

# Function of Life Insurance Advisory Group

May 2011

# Agenda

**General Principle**

**Terms of Reference**

**Proposed New Function**

**Long-term Aims**

# General Principle

LIAG advises on developments in the life insurance industry, keeping in mind various constraints and aims of:

- Regulatory control
- Protection of policyholders
- Ongoing solvency
- Healthy growth of insurance companies

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**General Principle**

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**Proposed New Function**

**Long-term Aims**

1. To be responsible for addressing issues in respect of life insurance that are referred to it or the Group considers appropriate to address and advise the Council for appropriate action.

Well-defined	Expected deliverables	Success indicators
Yes		

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Yes	Short term: Advice to be provided within timescales that are agreed on a case-to-case basis.	Advice is acted upon by the Institute

2. To be responsible for putting in place and reviewing Actuarial Practice Standards (Guidance Notes) that are required for members of the Institute who work in life insurance including Appointed Actuaries.

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Yes	<p>Short term: Regular review and update, as required, of Guidance Notes.</p> <p>Medium term: Guidance should provide practicable interpretations of applicable statute and regulation, in order to facilitate compliance.</p> <p>In areas where statute and regulation are silent, such as the quantification of risk, guidance may set out certain principles and methods to be followed.</p>	

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3. To design and carry out Continuing Professional Development Programmes including seminars and workshops for enhancement of skills of members of the profession in life insurance.

Well-defined	Expected deliverables	Success indicators
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Well-defined	Expected deliverables	Success indicators
Yes	<p>Short term: Regular events such as the CILA Seminar</p> <p>Medium term: Actuaries working in life insurance are equipped with up to date knowledge, skills and techniques in the application of sound actuarial principles and practices, based on both domestic and international developments, and they are fit for purpose in the industry.</p>	

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Yes	<p>Short term: Regular events such as the CILA Seminar</p> <p>Medium term: Actuaries working in life insurance are equipped with up to date knowledge, skills and techniques in the application of sound actuarial principles and practices, based on both domestic and international developments, and they are fit for purpose in the industry.</p>	<ol style="list-style-type: none"> <li>1. Attendance at and feedback from such events.</li> <li>2. The ability eventually to export actuaries to other markets would constitute evidence that their standard is comparable internationally.</li> <li>3. Inputs from outside the actuarial profession may be required to assess whether actuaries' skills are fit for purpose in the Indian industry.</li> <li>4. Actuarial advice rendered by our members in life industry meets the standards set by the Institute.</li> </ol>

4. To be in know of and advise the Institute on emerging professional issues affecting life insurance industry within and outside India.

Well-defined	Expected deliverables	Success indicators
Yes, though arguably this may be part of the Terms of Reference of the Strategic Advisory Group on Professionalism, Ethics and Conduct.		

4. To be in know of and advise the Institute on emerging professional issues affecting life insurance industry within and outside India.

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Yes, though arguably this may be part of the Terms of Reference of the Strategic Advisory Group on Professionalism, Ethics and Conduct.	Ongoing engagement with the IAA on professional matters, and advice to the Institute on emerging issues.	

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5. To be in know of and advise the Institute on emerging business and industry issues affecting life insurance industry within and outside India.

Well-defined	Expected deliverables	Success indicators
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Yes	Advice to the Institute. The purpose of this advice should be that the Institute comes to be regarded by the Regulator and the general public as an impartial and trusted source of advice on the life insurance industry.	

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Yes	Advice to the Institute. The purpose of this advice should be that the Institute comes to be regarded by the Regulator and the general public as an impartial and trusted source of advice on the life insurance industry.	<ol style="list-style-type: none"><li data-bbox="1083 594 1929 699">1. Advice is acted upon by the Institute.</li><li data-bbox="1083 716 1929 1000">2. Involvement of the Institute by the Regulator and other public bodies in the discussions leading to development of regulatory view, public policy etc.</li></ol>

6. To advise the Institute on any regulatory or market issues that potentially may affect the status of the profession.

Well-defined	Expected deliverables	Success indicators
<p>It is not clear what issues there may be that are not already covered by Number 4, above.</p> <p>We suggest that this function be removed from the LIAG.</p>		

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**Proposed New Function**

**Long-term Aims**

To be in the know of and advise the Institute on useful technical and academic developments relating to life insurance in actuarial or other relevant fields, at local or international level.

Well-defined	Expected deliverables	Success indicators
Yes	<p>Short term: Regular events such as the CILA Seminar</p> <p>Medium term: Actuaries working in life insurance are equipped with up to date knowledge, skills and techniques in the application of sound actuarial principles and practices, based on both domestic and international developments, and they are fit for purpose in the industry.</p>	Advice is acted upon by the Institute

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# Long-term Aim

The purpose of all the activities of the LIAG should be that the Institute be recognised as a trusted body that acts, within the terms of the Actuaries Act, 2006, in the interests of the industry and of the general public.

The success indicator for this would be that the Institute's members participate effectively in the highest decision-making forums of the industry.

Thank You