International News

September 2018
Issue 75

SOA/CAS Seminar in Bogota Gets Record-Breaking Attendance

By Carlos Arocha

The Latin America Committee (LAC) was formed in 2016 to implement the SOA's strategic objectives in the region. While the Latin American region includes significant emerging economies and financial services activities, it has a relatively small number of actuaries. Local associations vary in scope and availability of resources. This gives the SOA a unique "greenfield" opportunity. To focus its efforts, the LAC is initially targeting four countries—Argentina, Brazil, Chile, and Colombia.

The objectives of the Latin America Strategy are:

- Increase awareness of the SOA,
- Enhance skills of actuaries and the actuarial profession,
- Enhance the reputation and visibility of the profession, and
- Enhance the influence and effectiveness of actuaries in the region.

None of these objectives can be achieved without close collaboration with local actuarial associations. These relationships and collaborations are vital to building the SOA's credibility and presence in Latin America.

One recent collaboration was the organization of a successful international actuarial seminar in Bogota, Colombia (May 8–11, 2018).

The seminar was sponsored by the SOA, the Casualty Actuarial Society (CAS) and the Colombian Actuarial Association. The event was jointly coordinated by the SOA office and the Colombian's National Insurance Institute (known for its Spanish acronym as INS.) INS is an organization funded by the Colombian Federation of Insurers (FASECOLDA).

SOA international director, Ann Henstrand, and Sofi Garcia, SOA international projects specialist had originally expected 30–40 participants altogether. A few days before the arrival of the SOA delegation to Bogota, we learned that 82 people had enrolled! Moreover, delegates were not only Colombians: actuaries from Peru, Bolivia, Ecuador, Honduras, and Panama attended the seminar as well!

The Colombian Association of Actuaries had originally suggested calling the event "international seminar," driven by the fact that the speakers were members of the SOA and the CAS who did not practice in Colombia, rather than by the expected "purely" Colombian audience. At the end, calling the seminar "international" was indeed appropriate for the audience as well.

The seminar covered selected material from the preliminary SOA/CAS exams, to a large extent. At the same time, coverage of Solvency II and IFRS 17 regulation was embedded in the program. The bridge between theoretical content and best-practice

was an underlying theme. For instance, the Lee-Carter model for mortality projections was presented, complemented by a discussion of the treatment of longevity risk under the Standard Formula of the Solvency II Directive.

One of the salient features of the seminar was the faculty: seven actuaries from either SOA or CAS from several countries and professional backgrounds, all able to present in fluent Spanish. SOA presenters included Luis Maldonado, Alan Ramirez, and Ed Robbins. In a nine-module program, most aspects of technical and professional practice were presented. The program seemed ambitious, but speakers focused on the most relevant aspects of current actuarial practice in pricing, reserving, reinsurance and capital modeling.

The seminar began with a module on the role of actuaries in financial security systems, and a review of the curriculum of the International Actuarial Association. This was followed by a discussion of qualifications to render statements of actuarial opinions in different countries.

Modules 2–4 covered the foundations of long-term actuarial mathematics, life insurance products, and mortality and longevity risk models. Illustrations in the R programming environment rounded up the discussions and allowed seminar participants to better grasp theoretical concepts. For instance, we defined an arbitrary risk-based solvency capital requirement and calculated the amount needed to support an illustrative life portfolio subject to mortality and market risks.

Modules 5–8 covered short-term actuarial mathematics, risk models, pricing and reserving of general insurance covers, and reinsurance. Pricing using generalized linear models (GLMs) were also included in the syllabus, as was bonus-malus pricing, a system that adjusts the premium paid by a policyholder according to their individual claim history. In addition, several reserving techniques were presented.

Finally, module 9 was a capstone module on asset-liability management, capital management, and Solvency II.

On the second evening, a dinner was hosted by the INS in the beautiful building of the Bankers Club of Colombia. Presenters had the opportunity to mingle with the large group of attendees, and to learn about the need for actuarial training in various countries.

The international seminar was a milestone in the development plan of the LAC. Owing to the success of the seminar it is foreseen that future events will be organized in the region.

I would like to take this opportunity to thank José Fernando Zarta, Miguel Martínez Briceño, and their INS staff for their help provided for the successful organization of the course in Bogota. I owe additional thanks to Sofi García of the SOA office, for her valuable assistance in coordinating the seminar. ■

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