

MINUTES OF FIFTEENTH GENERAL MEETING

Tuesday 9th November, 2004

The Fifteenth General Meeting of AFIR was held at the Hyatt Regency Boston Financial Center at 3.00 pm on Tuesday 9th November 2004.

The meeting was chaired by Jean Berthon, Chairman of AFIR. There were 17 members in attendance.

At the commencement of the meeting, a short period of silence was observed in memory of Catherine Prime, former President of the IAA and Committee member of AFIR, who had passed away in February 2004.

1. The draft minutes of the Fourteenth General Meeting held in Maastricht, Netherlands on 19th September 2003 were circulated to all those present. The minutes were approved unanimously.
2. There were no matters arising from the minutes.

3. Chairman's Report.

The Chairman commenced by expressing thanks to the Society of Actuaries for organising a most successful Colloquium, and to the Scientific Committee under Eric Thorlacius for the quality of the program. The decision to combine the AFIR Colloquium with the Investment Symposium of the CIA/SOA had been an excellent one, leading to an attendance of around 250 persons.

Next the Chairman turned to the work carried out by the Committee on developing a Business Plan for AFIR, foreshadowed at the previous meeting in Maastricht. He read out a draft statement of Aims and Objectives (attached to these minutes), which was the subject of ongoing discussion by the Committee. It was emphasised that AFIR currently saw its role as relating only to financial risks, and not to the wider field of Enterprise Risk Management (ERM). It was also emphasised that AFIR had to create a proper balance between research and practice in order to bring together the various interested parties.

The Chairman reported that the final Business Plan would go on to outline the Means by which it was intended to achieve the Aims and Objectives which he had outlined. This section of the Plan was still under discussion by the Committee.

The Chairman's report was received and accepted.

4. Treasurer's Report.

The Treasurer, Bill Chinery, was not present, so his report was summarised by the Secretary, Mike Barker. It was noted that assets of the organisation at 30th September 2004 had risen to approximately 398,000 Canadian dollars, with a surplus of about 53,000 CAD in the last nine months.

The Treasurer's report was adopted.

5. Report of the Editor

The Editor, Andrew Cairns, reported on the ASTIN Bulletin. He stated that the journal was flourishing, with an increasing number of papers submitted relating to AFIR subjects. He indicated that there was an appetite for a greater number of practical papers in the "Workshop" section of the journal, and encouraged authors to submit papers for this section.

A question was asked regarding the definition of a Workshop paper as opposed to an Article. The Editor replied that Workshop papers were more likely to include numerical results rather than pure theory.

A second question related to the breadth of circulation of the journal. The Editor stated that the publisher had been pro-active in its efforts to place the journal in as many university libraries as possible.

Further discussion took place, particularly around the question of theoretical research versus practical application. It was suggested that UK actuaries in general regarded AFIR as too theoretical, whilst many US actuaries were unaware of AFIR's existence, so further promotion was needed. The importance of creating the appropriate balance between research and practice was re-emphasised by several speakers.

There was also discussion around the suggestion of the journal becoming web-based, and becoming a forum for questions, thereby taking on an educational role.

The Chairman concluded by thanking the Editor for his report.

6. Election of the Committee.

Only one Committee member was standing for re-election this year, Eric Thorlacius (USA). He was elected unopposed for a further four-year term ending in 2008.

The Chairman also advised that the Committee had elected Eric Thorlacius as its new Vice-Chairman, replacing Alf Guldberg, who was standing aside to allow himself more time for his forthcoming period as President of the IAA.

7. Future Colloquia.

As had been indicated last year, an invitation had been accepted from Switzerland to hold a Colloquium in Zurich from 7th – 9th September 2005, overlapping with an ASTIN meeting from 5th – 7th September, and in conjunction with the centenary celebrations of the Swiss Institute. Brochures for the Swiss Colloquium had already been sent out.

In 2006 there were plans being made to hold a special AFIR day in conjunction with the International Congress in Paris.

An invitation had been accepted from Sweden to hold the Colloquium in 2007.

8. Other Business.

There was no other business raised.

9. Next meeting.

The next meeting was set provisionally for September 2005, during the Colloquium to be held in Zurich, with the exact place and date to be advised later.

Mike Barker (Australia)
Secretary

Attachment to Minutes of Fifteenth General Meeting

Draft Business Plan

(First Sections)

Aims

As stated in the Statutes (Article 2), our aims are: “to promote actuarial research in financial risks and problems”, which we propose to detail in this way:

- to bridge the gap between the actuarial and financial approaches
- to encourage an effective approach to the evaluation and management of financial risks
- to promote theoretical and applied research in financial risk management and control
- to bring together actuarial and non-actuarial financial engineers

Objectives

In the next five years we propose to set our targets as follows:

- rearrange colloquia so that they emphasise more and more on an effective approach in financial risks
- reinforce the role of academics and researchers in AFIR to make a proper balance between research and practice
- increase our membership in attracting within AFIR not only all actuaries involved in financial risk evaluation and management but also all non-actuaries who are working in the same fields and are interested by our work
- develop specific education programs in risk management for our members and promote the role of AFIR in new actuarially developing countries.