

REPORT OF PROFESSIONALISM COMMITTEE

The Professionalism Committee has been continuing to work on the preparation of a paper on Mutual Discipline Agreements (MDA). This is a follow-up to the paper on Mutual Recognition Agreements, which was approved by the Council in Hong Kong for wider promulgation through being placed on the public part of the IAA web-site.

The MDA paper is proving to be more controversial, as some critical differences of opinion are emerging between associations, particularly on the point as to whether an alleged offence by an actuary working in a country other than the country of his primary professional membership should automatically be investigated in the country where the offence is alleged to have been committed, rather than by the actuary's own association. Further drafts of the MDA paper have been exchanged by e-mail and discussion on this will continue at the meeting of the Committee in Cancun.

The Committee is responsible for ensuring that due process is followed in the development of actuarial standards by the IAA. Discussions took place with the Chair of the Social Security Committee to be satisfied that an appropriate process was being followed for the Guidelines of Practice for Social Security Actuaries. The Professionalism Committee has also been consulted about the development of the proposed actuarial standard in relation to insurance accounting and the setting up of the Subcommittee on Actuarial Standards of the IAA Insurance Accounting Committee. The Professionalism Committee expects to consider, at its meeting in Cancun, whether to support the proposal that the IAA should move forward to develop an actuarial standard in connection with the proposed International Accounting Standards Board accounting standard on insurance contracts.

Members of the Committee have been helping to organise a session at the Cancun Congress on multilateral agreements.

A discussion has been started on the issue of peer review and practice review. Most associations are at an early stage in thinking about this but pressure is growing from public authorities in some countries to introduce peer review or practice review requirements and the Committee hopes to facilitate exchange of experience in this regard.

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