



## Comment Template

### Draft Statement of Intent to issue International Standards of Actuarial Practice in relation to insurer ERM models and programs (ISAPs [5] and [6])

**1. Do you agree an ISAP is needed on actuarial services in relation to insurer ERM models?**

<input checked="" type="checkbox"/>	<b>Yes</b>
<input type="checkbox"/>	<b>No</b>

With recognition that an ISAP is probably the most useful tool for ERM work promotion provided by actuaries, it was discussed that IANs might be more appropriate as a first step.

There should be attention that this ISAP is not duplicating general principles on models which would require being included in a more generic ISAP on actuarial models.

**2. Do you agree an ISAP is needed on actuarial services in relation to insurer ERM programs envisaged by the IAIS's ICPs (particularly 8 and 16)?**

<input checked="" type="checkbox"/>	<b>Yes</b>
<input type="checkbox"/>	<b>No</b>



**3. Are any of the proposed topics inappropriate for inclusion in these ISAPs? If so, please explain why the particular topic should not be included.**

First principles underlying data quality, assumption setting or even model selection and processes are likely to be similar when performing any actuarial service. This is why, it would be recommended to consider the development of ISAP 5 as if some generic ISAPs will be developed on data (used when performing actuarial services) as well as on actuarial models

**4. What other topics should be included in these ISAPs?**

**Please cover why you wish guidance in this area and if appropriate provide an example to illustrate the issue. Also please indicate in which of these two ISAPs such guidance should be placed. Please note that ISAPs are not intended to address unique, country-specific issues. Member associations and local actuarial standard setting organizations could address such issues by providing additional guidance to their members as the ISAP is adopted, or adding such additional guidance within the local adaptation of the ISAP.**

Other topics that were considered as part of these SOI reviews and which were specifically included were:

***Both ISAPs***

- Reminder of the proportionality principle

***ISAP 5***

- Use of proxys (including roll forward)
- Basis risk assessment
- Frequency of calculations
- Reverse stress testing

***ISAP 6***

- Reporting of risk management information
- Emerging risks
- Risk culture
- Governance of the risk processes
- Interactions between Risk management and Actuarial functions

IAN could be considered for some of these topics.



Comments on draft Statement of Intent to Issue ISAPs [5] and [6]

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<b>Type of response</b>	<input type="checkbox"/> <b>Personal</b> <input checked="" type="checkbox"/> <b>Organization</b>

**IMPORTANT:**

Please check if the relevant check boxes are ticked appropriately and save the file renamed with the organization's or individual's name (e.g., SOI\_CommentTemplate\_[NAME].Doc). E-mail the file as an attachment to [SOI.ISAPs5-6.comments@actuaries.org](mailto:SOI.ISAPs5-6.comments@actuaries.org), with "ERM" in the e-mail header.