



Institute and Faculty of Actuaries

APS X1: COMMUNICATION TO MEMBERS

The IFoA and Financial Reporting Council (FRC) have today each published new professional standards that will come into effect on 1 July 2017.

Those are:

1. A new Actuarial Profession Standard (APS) known as **APS X1: Applying Standards to Actuarial Work**
2. A new Technical Actuarial Standard (TAS) known as **TAS 100: Principles for Actuarial Work**
3. Revised specific TASs to be known as **TAS 200: Insurance**; **TAS 300: Pensions**; and **TAS 400: Funeral Plan Trusts**
4. A **Framework Document** and **glossary** to accompany the new TASs.

The IFoA have also published two non-mandatory guides to assist members in complying with (a) **APS X1**; and (b) **the TAS 100**.

APS X1: Applying Standards to Actuarial Work

The new standard APS X1 applies to **ALL members** of the IFoA and sets out principles for members to identify and apply appropriate standards to their work.

This APS is likely to be of particular relevance for those members working in situations that are geographically complex or where there are competing standards that they might apply to a particular piece of work.

More information on this new APS, including an explanation of changes made following the consultation process, can be found on **our website**.

New TAS framework

The FRC's new framework of TASs applies to any member of the IFoA that is carrying out 'Technical Actuarial Work' that is within UK Geographic Scope. The introduction of the TAS 100 broadens the scope of the TAS framework. It will apply to a range of work that was not previously covered by the TASs.

More information on the new TAS framework can be found on the **FRC's website**.

Withdrawn APSs, TASs and Guidance

The IFoA proposes to withdraw, at the same time as the new standards come into effect (1 July 2017), the following, on the basis that they are superseded by the provisions of APS X1:

- GN 5: The Prudential Supervision Outside the UK of Long-Term Insurance Business
- The Standards Decision Tree.

The FRC have also indicated that the existing generic and specific TASs will be withdrawn at the same time as the new TAS framework comes into effect. Therefore the following will also be withdrawn from 1 July 2017:

- TAS D: Data
- TAS M: Modelling
- TAS R: Reporting Actuarial Information;
- Pensions TAS
- Insurance TAS
- Transformations TAS
- Funeral Plans TAS
- Scope and Authority of Technical Actuarial Standards.

A Transition Statement has been produced by the FRC to assist with understanding how this switchover between TAS frameworks will work.

Feedback on APS X1, withdrawal of GN5 and TAS 100 Guidance

Members are invited to provide any feedback on: the proposal to introduce APS X1; the proposed withdrawal of GN 5; or the proposed TAS 100 Guide by 9 February 2017.

Feedback can be **emailed** or posted to our Edinburgh office. Please mark any feedback with the reference 'Regulation Team: APS X1'.

Training and events

Both the IFoA and FRC are working on a programme of education and training in relation to the new standards and members should look out for more details of that in the New Year.

Substantial Consistency with ISAP 1

The introduction of APS X1 and of the TAS 100, along with the introduction by the IFoA last year of **APS X2: Review of Actuarial Work**, also means that the framework of standards applying to IFoA members will, from 1 July 2016, be substantially consistent with the International Actuarial Association's (IAA) model standard **ISAP 1** as well as the equivalent model standard produced by the Actuarial Association of Europe (AAE) known as **ESAP 1**.

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