

PROFESSIONALISM COMMITTEE

ACTIVITY REPORT FOR THE PERIOD JUNE 2009 – OCTOBER 2009

“Model” IASPs and IANs

The task force of the Committee which is preparing a template for IASPs has completed an exercise of identifying the key issues and determining the way forward. A draft template based on this work is expected to be available for discussion in Hyderabad. Meanwhile, the Insurance Accounting Actuarial Standards Subcommittee is preparing a Statement of Intent regarding the conversion of current IASP 2 into the first new “model” IASP, in line with the agreed new Due Process. Regrettably, work on the draft Social Security IAN has been deferred until progress on the IASP template has reached a more advanced stage.

Groupe Consultatif initiative re Solvency II standards

There has been a major development in Europe in terms of discussions initiated by the European association of insurance regulators (CEIOPS) on common actuarial standards for the actuarial function under the EU Directive on Solvency II. The Groupe Consultatif has submitted a comprehensive response to the CEIOPS consultation paper and Chris Daykin, who chairs a task force for the Groupe on this subject, has agreed to introduce a discussion on this development at the Committee meeting in Hyderabad. The European delegates will be familiar with this but it is likely to be new to the non-European delegates.

Convergence of Actuarial Standards

The UK Board for Actuarial Standards organised a roundtable exchange of information meeting in June 2009 which the chairman of the Professionalism Committee attended on behalf of the IAA and which included representatives from the standards boards in US, Canada and Australia. A further meeting was held in October 2009 which Paul Thornton also attended. These discussions raised some questions for the IAA, both in terms of the future of these roundtables and in terms of the longer term strategy of the IAA regarding the convergence of actuarial standard globally.

The IAA Officers asked me to prepare a report for the Hyderabad meeting so that the Professionalism Committee could make a recommendation to the Executive Committee as to what stance the IAA should take regarding this forum. In order not to delay the decision-making process, the report is also going to the Executive Committee in Hyderabad for preliminary discussion. This may enable a recommendation to be agreed electronically shortly after Hyderabad and for the Executive Committee then to agree electronically on a proposal to go on the 60-day agenda for the Council meeting in Cape Town.

Governance of International Actuarial Work

Further comments on this paper have been requested and comments have been received to date from a small number of associations.

ICA 2010 Program

The final draft of the program for the Professionalism and Education stream has been agreed and it remains to identify suitable chairmen for some of the sessions and to ensure all the proposed speakers are confirmed and briefed.

Common Understanding of Professionalism

A consultation paper from the European accountancy profession on “integrity” has been published and the Committee is being invited to consider whether the IAA should respond (deadline January 2010).

Michael Pomery, Chairperson