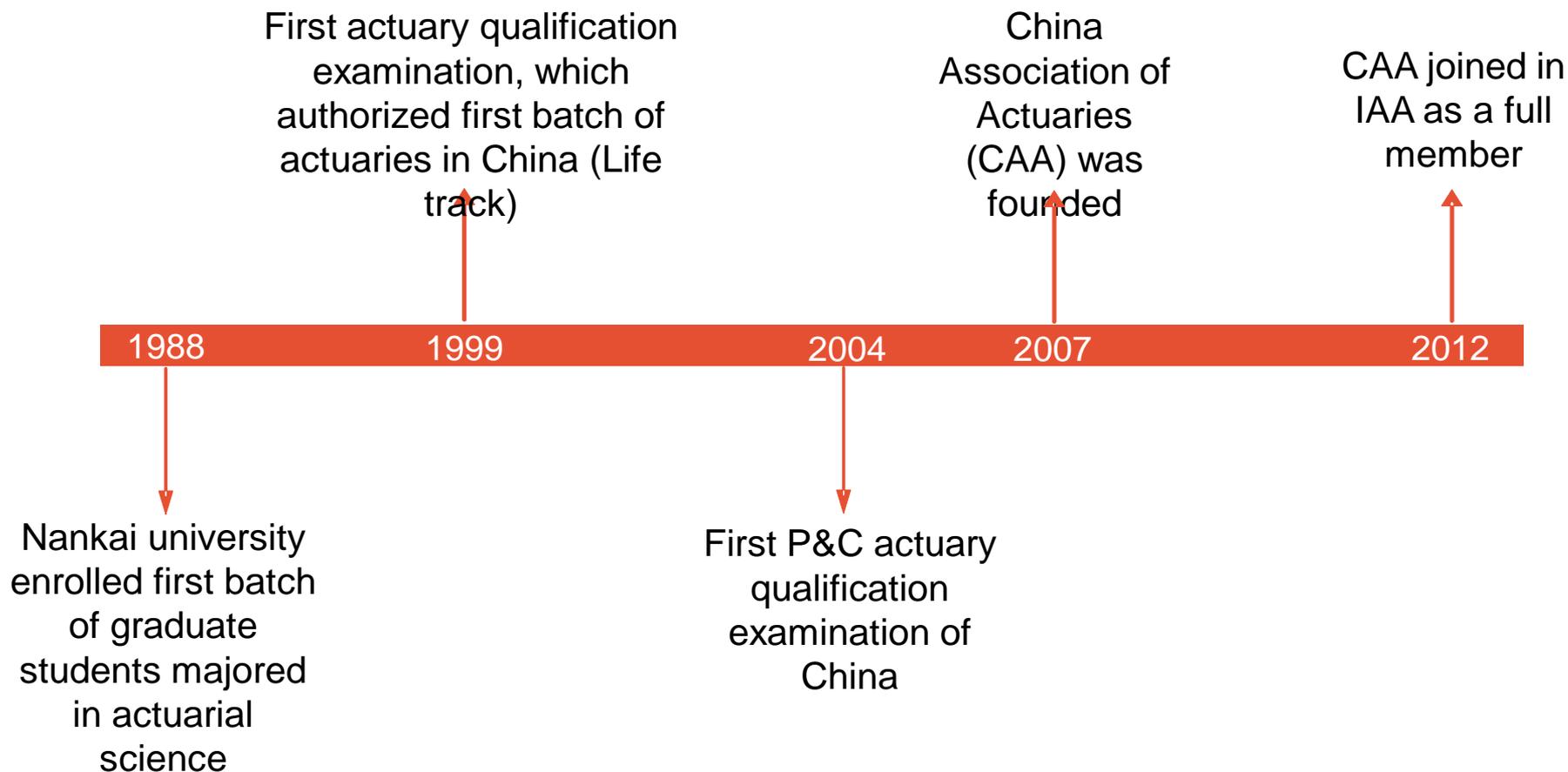




# Introduction of China Association of Actuaries

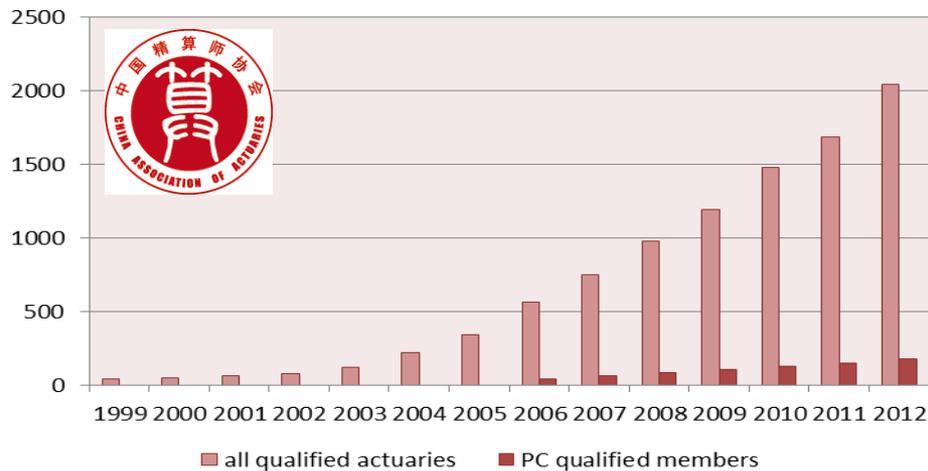
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May 20, 2013

# Actuarial profession in China was developed within the past 15 years

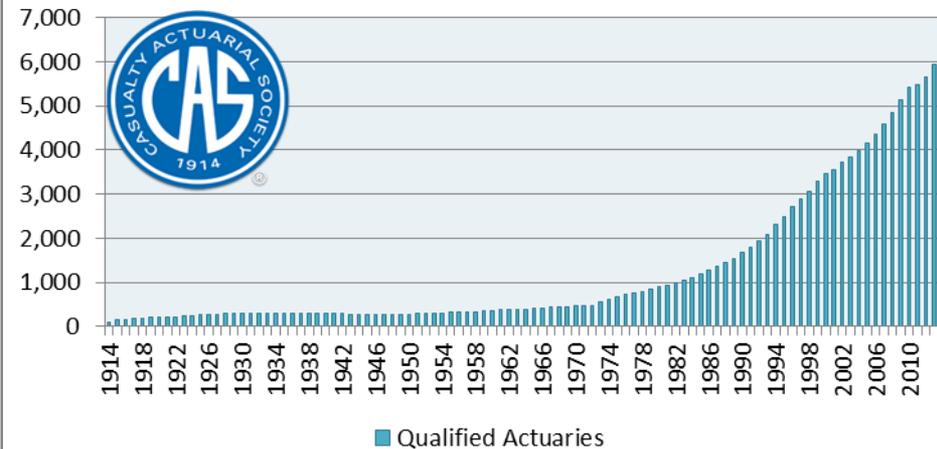


# Qualified actuaries are rapidly growing

## CAA Qualified Actuaries



## CAS Qualified Actuaries



- CAA qualified actuaries rapidly grow in the past 10 years, and current members exceed 2000, life and PC, fellows and associates, all included.
- PC actuarial track has started to have credentialed actuaries since 2006.
- There are 176 qualified actuaries in the PC track as of 2012, which is about 9% of the total CAA “population”.

# CAA basic exam system

## Preliminary Exams:

- Mathematics
- Financial Mathematics
- Actuarial Models
- Economics
- Actuarial Aspects of Life Insurance
- Actuarial Aspects of Non-life Insurance
- Accounting and Finance
- Actuarial Management

## Advanced Exams:

- Insurance Law and Related Regulation (Life/Non-life)
- Financial Management for Insurance Company (Life/Non-life)
- Actuarial Practice on Individual Life Insurance and Annuity
- Employee Benefit Planning
- Actuarial Practice on Non-life Insurance
- Pricing for Non-life Insurance
- Reserving for Non-life Insurance
- Investment
- Asset Liability Management
- Health Insurance

- Two-stage qualification system integrates life and P&C track
- Passing rate under 40% and 30% for preliminary and advanced exams
- Comprehensive official study manual focus on both international best practice and local practicality.
- Professionalism course required before qualification.

# Comprehensive continuing education

- **Credit Requirement**

- Minimum 12 credits per year
- Qualified credits: participate in conference, seminar or training of qualified associations; publish actuarial works including books, papers and etc.

- **CAA annual conference**

- A 2-day large-scale conference of insurance industry
- Includes sessions specialized in topics related to the annual theme, such as solvency regulation reform, structure adjustment of insurance industry, catastrophe insurance, agricultural insurance, reform of auto insurance and etc.

- **Quarterly regional actuarial seminars sponsored by CAA**

- Discussion of hot topics in the insurance industry and actuarial profession.
- 11 seminars have been held since Aug. 2012. Over 500 people have attended these events.
- Speakers are from CIRC, insurance companies, reinsurance companies, consulting firms, universities and academic institution.
- Recent topics include auto insurance pricing in mature market, reserving adequacy of non-life insurers, subrogation in auto insurance, etc.

# Tremendous Opportunity in China for P&C Actuaries

## **Reserving regulation of P&C insurance is fully developed, with other actuarial fields are emerging**

Advanced insurance pricing: de-tariffication, open CTPL market to foreign insurers

China risk oriented solvency system: CIRC is re-evaluating the current solvency regulation, aimed at forming a comprehensive solvency system in about 5 years.

Asset and liability management

ERM: to be explored

## **Actuarial profession in China is at start-up stage, which requires large numbers of talented actuaries.**

62 P&C insurance companies with only 41 CAA credentialed P&C actuaries (fellows)