

PROFESSIONALISM COMMITTEE REPORT FOR THE PERIOD NOVEMBER 2007 – MAY 2008

International Actuarial Standards of Practice (IASPs)

The Committee approved the 60 day period of exposure for the second time of two draft IASPs; Business Combinations and Disclosure of Information on Insurance Risk.

Education on Professionalism

The draft public statement entitled “Professionalism Education: the IAA View” was finalized and submitted to an electronic vote by Council to approve its adoption. A letter was received from four national associations (France, Germany, Austria and Switzerland) requesting the cancellation of the vote and that a “fundamental discussion on the principles of professionalism in Council” should take place, with a view to achieving a common understanding of the meaning of “professionalism”. This request was agreed to. The Committee will also have a preliminary discussion of this topic at its meeting in Quebec City.

IAA Due Process

Following approval in principle at the Dublin Council meeting of the Committee’s proposals to replace IASPs by model standards and educational notes, a draft revised Due Process has been produced by a taskforce led by Dan McCarthy. This draft will be discussed at our Quebec City meeting and the Committee will also decide on how best to circulate the draft changes to Due Process more widely, as the next stage towards achieving agreement. The Accreditation Committee has been notified of the implications for the annual accreditation procedures.

Governance of International Actuarial Work

A small taskforce has carried forward the work initiated for the Dublin meeting on the topics of mutual recognition and mutual discipline agreements, together with applicable regulation and standards for cross-border actuarial work. This topic is seen as assuming increasing importance as the modern financial services industry becomes ever more global.

Current Issues

Further work has been done on the subjects of public interest, conflicts of interest and whistleblowing, building on the results of a survey of member associations carried out in 2006/7. It is hoped that this workstream may lead to a statement of best practice to assist member associations in dealing with these issues.

Other Activities

Draft terms of reference and a draft work plan for 2008/9 have been submitted to the Committee for approval at Quebec City.

Michael Pomery, Chairperson