

Possible Mutual Recognition Agreement with the Actuarial Society of South Africa

Status Report

Background

The Groupe Consultatif (GC) has been approached by the Actuarial Society of South Africa (ASSA), with a proposition to consider a Mutual Recognition Agreement (MRA) between the Groupe and the South African association. This was briefly discussed at the Spring meeting of the Standards, Freedoms and Professionalism Committee and a task force was set up to take the matter further. The task force members are currently: Malcolm Campbell, David Martin, Thomas Béhar and Ron Hersmis.

The task force has had a meeting with representatives from ASSA (during the IAA meetings in Los Angeles), and has further considered the matter. There has been an initial exchange of information, and the purpose of this report is to bring the committee up to date.

Due diligence process

The task force has decided that it should look at the same information as would be required from an association applying to join the Groupe Consultatif. As a consequence we have asked to see:

- Statutes/Articles of association/by laws
- Information of Code of Conduct
- Information on discipline process
- Information on Standard setting
- Information on education and examination system

There are a number of smaller issues that need to be discussed with South Africa, but broadly there do not appear to be any big obstacles to proceeding further. The education syllabus of ASSA is very similar to the UK, and so education standards should be compatible with the Groupe's requirements - so we do not expect any significant problems on that front. However we do need to consider how we handle changes in syllabus going forward.

It has also been clear that we will need to be careful to define which code of conduct and other standards apply and how any discipline cases will be handled, but again this should not be a critical issue.

Nature of an agreement

Various ways of constructing an agreement have been discussed. The preliminary conclusion is that the optimum way forward is to have a multi-lateral agreement (similar to the Groupe's own MRA) between individual member associations and ASSA. This would make it possible for member associations to opt out if they need to (for example both the UK and Ireland already have a mutual recognition agreement with ASSA).

Next steps

The analysis of the education and examination system needs to be completed, and we need to have a discussion with ASSA about some smaller issues.

After that a draft agreement can be constructed and then discussed with ASSA, and probably a wider audience.

Malcolm Campbell
Chairman, Standards, Freedoms and Professionalism Committee

1 October 2012

[Project Name]

Project Highlights

Top 3 Significant Project Successes

Project Success	Factors That Supported Success

Other Notable Project Successes

Project Success	Factors That Supported Success

Project Shortcomings and Solutions

Project Shortcoming	Recommended Solutions

Approvals

Prepared by: _____
Project Manager

Approved by: _____
Project Sponsor

Executive Sponsor

Client Sponsor