STAKEHOLDER ENGAGEMENT

Actuarial Support for the Implementation of IFRS 17 – Meetings with FSB, FSI and IMF

By William Hines, Chair, Insurance Accounting Committee

In July, I met with Pablo Perez, a member of the Secretariat and Advisor on Accounting and Auditing Issues at the Financial Stability Board (FSB) in Basel, Switzerland. We shared information regarding each organization’s mission, objectives and workplans, and discussed the IAA’s efforts to develop actuarial support for the implementation of International Financial Reporting Standard 17 (IFRS 17). He indicated the FSB’s strong support for the IAA’s work products and their use by organizations such as the International Association of Insurance Supervisors (IAIS). To help with financial stability, the FSB suggested national actuarial associations advocate for more actuarial involvement in the financial reporting under IFRS 17.

Over the next two days, I participated in a policy implementation meeting on prudential implications of accounting standards, organized by the Financial Stability Institute (FSI) and International Monetary Fund (IMF). Other participants included 30–40 senior officials from insurance authorities worldwide who are in charge of implementing policies relating to accounting standards, including those for regulatory solvency purposes.

Darrel Scott of the International Accounting Standards Board delivered a keynote presentation on the development of IFRS 17. I presented in the second panel, along with Markus Grund – Chair of the Accounting and Auditing Working Group at the IAIS – and Pablo Perez, on initiatives by international bodies regarding IFRS 17. Also covered were areas such as implementation challenges in finding experts and appropriate IT systems, and concerns about inconsistent application of IFRS 17. Other panels focused on: changes from IFRS 4 to IFRS 17; implementation challenges and implementation in emerging markets; prudential use of the accounting standards; and a presentation of an FSI-IMF paper on accounting standards and insurer solvency assessment. It was noted by more than one participant that professional actuarial and accounting standards can help promote consistent and comparable practice.
UPCOMING EVENTS

Council and Committee Meetings

The next meetings of the IAA Council and committees will take place at the Westin Hotel in Tokyo, Japan, from November 18-22 at the invitation of the Institute of Actuaries of Japan. Our room block with the hotel is now ready for booking. Please click here for venue information and to access the IAA group reservation link. The draft meeting schedule is also available. Further details will be posted on the IAA website as preparations continue.

These events provide an opportunity for numerous groups to discuss ongoing projects and consider new developments. Bringing together actuaries and other experts from around the world, they enable the international actuarial profession and financial industry to network and collaborate. We look forward to seeing you in Tokyo.

Save the Date! Seminar on Longevity Inside and Outside Japan

A joint seminar hosted by the IAA’s Population Issues and Mortality Working Groups will be held on November 17 at Yebisu Garden Place in Tokyo. Registration will open alongside the IAA meeting registrations.

22nd Asian Actuarial Conference – Singapore

The Singapore Actuarial Society (SAS) is pleased to host the 22nd Asian Actuarial Conference (AAC) in Singapore from October 21–24, with the theme “Crazy Responsive Actuaries – Taking Action to Secure the Future”.

The AAC’s organizers said: “The harmonious insurance industry is under threat: low interest rates and the increasing availability of capital have been putting pressure on returns, and rising medical costs have been squeezing insurers. Costly regulatory and accounting changes threaten to overwhelm. Pay-per-use insurance and driverless cars could render some products obsolete. New players are knocking on the walls. New risks introduced by technology are still not fully understood. Meanwhile, the risks of missing out on the opportunities are just as severe.

“The uncertain world has spurred on the crazy responsive spirit of the actuary. Are you a technical or analytics whiz? Do you bring exciting insurance innovations? Have you found a crazy way to utilize your actuarial skills to respond to industry challenges? Or have you been working tirelessly to secure the future? We would love to hear from you!”

The AAC is the largest actuarial conference in Asia, and more than 700 delegates are expected to attend.

ASTIN Caucasus Local Chapter Conference – Georgia

The inaugural meeting of ‘ASTIN Caucasus’, a Local Chapter of three countries of the region: Georgia, Armenia and Azerbaijan, is scheduled to be held in Tbilisi, Georgia on 17-18 October 2019. It is expected that around 20 participants from each respective country will attend the meeting. The ASTIN Board representatives will attend the event. The ASTIN Board will provide the necessary support required for the establishment of the local chapter and further development of actuarial profession in the region.

Please click here to access the full programme of the event as well as the information about registration.
ASTIN and AFIR-ERM Symposium – Poland

A joint AFIR-ASTIN symposium is scheduled to be held in Warsaw on 24-25 October 2019. It will be hosted by the Polish Society of Actuaries (Polskie Stowarzyszenie Aktuariuszy). The following topics will be covered at the Symposium:

- AFIR-ERM - two talks
- Fair valuation - one talk
- ESG modelling - workshop
- IFRS 17 - two talks
- Cyber risk - two talks
- Reinsurance - workshop

The full programme of the event can be accessed here. Registration will open in early September.

ASTIN Seminar – Japan

ASTIN will hold a one-day seminar in Tokyo on 23 November 2019, straight after the IAA Meeting. This event will be hosted by the Institute of Actuaries of Japan (IAJ) as part of the IAJ Special Meeting dedicated to the celebration of 120th anniversary of the IAJ.

The IAJ Special Meeting will be held at Keidanren Kaikan (Japan Business Federation) located in the centre of Tokyo and close to the Tokyo Imperial Palace.

ASTIN Seminar will comprise three sessions of 90 minutes each: Session 1: Cyber Risk; Session 2: Data Science; and Session 3: Insurance ERM and Solvency. Registration will open in September. More information to follow.

The ASTIN Board is delighted to join the celebration and provide the IAJ with the strong track of non-life sessions. In addition to this, AFIR-ERM and the CERA Global Association are considering holding their respective seminar as part of the IAJ Special Meeting.

Latin America Regional Seminar – Ecuador

The Ecuadorian Actuarial Association is pleased to be organizing a regional seminar with the support and collaboration of the IAA. The seminar, taking place in Quito, Ecuador, on November 5–6, has the objective of creating a space for discussion and collaboration for Ecuadorian and Latin American actuaries on the following topics:

- Professionalism and the role of the actuary
- Challenges and opportunities in social security
- The implementation of the Solvency II regime in Latin America
- The actuarial application of new technologies

More details to follow!
CAS Invites Actuaries in Asia-Pacific to Join 2019 CAS Annual Meeting in Hawaii

The Casualty Actuarial Society (CAS) is inviting actuaries living and working in the Asia-Pacific region to attend the 2019 CAS Annual Meeting from November 10–13 in Honolulu, Hawaii. Geographically accessible from countries such as Australia, China, Malaysia, Japan and Vietnam, the meeting will feature sessions of interest to actuaries in the Asia-Pacific region, including:

- Extended Warranty Insurance for Electric Vehicles – China
- Impact of Aging Population on P&C – Japan
- Two sessions with presentations from academics in China
- The Royal Commission Report – Australia
- Traditional Actuaries Transformed by the Chinese Insurtech Industry
- Current Challenges and Future Prospects of Fire Insurance in Japan
- International (Asian) Property Insurance and Regulation – Japan, China, Malaysia
- Artificial Intelligence in Auto Rating and Regulatory Considerations (one session will be in Mandarin) – global

General sessions at the meeting will cover global actuarial challenges, actuarial judgment, actuarial innovation and insight into the Hawaiian insurance market.

For more information, visit the CAS website.

Caribbean Actuarial Association Conference – Curaçao
6th African Actuarial Congress – Ghana

The Actuarial Society of Ghana, host of the 6th African Actuarial Congress, which will take place in Ghana in March 2020, has opened the call for papers for a wide variety of topics falling under the theme “The Role of Actuaries in Risk-based Capital Regimes and Developing a Data-driven African Economy”. Should you be interested please complete the submission form no later than September 1.

EAA – European Actuarial Academy GmbH

CPD Program for Autumn 2019

As the European knowledge centre for actuaries, the EAA offers a broad variety of attractive actuarial training topics within the next months. Please find below an overview of some upcoming seminars:

• **EAA Forum: Business Simulation Game on Risk and Capital Management under Solvency II** – September 16–17, Ljubljana, Slovenia
  With Solvency II in place since January 1, 2016, a large and detailed regulatory framework has been laid out. This opens up new risks and opportunities to insurance companies that decision makers need to be aware of. Therefore, the EAA is offering the world’s first Solvency II Business Simulation Game. For two days, you will take the challenging role of an executive board, managing an insurance company under the new Solvency II regime.

• **Data Quality, Validation and Movement Analysis: Manage Quality under Solvency II** – September 18, online
  The aim of this webinar is to provide an overview of the Solvency II requirements on data quality, to present a practical framework of data quality and practical approaches to maintain and increase data quality in actuarial applications. The webinar also includes a case study to show practical applications in actuarial and regulatory contexts.

• **Modern Product Development in Life** – September 23–24, Madrid, Spain
  Are you interested in a condensed but comprehensive overview of basic and present life insurance products? Would you like to know how modern life products really work? Are you looking for a brief overview on the life product landscape and its evolution? Would you like to discuss different product techniques with experts and gain insights in the future of life product development? Are you interested in accelerating your life product development projects? Then this seminar is perfect for you!

• **Deep Learning Applications in Market Risk and Economic Capital Modelling: Overview** – September 25, online
  The aim of this webinar is to provide an overview of the powerful tools deep learning techniques are offering in the context of market risk and economic capital modelling as well as asset allocation and
actuarial business planning. Therefore, we will provide a short introduction into the wider deep learning framework and then focus on key techniques, tools and ingredients which are particularly useful for the context of market risk and economic capital modelling.

- **Insurance Products Covering Longevity and Long-Term Care Risks** – September 30 to October 1, Hamburg, Germany
  In this seminar, special attention is placed on “health-linked life annuities”, which can suggest interesting alternatives to traditional products. We propose a formal framework which encompasses diverse arrangements. In particular, we note that linking the annuity benefit to the health status can be implemented according to two different approaches. A “static” linking approach can be recognized when, for a given premium, the benefit amount depends on the individual’s health status at the time the annuity is purchased, and does not vary throughout the individual’s whole lifetime. A “dynamic” linking approach is conversely adopted if the benefit amount is adjusted, throughout time, according to the evolution of the individual’s health status.

- **Loss Reserving in Property and Casualty** – October 28–29, Sliema, Malta
  The aim of this seminar is to provide participants with a deeper understanding of loss reserving methods and their application issues, which will be particularly useful for the daily work of those who are involved in or responsible for loss reserving. The seminar will alternate between the presentation of methodological concepts for loss reserving, practical examples and some exercises and case studies in order to deepen the understanding of the different methods and their relevance in practical applications.

  Non-life insurance is facing many challenges, ranging from fierce competition in the market and evolution in the distribution channel used by the consumers to evolution of the regulatory environment. Pricing is the central link between solvency, profitability and market shares (volume). This seminar will focus on practical problems faced by pricing actuaries and product managers, and present some new techniques used in non-life pricing in order to open new perspectives for product development.

- **Deep Learning Applications in Market Risk and Economic Capital Modelling: Deep Dive** – November 11–12, Prague, Czech Republic
  The main purpose of this seminar is for the participants to learn which applications deep learning techniques offer in the context of market risk, economic capital modelling, asset allocation and actuarial business planning. Therefore, we will provide an introduction into the wider deep learning framework and then focus on key techniques, tools and ingredients which are particularly useful for the context of market risk and economic capital modelling as well as asset allocation and actuarial business planning.

- **Economic Scenario Generators Part II: Advanced Seminar for ESG Practitioners** – December 5–6, Vienna, Austria
  This seminar will discuss advanced ESG-related topics such as practical ESG calibration challenges, inflation modelling and application, credit risk modelling challenges, multi-economy modelling, and ESG and Least Square Monte Carlo. We expect that participants will be familiar with basic ESG concepts such as interest rate models or equity models, unafraid of some technical cooking recipes from the ESG kitchen, and keen to discuss the practicalities of ESG work in the context of the current market environment and regulatory requirements.

Stay Up to Date to Avoid Missing Important Dates and Discount Deadlines

Do you want to be informed about EAA training dates as soon as they are published? Would you like to benefit from the early-bird discounts and avoid finding yourself on the waiting list for an event? Register online for the EAA newsletter.
You will be informed about new seminar topics and events that are held all over Europe, and reminded of important registration deadlines. You can find the newsletter registration form at this link or at www.actuarial-academy.com.

**Individual Choices Facing Societal Changes**

*Can actuarial science bridge the gap between individual and collective choices?*

The actuarial colloquium, organized by the Institut des Actuaires, in close conjunction with the IAA Sections is set to take place from 10-14 May 2020 in Paris, where new insights are awaited as to how actuarial science can bridge the divide between individual and collective choices.

**Call for Papers**

Behind the theme lies the idea that most of the current issues in our world should be addressed and could be solved only by a collective and cooperative approach, although the weight of individuals is sometimes much heavier than the collective sense. We believe that actuarial science and actuaries have a very different way to treat and solve problems, public interest and collective in mind.

The theme of the colloquium will be addressed through a series of plenary sessions, parallel workshops, insightful keynotes and group discussions designed to identify and leverage key trends of actuarial, social and economic research and new technologies to create a strategic advantage for the actuarial profession.

**Topics:**

- Regulatory changes (Solvency II, Basel 3, IFRS 17, ICS, IORP2)
- Impact of climate changes
- Public policy choices
- Emerging risks
- Artificial Intelligence
- Behavioral economics
- Consumer choices

**Deadline for Call for Papers:** November 15, 2019


**NEWS FROM MEMBER ASSOCIATIONS**

**Deutsche Aktuarvereinigung e.V. (DAV)**

*Annual Autumn Meeting 2019*

This year's annual Autumn Meeting held by the DAV and its scientifically orientated partner organization the German Society for Insurance and Financial Mathematics (DGVFM) will take place on November 18–19 in Hannover. It will include the meetings of the German ASTIN and Life Sections on the first day, followed by the German Actuarial Data Science, AFIR and Health Sections the next day. The main programs will be accompanied by smaller break-out sessions for in-depth insights and discussions. As in previous years the DGVFM and the German Organization of
Insurance Sciences will host the subsequent conference of the Fachkreis Versicherungsmathematik at the same venue.

More than 800 members are expected to participate in the Autumn Meeting in order to learn and debate about the newest developments of the industry and the most important fields of actuarial mathematics. The event is the second-largest actuarial conference in Germany.

*Over 30 Sessions from the 23rd International Congress on Insurance: Mathematics and Economics Now on actuview*

In July the Technical University of Munich hosted the 23rd International Congress on Insurance: Mathematics and Economics (IME) in Munich. Thanks to the support of the DGVFM, actuview recorded over 30 sessions live from Munich, including:

- Five keynotes from prestigious experts
- Six talks from the special DGVFM program
- Twenty-five presentations from international speakers to various actuarial topics

The IME is one of the best-known events in actuarial mathematics. It brings together researchers and practitioners who share the latest developments and ideas in actuarial science. The congress is connected to Insurance: Mathematics and Economics, one of the leading actuarial journals.

All videos of the IME 2019 can be found here. Members of the IAA Sections ASTIN, IAAHS, IAALS and IACA can access the full content on actuview without further cost. If you have not yet received your personal registration code for actuview, please contact iaasections@actuaries.org

*Become a Speaker on actuview*

Actuview is regularly looking for actuaries, experts or other qualified individuals who are interested in contributing an online session to it. The program on actuview covers the full scope of national and international actuarial topics – restrictions or specific topic specifications are therefore not defined. Interdisciplinary and scientific submissions are welcome, too.

If you are interested in becoming a speaker and preparing an actuarial topic as an electronic presentation, please send an application to contact@actuview.com containing

- The title
- A brief description of your presentation (abstract)
- Some personal information about you and your affiliation

As a reward for your commitment, all authors receive one year of free access to all content on actuview. The actuview team will support you with the production of your online session.

**Singapore Actuarial Society**

*SAS International Committee's Outreach Efforts at the Vietnam Actuarial Seminar and Joint Regional Seminar Vietnam*

By Pingni Eng, member of the SAS International Committee, and See Ju Chua, SAS Council Member and Chair of the SAS International Committee

With the support of the Ministry of Finance of Vietnam through the Insurance Supervisory Authority (ISA) and the Actuaries Institute Australia (AIA), the SAS, together with the CAS, organized an actuarial seminar in Vietnam in July to support the development of the actuarial profession in emerging markets. This is a continuation of efforts in September 2018, when the SAS and CAS jointly organized a similar successful event in Hanoi.
With the theme “Connect, Collaborate, Contrast”, the event in Ho Chi Minh City attracted close to 150 delegates, including insurance supervisors and regulators from the Ministry of Finance Vietnam and Insurance Association of Vietnam, actuaries and insurance practitioners from life and general insurance companies, and professors and university students.

The following day, the SAS participated in the well-attended Joint Regional Seminar (JRS) in Vietnam, which is an annual event co-organized by the UK’s Institute and Faculty of Actuaries (IFoA), AIA and Society of Actuaries (SOA) with the support of the local actuarial societies in the region. The theme for this year’s JRS was “Changing Environment, Emerging Trends and Evolving Regulations, Déjà vu or Crystal Gazing”.

SAS speakers for the events over the two days included:

- Matthew Maguire from Pineapple Advisors
- Weihao Choo from MunichRe
- Danny Quant from Milliman
- Pingni Eng from Milliman
The SAS International Committee is truly honoured to have had a great panel of speakers presenting in Vietnam. On behalf of the SAS, thank you to each and every one for your passion and contribution to the overall success of these events!

These seminars in Vietnam reflect ongoing engagements by the SAS International Committee in the Association of Southeast Asian Nations region since 2015 in collaboration with other actuarial, industry and regulatory bodies, with more to come. They reinforce the SAS’ continuous effort in promoting the actuarial profession and providing actuarial education in emerging markets.

Visit the SAS’ website to read more about the seminars, or contact sasinternational@actuaries.org.sg

Society of Actuaries – U.S.

IFRS 17 & Solvency II Seminar

The IFRS 17 & Solvency II Seminar, sponsored by the SOA and supported by CNseg, took place in July at Escola Nacional de Seguros in São Paulo, Brazil. It was presented by Alexandre Leal, CNseg Technical and Studies Director, who highlighted the relevance of the topics for the insurance industry and recalled the instances in which CNseg promoted these types of initiatives to assist with the technical improvement of the professionals in the industry, resulting in positive effects on commissions’ debates and in the forums set up by regulators to address these issues.

Ronald Poon-Affat, RGA Brazil CEO and SOA member, opened the seminar by addressing the mission of the actuarial association, which promotes education, research and professional development. According to him, IFRS 17 is today considered “the most disruptive norm of all time”. This new international standard financial report for insurance contracts was published in May 2017 and is estimated to now impact 186 countries around the world. In Brazil, publicly traded insurance companies should adopt the international standard. The others still depend on the definition of the insurance regulatory bodies SUSEP and ANS.

Máris Gosmann, Professor at the Federal University of Rio Grande do Sul and Director of the Brazilian Actuarial Institute, addressed the concepts and issues involved in IFRS 17, such as contract measurement, separation of contract components, aggregation level, the new form of financial statement and disclosure of the assumptions made, as well as detailing the principles that guide future rules, which will come into effect in 2022.

Carlos Arocha, head of a consulting team that provides services related to IFRS 17 implementation projects, risk models based on Solvency II and governance, further discussed the concepts of the norm, also talking about the treatment given to reinsurance contracts through practical applications exercises. Among IFRS 17 features, he emphasized the best comparability, the most intuitive economic vision, a better perception of profit and transparency, more dynamism, consistency and cash flow strength. He also highlighted the importance of the accounting, financial, actuarial, technology and risk management sectors working together towards an effective implementation of IFRS 17.

The IFRS 17 portion of the event ended in the morning of the second day with the presentation of an implementation workflow, consisting of: mapping sources of information, including treaty data and actuarial information; validation and data enrichment; filing; treaty group definition (groupings); treaty classification (as costly, among others); treaty insurance margin calculation and risk adjustment, among other variables; identification of the specificities of IFRS 17 in the accounting process; consolidation and reconciliation; the financial statement, including explanatory notes, and internal reports demonstrating the interfaces with solvency capital requirements.

It was followed by the SOA seminar, which addressed issues related to Solvency II, a risk-based capital standard applied to European insurers, and an inspiration for the Brazilian current model.
Society of Actuaries’ General Insurance Research Committee

The SOA General Insurance Research Committee is offering an opportunity for researchers to receive research funding on topics of interest in the general insurance (property and casualty insurance) field. The research proposals it is seeking are intended to support actuaries in their daily work and to advance knowledge in the general insurance field. Audiences may include non-actuarial stakeholders, such as other finance and risk management professionals in the general insurance industry, policy-makers, regulators and the public.

Projects are primarily intended to be practical in nature, and of immediate or near-term use and value to applicable audiences. Theoretical projects may also be considered, depending on the relevance of a topic to current general insurance issues. A key criterion for the committee is that the proposed project should have significant potential to benefit actuaries practising in the general insurance field.

General insurance themes of interest include:

1. Issues related to automation, in the context of insured risks
2. Changes to the competitive landscape and business model for insurers
3. Impact of climate change
4. Cybersecurity risk
5. Actuarial techniques

For complete details, visit the SOA website.

Actuarial Society of Turkey

The 4th National Insurance and Actuarial Sciences Congress organized by the Institute of Applied Mathematics of the Middle East Technical University (METU) and the Actuarial Society of Turkey (AST) was held in June at the METU Congress and Culture Center, Ankara, with close to 800 participants.

It started with opening speeches from Prof. Dr. Sevtap Kestel (President of METU’s Financial Mathematics and Actuary Departments), Taylan Matkap (AST President), Gábor Hanák (IAA President), Dr. Ahmet Genç (Deputy Undersecretary of the Ministry of the Treasury and Finance) and METU Rector Prof. Dr. Mustafa Verşan Kök.
Keynote speaker Prof. Dr. Burak Saltoğlu discussed the effectiveness of existing methods against future crises in the financial industry and new model trends in the academic world. KPMG Partner Sinem Cantürk moderated a panel on the subject of IFRS 17 with the participation of the Ministry of the Treasury and Finance Insurance Auditing Board Chairman Mete Güler, Allianz Insurance CFO Ersin Pak and KPMG Global Partner Mary Trussell. The importance of the IFRS 17 process for insurance companies, its impacts and the importance of actuaries in this process were emphasized.

Prof. Dr. Ahmet Yakut moderated a session that began with a panel titled "Catastrophic Damages and Climate", involving TARSİM Deputy General Manager Zeki Karakurt, DASK Deputy Secretary General Bilal Türkmen and RS Service Chairman Ünal Ünaldı. Speeches covered agricultural insurance in Turkey, the TCIP insurance rate and planned studies in the coming months, hail damage and its effects on the automobile industry, and planned accreditations. The program continued with a presentation on machine learning in insurance by Chris Holiday and Anıl Gülveren from Willis Towers Watson. Fraud detection from machine learning applications and text mining examples were also discussed, and it was explained that machine learning enabled experts to produce more effective models in less time.

The first day of the congress concluded with the CEO Panel on Non-Life Insurance, moderated by Mehmet Kalkavan, Director of the Turkish Insurance Institute Foundation. Atilla Benli, CEO of Güneş Sigorta; İlhami Koç, CEO of Anadolu Sigorta; Yavuz Ölken, CEO of Axa Insurance; and Yıldırım Türe, CEO of Ergo Insurance, answered questions on well-known mistakes of the insurance sector and made career suggestions to young people who want to choose this profession, based on their own experiences.

During the last day of the congress, under the moderation of Ernst & Young Partner Damla Harman, Insurance Information and Supervision Center Manager Murat Hakseven, Uluç İçöz of the Ministry of Treasury and Finance’s General Directorate of Insurance, and Ernst & Young Director Will Mirams participated in a panel titled "Digital Transformation in Insurance Sector". Verda Law Managing Partner Prof. Dr. Nafiz Özgür Rifaioglu then moderated a session named "Regulation and Law" involving Assist Prof. Evrim Akgün from Bahçeşehir University; Ebru Gençosmanoğlu, Head of Department at the General Directorate of Insurance, Ministry of Treasury and Finance; and Özgür Öntürk, Deputy Chairman of the Insurance Supervision Board, Ministry of Treasury and Finance.

The congress ended with the CEO Panel on Life Insurance and Pensions, moderated by Prof. Dr. Coşkun Küçükoğuz from İzmir University of Economics. Burak Ali Göçer, CEO of Garanti Emeklilik; Erol Öztürkoğlu, CEO of Fiba Emeklilik; and Marius Popescu, CEO of NN Hayat ve Emeklilik, were among the participants.

In addition, young talents were part of the congress, thanks to a poster competition for undergraduate and graduate students.

**NEWS FROM COMMITTEES**

**Banking Toolkits**

The Banking Working Group and the Banking Education Interest Group (of the Education Committee) have over the past 18 months been working on banking toolkits to assist IAA member organizations who wish to develop their banking practice areas. The working groups are pleased to announce that these documents have now been finalized and are available on the IAA website:

- **Actuarial Banking Practice Development Toolkit** – The IAA Banking Working Group, in conjunction with the Actuarial Society of South Africa (ASSA), has developed this toolkit to assist member associations in developing actuarial banking communities. These communities are expected to drive initiatives to support actuaries interested in entering and adding value to the banking sector in their jurisdictions. This toolkit provides an instructional approach on how to build these communities and develop a firm understanding...
of the industry. The information provided is based on the experiences of ASSA’s Banking Committee and the working group.

- **Banking Education Toolkit** – This toolkit has been developed by the Banking Education Interest Group, which reports back to the IAA Education Committee and the IAA Banking Working Group. It has been prepared in response to the development of banking as an emerging practice area for actuaries globally and sets out a guideline curriculum of topics that may be included in a banking education program. This education toolkit has been created as a result of recognizing that different jurisdictions are at different stages of development of banking as a practice area, and that guidance on education and continuous professional development issues could be useful to facilitate the further growth of actuarial banking education in different jurisdictions.

These documents are available to organizations interested in developing their banking practice, should they wish to use them as templates. IAA member associations are not required to adopt or comply with these toolkits. Anybody with questions should contact Michael Tichareva or Andrew Gladwin.

**IAA Resource and Environment Working Group Releases a Discussion Paper on Flood Risk**

The IAA is pleased to announce the release of the discussion paper “Flood Risk”, developed by its Resource and Environment Working Group (REWG).

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 REWG that the principles considered in this paper can be effectively utilized by each country.

The paper is available on the IAA website under PUBLICATIONS/PAPERS.

A webinar will be held on October 23th at 7am (EDT) to discuss the findings in the IAA paper. Please register here.

**Mortality Working Group Update**

The Mortality Working Group (MWG) is pleased to announce that the Mortality Working Group Update #13 has been released following the MWG meetings in Washington D.C. in May. It is available in 13 languages.

Please feel free to share this information with interested parties. Anybody with questions or suggestions can write to: iaamwg@actuaries.org

**Professionalism Webinar**

During a seminar organized by the Eurasia and Middle East Subcommittee of the Advice and Assistance Committee in April 2017 in Budapest (Hungary), a group of delegates of member associations from the region recognized the need to have more professionalism opportunities available to their members. Leveraging from the expertise of the members of the Professionalism Committee as well as Actuaries Without Borders (AWB), a webinar presenting case studies pertinent to associations from the region was presented as a pilot in July 2019.
The webinar was designed to fill the gap between the professionalism seminars held by developed associations and the reality in which actuaries work in Eastern and Southeastern Europe, and more generally in developing and emerging insurance markets. It discussed a specific case study on reserving, demonstrating the challenges that actuaries in those markets often encounter. Attendees were invited to participate by answering polling questions, and encouraged to submit comments and questions to the moderator, thus allowing participants to share their experience and comments regarding the topic.

Overall, the organizing group was pleased with the outcomes of the pilot project and is looking forward to continuing with these types of collaborative efforts among IAA Committees, IAA Sections and IAA member associations. In total, 156 people from 37 countries attended the webinar.

**NEWS FROM SECTIONS**

**AFIR-ERM Third Webinar on The Human Side of ERM**

The AFIR-ERM Section, along with Dave Ingram, invites you to join the continuation of the webinar series “The Human Side of ERM”. In this third webinar, on September 11 at 7:30am EDT, listen to Dave’s innovative presentation on risk culture.

Sometimes risk decisions are made based solely upon gut feel, and at other times directly from statistical models. When faced with decisions about risk, people with limited education, limited experience and limited analytical skills have been shown to often make mistakes. This webinar will discuss how risk intelligence can improve decisions and help to reduce those mistakes, where risk intelligence involves combining experience, education and analysis of risk for more astute decision making. This capability can be developed in individuals and in groups, but that development requires conscious effort. With risk intelligence, an organization can correctly prioritize risks and select effective tactics to appropriate treat risks to best support the objectives of the organization.

In the final webinar of this four-part series, Dave will speak on risk appetite/tolerance on December 11.

**AFIR-ERM Research Projects**

We are glad to announce that the AFIR-ERM Scientific Committee has selected two proposals to be funded for a research project:

- Safely incorporating Deep Learning Models into the Actuarial Toolkit – Design considerations, interpretability and quantitative validation by Ronald Richman
- Model governance and rational adaptability in Enterprise Risk Management by Michael Bruce Beck, Dave Ingram, and Michael Thompson

We congratulate the authors and wish the output of both fulfill their expectations. We hope to see them presenting their final work soon.

The grants for research are awarded annually to individuals who participate in the call for proposals. Stay tuned for next year’s issue!

**Actuaries Without Borders in Zimbabwe**

*By Arpita Das, AWB Board Member*

The 5th Annual Actuarial Society of Zimbabwe (ASZ) Convention was held in June at the Crown Plaza Monomotapa Hotel in Harare. The theme this year was “Adapt: Remaining Relevant in a Volatile Environment while Maintaining Focus”. There were more than 200 attendees from the region, representing multiple sectors including private industry,
academia and regulatory bodies. All sessions were live-streamed on ASZ’s YouTube channel for viewers around the world. With the support and co-sponsorship of ASZ, AWB and the International Section of the SOA I had the honour of hosting a “meet and greet” on behalf of the SOA and AWB and presenting an interactive session, “Data Analytics: An Insurance Perspective”.

Day 1 was focused on the first half of the theme: remaining relevant in a volatile environment. On this day one common topic was that of the loss of value seen on pension plans and life policies upon dollarization in Zimbabwe after an extended period of hyperinflation. Discussions were held around determining the extent and causes of loss as well as conversion methods. Recommendations were also made for the way forward for the industry. After the day’s scheduled sessions, I held an informal meet-and-greet with attendees who were interested in and involved with the SOA and AWB. It was wonderful to meet SOA candidates and AWB mentees and hear about their experiences. Conversations extended well beyond the event itself and continued through the course of the second day. These exchanges will undoubtedly lead to further collaboration with actuarial members and candidates in Zimbabwe.

Day 2 was focused on the second half of the theme: maintaining focus on the future. Two recurring topics of this day were the introduction of a new capital regime in Zimbabwe – the Zimbabwe Integrated Capital and Risk Program – and how to adapt to a rapidly changing environment in light of economic challenges and industry disruptors. The presentation I gave fell into the latter category. It was a technical presentation tailored to the interest of the audience and theme of the day. The presentation walked the audience through the plethora of data science resources currently available that can be leveraged by actuaries. Among them, there was a focus on Kaggle, a popular online platform, where demonstrations were given in real time using sample insurance data. Additionally, the session facilitated multiple opportunities for interaction on related topics. Audience members shared their perspectives on where the insurance industry was headed in an age of big data, general challenges faced in their own sectors and the future of the actuarial profession. The discussion was robust, informative and, based on feedback received, one of the highlights of the day.

The actuarial profession has been growing steadily in Zimbabwe. The number of attendees at the ASZ Annual Convention has increased from 150 in 2018 to 200 in 2019. The number of fully qualified actuaries resident in Zimbabwe has grown from eight in 2017 to 20 in 2019. The convention, with its highly relevant theme and timely topics, unquestionably met the increasing demand for education and exchanges on actuarial topics in Zimbabwe.

From left to right: Lawrence Dhliwayo, a lecturer at the University of Zimbabwe; Arpita Das, AWB Board Member; Nyaradzai Lynette Tasaranarwo, Secretary of the ASZ; and Taonaziso Chowa, a lecturer at the University of Zambia.
ASTIN Italy Chapter Established

The inaugural meeting of the ASTIN Italy Chapter took place on May 27th in Milan. It was organized by the Italian Association of Actuaries and attracted around 100 participants. This one-day event featured sessions on Machine Learning Techniques & Applications and IFRS 17. Join the ASTIN Section to read more about this and other upcoming ASTIN activities!

OTHER NEWS

Actuarial Society of Nepal: Promoting and Raising Awareness of the Actuarial Profession

By Prechhya Mathema, President, Actuarial Society of Nepal

We are excited to announce that the Actuarial Society of Nepal has been registered under the Nepalese Companies Act as a non-profit organization in July 2019. The society aims to promote and raise awareness of the value that the actuarial profession can bring to the Nepalese insurance industry as well as to the wider financial services sector. Another key objective is to support the members so that in the long run the country can become reliant on its own actuaries.

Until now, the actuarial profession has been one of the least known or recognized professions in Nepal. Even people who are aware of it, while considering actuarial inputs to be of high value, limit the scope of actuarial work to just valuation and certification of premium rates. There is an increasing demand for actuaries due to recent changes in the regulations, but there is still a lack of demand from the insurance industry itself to utilize actuarial knowledge and expertise to better manage its business. Insurers outsource for actuarial services outside of Nepal, either directly or through brokers.

There is only one fully qualified actuary and around 15 partly qualified actuaries in Nepal. Most of the actuarial members pursue their qualifications through the IFoA or Institute of Actuaries of India. An Actuarial Science course was introduced by one of the main universities in 2016, and currently there are about 80 actuarial students. The salient challenges faced by the partly qualified actuaries are the lack of exposure to “core actuarial” work and the lack of actuarial mentors in the workplace (or outside). As these students tend to be junior staff in their firms, they neither get access to actuarial reports/analyses nor have direct contact with foreign actuaries, thus limiting their exposure.

The society is eagerly looking forward to partnering with the IAA, Nepalese government entities and international development agencies to address these challenges and promote the actuarial profession in Nepal, while supporting its members to advance their professional careers. Encouragement, support and guidance from the IAA will serve as a massive and very timely boost to the insurance industry and actuarial profession in Nepal.
The European Actuary Now Available

The new issue of The European Actuary (Number 20 – July 2019) is now available and can be downloaded from the Actuarial Association of Europe website.

Theory Society Annual Seminar – U.S.

The Risk Theory Society (RTS) is a group of economists, financial economists, and actuaries who undertake theoretical and applied research in the areas of insurance economics, financial economics related to insurance markets, actuarial science, and more generally in the economic analysis of risk and uncertainty. Membership in the society is earned by presenting a paper at the annual seminar and forfeited by missing two consecutive meetings.

The society invites interested parties to submit papers for the 2020 Annual Seminar, taking place from April 17–19 at Baylor University, Waco, Texas. Each paper accepted for the meeting is given 75 minutes for presentation and defence by the authors. The first 20 minutes of that time are reserved to be free of interruption other than for questions of clarification. After the grace period, discussion is typically vigorous.

Over the past 10 years, the number of submissions has ranged from 42 to 69 with an average of 49. Ten papers have been selected each year. The society accepts submission of a five-page abstract. Although most submissions and most accepted papers are likely to be in full draft or essentially completed form, the organizers actively encourage submission of work-in-progress that would benefit from the typically robust discussions that take place during the RTS Seminar.

PDF submissions should be sent to RTS Secretary David Eckles by December 15. The program committee will notify authors of accepted papers by end of January 2020, or soon thereafter. Accepted papers must be completed and sent for posting on the RTS website by March 1, 2020.

For more information, contact David Eckles or click on the link above. For details of local arrangements for the 2020 Seminar, see here or email the local organizer.