

## PROFESSIONAL STANDARDS DIRECTORY - Update 39:

### For Actuaries involved in Life

#### Revised Standard: APS L1 Duties and Responsibilities of Life Assurance Actuaries

**A revised Actuarial Profession Standard (APS) setting out the requirements for actuaries carrying out the statutory role of Chief Actuary for long-term business in a Solvency II firm has been published by the Institute and Faculty of Actuaries (IFoA) and will come into effect on 1 January 2016.**

The Professional Standards Directory can be found [here](#). It is designed to permit members and others to access the current IFoA's APSs, together with the current version of the Financial Reporting Council (FRC) Standards.

#### REVISED STANDARD

[APS L1 Duties and Responsibilities of Life Assurance Actuaries](#) will impose requirements on members carrying out the statutory role of Chief Actuary for long-term business in Solvency II firms.

This follows the consultation carried out by the IFoA on the proposal to revise APS L1: Duties and Responsibilities of Life Assurance Actuaries to include the regulatory requirements for members carrying out the statutory role of Chief Actuary for long-term business in Solvency II firms. Following two consultations by the IFoA on the introduction of the "Chief Actuary" role by the Prudential Regulation Authority (PRA) under Solvency II, the IFoA have decided to introduce a compulsory Practising Certificate for IFoA members who are approved as "Chief Actuary" in Life undertakings. This will include members to whom the function is outsourced. The amendments to APS L1 essentially support this decision and the mechanism by which the IFoA will require members who wish to carry out the Chief Actuary function to obtain a Practising Certificate from the IFoA. The revised APS L1 will come into force on 1 January 2016 to coincide with the inception of Solvency II. The original consultation package can be found on the [IFoA's website](#). A summary of responses to the consultation, along with an explanation of how those responses were taken into account in finalising the new requirements, will be published shortly.

#### Key Requirements

The following is a summary of the key provisions of the APS:

- a member who is a Chief Actuary for long-term business within a Solvency II firm must hold a Chief Actuary (Life) Practising Certificate;
- a member must have the necessary skill and experience to provide appropriate actuarial advice before accepting an appointment as a Chief Actuary;
- Chief Actuaries must be familiar with the obligations imposed upon them by the PRA's Senior Insurance Managers Regime.

#### PRACTISING CERTIFICATES

The specific criteria that applicants must meet in order to obtain a Practising Certificate are set out in the [Practising Certificates Scheme](#) rather than in the APS. This allows greater flexibility to monitor and revise the criteria to ensure they remain appropriate, proportionate and fit for purpose. A revised Practising Certificates Scheme was published on the IFoA's website in July 2015, with applications for Practising Certificates for Chief Actuaries being accepted from 1 September 2015.

Further guidance on the application of criteria for the award of a Practising Certificate can be found on the [IFoA website](#), together with details of the [Transition Arrangements](#) which apply for Chief Actuary certificate applications received on or before 31 December 2018.

## **UPDATING YOUR CONTACT DETAILS**

If you need to update your contact details, please contact the Membership Department ([membership@actuaries.org.uk](mailto:membership@actuaries.org.uk)) or update them on-line at the members' only section of the IFoA's website at: <https://www.actuaries.org.uk/user>. To log in, please note that your user name is your ARN and your password is your date of birth entered as dd/mm/yyyy (including the separators) unless you have previously changed it.

If you have any questions about the revisions to APS L1, please send those to [regulation@actuaries.org.uk](mailto:regulation@actuaries.org.uk).