

IAIS Consultations

Print view of your comments on "ComFrame in ICPs 5, 7, 8" - Date: 29.10.2018, Time: 16:59

Organisation	International Actuarial Association
Jurisdiction	International
Role	Other (not IAIS Member)
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Treat my comments as confidential	No

	Question
Answer	Q1 General Comment on ComFrame in ICP 5 <input type="text"/>
Answer	Q2 Comment on ComFrame Standard CF5.2.a <input type="text"/>
Answer	Q3 Comment on ComFrame Guidance CF5.2.a.1 Correct spelling of "competencies".
Answer	Q4 General Comment on ComFrame in ICP 7 <input type="text"/>
Answer	Q5 Comment on ComFrame Standard CF7.0.a <input type="text"/>
Answer	Q6 Comment on ComFrame Guidance CF7.0.a.1 <input type="text"/>
Answer	Q7 Comment on ComFrame Standard CF7.0.b <input type="text"/>
Answer	Q8 Comment on ComFrame Standard CF7.0.c <input type="text"/>
Answer	Q9 Comment on ComFrame Standard CF7.1.a <input type="text"/>
	Q10 Comment on ComFrame Standard CF7.2.a

Answer CF 7.2. arises from ICP 7 on Corporate Governance. The minimum standards in CF 7.2 for IAIG's business objectives and strategies go too far. Corporate Governance should aim at appropriate implementation of business objectives and strategies, not at its content. ICP Guidance 7.2.1 also refers to business objectives and strategies as well, but this is made at a guidance level only and is therefore potentially acceptable.

Q11 Comment on ComFrame Guidance CF7.2.a.1

Answer

Q12 Comment on ComFrame Guidance CF7.2.a.2

Answer

Q13 Comment on ComFrame Standard CF7.2.b

Answer

Q14 Comment on ComFrame Guidance CF7.2.b.1

Answer

Q15 Comment on ComFrame Standard CF7.3.a

Answer

Q16 Comment on ComFrame Guidance CF7.3a.1

Answer

Q17 Comment on ComFrame Standard CF7.3.b

Answer

Q18 Comment on ComFrame Guidance CF7.3.b.1

Answer

Q19 Comment on ComFrame Guidance CF7.3.b.2

Answer

Q20 Comment on ComFrame Standard CF7.9.a

Answer

Q21 Comment on ComFrame Guidance CF7.9.a.1

Answer

Q22 General Comment on ComFrame in ICP 8

Answer

Q23 Comment on ComFrame Standard CF8.1.a

Answer

Q24 Comment on ComFrame Guidance CF8.1.a.1

Answer	
	Q25 Comment on ComFrame Standard CF8.1.b
Answer	
	Q26 Comment on ComFrame Standard CF8.1.c
Answer	
	Q27 Comment on ComFrame Guidance CF8.1.c.1
Answer	
	Q28 Comment on ComFrame Guidance CF8.1.c.2
Answer	
	Q29 Comment on ComFrame Standard CF8.1.d
Answer	
	Q30 Comment on ComFrame Guidance CF8.1.d.1
Answer	
	Q31 Comment on ComFrame Guidance CF8.1.d.2
Answer	
	Q32 Comment on ComFrame Standard CF8.2.a
Answer	
	Q33 Comment on ComFrame Standard CF8.2.b
Answer	
	Q34 Comment on ComFrame Standard CF8.3.a
Answer	While ICP 8.3 states that control functions need to have the "necessary authority, independence and resources" to fulfill their roles, the first bullet of CF 8.3. simply requires the group-wide control functions to be "clearly defined" while the second bullet requires that they "do not duplicate, limit or restrict the tasks and responsibilities of control functions at the insurance legal entity level." In combination, these bullets seem weaker than the underlying ICP 8.3. Surely this is not the intent?
	Q35 Comment on ComFrame Standard CF8.3.b
Answer	It may be more appropriate if the second bullet was altered to state "are effective in their group-wide responsibilities".
	Q36 Comment on ComFrame Standard CF8.3.c
Answer	
	Q37 Comment on ComFrame Standard CF8.4.a
Answer	

Q38 Comment on ComFrame Standard CF8.4.b

Answer

Q39 Comment on ComFrame Standard CF8.5.a

Answer

Q40 Comment on ComFrame Standard CF8.6.a

Answer

The IAA agrees with the ComFrame text as to the importance and responsibilities of the group-wide actuarial function. Lack of common actuarial practice among the entities that are part of an IAIG can result in poor or improper decisions by the Head of the IAIG. The following are some specific comments on each bullet:

Bullet 1: Suggest that the words “or financial condition” should be deleted here since this topic is addressed subsequently. Also suggest that the terms “financial position”, “financial condition” and “future financial condition” be clearly defined/used to avoid confusion of meaning.

Bullet 2: Replace “at one” with “for any”.

Bullet 4: Is “prospective solvency position” the same as “future financial condition”? If so, it is suggested that common terminology be used throughout. Perhaps ORSA should be given as an example of such work to which the AF would contribute.

Bullet 6: This point might be just as effective using just the first 4 words.

Q41 Comment on ComFrame Standard CF8.6.b

Answer

The IAA suggests that the first bullet (i.e., “works with.....to review”) is quite weak. Much stronger statements on the role of the group-wide AF appear in CF 16.7.d & e.

Q42 Comment on ComFrame Standard CF8.7.a

Answer

Q43 Comment on ComFrame Guidance CF8.7.a.1

Answer

Q44 Comment on ComFrame Standard CF8.8.a

Answer

Q45 Comment on ComFrame Standard CF8.8.b

Answer

Q46 Comment on ComFrame Guidance CF8.8.b.1

Answer

Q47 Comment on ComFrame Standard CF8.8.c

Answer

Q48 Comment on ComFrame Standard CF8.8.d

Answer