



# **An Introduction to the IAA**

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# Origins, Mission and Recognition

- Founded in 1895, restructured in 1998 to serve as worldwide association of professional actuarial associations
- To encourage development of a global profession
- Based in Ottawa, Canada – constituted in Switzerland
- Over 750 volunteer actuaries (Council, Committees, Sections) and 9 staff
- Not-for-profit, non-political, Non-Governmental Organisation



# Membership and Representation

- Full Member Associations: 65
- Associate Member Associations: 30
- 7 special interest Sections for individual actuaries
- Assisting development of profession in 30 additional countries
- Fully qualified actuaries: 61,000+ in 110 countries
- Institutional Members:
  - International Association of Insurance Supervisors (IAIS)
  - International Accounting Standards Board (IASB)
  - International Social Security Association (ISSA)
  - International Organization of Pension Supervisors (IOPS)
  - Organization for Economic Cooperation and Development (OECD)
- Observer Member:
  - Asian Development Bank (ADB)



# IAA Membership Requirements

- Full Member Association
  - Code of Conduct
  - Formal discipline process
  - Education programme compliant with IAA Education Guidelines and the Education Syllabus
  - Formal process to adopt standards of practice ...if and when national standards are created
- Associate Member Association
  - Actuarial association not meeting all conditions above



# Potentially Difficult Issues for a Small Association

- Standards of Practice
- Member engagement
- Resources



# Standards of Practice

- Issues

- Local actuarial market may not have sufficient experience in key areas to define the standard of practice
- Local practitioners may not have adequate experience and perspective to draft the standards
- Need a formal process for drafting and adopting SOPs



# Member Engagement

- Issues

- Early career actuaries not ready to volunteer their time for the association
- Lack of employer support



# Association Resources

- Issues

- Not enough people to do all the work
- Heavy burden on a few people
- Dues income not sufficient to cover necessary expenses
- Inventing each program for the first time





# Potential Resource: IAA

- Assistance in preparing documentation required for Full Membership of the IAA—via samples and models of documents, conference calls
- Full Members are provided with:
  - Invaluable opportunities to exchange ideas on key topics, work towards solutions, provide input on papers affecting actuaries worldwide.
  - Access to IAA newsletters, news releases, committee papers and other publications
  - Model standards of practice (can be amended for local practice)



# Potential Resource: IAA

- Assistance through AWB by supporting students with exam preparation (3 Sri Lankan students have recently passed their CT6 and CT8 exams)
- Opportunity for networking at Council and Committee meetings
- Regional seminars
- IAA Section publications and webinars
- Advice & Assistance Committee—ask for help (Asia Subcommittee)



# Potential Resource: Mature Associations

- Basic education
  - Educational materials
  - Examinations
  - Credential
  - Perhaps focus local effort on educating and testing regarding local laws, regulations, products, business practices
- Standards (make local adjustments)
- Seminars, including webinars



# Potential Resource: Universities

- Experts in education
  - Develop an appropriate credential path
  - Also a good mechanism for attracting additional students to the profession
  - May be able to bring in lecturers from around the world
  - Association may still need to cover some topics
  - Join Actuarial Educators' Network to share experiences with peers
- Perhaps combine with internships at local insurance companies and consulting firms



# Potential Resource: Regulators

- Very helpful to have the regulator supporting the role of the actuary
  - Informally
  - Formally (laws and regulations)
- IAA has developed papers on the Role of the Actuary and Value Proposition. There will be more information to come from the Branding Task Force



# Potential Resource: Mentors

- Find a mature association willing to partner
  - Exam materials and administration
  - Credentials
  - Professionalism education
  - Continuing education (seminars)
  - Ongoing advice
- Seek mentors from mature associations



# Recent IAA Activities in Asia

- Courses held by volunteers from the Actuaries Without Borders Section in Bangladesh and Sri Lanka to support actuarial students
- Contact made with representatives from Bhutan, Myanmar, Nepal and Vietnam
- Institute of Actuaries of Korea approved as Full Member of IAA
- Discussions between Asian Development Bank and IAA on possible areas for collaboration



# Final Thoughts

- Even with a wide variety of resources, must have a core group of passionate leaders
- Pursue ambitious but realistic goals
- Begin involving the next generation of leaders





**Thank You!**

**International Actuarial Association**

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***Moving the profession forward internationally***

