

# **AFIR SECTION COMMITTEE**

## **Minutes of Meeting**

**Held in Hotel Sofitel  
Bayerstraße 2, Munich**

**8th September 2009**

### **Present:**

Eric Thorlacius (USA, Chairman)  
Jean Berthon (France,)  
Raimond Maurer (Germany, Secretary)  
David Wilkie (UK)  
Carla Angela (Italy, Treasurer)  
Pierre Devolder (Belgium)  
Nino Savelli (Italy, IAA Nominee)

### **By Invitation:**

Andrew Cairns (UK, editor ASTIN bulletin).

### **Apologies:**

Tony Coleman (Australia IAA Nominee)  
Alf Guldberg (Sweden)  
Arnaud Clement-Grandcourt (France)  
Jean-François Boulrier (France)

#### **1. Opening of Meeting**

The meeting opened at approx. 18.00

#### **2. Minutes of Last Meeting**

The minutes of the last meeting were taken as read, and were approved.

#### **3. Matters Arising from the Minutes**

There were no matters arising from the minutes which were not already on the Agenda.

#### **4. The ASTIN Bulletin**

Andrew Cairns gave us an update and the changes of the journal. Since the last report we have published Volumes 38.2 and 39.1 with 27 original articles and covering 656 pages. Of these, 10 were directly or partly linked to the interests of AFIR members. The submission rate is reasonably steady and our acceptance rate also remains stable at around 50%. Rejections include a small number (around 10%) of new submissions that are returned without refereeing. This usually happens when I feel that the paper lacks genuine motivation in an actuarial context. Volume 39.2 will be coming out in a few months, with at least 17 original articles. With the recently expanded scope of the journal, some new editors have been appointed:

- Professor Antoon Pelsser, from the University of Amsterdam, a recent contributor to ASTIN Bulletin, with interests in asset modelling and valuation.
- Professor Montse Guillen, from the University of Barcelona, and a regular attendee at ASTIN colloquia.
- Professor David Dickson, from the University of Melbourne, and a regular contributor to ASTIN Bulletin.

Administration: Christian Levac based at the IAA's offices in Ottawa is the editorial assistant. This seems to be working well and will help provide the Bulletin with stability in the back-room administration. The online submission system finally went live in March, and since then the journal have had 15 online submissions. In general it seems to be working smoothly.

The relationship with the publishers Peeters Leuven continues to work well. The publisher recommended that to modernise the cover, resulting in the new-style volume 39.1. Instead of the usual green card cover, it is now a more durable, glossy cover and the new colour is not unlike volume 5 for those that remember, and the inside cover is white.

Online access to past issues: Last year it was suggested that to make the latest two editions available online to subscribing section members. This is being worked on at the moment by Christian Levac with some input from me and the Casualty Actuarial Society where older issues are currently available online. Amongst other things, the new IAA website will whole-heartedly acknowledge our thanks to the CAS for their significant contribution in recent years: first scanning in all of the past issues and then providing a free online service for the last 10 or so years. We anticipate the two websites running in parallel for a few years at least. Amongst other things the CAS members have their own specialised research search engine, and we do not want to make any changes that will result in a deterioration of service to CAS members.

The Chairman thanked the Editor for his report

## **5. The AFIR Prize.**

The committee decided to award the Bob Alting von Geusau Memorial Prize (AFIR prize) for the best paper published in the ASTIN bulletin in 2008 on a financial risk topic for the paper "Enterprise Risk Management, Insurer Value Maximisation, and Market Frictions" by Shuan Yow and Michael Sherris. (Vol 38, No. 1, pgs 293-339) Enterprise Risk Management is an important subject and the paper develops methods for considering market imperfections and frictional costs in such a framework which strengthens the practical application of ERM.

The committee invite the authors to present this paper at the 2010 AFIR Colloquium which will be held in Cape Town 2010 where the prize will be awarded. The prize includes an award of C\$5000 (Canadian Dollars) as well as travel expenses to the 2010 Colloquium.

## **6. Report on the current meeting in Munich.**

Raimond Maurer reported that the congress was under good way. There were 223 AFIR-delegates including speakers and accompanying persons. The scientific committee had been chaired by Prof. Raimond Maurer and the Organization committee by Dr. Bernhard Schmidt. They have received 77 papers which was an excellent number of papers. The programme also includes several interesting invited

speakers David Blake about “The new life market: From survivor bonds to life settlements securitisation”, Christian Mumenthaler, (Swiss Reinsurance Company) about “Risk management in a challenging environment”, Karel van Hulle, B (Head of the Accounting and Auditing Unit at the European Commission, Directorate-General Internal Market) about “Solvency II: A challenge also for actuaries”, and Olivia S. Mitchell (The Wharton School) about “Global challenges in pension risk management”. In total the several presentations are divided in six topics “Portfolio and risk management”, “Pensions: Managing accumulations and decumulations”, “Asset and derivative pricing”, “Longevity and mortality risk”, “Asset / liability management”, and “Solvency, guarantees and risk capital”

The chairman thanked the sponsors as well as the scientific and organisation committee.

## **7. Future Colloquia**

AFIR would be a theme in the next IAA 2010 conference in South Africa.

## **8. Review of Arrangements for General Meeting**

- a. **Draft Agenda.** The proposed agenda for the General Meeting was approved.
- b. **Treasurer’s Report.** The treasurer, Carla Angela reported that the net assets of the organisation at 30<sup>st</sup> June 2009 had risen to approximately 502,000 Canadian dollars (CAD) (2008: 489,000 CAD), and there had been a surplus for the year 2008 of about 13,000 CAD. The numbers of members were relatively stable, and the revenues from membership dues are approximately 63,000 CAD. The new Sections of the IAA all contribute to the costs of ASTIN Bulletin. The treasurer suggested to increase the membership fee from 40 to 50 CAN.

### **c. Election of Committee Members.**

The term of several members will end in 2009 (Carla Angela, Pierre Devolder, Raimond Maurer, David Wilkie, Alf Guldberg Arnaud Clement-Grandcourt). The committee is very happy that Carla, Raimond, and Pierre are taking for a re-election as committee members for another term. David, Alf, and Arnaud are not taking for a re-election. The committee thanks these members for their work over many years. In addition Andrew Cairns, Rob John Thomson, Marcus Karlsson, and Jonathan A. Mossmann were suggested as a new member of the committee.

*[After the general meeting Andrew Cairns, Rob John Thomson, Marcus Karlsson, and Jonathan A. Mossmann were elected as new regular members, and Carla Angela, Pierre Devolder, and Raimond Maurer were re-elected for another term].*

- d. **Prize Ceremony.** The committee discussed the prize ceremony.

**9. Investment Policy**

The committee agreed to support the next colloquia in South-Africa with CAN \$ 50,000, especially to support the participation of delegates from emerging actuarial countries.

**10. Other Business**

There was no other business

**11. Next meeting**

The next meeting was set for March 2010, during INTERNATIONAL CONGRESS OF ACTUARIES in South Africa.

The meeting was closed at 20:30

Raimond Maurer (Secretary)