
EXPLANATORY MEMORANDUM

PROFESSIONAL STANDARD 1: CONTINUING PROFESSIONAL DEVELOPMENT

January 2020

About this Explanatory Memorandum

This Explanatory Memorandum has been prepared by the Professional Standards Committee (PSC) to assist Members understand changes to Professional Standard 1, which is the Institute's professional standard covering Continuing Professional Development ("PS 1").

Introduction

Council has approved a recommendation from the Code Guidance Group to make a number of changes to the version of PS 1 issued in December 2017. Council has approved a recommendation from the Professional Standards Committee for PS 1 to be amended to conform to the new Code of Conduct as well as the new Disciplinary Scheme.

Changes

The changes to PS 1 are designed to reflect:

1. Conformance changes to align with the new Code of Conduct and the new Disciplinary Scheme; and
2. Changes to Professionalism Training requirements.

Given the nature of the changes to PS 1 and that the substantive changes have previously been communicated to Members, the PSC considered that there was no need to issue an Exposure Draft of the updated version of the Standard.

Conformance Changes

The new Code of Conduct comes into effect on 31 March 2020. PS 1 has been updated to align with the requirements of the new Code and the new Disciplinary Scheme, however it should be noted that these changes do not alter the overall intent of the Standard.

Although the Code is effective from 31 March 2020, this Standard takes effect from 1 January 2020 to be consistent with the new Professionalism Training requirements that come into effect on that date (see below).

Professionalism Training Changes

Council has approved a recommendation from the Code Guidance Group that CPD must include at least 5 points of Professionalism Training in each calendar year commencing on or after 1 January 2020. PS 1 has been updated to include a definition of Professionalism Training and the required minimum number of points of Professionalism Training. In addition, examples of Professionalism Training have been included in Appendix B to show what types of activities earn Professionalism Training credit.

Professionalism Training is defined in PS 1 as follows:

“**Professionalism Training**’ is CPD activity aimed to enhance a Member’s understanding of an actuary’s professional obligations which achieves one or more of the following objectives:

- a. enhance understanding of principles of professional behaviour and how to apply these in making professional judgements;
- b. enhance understanding of what it means to act in the public interest;
- c. equip Members to recognise professional or ethical dilemmas and make reasoned and justifiable decisions in resolving such dilemmas; and/or
- d. assist Members to demonstrate professional behaviour in practical situations, particularly those relevant to any Services they provide or intend to provide.”

It is intended that a range of activities, from a variety of different sources, would qualify as “Professionalism Training” for the purposes of PS 1, and that Members will need to exercise judgement as to whether a particular activity meets the definition of Professionalism Training. Examples of the types of activities that would be expected to qualify include:

- Presentations or Insights sessions provided by the Actuaries Institute, such as the 2019 CPD Tour on Professionalism in the New World, or an Insights session on the Code of Conduct.
- E-Learning or other activities associated with the Code of Conduct, such as the Actuaries Institute’s online whistleblowing course.
- Conference presentations relating to professionalism, ethics, or Code of Conduct issues.
- Training by other providers relating to ethical conduct or dilemmas.
- Completion of an online Code of Conduct quiz, being prepared by the Actuaries Institute.

Members will also be able to identify certain sources of relevant training or content through the CPD Knowledge Hub, where “Professionalism” is one of the tags available to identify appropriate material.

Commencement Date

The commencement date of the updated version of PS 1 is 1 January 2020.

END OF EXPLANATORY MEMORANDUM



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