INTERNATIONAL ACTUARIAL ASSOCIATION

Education Committee Meeting
May 31, 2018 — 14:45-18:45
Estrel Hotel – Berlin

The attendance list is available at the end of these minutes.

1. Introduction and welcome

The Chair Bozenna Hinton called the meeting to order, welcomed the new members to the committee and asked attendees to introduce themselves.

- Vladimir Bubalov – Macedonian Actuarial Association
- Mercè Claramunt Bielsa – Col.legi d'Actuaris de Catalunya
- Louis Doiron – Canadian Institute of Actuaries
- Erzsébet Kovács – Magyal Aktuárius Társaság
- Gerold Studer – Association Suisse des Actuaires

2. Approval of the Chicago meeting minutes and review of action items

The minutes to the Chicago meetings were approved with the recommended amendments and the action items were addressed.

Action item

Secretariat will post to the website. (Done)

3. Education reviews.

Nigeria Actuarial Society. It was noted that the society presented its application earlier this year and Andrew Gladwin presented a report with his comments on the information submitted. He noted that the association is a derivative one and that no further action is required from the Education Committee. Members of the committee agreed to submit their recommendation to the Membership Committee.

Reviews requested.

The following associations reported changes to their education system and volunteers were requested to undertake the reviews:

Actuarial Society of Turkey (AST). Pat Teufel volunteered to undertake the review.

Deutsche Aktuarvereinigung e. V. (DAV). Mark Stocker and Christian Buchta volunteered to undertake the review.

Casualty Actuarial Society (CAS). Andrew Gladwin volunteered to do the review.

Action item:
Secretariat to submit the Education Questionnaire to the representatives of these associations for completion so the information received can be reviewed.

4. Implementation of the new Syllabus – Education Questionnaire Syllabus 2017.
The Chairperson noted that following Council's approval of the 2017 Education Syllabus in Chicago, the education committee vice-chairs worked on amending the current Education Questionnaire to include questions that would allow associations to self-assess on their compliance with the syllabus. The proposed Education Questionnaire had earlier been distributed to the committee for feedback.

The chairperson noted the American Academy of Actuaries (AAA) had queried the right of the Education Committee to ask member associations to complete the questionnaire. This has been referred to the Executive Committee, so they can address this concern. The representative further added that while there is a presumption that the 2017 Education questionnaire will be the same as the 2013 questionnaire, there is a significant difference with regards to the level of depth due to the inclusion of the Bloom's taxonomy, which makes of the evaluation process a prescriptive one. The chairperson noted that the questionnaire is *not* advocating for the use of the Bloom's taxonomy. The questionnaire states *"Are the topics assessed at the recommended Bloom's Taxonomy level? What processes have you used to evaluate the depth of coverage?"* Associations can use any type of coverage assessment system.

Regarding the record keeping of associations moving to the 2017 syllabus and the status or plans that the associations might have to achieve this objective; the task was assigned to the IAA staff as a means to ensure that the information is always accessible to committee members. Pat Teufel volunteered to assist with the task.

It was suggested to ask member associations what are their plans, or timelines, for submitting their 2017 Education Questionnaire as a way to avoid a logistical problem for the committee should most of them decide to submit at the same time. It was agreed that associations are welcomed to provide this information, but this will not be a requirement as some associations might feel uncomfortable telling their plans in advance. Committee members agreed to ask for this information.

Action item: Karla and Pat to devise a system to seek association's feedback on their plans for compliance with the 2017 syllabus.

5. Education interest groups: sharing experiences

The chairperson explained that to increase the collaboration and learning opportunities among associations, committee members are encouraged to present on what they are doing on different topics and to share their best practices.

a) Implementation of the new syllabus – What has gone well so far, what could have been improved.

- Louis Doiron (Canada). The Canadian Institute of Actuaries updated its syllabus at the end of 2017 and they must adopt the new IAA syllabus, but they include a provision where they indicate that they rely on the input of the CAS and SoA to ensure their compliance because these are associations they work with. They are waiting for this feedback.

- Marjon Tjia (Netherlands). Marjon Tjia, representative of The Dutch Royal Actuarial Association, made a presentation where she mentioned that the most important change on their education system is found in the development of competencies with courses supervised by senior academics and actuaries. This has allowed the association to better align with the requirements of the education syllabus. She added that the system is based on Bloom's Taxonomy which presented a challenge when working with universities, so they added a credits system to be able to work with universities.
- Henning Wergen (Germany). The representative of the DAV made a presentation explaining that to become an actuary in Germany the student must pass the certifications of the DAV (pre knowledge via a university diploma, basic knowledge and specialist knowledge). He noted that the DAV started a review of its education system in 2014 and contacted various stakeholders in the industry to inquire what did they value, what they found positive, and what they found missing. The results of these inquiries were aligned with what the IAA was proposing on its new syllabus which made of this process a natural evolution from the topics they had in the past. The DAV new syllabus has been in place since early 2018 and all new students are studying under the new system.
  Only once the student completes the full education curriculum he/she becomes a fellow of the DAV. They cannot attain other levels of membership before completing the whole education programme.
  He mentioned that DAV representatives looking at updating the syllabus, were asked to do so taking into consideration Bloom's taxonomy and now all of their learning objectives follow it, which has proven very useful.
- Andrew Gladwin (South Africa): The representative of the Actuarial Society of South Africa made a presentation and informed that the society is expecting to implement the 2017 IAA Syllabus at their associateship level next year. He mentioned that ASSA is working with 6 universities. Some of them already include topics on professionalism from the first year, while the intention is that by 2020, all of them will cover basic normative skills before the students graduate. If a student does not cover professionalism before graduation, he/she will have to complete the Foundation program, so they come into the workplace with the background required. He indicated that those with the CAA qualification will also need to complete the Foundation program to ensure coverage of professionalism topics.
- Jerry Brown (SoA): The representative of the Society of Actuaries indicated that the SoA has also seen the need to update its education process. They developed several strategies: what actuaries need to know to do their jobs now and, in the future, how best can they learn that information and how best can the SoA assess whether they have mastered that knowledge.
  The SoA has two classes of membership: Associate and Fellow. The Associate syllabus includes the basic information an actuary needs to know including the IAA syllabus. The Fellowship syllabus adds specialty exams such as life insurance, health insurance, ERM, etc. The current ASA curriculum includes 'validation through experience', college courses, exams, online and in person learning modules on professionalism. From the IAA work they noticed that they were missing topics on predictive analytics, so they are adding two exams to the ASA syllabus. Using a taxonomy system they were able to add questions asking students to analyze, contrast and develop solutions. This has helped people writing the questions for the exams and it has allowed the SoA to better assess who has learnt the information. All their curricular changes take place on July 1st, 2018.

It was noted that like SoA, several other associations have analyzed their own needs and contrasted that with the IAA syllabus instead of enforcing the IAA syllabus to their system.

It was mentioned that due to the changes that the SoA has made to its syllabus, students from other countries following the SoA system will be impacted. It is recommended to outreach to universities to ensure that the changes are properly covered.

It was suggested to continue inviting associations to talk about what they are doing but also to invite associations to discuss more in depth the changes they are doing to their education system. When the Education Committee worked on developing the 2017 syllabus, it was feared that smaller associations were going to be more impacted by the syllabus changes than the bigger ones, so it would be useful to hear the steps that smaller associations are taking to implement the new syllabus. The following associations volunteered to discuss this topic during the Mexico City meeting: China, Finland, Turkey.

b) Continuing Professional Development (CPD)

- Christian Buchta (Austria). During his presentation, Christian Buchta made a brief overview of CPD requirements from the Actuarial Association of Austria. He indicated that the association must certify the validity of the CPD seminars and the number of credits they count for. They also give members the opportunity to submit the information on CPD opportunities followed elsewhere for evaluation of credits.
  He explained that the certified actuary is a section member of the association who must fulfill the CPD requirements and he or she is considered a fully qualified actuary under the European recognition agreement. The association also has a "plain" members category that includes those people who have not completed the programme.
- Ermanno Pitacco (Italy). The representative of the Italian association made a presentation in which he gave a succinct presentation about formal and informal CPD requirements of the association. He mentioned that the association monitors the compliance on an annual basis, but every three years an evaluation is made on whether there is compliance or not. If a person is not compliant a discipline process is set in place, but this process will not prevent the person from working. He pointed out that young actuaries are very careful at following their CPD activities, nonetheless it is harder for actuaries in managing positions to do so.
  With regards to auditing it was mentioned that the association does not audit its full membership. In many cases the audit is done through the on-line platform which tracks the number of credits an actuary earns by undertaking a specific activity (these credits are pre-established). The board only audits those activities that are not pre-classified on the online database. No more than 50-60 actuaries undertake non-pre-classified activities per year.
- Marjon Tjia (Netherlands). The presentation established that their CPD system was established in 2009 and explained what it mandates. With regards to the association's workshop it was explained that these are face to face meetings in which the actuaries discuss and develop a solution to a problem. She further added that they do not assign much importance to the outcome of the exercise but to the process.

The leader of the CPD group noted the different approaches that the three countries presenting have regarding: type of requirements, evaluation and events for CPD activities. She added that to date 9 presentations have been made on CPD activities and the question about the need of preparing a survey on CPD activities was posed. It was agreed that the CPD group would be disbanded and instead of preparing a survey it would continue sharing information as it has been doing to date. It was suggested to revisit the idea of drafting a survey one all associations had made presentations on their CPD activities.

It was suggested to ask Mexico to make a presentation on the CPD activities they undertake. China and Australia volunteered to make a presentation on CPD.

c) *Professional/Normative Skills*. The lead of this section explained that the objective is to allow member associations to share information about what they are doing in the professionalism area. The committee agreed that instead of having a special agenda item on professionalism it would be better that presenters focus on how their association is implementing the professionalism topics in the 2017 syllabus –so this will be covered in future by sharing experiences on implementing the new syllabus.

- Gerold Studer (Switzerland). The representative of the Swiss association made a presentation explaining the format and content of the professionalism area. He noted that although not all members pass the course on their first attempt, they all ultimately pass the course.
- Stephen Yeboah (Ghana). Following his presentation, the representative of the ASG indicated that as they worked to become a full member association they set up a professionalism committee to ensure that they offered to their members the professionalism content required by the IAA.
- Louis Doiron (Canada). The representative from the Canadian Institute of Actuaries made a presentation outlining important elements reviewed on the professionalism area of the association.

d) *Education Banking working group*. Andrew Gladwin informed that this group was informally set up in St Petersburg but most of the work started almost a year ago. He explained that the membership of the group is formed by various nations but there is a predominance of South Africans due to their strong interests in the banking field. He further added that the group reports to both the Education Committee and the Banking Working Group.

Regarding the report including the survey results, the results do not vary much from what was reported in Chicago, although the sample size is much bigger. He presented a document that the working group was referring to as a 'draft global syllabus'. He indicated that he was not asking the Education Committee to approve it. He understands that banking is a specialty field and the 'draft syllabus' is being developed as a tool for the consideration of actuaries going into banking. He emphasized that it was a first draft and he requested feedback and comments from Education Committee members. He reiterated that this document is a toolkit to be available to associations interested to create a program on banking, so they can have a point of departure.

A member noted that, without being a banking expert, the document seemed to be comprehensive and cover the knowledge that a banking actuary should have. However, when considering syllabi available for actuaries working in life or general insurance, those syllabi do not cover governance, and so on, whereas the banking syllabus does cover this. Michael Tichareva, chairperson of the Banking Working Group, indicated the importance of training banking actuaries on governance issues due to the fact that they could work at administrative and management levels, so they have to understand strategy issues as well technical issues.

Andrew Gladwin encouraged the Committee to view the banking syllabus in a similar way to standards of practice, where the information is available to any association that might need it. It was not positioned as something to be adopted by the Education Committee, but instead as a model that member associations might be interested to consider.

e) *Relationship with universities.* Although Mike Callan was unable to attend, it was noted that, as per the previous minutes, the group would like to know if each education committee representative could provide a contact person able to consider the following actions:
   a. *Request that the providers of the information consider if the summarized material is a fair representation of their responses.*
   b. *Request information on how the accreditation process is managed. Would participants share documentation that describe the process? Information is required on the initial accreditation process and the subsequent review process. The purpose is to assist the development of relationships for those organizations who are thinking about accrediting university courses.*
   c. *Gain a deeper understanding of the replies. Perhaps follow up with a phone conversation? There may be more detail that organizations are willing to share following the discussion in Chicago. We may be able to gain clarity on practical issues covering what works well and what areas require improvement.*
   d. *Complete the survey in case they have not done so.*

f) *Education Techniques.* The representative of the IFoA made a presentation on the techniques the IFoA is using on lifelong learning in a fast paced and changing world and the ability to retrain in different specialties. The question about how to balance the expert's desire to continue learning and the need to receive a certification for knowledge achievement was posed. It was noted that despite how loadable lifelong learning is, people would rather have a paper certifying the type of knowledge acquired. This can be done for your own benefit without taking any assessment, but it does not seem to be the majority of the cases.
   It was suggested to discuss case studies as part of education techniques for the meeting in Mexico.

6. Workplan 2018

The chairperson brought to the attention of committee members the workplan for 2018 and no comments or suggested changes were received.

7. AEN Report

Rafael Moreno was welcomed as the chairperson of AEN. He indicated that this has been a transitional year for the AEN as for the past six months the AEN has not distributed its newsletter. Also, due to the new GDPR compliance requirements, the IAA is not permitted to communicate with people unless they have permitted the IAA to do so. A number of AEN members have yet to provide this permission. This means that unless they do, the number of members, which had been close to 400, is likely to drop. The IAA website changes will mean that there will be more ways for members to interact, though IAA staff are still exploring this technology to make it available. The AEN works closely with AWB and other IAA groups such as the Mortality Working Group. Ideas and comments are very welcomed.

8. Terms of reference of the Education Committee

The chairperson indicated that Council will vote on the Terms of Reference in Berlin. The proposed Terms of Reference incorporates all the feedback and changes recommended since the Chicago meeting. No further comments were raised.

9. Other business

Ian Duncan indicated that a group of members from the Big Data Working Group had a discussion around the question of what should actuaries of the future know and how should they be educated

for the kinds of jobs that will be available to them. He noted that statisticians and mathematicians finishing a BA degree could be considered better prepared than actuaries to address questions regarding big data, and the question on how to improve the education of the actuaries was posed.

It was noted that the previous Actuary of the Future Task Force recognized that the skill set that will be needed for actuaries to be successful is going to be very different than what is in place today. As the 2017 syllabus was set up, there was recognition that data and data manipulation was going to be a critical skill for the actuary of the future.

It was suggested to look into training actuaries at a different level, not in the specific techniques, but train them to be able to assimilate techniques in a way as to allow them to constantly adapt to new techniques.

It was suggested to Ian to gather people interested to undertake a more structured discussion and see how to progress. Education Committee members interested to be part of this discussion are welcome to contact Ian Duncan or Bozenna Hinton directly. It was suggested that Ian sends an e-mail to the committee so start the discussion.

Attendance List

Chairperson: Bozenna Hinton (Actuaries Institute Australia)

Vice-chairpersons:
Mark Stocker (Institute and Faculty of Actuaries)
Pat Teufel (Casualty Actuarial Society)
Lan Wu (China Association of Actuaries)

Members:
Al Beer, American Academy of Actuaries
Jeremy Brown, Society of Actuaries
Vladimir Bubalov, Macedonian Actuarial Association
Christian Buchta, Aktuarvereinigung Österreichs (AVÖ)
Ruth Chu, Actuarial Institute of Chinese Taipei
Régis De Laroullière, Institut des Actuaries
Louis Doiron, Canadian Institute of Actuaries
Andrew Gladwin, Actuarial Society of South Africa
Hirota Ito, Japanese Society of Certified Pension Actuaries
Sevtap Kestel, Actuarial Society of Turkey
John H Lowell, Conference of Consulting Actuaries
Yvonne Lynch, Society of Actuaries in Ireland
Rafael Moreno Ruiz, Instituto de Actuarios Españoles
Yoshio Nakamura, Institute of Actuaries of Japan
Ermanno Pitacco, Instituto Italiano degli Attuari e Ordine Nazionale degli Attuari
Majon Tjia, Het Koninklijk Actuarieel Genootschap
Henning Wergen, Deutsche Aktuarvereinigung e. V. (DAV)

Ex-Officio
Rafael Moreno, Chairperson Actuarial Educators Network

Observers:
Gunn Albertsen
Conrad Backeberg
Agnieszka Bergel
Cecil Bykerk
Barbara D'Ambrogi-Ola
Renata De Leers
Mary Downs
Ian Duncan
Janet Duncan
Clifford Friend
Richard Galbraith
Giovani Gracianti
Andrea Gluyas
Ken Guthrie
Akihiro Hotta
Tarmo Koll
Ikuo Kudoh

Thanuja Krishnaratna
Michael McDougall
Guillaume Moussa
Roseanne Murphy Harris
Gabor Pásztor
Alicia Rollo
Nicolette Rubinsztein
Kyle Rudden
Bettina Sereinig
Michel Simard
Gerold Studer
Michael Tichareva
Tom Wildsmith
Kathy Wong
Stephen Yeboah
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