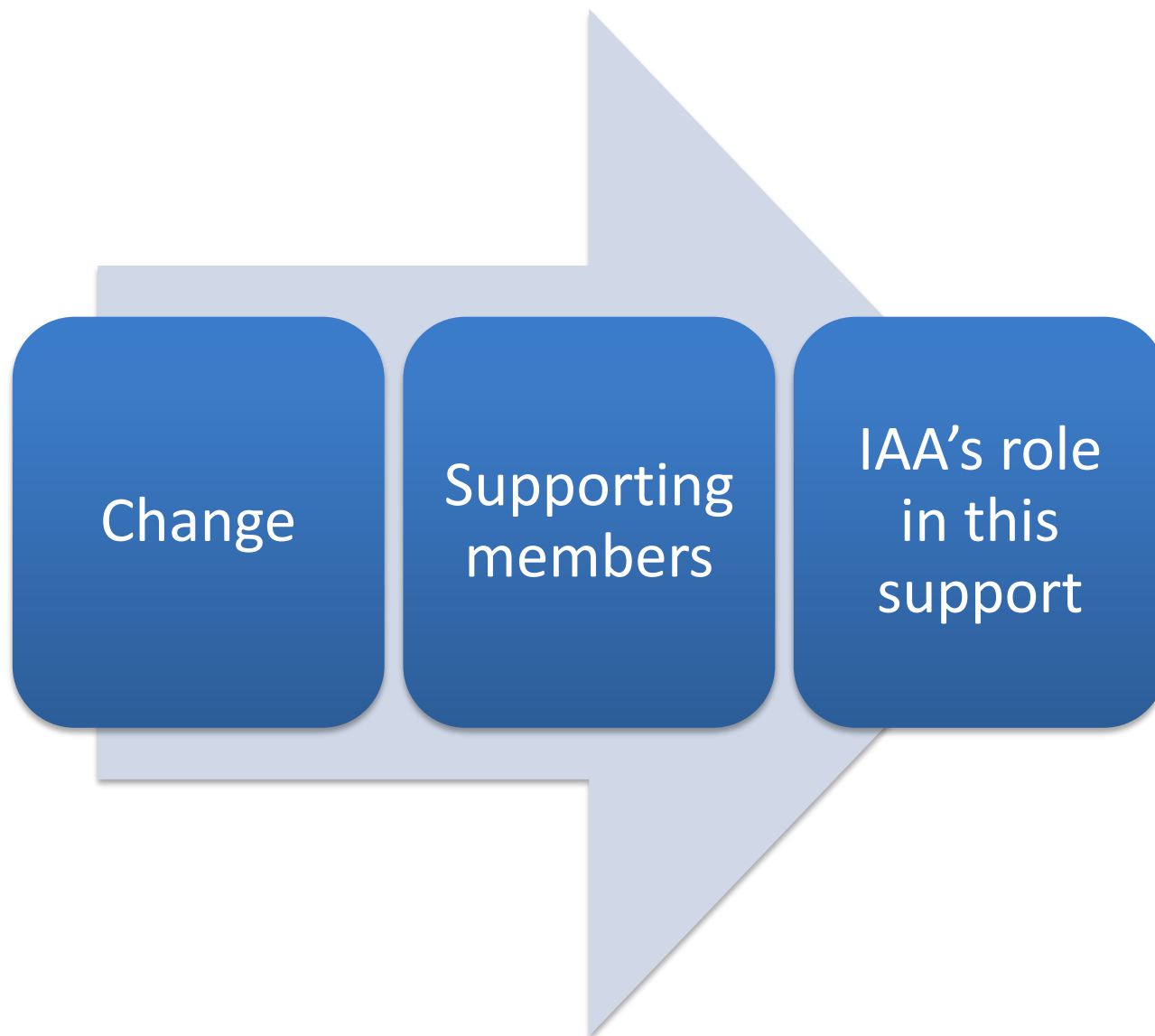


The Role of the Actuary in the World and the IAA

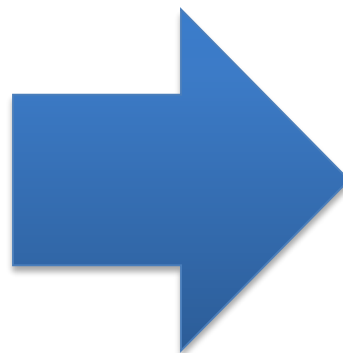
Malcolm Campbell

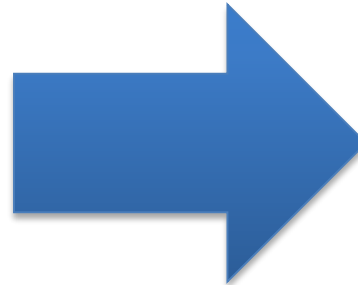
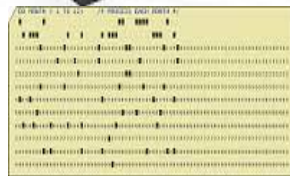
IAA President



Change drivers

- Technology
- Information
- Business complexity
- Globalization
- Regulation

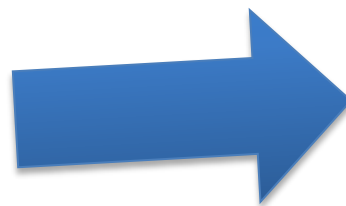


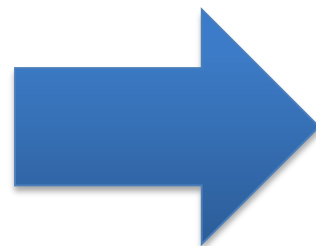


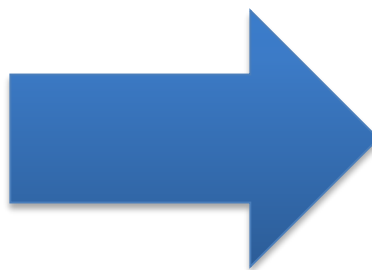
13-inch MacBook Air











Complexity of the business

- Shorter Product life cycles
- Individualisation of offering
- Multi channel distribution
- Immediate customer service

Globalization

- Freedom of establishment
- Globalization of financial markets
- Lower transaction cost
- Cross border services

Globalization of regulation



International
Accounting Standards
Board®



IAIS

INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS



Some characteristics of change

- Change is not linear – its accelerating
- Greater and faster access to information
- Big data
- Impact of social media
- A different risk environment

- If it's changed so much historically, what does the future hold?

Some of the Challenges Facing the Actuarial Profession Today

- Solvency management in negative interest territory
- Global regulation & supervision
- Major world demographic/economic changes
- Rapid changes in the ways people do business
- Insurance products, distribution and processes will continue to be challenged
- Pensions schemes maybe more so
- Relationship to ERM (Enterprise Risk Management)

Some of the Challenges Facing the Actuarial Profession Today

- Affinity groups
- Peer-to-peer insurance? (the new mutuals?)
- Customer information 'mining'
- Business optimisations & risk management
- **What will the profession's response be?**

Questions that an individual actuary can be asking

- How do others see me (my personal brand)
- Am I acting professionally
- What skills do I need to develop
- How can I keep myself informed about the changing environment
- Is my career path the correct one
- What do I need to do to make myself attractive to potential clients

What skills are Employers looking for ?

- **Commercial and softer skills**
 - Communication
 - Stakeholder management + teamwork
 - Consulting
 - Project Management
 - Delivery
 - New business
 - Innovation
 - Leadership + influence + people
- **Personal attributes**
 - Professionalism
 - Appetite to continue to develop
 - Energy
 - Persistency

What can an association do to support its members

- Influence change
 - Supervisors
 - Politicians
 - Public
- Inform about change
 - Multi channel
- Educate for change
 - Basic education
 - CPD (Continual Professional Development)
- Branding
 - What do we offer
 - How do we distinguish ourselves from others

About the IAA



Worldwide association of professional actuarial associations

- 68 FMAs*
- 30 AMAs*
- representing 63,000+ actuaries in 112 + countries



7 special interest Sections for individuals:

AFIR-ERM
ASTIN
AWB
IAAHS
IACA
Life
PBSS

5000+
Section members



800+ volunteer actuaries

Council and committees meet twice a year

Sections host colloquia
International Congress of Actuaries every 4 years.

300+ conference calls annually



Constituted in Switzerland
based in Canada

11 staff

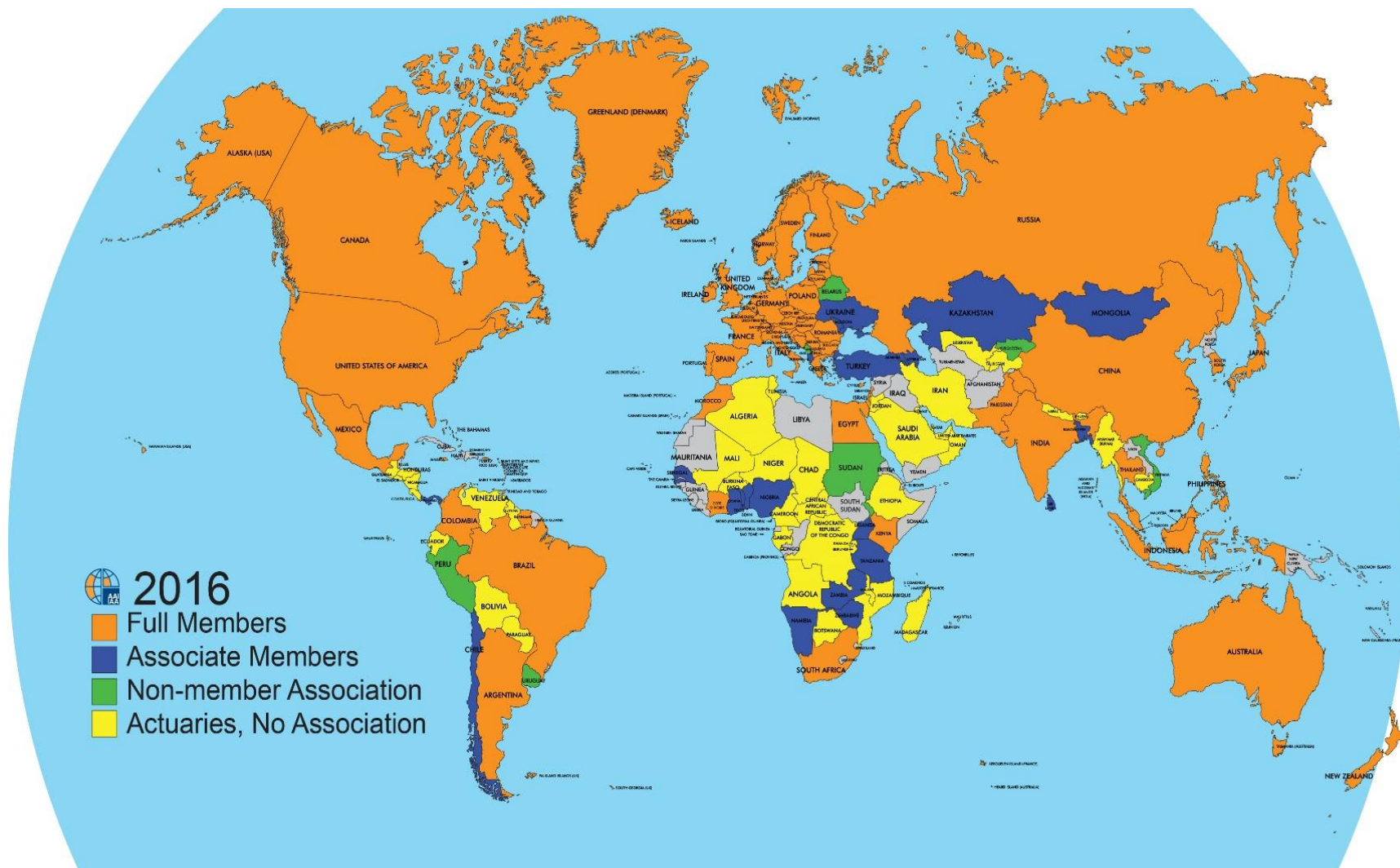


Exists to encourage the development of a global profession

Acknowledged as technically competent and professionally reliable

To ensure the public interest is served

Map of the IAA



Vision

The actuarial profession is recognized worldwide as a major player in the decision-making process within the financial services industry in the area of social protection and in the management of risk, contributing to the well-being of society as a whole.

Mission

To represent the actuarial profession and promote its role, reputation and recognition in the international domain. To promote professionalism, develop education standards and encourage research, with the active involvement of its member associations and Sections, in order to address changing needs.



Strategic Plan – Voice of the profession



Strategic Plan – Brand and quality

3

Establish, maintain and promote common standards of actuarial education and principles of professional conduct for actuarial practice; promote development and issuance of actuarial standards in jurisdictions of Full Member associations, and the global convergence of actuarial standards

4

Support the development, organization, and promotion of the actuarial profession

6

Improve recognition of the actuarial profession (branding)

Strategic Plan – Competence development

2

Expansion of scientific knowledge to wider fields to enhance the scope, quality, and availability of actuarial services

5

Provide a forum for discussion

IAA External Relations

Partners: important institutions that especially concern themselves at the international level with matters of concern to actuaries (*formerly referred to as Institutional Members*)

The IAA has engaged in a Memorandum of Understanding (MoU) with most of these organizations.



INTERNATIONAL ORGANISATION
OF PENSION SUPERVISORS



International Association
of Insurance Supervisors



Additional Ongoing Relationships



Communication and Tools for Members

- Listservs, conference calls, webinars
- Annual Report and Newsletters
- News Releases: to inform external audiences of important IAA initiatives
- IAA members' website contains:
 - specialized search tool
 - Actuarial E-Library
 - International Events Calendar

Model International Standards of Actuarial Practice

ISAP 1—General Actuarial Practice

- since IAA adoption in 2012, Actuarial Association of Europe adopted it as its general standard

ISAP 2—Financial Analysis of Social Security Programs

- Adopted by the IAA in 2013

ISAP 3—IAS 19 Employee Benefits

- Adopted unanimously by the IAA in April 2015. A successful webcast was held on 24 June 2015 to introduce ISAP 3.

ISAP 4—IFRS X Insurance Contracts

- Statement of intent (Sol) approved by Council on September 13; expect completion in 2018

Model Standards *cont'd*

ISAP 5—Insurer Enterprise Risk Models

- SOI approved by Council on September 13 2015; exposure draft published for consultation – comments by 31 March 2016; expect completion in 2017

ISAP 6—Insurer ERM practices intended to comply with regulations consistent with ICP 8 or ICP 16

- Statement of intent approved by Council on September 13 2015; expect completion in 2017

ISAP 7—Current estimates and other matters in relation to the IAIS capital standards

- Statement of intent approved by Council in 2015; expect completion in 2018

ISAP [1A]—Governance of Models

- Statement of intent approved by Council in 2015; exposure draft published for consultation – comments due by 31 March 2016; expect completion in 2017

FMA's can either adopt, adapt, recognize model ISAPs as consistent with their own, or ignore them

The IAA Sections

Colloquia

- Meetings to discuss research and its application

Webinars

- Shorter events focussed on topics of current interest

Other events

- Lectures and smaller meetings

Publications

- ASTIN Bulletin
- Other research papers

Promotion of research

- Prizes
- Networking/ discussion groups

Knowledge systems

- E- based access to knowledge database
- Virtual learning

Working Towards New IAA Education Syllabus

October 2013

- task force created by Education Committee

April 2015

- Education Committee and Education Syllabus Seminar in Zürich; presentation of initial syllabus structure; suggestions received from member associations

October 2015

- detailed syllabus requirements finalized and discussed by Education Committee at Vancouver meetings

2016

- syllabus to be approved by Council at the Cape Town meetings

2016 to 2019

- transition period for member associations to comply with new syllabus

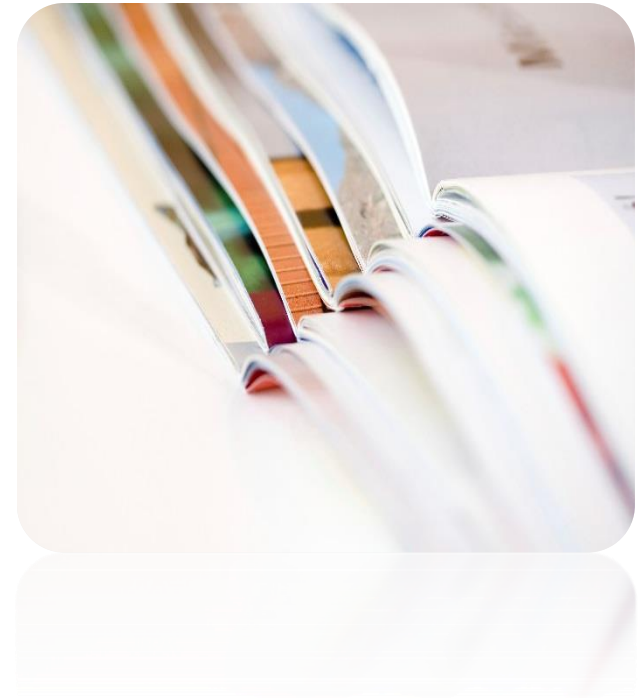
Papers Recently Published

- *Actuarial Aspects of ERM for Insurance Companies* — Enterprise and Financial Risk Committee
- *Role of Actuarial Calculations and Reviews in Pension Supervision* — produced by experts on the Pensions and Employee Benefits Committee in co-operation with the International Organisation of Pension Supervisors
- *Determination of Retirement and Eligibility Ages: Actuarial, Social and Economic Impacts* — Population Issues Working Group
- *Risk Book to be completed in several phases* — chapters 1 to 11 have been published; 3 more will be completed mid-2016; and 6 more are under development

For more details, please read the [papers](#) on the Publications page of the IAA website

Future Publications

- Educational Monograph
(Risk Adjustments under
IFRS)—completion expected
early 2017



Looking Forward: we need to

- **Influence change**
- **Look for new areas to apply our skills**
- **Further develop the intellectual capital of the profession**
- **Further develop our brand image**

Thank you



Malcolm Campbell
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www.actuaries.org

Moving the profession forward internationally