Standards Setting & Guidance

Actuarial Society of South Africa

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Actuarial Society of South Africa

• Self regulated professional body
• 1 400 Fellow members
• 2 400 Student members
• Standard setting & examining body
• Volunteer led
Council

• Effectively the board of the Society
• Elected
• Final approval for all standards and guidance
Actuarial Governance Board

- Independent oversight of the profession
- Chaired by actuary
- Majority of members not actuaries
- Members appointed by:
  - Regulators
  - General Council of the Bar
  - Institute of Chartered accountants
Actuarial Governance Board

- Own disciplinary process
- Guidance over Code of Conduct
- Advice on areas for standards
- Advice on areas impacting the standing of the profession
Professional Matters Board

- Reports into Council
- Guidance and standards filter
- Ensures adherence to process
- Code of conduct & generic standards
- Scrutinises standards for
  - Consistency
  - Language
  - Proportionality
  - Integrity
Standards & Guidance

• Standards:
  – SAPs – Standards of Actuarial Practice
  – Effectively mandatory

• Guidance
  – APNs – Actuarial Practice Notes
  – Recommended best practice
  – Deviations must be noted

• Standards vs guidance
  – Legal requirement
  – Reserved work
Practice Area Committees

- Development of actuarial practice in different practice areas
- Development of standards and guidance
- Collaborative development
## Practice Area Committees

<table>
<thead>
<tr>
<th>Committee</th>
<th>Guidance</th>
<th>Standards</th>
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<tr>
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<tr>
<td>Investments</td>
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<td>Compensation &amp; damages</td>
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# Other Guidance & Standards

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<td>Professional matters</td>
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Regulatory Structure

• Being changed!
• Until now:
  – Financial Services Board
  – Reserve Bank
  – Council for Medical Schemes
• Changes in process
  – Market conduct regulator (previously FSB)
  – Financial soundness regulator (previously Reserve Bank)
  – Council for Medical Schemes
Collaborative engagement

• Guidance drafted in practice area (sub) committees

• Inclusive development
  – Actuaries from industry
  – Actuaries from regulator
  – Other relevant professionals
Process

Committee initiated

Regulation initiated

Council / PMB initiated

ISAP initiated

Review by PMB

Exposure

Draft / review guidance

Council approve

PMB approve & categorise

Review of comments

Publish & implement

With draw

Council / PMB initiated

ISAP initiated

Regulation initiated

Committee initiated

Actuarial Society of South Africa

Quantifying Risk, Enabling Opportunity
Principles

- Professional case for guidance
- Standing of profession
- Impact on actuaries
- Consistency between practice areas
- No more than necessary, no less than needed
- Supplements or supports regulation – doesn’t duplicate it
# Guidance series

<table>
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Discussion & Questions