

PROFESSIONALISM COMMITTEE REPORT FOR THE PERIOD NOVEMBER 2003 – APRIL 2004

Request from WTO to Provide Input on the Subject of Consulting Services by Professionals from One Country to Another.

A task force of the committee, lead by Simon van Vuure, with representation from three broad time zones: Europe, the Americas and Asia, was created with the mandate to draft a reply taking into account discussions at our November 2003 meeting. A draft report of the task force will be discussed in June and later shared with IAA Supranational Committee and Executive Committee.

How Publicity Should Be Given Within the Global Actuarial World to Discipline Cases

A paper was discussed at the Berlin meeting of the committee and is being updated to reflect the Berlin discussions. In essence, the wish of the committee is to concentrate on the sharing of public decisions and not private decisions, at this stage. Author Bob Anker.

Paper on Considerations in Establishing a Due Process for Adopting Standards of Practice

A paper on the above-mentioned subject was discussed in May 2003 and an updated version is expected for the Stockholm meeting of the committee. Author Helen Martin.

Review IAA Due Process to Adopt Guidelines and Standards

Following the discussion in Berlin of the report of the task force, a revised due process was finalized and approved electronically by the committee. The proposal is on the Council agenda for June. Authors Hillevi Millonen, Chris Daykin, and Jean-Louis Massé with significant input from other committee members.

On the Different Nature of Each Type of IAA Standards

A note from the Dutch Actuarial Society was produced on the matter of what should be the nature and the level of details to be found in IAA Standards. The subject is on the next meeting agenda. Author Simon van Vuure.

Creation of a Board of Experts on Discipline

The committee received a note on the concept of creating a board of technical experts available to answer questions from interested national organizations on the general issues of advising on and managing discipline systems. The Board could also be helpful when local associations are interested in outside independent actuaries playing an active role in the local discipline process. The merits of the idea will be debated further in June. Author Jean-Louis Massé.

Assistance to IAA Insurance Standards Sub-Committee on Producing Standards

The undersigned attended the two-day meeting of the above-mentioned subcommittee in March in London. The exposure drafts are expected early June.

Peer Review

Each committee member was asked to prepare a short summary for discussion at our next meeting on what is done locally in terms of peer review.

Lord Penrose Report

The issuance of the report was brought to the attention of the committee. Messrs Chris Daykin and Fraser Low, our UK representatives on the committee are expected to monitor the situation and to keep the committee abreast of developments.

The Broad and Narrow View of What is in the Public Interest from the Perspective of the actuary

A memo was received from Paul McCrossan asking the committee to find out 1) from the Academy and the Canadian Institute of Actuaries whether actuaries who prepare calculations currently under US GAAP need to consider whether the work product should be accompanied by some qualification about the potentially misleading results on reported net income (earnings) and equity under US GAAP arising from inconsistent measurement of assets and liabilities, if there is inconsistent measurement of assets in liabilities and 2) whether the duty to the public in the IAA Code imposes substantially the same professional obligations as those identified by the code of the AAA and the rules of the CIA. The matter is on the agenda for June.

Jean-Louis Massé
Chairman
Professionalism Committee
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