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## STATEMENT BY IAA PRESIDENT ON COVID-19



With the now world-wide spread of the Coronavirus and its far-reaching implications, confusion and disinformation can spread as quickly as the virus itself, leaving a vacuum needing to be filled with facts and clarity. As actuaries, we seek to be reliable sources of research, information, analysis and advice to the stakeholders of our work. Throughout the challenging days ahead we must strive to uphold our profession's high level of standards so we can continue to be trusted partners that individuals, employers,

insurers and governments can count on.

Many of the actuarial associations around the world are producing and updating reports and data to help inform decisions in this very chaotic time. The IAA has created a [webpage](#) that consolidates links to much of this information. We plan to continually update the site and links, given the rapid pace of change, so you can have an extended source of information you can trust, and thus be better equipped to maneuver through these uncharted waters.

We encourage member associations to share with the [Secretariat](#) any useful sites/links, that has gone through their own scrutiny, which could be added to this repository. Our supranational relationship managers are working directly with their assigned organizations to ensure we are best fulfilling our Impact strategic objective.

Stay safe,

Tonya Manning

IAA President

## COVID-19: IAA STATEMENT TO STAKEHOLDERS

The current COVID-19 pandemic and its accompanying impact on social and economic activities around the globe is unprecedented. Its impacts will likely take months to fully emerge. This pandemic is providing ample illustration of the deep levels of connectivity in global human activity. Thankfully, many national and supranational organizations have recognized the urgent need for collective decision-making and have acted already.

In this context, the IAA stands ready to be of assistance to our stakeholders in these troubling times. For example, the IAA has already communicated with the International Association of Insurance Supervisors (IAIS) recognizing that supervisors may need support in making changes to their 'standard' methods and procedures for the protection of policyholders and perhaps even the very survival of their insurance industry. The IAA has offered its support in order for the IAIS to benefit from active collaborations with the

IAA, working together in the public interest.

With the depth and severity of the consequences of this pandemic to societies, national economies, international cooperation, households, businesses including businesses where actuaries are involved, and governments now becoming apparent, it is important for key stakeholders in the financial services sector to share information and insights on the lessons learned thus far by supervisors/firms/actuaries etc. and what next steps need be taken.

The IAA has already put in place steps to enable it to serve as a coordinating point for information interchange amongst its 101 member associations.

Internationally, some organizations have already started to seek specific information from their stakeholders with the objective of supporting them in these difficult circumstances. Efforts are underway to design and roll out measures designed to support the industry and the economy, and to maintain public confidence, with an initial focus on the banking sector. The IAA can be of assistance to supranational organizations in their examination of the lessons learned from the pandemic thus far as well as consideration of forward scenarios to be tested.

There is a need for agile responses to the design of pandemic related response measures themselves and the systems to monitor them, and several iterations may prove necessary as time goes on, and as recovery commences. Actuaries are well-equipped to advise on the likely effectiveness of any such measures as far as they affect the financial services sector and are already engaged in activities of that nature in many jurisdictions. Actuaries can add value to multidisciplinary teams engaged through professional analyses of the available data and selecting and assessing reasonable future scenarios in the design and implementation of emergency measures, and in their development, as the crisis advances and then ultimately recedes. Such emergency measures should ideally aim to offer operational relief, and support business continuity in a sustainable manner to help society as a whole to survive through this COVID-19 crisis. However, longer horizon measures will also need to be designed to incorporate the lessons learnt from this particular crisis – as mankind has learnt from each major crisis in the past. All segments of society including professions like the actuarial profession should be nimble and work for preventive measures to tame the crude reality in the first place but adapt to the unchangeable reality.

The IAA stands ready to meet with our stakeholders to discuss strategies and solutions to the urgent, and still rapidly evolving, matters arising from this pandemic.

To learn more about the work of the IAA, please contact the [Secretariat](#).

## STAKEHOLDER ENGAGEMENT

### IASB decides on new effective date for IFRS 17

The International Accounting Standards Board (IASB) has completed its discussions on the amendments to International Financial Reporting Standard 17 (IFRS 17) Insurance Contracts that were proposed for public consultation in June 2019.

It has now decided that the effective date of the Standard will be deferred to annual reporting periods beginning on or after January 1, 2023. The IASB also decided to extend the exemption currently in place for some insurers regarding the application of IFRS 9 Financial Instruments to enable them to implement both IFRS 9 and IFRS 17 at the same time.

The IASB has in previous meetings confirmed that it will proceed with the proposals outlined in the June 2019 consultation document, albeit with some minor modifications in response to feedback received. It also added some additional amendments, again in response to feedback on those proposals.

Timely implementation of IFRS 17 is vital to improve the quality and comparability of accounting for insurance contracts. However, the IASB's decision to defer the effective date by two years to 2023 will enable insurers around the world to implement the new standard at the same time, which the Board considers to be beneficial for investors,

insurers and other stakeholders.

The IASB expects to issue the amendments to IFRS 17 in the second quarter of 2020.

## UPCOMING EVENTS

### Colloquium cancelled, and meetings to be rearranged



Over last several weeks, the International Actuarial Association (IAA), Institute of Actuaries in Belgium (IAIBE) and the Institut des Actuaires (IA) in France have been in close communication with regards to the evolving situation with COVID-19. The expansion of the pandemic has now compelled us to cancel the Actuarial Colloquium in Paris and to transform the IAA Council and Committee meetings into a virtual meeting, in order to avoid

unnecessary risks related to in-person meetings over the next months.

We are working to reschedule a future meeting in Brussels for 2021. Delegates who have already made hotel reservations at the Radisson are urged to contact the hotel to cancel their booking, and should also cancel their flights.

IAA Secretariat staff liaisons will coordinate with the leadership of Committees and Working Groups to organize one or more virtual meetings as needed to cover the planned agenda topics for Brussels. These virtual meetings need not take place at the exact same time as previously scheduled and may be extended over several weeks. Planning will begin immediately.

With regards to the Council meeting, due to the required 60-day notice, this meeting will take place on or after Thursday, May 7, in one or multiple virtual meetings. Stay tuned for further details.

Please rest assured that these decisions were not taken lightly, therefore we thank you for your understanding. Clearly the top priority in our decision-making was the need to protect our volunteers and participants.

We would like to thank all volunteers and members of the organizing committees who have devoted so much of their time to prepare for these events in Brussels and Paris. Please note that we are continuing to work diligently to assess opportunities to leverage content which would have been presented in Paris.

### 6th African Actuarial Congress postponed



The **6th African Actuarial Congress (6AAC), Accra 2020** slated for **March 18 -19, 2020** at **Movenpick Ambassador Hotel**, Accra will be postponed to a new date. The programme and all other aspects of the Congress remains unchanged.

This decision was concluded with the ultimate purpose of safeguarding the health of all congress attendees against the recent outbreak of the COVID-19 epidemic across the globe.

The Actuarial Society of Ghana will be happy to reserve your 6AAC account and your registration fee will be carried over to the newly proposed date, **September 2020**. The actual dates will be confirmed after a month of closely monitoring developments on the epidemic. We will announce the new dates as soon as these become available and we will appreciate that you consider your participation.

Should you have any concern(s), please direct them to the via [congress@asg.org.gh](mailto:congress@asg.org.gh) or **+233 302 937238**.

## UPCOMING WEBINARS

### **Research Brief: The impact of COVID-19**

*Speakers: R. Dale Hall, Max J. Rudolph, Greg Solomon, Mathew Edwards and Annie Tay*



At the time of preparing this webinar (March 24, 2020), there were 398,100 confirmed Covid-19 cases and 17,250 deaths worldwide. The virus has spread at an exponential rate and all countries are facing challenges in trying to manage the threat. Many, including the actuarial profession, expect this extreme event will have profound adverse health and economic impacts in both developed and emerging markets in the months (and perhaps years) to come.

Actuaries in all practice areas will need to consider the impacts— from the obvious healthcare aspect of policyholders to insurers' solvency, liquidity and sustainability in the midst of extreme market volatility.

- Have we been successful in our risk management and in our contingency planning for what we are facing right now?
- Are our claims expectation and management adequate to cover the needs of our customers as they face business interruptions, travel disruptions and legal liability challenges?
- What is our professional responsibility as actuaries in this situation?

As the response to the COVID-19 (coronavirus) accelerates at different rates around the world, we aim to present an international actuarial perspective for this pandemic on the latest status and discuss how actuaries are navigating and managing strategic, financial/economic and operational risks in Asia, the US and the UK/European regions.

Please join us in the debate!

### **PBSS Webinar Pensions in the Fluid EU Society: Challenges for (Migrant) Workers -April 2, 2020 9:00 am (EDT)**

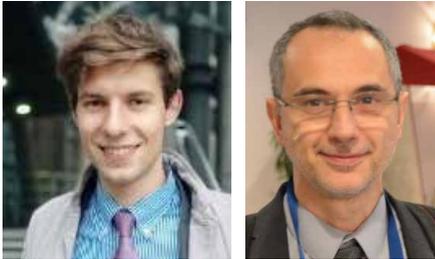
*Speakers: Ivana Vukorepa*



Equal access to social protection, regardless of the type and duration of employment, is one of the goals of the European Pillar of Social Rights, aiming also at adequate income in retirement. Hence, the research that will be presented concentrates on old-age pensions and highlights potential national and mobility linked problems and challenges for future pension adequacy concerning persons working in non-standard forms of employment and self-employment. After the introductory part in which also the three levels of fluidity within the EU society is being explained, the presentation will focus on two main aspects: 1) necessary changes in the pension systems due to new working arrangements, and 2) appropriateness of the EU legislation on free movement and social security coordination in relation to public and supplementary (occupational) pension schemes.

## **ASTIN Webinar: Triangle-Free Reserving - April 29, 2020 9:00 am (EDT)**

*Speakers: Pietro Parodi and Alberto Glionna*



The most popular reserving methods among practitioners are based on claims triangulations. No matter how sophisticated the subsequent processing of the information contained in the triangle is, these methods are inherently inadequate to accurately model the distribution of reserves, although they may be good enough to produce a point estimate of such reserves. The reason is that the triangle representation involves the compression (and ultimately the loss) of crucial information about the individual losses, which causes problems when we then try to extract detailed information on the distribution of unpaid losses.

In order to avoid such loss of information it is necessary to adopt an approach which is similar to that used in pricing, where separate frequency, severity and delay models are developed and then combined by Monte Carlo simulation or other numerical techniques to produce the aggregate loss distribution. (Parodi, 2012) The added complication is that a separate severity distribution model may be necessary for the calculating the outstanding reserves of each past accident year.

A specific implementation of this approach is described, whose core feature is a method to calculate the incurred but not reported claim count based on the empirical distribution of delays (where the delay is defined as the time between loss date and reporting date), after adjustments to make up for the bias towards smaller delays.

In order to validate the method and compare it with existing methods, a series of experiments with artificial (but realistic) data sets (much in the spirit of the work by Alvarado et al, 2019, on the CAS Loss simulator) was undertaken, which show that the distribution of outstanding reserves is much closer to the “true” one than that based on classical stochastic reserving methods.

### **REGISTRATION AND PARTICIPATION**

These webinars are **free for all section members!** The COVID-19 webinar is also free for all SOA members.

If you are not a member, you can participate in the webinar by the section associated with the webinar (nominal fee of \$50 CAD per year). Fee includes:

**Free participation** in upcoming webinars of the program

**Full access to all Section benefits:** other webinars, virtual libraries, discounts in Colloquia and Congresses and more!

## **NEWS FROM MEMBER ASSOCIATIONS**

### **Deutsche Aktuarvereinigung - Germany**

*DAV welcomes new members*

After passing their final exams at the end of 2019, 217 young actuaries have become members of the German Association of Actuaries (DAV) in the first months of 2020. The DAV is happy to welcome these new actuarial experts to the association, where they will find professional support for their careers as well as networking opportunities. It is also looking forward to their engagement in the association’s activities and committees.

The DAV is now the professional representative for 5,575 members in Germany, with about 1,600 young mathematicians in training.



Please take a look at the [full programme](#) for an overview of all other presentations.

Would you like to contribute to the discussion about the latest developments in data science and data ethics, exchange ideas with experts and colleagues and make useful contacts? If you want to become part of this special event, please make sure to [register by March 29](#) in order to benefit from the early-bird offer.

Should you hesitate about booking due to the current developments regarding COVID-19 and related travel restrictions by your company, please note that free cancellation is possible until May 17. So do not miss this attractive offer, and secure your place quickly.

Please visit [actuarial-academy.com](http://actuarial-academy.com) for further information about this and other EAA events.

## **Casualty Actuarial Society (CAS) - United States**

### *CAS Spring Meeting Goes Virtual*

The Casualty Actuarial Society (CAS) is pleased to announce that we will continue with plans to hold the [CAS Spring Meeting](#), scheduled for May 11-13, 2020. However, instead of convening in Chicago, we are moving the CAS Spring Meeting to a virtual format.

The 2020 CAS Spring Meeting will provide opportunities for education and networking in an immersive environment designed to make you feel like you are at an in-person meeting -- all with no travel, no additional expenses, and from the convenience of your own desk.

The three-day event will include:

- Featured Speaker, Dr. Charles Wheelan, author of *Naked Statistics*, who will discuss "The Unintended Consequences of Data"
- Five General Sessions
- 20 Concurrent Sessions
- Exhibit Hall
- Networking Lounge

Attendees can register for one day, two, or all three days, with a discount for purchasing the full three-day package. A maximum of 14.4 organized continuing education credits will be available for attendees who participate in the entire meeting. The schedule will include dedicated breaks and exhibit hall time to allow you to interact with other attendees and exhibitors or to take care of your own work.

The meeting will leverage the same platform as the award-winning 2019 CAS In Focus Virtual Seminar, which was recognized with an award for excellence in e-learning programs by Association Trends.

CAS President Steve Armstrong, who attended the CAS's inaugural virtual event in 2019, commented, "While I'm disappointed that we will not be able to meet in-person, I'm truly excited about the virtual meeting. There are a variety of things I enjoyed about the 2019 virtual seminar, such as being part of a presentation, joining other attendees in the chat room, and checking out the virtual exhibit hall. Overall, the technology worked very well, which made the experience seamless." Learn more about the [2020 CAS Spring Meeting](#) and register online today on the meeting webpage.

### *Earn Continuing Education Credits with CAS Virtual Education*

The Casualty Actuarial Society (CAS) invites actuaries around the world to take advantage of the numerous opportunities to participate in virtual continuing education programs through the CAS:

- Live Webinars
  - > The CAS hosts a variety of live webinars throughout the year; [click here](#) for details.
  - > We have also made available a [special multiple-connection, half-year subscription](#) option for employers looking for a discounted option.
- Virtual Events
  - > [Enterprise Risk Management and Modeling for CERA Seminar](#), April 27-29:
  - > [Reserving Bootcamp](#), June 3-24
  - > In Focus Virtual Seminar, October 20-22, topic to be determined
- On Demand Content
  - > The University of CAS offers continuing education on demand, including recordings from past seminars, webinars, microlearning courses, interactive online courses and more: [www.casact.org/UCAS](http://www.casact.org/UCAS)

## Society of Actuaries (SOA) - United States

*Research brief: Impact of COVID-19*

R. Dale Hall, Managing Director of Research at the Society of Actuaries (SOA), recently authored an [SOA research brief on COVID-19](#), released to address and highlight some of the key features of the COVID-19 epidemic and contemplate the risks for the actuarial profession to consider in its work.

The SOA Health Section also released a special podcast to address who will be most impacted by COVID-19, what the cost will be and what the options are. Host Jackie Lee and Rebecca Owen from HCA Solutions cover the spread, effects and worries of COVID-19 in the podcast "[COVID-19: It's Early ... Should Actuaries Do Anything?](#)"

## OTHER NEWS

### Hans Bühlmann – 90th Birthday Celebration

*Hans Gerber and Mario Wüthrich (As previously reported in the Jan-Feb 2020 ASTIN Newsletter)*



On 3rd February 2020, we celebrated Hans Bühlmann's 90th Birthday with a [Fest-Colloquium](#) at ETH Zurich. The keynote speaker Hans Föllmer (Emeritus Professor, Humboldt University, Berlin) surveyed more than 50 years of Hans Bühlmann's pathbreaking research with some of the key concepts in actuarial science which were introduced and/or developed by Hans, such as Credibility Theory, Optimal Risk Exchange, Actuary of the Third Kind, Stochastic Discounting and the MarketConsistent Valuation Portfolio. Hans Föllmer's presentation was followed by congratulation addresses by representatives and friends from many areas, including Sarah Springman (Rector, ETH Zurich), Paul Embrechts (Emeritus Professor, Department of Mathematics, ETH Zurich), Klemens Binswanger (President of the Swiss Association of Actuaries), Hans Gerber (Emeritus Professor, University of Lausanne, and one of the first PhD students of Hans Bühlmann), Peter Bühlmann (Professor, ETH Zurich, and son of Hans), Walter Kielholz (Chairman of the Board of Directors of Swiss Re), Martin Balleer (Past President of the German Actuarial Association) and Jim MacGinnitie (Past President of the American Academy of Actuaries, Casualty Actuarial Society, International Actuarial Association, and Society of Actuaries).

Besides the above-mentioned academic achievements, we should highlight Hans Bühlmann's seminal book on Mathematical Methods in Risk Theory (Springer, 1970) which has opened the door for scores of students and professionals in the field of actuarial mathematics.

Hans Bühlmann has played a key role in the actuarial profession. He has been on the committee that has reformed the International Actuarial Association (IAA) to a modern and active community. He has been Chairman of the ASTIN Section of the IAA, Editor-in-Chief of the IAA's scientific journal ASTIN Bulletin and President of the Swiss Association of Actuaries. Hans Bühlmann is Honorary Chairman of the ASTIN Section of the IAA and of the Swiss Association of Actuaries.

He has been President of ETH Zurich, Head of the Department of Mathematics of ETH Zurich, he has supervised more than 30 PhD students. He was awarded honorary doctorate degrees from University of Amsterdam, University of London, University of Waterloo, University La Sapienza in Rome, and Heriot-Watt University of Edinburgh. Before his professorship position at ETH Zurich he had been working at Swiss Re, and subsequently he served on the Board of Directors of Swiss Re for more than 20 years.

Moreover, in the context of the legislation of the Swiss occupational pension system BVG, we would like to mention his crucial role as an expert for the Swiss parliament and the Swiss government.

Happy Birthday 90, Hans!

## IAA Secretariat operations during the COVID-19 pandemic

The Secretariat has taken steps to safeguard the well-being of staff, while continuing to maintain operations during this difficult time. This includes cancelling all non-essential international business travel and increasing remote working until April 6. If necessary, this date will be extended.

Although we will continue to monitor our voicemails on a daily basis, should you need to reach any IAA staff member the quickest course of action is to email us during normal (Eastern Canada) business hours. Staff are equipped with several communications tools, including Zoom conferencing for quick one-on-one calls or larger group calls.

As previously communicated, the meetings scheduled in Brussels will be going virtual. We have already begun working with chairs directly to setup these meetings. Stay tuned for more details in the coming weeks.

We will continue to closely monitor the situation with COVID-19 and update members and stakeholders on any further steps being taken.

## IN MEMORIAM

It is with great sadness that we announce the death of two IAA volunteers:

### Barbara Lautzenheiser, FSA, MAAA



Former President of the Society of Actuaries and American Academy of Actuaries. Past roles in the IAA include: Delegate of the Conference of Consulting Actuaries on Council, Vice-Chair of Professionalism Committee (2012-13), Member of Accreditation Committee; Enterprise and Financial Risk Committee, Professionalism Committee and other task forces and working groups.

### Ignacio del Barco



Past roles in the IAA include: Delegate of the Instituto dos Actuarios Espanoles on the Pensions and Employee Benefits Committee and Social Security Committee, and member of the AWB Section Board. Was currently serving as a member of the Africa and Latin America Subcommittees and as a member of the PBSS Section Board.