Actuarial Profession in Sri Lanka

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Secretary – AASL
Agenda

- About Sri Lanka
- Actuarial Profession in Sri Lanka
- Industry & Regulatory Updates
- Activity Calendar – 2012/2013
- Proposed Activities – 2013/2014
- Income for AASL
- Requests to IAA
About Sri Lanka

Area – 65,610 sq km

Population - 21 million

Literacy (Over age 15 with skills of writing and reading) – 91.2%

Life Expectancy at Birth – 74.9 years
(Male – 71.9 years, Female – 78.05 years)

Labour Force – 8.4 million
(working population from age 15 to 65)

GDP – US $ 59.42 billion

Insurance Penetration (2011) = 1.2%
(Premiums as a % of GDP)

Premium volume – US$ 701 millions
Actuarial Profession in Sri Lanka

- AASL was formed in 2008
- No. of Members = 61
  - Fellow Members – 13 (Criteria – Fellow or Associate with 10+ years experience) – only 4 local members
  - Associate Members – 10 (Criteria – Associate or Passed/Exempted CT series subjects – UK)
  - Ordinary Members – 38 (Criteria – Member of recognized Actuarial Institution and who does not belong to the above two categories)

**Exam progress of Members**

![Bar chart showing the number of students per year and their status:]

- No. of Students
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1
- 0
- 2015
- 2016
- 2017
- 2018
- 2019
- 2020
- 2021
- ASA/AC/PA
Industry & Regulatory Updates

Current

- Liabilities – Net Premium Valuation Basis
- Assets – Market Value Basis
- Solvency Margin – Percentage of Reserves

Proposed – RBC rules

- Liabilities – Gross Premium Valuation Basis
- Assets – Market Value Basis
- Solvency Margin – Based on Risk Capital Charges

- Proposed implementation of RBC – January 2016
- Road test is being carried out currently
- Actuary from World Bank is currently reviewing the data from the industry
- Parallel run of both methods from Jan 2014
Industry Updates

• There are 22 insurance companies in Sri Lanka (Local 19 Foreign 3)

• All composite insurers need to be separated by 2015

• 7 companies have their own Actuarial Departments

• High demand for qualified (FIA/FSA) / part qualified actuaries (AIA/ASA)

• High Exam / Subscription Fees

• No Actuarial Education facilities available

• University of Colombo is planning to start MSc in Actuarial Science course from January 2014
## Activity Calendar – 2012/2013

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Activity</th>
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<tbody>
<tr>
<td>2012</td>
<td>August</td>
<td>Social event - Pub Quiz</td>
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<tr>
<td></td>
<td>December</td>
<td>Social event - Pub Quiz</td>
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<tr>
<td>2013</td>
<td>January</td>
<td>AWB Tuition Session – CT4 &amp; CT5</td>
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<td></td>
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<td>Robert Clover – SA</td>
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<td></td>
<td></td>
<td>Rajendra Shah - India</td>
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<td></td>
<td>May</td>
<td>Social event - Pub Quiz</td>
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<tr>
<td></td>
<td>August</td>
<td>Social event - Bowling</td>
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<tr>
<td></td>
<td>August</td>
<td>IFRS Discussion</td>
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<td></td>
<td>September</td>
<td>SLFRS/IFRS Lecture by Mr. Suren Rajakarier</td>
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<td></td>
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<td>– Head of Audit, KPMG Sri Lanka</td>
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## Proposed Activities – 2013/2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Activity</th>
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<tbody>
<tr>
<td>2013</td>
<td>November</td>
<td>Evening Talk – General Insurance</td>
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<tr>
<td></td>
<td>December</td>
<td>Social event - TBD</td>
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<tr>
<td>2014</td>
<td>January</td>
<td>Evening Talk - TBD</td>
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<tr>
<td></td>
<td>February</td>
<td>AWB Tuition Session</td>
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<td></td>
<td></td>
<td>Fund Raiser Event</td>
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<td></td>
<td>March onwards</td>
<td>Formation of Actuarial Library</td>
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<td></td>
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<td>Formation of Disciplinary Committee</td>
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<tr>
<td></td>
<td></td>
<td>2 – Social Events</td>
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<tr>
<td></td>
<td></td>
<td>2 – Evening Talks / Discussions</td>
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Income for AASL

• Annual Subscription Fee
  Ordinary member – US $ 7.5/-
  Associate Member – US $ 19/-
  Fellow Member – US $ 38/-

• Funding Raiser Events – very limited

• Sponsorships for events
Requests to IAA

• Assistance to form Actuarial Library

• Assistance to conduct regular Tuition sessions (Face to Face / Online)

• Assistance to form Disciplinary process – Possibility of external party involvement in disciplinary process

• Assistance for Fund Raiser Events

• Exam Coaching / Mentoring
Thank You!