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**ACTUARIAL PROFESSION IN DEVELOPING
COUNTRIES. “YES WE CAN”**

By Mina KETEVI, Chair AAT

STATUS of the actuarial profession in subsaharan french speaking Africa

- The actuarial profession is still in its infancy in this region.
- This region has a common regulatory framework for insurance called CIMA regulations; CIMA: “Conférence Interafricaine des Marchés d’Assurances” - 14 countries. The ‘supra’-regulator is based in Libreville (Gabon).
- Every country has a national insurance department regulating locally within this supra framework.
- The national insurance department is usually embedded in the ministry of Economy and Finance is usuall



STATUS of the actuarial profession in subsaharan french speaking Africa (contd)

- In same region, also ‘controlling body’ to provide technical support to social security institutions – la C.I.PRE.S.
- La C.I.PRE.S. recognises the need of actuarial professionals to guarantee the viability of the social security institutions and approached for that reason IAA in 2012. AWB also organised a training for la C.I.PRE.S. senior professionals on actuarial principles in April 2013.



Present regulatory environment for insurance industry

- Absence of an Appointed Actuary
- Absence of ICPs good governance functions (actuarial function, risk management function do not exist)
- Still Solvency I, still no move to Solvency II or IFRS(4)
- Generally speaking: absence of actuarial skills and competences with regional regulator and @ national level



Present regulatory environment for social security

- Actuarial evaluation: every 5 years....but not always done
- Absence of actuarial management in most of the social security institutions
- Good governance generally overruled by politics



Few associations in french speaking subsaharan Africa

Though fourteen (14) countries, only four (04) have an actuarial association which are mainly not active:

- National Institute of Actuaries in Senegal (AMA)
- Institute of Actuaries of Cote d'Ivoire (FMA)
- Association of Actuaries in Benin (AMA)
- Actuarial Association in Togo: not yet a member of IAA



The Actuarial Association in Togo

- Formed and established in december 2012.
- In process to become an associate member of IAA.
- 7 categories of membership;
- Current membership of about 18
- Members have usually a background of financial engineering (with our without small specialization in actuarial sciences)



Overview of Actuarial Profession in Togo

- Some members pursue SoA exams;
- But slow progress due to:
 - Low motivation for students to pursue as the regulatory environment (for insurance and for social security institutions) does not consider the actuarial profession
 - Low motivation because insurance companies and social security institutions do not hire actuarial professionals and do not pay attention to sound actuarial management and good governance principles
 - Low personal motivation in general (cultural?)
 - Too high cost of material and exam fees
 - Absence of mentoring, difficulties to access internet as well
 - Language
- Only 1 actuarial bachelor program but due to lack of enrollments in 2013, program did not start yet;
- **CONTRADICTION:** there are **TOGOLESE** associates and fellows working and residing **OUTSIDE TOGO** (US, UK, Nigeria)



In conclusion, the actuarial profession in Togo (as in the rest of the CIMA region) is in its infancy.

BUT PROGRESS can only made if regulatory environment (insurance and social security) includes provisions for the actuarial profession.

Though the Actuarial Association in Togo is courageous. It recently proved with the successful organization of the Third African Actuarial Congress that they have the willingness to become a member of the large international actuarial community



The Executive Committee of AAT is defining with its members the potential developments for the profession and the opportunities to motivate members to write the professional exams and to become a Certified Actuarial Analyst, an Associate or a Fellow of a Full Member Association for the IAA, awaiting that AAT will get enough members and funds to become a FMA of the IAA.

**THANK YOU FOR YOUR
ATTENTION !!!!!!!**

