

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

Thank you for your kind introduction.

Distinguished speakers, honoured guests, and dear colleagues,

I am privileged and honoured to give this address at the opening ceremony of the 39th International ASTIN Colloquium, representing the International Actuarial Association – the IAA – in my capacity as President. It is also a great pleasure for me to visit this great city of Helsinki. On behalf of the IAA, I would like to express my congratulations and sincere thanks to everyone who has contributed so much time and effort towards making this Colloquium possible.

In its history of more than 50 years, ASTIN has been actively promoting actuarial research in the field of non-life insurance and insurance enterprise risk management. This is best evidenced by the continuing publication of the ASTIN Bulletin, the internationally renowned refereed scientific journal of the actuarial profession, which has now evolved from the ASTIN Bulletin into the Journal of the IAA

Currently, the IAA has seven sections under its aegis. They are, in order of creation, ASTIN, IACA – the International Association of Consulting Actuaries, AFIR, IAAHS – the IAA Health Section, PBSS – the Pensions, Benefits and Social Security Section, AWF – Actuaries Without Frontiers, and the most recently created Life Section.

All of their activities are quite instrumental for the IAA to meet the challenges which we now face in this dynamically changing environment. We as actuaries need to be heard by the world outside the actuarial community, including regulators, industry executives, academics and the general public. In order for our voices to be heard, we must speak with scientific credibility backed up with quality research. In this sense, the activities of the sections of the IAA are not only scientifically important, but they are also strategically important for the IAA.

One of the greatest challenges the actuarial profession is now facing is the ongoing global financial crisis. This February, the IAA published the paper entitled “Dealing with Predictable Irrationality – Actuarial Ideas to Strengthen Global Financial Risk Management” in order to communicate to the world the actuarial profession’s response to the crisis. As one of the highlights of this paper, the IAA has proposed the following four measures to be taken in order to prevent a future financial crisis:

- Introduction of more counter-cyclical regulatory arrangements
- Creation of Country Chief Risk Supervisor role
- Wider use of comprehensive risk management concepts in banks and non-regulated sectors
- Improved use of ERM & risk governance

The paper was presented to the IAIS and the Joint Forum with the aim of promoting the actuarial profession. It received excellent media coverage, making the presence of the IAA and of the

actuarial profession felt even more by the world outside the actuarial community. The most significant news is that the four recommendations that the IAA made in the paper are reflected in the proposals adopted by the G20 in April. This is a testament to the role and influence of the actuarial profession.

Getting back to the Colloquium, when I looked over the program, I was impressed with the wide variety of topics covered. They include internal models, solvency II issues, asset side risks, risk transfer, reinsurance, claims reserving, to name just a few. I am particularly grateful to the invited speakers for taking the time to participate in this Colloquium and to share their expertise with us. Again, congratulations are due to the organizers for putting such an interesting and stimulating program together. I strongly encourage every participant to make the best use of this opportunity and, not only to passively listen to the presentations and lectures, but also to actively engage in discussions.

Last but not least, I would like to express my heartfelt thanks to our Finnish colleagues for your warmest welcome and hospitality to all of us. It is your efforts that have made this Colloquium even more worthwhile attending.

Thank you very much for inviting me and for your attention. I wish every participant a memorable experience over the next two days.

Katsumi Hikasa
IAA President