



## **International Actuarial Association**

### **Standards Setters Roundtable meeting, spring 2017**

<b>Subject</b>	Update on the activities of the UK's Institute and Faculty of Actuaries (IFoA)
<b>Meeting</b>	April 2017 IAA Conference, Budapest, Hungary
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## **Background**

1. This note provides an update on recent standards and professionalism activities of the UK's Institute and Faculty of Actuaries (IFoA).
2. The IFoA is responsible for the regulation, in the public interest, of all of its members worldwide. By agreement with the IFoA, the UK's Financial Reporting Council (FRC) sets technical standards in respect of work that is within UK geographic scope while the IFoA remains responsible for setting technical standards in respect of work carried out by members outside the UK. The IFoA's regulatory functions in the UK are also subject to independent oversight by the FRC.

## **Update**

### **New standard on applying standards introduced (APS X1)**

3. As explained in earlier updates, the IFoA has been working on a new standard 'APS X1: Applying Standards', which is intended to clarify for members the appropriate set of standards they should apply.
4. This [standard](#) has now been published along with its accompanying [guidance](#) and will come into force on 1 July 2017.
5. APS X1 sets out principles to guide IFoA members in terms of the professional standards they apply and, in particular, introduces a requirement that all IFoA members should be applying standards that are substantially consistent with ISAP 1. The IFoA is hoping to work with other IAA Member Associations to provide practical assistance to members in terms of identifying frameworks of standards that are substantially consistent.

### **Review of Actuaries' Code**

6. The IFoA has been continuing its work on review of the Actuaries' Code. It is currently anticipated that a revised version of the new Code will be put out to consultation in summer 2017.

7. A revised version of the Code is currently with key stakeholders for informal consultation. It is anticipated that the proposed revised Code will be shorter, more principles based and more concise than the current version and will be supported by more detailed guidance.

### **Guidance on the TAS 100**

8. The IFoA published technical guidance to support the FRC's TAS 100 including a range of case studies that explain how they might be applied in practice.

### **Quality Assurance Scheme (QAS) – pilot in South East Asia and CPD pilot**

9. The QAS accreditation continues to grow in the UK (currently 28 organisations, representing employers of approximately 25% of UK members) and the IFoA is planning to operate a pilot of the QAS in Singapore, Malaysia and Hong Kong during 2017 to establish whether it should be extended to organisations in those regions (and possibly others in South East Asia). It is expected that a conclusion will be taken in early 2018 as to whether there should be such an extension.
10. Consideration is also being given to whether there is interest in the QAS in other areas where significant numbers of IFoA members are based and the IFoA is engaging in conversations with local actuarial associations in those countries to explore that further.
11. Steps are also being taken to explore how the IFoA can integrate more of its regulatory functions into the QAS to make it more efficient for organisations.
12. One particular area being looked at is the possibility of alternative CPD requirements for members working for QAS organisations, recognising that the QAS assessment involves consideration of an outcome in relation to learning and development. This might, for example, involve introduction of outcomes focused CPD requirements rather than hours based requirements and/or some simplifications of the specific requirements in the current CPD scheme.

### **Enhanced monitoring of actuarial work**

13. The IFoA is also exploring the options around enhanced monitoring of actuarial work to check compliance with professional standards. This work is at an early stage and is being carried out in conjunction with the UK's Financial Reporting Council with input and assistance from the UK statutory regulators (PRA, FCA, tPR).

### **Review of Professional Skills Training**

14. Parts of the IFoA's professional skills training regime (stages 1 and 2) are under review to align with the new Exams Syllabus due to be implemented by July 2019.
15. The Stage 1 Online Professional Awareness Test (OPAT) will be replaced with an e-learning module covering a number of topics currently covered in the existing Stage 2 Professional Skills Course (PSC). Benefits of this change is that students will be exposed to these topics at a much earlier stage in their actuarial career and can complete the module in their own time without having to join a set course. The topics covered will meet the IAA's professionalism objectives.
16. The revised Stage 2 PSC will as a result be a much shorter online course comprising facilitated generic case studies released in phases to the participants.

17. We continue to build on the bank of online content to assist members meet the requirements of the Stage 3 Professional Skills Training for experienced members

Further information on any of these activities can be obtained from Ben Kemp at the meeting or from Emma Gilpin at [emma.gilpin@actuaries.org.uk](mailto:emma.gilpin@actuaries.org.uk)