

New arrangements covering the issue of Practising Certificates to actuaries are to come into effect on 25 January 2012.

Practising Certificates (PCs) are a key element of the Profession's regulatory framework. They act to demonstrate, in the public interest, that an actuary is fit and proper and has the necessary skills and experience to carry out work as an actuary acting in a reserved role, viz. as:

- The Scheme Actuary to a pension scheme
- An Actuarial Function Holder, With-Profits Actuary or Reviewing Actuary to a life insurance business
- The actuary providing an Actuarial opinion for a Lloyd's Syndicate.

The Professional Regulation Executive Committee (PREC) is responsible for ensuring, on behalf of the Profession, the effective regulation of the Profession's members. PCs are issued by the Practising Certificates Committee (PCC) under authority from PREC. PREC has authorised new Practising Certificate arrangements to come into effect on 25 January 2012. The changes to the current scheme, which was first introduced in 1990, are designed to:

- Strengthen the eligibility requirements to be granted a PC
- Reduce the reliance on self-certification of eligibility factors
- Improve the transparency and consistency of operation of the scheme across practice areas.

They also include the appointment of a lay member to the PCC to help ensure that the public interest remains at the forefront of the operation of the PC Scheme.

These changes follow extensive consultation inside and outside the Profession. The Profession issued a consultation document in October 2010 - [Practising Certificate Regime proposals Consultation Paper October 2010](#) and its response to the consultation in May 2011 - [PREC Report on Consultation responses May 2011](#). The consultation process indicated broad support for the changes. Since then the PCC has been working to put the recommendations into place, including updating the technical experience criteria by practice area in order better to reflect the current reserved work activity of a reserved role holder.

The new Practising Certificates Scheme can be found [here](#). Transitional arrangements for certificates applied for under the current PC Scheme before:

- 1 January 2012 – mentored certificates for pension actuaries only; and
- 25 January 2012 – all other applications - are set out [here](#).

A quick reference guide to these changes can be found [here](#).

I encourage members of the Profession to familiarise themselves with the detail of the new PC Scheme as soon as possible. Any enquiries about the new scheme should be addressed to the Membership Team at practising.certs@actuaries.org.uk.

Finally, members should note that the PC Scheme will be subject to change from time to time to ensure it remains appropriate. In particular, it may be reviewed in connection with the development of the Profession's Education Strategy. Any such proposed changes will be notified to members.

Sir Philip Mawer

Chairman of PREC