



Institute
and Faculty
of Actuaries

International Strategy

Summary policy statement



Supporting our members,
maintaining the standards

June 2013

International Strategy

The Institute and Faculty of Actuaries (IFoA) is one of the principal actuarial associations in the world today by size of membership and global influence.

We are proud of over 150 years of heritage as a UK chartered body. As a modern, professional body we serve the public interest and maintain the highest professional and educational standards. Recognising the wide geographical diversity of our members, we are equally proud to bring this heritage and focus on quality with us as we play our part on the global stage.

The statistics on the changing profile of our membership tell us that over 40 per cent of our members live and work outside the UK. The overall trend of an increasingly global membership is very clear and this trend is likely to continue.

Our high quality qualification provides our members, wherever they are based, with a passport to career opportunities throughout the world. This provides us with the platform to build our profile both at home and overseas and be a premium choice amongst actuarial associations.

Why do we need an International Strategy?

- We are a global community: our members, current and future will be based all over the world and should have an equivalent member experience, whether they are based in Birmingham or Beijing;
- We need to be active internationally: our members deserve a high quality, internationally respected qualification that is portable, and we need to have influence on matters such as international regulation to help develop the working environment of our members;
- Our Royal Charter requires us to promote actuarial science: taking a global perspective is consistent with this as we have a considerable experience that can be shared with like-minded bodies to protect the public interest and foster the development of actuarial science.

Introduction

Following its merger in 2010, the IFoA undertook a strategic review, following which it was agreed that an International Strategy should be developed, underpinned by “proactive engagement” and “equivalence and accessibility”, to support actuaries in delivering quality work no matter where they are in the world.

The IFoA’s Council has discussed its thinking and objectives with a view to the implementation of its International Strategy over the next three to five years. What follows is a summary of the policy direction and objectives.

The strategic approach

The IFoA’s International Strategy is intrinsically woven into its wider strategic themes and is focussed on delivering the IFoA’s vision:

“We will serve the public interest by ensuring that where there is uncertainty of future financial outcomes, actuaries are trusted and sought after for their valued analysis and authority”

The global nature of our organisation means that consideration of international needs and impacts feature as a first step in any development of education, member support, regulation, thought leadership or promotional activity. There are two key themes that, therefore, characterise this approach in our international strategy:

Proactive engagement: across the IFoA’s role in relation to its members, other actuarial bodies and regulators. To seek to engage, support and influence other bodies and members as appropriate, playing a prominent role, for the overall good of the IFoA, actuaries and for actuarial science as a discipline. The approach will primarily be collaborative.

Equivalence and accessibility: across the provision of member services, regardless of where members are based. The IFoA will therefore continue its move away from an Edinburgh and London-centric approach, making opportunities for CPD and educational support widely available for members based internationally and across the UK. We will deliver the equivalence and accessibility agenda through a combination of centrally managed activities alongside fostering strong local communities around the world; communities that, with the right support, will source and deliver many services within their local area.

Geographic prioritisation

While we are a global body, we must be realistic in our international ambitions. To this end we have prioritised the following international areas in which to allocate our additional resources:

- China and South-east Asia
- South Asia
- English-speaking Africa

The reason for prioritising China and South-East Asia is their likely position in the future of global financial services. It is vital, therefore, that we both support the development of actuarial science there and also influence matters of relevance to the IFoA's members and the public interest. India is an area of historic links and has good potential future development in areas of interest to our members, and is the area that is showing the rapid growth in the number of students. Similarly we have historic links and are experiencing growth in the number of members in Africa, and as such, the area should be regarded as of strategic importance for us.

All three of these regions are seeing growth in the demand for actuarial science as their economies develop, asset ownership grows and demand for long term financial planning increases. We will work in partnership with local actuarial associations in these regions to help them develop and grow into mature associations.

We will continue to maintain our productive historic links with other geographic areas where our members live and work using our current level of resource so that all areas benefit from the 'equivalence and accessibility' aspects of the strategy.



International is core to our strategic themes

Education

We will work in partnership with academic institutions, volunteers and local actuarial associations to provide high quality education courses.

We will continue to accredit high quality universities internationally, providing students with exam exemptions and ensuring that the best students are encouraged to look towards the IFoA as a professional body of choice. We will also ensure quality standards are maintained by setting up quality assurance arrangements with accredited universities.

Our examinations will be subject to rigorous assessment to ensure that they are appropriate for the international student base that sits them, and we will deliver support to enable our student members to have a good chance of passing our exams wherever they are located.

Our aims in this area will be:

- regular and successful quality assurance reviews held with accredited universities;
- attracting and retaining the brightest students;
- support for the Analyst qualification amongst candidates, members and employers.

Regulation

In an increasingly global financial services world, the need for consistent and relevant actuarial standards has never been greater, in fulfilment of our public interest responsibility to regulate our members internationally, and to promote confidence in actuaries and actuarial work. While there are various local geographic influences and constraints that cannot be ignored, we will continue to play our part in the development of international actuarial standards and guidance through active participation in the work of the International Actuarial Association (IAA) and Groupe Consultatif Actuariel Européen (GC). We are keen that whatever standards are developed they are principles-based and satisfy



what are widely regarded as the five principles of good regulation – targeted, accountable, proportionate, consistent and transparent.

Our aims in this area will be:

- to ensure consistency and coherence of our regulatory framework internationally;
- the integration of IAA International Standards of Actuarial Practice;
- our representatives on the IAA and GC committees being engaged and demonstrating appropriate influence;
- engagement with key regulators in our priority markets.

Member support

We will continue to encourage, establish and support regional groups, with representatives from key membership hubs (most likely from the local Member Interest Groups), who will keep the IFoA informed about their member support and education requirements and share knowledge of local markets.

We will actively partner with national and regional actuarial societies to provide speakers at CPD events where our members most need them.

Our aims in this area will be:

- year on year improvements in the quantity and quality of international CPD events accessible to our members;
- the successful development of local communities that feel part of the wider IFoA family;
- publish content-rich newsletters for South East Asia, South Asia, Africa and Europe.

Public affairs and promotion

We will work to increase the effectiveness of our engagement with supranational bodies, in particular the IAA and GC, ensuring our representatives are linked in to the core of our thinking.

Our approach has been to acknowledge the good work being done within the IAA and to be good corporate citizens advocating actuarial science worldwide. We will also strive and work with other national bodies to maximise the effectiveness of the IAA.

We will continue with our high level of engagement with the GC through our representative appointments. Additionally, we will work closely with the GC on Solvency II issues in insurance, and related issues in pensions, and will ensure that we strike a suitable balance between cooperating with our European partners in getting the maximum leverage on points being made to the European Commission and others, and reserving the right to make our own comments.

We have long-standing and close relationships with a number of actuarial associations around the world. We will continue to strengthen these relationships through our annual programme of bilateral meetings.

We will also continue to map our relationships with other national and regional actuarial bodies to ensure we have a full understanding of where there are opportunities for closer working and cooperation.

Our aims in this area will be:

- the completion of individual engagement strategies and desired outcomes of our relationships with other actuarial bodies;
- a greater number of shared events and research programmes with our sister organisations;
- the updating of respective memoranda of understanding and mutual recognition agreements.

Learned society and thought leadership

We will look to ensure that our learned society and thought leadership programme is relevant and accessible to members no matter where they are located in the world. This will, in part, be achieved through the use of technology, but also by identifying centres of excellence in actuarial science around the world and partnering with those centres to commission research projects that advance actuarial science.

We will also expand and increase the profile of the Actuarial Research Centre to attract and sponsor the highest quality PhD students from around the world, and support the development of local research communities.

Our aims in this area will be:

- actuaries in one country will benefit from thought leadership that is enriched by the thinking from other countries;
- the Actuarial Research Centre providing PhD funding for international students;
- new external research projects working with international partners.

Governance

Management Board, on behalf of Council, has responsibility for oversight of strategy implementation, including the International Strategy.



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