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THE ACTUARIAL PROFESSION IN ITALY

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ECONOMICS AND STATISTICS DEPARTMENT

The Numbers



**ONE OF THE MOST REQUESTED PROFESSIONS IN
THE WORLD, OFTEN THE FIRST, INCREASING
EVERYWHERE IN THE WORLD, IN EUROPE AND
ALSO IN ITALY**

**MORE THAN 1.000 ACTUARIES IN THE OFFICIAL
LIST («ALBO») IN ITALY**

Some information of the actuarial profession in Italy

Fino a 35 anni 26%

Tra 35 e 65 anni 68%

Oltre 65 anni 6%

**58% Maschi, 42% Femmine (queste ultime
in crescita)**

TODAY



INSURANCE 45%



PENSION AND HEALTH FUNDS 16%

FREELANCERS 13%



FINANCIAL WORLD 5%

SUPERVISORY AUTHORITIES 5%

OTHER SECTORS (TEACHING, NON-FINANCIAL

COMPANIES, OTHER ACTIVITIES) 16%

THE POSSIBLE FUTURE BUT HOWEVER INCREASING EVERYWHERE



INSURANCE 30%



PENSION AND HEALTH FUNDS 15%

FREELANCERS/CONSULTING 20%



FINANCIAL WORLD 10%

SUPERVISORY AUTHORITIES 5%

ENTERPRISE RISK MANAGEMENT (ERM) – NON

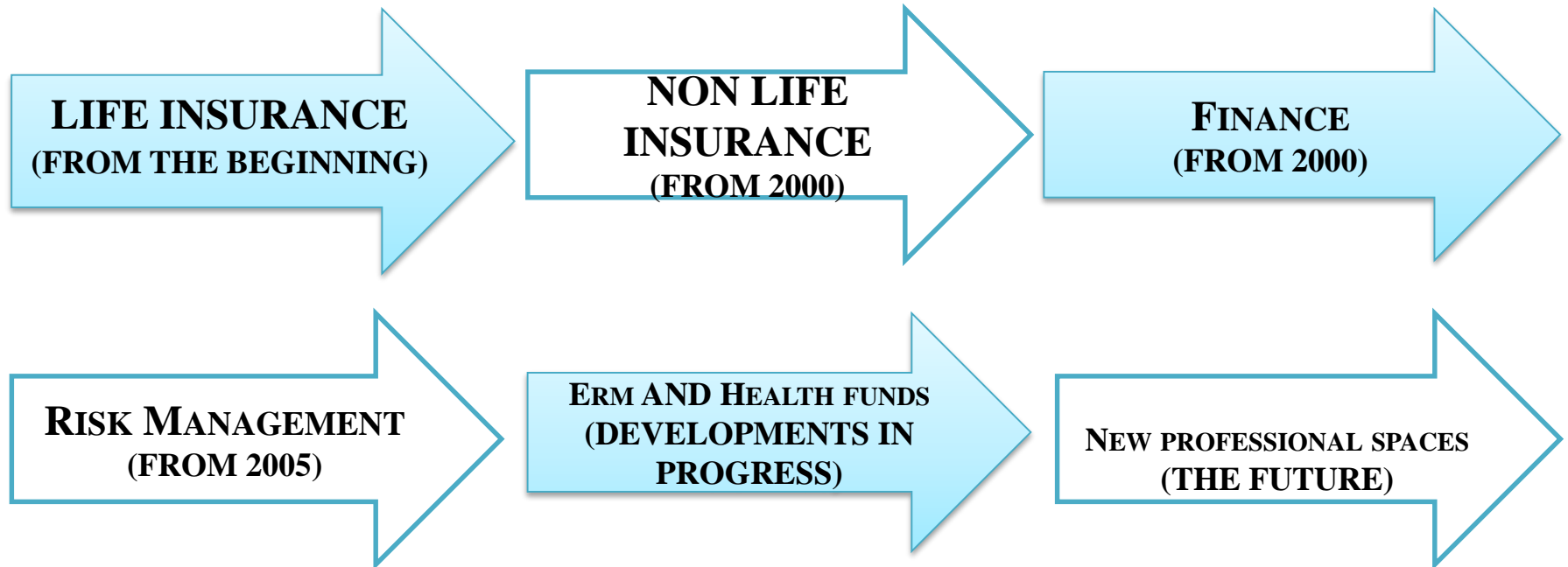
FINANCIAL FIRMS 10%

OTHER SECTORS/ACTIVITIES 10%

The history of the Italian Actuary

History of 76 years

NEVER TIRED OF EVALUATING THE UNCERTAINTY



The actuarial history in Italy

- Some significant steps:

Life business since the 50's in the evaluation of technical reserves

Appointed Actuary by the audit firm (1978)

Appointed Actuary in Life Insurance (1997)

Appointed Actuary in Motor Insurance (2004)

Actuary in Pension Funds (2013)

Solvency II/Actuarial Function : Actuary is Fit and Proper (2016)

Pension Funds/Actuarial Function : probably Actuary will be Fit and Proper (the recognition is in progress) (2019?)

- During the '90, till now, starts the professional advice/consulting Actuaries



BUT REALLY WE ARE AT THE BEGINNING OF OUR PATH !!!

NON FINANCIAL FIRMS

- ERM (Enterprise Risk management)
 - CERA Certification (working in progress)
- IAS 19 (defined benefit provisions)
- *Stock option plans*
- Planning and control
- Pension and health care plans
- Other possible activities

HEALTH SUPPLEMENTARY FUNDS

- BUSINESS PLAN
- PRICING AND RESERVING
- TECHNICAL REPORT
- FINANCIAL MANAGEMENT
- SELECTION OF INSURANCE MANAGERS

EXTENSION OF SOLVENCY APPROACH

- **BUSINESS**
- **PUBLIC ADMINISTRATION**
- **DEVELOPMENTS OF ASSESSMENT'S MODELS RELATED TO OTHER RISKS (operational, reputational, etc)**

FINANCIAL AREA

FINANCIAL AREA FOR BANKS, SGR, INSURANCE COMPANIES, PENSION FUNDS AND SUPPLEMENTARY HEALTH FUNDS

Some examples:

- Advisor for the selection of financial managers
- Finance Function
- *Asset Liability Management*
- Cash Management
- Securitisations
- Financial instruments to manage certain risks such as longevity
- Evaluation of structured securities and derivatives

New frontiers in Italy for Actuaries

OTHER SECTORS

- **INFORMATION TECHNOLOGY, DIGITIZATION, DATA (*BIG DATA, DATA QUALITY, MACHINE LEARNING, DATA SCIENCE, ETC....*)**
 - **STRATEGIC ISSUES CONCERNING THE DISTRIBUTION AND MARKETING**
 - **INTEGRATED AND ENLARGED WELFARE**
 - **EVALUATIONS RELATED TO THE NEW ACCOUNTING PRINCIPLES (IAS) (*19/17 ... OTHERS*)**
 - **MANAGEMENT AND ASSESSMENT OF CATASTROPHIC RISKS**
 - **THE MANAGEMENT OF ENVIRONMENTAL RISKS**
 - **GROUP'S AUDIT**
 - **BROKERAGE IN PENSION FUNDS**
 - **RETAIL CONSULTING**
-

WHO IS ACTUARY?

NOT ONLY NUMBERS BUT ABOVE ALL

EXPERIENCE

IDEAS

PLANNING

MANAGEMENT

GOVERNANCE

ACTUARIAL APPROACH

IS NOT A CALCULATION, BUT A WAY TO FEEL

RISKS AND EVALUATE THE UNCERTAINTY

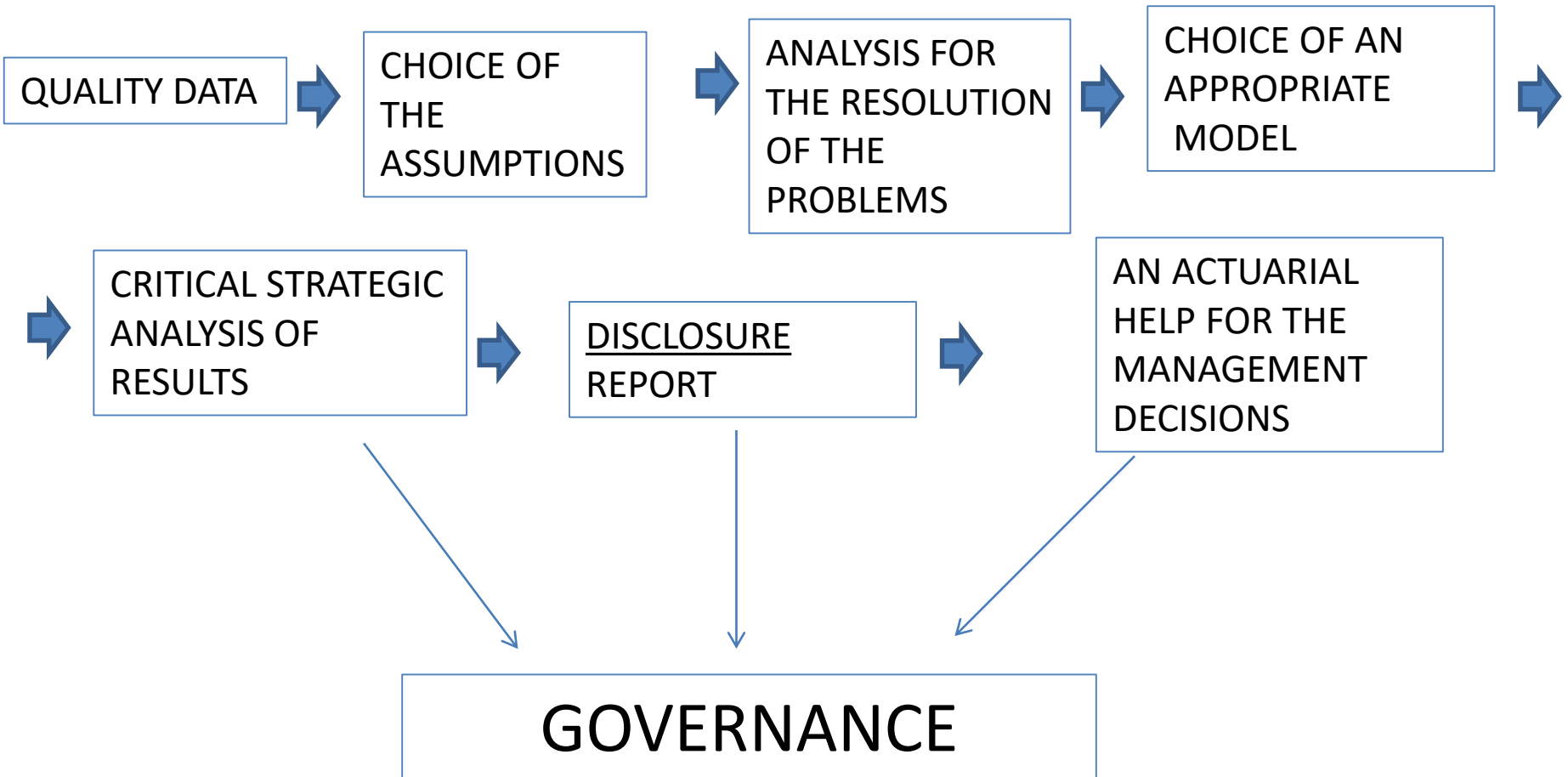
WITH SUITABLE QUANTITATIVE MODELS

WHO IS ACTUARY?

the key word is

“EVALUATION”

WHO IS ACTUARY?



ACTUARIES ARE THE NEW RISK MANAGERS IN BUSINESS AND SOCIETY

Companies, organizations, institutions, Government, do not make decisions in the dark but call Actuaries who know rational quantitative methods to assess the risks

So Actuaries want also to be very active to support the development of the economic life

Already on many topics we made our voices heard in these years (Technical Balance Sheets in some social security schemes, Pensions – about the matters of sustainability and adequacy -, Gender, Termination Indemnity and Pension Funds, New Insurance Code, Solvency II and Actuarial Function, Motor Insurance, integrated and enlarged Welfare, catastrophic risks, Actuarial Function and Risk Manager in Pension Funds ...)

The project for the development of the actuarial profession

The National Actuarial Board is implementing a project of development of the actuarial profession, inside and outside, based on:

- Communication at all levels

- *High schools*

- *University*

- *Great audience*

- *Insiders*

- *Institutions/Politics*

- *Supervisory Authorities*

- *Trade associations and organizations*

We observe an important increase of students in the Universities and in the official list (so called “albo”)

- Actuarial permanent professional training and **A VERY IMPORTANT PROJECT WITH THE UNIVERSITIES (ALSO SALERNO IS FULLY INVOLVED)**

The project for the development of the actuarial profession

The National Actuarial Board is implementing a project of development of the actuarial profession, inside and outside, based on:

- Opening of new professional spaces (see before)
- Internal operational restructuring to make the management efficient in terms of human and economic resources

TARGET: an open profession, able to face the problems related to uncertainty with an actuarial approach, in full development about new professional spaces, communicative, organized and constantly formed to ensure the highest quality

The Actuaries in Italy

- **«CONSIGLIO NAZIONALE DEGLI ATTUARI»**
(Actuarial National Board) – The Government of Actuarial Profession
- ONLY ONE TERRITORIAL COUNCIL (“Consiglio Ordine Nazionale Attuari”) on a national scale according to the size
- **THE OFFICIAL LIST (so called «ALBO»)**
- THE STATE EXAMINATION
- DEONTOLOGICAL CODE
- GUIDELINES

The Actuaries in Italy

- CONTINUOUS ACTUARIAL EDUCATION (SO CALLED «FAC»)
- **THE NATIONAL CONGRESS (next 21-23 november in Rome)**
- STUDY ON SURVIVAL
- MANY OTHER THINGS

The Actuaries in Italy

- THE FOLLOWING THREE DEGREES (so called “Laurea Magistrale”) AFTER HAVING A THREE-YEAR DEGREE NORMALLY IN ECONOMICS

LM16 FINANCE

LM 82 STATISTICAL SCIENCE

LM 83 ACTUARIAL, FINANCIAL AND STATISTICAL SCIENCE

- ON OUR WEBSITE YOU CAN FIND UNIVERSITIES AND KIND OF DEGREES
- ACHIEVED ONE OF THESE ADVANCED DEGREES (**16, 82 OR 83**) YOU CAN ACCESS TO THE STATE EXAM
- IF YOU PASS THE STATE EXAM YOU CAN REGISTER IN THE OFFICAL LIST (“ALBO”) **AND YOU FINALLY BECOME AN “ACTUARY”**

The Actuaries in Italy

- WWW.ORDINEATTUARI.IT: FIND ANY KIND OF FURTHER INFORMATION ABOUT OUR PROFESSION,

INCLUDING **JUNIOR ACTUARY** (ANOTHER PROFESSIONAL FIGURE THAT PROVIDES THE SUBSCRIPTION AT A SPECIFIC SECTION OF “ALBO” AFTER ONLY A THREE YEARS DEGREE - **L41** - AND AFTER PASSING THE CORRESPONDING STATE EXAM)