



SOCIETY OF ACTUARIES

Article from:

International Section News

September 2000 – Issue No. 23

Editor's Note

by *Randy Makin*

It has been written by one humorist that an editor is one who knows how to separate the wheat from the chaff, and then publishes the chaff. I'm happy to say that there's no chaff in this newsletter. We have had a number of writers rise to the occasion to keep our readers updated on global changes in the insurance world.

Articles on Asia occupy a large part of this newsletter, and rightly so. In fact, this very day I spoke with a well-known actuarial recruiter who discussed two new positions in Hong Kong and Tokyo, respectively. To help us understand

recent developments in Asia, Stephen Conwill has been kind enough to discuss recent changes in Japan, while Samuel Zhou has written about China, and Won How Lo on Taiwan. Rounding out articles on Asia is one by Hassan Kamil of Malaysia reviewing their new professional code of conduct, an overview of Asia by Pat Kum, and a reprint from Watson Wyatt on Indonesia.

Covering Latin America, we have an article by Ronald Poon-Affat on the SOA in Brazil. For those who don't know, Ronald has also reprinted extracts from a previous *International Section News* in a



Portuguese-English, dual-language edition. Be sure to thank him for his hard work on this. Elisa Wever has written an article on bancassurance in Latin America, while Jim Toole summarizes the origin of and goals of the Latin American Committee.

For developments that apply worldwide, Bruce Moore talks about

INTERNATIONAL SECTION NEWS

Issue Number 23, September 2000

International Section of the Society of Actuaries
475 N. Martingale Road, Suite 800
Schaumburg, IL 60173

Phone: (847) 706-3500

Fax: (847) 706-3599

Web site: www.soa.org

This newsletter is free to Section members. A subscription is \$10.00 for nonmembers. Current-year issues are available from the Books Department. Back issues of Section newsletters have been placed in the Society library and on the SOA Web site (www.soa.org). Photocopies of back issues may be requested for a nominal fee.

Expressions of opinion stated herein are, unless expressly stated to the contrary, not the opinion or position of the Society of Actuaries, its Sections, its Committees, or the employers of the authors.

The Society assumes no responsibility for statements made or opinions expressed in the articles, criticisms, and discussions contained in this publication.

Joe Adduci, Desktop Publishing Coordinator

(jadduci@soa.org)

Phone: (847) 706-3548 Fax: (847) 273-8548

Lois Chinnock, Staff Liaison

(lchinnock@soa.org)

Phone: (847) 706-3524 Fax: (847) 273-8524

Martha Sikaras, Manager of International Affairs

(msikaras@soa.org)

Phone: (847) 706-3596 Fax: (847) 273-8596

Randy Makin, Newsletter Editor
Business Men's Assurance Company
The BMA Tower, One Penn Valley Park
700 Karnes Blvd.
Kansas City, MO 64108

Phone: (816) 751-5875

Fax: (816) 751-5888

August C. Chow, Assistant Editor

Mo Chambers, Director of International Activities

Angelica Michail, Chairperson

James F. Toole, Vice-Chair

Lisa S. Kuklinski-Ramirez, Secretary/Treasurer

Joshua David Bank, Council Member

(*Spring 2000 Meeting Representative*)

Michael E. Gabon, Council Member

(*2000 Annual Meeting Representative*)

Jeong S. Han, Council Member

Hubert B. Mueller, Council Member

Ronald L. Poon-Affat, Council Member

Hans J. Wagner, Council Member

International Accounting Standards. For SOA developments, Martha Sikaras, our new manager of International Affairs, looks at the SOA Ambassador program, and Lisa Kuklinski-Ramirez has detailed the two most recent Section Council meetings.

But everything can't be covered in a newsletter. In particular, we can't fit in the people who make this happen, their

personalities, or their friendships. So we want to encourage all who possibly can to come to the Annual Meeting, Oct. 16-18, in Chicago and meet us at sessions sponsored by this Section. Mike Gabon has been good enough to list these for us in his article. Above all, try to come to the International Section Breakfast at 7:30 a.m., Wed., Oct. 18, to hear reports from around the world, and join us at the

Cultural Center Reception, Tues., Oct. 17. We look forward to seeing you there!

Randy Makin, FSA, MAAA, is vice president and reinsurance actuary at Business Men's Assurance Company in Kansas City, MO. He can be reached at RMakin@bma.com.

An Update on Taiwan Actuarial Community

by Won How Lo

The Actuarial Institute of the Republic China (AIRC) serves as an educational and professional organization, administering its own examinations leading to Associateship and then to Fellowship. Founded in 1969, AIRC not only provides these programs, but also represents all the actuaries licensed to practice in Taiwan, regardless of their specialties. Three examination tracks are currently offered by this organization: life, property/casualty, and pension. Membership conversion from other foreign professional associations may be granted by providing additional years of service in Taiwan. As of May 31, 2000, individual members of AIRC totalled 1,061, which includes 139 fellows and 215 Associates.

The SOA members have dominant positions in AIRC. Currently, there are approximately more than 20 FSAs and more than 170 ASAs who also are AIRC members. The SOA has one of the largest number of individuals taking its exams, second only to the group taking the AIRC exams. The Japanese Institute of Actuaries exams has the third largest number of exam takers; however, this number is slowly decreasing.

Aside from the two exam periods held each year, the annual actuarial conference, usually in November, is the most important event for AIRC. Last year's meeting was well attended, and was held in Taipei from November 30 to December 1, 1999. On behalf of the SOA, Dr. Yuan Chang was our keynote speaker. His topic on "Current Debates on U.S. Social Security" not only gave the audience an update on some of the key issues that U.S. Social Security is confronting, but also conveyed the importance of the involvement of different professional participation, other than the traditional engagement. Stuart Wason, president of the Canadian Institute of Actuaries, along with August Chow, FSA, FCIA, began with the introduction of the Canadian Appointed Actuary's system, followed by an engaging role play with Dr. L.J. Chen joining Wason and Chow. The three roles include the Appointed Actuary, the management and the insurance regulator which showed the performance ability of actuaries. Other SOA speakers included: Dr. K.B. Ling, Dr. K.D. Jou, J.H. Dong, K.H. Chu, Siew Chui Mei, Yin Lawn, Jason Yao, Dr.C.C. Chang, C.C. Yen, S.S. Yah, C.J. Lin, Jeremy Kan, P.H. Pang and Dr. C.R. Hao. In short, the yearly conference was a success, due to the various prepared speakers and their attentive colleagues.

AIRC has been actively participating in solvency standard issues, including the "Appointed Actuary" system. The Taiwan insurance regulator's office believes that this system can be developed and will flourish in the near future with the help of AIRC. Apart from the traditional insurance, social security is becoming more diverse and widespread, creating a need for an actuarial professional's opinion and advice on issues such as the National Pension Plan and National Health Insurance. With the continuous growth of Taiwan's economy, it is anticipated that the actuaries will play an even more prominent role in providing greater opportunities toward the world market.

Won How Lo, FSA, MAAA, is executive vice president and actuary at China Life Insurance Company Ltd in Taipei, Taiwan. He can be reached at his e-mail address: (wonhow@mail.chinalife.com.tw).