The International Actuarial Association (IAA) is the worldwide association of professional actuarial associations, representing approximately 70,000 actuaries in more than 115 countries, with seven special interest Sections for individual actuaries. The IAA was founded in 1895 and exists to encourage the development of a global actuarial profession, acknowledged as technically competent and professionally reliable, which will ensure that the public interest is served. Our vision as actuaries is to be the foremost profession in the management of complex problems and their associated risks and opportunities.

VISION
The actuarial profession is globally recognized as leading experts in risk and financial security, contributing to the well-being of society.

MISSION
The mission of the IAA, as the worldwide organization of actuarial associations, is to:

- Inform and influence global stakeholders
- Assure the reputation of the profession
- Advance the competency of the profession

VALUES
The IAA adheres to the values of integrity, accountability, transparency and objectivity when dealing with Member Associations, other stakeholders and the public.

STRATEGIC OBJECTIVES
The strategic objectives of the IAA are to:

Impact: Supranational Relationships
Develop relationships with key supranational institutions, providing actuarial expertise on issues of relevance in global forums.

Assure: Promotion of the Profession
Support the development of the actuarial profession worldwide and promote appropriate professional/education standards through Member Associations.

Advance: Development of Competence
Promote the advancement of scientific knowledge and the skills of the actuarial profession.
MESSAGE FROM PRESIDENT

The IAA had a challenging but productive year in 2019 with many successes, a few major initiatives and one unfortunate loss.

Among the success stories were our continued and advanced relationships with our key stakeholders; the preparatory work of the renewal of the IAA; finalizing and adopting International Standard of Actuarial Practice (ISAP) 4 and working on International Actuarial Note (IAN) 100 on International Financial Reporting Standard 17 (IFRS 17) Insurance Contracts; improving the relationships between the IAA and IAA Sections’ leadership; holding several colloquia, seminars and webinars; and issuing a number of important publications.

For most of our members and volunteers, the added value of the IAA is very clear. They ask not what the IAA can do for them – they ask what they can do for the IAA. However, as the IAA is an association of professional member associations from all around the world, it needs to be committed to serve its members, and so the IAA leadership should, and did, ask that question: how can the IAA add value to its members? That was the fundamental guiding principle throughout the year for me as President, for the presidential team and for the Executive Committee.

The renewal efforts of the IAA started in 2018 under the presidency of Masaaki Yoshimura, who led the work that culminated in the Council meeting in Mexico City in December 2018 where a decision was made to establish a task force to work out proposals for Council. The Renewal Task Force worked feverishly during all of 2019 to propose important changes on the high-level governance of the organization to Council. At its Tokyo meeting in November, Council approved the changes and thereby created the new Strategic Planning Committee (SPC). The SPC has started operations and will propose key strategic recommendations to Council, helping it better set strategy while improving the cooperation between our member associations.

Further changes on the IAA organizational structure are expected to augment the governance changes in 2020 with a view to starting 2021 as a renewed, fully operational and efficient organization serving its members and the global actuarial profession for the benefit of all our stakeholders, including the public.

One of the key strategic initiatives the IAA leadership is proposing is an actuarial contribution, coordinated by the IAA, toward the global efforts to understand and assess climate risks, working together with the IAA member associations and our external stakeholders.

Our efforts in developing, consulting on and issuing ISAPs reached a very important milestone when Council adopted ISAP 4 IFRS 17 Insurance Contracts: 10 years ago the IAA considered the fundamental areas where ISAPs might be needed, and most have now been covered. ISAP 4 is perhaps the most profound concrete model practice standard that I expect many of our members will use in one way or another. Member associations issue practice standards for their own members, and actuaries around the world working in insurance accounting will be using the principles laid down in ISAP 4, thereby coming closer to achieving our goal that model standards achieve greater consistency of approach to actuarial practice and increase the confidence of clients and the public in the actuarial work product.

Unfortunately, in July one of our member associations, the American Academy of Actuaries, decided to leave the IAA. The IAA leadership regretted but accepted that decision. Far from slowing us down, we used this change to challenge ourselves to be more effective and to work more closely with our supranational relationships such as the International Association of Insurance Supervisors and the International Accounting Standards Board. The IAA is the global voice of actuaries and we will continue to leverage our members to accomplish this important role for the benefit of the actuarial profession worldwide.

I believe that the IAA became stronger during 2019, and we have laid down the foundations for our renewal in 2020. The renewed IAA under the leadership of its 2020 President Tonya Manning and then its 2021 President Jan Kars will reinforce our long-established and sustained principles, leading the IAA to be an organization that is always ready to the adaptation process necessary for us to remain relevant, or even enhance our relevance, to our members and stakeholders while working for the well-being of society.
The year 2019 was one of "re", to say the least. It will likely be remembered as the year where the IAA started to be reformed. The restructure discussions evolved quickly from the Council meeting in Mexico City, where the idea to reorganize and rejuvenate the IAA developed into a full-scale IAA Renewal Task Force, better known as the RTF, created by the Executive Committee in late December 2018.

With a desire to keep a strong momentum going, the RTF started its work without delay and participants soon realized that for the type of in-depth discussions required to renew the IAA, having participants spread across 18 time zones was going to be a severe barrier no matter what technology we would use. Hence, in January a first in-person meeting was held in London, where discussions progressed by leaps and bounds. Subsequently, four additional in-person meetings of the RTF took place in Paris (February), Washington DC (May), Toronto (July) and Prague (September), thanks in large part to RTF members and the host associations that worked hard and incurred expenses to make these meetings productive and successful. Thank you again to all our hosts.

At the Washington meeting, Council overwhelmingly supported the preliminary recommendations of the RTF. This included the creation of a new governing body called the Strategic Planning Committee (SPC), where Full Member Associations (FMAs) would be able to agree on IAA strategy and resolve important disagreements. The importance of having such a body was already apparent but was emphasized when we received two weeks' notice of the departure of the American Academy of Actuaries from our membership in mid-July. The suddenness of this action left many IAA volunteers in limbo as to their future contribution to the IAA. Thanks to the support of other FMAs active in the US, we were quickly able to secure the continued contribution of these volunteers. While this forced us to further reduce our expenses and unfortunately cut staff, this also brought us closer to our FMAs and our volunteers, which helped us overcome a major hurdle and move forward as a refocused and more cohesive entity than ever before.

The Council meeting in Tokyo was the finish line that we had been working toward all year and everyone worked very hard to deliver a report in Tokyo outlining the creation of the SPC and the required next steps to finalize the changes to IAA entities for the future. This required long and detailed reviews of our governance documents and the terms of references of our IAA entities, and figuring out where the Sections would fit into this renewed IAA. There were many important discussions with Sections, and some key issues, notably related to governance, financial commitments and communication, were unearthed. Great progress was made on all fronts. At the finish line, the renewal proposal on governance was approved in Tokyo with near-unanimous support, and the fundamental principles of the restructuring of the IAA entities also received overwhelming support in Council. Thank you to everyone who contributed to this resounding success and accomplishment.

Other notable highlights from 2019 include: an amazing multi-Section Colloquia in Cape Town as well as the Colloquium in Florence, and two regional seminars in Quito and Singapore alongside the always impressive Asian Actuarial Conference organized by our Asian FMAs. I had the honor of representing the IAA at many events and meetings.

The IAA’s most valuable resources are our FMAs and volunteers. My team and I are proud to help support the IAA renewal and we look forward to helping to implement the reorganization efforts. We are a very small head office staffed with quality and professional individuals, and I want to thank everyone for your support during this "re" year!
SUPRANATIONAL RELATIONSHIPS AND INTERNATIONAL COOPERATION

THE IAA ENDEAVOURS TO REPRESENT AND PROMOTE THE ACTUARIAL PROFESSION AT THE GLOBAL LEVEL AND PROVIDE KEY SUPRANATIONAL AUDIENCES WITH ACTUARIAL INPUT TO IMPROVE THE SOUNDNES OF DECISIONS BEING MADE ON IMPORTANT ISSUES WITH A GLOBAL IMPACT.

INTERNATIONAL COOPERATION

One important way in which the IAA achieves its goal of representing and promoting the actuarial profession and providing key supranational audiences with actuarial input is through its cooperation with other supranational bodies whose actions have an impact on actuaries’ work. Five of the currently key supranational institutions involved in this endeavour are the IAA’s Partners: the International Association of Insurance Supervisors (IAIS) (and their Access to Insurance Initiative (A2ii) affiliate), International Accounting Standards Board (IASB), International Social Security Association (ISSA), International Organisation of Pension Supervisors (IOPS) and the Organisation for Economic Cooperation and Development (OECD). Typically, the engagement with such organizations occurs on the basis of memoranda of understanding with each of them.

Apart from the ongoing work that the IAA-appointed Relationship Managers perform in managing the relevant relationships, the IAA participated in the following activities in support of action plans developed in accordance with the tenets of Strategic Objective 1: to bring together key persons of supranational organizations with the best-fit actuaries in the various IAA-groups.

In Q1 of 2020, issues resulting from the global COVID-19 pandemic has put some current and prospective projects on hold as our supranational partners reorganize their work priorities. The Relationship Managers have, however, continued discussing emerging issues with their counterparts and offering assistance.

Key Highlights:

Access to Insurance Initiative (A2ii)

- Participated in a steering committee consisting of representatives from the IAA, A2ii and IAIS to arrange three training sessions to increase the actuarial capacity of insurance supervisory authorities in developing economies. The IAA identified and provided senior volunteer actuaries for these sessions who not only delivered training but also created content and case studies... The objective of the training is to strengthen understanding and promote application of the actuarial concepts, skills and tools, needed to support effective risk-based insurance supervision and regulation.
- Organized webinars to deepen some of the content and to provide supervisors with continued opportunities for peer learning. Planning of follow-up missions.
Financial Stability Board (FSB)/Financial Stability Institute (FSI)

- Met with FSB Advisor on Accounting and Auditing Issues.
- Presented at FSI/IMF meeting focusing on the policy implementation on prudential implications of accounting standards, focusing mainly on IFRS 17.

International Association of Insurance Supervisors (IAIS)

- Participated in various IAIS stakeholder meetings, annual meeting and met with IAIS officials to discuss areas of mutual interest such as Insurance Capital Standard 2.0, Insurance Core Principles, ComFrame, climate risk initiatives and the actuarial capacity building initiative with the A2ii (see above).
- The IAA provided comments on the IAIS Consultation on the draft Holistic Framework for the Systemic Risk in the Insurance Sector Paper and on the draft Application Paper on Recovery Planning.

International Auditing and Assurance Standards Board (IAASB)

- IAA representatives attended the IAASB Consultative Advisory Group meetings in New York, USA.

Organisation for Economic Co-operation and Development (OECD)

- Met with various OECD staff on topics such as reinsurance, cyber risk, long-term care and health, flood and crop insurance. Talks have also taken place regarding a de-risking project involving the OECD, with a draft monograph being developed on this topic by the PEBC and PBSS.
- Items of discussion during the WPPP meeting included: changes to pension systems; update on the adoption of the IOPS supervisory guidelines on the integration of environmental, social and governance factors; projections of retirement benefit; solvency of defined benefit pension schemes; supervision of cybersecurity in private pension arrangements; and approaches and challenges of assessing the adequacy of private pensions.
- The IAA made a presentation on Big Data and the role of actuaries.
- The IAA provided comments on the OECD paper related to contribution of reinsurance to risk management and on the Long-term Care and Health Questionnaire.

International Financial Reporting Standards Foundation (IFRS)

International Accounting Standards Board (IASB)

- The IFRS 17 Coordination TF has developed a draft discussion paper on the IAA Quality Assurance and Governance Initiatives on IFRS 17. Once the paper is finalized, it will be shared with the IASB, IAASB, IAIS and several other relevant stakeholders for information and to initiate discussion.
- The IAA organized a webinar in April to present the newly approved model International Standard of Practice 4 (ISAP 4), on IFRS 17 Insurance Contracts. The session was moderated by the IAA President from Cape Town, South Africa from the IAA Section Colloquium and broadcasted in front of a live audience in Milliman’s London, UK office. Darrel Scott, a member of the IASB, spoke about the recent tentative decisions of the IASB on some of the key issues raised by various stakeholders. IAA Representatives also spoke about International Actuarial Note 100. More than 300 participants listened to the presentations online, along with 100 participants at the two live locations.
- The IAA responded to the IASB consultation on the IFRS 17 amendments in September.
- William Hines, as Chair of IAC was invited to help in performing a confidential external review of a draft of the amendments, which are expected to be issued around the end of June 2020.

United Nations Environment Programme Finance Initiative (UNEP FI)

- The IAA participated in the UNEP FI Principles for Sustainable Insurance PSI Conference, and was invited to take part in the discussions and present on the impact of climate change on mortality and health, as well as highlighting other Actuaries Climate Indices.
- The IAA was represented at a meeting held in Toronto, Canada aimed at PSI and UNEP FI insurance members and key stakeholders domiciled in Canada, to provide an update on the PSI initiatives globally and discuss the key sustainability developments in the Canadian insurance industry and financial sector. The discussions were focussed on shaping the sustainable insurance agenda in Canada.
International Organisation of Pension Supervisors (IOPS)

- The IAA provided comments on the IOPS Supervisory guidelines on the integration of ESG factors.
- Presented to the IOPS training workshop day on the subject of actuarial requirements of DB to DC transitions and, separately, on the PEBC funding monograph. Participated in the subsequent IOPS conference. As a result of those meetings the IAA was asked to present ideas on regulatory structures for DB schemes to at the OECD.

International Social Security Association (ISSA)

- Met with the ISSA’s new Secretary General to discuss the relationship.
- Exploring opportunities for the IAA to help ISSA on educational matters such as running relevant webinars and regional seminars. The IAA may also contribute to regional seminars.

International Labour Organization (ILO)

- Ongoing joint projects to support development of mortality calculation bases between the ILO impact insurance group and the MWG and IAALS. IAALS have supported a research project with ILO and Université of Lausanne in this direction.
- Ongoing joint project of IAA Social Security Committee and ILO on working compensation proceeds.

Microinsurance Network

- The paper and risk assessment tool on proportional actuarial services in inclusive insurance, published by the Microinsurance Working Group in 2018 is being used to develop a training module for the Impact Insurance Facility. The training on proportional actuarial services in inclusive insurance markets and the risk assessment tool was delivered to the Uganda Insurance Regulatory Authority and the Ugandan insurance industry by a consultant contracted directly.
- The Microinsurance WG provided support to the Microinsurance Network in their search to find consultants to assist with an inclusive insurance landscape survey.

World Bank/International Monetary Fund

- Held a joint forum with the World Bank and the International Monetary Fund in Washington D.C. to discuss global issues relating to pensions and social security.

WHERE WE’VE BEEN

In addition to the external relations initiatives listed previously, the Officers or an appointed IAA representative met with representatives of key organizations in the following countries:

- Gábor Hanák and David Dubois at the French Congress of Actuaries in Paris.
- Masaaki Yoshimura presenting a plaque to Sunil Sharma, President of the Actuarial Society of India on their 75th anniversary.
- Gabiør Hanák at the sake barrel ceremony during the IAA Dinner in Tokyo.
PROMOTION OF THE PROFESSION

THE IAA PROVIDES SUPPORT FOR THE DEVELOPMENT OF THE ACTUARIAL PROFESSION WORLDWIDE AND PROMOTES APPROPRIATE PROFESSIONAL/EDUCATION STANDARDS THROUGH ITS MEMBER ASSOCIATIONS.

REGIONAL DEVELOPMENT SEMINARS ORGANIZED WITH SUPPORT FROM SUBCOMMITTEES OF THE ADVICE AND ASSISTANCE COMMITTEE AND REPRESENTATION FROM IAA LEADERSHIP

Singapore

The IAA’s 15th Annual Asia Regional Seminar was held in October 2019, under the title The Professional Actuary – Actuarial Judgement.

More than 45 participants from 17 countries were welcomed by Frederic Weber, President of the Singapore Actuarial Society, who emphasized the society’s interest in strengthening its relationship with the IAA by working together on development initiatives.

Ecuador

The Pensions, Solvency and Actuary 4.0 seminar was hosted by the Asociación Ecuatoriana de Actuarios with the support of the Latin America Subcommittee. The seminar created a space for discussion among more than 70 participants around the topics of professionalism and the role of the actuary, challenges and opportunities in social security, the implementation of the Solvency II regime in Latin America and the actuarial application of new technologies. Additionally, the speakers participated in a lecture-type session with students at the Universidad San Francisco de Quito, where they could share their experience as actuaries.
ACTUARIES WITHOUT BORDERS® (AWB) PROJECTS

With the efforts of our Board members and dedicated volunteers, the AWB Section organized various projects throughout 2019, but was especially active in November and December with projects in Russia, Bosnia and Herzegovina, Azerbaijan and Ghana, with the latter hosting a four-day workshop with the theme Actuarial Data Analytics (with R/Python), organized thanks to the gracious support of the Canadian Institute of Actuaries. While most of the projects were funded by the local associations (Armenia, Azerbaijan, Bosnia and Herzegovina, Russia, Senegal, the Republic of Srpska), others were co-funded by AWB’s assets and the local requestor of the project, notably the Republic of North Macedonia, Nepal and Zimbabwe. AWB wishes to thank all sponsors for providing the funds to make the seminars happen.

In 2019, the AWB together with the Professionalism Committee worked on a joint project to offer webinars on professionalism to actuaries in developing and emerging markets. These webinars are designed to address real situations faced by actuaries working in developing and emerging markets. The first webinar was offered in 2019 to members from actuarial associations in Eastern and Southeast Europe, using case studies most relevant to that region.

As in previous years, AWB continued its work on the Mentorship Program, which is thriving with more than 120 mentee applicants and 137 registered mentors.

INTERNATIONAL STANDARDS OF ACTUARIAL PRACTICE (ISAP)

The Actuarial Standards Committee has a mandate to develop and maintain all ISAPs. ISAPs are model standards of practice (and as such, are not binding on any actuary) and the IAA encourages its Member Associations to have in place standards of practice that are substantially consistent with them.

Six ISAPs have been adopted by the IAA Council as of December 1, 2019:
• ISAP 1 – General Actuarial Practice
• ISAP 2 – Financial Analysis of Social Security Programs
• ISAP 3 – IAS 19 Employee Benefits
• ISAP 4 – IFRS 17 Insurance Contracts
• ISAP 5 – Insurer Enterprise Risk Models
• ISAP 6 – Enterprise Risk Management Programs and IAIS Insurance Core Principles

During 2019 the Actuarial Standards Committee completed work on ISAP 4, resulting in the IAA Council adopting it in November 2019.

ISAP 2, which was adopted by the IAA Council on 13 October 2013, was subject to a review by the Actuarial Standards Committee following the requirement in the Due Process for ISAPs to review adopted ISAPs every five years. Based on a comprehensive review, the Actuarial Standards Committee did not recommend changes to ISAP 2 at this time. However, the Actuarial Standards Committee will review ISAP 2 again in 3 years (i.e., in 2022).

A strategic action plan for ISAPs outlines the development of further standards. ISAP 7, focusing on “current estimates” and other matters in relation to the IAIS capital standards, has been temporarily suspended. There are no ISAPs in development at this time.

FULL MEMBER ASSOCIATIONS FROM 35 JURISDICTIONS HAVE ADOPTED/ADAPTED ISAPs OR USED THEM TO REVIEW THEIR STANDARDS.

87% OF OUR FULL MEMBERS ASSOCIATIONS AGREE THAT DEVELOPMENT OF ISAPs BY THE IAA INCREASED THEIR ASSOCIATION’S CONFIDENCE IN THE QUALITY OF ACTUARIAL SERVICES AROUND THE WORLD

(based on cumulative data up to 2019 collected from 66 FMAs)
The IAA works to promote the advancement of scientific knowledge and the skills of the actuarial profession. These papers were developed by members of IAA working groups, however the views expressed in these papers do not represent those of the IAA, nor those of the entire working group.

**PAPERS**

**Climate Change, Insurance and Vulnerable Populations**

The primary objective of this paper is to provide useful information concerning the extent to which private- and public-sector insurance can, using appropriate tools and models, address the needs of vulnerable populations regarding the adverse effects of climate change. The message provided by this paper is that private- and public-sector insurance programs can play a key role in addressing climate-related risks, though some of these programs have inherent limitations and cannot work effectively by themselves in all circumstances.

**Flood Risk**

This paper provides a description of flood risk and how it can be managed. It is intended to provide a fundamental background and encourage discussion on this important topic for use by actuaries, regulators, and public policy planners around the world. Aspects covered include: the entire flood risk management process, methods that can be used to assess, mitigate, and finance the risks involved, the role of insurance and governments, public policy implications, and the role of actuaries. Floods are a major threat to life, health and property across the world, making the methods of mitigating and financing them vitally important. A wide variety of approaches to manage this risk have been taken by both the private and public sectors, the best combination of which has to be determined by each country. It is the desire of the Resource and Environment Working Group that the principles considered in this paper can be effectively utilized by each country.
Interaction Between Pension and Housing

This paper discusses the current trends of Retirement Income Systems in several developed countries. It then explores the characteristics of the housing markets in these countries. The paper’s objectives include an exploration of the role of housing in providing retirement wealth and income. It sets out instances where consideration of both pensions and housing simultaneously can lead to favourable outcomes.

It is hoped that this paper will encourage a long-term broadening of actuarial activity in three areas. First, that actuaries already involved in Retirement Income Systems (both as practitioners and influencers of public policy) will incorporate housing into their framework, along with pensions and social security arrangements. Second, that those actuaries that advise individuals on pension issues will also consider housing implications. Third, while there are a small number of actuaries already involved with housing (for example, through bank financing), there is scope for significantly more actuarial involvement in the many facets of housing, such as financing (current and innovative), supply and demand, taxation and social issues. It is also hoped that increased public discussion will be held regarding the relationship between housing and Retirement Income Systems.

IAA SECTION ACTIVITIES

In order to encourage actuarial research and development in particular areas of practice, and provide suitable international forums for discussion among individual actuaries, the IAA has seven specialized Sections: AFIR-ERM, ASTIN, AWB, IAAHS, IAALS, IACA and PBSS.

<table>
<thead>
<tr>
<th>AFIR-ERM (ACTUARIAL APPROACH FOR FINANCIAL RISKS/ ENTERPRISE RISK MANAGEMENT)</th>
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<tbody>
<tr>
<td>Chair: Fernanda Salas</td>
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<tr>
<td>AFIR/ERM has as its primary objective the promotion of actuarial research and knowledge dissemination in actuarial and broader aspects of finance, investment and ERM, to push forward the boundaries of actuarial knowledge and promote and facilitate an international exchange of views, advice, research and practical information among actuaries and other relevant experts.</td>
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Activities in 2019

   Paper title: Probable Maximum Cyber Loss: Empirical Estimation and Reinsurance Design with Public Intervention
2. Bob Alting von Geusau Prize: Economic Scenario Generator and Parameter Uncertainty: A Bayesian Approach by Jean-François Bégin
3. Seminars:
   • April – Sofia, Bulgaria
   • October – Joint seminar with ASTIN, Warsaw, Poland
   • November – Tokyo, Japan
4. AFIR-ERM Colloquium – Florence, Italy
5. Issued 12 editions of the Reference List and 10 Newsletters
6. Hosted five webinars:
   • The Human Side of ERM Part I – Adaptability and ERM
   • The Human Side of ERM Part II – Risk Intelligence: An Antidote to Behavioral Biases
   • The Human Side of ERM Part III – Risk Culture
   • The Human Side of ERM Part IV – Risk Appetite/Tolerance
   • To Borrow or to Insure? Long-Term Care Costs and the Impact of Housing
ASTIN (ACTUARIAL STUDIES IN NON-LIFE INSURANCE)

Chair: Frank Cuypers

ASTIN’s mission is to generate value for our members: risk and actuarial professionals working in the non-life insurance industry. This is achieved by helping them develop their professional skills, and also by engaging with academia and industry to drive innovation and promote meaningful, quality research in the field of non-life insurance economics and mathematics, and their applications to quantitative risk management. As a well-established global professional forum, we draw upon the values of the ASTIN brand. Our intellectual base and wealth of knowledge have been developed across decades, and have resulted in ground-breaking research. In our quest for excellence, we consistently demonstrate an uncompromising pursuit of knowledge and understanding.

Activities in 2019

1. **Webinars**:
   - Are Cyber Risks Insurable?
   - Microinsurance Challenges from an Actuarial Perspective
   - Autonomous Vehicles Working Party
   - Cyber Risk Case Study: A Scenario-Based Approach to Identifying and Mitigating Key Threats
   - Programmatic Approach to Machine Learning to P&C Loss Reserving

2. **Working parties (ongoing)**:
   - ASTIN and AIDA Working Party on Automated Cars and Insurance
   - Implication of IFRS 17 on Non-Life Insurers, Products and Markets
   - PAA under IFRS 17
   - Agent-Based Models, Networks and Cellular Automata in Risk Management

3. **Grants and bursaries for Cape Town Colloquium**:
   - Cristina Mano (Brazil), Joseph Theuri Gitonga (Kenya), Apolinaire Woundjiague (Kenya)

4. **Chapters/seminars**:
   - ASTIN Caucasus Local Chapter – Tbilisi, Georgia
   - Joint seminar with AFIR-ERM – Warsaw, Poland
   - Joint seminar with the Casualty Actuarial Society hosted by the Institute of Actuaries of Japan – Tokyo, Japan

5. **Published six editions of the ASTIN Newsletter**

6. **Published an Annual Report**

AWB (ACTUARIES WITHOUT BORDERS)

Chair: Michael B. Smitt/Doug Carey (outgoing)

AWB’s mission is to promote the public good globally, focusing on countries that lack the actuarial resources needed to create productive, sustainable and stable markets for insurance and other risk mitigation and the means to develop the actuarial profession, adhering to a Strategic Objective of the IAA to support the development, organization and promotion of the profession in areas of the world in which it is not present or is not fully developed.

Activities in 2019

Please refer to the Promotion of the Profession section of this Annual Report (see page 16)

IAAHS (IAA HEALTH SECTION)

Chair: Adrian Baskir

The Health Section facilitates exchange of knowledge and information among actuaries involved with public and private health issues, and promotes cooperation among actuarial organizations around the world, to advance international developments in health systems and programs. The Section provides its members with an international forum for knowledge-sharing, and professional development and networking through in-person colloquia, webinars and other online resources.

Activities in 2019

1. **Webinars**
   - Better Health, Reduced Costs and Higher Doctor Pay ... Can We Really Have it All?
   - First Actuarial Analysis of Pakistan’s Sehat Sahulat Program (SSP)
   - Lessons for Healthcare Models – Indonesia Case Study

2. **Colloquia**:
   - Participated in the Cape Town Colloquium

3. **Topic Teams**:
   - Comparative Health Systems
   - Health Risk Capital and Risk Management
   - Long-Term Care
   - Medical Expense
   - Microinsurance for Health
   - Public–Private Partnership
   - Risk Adjustment
   - Technology/Big Data
IAALS (IAA LIFE SECTION)
Chair: Gunn Albertsen

The Life Section’s mission is to promote actuarial research and the exchange of knowledge in the field of life insurance around the world.

Activities in 2019

1. Webinars
   - Better Health, Reduced Costs and Higher Doctor Pay ... Can We Really Have it All?
   - Big Data: Challenges and Opportunities for the Life Insurance Industry
   - The Shape of Water, Genetics, E-Cigarettes and Diabetes
   - Lessons from Recent and Historical Epidemics: Bugs, Behavior, and Beyond
   - Cyber Risk Case Study: A Scenario-Based Approach to Identifying and Mitigating Key Threats

2. Colloquia: Participated in the Cape Town Colloquium

IACA (INTERNATIONAL ASSOCIATION OF CONSULTING ACTUARIES)
Chair: Gerd Warnke

IACA promotes and facilitates the sharing of ideas among international consulting actuaries.

Activities in 2019

1. Colloquia: Participated in the Cape Town Colloquium
2. Actuarial consulting opportunities (Tender Warehouse): Posted weekly actuarial consulting opportunities from January to December

PBSS (PENSIONS, BENEFITS AND SOCIAL SECURITY)
Chair: Abraham Hernández Pacheco

PBSS serves actuaries around the world with personal, professional, educational or research interests in social protection, as well as actuaries with interests in the commercial, social and public policy issues concerning the provision of pensions and other benefits. Its scope covers public programs and private pension plans, mutual benefit organizations, commercial insurance and pension company contracts, annuities, share options and other types of employee benefit provision.

Activities in 2019

1. Webinars
   - Reboot, Rewire or Retire? Personal Experiences with Phased Retirement and Managing a Life Portfolio
   - Meeting the Challenges of Aging in the EU
   - Reform of the PAYG Retirement System in Algeria: Towards more Generational Equality
   - To Borrow or to Insure? Long Term Care Costs and the Impact of Housing
   - The Great Pension Debate: Finding Common Ground

2. Colloquia: Participated in the Cape Town Colloquium
3. Published 12 editions of the PBSS Reference List

ASTIN BULLETIN

The ASTIN, AFIR/ERM, IAALS and PBSS Sections co-sponsor the ASTIN Bulletin – The Journal of the IAA. It is published by Cambridge University Press in print and online in January, May and September. A total of 32 articles were published in 2019.
COMMITTEE CHAIRS

Actuarial Standards
Andrew Chamberlain

Advice and Assistance
Darryl Wagner

Audit and Finance
Jane Curtis

Education
Bozenna Hinton

Enterprise and Financial Risk
Paul Braithwaite

Executive
Gábor Hanák

General Insurance
Robert Conger

Health
Christelle Dieudonné

Insurance Accounting
William Hines

Insurance Regulation
Stuart Wason

Membership
Michael McDougall

Nominations
Masaaki Yoshimura

Pensions and Employee Benefits
Charles Cowling

Professionalism
David Martin

Scientific
Thomas Béhar

Social Security
Barbara D’Ambrogi-Ola

WORKING GROUPS

Banking
Michael Tichareva

Big Data
Ashleigh Theophanides

Microinsurance
Nigel Bowman

Mortality
Brian Ridsdale

Population Issues
Martin Stevenson

Resource and Environment
Micheline Dionne
## Membership

### Full Members

<table>
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<tr>
<th>Country</th>
<th>Association</th>
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<tbody>
<tr>
<td>Argentina</td>
<td>Consejo Profesional de Ciencias Economicas de la Ciudad Autonoma de Buenos Aires</td>
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<tr>
<td>Brazil</td>
<td>Instituto Brasileiro de Atuaria</td>
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<tr>
<td>Bulgaria</td>
<td>Bulgarian Actuarial Society</td>
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### Associate Members

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### Patrons

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<tr>
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See section on International Cooperation
The IAA operated with an excess of revenue over expenses of approximately CAD $52,000 in 2019 (CAD $107,000 when including Sections). The year 2019 was the first year of implementation of the 2018 Fee Task Force recommendations, which resulted in a readjustment in the membership revenues from IAA Member Associations, representing an increase of 19.7% (when compared to the contraction of 6.6% in 2018), without increasing the membership fee per member. While membership fees were up over 2018, operating revenues decreased slightly (less than 1% overall) due to the decrease in bursary fund revenue as 2019 was not an ICA year. The expense decrease of 7% reflects the added pressures on reducing expenses in light of the Renewal Task Force work as well as the announcement, late in the year, that the American Academy of Actuaries would not be renewing its IAA membership in 2020. IAA Leaders were asked to limit expenses wherever possible, staff hiring was frozen and open staff positions have not been filled. Overall, Section membership decreased 8%. Excluding Sections, the IAA's financial position had an increase in unrestricted net assets to $594,000, from $542,000 in 2018.

We look forward to the continued support of our FMAs, Observers and Patrons in order to ensure the stable and proper financing for IAA operations and to significantly increase our reserve funds so we can continue supporting the growth of the profession across the world.

Thank you to Cecil Bykerk for his work over the last three years and to Jane Curtis for stepping into the Chair position on the Audit and Finance Committee. Thank you also to Carol Ann Banks and her team for their hard work and dedication on financial matters, which resulted in an audit without any reservations (commonly referred to as a “clean audit”) from the external auditors.