

## **Minutes of the AFIRERM SECTION COMMITTEE Meeting in Edinburgh, London**

**Place:** Edinburgh, UK, EICC, Carrick Suite

**Date and Time of Event:** May 31, 2016 16:00 to 17:00 (just prior to registration)

### 1. Apologies

Pierre Devolder, Gunn Albertsen, Réjean Besner

In attendance: Michael Sherris (MS), Andrew Cairns (AC), Carla Angela (CA), Miwaka Yamashita (MY), David Wilkie (DW)

There was a discussion about attendance at meetings including the recent teleconference. There was a concern that email addresses may be out of date on the circulation list at the IAA. MS to follow up.

### 2. Minutes of Last Meeting and Matters Arising from the Minutes

Minutes were approved for the previous meeting. No matters rising.

### 3. Report on the meetings in Sydney and Edinburgh

The colloquia in Sydney and Edinburgh had attracted a very good scientific program although overall attendance of members of the section, particularly in Edinburgh were low. The Sydney meeting was held jointly with ASTIN and the overall meeting was well run and had a reasonable attendance. Although international attendance was low in the Sydney meeting, local attendance was also less than expected.

Some of the reasons for low attendance at these meetings were the cost of attending including the registration fee and the AFIR-ERM section losing some of its profile. It was also noted that in the 1990's at the AFIR-ERM section meetings in the UK attendance was very strong and included professionals from the investment and finance areas.

Many other conferences are now held in these fields and so it's harder to attract registrations to the AFIR-ERM colloquium from these professionals.

Attendance at Colloquia and engagement with members of the section were important issues for the Committee to address over the coming year.

**Action items: Actively promote the 2017 Colloquium in Panama City. ALL.**

### 4. Future Colloquia

The next colloquium will be in August 2017 in Panama City hosted by the "Asociacion Centroamericana de Actuarios" (Central American Actuaries Association). MS will be organizing an AFIR-ERM Scientific Committee to overview the scientific program. The colloquium will be held jointly with the ASTIN section. There will be 4 days of colloquia including 3 days of scientific contributions along with educational workshops for South American actuaries. The AFIR-ERM topics proposed for the educational workshops were ERM, Derivatives Pricing, Interest Rate Models, and Longevity Risk. MS will follow up with potential presenters. There will be plenary speakers from ASTIN, AFIR-ERM and Local. Suggestions were called for the AFIR-ERM Plenary speaker. AC suggested David Ingram as a good candidate. MS to follow up. The Web site for the colloquium is at <http://www.actuaries.org/panama2017>

The 2018 colloquium will be held as part of the ICA in Berlin. It will be important to submit proposal for AFIR-ERM topics early since closing dates for submissions are quite early.

The 2019 venue and organization is yet to be decided. There was discussion at the Section Chairs meeting in St Petersburg about the possibility of Cape Town as a venue in conjunction with other sections. This could minimise some of the attendance and

financial risks of the colloquia. Other possibilities were to consider possible Asian venues in conjunction with an association with strong AFIR-ERM memberships or to hold the colloquium in a European city and to engage with the strong European association memberships more effectively in order to develop stronger links with these associations.

**Action items:**

**Establish AFIR-ERM Scientific Committee for 2017 Colloquium: MS.**

**Contact potential presenters for AFIR-ERM Educational Workshops: MS.**

**Follow up potential planetary speakers for AFIR-ERM at Colloquium in 2017. MS.**

5. The ASTIN Bulletin

The report of the Editor in Chief was tabled to be included in the General Assembly meetings.

6. The AFIR Prize

The Bob Alting von Geusau Prize for 2014, sponsored by the AFIR-ERM Section of the IAA, was determined by the Prize selection committee of Andrew Cairns, Carla Angela and David Wilkie. After shortlisting and reviewing papers on AFIR-ERM topics published in the ASTIN journal in 2014 the paper, "Pricing and Solvency of Value-Maximizing Life Annuity Providers" was judged the best paper published in ASTIN Bulletin during 2014 with a Financial Risk or ERM focus and was awarded the Bob Alting von Geusau Prize. The prize committee judged that it made the most novel and original contribution amongst the eligible papers, a recommendation that was endorsed and approved by the AFIR-ERM committee at its meeting in Edinburgh.

**Action items:**

**Follow up with Christian Levac to arrange payment of prize. MS.**

**Advise the authors officially. AC.**

7. Finances and Budget

The main aspects of the Sections finances are that revenue and outgo are more or less in balance. The main income of the section are membership subscriptions (50 Canadian dollars), and investment income. Investment income can vary depending on market values. The main expenses are the IAA administrative support (web, colloquia, collection of membership, committee support, IT, etc.); the ASTIN journal support, the AFIR-ERM prize, as well as any colloquia support. The section has a substantial accumulated reserve.

There was some discussion of the need to ensure that the reserve is used to support future section activities including planning more activities to provide value to membership of the section. It is critical that the section develop activities to support its objectives and to be more pro-active in supporting research using some of its accumulated funds in a planned manner. This will be a high priority for the section in the coming year. As part of this activity, it will be important to review committee membership and to encourage active involvement in section activities.

**Action items:**

**Develop ideas for activities to provide value for section membership (to discuss at next meeting): ALL.**

**Consider potential new committee members for 2017. ALL.**

#### 8. Workplans

The section workplans had been circulated to the committee in advance of the meeting. The plans outline how the section activities align with the IAA Strategic objectives and allocate budget resources to support these. Currently these activities continue with the main activities of the section including the colloquia and related research support such as the Bob Alting von Geusau prize. The plans were considered appropriate for the year ahead and will be reviewed over the coming year to support a more proactive role for the section in supporting activities for its members.

There was discussion of other activities that the Section should consider. These included developing a database of financial and related data which was freely available and making this available to members of the section, developing a discussion forum for the section which could be a Q&A style where members could raise questions and draw on the expertise of other members. Other possibilities included funding research projects through calls for research on current AFIR-ERM topics and working jointly with professional association sections on related calls for research.

**Action items: Review Workplans and develop proposals for 2017 for section activities: ALL.**

#### 9. International association links – increasing section member engagement

It was noted that many professional associations that are members of the IAA have sections related to AFIR-ERM. Over the coming year it will be beneficial to engage more actively with these sections as much as possible. This would include promoting the 2017 Colloquium in Panama, submission of AFIR-ERM articles to the ASTIN journal and exploring possible joint activities including support for research on AFIR-ERM topics.

**Action items: Contact representatives of the relevant committees in UK, US, Europe, Australia to promote the 2017 Colloquium: ALL.**

#### 10. Role and responsibility of committee members

This would be developed after a review of activities and committee membership over the coming year. Following the resignation of Rob Thomson from the committee there was only one candidate for election to the committee at the General Assembly. That was Mark George Hayes from South Africa.

#### 11. Other business

There was no other business.

#### 12. Next meeting

A conference call meeting will be held in September 2016. Details to be provided closer to the date.

### **Committee member emails**

Chairperson

Michael Sherris (2019) [m.sherris@unsw.edu.au](mailto:m.sherris@unsw.edu.au)

Vice Chairman

Pierre Devolder (2017) [devolder@fin.ucl.ac.be](mailto:devolder@fin.ucl.ac.be)

Secretary

Raimond Maurer (2017) [maurer@finance.uni-frankfurt.de](mailto:maurer@finance.uni-frankfurt.de)

Treasurer

Carla Angela (2017) [carla.angela@italian-actuaries.org](mailto:carla.angela@italian-actuaries.org)

Members

François Bonnin (2016) [francois\\_bonnin@yahoo.fr](mailto:francois_bonnin@yahoo.fr)

Andrew Cairns (2017) [A.J.G.Cairns@hw.ac.uk](mailto:A.J.G.Cairns@hw.ac.uk)

László Hrabovszki (2017) [lp.hrabovszki@gmail.com](mailto:lp.hrabovszki@gmail.com)

Elliot Mark Varnell (2017) [evarnell2@gmail.com](mailto:evarnell2@gmail.com)

Miwaka Yamashita (2017) Yamashita [sho--jum@kve.biglobe.ne.jp](mailto:sho--jum@kve.biglobe.ne.jp)

Mark Hayes (2020) [Mark.Hayes@wits.ac.za](mailto:Mark.Hayes@wits.ac.za)

IAA Delegates

Gunn Albertsen [gunn.albertsen@storebrand.no](mailto:gunn.albertsen@storebrand.no)

Réjean Besner [rejean\\_besner@swissre.com](mailto:rejean_besner@swissre.com)

Honorary Chairmen

Jean Berthon [berthon@faider.org](mailto:berthon@faider.org)

David Wilkie [david.wilkie@inqa.com](mailto:david.wilkie@inqa.com)