



Institute
and Faculty
of Actuaries

Proposed Revisions to the International Standard of Actuarial Practice 1 on General Actuarial Practice (ISAP 1)

IFoA response to International Actuarial
Association

20 July 2018

About the Institute and Faculty of Actuaries

The Institute and Faculty of Actuaries (IFoA) is a royal chartered, not-for-profit, professional body. We represent and regulate over 32,000 actuaries worldwide, and oversee their education at all of stages of qualification and development throughout their careers.

We strive to act in the public interest by speaking out on issues where actuaries have the expertise to provide analysis and insight on public policy issues. To fulfil the requirements of our Charter, the IFoA maintains a Public Affairs function, which represents the views of the profession to Government, policymakers, regulators and other stakeholders, in order to shape public policy.

Actuarial science is founded on mathematical and statistical techniques used in insurance, pension fund management and investment. Actuaries provide commercial, financial and prudential advice on the management of assets and liabilities, particularly over the long term, and this long term view is reflected in our approach to analysing policy developments. A rigorous examination system, programme of continuous professional development and a professional code of conduct supports high standards and reflects the significant role of the profession in society.



By email

20 July 2018

Mr Godfrey Perrott
Chair, Actuarial Standards Committee
International Actuarial Association

Dear Mr Perrott

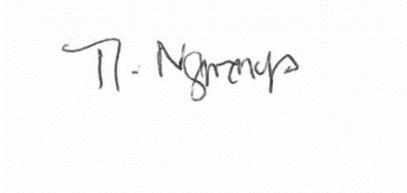
Re: Proposed Revisions to the International Standard of Actuarial Practice 1 on General Actuarial Practice (ISAP 1)

Thank you for the opportunity to comment on the Actuarial Standards Committee's (ASC) revisions to the proposed final ISAP 1. The Institute and Faculty of Actuaries (IFoA) has considered the revisions and would like to offer the following responses:

- The IFoA is grateful for the work of the IAA in considering and responding to the consultation comments and, in particular, the proposals on version control. The IFoA is supportive of version control being used in relation to amended ISAPs.
- It remains concerned that the specific approach to version control proposed may not fully address the practical implications for the IFoA as it would mean that the reference to 'ISAP 1' (without any qualification) is deemed to be a reference to the current version, which would be the revised and merged version. The IFoA will therefore still need to amend references to 'ISAP 1' in its own standard.
- Whilst we note the spirit of the IAA's response to the outcome of the consultation we are disappointed at the decision not to extend the period for implementation.
- The IFoA acknowledges that a majority of respondents supported the proposed changes. However, the practical implications are likely to differ across Member Associations. It is noted that some of the other larger standards-setting IAA Member Associations also expressed some concern about the practical implications of the review of ISAP 1.
- The IFoA continues to hold the view that the period for review of model standards for the ASC should be different and less frequent to that applied by standards setting bodies, recognising the additional work to implement standards required by standards setting organisations. In particular, we suggest that it is more appropriate to make changes to model standards only where there is a material need to do so.

Thank you again for the opportunity to respond and we hope that this feedback is useful. If there is anything within this response that is unclear or if the ASC has any questions then please contact Michael Williams (Michael.Williams@actuaries.org.uk) for further information.

Yours sincerely

A handwritten signature in black ink on a light gray background. The signature reads "M. Ngwenya" in a cursive, slightly slanted script.

Marjorie Ngwenya
Immediate Past President, Institute and Faculty of Actuaries