Who We Are
Founded in 1895, and reformed in 1998 with a new constitution, the International Actuarial Association (IAA) is the worldwide association of professional actuarial associations, representing approximately 60,000 actuaries in 108 countries, with seven special interest sections for individual actuaries. The IAA exists to encourage the development of a global profession, acknowledged as technically competent and professionally reliable, which will ensure that the public interest is served.

Vision Statement
The actuarial profession is recognized worldwide as a major player in the decision-making process within the financial services industry, in the area of social protection and in the management of risk, contributing to the well-being of society as a whole.

Mission Statement
The mission of the IAA, as the worldwide organization of actuarial associations, is:

• To represent the actuarial profession and promote its role, reputation and recognition in the international domain; and
• To promote professionalism, develop education standards and encourage research, with the active involvement of its Member Associations and Sections, in order to address changing needs.

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

Strategic Objectives
1. Identify, establish, promote and maintain relationships with key supranational audiences and provide them with actuarial input to improve the soundness of decisions being made on important issues with a global impact.

2. Facilitate the coordination, use and expansion of the scientific knowledge and skills of the actuarial profession, including beyond the traditional areas of actuarial practice, to help enhance the scope, availability, and quality of actuarial services offered by individual members of its member associations.

3. Establish, maintain and promote common standards of actuarial education and common principles of professional conduct. Promote the development and issuance of actuarial standards in the jurisdictions of all Full Member Associations, and the global convergence of actuarial standards.

4. Support the development, organization and promotion of the actuarial profession in areas of the world in which it is not present or is not fully developed.

5. Provide a forum for discussion among actuaries and actuarial associations throughout the world.

6. Improve recognition of the actuarial profession among external audiences, including employers, other professionals, academics, business at large, policy makers, regulators, students, and the public.

Message from the President
The actuarial profession as a major player in the financial services industry

In 2013, the low interest rates presented a challenge to insurance companies and pension funds and systems. This was only the latest problem for an industry still recovering from the effects of too much sub-prime mortgage lending, such as downgrades and some companies’ inability to underwrite new business. Insurers have also had to respond to continuing fears of a sovereign debt crisis—i.e., a country’s inability or unwillingness to pay back its creditors in full—affecting several governments in the Eurozone.

Regulators and national and supranational organizations like the International Accounting Standards Board (IASB), the International Monetary Fund (IMF), and the International Association of Insurance Supervisors (IAIS) are seeking solutions in order to minimize the risks for the relevant stakeholders. The IAIS is formulating its ComFrame program for better regulation in the insurance and pension business and for the protection of the interests of the insured.

This has been a year of many achievements for the IAA, including the strengthening of relationships with various supranational organizations through activities like responding to papers, mutual participation in meetings, and discussion forums. These relationships will continue to grow, through collaboration between the organizations and our relevant committees, as we help each other benefit from our common activities and, from this co-operator, achieve our respective goals.

Implementing the strategy

• Strategic Objective 1 – Build relationships with key supranational relations: As President, I presented to the Executive Committee of the International Federation of Accountants in New York City and to the Executive Committee of the IAIS in Taipei. The President of the International Social Security Association and the Chair of the Executive Committee of the IAIS presented to our Council meetings in The Hague and Singapore respectively. Through our many volunteers, we also had meetings with the Organisation for Economic Co-Operation and Development, the International Labour Organization, the International Accounting Standards Board, the Asian Development Bank, the International Valuation Standards Council, the Inter-American Development Bank, the European Bank for Reconstruction and Development, the International Monetary Fund, the World Bank, the United Nations Conference on Trade and Development, and the World Health Organization. The IAA has also issued formal responses to six papers issued by some of these associations.

• Strategic Objective 2 – Help enhance the scope, availability, and quality of actuarial services: The Educational Monograph on Discount Rates was published and can now be ordered online; webcasts have been hosted by some of our Sections; the Microinsurance Working Group held an Actuarial Pricing Workshop in Jakarta, Indonesia, in conjunction with the International Microinsurance Conference; the fourth discussion forum with supranational organizations was held in Geneva; and three more papers were released by the Insurance Regulation Committee.

• Strategic Objective 3 – Common standards of actuarial education; common principles of professional conduct; global convergence of actuarial standards: The revised IAA Education Syllabus and Guidelines came into effect; the Interim Actuarial Standards Subcommittee became a permanent committee; International Standard of Actuarial Practice (ISAP) 2 on Financial Analysis of Social Security Programs was adopted; the Statement of Intent (SoI) for an ISAP for IAS19—Employee Benefits was approved, and the exposure draft issued; the strategic action plan for ISAPs and guidelines for developing it were approved by Council; a draft SoI to develop an ISAP on International Financial Reporting Standards (IFRS) x—Insurance Contracts was published for comments; and the first steps have been taken in drafting an ISAP for Enterprise Risk Management.
The IAA pursues its strategic objectives through the efforts of Committees and Sections, which report to the Council, and establishes Sections and funds.

The Council meetings for 2013 were held as follows:

- From May 22-26, in The Hague, Netherlands, hosted by Het Koninklijk Actuarieel Genootschap in conjunction with their 125th anniversary celebrations, and jointly with the ASTIN Section Colloquium.
- From October 9-13, in Singapore, hosted by the Singapore Actuarial Society; these meetings were followed by the 17th East Asian Actuarial Conference (EAAC) also being held in Singapore.

The Council meetings for 2014 are scheduled as follows:

- From March 26-30 in Washington, D.C., United States, hosted by the five US Actuarial Associations; these meetings will lead into the 30th International Congress of Actuaries (including Section colloquia), also being held in Washington from March 30 to April 4.
- From September 10-14 in London, United Kingdom, hosted by the Institute and Faculty of Actuaries.

The two main governing bodies of the IAA are the Council and the Executive Committee.

The Council is the governing body in relation to achieving the IAA’s Vision and Mission Statements through the Strategic Plan. It comprises the Officers, one delegate per Full Member Association and one delegate per Section. The Council elects the Officers and members of the Executive Committee, appoints members to the statutory and limited membership committees, and establishes Sections and funds.

The Council meetings for 2013 were held as follows:

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Governance

The governance changes that were made in 2010 to implement the strategic plan were proving effective, but better being the enemy of good, we undertook a governance review mid-year to assess the status, views and perceptions of our member associations, and to assess how our governance, structures and processes compare to other international associations from a benchmarking perspective. The majority of the IAA work is undertaken by our committees, of which there were 15. There were also 10 subcommittees, 16 task forces, and five working groups; their activities are being aligned with the strategic objectives.

Recognition and Thanks

Without the dedication of our volunteers, our many achievements would not have been possible, and I must thank all those who have given their time and expertise for the development of the global actuarial profession. While speaking at many varied events during the year, I have witnessed first-hand the commitment of IAA member associations to ensuring that the profession continues to grow stronger. Volunteering is at the core of our individual associations’ successes, but it is also vital for the growth of the IAA and its impact on the world stage. Co-operation between volunteers, associations, countries and regions can only help the profession, and long may it continue.

In concluding, I wish to offer my most sincere thanks to my colleagues, Officers Desmond Smith and Rob Brown, as well as to the members of the Executive Committee for their constant support during my year as President. Our Executive Director, Nicole Séguin, and her team at the IAA Secretariat were again a guarantee of the association’s success. I thank them for the personal help and guidance I received from them.

It was a great honour for me to serve as President of our International Actuarial Association in 2013. I am convinced we are playing a significant role in the worldwide financial stability. With the spirit of mutual support and cooperation, as well as with the enthusiasm I have seen in the past, I am sure we shall reach our ambitious goals also in the future.

Kurt Wolfsdorf
2013 Executive Committee

Officers

Kurt Wolfsdorf
President

Robert L. Brown
President-Elect

Desmond K. Smith
Immediate Past President/Treasurer

Members

Executive Subcommittees and Chairpersons
Communications: Kenneth G. Buffin
Strategic Planning: Robert L. Brown

Committee Chairpersons
Accreditation: Erik T. Alm
Actuarial Standards: A. David Pelletier
Advice and Assistance: Tarmo Koll
Audit and Finance: S. Michael McLaughlin
Education: Mary Frances Miller
Enterprise and Financial Risk: Daniel N. Ingram
Health: Emile J. Stipp
Insurance Accounting: Francis A.M. Ruygt
Insurance Regulation: David K. Sandberg
Nominations: Desmond K. Smith
Pensions and Employee Benefits: Gary R. Hibbard
Professionalism: Peter R. Doyle
Social Security: Junichi Sakamoto
Supranational Relations: Kenneth G. Buffin

Working Group Chairpersons
Resource and Environment: Oliver D. Bettis
Microinsurance: Howard J. Bolnick
Mortality: Paul Lewis (outgoing: Martin A. Stevenson)
ORSA: Lars Pralle and Maryellen J. Coggins
Population Issues: Dermot J. Grenham

Subcommittee Chairpersons
Africa: Thembek Gamedze
Asia: Darryl G. Wagner
Actuarial Educators: Andrew G. Gladwin
Education and Practice: William C. Hines and David J. Finnis
IAAHS (Health): Emile J. Stipp
IAALS (Life): Marc Slutzky
IACA (International Association of Consulting Actuaries): Andrew J. M. Chamberlain
PBSS (Pensions, Benefits, Social Security): Marius Du Toit
IAA Delegates to IAA Sections
ASTIN (Actuarial Studies in Non-life Insurance): Hans-Peter Boller
AWB (Actuaries Without Borders): Rejean Besner (outgoing: Shirazali Jetha)
IAAJS (Health): Emile J. Stipp
IAALS (Life): Marc Slutzky
IACA (International Association of Consulting Actuaries): Andrew J. M. Chamberlain
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Task Forces in 2013
Actuarial Standards - ERM: David N. Ingram
Actuarial Standards - IAS: Andrew J. M. Chamberlain
Actuarial Standards - IAS 19: Yasuyuki Fujii
Actuarial Standards - Insurance Accounting: Micheline Dionne
Bursaries: Christopher D. Daykin
ComFrame (disbanded in October 2013): David K. Sandberg
Due Process (for International Standards of Actuarial Practice): Ralph S. Blanchard
Educating Future Actuaries: Andrew G. Gladwin
Governance Review: Desmond K. Smith
Regulated Professions (to liaise with the Professionalism and Standards Task Force - PSTF): Sam Guttermann
Revenue Enhancement: Kurt Wolfsdorf
Role of the Actuary: disbanded in June 2013: Desmond K. Smith and Thomas Béhar
Strategic Action Plan for ISAPs (disbanded in June 2013): Hillevi Mannonen

Ad Hoc Project Oversight Groups (APOG) in 2013
The Insurance Accounting Committee oversees two APOG’s:
• APOG for Educational Monograph on Discount Rates for Financial Reporting (disbanded in October 2013): David J. Congram
• APOG for Educational Monograph on the Adjustment for Risk for Financial Reporting: David J. Finnis

Section Chairpersons
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Medallists of the IAA
Hans Bühlmann (2001)
Max Lever (2001)†
Paolo Mercuro (2008)
Yves Guérard (2008)†

Leadership

2013 Executive Committee

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Kurt Wolfsdorf
President

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President-Elect

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Immediate Past President/Treasurer

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Max Lever (2001)†
Paolo Mercuro (2008)
Yves Guérard (2008)†
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 soundness of decisions being made on important issues with a global impact. An important manner in which it achieves this is through its participation with other supranational and international bodies that pursue common goals. Five supranational institutions of noteworthy mention in this endeavour are the Institutional Members of the IAA, namely:

- International Accounting Standards Board (IASB)
- International Association of Insurance Supervisors (IAIS)
- International Social Security Association (ISSA)
- International Organization of Pension Supervisors (IOPS)
- Organization for Economic Co-Operation and Development (OECD)

The IAA has established Memoranda of Understanding with each of these institutions.

Subject to applicable rules, each Institutional Member may participate in meetings of the IAA, observe at the Council meetings, have access to privileged IAA information, and potentially work jointly in ad hoc project or task force groups.

Some noteworthy areas of co-operation in 2013 include:

A workshop on the need for actuarial services and training actuarial technicians in developing countries was held in The Hague in May 2013. Panelists included Anne Drouin, International Labour Organization (ILO), and Craig Thorburn, World Bank/Consultative Group to Assist the Poor (CGAP).

Errol Stoove, President of ISSA, addressed the IAA Council at its May 26 meeting in The Hague to report on activities of mutual interest. He gave a strong message in support of model international actuarial standards of practice.

Gabriel Bernardino, Chairman of the European Insurance and Occupational Pensions Authority (EIOPA), addressed the Presidents’ Forum of IAA member associations on May 25 in The Hague. He spoke about economic challenges in Europe and Solvency II, and that EIOPA will be contributing to the development of sound global regulatory and supervisory standards (not just for Europe) in insurance and pensions.

(left) Arup Chatterjee, Senior Financial Sector Specialist at the Asian Development Bank (ADB), addressed the Presidents’ Forum of IAA member associations on October 12 in Singapore, highlighting the ADB’s objective of inclusive growth in the economy by expanding the insurance sector in developing Asian countries. The IAA was requested to provide assistance in managing risks and developing public/private partnerships. The IAA is also investigating opportunities for joint projects with the ADB.

(right) Peter Braumüller, Chairman of the IAIS Executive Committee, addressed the IAA Council at its meeting on October 13 in Singapore to provide IAIS reaction to the various initiatives undertaken by the IAA with respect to standards since October 2010 and to provide comments on the expectations supervisors have regarding both the actuarial profession generally and, more specifically, regarding those actuaries who are undertaking roles that support effective supervision of the insurance sector. The IAIS strongly encouraged the IAA to become a partner in the global insurance capital standard project.

(left) IAA President Kurt Wolfsdorf presented to the IAIS Executive Committee in Taipei to update on the work of the IAA as it relates to ISAPs and at the IAIS Annual Conference to give an actuarial perspective on global financial stability.

(right) IAA President Kurt Wolfsdorf presented to the IAIS Executive Committee in Taipei to update on the work of the IAA as it relates to ISAPs and at the IAIS Annual Conference to give an actuarial perspective on global financial stability.
In addition to the areas highlighted previously, the IAA participated in the following activities, in support of action plans from Strategic Objective #1: bring key relationship bodies into contact with the relevant actuarial groups; build and maintain key relationships; and provide relevant supranational organizations with actuarial input on matters of importance.

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<tr>
<th>IAA</th>
<th>IASB</th>
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<tr>
<td>Solvency and Actuarial Issues</td>
<td>Discussions on response to IAA Discount Rate Monograph (April)</td>
<td>Annual Conference: several presentations on topics ranging from social security trends in the region; asset and liability management of pension schemes as a proactive and preventative tool; health care financing; The Reserve Fund Monitor and investment performance; investment guidelines; intergenerational sustainability (February)</td>
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<td>Subcommittee meetings (January/February, June)</td>
<td>Technical Round Table Discussion (May)</td>
<td>Geneva Discussion Forum, which included topics of social security, pensions, actuarial guidelines / standards, and mortality (September)</td>
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<td>CFO/CRO Open Forum of the Technical Committee (March)</td>
<td>Response to proposed amendments to IAS 19, Defined Benefit Plans: Employee Contributions (July)</td>
<td>Response to revised Exposure Draft of proposals for the accounting for Insurance Contracts (October)</td>
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<td>Joint MIN-IAIS Working Group meetings (April)</td>
<td>Participation of IASB staff at Insurance Accounting Committee meeting (August)</td>
<td>Review of progress towards 2013/2014 workplan (October)</td>
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<td>Macropolicy and Surveillance Working Group (April)</td>
<td>Response to revised Exposure Draft of proposals for the accounting for Insurance Contracts (October)</td>
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<td>Response to ComFrame 2013 Consultation (December)</td>
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<td>Geneva Discussion Forum, which included topics of social security, pensions, actuarial guidelines / standards, and mortality (September)</td>
<td>Discussion related to the Microinsurance Innovation Facility, of which the IAA is a member. (May)</td>
<td>Geneva Discussion Forum, which included topics of social security, pensions, actuarial guidelines / standards, and mortality (September)</td>
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<td>Presentation on the role of annuities in payout phase under increasing life expectancy at OECD/IOPS Global Forum on Private Pensions (November)</td>
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<td>Response to Consultation on Good Practices for Governance of Pension Supervisory Authorities (September)</td>
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<td>Meeting to discuss topics such as the role of the actuary within various healthcare systems, drivers of health insurance, and micro-insurance (October)</td>
<td>Introductory meeting and follow-up discussions re IAA response on the IVSC discussion document/questionnaire (May, July and September)</td>
<td>Presentation to ADB/WB Insurance Seminar on the development of international standards of actuarial practice (October)</td>
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<td>Response to Discussion Paper on Valuation of Liabilities (April)</td>
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<td>Meetings to discuss the role of actuaries in the context of auditing functions (January)</td>
<td>IAA President presented to IFAC Board and held discussions on possible future collaborative efforts (June)</td>
<td>Meetings to discuss microinsurance (January)</td>
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<td>Introductory meeting (July)</td>
<td>Meetings to discuss microinsurance (January)</td>
<td>Trade and Development Board Meetings (September)</td>
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**Presentations and Outreach Activities**

The Officers, or another representative in attendance, presented on the work of the IAA at the following actuarial events:

- **IV Iberian Congress of Actuaries** in Barcelona, Spain on June 20;
- **Joint Colloquium of the IAA AFIR-ERM, Life and PBSS Sections** in Lyon, France, from June 23-26;
- **14th China Actuarial Annual Conference** in Changsha, China, from September 10-11;
- **East Asian Actuarial Conference (EAAC)** in Singapore on October 16;
- **Caribbean Actuarial Association Conference** in Montego Bay, Jamaica, in December.

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**Where the IAA has been in 2013**

President Kurt Wolfsdorf participating in a round table discussion on “Models, regulation, insurance undertakings & actuaries” with Karel Goossens, GCAE Chairman, Régis de Larouillière, Institut des actuaires, Eric Lombard, Chairman & CEO of BNP Paribas Cardif, and Bruno Rousset, Chairman & CEO of APRIL Group in Lyon.

President-Elect Rob Brown with Jill Hoffman, President of the Singapore Actuarial Society, and Wil Chong, Chair of the Organising Committee of the 17th EAAC.
Practical Guide

Value Proposition of the Actuary and Role of the Actuary:
These papers are intended to help someone who is unfamiliar with the work of actuaries to understand when and why to engage the services of an actuary; to demonstrate the value to users of actuarial services of engaging qualified actuaries; to serve as a basis for equipping spokespersons to convey the value of the qualified actuary in their respective jurisdictions; and to serve as a basis for drafting communications which reference actuaries.

Actuarial Viewpoints on and Roles in Systemic Risk Regulation in Insurance Markets:
Actuaries play a role in assisting systemic risk regulators with respect to insurance markets is identified and discussed in a global market context. This paper provides actuaries with the background to address conditions and tools to identify, assess, monitor and mitigate systemic risks.

Stress Testing and Scenario Analysis:
As part of the analysis of risks to the financial condition of an organization, these methods are essential tools for effective risk management and macro prudential oversight. They can enhance the understanding by its stakeholders of the financial vulnerability and viability of the organization.

Intra-Group Reinsurance (IGR) Transactions:
This paper discusses the role of IGRs in managing and steering a (re)insurance group; the various purposes of IGRs, types of transactions, roles and responsibilities, the negotiation process and key concerns; the importance of IGRs as a tool for groups and their subsidiary companies to manage capital efficiency and risk throughout the group structure; and the impact that IGRs have on the level and emergence of profit within the two entities as well as on the strength of the respective balance sheets.

These documents form an important part of the IAA's research and education objectives, which aim to facilitate and provide useful educational material that is accessible to actuaries worldwide.

International Actuarial Standards of Practice (ISAP)
On 1 January 2013, the Actuarial Standards Committee was formally established with a mandate to develop and maintain all ISAPs. This activity is in direct support of the IAA's strategic objective to promote the development and issuance of actuarial standards in the jurisdictions of all Full Member Associations, and the global convergence of actuarial standards.

A Strategic Action Plan for ISAPs was adopted and two such ISAPs have been approved:
- ISAP 1 – General Actuarial Practice (Adopted November 18, 2012 and reformatted October 13, 2013)

Three further ISAPs are currently under development, dealing with the actuarial work relating to ERM, IAS19 and IFRS.

The Professionalism Committee has established a task force to review the effectiveness of the revised Due Process based on experience gained; further modifications will be discussed in 2014.

Discount Rates in Financial Reporting: A Practical Guide

Three issues of The ASTIN Bulletin – The Journal of the IAA (March, May and September)

Three Regular Newsletters: April, September and December issues

Two Special ISAP Newsletters: The Hague (June) and Singapore (November) issues

Twenty-five News Releases

Publications and Papers

Professionalism and Standards Task Force of Regulated Professions and Industries – Task Force reporting to the G-20 on Regulatory Convergence

The IAA continued its active participation in the work of a joint task force reporting to the G-20 on regulatory convergence, working alongside the following organisations:

- International Federation of Accountants (IFAC)
- Institute of International Finance (IIF)
- International Accounting Standards Board (IASB)
- International Corporate Governance Network (ICGNI)
- International Valuation Standards Council (IVSC)
- International Insurance Society (IIS)
- CFA Institute (CFAI)
- INSOL International

The task force was established in May 2011 at the request of the Presidency of the G-20, to provide the G-20 with an analysis of the development of financial policy and regulation to facilitate economic stability in the world’s capital markets, focusing particularly on issues of regulatory convergence.

Public Statements

The IAA submitted written comments on the following draft papers and reports:
- IASB proposed amendments to IAS 19, Defined Benefit Plans: Employee Contributions – July 25
- IOPC Consultation on Good Practices for Governance of Pension Supervisory Authorities – September 9
- Financial Stability Board Consultation on Principles for an Effective Risk Appetite Framework – September 30
- IOPS revised Exposure Draft of proposals for the accounting for Insurance Contracts – October 24
- IAIS ComFrame 2013 Consultation – December 16

Enterprise Risk Management

In support of expanding the profession beyond the traditional areas of actuarial practice, the IAA supports Full Member Associations in the promotion and development of actuarial practice in Enterprise Risk Management, including the CERA Global Association and designation.
International Assistance

International Assistance for Actuarily Developing Countries

The IAA places a major importance on efforts to stimulate and support the development of the actuarial profession and actuarial education in actuarily developing countries, in particular where there is no professional association or where the local association is at an early stage of development. This strategic objective is pursued mainly through the Advice and Assistance Committee (A&A), the IAA Fund, and the Actuaries Without Borders Section (AWB), each with their own particular focus.

One of the key activities of the IAA Fund is to act as a vehicle for identifying and providing a channel for funding sources which can underwrite more significant activities to develop the profession or support actuarial education initiatives. The IAA Fund supports regional development meetings in four regions: Africa; Asia and the Pacific; Eurasia and the Middle East; and Latin America.

Third African Actuarial Congress
April 24-26 – Lomé, Togo

Third African Actuarial Congress, themed “The Actuarial Profession and Sustainable Development”, was hosted by the Association Actuarielle au Togo (AAT).

The seminar was attended by 331 participants from 23 African countries as well as attendees from 10 other countries outside of Africa. The program included presentations from speakers from the Caribbean, France, South Africa, Togo, and the IAA. His Excellency the Prime Minister of Togo, M. Kwei Ahoomey-Zunu, delivered the keynote address, which emphasized the importance of the development of the actuarial profession for Africa, its role in the development of microinsurance and the start-up of an actuarial programme in Togo. The IAA Fund provided bursaries to selected delegates from Africa involved in leading efforts to develop the actuarial profession in their countries.

The Congress was preceded by an AWB seminar on actuarial techniques in social security that also took place in Lomé from April 22-24, which was attended by 30 participants from 12 countries.

Third CIS Congress of Actuaries
May 6-8 – Yerevan, Armenia

Third CIS Congress of Actuaries was hosted by the Actuarial Society of Armenia (ASA).

The congress was attended by 45 participants from eight Central and Eastern European countries. The program included presentations from speakers from the United Kingdom, and the IAA. The IAA Fund provided bursaries to selected delegates from the region involved in leading efforts to develop the actuarial profession in their countries.

IAA Fund Seminar for Asia and Pacific Region
October 13-14 – Singapore

The IAA Fund Seminar for Asia and Pacific Region was opened by President Kurt Wolfsdorf. Fifty participants from 14 countries from across Asia and representatives from the IAA participated in this actuarial seminar. Speakers included representatives from seven Asian countries, the UK, and the IAA. A panel discussion to discuss updates within the industry and on the development of risk-based capital in Asia took place. Additional presentations were made on: professionalism; actuarial capacity building; activities of Actuaries Without Borders; the Certified Actuarial Analyst qualification, and the actuarial professions in the Philippines and Sri Lanka.

Plans and Goals for 2014

- Strengthen the Governance Model of the IAA to make it more efficient and effective
- Adopt a Value Proposition for our member associations
- Solidify our relationships with relevant supranational organizations
- Work with the IAIS on the Global Insurance Capital Standard
- Adopt ISAP 3 – IAS 19 Employee Benefits

Events for 2014

- Council and Committee Meetings & Presidents’ Forum in Washington, D.C., USA — March 26-30
- 30th International Congress of Actuaries (including Section colloquia) in Washington, D.C., USA — March 30 - April 4
- Council and Committee Meetings & Presidents’ Forum in London, UK — September 10-14
In 2012 the IAA recorded an excess of revenues over expenses of CAD $229,100 and in 2013, a deficiency of $90,267, an unfavourable change of $319,368. This change has several components.

Although membership dues revenue increased by $30,831, the largest positive impact on the financial results came from a decrease in the cost of the ASTIN Bulletin - The Journal of the International Actuarial Association of CAD $98,767; there were fewer pages published in 2013 and, more importantly, a change in publishers resulted in an improved cost structure. Miscellaneous revenue increased by CAD $46,809, mainly as a result of the publication of Discount Rates in Financial Reporting - A Practical Guide. Following the introduction of this new publication, Stochastic Modeling - Theory and Reality from an Actuarial Perspective saw a gratifying spike in sales. Linked to this was an increase in expenditure for office and overheads of CAD $26,705 in cost of goods and shipping.

The largest commitment increase in 2013 was an increase in support staff costs of CAD $135,325, as part of a comprehensive plan to expand the capabilities of the Secretariat to support the IAA’s technical and other committees in their work. The statutory meetings cost was CAD $121,787 more in 2013, largely attributable to a very low cost venue in 2012 (The Bahamas), for which the IAA received a rebate from the Government of the Bahamas, and a venue with higher than usual travel costs in 2013 (Singapore). The run-up to the 2014 International Congress of Actuaries saw an increase in commitment to bursaries by CAD $83,224.

The unrealized losses on investments recognized in 2013 were CAD $67,474 more than in 2012, for a total of CAD $82,034. In accordance with the IAA’s Investment Policy, Guidelines and Restrictions, investments are in Treasury Bills and bonds issued by the Canadian Federal and Provincial governments, and in an index of stocks traded on the Toronto Stock Exchange; these are subject to market fluctuations which, under Canadian Generally Accepted Accounting Principles, are included in the financial statements. These losses are not realized until the bonds are sold and, if held to maturity, will most likely generate a gain.

In 2013 the IAA did not recognize any Colloquia revenues and expenses. The IAA was involved in two major colloquia in 2013: ASTIN in The Hague and AFIR/ERM, PBSS, and Life Sections in Lyon; these are not reflected in the statements as they were hosted by local Full Member Associations who assumed financial responsibility.

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The unrestricted assets at the end of 2013 amounted to CAD $2,669,978. Of this CAD $1,960,821 is attributable to the Sections. The balance of CAD $709,157 is attributable to the IAA excluding Sections, representing slightly less than five months of operating expenses.

Desmond K. Smith, Treasurer
Full Member Associations

Caribbean Actuarial Association
Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires (Argentina)
Actuaries Institute Australia (Australia)
Aktuarvereinigung Österreichs (AVÖ) (Austria)
Institut des Actuaires en Belgique (Belgium)
Aktuarsko Drustvo U Bosni I Hercegovini (Bosnia and Herzegovina)
Instituto Brasileiro de Atuária (IBA) (Brazil)
Bulgarian Actuarial Society (Bulgaria)
Canadian Institute of Actuaries (Canada)
China Association of Actuaries (China)
Actuarial Institute of Chinese Taipei (Chinese Taipei)
Asociación Colombiana de Actuarios (Colombia)
Institut des Actuaires de Côte d’Ivoire (Côte D’Ivoire)
Hrvatsko Aktuarsko Drustvo (Croatia)
Cyprus Association of Actuaries (Cyprus)
Ceská Spolecnost Aktuárù (Czech Republic)
Den Danske Aktuarforening (Denmark)
Egyptian Society of Actuaries (Egypt)
Eesti Aktuaaride Liit (Estonia)
Suomen Aktualyyhdistys (Finland)
Institut des Actuaires (France)
Deutsche Aktuarvereinigung e. V. (DAV) (Germany)
Hellenic Actuarial Society (Greece)
Actuarial Society of Hong Kong (Hong Kong)
Magyar Aktuárius Társaság (Hungary)
Félagsinskrifa Tryggingsastaðarfélagins (Iceland)
Institute of Actuaries of India (India)
Persatuan Aktuaris Indonesia (Indonesia)
Society of Actuaries in Ireland (Ireland)
Israel Association of Actuaries (Israel)
Istituto Italiano degli Attuari (Italy)
Institute of Actuaries of Japan (Japan)
Japanese Society of Certified Pension Actuaries (Japan)
The Actuarial Society of Kenya (Kenya)
Latvijas Aktuāru Asociācija (Latvia)
Lebanese Association of Actuaries (Lebanon)
Lietuvos Aktuarijos Draugija (Lithuania)
Persatuan Aktuari Malaysia (Malaysia)
Colegio Nacional de Actuarios A. C. (Mexico)
Association Marocaine des Actuaires (Morocco)
Het Koninklijk Actuarieel Genootschap (Netherlands)
New Zealand Society of Actuaries (New Zealand)
Den Norske Aktuarforening (Norway)
Pakistan Society of Actuaries (Pakistan)
Actuarial Society of the Philippines (Philippines)
Polish Stowarzyszenie Aktyuarzy (Poland)
Instituto dos Actuários Portugueses (Portugal)
Russian Guild of Actuaries (Russia)
Udruženje Aktuara Srbije (Serbia)
Singapore Actuarial Society (Singapore)
Slovenska Spolocnost Aktuarov (Slovakia)
Slovensko Aktuarsko Drustvo (Slovenia)
Actuarial Society of South Africa (South Africa)
Institute of Actuaries of Korea (South Korea)
Col.legi d'Actuàris de Catalunya (Spain)
Instituto de Actuarios Españoles (Spain)
Svenska Aktuariförbundet (Sweden)
Association Suisse des Actuaires (Switzerland)
Society of Actuaries of Thailand (Thailand)
Institute and Faculty of Actuaries (United Kingdom)
American Academy of Actuaries (United States)
American Society of Pension Professionals & Actuaries (United States)
Casualty Actuarial Society (United States)
Conference of Consulting Actuaries (United States)
Society of Actuaries (United States)

Associate Member Associations

Albanian Actuarial Association (Albania)
Instituto Actuarial Argentino (Argentina)
Actuarial Society of Armenia (Armenia)
Actuarial Association of Azerbaijan (Azerbaijan)
Actuarial Society of Bangladesh (Bangladesh)
Association des Actuaires Beninois (Benin)
Instituto de Actuarios Matemáticos de Chile (Chile)
Association of Actuaries and Financial Analysts (Georgia)
Actuarial Society of Ghana (Ghana)

Actuarial Society of Kazakhstan (Kazakhstan)
Association Luxembourgaise des Actuaires (Luxembourg)
Macedonian Actuarial Association (Macedonia)
Asociacion Mexicana de Actuarios, A.C. (Mexico)
Asociatia de Actuarit Din Moldova (Moldova)
The Society of Actuaries of Mongolia (Mongolia)
Society of Actuaries of Namibia (Namibia)
Nigeria Actuarial Society (Nigeria)
Asociación de Actuarios de Panamá (Panama)
Asociatia Romana de Actuarist (Romania)
Institut National des Actuaires Au Sénégal (Senegal)
Actuarial Association of Sri Lanka (Sri Lanka)
Actuarial Society of Tanzania (Tanzania)
Actuarial Society of Turkey (Turkey)
The Actuarial Association of Uganda (Uganda)
Society of Actuaries of Ukraine (Ukraine)
Channel Islands Actuarial Association (United Kingdom)
Actuarial Society of Zambia (Zambia)
Actuarial Society of Zimbabwe (Zimbabwe)

Institutional Members are listed under International Co-operation.

Observer Member: Asian Development Bank (ADB)