

Role and Importance of IAA for Insurance Market Developments

Alf Guldberg, Past President IAA

Dear President, dear colleagues,

First, I wish to convey once more my sincere congratulations to the Serbian Actuaries Association that became a Full Member of the International Actuarial Association (the IAA) at the IAA Council meeting in Mexico City on April 18 of this year. The full membership shows that your association now fulfils the high standards that the 55 other Full Member associations worldwide are also meeting.

Thank you for inviting the IAA to participate in your 5th International Symposium "Development Strategy of the Serbian Insurance Market".

As you can see unfortunately the IAA President, Hillevi Mannonen, is not able to attend due to other engagements, but she has asked me to convey all her best wishes for a successful symposium.

I will start with some general observations.

For the development of any industry the need to have experts is of course imperative. When you wish to have experts you need both to initially train them and also to have systems in place for their continuous development. In particular, the continuous development is a natural part when you wish to develop and improve any expert's performance.

Our profession, the actuarial profession, has a range of methods with regards to the initial training. In particular, in many European countries the initial training is wholly or to an essential part university based, but in a number of cases, it is supplemented by education provided by the local association. In many other important countries the whole basic training is provided by local associations.

When we come to the continuous professional development that is so important, local actuarial associations offer a wide variety of possibilities.

But we have a problem of numbers. Our profession is a very small profession, worldwide + 40 000, but in many countries, the number of actuaries is not even in the hundreds.

That means that if you are specialising in a number of practice areas, the number of national colleagues is probably very limited and you need to look across borders to have the critical mass for a fruitful discussion and it is here that the IAA has a very important role to fulfil.

Ever since it was created in 1895, the IAA has been an important part of the development of the actuarial profession and thus to our employers, mainly the insurance industry.

The IAA was founded to organise the International Congresses of Actuaries, but as time passed, the need for a more permanent structure and the "new" IAA was created in 1998.

One of the IAA missions is:

- To encourage the development of a global profession
 - technically competent and professionally reliable
 - to ensure that the public interest is served

What this statement emphasises is the development of a global profession that is both technically competent and professionally reliable and that all actuaries who are full members of a Full Member association must meet certain standards that are on a global accepted level.

This is a very important mission. The IAA Full Member associations have a commitment that our full members will meet certain very demanding criteria and at the same time, through our professional codes, will only undertake tasks that we feel we are professionally fully capable of doing.

Coming back to the demands of our employers of having access to not only well trained actuaries, but also professionals that are well updated on the latest development in their area of expertise, the IAA fulfils an important role.

I have brought with me a number of IAA brochures which I encourage you to pick up. I have also brought with me a Powerpoint presentation which will be provided to you that explains in more detail how the IAA works and what it offers the individual actuary.

To encourage you to take advantage of your membership of the IAA, I will point out two different options. Both possibilities will give any active participant a very good tool to improve and develop professional skills that are needed if you really want to continue to be an important participant in the development of the insurance market development.

1. IAA- committees: all associations have the right to appoint a member to most committees and if you are a committee member you will be involved in the development of our profession in the specific area that that committee is responsible for.
2. Sections: the IAA has a number of sections that cover different practice areas, the oldest being ASTIN for non-life actuaries that was founded in 1957. Today there are seven Sections, all specialising in different areas of actuarial practice.

These Sections usually organise annual colloquia where the specialist will have the opportunity to meet with colleagues from all over the world to listen to presentations of new papers in that specific area and to discuss them. It is a very cost-efficient way to keep up to date with the latest developments and also a very good way to build and develop an international network.

As an individual actuary, you can apply for membership in one or more of the Sections that are active in your area of interest.

Thus to me the IAA is one important participant in the development of the Insurance market as the IAA is the world-wide organisation that can and is developing the professional skills of the individual actuaries.

We as members of a small profession must look across borders to really be able to follow the developments of the Insurance Markets and for all of us the IAA is here to support us.

If you don't remember anything else from what I have said please do not forget

www.actuaries.org

Thank you.