



**9<sup>th</sup> Regional  
Pension and Social Insurance Conference  
Beirut, February 20<sup>th</sup> to 22<sup>nd</sup> 2005**

**Notes for Yves Guérard, Secretary General,  
International Actuarial Association**

*Monsieur le Président de la République, Général Émile Lahoud  
Monsieur le Directeur général du Fonds national de sécurité sociale  
Monsieur Ibrahim Muhanna, Président de la Fondation Muhanna  
Monsieur le Secrétaire général de l'Association internationale sur la sécurité sociale  
Madame et messieurs les Ministres  
Mesdames, messieurs, chers collègues*

*Tout d'abord merci Monsieur le Président de m'accueillir dans votre magnifique pays dont l'histoire se confond avec celle de la civilisation. Après l'avoir visité en imagination et en lectures, mon rêve devenu réalité puisque je jouis aujourd'hui de votre chaleureuse hospitalité. C'est avec grand plaisir que j'ai accepté l'invitation de participer à cette 9<sup>e</sup> Conférence régionale et je suis honoré d'avoir le privilège de m'adresser dans le cadre de cette cérémonie d'ouverture à une assemblée remarquable par la qualité et la diversité des participants venus de plusieurs pays de la région.*

*L'Association actuarielle internationale a été fondée à Bruxelles en 1895 sous le nom de « Comité Permanent des Congrès d'Actuaires » et ses langues officielles sont le français et l'anglais. J'ai donc le privilège d'exprimer en français les meilleurs voeux de succès que notre Président, Alf Gulberg de Suède, m'a prié de vous transmettre.*

*And I can express in English his regrets of not being here today as he was participating in the 7th Global Conference of Actuaries held in New Delhi, India on February 15<sup>th</sup> and 16<sup>th</sup>.*

*The Association adopted its current name back in 1968 but remained an association of individual actuaries. Despite the change of name, it continues to organize International Actuarial Congresses, the next being scheduled for June 2006 in Paris, France. It was restructured in 1998 to become an association of actuarial associations and serve as a bond between actuaries and the associations of actuaries through the world. The IAA is the international professional, educational and research organization of actuaries and actuarial associations. Actuaries belong to the local association representing them in different countries but are also automatically members of the International Association of Actuaries since their association pays an aggregate membership fee for all its qualified members.*

*The IAA governing body is a Council to which each Full member association appoints a delegate holding a number of votes that can vary from 1 to 4 depending on the size of its membership. There are now 50 Full member associations plus 24 Associate members that are not yet meeting full membership requirements and consequently have no vote. We are currently promoting the creation of local associations in nearly 40 additional countries, some of which in this region, where the actuarial profession is still in development. Indeed, the primary reason for restructuring the IAA in 1998, after more than a century of proud history, was to support actuaries in their efforts to establish and maintain uniformly high standards of conduct, practice and qualification and to encourage high levels of professionalism for actuaries around the globe to ensure that the public interest is served. Much of this support is channeled through the IAA Fund, financed by voluntary contributions, mostly from members associations. In addition the IAA serves its members through six scientific sections covering various professional sectors and 13 Committees assisted by sub-committees and task forces. For example our Solvency Assessment Working Party has produced in 2004 a 185-page Research Report entitled "A Global Framework for Insurer Solvency Assessment" that is a seminal contribution to an area that is critical for the stability of the whole financial services industry.*

*The IAA comprises over 38 000 individual actuaries from 92 countries plus 3 Institutional members: the International association of Insurance Supervisors, the International Social Security Association, the International Accounting Board and has recently welcome the World Bank as its first Observer member, a category of membership created last year. We are a non-profit-making and non-political Non-Governmental Organisation that is on the Roster of the Economic and Social Council of the United Nations Organisation (UNO) and on the Special List of the International Labour Office (ILO). Virtually all fully qualified actuaries around the world belong to the IAA. Maybe because of their small numbers, the actuaries have been motivated to pool efficiently their resources and are truly organized on a global basis in a way that makes the actuarial profession rather unique. A look at our web site [www.actuaries.org](http://www.actuaries.org) will be persuasive.*

*There is no standard officially accepted definition of an actuary or of the scope of the actuarial profession. Actuaries provide professional services in a wide range of business and social context. The institutional brochure of the IAA describes the actuaries as multi-skilled strategic thinkers, trained in the theory and application of mathematics, statistics, economics, probability and finance and states that for more than 150 years, actuaries have brought their expertise to the management of risks associated with the life and non-life insurance areas and with retirement and benefits plans.*

*Demographic changes induced by reduced mortality and fertility that result in a rapidly aging society pose new challenges in the area of health and retirement. We are also living in a more risky society where from Chernobyl to tsunamis, natural catastrophes and man-made disasters seem to be on the rise. But in a less dramatic way, we are facing a greater variety of ordinary risks associated with new technologies and bio-technologies, new materials, new food and new living styles. The IT revolution has exponentially transformed not only the financial world, but the way we operate trading networks and distribute goods and services. Our more sophisticated world is efficient and productive but it has also become more complex and vulnerable to a wide variety of new risks. We are manufacturing uncertainties and in Ulrich Beck's terms there is a new riskiness to risks! To quote Martin Woollacott "Risks are not just moments of dangers as we forge forward; they are the process itself." Lloyd's paid £ 5 billion over 5 years to find out! No wonder there is a strong and growing demand for actuarial skills across a diverse range of business disciplines such as management consultancy, investment, finance, brokerage, regulation, education, modeling and software development.*

*Actuaries take seriously their responsibility to the public and recognize that their unique blend of skills can be enormously beneficial when applied to the general public good. Through their national associations, actuaries provide voluntary assistance to national and regional governments, analyzing legislative and regulatory proposals, advising on social trends and suggesting solutions to a wide range of social problems. Through the International Actuarial Association, actuaries are offering support to international regulatory, financial, accounting and public assistance organizations.*

*In the particular area of retirement pensions and social security benefits, actuaries bring their skills in statistics, mathematical analysis, probabilities and finance to assist employers and governments in providing financial security for the elderly and the retired. But remember that unquantifiable is not synonymous with insignificant. Actuaries make recommendations on the adequacy of funding levels for pension plans and provide statutory certifications to support pension and benefit plan legislation in countries around the world.*

*I wish that this Conference will be an opportunity for all to exchange information and ideas about policy issues in the role of government and options for affordable financing paths that should be beneficial to all of us to the civil society, to the government and to the people, all of whom aspire to reliable financial security in retirement.*