



International Actuarial Association
Association Actuarielle Internationale

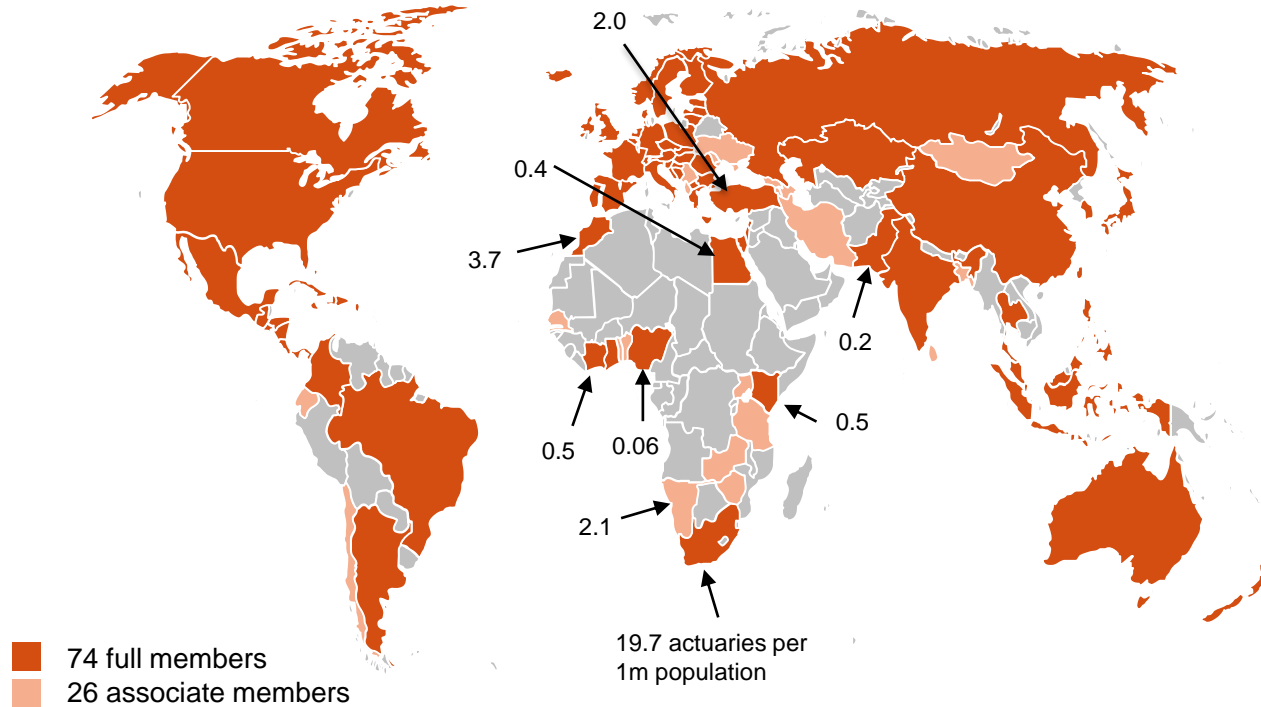


Seizing opportunity through risk management: actuarial services in inclusive insurance

CEE and SEE – Regional Actuarial Insurance Conference
Skopje, Macedonia
28 February 2019

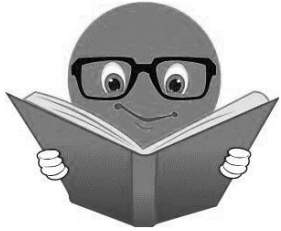


Actuarial Skills in Inclusive Insurance Markets

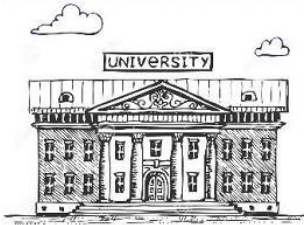


Source: International Actuarial Association (Feb 2019)

Developing Actuarial Skills Takes a Long Time



- It is a long and slow road through the actuarial education system



- Very limited local tuition opportunities, especially after graduation from university.
- Overseas options are expensive.



- Few experienced actuaries to mentor graduates entering the job market



What is the Microinsurance Working Group Doing?

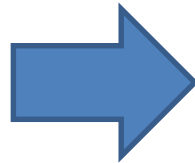
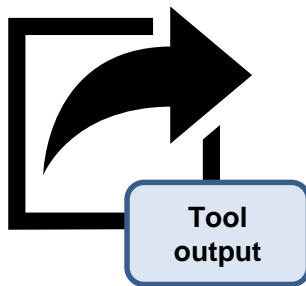
- Issues Paper published by IAA in 2014
 - [Addressing the Gap in Actuarial Services in Inclusive Insurance Markets](#)
 - Recommendations included “actuarial” [education for non-actuaries](#) and provision of guidance on [proportionate actuarial services](#).
- Paper and risk assessment tool published by IAA in November 2018
 - A response to the 2014 Issues Paper
 - Looking proportionate actuarial services:
 - How to [identify key risks](#) in an inclusive insurance context
 - What [actuarial services](#) are needed
 - What level of [actuarial skills](#) are required to deliver those services





Risk Assessment Tool Introduction

- The tool provides a systematic process that helps you:
 - Structure your thinking
 - Record inputs for later adjustment
 - Provides record for future reference



Broader decision-making process

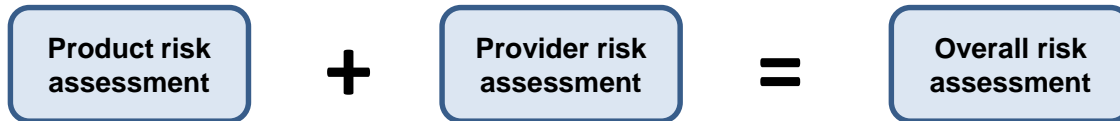
- Professional judgement
- Institutional biases and objectives
- Regulations
- Strategic fit
- Industry and political contexts





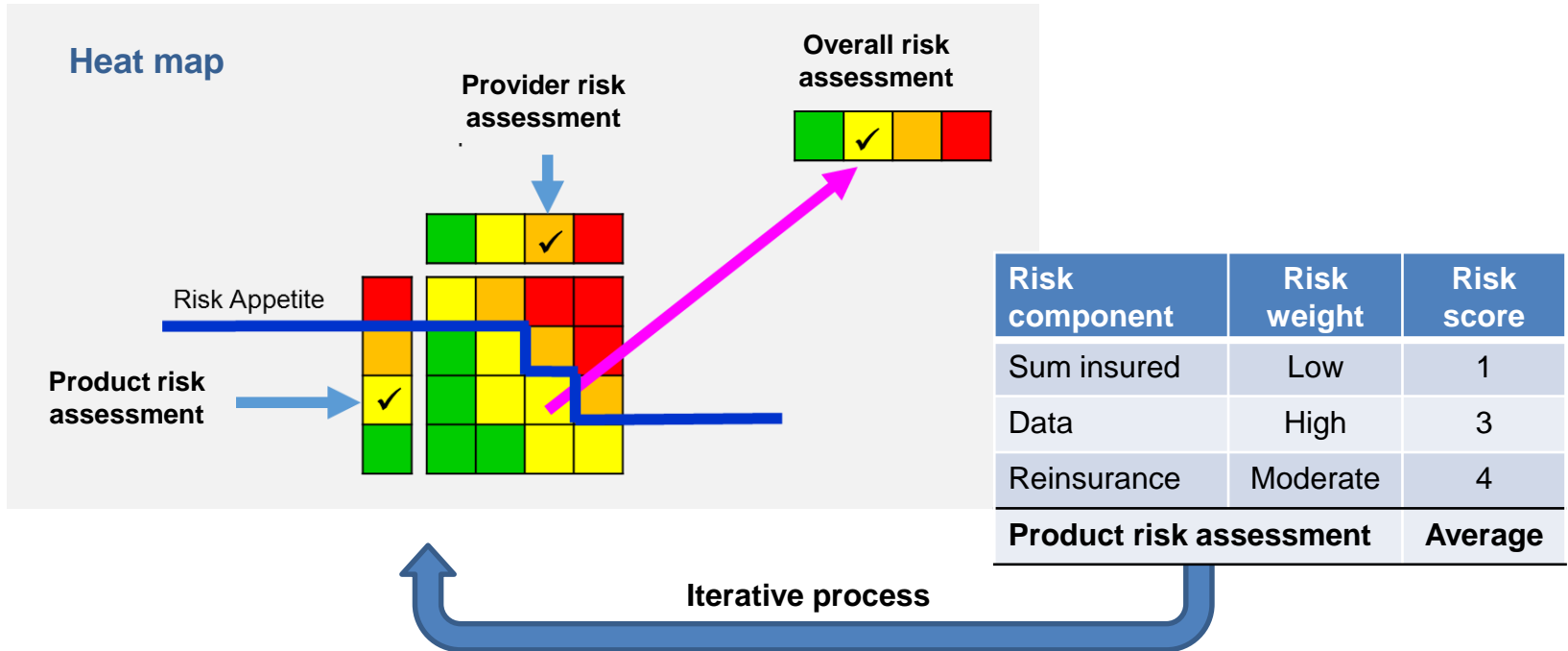
How the Tool Works - Concept

- Two key aspects to risk
 - Product
 - Provider's capacity to deliver the product in a sustainable way
- Risks should be mitigated until provider is comfortable they are well enough understood and managed → risk of a “blow up” is minimised





How the Tool Works – Some Detail





Conclusion

- Addressing the limited actuarial skills in inclusive insurance markets is a long-term challenge
- We need to innovate in the interim
- The risk assessment tool is one innovation - use it!

Link to paper and risk assessment tool:

[Nov 2018 Paper and Risk Assessment Tool](#)

Thank you for attending!

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