

A NEW LOOK FOR THE IAA WEBSITE

On July 16, 2009, the IAA Secretariat announced the release of our new website, accompanied by an explanation of some of the changes. A lot of time and effort goes into developing the website and making sure it is kept current in a fast-paced professional environment. The last redesign of the site happened seven years ago, and a lot has changed on the World Wide Web since then. Our new site has been redesigned with a fresh new look and feel and provides improved navigation by using the latest of web technologies that allow the site pages to load quicker. One of the features of the new site is to regroup into one button the special tools available to members. Hence, if you wish to conduct a membership directory search or to update your account, click on the Member Tools icon in the top left-hand corner.

Experience the [new site](#) for yourself!

Comments and suggestions are always welcome.

IAA COUNCIL AND COMMITTEE MEETINGS – NOVEMBER 12-15, 2009 HYDERABAD, INDIA

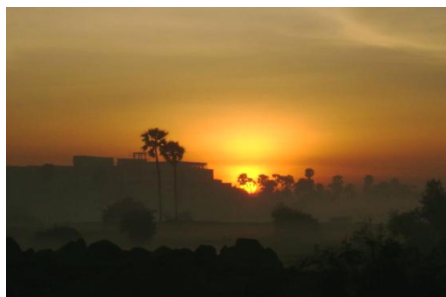
The [meeting program](#) for our upcoming meetings in Hyderabad is now available.

[Useful details](#)

for travel to Hyderabad, including information on making your [bedroom reservation](#) and on

[alternate hotels](#) in the area, have already been communicated to you and are available online.

Details of tours, including post-event tours, will be communicated soon.



IAA Newsletter

July 2009

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OFFICERS — 2009

Katsumi Hikasa, President

Yves Guérard, Secretary General

Paul Thornton, President-Elect

David G. Hartman, Immediate Past President

COMMITTEE NEWS

GLOBAL FINANCIAL RISK – WHAT NEXT?

The causes and current impacts of the Global Financial Crisis (GFC) have now been clearly recognized and analyzed by a succession of reviews and commentators around the world. While it has become clear that we are all now living through an event that will probably only occur once in a typical person's working career, its effects will be pervasive on many activities of interest to actuaries and it is worthwhile to contemplate what we should expect to arise going forward as the continued impacts of the GFC unfold, particularly with respect to regulatory reform. As a follow-up to the paper [Dealing with Predictable Irrationality – Actuarial Ideas to Strengthen Global Financial Risk Management](#) released on February 10, 2009, the IAA ad hoc Risk Crisis Subgroup of the Enterprise

and Financial Risk Committee, chaired by Tony Coleman, has developed a further paper titled [The Global Financial Crisis – What Next?](#)

MEASUREMENT OF LIABILITIES FOR INSURANCE CONTRACTS: CURRENT ESTIMATES AND RISK MARGINS

The report of the ad hoc Risk Margin Working Group published in April is available for [download](#) from the IAA members' website; a paper version is available for [purchase online](#) and from the IAA Secretariat. The Insurance Accounting Committee will be taking several of the issues discussed in this paper forward, in some cases together with other IAA groups.



FAST TRACK PROCEDURE (FTP) – SUBMISSIONS IN THE WORKS

IASB Discussion Paper on Credit Risk in Liability Measurement (related Staff Paper). Response being prepared by the Insurance Accounting Committee.

Deadline for objection to use of FTP: 27 August 2009

IASB Request for Information on Financial Instruments: Impairment of Financial Assets. Response being prepared by the Insurance Accounting Committee.

Deadline for objection to use of FTP: 27 August 2009

IASB Exposure Draft on Fair Value Measurement Basis for Conclusions and Illustrative Examples. Response being prepared by the Insurance Accounting Committee

Deadline for objection to use of FTP: 23 September 2009

RECENT SUBMISSIONS

- June 19, 2009: IASB Discussion Paper on Preliminary Views on Revenue Recognition in Contracts with Customers. The comments were

prepared by the Insurance Accounting Committee, chaired by Sam Gutterman.

- May 15, 2009: IAIS Issues Paper on the Roles of and Relationship between the Actuary and the External Auditor in the Preparation and Audit of Financial Reports. The comments were prepared by the Insurance Accounting Committee, chaired by Sam Gutterman.
- May 8, 2009: IAIS Standard and Guidance Paper on the Structure of Capital Resources for Solvency Purposes. The comments were prepared by the Solvency Subcommittee of the Insurance Regulation Committee, chaired by Stuart Wason.
- May 5, 2009: IOPS Draft Guidelines for Supervisory Intervention, Enforcement and Sanctions. The comments were prepared by the Pensions and Employee Benefits Committee, chaired by Esko Kivisaari.
- April 30, 2009: IAIS / OECD Issues Paper on Corporate Governance. The comments were prepared by the Enterprise and Financial Risk Committee, chaired by Tony Coleman.
- April 20, 2009: IASB Request for views on FASB proposals. The comments were prepared by the Insurance Accounting Committee, chaired by Sam Gutterman.
- April 14, 2009: IASB Discussion Paper on Preliminary Views on Financial Statement Presentation. The comments were prepared by the Insurance Accounting Committee, chaired by Sam Gutterman

THE IAA AROUND THE WORLD

CONGRESSES – REGISTRATION TO ICA 2010 NOW OPEN

The next Congress is less than a year away! It will take place in Cape Town, South Africa from March 7-12, 2010. Registration is now open online <http://www.ica2010.com/info.php>. The theme for this Congress, *United in our Diversity*, is accompanied by an exciting [program](#). Experience firsthand the many benefits of attending an *International Congress of Actuaries*.

Joint Groupe Consultatif / IAA Education Seminar – May 27-28, 2009 – Tallinn, Estonia

A seminar organized jointly by the Education Committees of the Groupe Consultatif and the IAA was held at the Reval Hotel Olümpia in Tallinn on 27 and 28 May 2009.

The themes of the seminar were as follows:

- Applying actuarial science in practice
- Is there a gap between academics and practitioners?
- What role can an association play in helping to bring together theory and practice?
- What changes in actuarial training are there likely to be in the future?
- Professionalism – are current education systems adequate to meet the challenge of future developments, in particular, bridging the gap between theory and practice?

There have been a number of such joint education seminars over the last few years and on each occasion the IAA Fund has assisted by making available bursaries for travel costs, accommodation and registration fees. The previous such joint seminar had taken place in Edinburgh on 20-21 November 2006, immediately following the IAA Council and Committee meetings. The administration of the meeting was handled by the secretariat of the Groupe Consultatif and our thanks are due to Michael Lucas and Alison Shoemith for this.

The meeting was attended by 37 representatives from 22 countries. Ten (10) participants received bursaries from the IAA Fund to cover seminar registration, travel expenses and accommodation costs for a total cost of USD 11,752.

Papers presented at the meeting have been posted on the Groupe Consultatif website:

<http://www.gcactuaries.org/events.html>.

39th ASTIN Colloquium – June 1-4, 2009 – Helsinki, Finland

The 39th ASTIN Colloquium held immediately following the IAA Council and Committee meetings in Tallinn attracted close to 180 participants.



The formal opening featured [addresses](#) by our President, Katsumi Hikasa; the Chair of the 2009 ASTIN Organising Committee, Jukka Rantala; ASTIN Chairman Harry Panjer; and the Chairman of the Actuarial Society of Finland, Markku Miettinen.

The [Colloquium Papers](#) are available online.

Meeting of Actuarial Standard Setters hosted by UK Board for Actuarial Standards – June 5, 2009 – London, United Kingdom

Our Professionalism Committee Chair, Michael Pomery, represented us at a meeting of actuarial standard setters hosted by the UK Board for Actuarial Standards. Also in attendance were representatives from the Financial Reporting Council, the Canadian Actuarial Standards Board, the US Actuarial Standards Board and the IAAust Professional Standards Committee.

The main part of the meeting was a discussion as to where actuarial standard setting might be leading, particularly in the light of the global financial crisis. The second main area of discussion was around the future of standard setting.

All agreed that this was a worthwhile meeting and discussions are continuing.

UK Actuarial Profession Seminar on Global Financial Crisis – June 9, 2009

President-Elect Paul Thornton attended this event where a number of senior regulators and representatives from the Financial Services Authority gave valuable talks on Systemic Risk.

2nd Iberian Congress, June 11-13, 2009 – Bilbao, Spain

The Congress was organized by the Actuarial Association of the Basque Country and presided by its President Professor Amancio Betzuen. The number of attendees totalled nearly 50, comprising seven individuals from Portugal and two from Brazil.

The first plenary session featured an [address](#) by President Katsumi Hikasa.

Regional Congress of Actuaries in Africa. The Actuary: Professionalism and Responsibility in the Public Interest June 22 to 24, 2009 – Abidjan, Côte d'Ivoire

Although this was the Fifth International Meeting of Leaders of the Actuarial Profession and Actuarial Educators in Africa, it was the first to combine actuaries from Anglophone and Francophone countries (as well as from Portuguese speaking Mozambique), with interpretation being provided between French and English. The Congress took place at the invitation of the Institut des Actuaire de Côte d'Ivoire which was admitted as a Full Member Association on November 19, 2005. The previous meeting for Francophone Africa had taken place in Casablanca, Morocco in 2003 and previous meetings for Anglophone Africa had taken place in Nairobi, Kenya in 2007, in Lagos, Nigeria in 2003 and in Accra, Ghana in 1999.

There were 108 participants from 14 countries. The IAA Fund awarded bursaries to 19 participants, representing a total expense to the Fund of approximately US \$24,500.

The [presentations](#), and [summaries of the conclusions](#) from the workshops, have been posted on the website under IAA Fund and Africa meetings, with links also from the Africa Subcommittee website.

Sincere thanks are due to the Institut des Actuaire de Côte d'Ivoire for its support in hosting the meeting.

IAA SECTION ACTIVITIES

Join or Renew your Membership in the IAA Sections

Annual membership fees for all sections are low at \$40 CAD each for 2009 (*except for AWF whose dues are \$20 CAD*). If you are not already a member, it is not too late to join. Contact your home association or register through the IAA Secretariat.

ACTUARIES WITHOUT FRONTIERS (AWF)

The AWF Section is currently assisting in the resourcing of three "teaching" projects in Nairobi, Kenya (Enterprise Risk management/Economic Capital concepts in partnership with ASTIN), a three week program at the university in Baku, Azerbaijan covering several "technical" topics, and a one week "School" (second of its kind) in Almaty, Kazakhstan covering several practical actuarial topics.

Allan Brender and Dave Ingram have been selected for the teaching session in Nairobi (sponsored by The Actuarial Society of Kenya) from October 26 through November 6 for local university students and actuaries. Special ERM sessions will also be held for industry executives and regulatory agencies. For the projects in Central Asia, the selection process is currently underway.

AWF is also considering a request for teaching assistance in Benin from the Actuarial Sciences of Africa. Additional details will be forthcoming.



At its annual meeting in October, the Society of Actuaries (United States) is planning to have a panel presentation on Microinsurance, which will be moderated by AWF Committee Member Shiraz Jetha. This afternoon session (on October 27) is intended to introduce North American actuaries to the area of Microinsurance and the contributions that actuaries can make in this new area.

AWF Members Interested in Microinsurance

Actuaries without Frontiers members interested in being involved in microinsurance will be pleased to learn that the Microinsurance Innovation Facility (MIF) housed at the International Labor Organization offers programs that provide exposure, through "Joint Mission" of 'Fellowships', to microinsurance projects. Those who have demonstrated relevant expertise and sufficient experience in microinsurance may request to be included on the Facility's roster of microinsurance technical assistance providers. This roster is made available to organizations seeking expert assistance on their microinsurance programmes.

For more information, interested members may contact Mary Yang (Yang@ilo.org).

Additionally Facility is also planning a workshop on "Adapting Insurance Expertise to the Low Income Market" likely at the ICA 2010. Further information will be posted on [AWF's website](#).

AFIR, LIFE

The AFIR and Life Sections are planning a joint colloquium in Munich, Germany, to be hosted by the DAV (German Actuarial Association) from September 6-11. Details regarding fees and the registration process, as well as the program, can be found online.



Colloquium Website:

http://www.actuaries.org/Munich2009/Home_EN.cfm

NEWS FROM MEMBER ASSOCIATIONS REST OF THE WORLD

Institute of Actuaries of Australia



The Institute of Actuaries of Australia has announced that John Maroney, after three years as Chief Executive Officer, will leave the Institute to take up an appointment by the Bank for International Settlements in Basel, Switzerland as a member of the secretariat of the International Association of Insurance Supervisors (IAIS). John will be well known to many through his active involvement with the IAA over his three years with the Institute.

The Institute of Actuaries of Australia will host the 12th Accident Compensation Seminar in Melbourne from November 22 to 24, 2009. The theme for the Seminar is "Rising to the Challenge". Click [here](#) for additional details available on their website.

EUROPE

Deutsche Aktuarvereinigung (DAV), Germany

At the DAV annual general meeting in Berlin, Dr. Michael Renz was elected President of the Board for a two year term ending in April 2011. Dr. Renz has been a member of the Board of Zurich Deutscher Herold Lebensversicherung AG since 1993. He succeeds Dr. Ulrich Orbanz who will continue on the Board as past president and as DAV representative at the Groupe Consultatif.

Dr. Johannes Lörper was elected Vice-President. He has been a member of the Board of Hamburg-Mannheimer Versicherung AG since 2002 and of Victoria Lebensversicherung AG since 2004.



Qualification in Enterprise Risk Management

The DAV is aware that Enterprise Risk Management is an important area of expertise for actuaries and also a key element of the new Solvency II era. In March, the DAV Executive Board therefore decided to establish an additional qualification for DAV members in the field of ERM to be introduced in the coming months.

A working group has just been set up to develop the syllabus taking into account the progress of the Global ERM Designation project supported by the IAA.

European Actuarial Academy (EAA) – IAA Assessment of the EAA Education Modules

The EAA GmbH offers 15 modules towards complying with the professional standards and ethics of the profession set by the national association or supervisory authority. The EAA curriculum is fully aligned to the internal actuarial education standards of the Groupe Consultatif Actuariel Européen. Recently, the EAA education modules were assessed by the IAA and received confirmation that they comply with the IAA Education Syllabus. Therefore, an association using some of the EAA Modules would improve their likelihood of compliance with the IAA Education Requirements.

If you are interested in the EAA actuarial education program, please visit the website www.actuarial-academy.com or send an e-mail to contact@actuarial-academy.com. The EAA looks forward to welcoming you to its education modules!

Actuarieel Genootschap

Mr. Rajish Sagoenie AAG, Executive Director at Aon Consulting Actuarial Services in The Netherlands, was elected President AG&AI (Dutch Actuarial Association) at the General Assembly, succeeding Mr. Marco Vet.

At Aon, Rajish Sagoenie is responsible for the supply of consulting and certifying services to multinationals and pension funds (both in The

Netherlands and externally). He is chairman of the Management Team Actuarial Services; the Certifying Committee; the Actuarial Steering Group and the Consulting Retirement Practice Council Nederland. Furthermore he is member of the European Retirement Practice Council of Aon Consulting. Aon Nederland is part of Aon Corporation, a worldwide network with 500 offices in 120 countries

Marco Vet is Group Director, Business Development for strategy, innovations, mergers and acquisitions at Eureko/Achmea. During his presidency of AG&AI from 2007 to 2009, he played a major role in the restructuring and reorganisation of AG&AI. In addition, he strengthened and expanded contacts with stakeholders and consolidated the international position of AG&AI.

Rajish Sagoenie intends to continue Marco Vet's policy and has made it his objective to make AG&AI more visible by aiming at the quality of the profession and the association. Some of the main issues include the increase of risk awareness among actuaries and acquiring a more prominent position in the field of solvency.

UK Actuarial Profession (United Kingdom)

Pensions research bulletin

The UK Actuarial Profession (UKAP) has set up a regular pensions research bulletin on its website to capture the latest research output from university research centres around the world (listed on the bulletin). The bulletin comprises three sections:

- Published research:
http://www.actuaries.org.uk/knowledge/research/research_in_progress/pensions_research_bulletin#publishedresearch
- Recent research and research in progress:
http://www.actuaries.org.uk/knowledge/research/research_in_progress/pensions_research_bulletin#recentresearch
- Research news:
http://www.actuaries.org.uk/knowledge/research/research_in_progress/pensions_research_bulletin#researchnews



- The bulletin is updated quarterly and may be found at:

http://www.actuaries.org.uk/knowledge/research/research_in_progress/pensions_research_bulletin

Martin Hewitt, UKAP pensions practice manager, would be interested in receiving information on research centres not included in the bulletin which members consider are worth including:

martin.hewitt@actuaries.org.uk.

If this initiative proves to be successful, it is likely to be rolled out to cover other practice areas.

Third Global ERM Webcast – 1 December 2009

With the aim of promoting awareness of a global actuarial community through joint involvement in one event to share emerging and new risk management practices, the International Network of Actuarial Risk Managers (INARM) – comprising twelve actuarial associations around the world – instigated the Global ERM Webcast.

The Webcast on 1 December will comprise three live continuous eight hour sessions in Asia, Europe and North America, with presentations and interactive moderated Question and Answer sessions. In addition, there will be a pre-recorded track that can be accessed in advance, during or after the event as preferred.

Feedback from the delegates following the previous webcasts on 16 January and 10 December 2008 – estimated to have reached some 1,500 delegates – was excellent. Again, INARM will look to provide authoritative cutting-edge cross-practice verifiable CPD in this fast evolving international field, delivered to practitioners' desks at an attractively affordable price, through ground-breaking co-operation between actuarial associations, internationally.

Information about the webinar may be found at <http://soa.org/meetings-and-events/event-detail/erm-webcast/default.aspx>.

CANADA AND THE UNITED STATES

Casualty Actuarial Society (CAS) – United States

CAS to Host Reinsurance Seminar in London

The CAS is pleased to announce a program aimed at the worldwide reinsurance community being held in London. *Pricing and Issues in Today's Market* is a one-day limited attendance seminar for actuaries and other insurance professionals scheduled for September 15, 2009 at Waterman's Hall in London. Sessions will be offered that compare and contrast U.S. and European actuarial practice, such as a discussion of U.S. based aggregate methods for loss development vs. European based stochastic methods. Registration is open, and only a limited number of registrants will be accepted. Visit the CAS Web Site for details on speakers and sessions, and to register.

2011 Call for Ratemaking Papers

Papers on all ratemaking topics are welcome, and papers on the following topics are of particular interest: price optimization, catastrophe ratemaking, predictive modeling, enterprise risk management, and specialty products. Authors may be invited to present their papers at the 2011 Ratemaking Seminar. A prize fund of \$2,500 is available for the best papers submitted in response to the call. More information can be found on the CAS Web Site.

Read the Spring E-Forum

The Spring 2009 issue of the E-Forum features the Reinsurance Call Papers, including the 2009 Reinsurance Prize paper, *An Analysis of the Market Price of Cat Bonds*, by Neil Bodoff and Yunbo Gan. Three additional papers are also included in this issue of the E-Forum, which is available on the CAS Web Site.

Limited Attendance Seminars

The CAS is offering several Limited Attendance Seminars in August. These seminars are limited to about 40 attendees and offer an intimate and interactive learning environment. Seminars will be offered on reinsurance pricing techniques,



predictive modeling, reserve variability, and testing loss reserve assumptions. See the CAS Web Site online calendar for more details.

Casualty Loss Reserve Seminar Set for Chicago

The 2009 Casualty Loss Reserve Seminar (CLRS) will be held at the Chicago Marriott Magnificent Mile on September 14-15. The CLRS is an opportunity to present and discuss significant loss reserving issues and their related financial reporting implications. The CAS, the American Academy of Actuaries, and the Conference of Consulting Actuaries are sponsors of this event. Register online today at www.casact.org/clrs.

For more information on these initiatives and other CAS events, please visit the CAS Web Site, www.casact.org.

MISCELLANEOUS

Actuarial Books Available

The IAA still has available several actuarial books. We are ready to donate these books to actuarially developing associations for whom these would be an asset, subject to the association assuming the cost of shipping. Please contact the [IAA Secretariat](mailto:secretariat@actuaries.org) if you are interested in consulting the full list.

Long-Range Planning

The International Actuarial Events Calendar is the perfect tool for your long-range planning. Visit it often through the link on the IAA's home page. Member associations are encouraged to post their events in the calendar to make the tool as useful as possible. If you have misplaced your association's login and password, send an email to secretariat@actuaries.org.