

Scenario of Actuarial profession in Bangladesh.

Presented by
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In Bangladesh there are only three Actuaries are conducting actuarial professional works. Out of which two are Fellows one from SOA, USA and one Associate from IOA, uk. There is Regulatory provision of making valuation of Life Insurance companies and to certify product development in private and public sector by an Actuary. The Insurance Act in Bangladesh needs extensive application of Actuary. It is also in the Government for defined contributory benefits schemes, Actuarial prediction is mandatory. But all these jobs are done by the Actuary living out of Bangladesh

Role of Actuarial profession in protecting the public interest

In Bangladesh, there are about 73 Banking and non-banking financial institutes and 62 life and Non-Life insurance companies are operating business where the public at a large is evolved. In order to protect public interest the role of Actuary is very much important. Apart from the, Govt. is also handling retirement benefit, Gratuity benefit, provident fund benefits for its employees where Actuarial application is very much important for the financial management. The most important part of these activities are being done by the Actuaries from out side Bangladesh.

The Actuary's Role in business and Public Policy

Actuaries provide professional services in a wide range of business and social contexts.

Life Insurance

Actuaries have long been recognized for their expertise in managing the solvency of life insurance companies. For decades, governments around the world have accorded actuaries statutory authority to certify that life insurance companies have sufficient resources available to meet their obligations to policyholders

Health Insurance

Actuaries assist health insurance worldwide to meet their financial obligations despite ever-increasing costs of medical care and accelerating demands for coverage. They are particularly well-equipped to help insurers address the health care needs of the elderly and the chronically ill in a financially responsible way.

General Insurance

Actuaries are deeply involved in the increasingly complex general insurance business, particularly in the areas of pricing analysis, establishing the level of claims reserves and structuring reinsurance programs. Increasingly, actuaries are using sophisticated modeling techniques to help general insurers plan for and address natural disasters and effects of climatic changes.

International Actuarial Association

International actuarial Association: International Promotion and Education Fund (IPEF), International Congress of Actuaries (ICA), International Association of Consulting Actuaries (IACA).

Employee Retirement and Benefit Plans

Actuaries bring their skills in statistics, mathematical analysis, probabilities and finance to assist employers and governments in providing financial security for the elderly and the retired. Actuaries make recommendations on the adequacy of funding levels for pension plans and provide statutory certifications to support pension and benefit plan legislation in countries around the world.

Investment and Financial Services

As the financial services industry becomes increasingly complex and international in focus, actuarial practices is rapidly expanding in new and diverse industries. Actuaries work in funds management and provide advice on interest performance measurement and asset allocation as well as quantitative modeling. Brokerage firms increasingly use actuaries as analysts. In banking, actuaries analyze mortgage portfolios and lending risks and project investment returns and various future-based model scenarios. Additionally, actuaries help to design investment products that incorporate insurance elements, applying skills in analysis of contingent risk and financial analysis.

Actuaries and Public Policy

Actuaries take seriously their responsibility to the public and recognize that their unique blend of skills can be enormously beneficial when applied to the general public good. Through their national associations, actuaries provide voluntary to national and regional governments, analyzing legislative and regulatory proposals, advising on social trends and suggesting solutions to a wide range of social problems. Through the International Actuarial Association (IAA), actuaries are offering support to international regulatory, financial, accounting and public assistance organizations.

The Importance of Professionalism

The actuarial profession recognized and appreciates the exceptional degree of public trust that is bestowed upon it and, accordingly, acknowledges its corresponding responsibility to fulfill its duty to the public by maintaining a high level of professionalism among its members. Candidates must successfully complete rigorous educational programs and achieve significant levels of appropriate experience before being admitted to membership in the actuarial profession.

They are required by their membership organizations to meet high standards of professional integrity and competence. They must also comply with exacting standards of practice developed by experienced practitioners to guide actuaries in conducting their complex analyses. Actuaries who do not fully comply with the standards of their profession are subject to discipline by their membership organization. The establishment and maintenance of uncompromising professional standards helps actuaries maintain their reputation for being responsible, competent, objective and ethical.

Development in Actuarial education, including plans for an International Actuarial Educational Programme.

- The Actuarial Society of Bangladesh has been established here in the country with the objectives of

- (a) To promote and maintain high standards of competence and conduct within the actuarial profession in Bangladesh and to be guided by the Professional Code of Conduct.
- (b) To promote the standing of the actuarial profession in Bangladesh, and raise the public esteem of the profession.

- (c) To provide a source of reference on actuarial matters for the Government of Peoples' Republic of Bangladesh, Regulatory authorities, and other interested bodies.
- (d) To take such action as a Society as may be agreed upon at a General Meeting of the Society in respect of any matter that is relevant to the actuarial profession.

- (e) To promote the study and discussion of research into and the publication of matters relating to:-
 - (i) the application of actuarial, economic, financial and statistical principles to practical problems,
 - (ii) the actuarial, economic and allied aspects of insurance, employee retirement benefits, Social Security, finance and investment and any other areas of application where actuarial principles are applicable, with particular reference to Bangladesh

- (f) To assist students in the course of their actuarial studies and to provide and promote Continuing Professional Development (CPD) programmes for the members of the Society so as to enable them to update themselves.
- (g) To foster and encourage social and familiar relationships amongst actuaries within Bangladesh and internationally.

ASB Programme

- Needless to mention here that there are about 53 Universities are operating here but no one University conducts whole range of Actuarial studies. Actuarial Society of Bangladesh has an immediate plan
- Spreading of actuarial education particularly qualifications from the UK Actuarial Profession.
- Regulation of Actuaries working in Bangladesh market, through membership of ASB
- Development and enforcement of Professional standards
- Development and conduct of CPD including Professionalism
- Seeking involvement of the Insurance Industry and Government Institutions in the above activities.

Membership with others

- As regards the membership of the society with other international organizations for recognition, since the ASB education will be, at least for quite some time, derivative of UK Actuarial Professions' education and since Fellows of the Institute and Faculty are recognised under Insurance Act, 1938, the Fellows of ASB will thus have recognition under the Insurance Act, 1938. The measure can also be adopted in other Regulatory provisions of local and international requirements.

Aim of ASB

To promote the standing of the actuarial profession in Bangladesh, and raise the public esteem of the profession.

The End

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