael Sharpe (Exec. Support)

Background

On 3 April 2023 the Society of Actuaries in Ireland Right To Be Forgotten (“RTBF”) Working Group published our report entitled “Consideration of the potential impacts of the introduction of a Right to be Forgotten Framework for Cancer Survivors in Ireland when applying for Life Insurance Products (the “SAI RTBF Report”).

The key point raised in the SAI RTBF Report was that different groups of consumers will be impacted in different ways by a Right to be Forgotten Framework for Cancer Survivors.

Following the publication of the SAI RTBF Report, Insurance Ireland published their “Code of Practice for Underwriting Mortgage Protection Insurance for Cancer Survivors” (“the Code of Practice”). This Code of Practice took effect in December 2023 so has been in place for over 1 year.

Purpose of review

The purpose of the review undertaken by the RTBF WG was to

- Compare the features of the Code of Practice against the frameworks introduced in other European countries.
- Use the data that was collected in compiling the SAI RTBF Report to estimate the potential impacts of the Code of Practice over the longer term, as well as better understand the number of cancer survivors that might be impacted by changing the parameters of the Code of Practice.

Comparison of the Code of Practice to approaches in other European Countries

The Code of Practice is similar to what has been introduced in other countries in that:

- It applies to Mortgage Protection insurance , although, we noted that some countries also include Business Loans (e.g. France) and others have extended the scope to include income insurance products (e.g. Belgium).
- Most countries have implemented a RTBF for cancer survivors only, as is the case in Ireland, though some countries have now extended to include Hepatitis C (e.g. France, Belgium, Luxembourg and Slovenia) and HIV (e.g. Belgium, Luxembourg and Slovenia).

The Code of Practice is consistent with the approach introduced in Italy, Greece, Cyprus and Czechia, where it is expected that the cancer survivor should make a full declaration of their past cancer, and the onus is on the insurer to determine whether the information should be used or disregarded. In other markets (France, Belgium, Luxembourg, The Netherlands, Portugal, Spain (once implemented), Slovenia and Romania), the applicant does not need to disclose their previous cancer diagnosis or treatment to the insurer once the requirement for the period since treatment has ended has been met. As such the approach adopted under the Code of Practice could be deemed a ‘Requirement to Disregard’ framework rather than a ‘Right to be Forgotten’ approach.

To estimate the potential impacts of the Code of Practice over the longer term, as well as better understand the number of cancer survivors that might be impacted by changing the parameters of the Code of Practice.

For the original report, the SAI Right to be Forgotten Working Group analysed data for a cohort of life insurance applications over an 8.3-year period. Among the applications from cancer survivors for decreasing mortgage protection with a sum assured of less than €500,000, an estimated 47% were from individuals whose treatment had ended more than 7 years prior. We estimate that 435 cancer survivors per year would have been eligible for their cancer diagnosis to be disregarded over the 8.3-year span of our dataset .

However, as noted in the SAI RTBF Report, being eligible to be considered under an RTBF framework may not necessarily lead to a change in actual outcome for these individuals as some cancer survivors already get accepted at standard terms depending on the type and severity of the cancer they had and the duration since treatment ended.

The full report can be read [here](#)

Cross Border Update

On 1 January 2025, Italian legislation introduced a mandatory prepayment of stamp duty on life insurance contracts, including unit-linked policies, under Article 11 of the 2025 Budget Law. This reform has significant implications for Irish life insurers writing Italian business under the Freedom of Services (FoS) regime.

Under the new rules, insurers are required to act as withholding agents, prepaying a 0.2% annual levy to the Italian tax authority (Agenzia delle Entrate). For unit-linked products, this 0.2% applies to the fund value in force rather than premium paid. The amounts prepaid are to be recovered from policyholders at the point of policy maturity, surrender, or death. However, there is uncertainty around how and when this recovery will be executed, posing both practical and financial challenges for insurers.

In addition to ongoing prepayments for future policies, insurers must also account for retrospective stamp duty liabilities for all in-force policies as of 1 January 2025, with obligations stretching back to 2012 (or policy inception, if later). These historical amounts must be paid according to a fixed instalment plan:

- 50% by 30 June 2025
- 20% by 30 June 2026
- 20% by 30 June 2027
- 10% by 30 June 2028

This creates a material liquidity strain at the outset of the regime as within the first year insurers must fund not only the new prepayment on 2025 business but also half of the historical liability.

For Irish insurers active in the Italian market through cross-border unit-linked products, this shift has multiple layers of impact:

- Operationally, insurers must ensure systems and controls are in place to calculate and remit the appropriate stamp duty to the Italian treasury.
- Financially, the requirement to prepay tax that may not be recoverable for many years introduces a cost of carry—the time value of money tied up in advance payments. These cashflows will need to be incorporated into reserving assumptions and asset-liability management strategies, particularly under Solvency II.
- Commercially, the impact on profitability may be material, especially for low-margin products or those with long durations. Pricing frameworks and profitability analyses may need to be reassessed.
- Legally and contractually, insurers will need to ensure they have the ability—and clarity—within policy terms to recover prepaid stamp duty from policyholders.
- Customer communications will also require attention, ensuring transparency around the new treatment of stamp duty.

In summary, while the reform is framed as a tax administration change, its impact on cashflow, reserving, profitability, and administration is substantial. For Irish insurers operating on a cross-border basis, the regime introduces both regulatory complexity and financial risk that must be proactively managed.

Consumer

In March 2025, the CBI announced a revised Consumer Protection Code (“CPC”) coming into effect on 24 March 2026. The code aims provide additional protection to the consumer in light of an ever-evolving financial landscape, and in particular in terms of digitalisation. The new code represents a significant advancement in consumer rights resulting in a requirement for all life insurance entities to review their current product offering. The SAI Life Committee intends in organising a CPD event in 2025 on this topic.

On the 28 June, the new European Accessibility Act 2025 came into force, which is designed to improve accessibility for individuals with disabilities. Any products that do not met the new accessibility standards by 28 of June 2030 must be phased out. This Act applies to a broad range of digital products including websites, applications and smartphones.

Work is continuing across the SAI Committees on other consumer topics such as Value for Money, Right to be Forgotten and the use of Artificial Intelligence.

SII Review – Latest Developments

The revised Solvency II Directive (EU 2025/2) was published in the Official Journal of the EU on 8 January 2025. The Directive entered into force on 28 January 2025 and requires Member States to adopt their national implementing rules by 29 January 2027. Requirements under the Directive will apply to all in-scope entities from 30 January 2027.

The Directive aims to reduce complexity and improve proportionality, introducing simplified rules for smaller undertakings and streamlining reporting and supervisory processes. These reforms are intended to strengthen the insurance sector’s role in long-term investment and enhance its resilience to future challenges, ultimately improving policyholder protection.

The key amendments (but by no means exhaustive) under each Pillar can be summarised as follows:

Pillar 1	Pillar 2	Pillar 3
<ul style="list-style-type: none">• Extrapolation of the yield curve• SCR interest rate• Risk Margin• Volatility Adjustment• Symmetric Adjustment• Long-term equity• Proportionality	<ul style="list-style-type: none">• Supervisory power to restrict or suspend dividend payments• Liquidity risk management plans (LRMPs)• Exposure to climate change risks	<ul style="list-style-type: none">• External audit of SFCR• New reporting deadlines• New structure to SFCR

In addition to the numerous consultations already underway, EIOPA is expected to issue further consultations on Solvency II implementation (Level 2 and Level 3 text), with the consultation period currently ongoing. These are likely to address technical standards, revised reporting templates, and practical guidance to support implementation of the revised Directive ahead of its application on 29 January 2027.

The SAI has been very active reviewing and responding to the various consultations (too detailed to list in the Newsletter). And will continue to do so for the substantial pipeline of upcoming consultations. This has only been possible through our wider pool of volunteers. If you think you can contribute in any way, get in touch !

Insurance Recovery and Resolution Directive (IRRД)

The Insurance Recovery and Resolution Directive (IRRД) – EU 2025/1 was published in the Official Journal of the EU on 8 January 2025. The Directive entered into force on 28 January 2025 and requires Member States to adopt their national implementing rules by 29 January 2027. Requirements under the Directive will apply to all in-scope entities from 30 January 2027.

The IRRД introduces a harmonised framework for pre-emptive recovery and resolution planning by insurers, and it mandates the development of recovery and resolution plans, introduces formal resolution tools, and assigns defined roles to supervisory and resolution authorities.

The new IRRД will complement the existing CBI rules by introducing a harmonised EU framework that combines both recovery and resolution planning. The IRRД is therefore broader in scope but also adds binding resolution tools and tightens cross-border co-ordination. Irish undertakings face a short but manageable transition.

EIOPA has launched the first set of consultations on key technical aspects to support implementation, with the consultation open until 31 July 2025.

The six consultation papers cover the following topics:

- Content of pre-emptive recovery plans
- Pre-emptive recovery plan criteria and methods to determine market shares
- Content of resolution plans
- Identification of critical functions
- Assessment of resolvability
- Addressing impediments to resolvability

The Society convened a working group to review these consultations and has provided a response in respect of the first one on the content of pre-emptive recovery plans. The response to the AAE can be read [here](#).

Life HoAF Forum

The SAI, in collaboration with Insurance Ireland, recently hosted the inaugural Joint HoAF & Directors Forum at the Shelbourne Hotel in Dublin. This landmark event brought together senior professionals from across the insurance industry, including HoAFs and INEDs, to engage in open, constructive dialogue around shared challenges and responsibilities.

The forum was designed to deepen mutual understanding, improve communication, and foster more effective collaboration between actuarial and board members. The strong turnout and active participation on the day reflected a clear appetite for continued engagement of this kind.

The event opened with a warm welcome from Rosemary Commons (Chair, SAI Directors Interest Group), setting the tone for a collaborative afternoon of insight and exchange. Updates from Tiago Pedro (Co-Chair, SAI Non-Life HoAF Forum) and Moyagh Murdock (Chief Executive, Insurance Ireland) provided valuable context on current priorities and ongoing initiatives within the SAI and the INED Council respectively.

One of the standout sessions came early in the afternoon, as Mike Claffey led a thought-provoking professionalism session. Through a challenging case study, he explored the grey areas where judgement, ethics, and communication collide — sparking energetic discussion and reflection from all corners of the room.

An engaging panel discussion moderated by Rory Coffey (Co-Chair, SAI Life HoAF Forum) and Brendan McCarthy (Chair, Insurance Ireland INED Council) sought to capture the spirit of the day, bringing together a rich mix of perspectives from across the actuarial and governance landscape. The panel included Life and P&C HoAFs (Fergal O'Shea and Julia Moore respectively), an INED from an actuarial background and former HoAF (Olive Gaughan), and an INED from a non-actuarial background (Sylvia Cronin). Panellists shared their experiences navigating the interface between HoAFs and Boards — touching on communication dynamics, clarity of role expectations, and how both groups can better support effective decision-making.

The final session of the day involved a timely update from Eoin Caulfield (William Fry) on the Individual Accountability Framework. With SEAR already in effect for HoAFs and soon applying to INEDs, his session provided practical insights on evolving responsibilities, governance expectations, and how both groups can prepare for the expanding regulatory landscape.

This event marked a meaningful step forward in encouraging structured, cross-functional conversations within the Irish insurance sector. Attendees remarked on the quality of the sessions, the diversity of perspectives shared, and the strong sense of collaboration in the room. Based on the overwhelmingly positive feedback, we look forward to building on this momentum and hosting further events of this kind in future.

We extend our sincere thanks to all who helped shape and support this event, including the speakers, moderators, organisers, and engaged participants who made it such a success.

Climate and Sustainability

The Life Committee is keen to advance its focus on Climate and Sustainability and to explore life insurance-specific challenges and opportunities in this evolving field. The scope of the committee's involvement is developing, with initial priorities including climate scenario analysis, particularly in the context of EIOPA's ORSA guidance, and supporting the implementation of CSRD's double materiality principle within life insurers.

We also aim to review international actuarial and regulatory developments, identify good practices, and explore opportunities for collaboration. A key objective will be to circulate examples of good practice across the industry, where possible, especially in relation to scenario analysis, governance, and disclosure, to support members in navigating this complex and fast-moving area.

Review of Domestic Actuarial Regime (DAR)

Our newsletter from last year previewed the work of the DAR review WG. This work has now come to a conclusion. The WG met on a number of occasions last year and early this year. It had some interaction with the CBI when clarification was needed in terms of the direction of the WG. The initiative was taken by the Society as a proactive step given that the CBI had indicated its intention to review the DAR.

The CBI has indicated that it will likely be 2026 before any consultation on DAR is done with industry . This is due to the timelines around when there will be further clarity on updated Solvency II regulations. There has been a stated intention from the CBI for burden reduction and simplification of regulation for financial services firms. Also, they are in the process of transitioning from their PRISM supervisory framework to a new, integrated approach. It was against this backdrop that the Society provided its comments, acknowledging that the changes in the regulatory landscape might necessitate a further review.

In terms of governance, the changes proposed by the WG were brought to the Life and GI committees as well at the Life and Non-life HOAF forums in order to get views and approval from members and finally brought to Council. They were then provided to the CBI and a call was held with them in June where members of the WG had an open discussion around the proposed changes and our rationale for them.

The main themes where the WG are proposing change and which were discussed with the CBI included:

- Proportionality
- Peer review process
- Guidance vs regulation
- Policyholder Reasonable Expectations
- HOAF opinion and reliance on other functions
- Prudence in the TP’s
- Risk management

The CBI were appreciative of the work conducted by the working group and it was agreed that we would keep in touch around further development in the area.

Upcoming

Clearly, it’s been a busy few months since our previous Newsletter.

There’s plenty more upcoming to look forward to:

- Pipeline of EIOPA consultations
- Life HOAF Forums
- Cross-border Italy market deep-dive event

- RTBF CPD event
- Continuing CPD engagement incl. DAR
- More CPD events incl. SAI Annual Convention
- More we are working on in Climate, Consumer

If there’s more you’d like to see, get in touch!

Feedback

We’d love your feedback. Please let us know your thoughts on the Newsletter. What would you like to see more or less of? What improvements could we make?

Please send you feedback to the Society of Actuaries.



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If you have any queries or comments about the Newsletter, or would like more information on any of the topics mentioned, please contact the Society at info@actuaries.ie