Standards setting in Russia

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IAA Council and Committee Meetings
Standards setting in Russia

Actuarial Council

- Actuarial associations members: 9 mmbrs
- Bank of Russia representatives: 3 mmbrs
- State authorities representatives: 6 mmbrs
- Experts and scientist: 6 mmbrs

Key functions

- Determination of actuarial activities courses of development
- Cooperation with scientific communities, educational institutions, international professional associations
- Counselling of State and Bank of Russia in respect of actuarial activities
- Development and implementation of Federal actuarial standards
- Expert examination of draft legislation in the area of actuarial activities
Standards setting in Russia

Standards setting process

1. Draft of the standard prepared by the group of actuaries
2. Update of the contest after getting comments from the members of actuarial associations
3. Acceptance by the Actuarial Council
4. Approval by the Central Bank
5. Publishing of standard

Means standard is in force

Might takes up to 60 working days and be sent back for the revision

Publishing of standard

Draft of the standard prepared by the group of actuaries

Update of the contest after getting comments from the members of actuarial associations

Acceptance by the Actuarial Council

Approval by the Central Bank
Standards setting in Russia

Actuarial standards system

Actuarial standards

I

Federal actuarial standards

Compulsory to follow for all actuaries, need to be approved by the Regulator

II

Standards of actuarial associations

Additional requirements and rules, might be voluntary or compulsory for the members of the actuarial association approved this standard
### Federal actuarial standards

<table>
<thead>
<tr>
<th>Year</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>General actuarial practice (ISAP 1)</td>
</tr>
<tr>
<td>2015</td>
<td>Actuarial valuation of insurers. Insurance reserves for non-life insurance contracts</td>
</tr>
<tr>
<td>2015</td>
<td>Actuarial valuation of insurers. Insurance reserves for life insurance contracts</td>
</tr>
<tr>
<td>2016</td>
<td>Actuarial valuation of pension funds</td>
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</tbody>
</table>

#### Future

- **ALM**
  - Actuarial valuation of economic capital
- **Valuation tariffs for life products**
- **Actuarial valuation underwriting rates for voluntary line of business**
Standards setting in Russia

Structure of actuarial standards

General
- Purpose
- Scope
- Area of applicability

Terms and definitions

Appropriate practice
- Acceptance on assignment
- Data quality
- Assumptions and methodology
- Requirement for documentation

All standards are written in terms of «must», «should», «may»
The role of actuarial standards

Targets:
To perform the best practice of actuarial behavior

Results of implementation of the actuarial standards

Next:
Update standards after analysis of its implementation

- Improvement of actuarial report’s quality performed to the supervisor in 2016 vs 2015
- Disclosure of all necessary information
- Actuaries include additional information
- Unification of approach used
Thank you for your attention!