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Successful Asian Seminars, June 4-12, 2001

by Patricia Kum

The idea to hold an SOA-sponsored regional seminar in Asia was suggested last year by August Chow, International Section Council member and Professional Development (PD) Committee member. The SOA wanted to provide seminars that could, in particular, help candidates in Asia earn PD credit. After months of planning and hard work, the SOA-sponsored regional seminar was successfully held in Asia from June 4-12, 2001. With the SOA's sponsorship of the travel expenses of the speakers from overseas, seminar fees were kept to a minimum. This was a great opportunity to serve our members in Asia again. If you recall, the first and very successful SOA seminar road show was brought to Asia by Shirley Shao in 1997. Since then, SOA has organized several more seminars overseas.

The China Region Committee (CRC) identified Hong Kong, Taipei, Tokyo and Kuala Lumpur as suitable locations for the regional seminar. The locations selected were based on the potential number of SOA candidates requiring PD credit. Local actuarial bodies were instrumental in helping to co-organize the seminars with the SOA. The joint efforts paid off judging by the overwhelming attendance at the seminars - 132 in Hong Kong, 108 in Taipei, 164 in Tokyo and 115 in Kuala Lumpur.

The topics covered at the seminar were interesting and relevant to the region:

- Financial reporting: embedded value, appraisal value, U.S. GAAP
- Product: design and pricing

- Investment: asset/liability management
- Implications of low rate environment for insurance industry — Lessons learned from Japan
- Private and public health-care and health-care financing scheme

With a low interest rate climate affecting the majority of the countries in Asia, the panel discussion was naturally focused on this topic using the experience of Japan to illustrate the problems of the low interest rate environment.

The International Section Council helped to recruit speakers from overseas for the seminar. Faculty members included Kenneth Mungan (Milliman USA, Chicago), Shu-Yen Liu, Chairperson of the CRC (Ernst & Young, Hong Kong), Jeffrey Dukes (Milliman Jpn, Tokyo), David Atkinson (Reinsurance Group of America), Sonny Tan Siew Hock (D Avenue Consulting, Kuala Lumpur), and Paul Lewis (GeneralCologne Re, Cape Town).

Jeff Dukes spoke on Actuarial Appraisals and Embedded Values, covering the basics and also a comparison of the two. He highlighted many important points to note on the theoretical and practical aspects. Shu-Yen Liu followed with a very informative session on U.S. GAAP, giving many examples of FASB.

Ken Mungan (Mungan-san) delivered an easy to follow presentation on Asset Liability Management using many numerical examples and even suggested some very useful strategies for enhancing investment performance in a low interest rate environment.

Speaking on Product Design and Pricing, David Atkinson gave a most detailed presentation covering product design and pricing considerations, design and management



choices and pricing techniques. The topics on the Future of Life Insurance in Taiwan and the Insurance Market in China presented respectively by David and Shu-Yen in Taipei stimulated intensive group discussions among the participants. I have never seen such great enthusiasm in a group before.

The healthcare topic was covered on the last day of the regional seminar in Kuala Lumpur. Paul Lewis provided the participants with an overview of the private and public healthcare system in South Africa and the way legislation affected private healthcare. Sonny Tan looked at the healthcare financing scheme in Malaysia, covering the role of private health insurance and the impact of the proposed national health financing scheme on insurers.

The success of this regional seminar is attribute to the efforts, enthusiasm and cooperation of many parties—the attendees, the speakers, the SOA International Section Council, the SOA China Region Committee, the Insurance Institute of the Republic of China, the Institute of Actuaries of Japan, the Actuarial Society of Malaysia, the Malaysian Insurance Institute, and Joe Hasman who conducted an anti-trust review of all the seminar materials. A big thank you to all.

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