

ABI response to FRC PIR TASs Call for feedback

About the ABI

The Association of British Insurers is the voice of the UK's world-leading insurance and long-term savings industry. A productive, inclusive and thriving sector, our industry is helping Britain thrive with a balanced and innovative economy, employing over 300,000 individuals in high-skilled lifelong careers, two-thirds of which are outside of London.

The UK insurance industry manages investments of over £1.7 trillion, pays nearly £12bn in taxes to the Government and powers growth across the UK by enabling trade, risk-taking, investment and innovation. We are also a global success story, the largest in Europe and the fourth largest in the world.

Founded in 1985, the ABI represents over 200 member companies providing peace of mind to households and businesses across the UK, including most household names and specialist providers.

ABI response

1. We are grateful for the opportunity to respond to the Financial Reporting Council's (FRC) call for feedback on its post-implementation review (PIR) of the Technical Actuarial Standards (TASs) and potential actuarial standards in relation to IFRS 17, Insurance Contracts.
2. We welcomed the FRC's original creation of the TAS framework, and we have supported its evolution over time. We consider that the framework operates well, providing useful overarching guidance and standards against which actuarial work can be undertaken. We are not aware of any difficulties caused by the TASs which we would highlight for this post-implementation review.
3. Hence, we do not generally consider that significant amendments to existing TASs are needed, nor new TASs.
4. We do not support the adoption by the FRC of ISAP 4 on IFRS 17, *Insurance Contracts*. A key aspect of the TASs is that they are largely generic, having replaced the actuarial profession's previous very granular guidance notes. This was helpful as it reduced duplication and the risk of contradictions and inadvertent breaches, and we continue to favour this approach.
5. Even though TAS 200 is more narrowly focussed on insurance business, like TAS 100 it is generally high-level and principles-based. It would be inconsistent therefore to amend TAS 200 to reflect the much more granular ISAP 4. Indeed we consider that this would be a backward step, even though we acknowledge that ISAP 4 includes useful guidance to actuaries on the application of IFRS 17.
6. We do not provide further specific answers to the FRC's questions. We would, however, be happy to discuss any aspect as part of the PIR process.

Association of British Insurers
May 2021