



# Strategic Action Plan for International Standards of Actuarial Practice

19 September 2016

This Strategic Action Plan for International Standards of Actuarial Practice (ISAPs) is developed and maintained by the Executive Committee (EC). The Strategic Action Plan supports the Strategic Objectives of the IAA.

## 1. Topics for ISAPs approved by Council

The current status of development is as follows<sup>1</sup>:

Topic	Outline scope and rationale	Status	High level time table
Governance of Models (ISAP [1A])	This ISAP will provide general high level, principles based, guidance to actuaries on model governance (i.e. governance of models). The guidance will be applicable in other practice specific standards and will cover development of, selection of, use of, and reporting the results from, models.	SOI was ratified by Council on 17 October 2015. The consultation period for the Exposure Draft ended on 31 March 2016. The ASC is reviewing the comments received.	Adoption is targeted for November 2016, but not later than April 2017.
IFRS X – Insurance Contracts (ISAP 4)	This ISAP will provide guidance to actuaries when performing actuarial services in relation to IFRS X Insurance Contracts.	SOI was ratified by Council on 13 September 2014. The ASC is developing an Exposure Draft of the Standard for consultation.	Approval of final ISAP projected for June 2018 (prior to the effective date of the IFRS itself), but this is subject to change, depending in part on the progress of the IFRS itself.
Insurer Enterprise Risk Models (ISAP 5)	This ISAP will provide guidance to actuaries performing ERM modeling within insurance entities and providing opinions on adequacy of those ERM models	The SOI was ratified by Council on 13 September 2014. The consultation period for the Exposure Draft ended on 31 March 2016. The ASC is reviewing the comments received.	Adoption is targeted for November 2016, but not later than April 2017.

<sup>1</sup> Adopted ISAPs are listed in [Appendix 2](#).

<b>Topic</b>	<b>Outline scope and rationale</b>	<b>Status</b>	<b>High level time table</b>
ERM Programs and IAIS Insurance Core Principles (ISAP 6)	This ISAP will provide guidance to actuaries performing ERM work under the IAIS's ICPs 8 and 16.	The SOI was ratified by Council on 13 September 2014. The ASC is developing an Exposure Draft of the Standard for consultation.	Adoption targeted for October 2017.
"Current estimates" and other matters in relation to the IAIS capital standards (ISAP 7)	This ISAP will provide guidance to actuaries performing actuarial services in relation to IAIS's proposed standard (in particular the calculation of current estimate liabilities).	The SOI was ratified by Council on 8 February 2015. The ASC is developing an Exposure Draft of the Standard for consultation.	Adoption targeted for June 2018. Timing of ISAP 7 will depend on the pace of development of the IAIS Basic Capital Requirement (BCR) and Global Insurance Capital Standards (ICS).
Improvement for ISAPs 1, 2, 3 (amendment of Preface)	Simultaneously with the adoption of ISAP 1A. Only the one bold paragraph in the Preface of existing ISAPs to be amended to accord with the new DP.	This has been agreed with the Professionalism Committee	Simultaneously with Council approval of ISAP 1A
Improvement for ISAP 1 (non-fundamental amendments)	After approval of ISAP 1A: Merge ISAP 1A with ISAP 1 together with some editorial clarifications in ISAP 1.	The process, including consultation with Member Associations, to commence after approval of the Preface amendment. Reasons ASC gives for amendments to qualify as non-fundamental to be reviewed by PC	Adoption to be determined after consultation with Member Associations; probably about 12 – 18 months after approval of ISAP 1A. In any case, it will not be hurried.

2. The following appendices and references are added to this Strategic Action Plan as relevant information:

Appendix 1: List of topics for potential ISAPs currently under consideration by EC (Consideration List)

Appendix 2: List of ISAPs adopted by Council

Appendix 3: Extracts from Due Process for International Standards of Actuarial Practice

Reference 1: [Guidelines to Develop a Strategic Action Plan for ISAPs](#)

*Approved by Council on 19 September 2016*

# **APPENDIX 1**

## **Consideration List**

Currently there are no topics in the Consideration List.

## APPENDIX 2

### List of ISAPs adopted by Council

#### [ISAP 1 – General Actuarial Practice](#)

Adopted on 18 November 2012, Reformatted 13 October 2013

#### [ISAP 2 – Financial Analysis of Social Security Programs](#)

Adopted on 13 October 2013

#### [ISAP 3 – IAS 19 Employee Benefits](#)

Adopted on 11 April 2015

#### [Glossary](#)

Adopted on 11 April 2015

## APPENDIX 3:

### Extracts from Due Process for International Standards of Actuarial Practice

#### 3. Approval of the Strategic Action Plan to Develop ISAPs

3.1. The Executive Committee will develop and maintain, on a rolling basis, a strategic action plan for ISAPs, for the approval of Council. An IAA Committee, a FMA or any institution may propose the development of an ISAP, in which case the Executive Committee will decide whether it should be recommended for addition to the strategic action plan. In particular, the Executive Committee should consider, in light of all relevant factors in a particular instance, whether it would be more appropriate for the IAA to issue an International Actuarial Note (IAN) under the IAA's Due Process for IANs, rather than develop an ISAP.

3.2. The Executive Committee can at any time request and authorise the ASC to commence work on an SOI to produce an ISAP with a particular scope and objectives, but can approve an SOI only if Council has already approved a strategic action plan that includes an ISAP with (in outline) the same scope and objectives.

3.3. If the ISAP development process has led to a proposed scope materially different from that contained in the strategic action plan (whether at the SOI development phase or ISAP development phase), then the Executive Committee should communicate this to the Council in a timely manner and seek ratification of the change at the next Council meeting.