



## **Nigerian Actuarial Practice Regulations (NAPR) 2026**

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**FINANCIAL REPORTING COUNCIL ACT, 2011 (AS AMENDED)**

**NIGERIAN ACTUARIAL PRACTICE REGULATIONS, 2026**

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## NIGERIAN ACTUARIAL PRACTICE REGULATIONS, 2026

In exercise of the powers conferred on me by Sections 29 (a-g) and Section 73 of the Financial Reporting Council of Nigeria (“The Council”) Act No. 6, 2011 as amended (The “Act”), and all powers enabling me in that behalf, I, **Dr. Jumoke Oduwole**, the Honourable Minister for Industry, Trade and Investment make the following Regulations -] Commencement

[ ] Commencement

### PART I: OBJECTIVES AND APPLICATION

#### 1. Objectives

The objectives of these Regulations are to:

- a. Provide a regulatory framework for all actuaries in Nigeria offering actuarial services for financial reporting purposes in compliance with the provisions of the FRC Act 2011 (as amended);
- b. Guide actuarial practices as stipulated in the applicable standards adopted by the Council;
- c. Create clear and consistent guidelines for actuarial professionals and users of actuarial reports;
- d. Regulate the activities of actuaries who provide services for financial reporting purposes to sustain best ethical practices that promote quality actuarial services; and
- e. Prescribe sanctions for non-compliance with these Regulations.

#### 2. Scope of Application

(1) These Regulations shall apply to:

- a. All actuarial services for the purpose of financial reporting only;
- b. All actuaries providing actuarial services related to Public Interest Entities (PIEs) within Nigeria.

(2) The Regulations shall be read in conjunction with the FRC Act and any other applicable laws, Standards, Regulations, Rules, and Guidelines in Nigeria.

#### 3. Adoption and Compliance with IAA ISAPs

1. All IAA ISAPS standards shall be adhered to where applicable when carrying out actuarial engagements for financial reporting purposes. However, the following specific modifications to affected standards are made:

##### a. All the ISAPs are deemed to be in effect alongside these regulations

##### ISAP 2 – Financial Analysis for Social Security Programme:

- I. **Section 2.3 – Assumptions:** Actuaries are required to use **best estimate assumptions** in financial analyses of Social Security Programs (SSPs) if they are responsible for setting the assumptions.

- II. **Section 2.3.4 – Data Availability:** Where credible experience data is unavailable, the actuary must disclose in the report that the financial analysis has been based on incomplete data. Additionally, the actuary should consider recommending that further financial analyses be conducted within an agreed period as new information becomes available.
- b. **ISAP 4 - IFRS 17- Insurance Contract:** In determination of discount rate to be applied in Section 2.6.9., the actuary should use the discount rate issued by the relevant sectoral regulator, ensuring alignment with market conditions and regulatory expectations.

## **PART II: QUALIFICATION, REGISTRATION, REGISTRATION REQUIREMENTS, AND DEREGISTRATION**

### **4. Qualification to Practice as an Actuary**

To practice as an actuary for the purpose of financial reporting engagement, an Associate of a recognized professional body with a minimum of three years of continuous post-qualification experience is qualified to do so.

### **5. Registration requirements**

An actuary who wishes to carry out actuarial services for financial reporting purposes in Nigeria shall register with the Council and comply with the prescribed requirements and guidelines.

The Council shall maintain a register containing the name, address (including email and web address, if applicable), and registration number of an actuary or actuarial firm.

(1) An actuary shall comply with the following requirements for registration:

- a. An individual professional shall provide:
  - i. Full Names
  - ii. Address
  - iii. Valid membership or registration certificate issued by a Recognized Professional Body ("RPB")
  - iv. National Identification Number or valid means of Identification for foreigners
  - v. Any other relevant information required by the Council.
- b. A firm shall provide:
  - i. The name and address of the firm
  - ii. Certificate of registration with the Corporate Affairs Commission (CAC)
  - iii. A valid practice license issued by an RPB where applicable
  - iv. Address of branch offices, if any
  - v. Name and evidence of registration of each partner

- vi. Any other relevant information required by the Council.

## 6. Deregistration

(1) The Council may deregister an actuary if:

- a. The actuary fails to comply with these Regulations;
- b. An application is received from the actuary for deregistration;
- c. The actuary's license is withdrawn by an RPB;
- d. The actuary fails to adhere to the FRC Act or any other compliance requirement of the Council.
- e. Proven cases of gross professional misconduct brought against an actuary
- f. The actuary ceases to exist.

(2) An actuary ceases to exist if:

- a. The actuary goes into liquidation or winds up;
- b. The actuary ceases to practice;
- c. The individual actuary passes away or becomes incapacitated; or
- d. An event such as government prohibition, or bankruptcy affects the firm's business.

## PART III: ACTUARIAL SERVICES EXECUTION

### 7. Organisation of Actuarial Firm's Work

1. The Actuarial Firm shall ensure that when actuarial services for financial reporting purpose are carried out by the firm, the firm shall:
  - a. designate at least one key partner;
  - b. provide the key partner with sufficient resources and personnel that have the necessary competence and capabilities to carry out the duties appropriately;
  - c. ensure that quality, independence and competence shall be the main criteria when the firm selects the key partner to be designated; and
  - d. ensure that the key partner is actively involved in carrying out actuarial work
2. The partner shall maintain a client record, and such a record shall include the following data for each client:
  - a. create a file for each actuarial service rendered;

- b. the name, the registered address and the place of business;
- c. the fees charged for each actuarial service in any financial year;
- d. close work file not later than 60 days after the date of signing the report; and
- e. keep records of any complaint made in writing about the performance of the actuarial work carried out.

## **8. Quality Management for Actuaries**

Actuaries and actuarial service providers shall establish and maintain a system of quality management to provide reasonable assurance that actuarial services are performed in accordance with applicable actuarial standards, professional conduct requirements, and relevant laws and regulations.

The system of quality management should include, at a minimum, the following:

### **a. Governance Responsibility for Quality**

Clear assignment of responsibility for quality management to an appropriately qualified individual or governing body responsible for overseeing the quality of actuarial services.

### **b. Client Acceptance and Continuance**

Policies and procedures for the acceptance and continuance of clients and engagements, ensuring that services are undertaken only where the actuary has the competence, independence, and resources to perform the work.

### **c. Engagement Quality Reviews**

Where appropriate based on the nature or risk of the engagement, an actuary should select a reviewer who is independent of involvement with the specific component(s) reviewed and is knowledgeable and experienced in the practice area of the actuarial services.

### **d. Monitoring and Remediation**

Periodic monitoring of actuarial work and quality management processes, with timely corrective actions taken to address identified deficiencies.

### **e. Complaints and Allegations**

Procedures for receiving, investigating, and resolving complaints or allegations relating to actuarial services in an objective and timely manner.

## **9. Peer Review**

The actuary should select a reviewer who is independent of involvement with the specific component(s) reviewed and is knowledgeable and experienced in the practice of the actuarial services.

The reviewer should comply with the guidance in any applicable actuarial standard, in performing the review.

### **1. Prohibited Actuarial Services**

Any actuarial service performed outside the provisions of these Regulations shall not be used for financial reporting purposes.

## **2. Conflict of Interest**

An actuary shall act with objectivity in all professional dealings by -

- a. Ensuring that decisions are made without bias, conflict of interest, coercion, or undue influence from any party, whether directly or indirectly in connection with an actuarial assignment;
- b. Disclosing in writing any conflict of duties and interests while providing a service to a client, who may choose to confirm the appointment of such actuary on the basis of the actuary's report;
- c. Not dealing in the securities of the company after having knowledge of the possibility of the actuarial assessment, in accordance with the Securities and Exchange Commission Regulations on Insider Trading, or where the actuarial report is made public; and
- d. Ensuring that in the event that joint actuaries are appointed, the joint actuaries shall be subject to the same requirements individually and severally as regards independence under this regulation.

## **3. Duties of an Actuary in the Conduct of Actuarial Assignments**

An actuary who is registered by the Council shall -

- a. comply with relevant actuarial standards and regulations;
- b. deliver objective and unbiased actuarial reports, maintaining objectivity, integrity, and independence from interested parties;
- c. show professional competence and diligence while engaging in continuous professional development;
- d. exercise reasonable judgment in applying relevant International Standards of Actuarial Practice adopted by the Council.
- e. ensure that Actuarial services are carried out professionally and with due care and the results are relevant to their clients' needs, reports are presented clearly and understandably, and are complete;
- f. understand the scope and purpose of the actuarial assignment;
- g. gather comprehensive and relevant data necessary for the actuarial assessment and ensure they are accurate and reliable;
- h. ensure that appropriate actuarial methodologies are selected and thereafter provide clear justification for the chosen actuarial method;
- i. make reasonable and supportable assumptions and document them in accordance with applicable standards;

- j. maintain records of the actuarial process and ensure the working papers are retained for a duration of six years;
- k. ensure confidentiality of information obtained during the actuarial assignment and comply with data privacy regulations when handling sensitive information; and
- l. adhere to ethical standards set by professional bodies and ensure the actuarial assessment reflects fair and reasonable estimates.

#### **14. Rotation of Actuarial Firm**

- a. The tenure of a firm of actuary for Public Interest Entities (PIEs) shall be a maximum period of 10 years, subject to the rotation of the engagement partner at least once in every five years.
- b. For the firm of actuary to be reappointed by the same entity, a cooling-off period of five years shall be observed.
- c. For joint actuarial engagements by two or more firms of actuaries, the maximum period is 15 years.

#### **15. Actuarial Reporting and Disclosure Requirements**

An actuary shall present the results of actuarial services in an actuarial report, in accordance with applicable actuarial standards adopted by the Financial Reporting Council of Nigeria (FRC).

##### **1. Actuarial Report Requirements**

An actuarial report shall:

- a. Be in writing and clearly state the scope, intended use, and intended users of the report.
- b. Present the actuarial output, including any material uncertainties and the potential impact of variability on the results.
- c. Disclose the methodology, assumptions, data (limitation if any), and other relevant information used in the analysis.
- d. Identify any restrictions on the distribution of the report.
- e. Include the date of the report and the identification of the author(s).
- f. Provide sufficient detail to allow another qualified actuary in the same practice area to objectively assess the reasonableness of the work.
- g. Express an opinion that the actuarial work is conducted with relevant actuarial and financial reporting standards.
- h. Include a statement of any material uncertainty that may impact the financial soundness of the entity.

## 2. Authentication

Include the actuary's signature, the date of the report, and the FRC Registration number.  
(Note: An actuary shall not sign or affix an FRC Registration number to any report if, as of the signing date, the actuary has any outstanding financial obligation to the Council.)

## **PART IV: ENFORCEMENT AND COMPLIANCE**

### **16. Monitoring of Actuary**

- (1). The Council shall adopt the Code of Ethical Principles for Actuaries as issued by the Recognized Professional Bodies (RPBs).
- (2). The Council shall monitor the quality of services rendered by an actuary as it relates to financial reporting.
- (3). The Council may, for any purpose related to inspection, monitoring, or investigation of an actuarial report for financial reporting purposes, give notice to an actuary to request any information on any matter related to the actuarial assessment performed with respect to any element of the financial statements or the consolidated financial statements of a public interest entity.
- (4). A person to whom a notice is given under sub-regulation (3) of this regulation may be an actuary involved in -
  - (a) the activities of actuarial assessment for financial reporting purposes; and
  - (b) PIEs and their related entities.
- (5). A notice under sub-regulation (3) of this regulation shall be in writing and specify the purpose for which the information is required.
- (6). A notice under sub-regulation (3) of this regulation shall -
  - (a) specify the time and manner within which the actuary shall comply with the notice; and
  - (b) require the provision of relevant documents related to the actuarial assessment.
- (7). An actuary who violates any provision of these regulations is guilty of an offence and may be liable to sanctions or prosecution as may be specified in these Regulations.

### **17. Enforcement of These Regulations**

- (1). The Directorate of Actuarial Standards ("DActS") shall constitute an Actuarial Quality Review Team ("ActQR") and an Enforcement Committee to monitor the implementation of these Regulations.
- (2). Membership of the ActQR team shall include representatives of the Council's DActS and any other person(s) that the Council may include in the team.
- (3). The roles of the ActQR team are to -
  - (a) monitor the quality of actuarial work of an actuary that renders actuarial services to PIEs;

- (b) monitor actuarial engagements delegated by the FRC to RPBs under an instrument of delegation;
  - (c) conduct thematic reviews of the policies and procedures developed by an actuary in respect of specific aspects that relate to actuarial assessment for financial reporting to make comparisons;
  - (d) ensure that each RPB has the necessary arrangements in place to meet the requirements of the instrument of delegation and shall continue to be recognized as an RPB for the purpose of financial reporting actuarial assessment; and
  - (e) send reports of their reviews and findings on the conduct of an actuary to the Enforcement Committee.
- (4) The Enforcement Committee shall consist of –
- (a) representatives from DActS;
  - (b) representatives from the Directorate of Inspection and Monitoring (DIM); and
  - (c) any other person(s) the Council may appoint into the Committee.
- (5) The Enforcement Committee shall -
- (a) review monitoring reports of the AQR team;
  - (b) conduct investigations into the monitoring report by the AQR on an actuary where it appears that an actuary has committed an act of professional misconduct or a breach of the relevant professional standards;
  - (c) where an infraction has been established by the Enforcement Committee, the actuary shall be invited for clarification;
  - (d) consider any allegations of non-compliance and recommend appropriate sanctions against the actuary;
  - (e) provide representation at Technical Committee hearings against the actuary;
  - (f) notify in writing and require any person to furnish, in such form as may be directed, any information on such matters as may be specified in the notice;
  - (g) ensure that investigations and prosecutions are conducted efficiently and fairly without violating the rights of the actuary under investigation;
  - (h) report non-compliance with the sanctions to the Technical Committee; and
  - (i) conduct such other roles as may be delegated by the Council relating to enforcement.

## **18. Administrative Sanctions and Penalty**

- (1) The following actions may be taken against an actuary who has been adjudged by the Council to be liable for professional misconduct under these regulations:

- (a) suspend the actuary for a period not exceeding 12 months;
  - (b) direct that the actuary complies with sanctions imposed by the Council before the expiration of the period of suspension;
  - (c) the decision of the Council may be published in any two national daily newspapers and electronic media;
  - (d) make an order requiring the actuary to take such action as it considers necessary to mitigate the effect or prevent the reoccurrence of the contravention;
  - (e) make a recommendation to the RPB that the erring actuary be subjected to disciplinary actions in accordance with the RPB's disciplinary procedures;
  - (f) give a notice requiring the actuary to refrain from such conduct that led to the violation;
  - (g) publish a statement which may take the form of a warning;
  - (h) prohibit the actuary from being engaged in the financial reporting process; and
  - (i) where an actuarial report does not satisfy the requirements of these Regulations, the Council shall impose on the actuary a financial penalty of such amount as it considers appropriate.
- (2). The Council may, at the expiration of any Suspension Order and where it is certified that the actuary has satisfactorily complied with the requirements of these Regulations, re-enter the name into the Council's Register, lift the Suspension Order, and may publish the same.
- (3). In this regulation, the Council shall determine the type and level of sanctions to be imposed taking into account all relevant circumstances, which include -
- (a) the gravity and duration of the violation;
  - (b) the actuary's degree of responsibility;
  - (c) the extent to which the actuary has cooperated with the Council; and
  - (d) any previous violation of a relevant requirement by the actuary.
- (4). The Council may make an order in this regulation referred to as the "Cost Order" requiring the actuary to pay the costs incurred by the Council where a violation has been established, these may include –
- (a) its administrative costs;
  - (b) its costs of obtaining legal advice; and
  - (c) any costs incurred in considering any appeal by the actuary.
- (5). Where the Council imposes a financial penalty or makes a Cost Order against an actuary, it shall specify a date the penalty or the costs are required to be paid, provided that the date shall be at least 14 days after the date the financial penalty or the cost order was communicated.

## **19. Procedure for Appeal of Sanctions**

Where there is disagreement with the decision of the Enforcement Committee on non-compliance with the provision of this regulation by an actuary, an appeal may be made to the Technical Committee for remediation as provided in sections 15(2) and 28 of the Act 2011 (as amended) and Operational Guidelines for Inspection and Monitoring of Assurance Services Providers and Audit Committee Members 2026.

## **20. Enforcement of Sanctions**

This Regulation applies where -

- (a) the Council has imposed a sanction; and
- (b) the actuary on whom the sanction or cost order was imposed has –
  - (i) not by the specified date, appealed against the decision, or
  - (ii) appealed against the decision, but the appeal was unsuccessful or withdrawn.

## **PART V - MISCELLANEOUS PROVISIONS**

### **21. Commencement Date**

These Regulations shall come into force on 1 January 2027. Early application of the requirements of this Regulation in its entirety would be permitted.

### **22. Transitional Arrangements for Mandatory Audit Firm Rotation for PIEs**

- a. If an actuary, at the time this Regulation becomes effective (or comes into force), has been engaged for the ten (10) years maximum period stipulated, the actuary may continue for a period not more than two years and where actuary has been in engaged for between 11 and 15 years, the actuary may continue for a period not more than one year.
- b. For all other situations, the engagement may continue until the end of the first maximum duration i.e ten (10) years.
- c. For joint actuarial arrangement, the maximum period is fifteen (15) years.

### **23. Interpretation**

In these Regulations –

"The Act" means Financial Reporting Council of Nigeria Act No. 6, 2011 (as amended).

"Applicable laws and standards" mean the –

- (a) Constitution of the Federal Republic of Nigeria;
- (b) Companies and Allied Matters Act, 2020 (as amended);
- (c) International Standards of Actuarial Practice (ISAPs) Issued by the International Actuarial Association adopted by the Council and all other relevant standard setters; and
- (d) any other legislations, regulations, rules, or other documents from time to time in force and relevant to the performance and quality of actuarial services.

“CAC” means Corporate Affairs Commission;

“Council” means the Financial Reporting Council of Nigeria, a body created by Act No. 6, 2011 (as amended);

“Constitution” means Constitution of the Federal Republic of Nigeria;

“DAcTS” means Directorate of Actuarial Standards;

“DIM” means Directorate of Inspection and Monitoring;

“Deregistration” means removal of the name of an actuary from the register;

“Enforcement Committee” means the Enforcement Committee shall be as constituted by the council;

“FRC” means Financial Reporting Council of Nigeria;

“Minister” means the Minister charged with responsibility of supervising the activities of the Council;

“Practice” in relation to an actuary, means the professional practice of the actuary;

“PIEs” means Public Interest Entities as defined by the FRC Act 2011 (as amended);

“RPBs” means Relevant Professional Bodies, a body recognized under the FRC Act 2011 (as amended) for the purposes of the registration and supervision of actuaries of Public Interest Entities;

“Regulations” means the Actuarial Regulations for Financial Reporting of the FRC;

“Regulatory Sanction” means a sanction of an amount determined by the Enforcement Committee;

“Suspension” means temporary or partial withdrawal of FRC registration or prohibiting a registered professional from signing actuarial reports for a specific period;

“Technical Committee (TC)” means a Committee of the Board established by Section 15(1)(a) of FRC Act No. 6, 2011 (as amended);

“Actuary/Actuarial firm” means an individual or organization possessing expertise, necessary qualifications, and experience to execute actuarial valuations for financial reporting purposes in an objective, unbiased, and professional manner for both public and private sectors in accordance with the standards issued or adopted by the Financial Reporting Council of Nigeria; and

“Withdrawal” means the act of taking back or away something that has been granted or possessed.

#### **24. Citation**

These Regulations shall be cited as the Nigerian Actuarial Practice Regulations 2026 for financial reporting.

MADE at Abuja this ..... day of ... .., 2026

**Minister of Industry, Trade and Investment**

#### **EXPLANATORY NOTE**

(This note does not form part of these Regulations but is intended to explain its purport)

These Regulations seeks to provide a comprehensive legal framework to regulate and control for effective implementation of Auditing Standards Practices in Nigeria.

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