



Deadline: 14 March 2014

Please use this template to comment on the [Exposure Draft of ISAP 3 Actuarial Practice under IAS 19 Employee Benefits](#), and the [ISAP 3 Glossary \(ED\) markedup](#).

	Identification and instructions	
Name of Individual:	Please indicate if your comments are personal, or represent your organization:	Wim Els, on behalf of Actuarial Society of South Africa
Name of organization		Actuarial Society of South Africa
Disclosure of comments:	Please indicate if your comments should be treated as confidential, and if so why:	No
Instructions for filling in and sending the template	<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ Do not write in the yellow shaded cells ⇒ Write in the white cells ⇒ When commenting on a specific paragraph: <ul style="list-style-type: none"> ○ Please use a separate row for each paragraph, sub paragraph, or bullet. ○ Please include the full reference in the first column such as "Introduction 3rd paragraph 2nd bullet" or "2.6.1.b.ii" ○ Please insert/append extra rows as needed. <p>Please send the completed template, renamed with the organization's or individual's name, attached in <u>Word Format</u>, to</p> <p>ISAP3.ISAP.comments@actuaries.org.</p>	



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	Specific Questions asked by the ASC	Response
Q1.	Is the guidance clear and unambiguous? If not, how should it be changed?	Yes
Q2.	Is the guidance sufficient and appropriate? If not, how should it be changed?	Yes
Q3.	Is it clear how the guidance in the proposed ISAP relates to the guidance in ISAP 1? If not, how should it be changed?	Yes
Q4.	Is the guidance at the right level of detail? If not, what text should be omitted because it is too detailed? In what areas do actuaries need more detailed guidance?	Yes
Q5.	The proposed ISAP does not currently provide specific guidance to actuaries advising the reporting entity on the information that should be included in the IFRS report to meet IAS 19's disclosure objectives (the appendix contains educational material on these disclosures). Should the ISAP be expanded to provide guidance in this area? If so, what should the guidance be?	No, referencing to required disclosure requirements paragraph 139 to 147 under IAS19 is sufficient as it is self-explanatory.
Q6.	Are there other matters that should be included in this standard on actuarial work in connection with IAS 19 Employee Benefits? Are there some included here that should not be?	No, however, a comment was raised as detailed below (Section 1.3.2) that actuaries should ensure that they have appropriate experience in conducting services as required by the Professional Code of Conduct.

	General Comments on the Exposure Draft	



Comments on specific paragraphs of the Exposure Draft		
Full paragraph reference	Change proposed to the paragraph (markup preferred)	Reason the change is needed (can be kept very brief or left blank if obvious from the change)
Exposure Draft Preface, paragraph 9	This ISAP is binding upon an actuary unless the actuary states reasons for non-compliance.	The standard could be viewed by some actuaries not to be binding upon them, hence it may be better to make the standard binding and asking for reasons of non-compliance.
Section 1.3.2	The actuarial code of conduct applicable to the work may conflict with this ISAP. Compliance with requirements of the code that conflict with this ISAP is not a deviation from it. Also, in complying with their actuarial code of conduct, actuaries should be satisfied that they have the appropriate experience.	To reiterate that actuaries should ensure they have appropriate experience in conducting services as required by the Professional Code of Conduct.
Section 1.3.3	Not numbered as 1.3.3, but still a paragraph under 1.3. "The actuary may depart from this guidance in the ISAP while still complying with it if the actuary provides, in any report, an appropriate statement with respect to the nature, rationale, and effect of such departure be it for reasons in paragraph 1.3.1 and 1.3.2 or other.	This section of paragraph 1.3 is not seen as reason for departure and hence proposed not numbered as 1.3.3. Also, need to make reference to par 1.3.1 and 1.3.2
Section 2.6.8	The actuary generally should apply a consistent process from year to year to develop recommended assumptions for a particular entity. The process should be well documented with adequate record keeping. When the actuary considers it appropriate to change the process used....	Consider a requirement for adequate records and documentation of the process and assumptions in the case of handover of services to another actuary.
Section 2.7.1	...should be guided by paragraph 3.3.3 of ISAP 1	Reference to wrong paragraph in ISAP 1