



# Institute of Actuaries of India

Statutory body established under an Act of Parliament

Unit No. F-206, 2nd Floor, F Wing, Tower II, Seawoods Grand Central,  
Plot no R-1, Sector 40, Nerul Road, Navi Mumbai - 400706  
+91 22 6243 3333 +91 22 6243 3322

## 21<sup>st</sup> Global Conference of Actuaries (21<sup>st</sup> GCA)

**Date:** 17 - 19 February, 2020

**Venue:** Hotel Renaissance, Powai, Mumbai, India

**Theme:** Actuaries: Striving for excellence, creating sustainable future

## Report of 21<sup>st</sup> GCA Subgroup on Program, Structure and Content

### 1. Background

In its meeting held on 19<sup>th</sup> October 2019 the 21<sup>st</sup> GCA Organizing Group constituted a 3-person subgroup [comprising Heerak Basu (Chair), Sanjeev Pujari and Mayur Ankolekar] to advise on the program structure and content of the 21<sup>st</sup> GCA having due regard to the theme “Actuaries: Striving for excellence, creating sustainable future”.

The terms of reference of the Group were further elaborated in an email from the Chairperson of the 21<sup>st</sup> GCA Organizing Group on 20<sup>th</sup> October 2019 following a request from the Chairperson of the subgroup as follows:

- 1) Articulate the criteria which would apply, given the theme for taking a view on the subjects, Sessions and its content.
- 2) Within the framework of the criteria suggested in (1) above to articulate a view on, “whether we invite speakers for submissions and select out of such submissions or approach suitable speakers”. Reliance can be had upon the experience out of the practice during 13<sup>th</sup>, 14<sup>th</sup> and 15<sup>th</sup> GCAs when no speaker submissions were required and all the speakers were selected keeping in view the subjects that were decided upon. On the other side we do have experience of later GCAs including the 20<sup>th</sup> GCA when we had submissions as well as on some topics speakers were invited.

### 2. Criteria for subjects, sessions and content

#### 2.1 Meaning of the theme

We analyse the theme “Actuaries: Striving for excellence, creating sustainable future”:

The verb “strive” means

“to try very hard to do something or to make something happen, especially for a long time or against difficulties” (<https://dictionary.cambridge.org/dictionary/english/strive>)

The word “excellence” means “The quality of being outstanding or extremely good.” (<https://www.lexico.com/en/definition/excellence>)

This would imply that the content should be of a very high quality and cover studies/research conducted over a long period. It does not seem to imply anything regarding the subject matter aside from the fact that it should be an area where actuaries are involved in.

In terms of the second part of the theme “creating sustainable future” the word “sustainable” would appear to be the key.

The adjective “sustainable” means “able to continue over a period of time”

Or

“causing little or no damage to the environment and therefore able to continue for a long time”

#### 2.2 Implications of theme for subjects, session and content

We see the following implications for subjects, session and content:

##### 2.2.1 Subjects/ content

Given the association of the word “Sustainable” with the environment we should look to have several papers on the subject to the environment and climate change. This will largely be for Non-life Insurance.

Aside from the environment we can also look at various subjects in other fields such as:

- Life/ General/ Health Insurance
  - Sustainability of premium rates,
  - Sustainability of guarantees,
  - Meeting changing customer needs,
  - Socially responsible investing,
  - Product design that influences policyholder behaviour which in turn contributes to a sustainable environment
  - Social insurance schemes e.g. PMFBY, RSBY, PMJJBY, PMSBY.
- Climate Change: Protecting assets & livelihood
  - Understanding climate change, sustainability of assets: Insuring against vagaries of weather & catastrophe
  - Sustainability of livelihood: crop / weather insurance; Social / Community health insurance
- Pensions
  - Sustainability of defined benefit design and provision,
  - Sustainability of defined benefit funding policy,
  - Sustainable incomes post-retirement,
  - Socially responsible investing.
- Reinsurance
  - Sustainability of rates in India,
  - Insights into reinsurance capacity arising from climate change trends,
  - Enabling insurers to provide risk coverage and thus enabling a sustainable future.
- Actuarial Profession: sustaining professional excellence in the context of changing demands
  - Aligning actuarial education, training and skill sets,
  - Curriculum,
  - Professional Development,
  - Statutory Roles,
  - Excellence in communication.
- Regulation/ Regulatory Framework: Role of the regulator
  - Outcome/ principle-based regulation to Risk Based supervision,
  - Proportional supervision with greater emphasis on systematically important insurers,
  - Sustainability of social insurance schemes e.g. PMFBY, RSBY, PMJJBY, PMSBY,
  - Standardization / globalization of capital standards (similar to accounting standards),
  - Disclosures and customer education,
  - Market conduct supervision.
- Outsourced services (many IAI student members are employed here)
  - Core knowledge for sustenance of services
  - Data and intellectual property related compliance for excellence in services
  - Best ethical practices for sustainability
  - Excellence in communication

## 2.2.2 Continuing from the 20<sup>th</sup> GCA

- The 20<sup>th</sup> GCA initiated a theme-based session titled “Down the memory lane.” This feature should be continued as the first and plenary session on day 2, with the speaker (ex-CEO) provided specific request



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to discuss on how excellence in execution contributed to the organisation's success. This would also resonate with the conference's emphasis on "excellence."

- The students' forum has been a popular feature over the past few years, which records high interest from participants. Last year the topic was titled 'expanding the horizon, actuarial science in banking'. This year, the students' forum sessions may look at topics around 'Building competence for excellence' which can include core knowledge, emerging applications and excellence in communication.

## 2.2.3 Sessions

In 20<sup>th</sup> GCA we had 2 plenary sessions covering issues directly relating to sustainability relating to climate change. For this GCA we can have at least as many. Some ideas have been given above - there will be more.

Given the idea of excellence we should focus on quality rather than quantity and therefore target leading global speakers in the various areas. The best speakers will have to be invited in advance in order to book their calendar. The invited speakers - a mix of international and Indian - should be scholars/ researchers and practitioners in fields of sustainability and actuarial excellence.

Given the idea of "striving" we can give preference to papers written in report style over those in Powerpoint so as to give credence to the effort expended by the authors. Also we can look for papers that have conducted experimental studies over a long period to reinforce the idea of "striving" which implies efforts over a period of time. The focus on 'experimental studies' and 'report-style writing' also means that the GCA will have more academic speakers than in the past.

## 3. Invite or approach?

The theme being particular in terms of subject area and quality would seem to our mind to necessitate fewer papers than in previous GCAs (i.e. a focus on quality rather than quantity).

Our approach could be a mix of the two. (a) Invite speakers for submissions and select some based on merit as well as on how well they meet the criteria, and (b) Approach best suited speakers on core topics of the conference's theme. A few marquee speakers who have contributed to either sustainability or actuarial excellence should be immediately identified.

## 4. Recommendations

Given the nature of theme and its emphasis on sustainability and excellence we would recommend as follows:

- We can both approach and invite speakers for papers.
- To ensure excellent papers leading practitioners/ researchers in their fields should be approached.
- A couple of marquee speakers who have contributed to sustainability and actuarial excellence should be closed out by 15 November.
- There should be at least be 2 plenary sessions on environment/ climate change issues (there were 2 such sessions at the last GCA, both on day 1).
- There should be a preference for articles rather than slide presentations.
- The balance between plenary and concurrent sessions should be tilted towards plenary which while meaning fewer papers than on previous occasions should be more than compensated by the quality of such papers.
- As a symbolic gesture of 'sustainability', the conference should provide water-filled transparent glasses instead of plastic bottles.

(MAYUR ANKOLEKAR)

(HEERAK BASU)

(SANJEEV PUJARI)

Mumbai

Date: 19<sup>th</sup> October, 2019



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