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Monique McBean, ASA, is an associate actuary at Guardian Life Limited in Kingston, Jamaica. She can be reached at monique.mcbean@ghl.com.jm.

21st Annual Caribbean Actuarial Association (CAA) Conference: "Tailoring Actuarial Practice to Caribbean Reality"

by Monique McBean

With almost 200 registered participants for this year's conference, some coming from as far as the United Kingdom and Australia, the CAA invaded the Hyatt Regency in Port-of-Spain, Trinidad over the course of December 1-2, 2011. The usual impressive line-up of delegates from the actuarial profession, regulatory bodies, and business experts shared with eager audiences their insight into the issues relevant to the Caribbean region and the considerations to be taken into account when adapting benchmark principles to the Caribbean. Most noticeable was the increase in the number of regulators who registered. Indeed, the regulators are now coming to us!

As the programmes were handed out, it was apparent the planning committee has maintained the high quality of speakers and the breadth of topics covered. This staging saw sessions on pensions, life and general insurance, risk management, investments, strategy, reinsurance, regulatory reform, governance and professionalism.

This excerpt from the president's opening remarks expertly summed up the CAA's goals for the 2011 conference:

"The focus of this year's conference will be to highlight the increasingly important role of actuaries as thought leaders and decision makers in addressing pertinent matters affecting the region. Given the recent sovereign debt crises in Europe and the instability that characterises the global financial markets, it is critical that as actuaries, we continuously assess and monitor the implications of these

developments on the financial viability of the Caribbean region. The actuarial profession will be increasingly important in establishing and implementing sound regulatory and risk management practices that will reduce the vulnerability of the region to adverse financial and economic shocks."

The 2011 conference officially began on December 1 with keynote speaker and Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, Carl Hiralal's speech on regulatory regime. Presentations to follow included "Competitive strategy for financial services firms in the Caribbean" and "Product Strategy, Product Development and Pricing in a Competitive Environment," led by senior executives of the region's most influential banks and insurance companies. These were complemented by topics such as "Capital Management and Achieving ROI's in the Caribbean Insurance," "Practical issues for General Insurance reserving in the Caribbean" and "Reinsurance Governance – Is Your Board of Directors Aware?"

We were treated to "Another Game Show," an entertaining exercise on analyzing different investment strategies within the confines of capital and risk exposures.

Pensions sessions addressed "Provisions of the 2011 Barbados Pensions Act and EC Pension Reform," "Longevity Risk for Pension Schemes – Measurement, Management and Mitigation" as well as lessons to be learnt from issues facing pension plans in Europe—"Caribbean Pension Practitioners – Take Note."

Presentations on “IFRS Insurance Contracts – The State of Play” and “Updates to IAS19 – Implications for actuaries, auditors and companies” tackled regulatory reform while “Lessons from the CL Financial Failure” opened up discussion on governance, risk management and the roles of the different players in the financial services industry.

The importance of professionalism was emphasized in this year’s conference with not only two presentations but also two courses. The 2011 conference saw the now customary course on professionalism; this year’s course, “Professionalism in Practice” was co-sponsored by the CAA and the Society of Actuaries (SOA). In addition, the SOA’s Associateship Professionalism Course, a requirement for becoming an associate with that body was offered in the Caribbean. Many thanks to the CAA and the SOA for making this happen. Sessions at the conference continue to be eligible for CPD credits from the Institute of Actuaries (IOA), the SOA and the CAA which has now implemented a CPD requirement for its members.

CAA DEVELOPMENTS

The CAA has been working on sharing our expertise and increasing our visibility so that the general public is aware of the contribution we can make. We would like to share with you a few of 2011’s highlights where we were involved in:

- Commenting on various public matters, including Jamaica’s Public Sector Pension Reform (the report is available on our website) and the Jamaica Debt Exchange



Speaker Sylvain Goulet



Delegates during the professionalism course for credentialed actuaries

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(JDX), which some have pointed to as a model for Greece's debt crisis.

- Through the Trinidad chapter, the CAA has been instrumental in providing valuable input for the new insurance legislation.
- The CAA will be increasing its presence by preparing policies and standards relating to public matters and disseminating its views to key stakeholders for the benefit of the wider society. We have had past presidents invited to speak with civil service unions and advising teachers and the police federation.
- The CAA were sponsors of this year's Jamaican Mathematical Olympiad, a competition identifying mathematical talent at an early age and providing resources to develop the skill. From the competition a team is also selected to represent Jamaica in a regional competition held in either Central America or the Caribbean.
- The CAA Steering Committee and the Practice Standard Setting Committee disseminated Exposure Drafts for Actuarial Practice Standards which were discussed at this year's CAA Standards and Advisory Committee Meeting with the intention of having Phase 1 approved at the AGM in November 2012. This project requires close collaboration with the regulators, especially with regard to transition for the legislation and the standards to be compatible.
- The development of close ties with the Actuarial Society of the University of the West Indies—the only institution in the

Caribbean to offer an Actuarial Science degree and courses approved for SOA VEE credits—and its affiliated Mona School of Business.

- Committed to being the actuarial standard setter for the region, the CAA has set up an Advisory Council comprising the presidents of the Caribbean associations for the actuaries, regulators, accountants and the insurance companies. This council meets twice yearly and discusses policy setting.
- The first Caribbean Experience study report is due to be published.

The CAA is being recognized for its knowledge and the assistance that can be provided to the community. With this thrust the stage is set for actuaries in the region to take on even greater involvement in more general professional matters, laying the foundation for transitioning into non-traditional practice areas.

AND NOW A WORD FROM OUR SPONSORS ...

As always, we take this opportunity to thank our kind sponsors for their continuing support; from this year's host country, the Trinidad and Tobago Convention Bureau, Guardian Life of the Caribbean, Colonial Life Insurance Company (CLICO); from Barbados, Bank of Montreal Insurance (Barbados), Eckler, International Reinsurance Managers (IRM), Sagicor Life Inc; from Jamaica, Duggan Consulting Limited; from the Bahamas, Colina; and last but certainly not least from Canada, Apex Consulting Ltd, GGY (Axis), Morneau Shepell, Munich Re, Oliver Wyman, RBC Insurance, Swiss Re, Valani Consulting.

UPCOMING EVENTS

The CAA and the International Pension and Employee Benefits Lawyers Association will host a joint conference at the Half Moon Hotel in Montego Bay, Jamaica, April 22-24, 2012. The conference will address current issues relating to public and private pension plan design, governance, investment, operation and supervision, as well as deferred income arrangements for executives.

As we seek to broaden the scope of the actuarial profession outside the traditional practice areas,

we invite actuaries, educators, financial services professionals and business professionals from all fields to the CAA's 22nd annual conference at the Sheraton Nassau Beach Resort, Bahamas, on November 15-16, 2012. The conference will run concurrently with the International Actuarial Association's annual meeting. The Institute and Faculty of Actuaries will be offering a professionalism course on November 14, 2012. □

Presentations and further details on this 2012's conference may be found on our website, www.caa.com.bb

MARK YOUR CALENDARS!

The Singapore Actuarial Society is the host of the 17th East Asian Actuarial Conference (EAAC), "Redefining Risk, Creating Value" being held at Resorts World Singapore from October 14-17, 2013. The EAAC brings together actuarial professionals in the Asia-Pacific region to discuss various international and topical issues.

If you are not familiar with Singapore, Resorts World is the premier destination in Singapore, with Universal Studios located on site. Other attractions include the casino, shopping and famous Singaporean food. For more details see www.rwsentosa.com.

We will continue to provide more details closer to the date.