Terms of Reference for Task Force on a Model Standard for Independent Review by an Actuary of Another Person's Work in the Context of Solvency II

In the light of the discussions at the Standards Freedoms and Professionalism Committee (SFPC) at the Paris Spring Meeting on 26 March 2015, the Task Force shall consider whether or not to recommend that a model standard (ESAP) should be developed by the AAE in relation to the role of actuaries reviewing work carried out by other actuaries or other professionals in the context of Solvency II.

In developing a recommendation the task force shall

1) Consider the work of the AAE task force on independent review, the Position Paper of the AAE published in November 2014 and discussions that have been held by the Officers of the AAE with stakeholders since publication;

2) Consider the areas of work in relation to Solvency II where an actuary might be asked to carry out independent review;

3) Consider any standards already issued by other actuarial standard-setters on this topic;

4) Consider the form of standards issued by the auditing profession in relation to the role of the auditor as an independent reviewer;

5) Demonstrate (if applicable) how such a model standard, if it were to be developed, would meet the criteria established by the AAE in 2011 for the development of model standards by the AAE (at that time the Groupe Consultatif), including serving the interests of potential users and the public interest;

6) Consult with Full Member Associations of the AAE and other stakeholders (including the IAA) about the demand for a model standard on independent review work.

7) Consider whether having in place a model standard on independent review work would serve the needs of users and the public interest, and whether it would enhance the reputation and professional standing of the actuarial profession in Europe.

The Task Force is established by and accountable to the Standards Project Team (SPT). The Task Force should provide a report to the SPT by 29 February 2016 with a draft recommendation for the SPT to present to the Standards, Freedoms and Professionalism Committee (SFPC) at the Spring 2016 meeting of the Committee, including, if thought appropriate, a Proposal to Develop a Standard.

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