

Report to Council
by the Task Force on a Global Actuarial Qualification
February 2006

- 1 The IAA recognizes that there is a diversity of needs and local conditions that call for a flexible approach to meeting education requirements and for ensuring that the quality and scope of the qualification of actuaries around the world meet or exceed the IAA Education Guidelines and Syllabus, as referred to in Article 2.1.5 of the Internal Regulations, hereinafter referred to as "IAA education requirements".
- 2 As the actuarial profession expands, there are more and more member associations that have limited membership potential, for which the maintenance or creation of an IAA compliant education and examination system is a relatively more challenging burden than it is for established member associations that have a larger membership and adequate financial resources.
- 3 The Task Force acknowledges that all current and future member associations have different needs, but believes that many could benefit from access to an education and examination delivery system complying with the IAA education requirements.
- 4 The Task Force thus considers that it has become an important strategic objective for the IAA to promote the creation of an additional facility, the IAA Education Programme, a country neutral international system available worldwide, that would enable any actuarial association that so desires to provide actuarial education and examination efficiently.
 - 4.1 The launching and implementation of the IAA Education Programme are to be done so that it is cost neutral for the IAA's own budget.
 - 4.2 It is intended that the IAA Education Programme will eventually become financially self-sustainable, after launch expenses have been covered during the initial years from external resources. Participation from smaller associations, Associate or Full Member associations, and from associations yet to be created, will be sufficient to generate a critical mass for the programme.
- 5 By itself, the IAA Education Programme does not lead directly to the granting of any professional designation or title to individual actuaries, but is meant to be available as a service to actuarial associations, subject to the following:
 - 5.1 The IAA Education Programme is a complementary education and examination system offered on a voluntary basis and is not a condition for association Full Member status in the IAA.
 - 5.2 The IAA Education Programme will be constructed on a modular basis; associations will be free to use all or some of the modules.
 - 5.3 The IAA Education Programme will be designed to meet the IAA education requirements.
 - 5.4 If the IAA education requirements are modified, the IAA Education Programme will be modified accordingly; recommendations for modifications to the IAA education requirements remain the responsibility of the Education Committee.
 - 5.5 The IAA Education Programme may include additional topics not included in the IAA education requirements, which may be used by associations

- adopting the IAA Education Programme. This will not modify the IAA education requirements.
- 5.6 An association using the IAA Education Programme must nevertheless comply with all the other requirements under Section 2 of the Internal Regulations in order to become or remain a Full Member association.
 - 5.7 In keeping with the subsidiarity principle, it is a matter for each actuarial association to grant any actuarial designation resulting from using the IAA Education Programme.
 - 5.8 Any Full Member association is free to maintain or develop, independently or in cooperation with others, its own system for complying with the IAA education requirements.
 - 5.9 The use of the IAA Education Programme does not imply mutual recognition between associations participating in the IAA Education Programme, nor between these and other associations.
- 6 The promotion by the IAA of the actuarial profession will not discriminate between actuarial designations based on the IAA Education Programme and those based on other education and examination systems that meet or exceed the IAA education requirements.
- 7 To ensure implementation in a timely manner and at minimum cost, the IAA Education Programme will, as far as possible, be implemented by drawing on the existing experience and knowledge base of the actuarial profession and of universities and other institutions of high learning.
- 7.1 The IAA Education Programme may make use of distance-learning or other means of delivery.
 - 7.2 The IAA Education Programme will include an adequate control on the examination process to ensure that quality benchmarks are enforced.
 - 7.3 To the extent that funding and resources are available, the IAA Education Programme will be implemented in several languages.
 - 7.4 The IAA Education Programme may offer a special track for candidates who are already working, or have experience, in the financial services industry, and who are willing to undertake professional development training and complete the IAA Education Programme examination process.
 - 7.5 In countries where no actuarial association exists, individual candidates may enrol in the IAA Education Programme pending the formation of a local association.
- 8 The Task Force recommends the creation of an IAA Education Programme Committee (IEPC) that is responsible for the development, implementation and organisation of the IAA Education Programme.
- 8.1 The Terms of Reference will be drafted by the Nominations Committee in consultation with the Task Force.
 - 8.2 The IEPC reports to the Council.
 - 8.3 For efficiency of operation, the Council empowers the Officers of the IAA to take decisions relating to the IEPC's activities between Council meetings.
 - 8.4 The initial members of the IEPC are the current members of the Task Force for a term expiring at the end of 2006.
 - 8.5 The Nominations Committee, in consultation with the IEPC, shall recommend to Council candidates to be appointed as members of the IEPC from January 1, 2007, as well as their term of office and the procedure for replacing them from time to time.

- 9 The IEPC shall be responsible for:
- 9.1 preparing a five year work plan in conformity with the agreed principles and a rolling 3-year operational budget (independent of the main IAA budget);
 - 9.2 monitoring expenditure against budget and activities against the work plan;
 - 9.3 making recommendations for the implementation process and governance structures;
 - 9.4 making recommendations for the financial management of a dedicated fund required for implementation and ongoing operation;
 - 9.5 developing procedures for entering into partnership agreements with external entities (donors, universities, associations, others); and
 - 9.6 defining the tasks and responsibilities of the personnel to be assigned to the various designated functions related to the development and implementation of the IAA Education Programme.
- 10 The IEPC shall consult:
- the Advice & Assistance Committee on the implementation of pilot projects and liaison with the countries selected as pilots;
 - the Education Committee on questions of syllabus, initial education and examination and continuing professional development; and
 - the Professionalism Committee on questions relating to education in professionalism.
- 11 **Motion for IAA Council on May 28, 2006 in Paris:**
- 11.1 The Council accepts and approves the recommendations of the Task Force as set out above.
 - 11.2 Upon the recommendation of the IEPC, and with the approval of the Officers of the IAA, the President and the Secretary General are authorised to sign jointly agreements with recognised institutions that agree to fund partially or totally the implementation of the IAA Education Programme.