

MINUTES OF SIXTEENTH GENERAL MEETING

Friday 9th September, 2005

The Sixteenth General Meeting of AFIR was held at the ETH, Zurich at 4.30 pm on Friday 9th September 2005.

The meeting was chaired by Jean Berthon, Chairman of AFIR. There were 24 members in attendance.

(NOTE: The General Meeting was preceded by the Closing Session of the AFIR Colloquium, at which the Chairman had congratulated the Swiss Actuarial Association on their organisation of a most successful Colloquium, with 159 attending and 32 papers discussed. The Chairman had also announced that the winner of the Bob Altig von Geusau Prize for the best paper on an AFIR subject appearing in the ASTIN Bulletin in 2004 was Gary Venter for his paper “Testing Distributions of Stochastically Generated Yield Curves”. In addition, a “highly commended” mention was given to the paper by Mogens Steffensen entitled “On Merton’s Problem for Life Insurers”.)

1. The draft minutes of the Fifteenth General Meeting held in Boston, USA on 9th November 2004 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 referring to the Business Plan which had been outlined at the previous General Meeting. This Plan contained four objectives, which he addressed in turn.

Of particular note was the encouragement of academics, which had been done very successfully at the Zurich Colloquium, and would be followed up at the Paris meeting in 2006 by offering special terms for attendance.

In addition, the Chairman stated that proposed changes to the AFIR Committee membership, which he would announce in detail later, would increase the number of academics on the Committee to 4.5 out of 12 (with the Chairman counting himself as the 0.5)

The objectives also involved attracting non-actuaries to AFIR by sponsorship of a broadening education programme. In this regard, AFIR had contributed sponsorship to a five-day “Workshop on the Interface between Quantitative Finance and Insurance” in Edinburgh in April 2005, which had been chaired by Andrew Cairns. (At this point Andrew Cairns gave a brief description of this Workshop.)

The Chairman encouraged other members of AFIR to follow this example by initiating regional workshops or seminars on AFIR topics. AFIR would be a willing and enthusiastic source of sponsorship for such events.

Next the Chairman went on to announce the proposed enlargement of the scope of AFIR to make it the principal Risk Section of the IAA. This enlargement would expand AFIR's scope from its current focus on market and credit risk to include operational and other types of risk. A change of name to "Enterprise and Financial Risk" or "EAFR" was also being considered. The Committee planned to place a detailed proposal along these lines in front of the broad membership in order for a vote to be taken at the next General Meeting.

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 Chairman. It was noted that net assets of the organisation at 31st December 2004 were approximately 380,000 Canadian dollars, an increase of CAD 35,000 over the year.

The Committee planned to increase expenditure in the forthcoming period. As well as the annual prize award, and sponsorship of regional seminars as outlined earlier, the Committee had allocated CAD 35,000 as bursaries for younger actuaries and those from emerging countries to attend the meeting in Paris next year.

At this point, Paul Embrechts spoke from the floor to mention that ASTIN had also sponsored members from emerging countries, and this had been money well spent. However, he noted the difficulty of finding the right people to sponsor, and emphasised the need for a pro-active approach in seeking out candidates. His comments were well noted.

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 continued to flourish, with the latest volumes containing 185 and 319 pages respectively. There were 60 papers submitted in 2004, of which about 40% were accepted, but with no publication backlog thanks to the flexibility of the publishers.

The other Editor of the Bulletin, Paul Embrechts, was standing down, to be replaced by Shaun Wang.

Plans were mentioned for the Bulletin to become the Journal of the IAA, incorporating papers from other Sections as well as ASTIN and AFIR. This would involve new Board members from the Pensions and Health Sections.

Finally, it was proposed to drop the distinction between “articles” and “workshop” papers. The distinction had been created to indicate that the workshop category was of a more practical research nature, but a perception had developed that workshop papers were of lower quality, which was not the case. The Board still wishes to encourage applied research.

The Chairman thanked the Editor for his report.

6. Election of the Committee.

There were six members of the Committee whose term was expiring in 2005. Of these, Arnaud Clement-Grandcourt (France) and David Wilkie (UK) were standing for re-election. The other four, Peter Albrecht (Germany), Mike Barker (Australia), Bill Chinery (Canada) and Robert Clarkson (UK) were retiring.

The Chairman proposed four new members to replace those retiring. The four proposed were Pierre Devolder (Belgium), Josephine Marks (Canada), Raimond Maurer (Germany) and Shaun Wang (USA). The Chairman asked whether any other members from the floor wished to stand, with none volunteering. Accordingly, those standing were elected by acclamation.

The Chairman advised that the Committee had elected Tor Eivind Hoyland (Norway) as its new Secretary, and that Josephine Marks had agreed to be the new Treasurer.

7. Future Colloquia.

As had been previously announced, there were plans to hold a special AFIR day in conjunction with the International Congress in Paris in June 2006.

The 16th AFIR Colloquium would be held in Stockholm from June 12 – 15, 2007.

It was noted that ASTIN was planning to hold its 2008 Colloquium in Oxford, UK. The meeting expressed enthusiasm for the principle of holding joint ASTIN/AFIR meetings, partly because of the success of the Zurich meetings. It was suggested that the UK organisations be informed that an approach by them to hold the 2008 AFIR Colloquium in Oxford would be most welcome.

8. Other Business.

There was no other business raised.

9. Next meeting.

The next meeting was set provisionally for June 2006, during the International Congress to be held in Paris, with the exact place and date to be advised later.

Mike Barker,
Secretary