

## **Report by President Alf Guldberg Rio de Janeiro, 19 November 2005**

Cher collègues

C'est avec grand plaisir que j'ai l'honneur de faire mon deuxième rapport sur mes activités comme Président de l'AAI. Être élu Président de notre association mondiale est naturellement quelque chose de très spéciale, et en même temps la confiance que mes collègues m'ont faite en m'élisant m'a pesé sur les épaules.

Pour moi la tâche d'être Président de l'AAI a été comme être le Premier Ministre et le Ministre des Affaires Étrangères en même temps, si j'ose faire une comparaison avec le monde politique.

Le Président est le leader du travail intérieur de l'AAI, mais en même temps, le visage de notre profession vers l'extérieur, c'est à dire, responsable de continuer et approfondir nos relations avec des organisations qui sont importantes pour notre profession et, bien sûr, forger de nouvelles liaisons.

This year of being President of the IAA is of course something very special in my professional life and I must admit it has been more demanding than I thought it would be (a note of warning to Jean-Louis), but it has been immensely rewarding both professionally and personally.

The opportunity to be in the middle of the events and to meet so many interesting people is something very special and I hope that I have been able to contribute to the development of the world-wide actuarial profession.

Of course, as President, you have to depend on many colleagues and the more time passes, the more I am more and more impressed by the great amount of dedicated work and very deep professional knowledge many actuaries around the world possess and are willing to share. A great thanks to all of you.

I have also spent the second half of my term trying to meet as many of the individual members of our profession by, for example, attending both the AFIR and ASTIN colloquia organised back to back by our Swiss colleagues in Zurich. The events were very well organised (I would like to say they worked as well as a Swiss made watch). The colloquia were part of the Swiss centenary celebrations

which had started in Basel in June where I had the pleasure to present the IAA crested crystal globe to the Swiss association.

An important part of actuarial activities is the development of the profession in Asia. I had the privilege of attending the 13<sup>th</sup> East Asian Actuarial Conference in Bali. It was an impressive event both as regards the high quality of contributions and the number of attendants.

In the following days after, the IAA Fund had organised a meeting for the leaders and educators of the profession in the region to discuss ideas about how to develop the profession. I hope the meeting will help them with their future work in their respective home countries.

I also had the very special pleasure to attend the North American Actuarial Council meeting in Miami. The associations represented there are a very important part of the IAA membership and thus it is vital to the world wide community of actuaries to maintain and develop the strong ties we have.

Another regional organisation is the European Groupe Consultatif. As a European, it is of course a very well-known organisation and it was with great pleasure that I attended the annual meeting of the Groupe Consultatif in Nicosia, Cyprus.

As many of you would know the Groupe Consultatif was founded by the then European Community actuarial organisations to, among other things, give the European Commission the actuarial profession's view on actuarially related matters. Another important feature, apart from a GC core syllabus, is the mutual recognition agreement which gives the individual European actuary the possibility to work after a certain adaptation time and be regarded as a fully qualified actuary in any other European country.

To me that is an example that should be followed by the IAA.

One of the Institutional Members of the IAA is the IAIS (the International Association of Insurance Supervisors). I had the pleasure of meeting their Secretary General, Mr. Kawai, during their annual meeting in Vienna to discuss matters of mutual interest. Mr. Kawai confirmed that the IAA representatives are doing very valuable work in different committees and that the IAA representatives are highly regarded as being very competent and very dedicated.

To me a very important issue for our international professional organisation is the offer to the INDIVIDUAL member. I, of course, mean what value the individual actuary will see in being a member of a member organisation of the IAA.

The work of old sections like ASTIN and AFIR has been very successful, and the development of the new ones is very important to give a comprehensive offer to all actuaries, whatever their speciality is.

Another pearl in the IAA “collier” is to offer to the individual actuary a Life Section which will be created later during this Council Meeting and I am very confident that, together with existing sections, this will give any individual actuary a section to become a member of.

Thus we can all join one or more sections which will help us in our professional development.

Very recently the idea to create an Education and Research Section has been raised. We will look into the idea and perhaps, already at the next Council meeting in Paris next year, something can be presented and decided on.

As I have noticed that the knowledge among the individual actuaries is very, to say the least, small - not to say they are ignorant about the IAA and the Sections and what they are offering - I have, during my year of Presidency, made some marketing and information work.

Thus, if there is something I would like you to bring home to your associations, it is to please inform them about the IAA sections and what they can offer to the individual actuaries for their professional development.

Another actuarial highlight is, of course, the International Congresses of Actuaries. As you all know, the next one is in June 2006 in Paris. I have attended a few International Congresses of Actuaries in the past and they have always been important for my professional development, so if you haven't registered yet, do so immediately especially as the Congress fee increases January 1st.

When looking at the future of the actuarial profession, and especially at the role of the IAA, there are several different influences namely:

The future role of the actuary considering the emergence of, for example, risk managers.

What shall and can the IAA do in the future?

If I start with the future of the IAA, we have for a number of years had a strategic task force that has been working on how the IAA should be organised and work to be of greatest possible use for its members.

The idea is, of course, to be an efficient and at the same as transparent as possible. The hours of devoted working and intelligent thinking is great and I have great hopes that the result will be a new IAA adapted to, not only today's demands, but also be prepared for a future for our profession of which we know nothing of. The future role of the actuary will probably be very different from what we see today.

Of course, many actuaries will continue to perform what we would regard as normal actuarial work (although I have noticed that what that does imply differs from one part of the world to another), but the business world develops quickly and my conviction is that, with the basic training and subsequent practical work, the actuary is very well placed to face new challenges and most probably be well suited to meet them and not least develop them. Thus, to my mind, the task of risk manager is something that an actuarially trained person is the right person to recruit.

A small profession like the actuarial profession must cooperate worldwide if we want to have an impact, thus the idea of creating a world wide designation like FIAA, Fellow of the IAA, is important to the future of our profession. The work on this idea has started, but the obstacles are numerous. Just to mention a few, in many countries the education is more or less university based, whereas in many others, the education is exam based. But I think that there are possibilities to find a solution which is acceptable to all concerned.

Here I once more take the example from Europe where all varieties of actuarial education exist, but the European actuarial organisations have managed to have a mutual recognition agreement which is functioning. I have been a proponent of having a similar mutual IAA recognition agreement which comes first a global actuarial designation or a world wide mutual recognition is difficult to predict.

We must not forget that either solution would be important not only for our individual members but would most probably be much appreciated by our employers.

The strong involvement in the IAA work by many individual actuaries is very important and I will take this opportunity to thank you all for the involvement, interest and time you are giving the IAA. Without all this voluntary work the IAA would not exist in its present form and I wish that you forward my thank you on behalf of the IAA to all of your members not present here today for the dedicated work they are doing for the IAA in different Committees, representing the IAA etc.

Finalement étant donné que mon successeur Jean-Louis Masse et aussi le Secrétaire Général Yves Guérard, notre Directrice Générale Nicole Seguin et son équipe sont francophone un très, très grand merci. Sans vous je n'aurais pas pu performer ma mission comme Président de l'AAI. Vous avez toujours été prêts à me supporter, conseiller etc.

J'ai très grande confiance que Jean-Louis sera un très bon Président de l'AAI l'an 2006.

As my Spanish is very limited, to say nonexistent, in English a great thank you Luis Huerta. It was a privilege to be your successor and have your valuable advice.

Thank you.