

# Presidents' Forum

Zagreb, Croatia — 1 October 2011

## List of Participants

See attached

## Welcome and Introduction

IAA President Cecil Bykerk welcomed all participants. This was followed by an introduction by each participant.

The draft minutes from the meeting held in Sydney, Australia were approved as presented.

Cecil handed over control of the agenda to Thomas Béhar, chairperson of the agenda group, who reminded participants of the Presidents' Forum Mission and Attendance Policy, and introduced the agenda.

1. Carla Angela, Past President of the Istituto Italiano degli Attuari made a presentation on [Ethics and the Financial Crisis](#).
2. Paul Thornton, Immediate Past President of the IAA and Chairperson of the [Regulated Professions Task Force](#) made a presentation on the IAA involvement in the Private Sector Task Force of Regulated Professions and Industries (PSTF), which was formed to prepare recommendations for the G20.
3. Jean Berthon, Past President of the IAA made a presentation on the topic [Finance: To Be Ethical or Not To Be](#).

Following the three presentations, the following remarks were made:

- It does not appear that the financial situation has improved since the crisis. Performance-related pay influencing younger generation is being introduced into the profession. We need to start with business schools.
- The focus needs to be on the ability of leaders to influence financial professionals: teach individuals not to take the first step as it will lead to easier subsequent steps; teach individuals about integrity, with the older generation playing a key role in helping the younger generation.
- The profession needs to move away from calculating complex numbers to provide discernment of ambiguous futures.
- From experience, actuaries tend to be too conscious of not doing the wrong thing, but do not always do the right thing. They need to be more robust in displaying the correct behaviour.
- There is a possible situation in the UK involving rumours that there is some unethical behaviour in the pension field, not involving actuaries, but it would appear that actuaries are too worried to voice their opinion.

- Do we want to establish a single value for everything for complete transparency? For financial products, we need to differentiate our products so that customers will not believe that we are only trying to obtain a higher profit.
- In Europe, transparency has been put in place so that customers can decide on a purchase by being informed about all aspects of the product being sold.
- Individuals need a proper upbringing by parents, family and teachers. Good laws and regulation are also needed. Out of fear, individuals will act with prudence and ethically. Most people are moved by greed – it is human nature.
- Regulations are needed, but so are ethical values.
- The Public Sector Task Force (PSTF) discussed business ethics, but it was not in its remit as the focus was on regulatory convergence. Its report states the following: “The Task Force emphasizes the important role that should be played by professional and industry organizations, such as those which are members of this Task Force in influencing ethical corporate cultures and risk management in corporate governance arrangements of their constituents to the extent possible so that regulatory reforms can provide greater benefits to the public.” Ethics need to be reinforced by good regulation; regulation on its own is not enough and ethics on its own is not enough. There were three action points in Jean’s presentation. The PSTF report partially addressed the first two action points, but not completely. On the third point of business ethics, it can be discussed by the Executive Committee and be a natural way forward for the PSTF with the Corporate Governance Network to continue its work.

4. Tatjana Racic-Zlibar introduced her association, the [Croatian Actuarial Association](#).
5. Thomas Béhar provided a follow-up presentation on the [Risk Assessment of the Strategic Plan](#) from the discussion held at the Presidents’ Forum in Vienna.

Following the three presentations, the following remarks were made:

- The language barrier is a problem for many delegates when working within the IAA. It was noted that to help with this, the paper for the participation of non-native English (NNE) speakers is being improved; committee chairs are also helping to make life easier for NNE speakers.
- There have been many meetings; evaluation of what we have achieved?
- Recognition: organizations will not know what we can offer if we do not meet with them.
- Are organizations trying to do too much and therefore stretching themselves?
- Activities with supranational organizations need to be limited, maybe there are too many. Contact needs to be established with all organizations, in case we need them for the future; there are roughly 10 main contacts.
- Resources: Volunteer versus dollar resources. How do we tell if we are effective? Observation of the IMF Seminar. This was effective because we identified a topic with which the IAA could help the IMF. Specific items for which the IAA can provide strategic direction need to be identified.

6. Ralph Blanchard presented the results of the survey conducted following the [Governance Structures of Associations](#) Ralph Blanchard.

Ireland: It was mentioned that this presentation was timely for those associations which are currently reviewing their governance structure. It was suggested that future surveys include questions such as the frequency of meetings, whether associations have an Executive Committee, how decisions are made.

7. Luis Alvarez, President of the Asociacion Mexicana de Actuarios made a brief presentation and introduced a video promoting the ASTIN/AFIR-ERM/IAALS Colloquium in Mexico in October 2012.

8. Open Forum

**Latvia:** A suggestion was made that a working group be formed within the IAA for small associations.

**USA-AAA:** A joint discipline scheme is being implemented for all US-based actuarial associations.

**Europe:** The European Actuarial Journal is being launched by several European associations.

**Netherlands:** Paper on the Role of the Actuary has been published.

**USA-SOA** is undergoing a strategic planning cycle; this includes an environmental scan that affects the actuarial profession and the SOA. International growth strategy. There are societal problems with massive actuarial components (Medicare, healthcare reform, social security, funding of public pension plans, etc.) and addressing the actuaries' role in solutions to these problems.

9. The following topics were suggested for the next meeting in Los Angeles:

- Pat Teufel: Promotion of actuarial research in each association;
- Rajish Sagoenie: Effect of Solvency II on the actuarial profession;
- Brad Smith: How associations reach decisions/maximize the time spent on IAA matters and challenges facing the global profession regarding macro-economics, the financial crisis and volatility of markets affecting actuarial practice;
- Mary Frances Miller/Vladimir Novikov: The role and convergence of education;
- Dave Sandberg: Own Risk and Solvency Assessment (ORSA) requirements; and
- Thomas Béhar: IAA News Releases and local association media release.

It was suggested that more time should be available for the open forum to allow greater time for discussions between the attendees. It was agreed that Dave Sandberg would lead the agenda task force with the assistance of Rajish Sagoenie and Brad Smith.

10. Adjournment

There being no further business to discuss, the meeting was adjourned at 6:00 pm.

# ZAGREB

## PRESIDENTS' FORUM ATTENDANCE ROSTER LISTE DES PARTICIPANTS AU FORUM DES PRÉSIDENTS

### AUSTRALIA

*Institute of Actuaries of Australia*  
David Goodsall, Senior Vice-President

### AUSTRIA

*Aktuarvereinigung Österreichs (AVÖ)*  
Christoph Krischanitz, President

### BELGIUM

*Institut des Actuairens en Belgique*  
Philippe de Longueville, Vice-President

### BOSNIA-HERZOGOVINA

*Aktuarsko Društvo U Bosni I Hercegovini*  
Bakir Pilav, President  
Anita Putica, Vice-President

### CANADA

*Canadian Institute of Actuaries*  
Simon Curtis, President-Elect

### CARIBBEAN

*Caribbean Actuarial Association*  
Cathy Lyn, President

### CHINESE TAIPEI

*Actuarial Institute of Chinese Taipei*  
Tsai-Ling Chao, President

### CROATIA

*Hrvatsko Aktuarsko Društvo*  
Tatjana Racic-Zlibar, President of Supervisory Board

### CZECH REPUBLIC

*Ceská Společnost Aktuárů*  
Petr Bohumský, President

### DENMARK

*Den Danske Aktuarforening*  
Kristoffer Bork, President

### FRANCE

*Institut des Actuairens*  
Thomas Béhar, Past President  
Jean Berthon, Past President

### GERMANY

*Deutsche Aktuarvereinigung e. V. (DAV)*  
Rainer Fürhaupter, Executive Vice President

### HUNGARY

*Magyar Aktuárius Társaság*  
Gábor Pásztor, President

### INDIA

*Institute of Actuaries of India*  
Rajesh Dalmia, Honorary Secretary

### IRELAND

*Society of Actuaries in Ireland*  
Paul O'Faherty, President

### ITALY

*Istituto Italiano degli Attuari*  
Riccardo Ottaviani, President  
Carla Angela, Past President

### JAPAN

*Institute of Actuaries of Japan*  
Tutomu Igarashi, Chairman  
Junichi Noro, President  
Yosuke Nakano, General Secretary  
*Japanese Society of Certified Pension Actuaries*  
Masaharu Sasaki, President  
Toshiaki Uetani, Secretary General

### LATVIA

*Latvijas Aktuaru Asociacija*  
Inga Helmane, Chairperson

**LEBANON**

*Lebanese Association of Actuaries*  
Ibrahim Muhanna, President

**MEXICO**

*Colegio Nacional de Actuarios A. C.*  
Jesús Zúñiga, President

*Asociacion Mexicana de Actuarios*  
Luis Alvarez Marcén, President

**NETHERLANDS**

*Het Actuarieel Genootschap*  
Rajish Sagoenie, President  
Ad Kok, Chair of International Committee

**NORWAY**

*Den Norske Aktuarforening*  
Erik Falk, President

**POLAND**

*Polskie Stowarzyszenie Aktuariuszy*  
Charles Levi, Secretary

**PORTUGAL**

*Instituto dos Actuários Portugueses*  
Maria de Nazaré Barroso, President

**RUSSIA**

*Russian Guild of Actuaries*  
Vladimir Novikov, President

**SERBIA**

*Udruženje Aktuara Srbije*  
Jelena Kocovic, President

**SLOVENIA**

*Slovensko Aktuarsko Drustvo*  
Mateja Slapar, President

**SOUTH AFRICA**

*Actuarial Society of South Africa*  
Themba Gamedze, President-Elect

**SWITZERLAND**

*Association Suisse des Actuaires*  
Alois Gisler, Vice-President

**UNITED KINGDOM**

*Institute and Faculty of Actuaries*  
Jane Curtis, President  
Derek Cribb, Chief Executive

**UNITED STATES**

*American Academy of Actuaries*  
Mary Frances Miller, President  
Dave Sandberg, President-Elect  
Jessica Thomas, Pension Policy Analyst

*Casualty Actuarial Society*

Ralph Blanchard, President  
Patricia Teufel, President-Elect  
Cynthia Ziegler, Executive Director

*Conference of Consulting Actuaries*

Adam Reese, President  
Rita DeGraaf, Executive Director

*Society of Actuaries*

Brad Smith, President-Elect  
Greg Heidrich, Executive Director

**INTERNATIONAL ACTUARIAL ASSOCIATION**

Cecil Bykerk, President  
Desmond Smith, President-Elect  
Paul Thornton, Immediate Past President  
Christian Levac,  
Manager, IT and Member Services