



# Joint Colloquium of the IACA, PBSS and IAAHS Sections of the International Actuarial Association

Westin Copley Place Hotel, Boston, U.S.A. – 4-7 May 2008

## Keynote Address

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President of the IAA (2008)



# Congresses

- International Congress of Actuaries held every four years
- Next one in Cape Town, South Africa in March of 2010



- After that in Washington, DC, in 2014.

# Mini-Congress

- **Mini-Congress: Midway between Congresses**
- **Possible to plan for two mini-Congresses for 2012 each involving three Sections**
- **Midway between the 2010 and 2014 Congresses**



# International Actuarial Association



- IAA is the worldwide association of actuarial associations
- Fully qualified members of its Full Member associations are automatically members of the IAA
- Serves as a bond among actuaries throughout the world
- 7 Sections and 58 Full Member associations
- *“moving the actuarial profession forward internationally.”*

# IAA 10<sup>th</sup> Anniversary

- IAA founded in 1895
- Tenth anniversary this year of its restructure as an association of associations
- History of the IAA and highlights of significant accomplishments during the past 10 years to be published
- Council and Committees meetings to be held in Québec City, Canada, June 11 – 14, 2008.

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# Strategic Planning - Vision

Earlier this year delegates to Council supported the following statements of vision, mission and values for the IAA:

## Vision

The actuarial profession is recognized worldwide as a major player in the decision-making process within the financial services industry, in the area of social protection and in the management of risk, contributing to the well-being of society as a whole.

# Strategic Planning - Mission

## Mission

The mission of the IAA, as the worldwide organization of actuarial associations, is:

- to promote professionalism, develop education standards and encourage research, with the active involvement of its Member Associations and Sections, in order to address changing needs; and
- to represent the actuarial profession and promote its role, reputation and recognition in the international domain.

# Strategic Planning - Values

## Values

The IAA adheres to the values of integrity, accountability, transparency, and objectivity when dealing with Member Associations, other stakeholders and the public.

# Strategic Planning – Next Steps

## Six strategic objectives proposed:

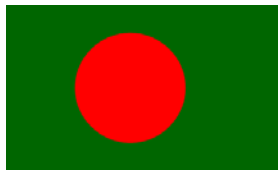
1. Relationships with key supranational audiences
2. Expansion of scientific knowledge to wider fields to enhance the scope, quality, and availability of actuarial services
3. Common standards of actuarial education and professionalism as well as model standards of practice
4. Support the promotion, organization and development of the actuarial profession
5. Provide a forum for discussion
6. Globalization of the actuarial brand

# Challenges and Opportunities

- Objectives will take years to accomplish
- Right to be heard
- Theme of “Global Challenges and Opportunities Facing the Actuarial Profession”
- Panel discussion with several leaders of our profession
- Qualifications and strong professional standards
- Distribution by area of practice has shifted, with life having lost its relative dominance in comparison to non-life, health, pension and social security
- Sizable practices in Enterprise Risk Management, investments and compliance. Such shifting will likely continue.

# Full Membership

- Of 11 countries with a population of over 100 million, only 7 have Full Members of the IAA
- 4 large countries without a Full Member are China, Bangladesh, Russia, Nigeria



- On the basis of GDP, we miss only 2 of the top 10 – China and Russia

# One Size Does Not Fit All

- Broad framework of global economic and social development
- Significant economic, demographic and environmental factors
- Population is growing, aging and migrating
- Needs for actuaries vary among developing, emerging, transitional and developed countries

# Work as Actuaries

- Most of the work we do as actuaries contributes to the well-being of society as a whole.
- **Financial** – protecting solvency and sustainability of private sector and state entities through financial soundness and reserve adequacy criteria.
- **Social protection** – developing and maintaining systems of old-age income support and health care for people of all ages.
- **Risk management** – assessing risk and identifying ways of managing risk.
- **Role in regulation** and making sure our voice is heard whenever policy decisions are to be made.

# Health

Looking specifically at the health area, the Health Section has numerous topic teams including:

- long-term care
- long-term care financing sources
- income protection
- medical expense
- critical illness
- risk adjustment
- traditional medicine
- developing countries
- public-private partnership
- and most recently micro-health insurance.

# Pensions, Employee Benefits and Social Security

Looking at pensions, employee benefits, and social security area, the PBSS has objectives relating to actuarial involvement in:

- pension reform and policy
- employee benefits, share options and other total compensation components
- planning, design, adequacy and system sustainability
- the economics of pensions and social security, insurance, pre-funding and other financing methods
- investment, asset/liability management, risk benefits and research.

# Consulting Practice

Looking at the consulting practice area, IACA faces the challenges of

- balancing the public interest and the fiduciary client relationship
- handling conflicts of interest, of actuarial communications
- new areas of actuarial consulting practice
- new developments in Enterprise Risk Management
- and new developments in actuarial education.

# **R I S K**

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# Sections of the IAA

- Rely on Sections of the IAA to
  - promote research
  - expand the frontiers of the profession
  - build bridges to other related professions.
- Great opportunities for
  - Continuing Professional Development
  - facilitate the exchange of views / information on an international basis
- Need to be proactive on issues within our area of expertise on which we can serve the public.
- If there are any such issues IAA committees should be speaking out on, we have an obligation as Section members to alert them to do that.

## Congratulations to the organizers

- An electronic copy of the presentations will be posted on the IAA web site ([www.actuaries.org](http://www.actuaries.org)) making them accessible to all actuaries, in the same manner as we do for International Actuarial Congresses
- Virtual Global Actuarial Library accessible to all members on the IAA web site.

An aerial photograph of a dense urban skyline, likely Boston, featuring numerous skyscrapers and a harbor area with boats. The text "Thank you" is overlaid in the center in a blue serif font.

**Thank you**

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