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The Mexican College of Actuaries Elects Luciano Devars as President

By Carlos Arocha

Actuarial education in Mexico follows a university-based approach, much like most countries in continental Europe. The actuarial tradition dates back to 1946, when an undergraduate program was established at the Mexican National Autonomous University¹ (UNAM). At present, 24 universities in Mexico offer undergraduate and graduate programs in actuarial science, and the number of undergraduate actuarial students is the largest in Latin America. There are three professional actuarial associations in Mexico: the Mexican Association of Actuaries² (AMA), the Mexican Association of Consulting Actuaries³ (AMAC) and the (Mexican) National College of Actuaries⁴ (CONAC). While the AMA is an associate member of the International Actuarial Association (IAA), the CONAC is a full member and an official professional body recognized by the Ministry of Education⁵ (SEP).

The core element of actuarial education is a university degree, which is awarded after students complete a four-year university program and fulfill other educational requirements. The usual path after the degree is to obtain a professional certificate⁶ from the Ministry of Education and apply for membership at the CONAC. However, this last step is voluntary. In fact, more than 14,000 actuaries have earned an actuarial degree, and 10,500 have the Ministry of Education certificate, but fewer than 500 are members of the CONAC.

The newly elected president of the CONAC, Luciano Devars, agreed to be interviewed for the SOA's *International News*. Devars spent the first 10 years of his career at Grupo Asesores, an insurance broker. He then worked as an actuarial technician for Seguros Monterrey Aetna and helped with the formation of a special unit for its banking business. In 1986, this unit was divested into Seguros Bancomer, a bancassurance leader in Mexico, that later merged with BBVA, a Spanish global banking group. At BBVA, Devars was named global chief actuary, with responsibility for various Latin American and European markets, as well as the BBVA reinsurer subsidiary in Ireland. Overall, Devars has more than 36 years' experience in life and property and casualty insurance.



Luciano Devars, president of the CONAC

The CONAC's strategic plan for 2017–2019 includes the following points:

- Increase the services provided to CONAC members;
- Strengthen CONAC management;
- Strengthen the CONAC's financial position;
- Strengthen ties with universities and students;
- Integrate actuaries and their families with the CONAC; and
- Establish governance processes to execute these strategies.

The interview with Devars is presented below. Please note that this transcript has been edited slightly for clarity.

Carlos Arocha: What are the areas of employment for actuaries in Mexico?

Luciano Devars: Actuaries in Mexico are employed by insurance companies, banks, consulting firms, market research companies, government agencies and so on.

CA: What are the incentives for membership at the CONAC?

LD: The CONAC helps actuaries network and identify employment opportunities, it fosters professional development and the exchange of ideas, and it provides a platform to keep actuaries abreast of current developments that impact the practice of the actuarial profession.

CA: What is the “certified actuary” designation?

LD: To issue statements of actuarial opinion regarding adequacy of insurance reserves, technical memoranda,

solvency capital requirements and the filing of insurance policies, actuaries must be certified by the CONAC and comply with a rigorous continuing education program. This requirement is included in Mexican insurance law and regulation, and it applies to the pricing, reserving and auditing of the five lines of insurance: (1) life, (2) accident and health, (3) property and casualty, (4) pension and annuities and (5) credit and surety. The certification is really a recognition, but since it was called “certification” in legal documents right from the beginning, it is common to refer to the CONAC-recognized actuaries as “professional-quality certified actuaries.”

CA: Mexico has implemented a risk-based regulatory solvency paradigm that is much like the European Solvency II Directive. What are the professional opportunities for actuaries?

LD: Actuaries have a lot of professional opportunities, both as employees of insurance companies and as consultants. The new solvency requirements are complex and require the participation of actuaries. Their role is fundamental in the operation of the 100+ insurance and reinsurance companies in Mexico.

CA: Are all university programs in Mexico compliant with the core educational curriculum of the CONAC?

LD: The CONAC is the main actuarial organization that represents the actuarial profession before governmental agencies, as well as domestic and international trade and professional associations. The CONAC is a full member of the International Actuarial Association. In this sense, if an actuary has earned a degree from an institution whose syllabus complies with the IAA educational standards, the actuary is eligible for CONAC membership. If this is not the case, the CONAC prescribes a procedure to determine additional educational requisites that must be met. At present, not all universities belong to the first category.

CA: Do actuaries have any incentive to write SOA examinations?

LD: In some universities, writing preliminary SOA examinations is a way to fulfill some of the requirements to obtain an undergraduate degree. So it is not uncommon to find a relatively large number of students writing exams P, FM, MLC and MFE. After that, the interest in writing exams wanes rapidly. Employers do not pay for study materials, do not offer paid leave to prepare for the exams and do not increase salaries when an exam is passed. So given the cost-benefit relationship, it makes little sense to write SOA exams if the actuary is planning to practice in Mexico. If, on the other

hand, the actuary is looking for a position abroad, he or she may be encouraged to continue writing SOA exams.

CA: Your strategic plan for 2017–2019 includes the integration of actuaries and their families with the CONAC. Could you elaborate on this point?

LD: Professional vocation involves passion, much the same as settling down and growing a family. We see dedication to work and family (or personal life) as the main ingredients to a balanced life. The CONAC will be organizing cultural excursions with actuaries and their families to rediscover the fantastic tourist places that Mexico offers. Likewise, other activities like going to the theater and cinema and dominoes tournaments will be organized in the spirit of networking.

CA: Do you have any message for actuarial students in Mexico?

LD: Actuarial studies are rigorous, and people connect them with a love of mathematics and the analytical traits. But on top of liking math, it is necessary to develop an inquisitive mind and to be intellectually curious. Reading about history, politics and social issues, as well as having a flair for writing, help actuaries become better communicators and prepare them for leadership. Interpersonal skills are very important, often more so than mastering mathematical formulae. Employers seek staff who can do a job well, done at once, and with commitment.

CA: On behalf of the International Section of the Society of Actuaries, I would like to thank you and congratulate you on winning the election. All the best! ■



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ENDNOTES

- 1 In Spanish, *Universidad Nacional Autónoma de México*. All acronyms related to Mexico are kept in their original Spanish form.
- 2 In Spanish, *Asociación Mexicana de Actuarios*.
- 3 In Spanish, *Asociación Mexicana de Actuarios Consultores*.
- 4 In Spanish, *Colegio Nacional de Actuarios*.
- 5 In Spanish, *Secretaría de Educación Pública*.
- 6 This certificate is called *cédula profesional*, a government document that attests that an individual has fulfilled the requirements to earn an undergraduate degree at a university whose studies are recognized by the Ministry of Education. Interestingly, the certificate has a patent scope.