

CASUALTY ACTUARIAL  
SOCIETY

**ARECA**  
NEWSLETTER

Asia REgion  
Casualty Actuaries

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# About Us

## Introduction to ARECA

ARECA ("Asia Region Casualty Actuaries") was formed in 2015 as the newest regional affiliate of the Casualty Actuarial Society. ARECA provides continuing education programs, information and other support to actuarial programs at universities across Asia, networking opportunities for current and future actuaries, and now the ARECA scholarship.

## Officers



Guanjun Jiang  
*President*



Judy Ng  
*President-Elect*



Raksa  
Wimonstthikul  
*Secretary*



Jin Wang  
*Treasurer*



Richard Zhu  
*VP China*

## Follow Us

For more information about ARECA, visit the CAS website at [www.casact.org/ARECA](http://www.casact.org/ARECA).

**Wechat**



**Flickr**

Check out our photos at <https://www.flickr.com/groups/areca/>.

## Message from the President

2018 was another exciting year for ARECA. Thanks to many CAS members and friends, we organized and participated in a number of successful events, such as the SAS General Insurance seminar, ARECA Beijing seminar, and various local member gatherings. With the concerted efforts of ARECA leadership team and continued support of CAS home office and its Asian Regional Committee, ARECA has become a strong regional affiliates with increasing impact to this dynamic community of Asian property and casualty actuaries.

The inaugural ARECA Scholarship program was formally launched in early 2018. Congratulations to all three winners, Jerald Lim, Jiajin Li and Hang Guo. And big thanks to those actuarial undergraduates in this region who had submitted many interesting and thoughtful articles. The 2019 competition is well underway. Hope the increasing participation this year will help attract more talents to the actuarial profession in the future.

It has been our privilege working with a dedicated 2018 ARECA leadership team (Raksa Wimonsutthikul, Herb Desson, Waswate Ayana, Kasin Sutuntivorakoon, Eric Huang, Judy Ng), who have received strong support from the CAS leaders and staff (Brain Brown, Bob Conger, Roger Hayne, Ronald Kozlowski, Michael Chou, and others) over the past twelve months. Their volunteer activities and valuable contributions to the profession are greatly appreciated.

Looking into 2019, the full-time Staff Actuary based in China will get aboard to better serve all CAS members in Asia. We also have a separate committee coordinating CAS webinars with international focus, as well as another one starting to put together the International version of Exam 6 that is focused on regulations and financial reporting outside the United States!

The new leadership team of ARECA is looking forward to your continued support and more opportunities to work closely with other organizations and stakeholders in this region.

Guanjun Jiang President 2019

Bo Huang President 2018

## Sponsors and Partners

### Venue sponsor



### Scholarship sponsor



### Partnering organizations



SINGAPORE  
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## Achievements in 2018

### CAS at the Singapore Actuarial Society General Insurance Seminar

The CAS participated as both program organizer and exhibitor at the Singapore Actuarial Society 10th General Insurance Conference at the Sofitel Singapore City Centre. The conference, which ran May 31 to June 1, opened with a short welcome from Judy Ng, FCAS, who is ARECA's Treasurer for 2018 and CAS's Singapore Ambassador, and included a morning session from Hussain Ahmad, FCAS, on the reinsurance value chain. For the second year in a row, the CAS organized an afternoon of session content.

Speakers on the agenda included:

- Nathaniel Loughin, ACAS, speaking on the relevance of triangle-based models
- Han Chen, ACAS, presenting on cyber risk underwriting and modeling
- Shaun Wang, FCAS, sharing information on cybersecurity investments
- Peter Book, presenting on agricultural insurance

CAS Fellow Suh Sin Moo also presented the following day on best practices in pricing analysis and joined CAS Fellow Ahmad on a panel about the future of insurance. In addition to providing speakers, the CAS displayed a booth in the conference exhibit hall and also hosted a networking meetup for CAS speakers, members and candidates.



*CAS Ambassador to Singapore, ARECA Committee Member  
Judy Ng*



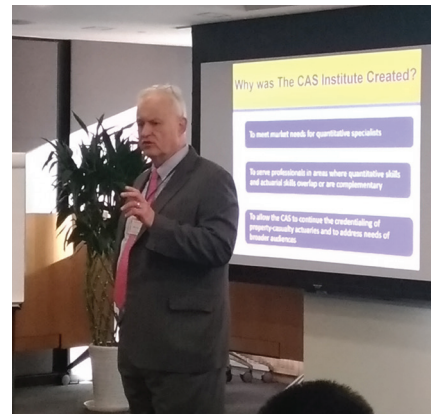
*CAS Fellows Suh Sin Moo and Hussain Ahmad participate on a panel about the future of insurance.*

## Achievements in 2018 (continued)



### ARECA Beijing Meeting

This year the ARECA meeting returned to Beijing and was held on December 6, at the KPMG Tower. The meeting featured general insurance experts from our host KPMG, PICC, Liberty Mutual China, Renmin University, and the popular blogging website '13 Actuaries'. CAS immediate past President and current Chairman of the Board Brian Brown presented to the group the latest update from CAS and the CAS Institute.



### Recognition Ceremony

*December 2018*

One of the highlights during the ARECA week was to recognize our newly qualified members in Greater China. Congratulations to Yang Hou, FCAS; Bingfu Li, FCAS; Qifeng Sun, FCAS; and Wenqian Wang, ACAS.

In addition to the ARECA meeting and recognition ceremony, Brian also visited a number of institutions and had meetings with the local actuarial community. His weeklong visit is best summarized in the article 'Representing the CAS Globally: My Trip to Asia'.

## Achievements in 2018 (continued)

### Representing the CAS Globally: My Trip to Asia

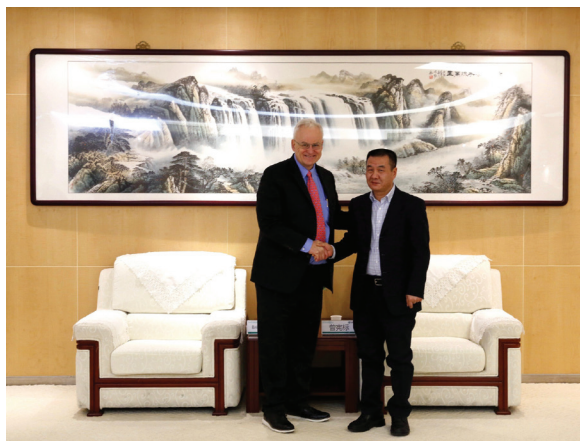
I had a wonderful trip to Beijing to visit CAS members. We have a very active and dedicated group of members in China, and I was incredibly impressed with their abilities and dedication.

The insurance industry in China is undergoing many changes that are dramatically increasing the demand for casualty actuaries. Deregulation of motor insurance rates is leading to companies needing actuaries to price products granularly and profitably. Also, regulation is requiring that each property & casualty insurance company have a chief actuary (to replace the existing appointed actuary role), who must be part of the company management, by the end of 2019. The chief regulator overseeing the actuarial development commented that he believes that China will have 50,000 actuaries in 10 years, a ten-fold increase.

During my trip, I visited four employers, the Chinese Actuarial Association, the insurance regulator, two universities, and I spoke at a meeting of the CAS Regional Affiliate in Asia (ARECA).

One of the many things that impressed me on my visit was that we have members who are senior executives of companies and they are prospering and very strong supporters of the CAS. I met with Derek Xu FCAS, President of Liberty Insurance Company Limited – China. Derek explained that he is using analytics based on his actuarial training to grow his business profitably. I also met with Weishu Fan FCAS, Chief Executive, Munich Re China. Mr. Fan has a large number of FCAS's working for him. This has always been a good thing for the CAS as the senior executive recognizes the value of the CAS designation and hires more CAS members. Below is a photo of Derek and Bo Huang, FCAS, partner at KPMG China.

Even the home-grown Chinese companies have many CAS members. I met with one of the oldest and largest Insurance Companies in China – China Life. China Life has both life and P&C operations. China Life has added many CAS members to its staff.



One common theme in both the United States and China is a strong demand for people with skills in predictive analytics and the growth in the number of InsurTech companies. All employers want people that can perform predictive analytics work and communicate with management.

I attended and spoke at the CAS Regional Affiliate Meeting (ARECA) in Beijing. There were 7 sessions on various actuarial topics including:

## Achievements in 2018 (continued)

- 1) China property & casualty actuarial education update by Mr. Shengwang Meng, Professor of Renmin University
- 2) IFRS17 implementation for China property & casualty insurers by Ms. Lang Zhang, Head of P&C Actuarial Department of People's Insurance Company of China
- 3) How an actuary runs a company by Mr. Derek Xu, Chairman and CEO of Liberty Mutual China
- 4) China insurance M&A update by Mr. David Zhou, Deal Advisory Partner of KPMG China
- 5) China motor insurance rate reform and operating leverage for property & casualty insurers by Mr. Xianhua Zhou, Professor of Central University of Finance & Economics and Entrepreneur
- 6) Roundtable discussion on the future development of the actuarial profession in China and other topics

I also gave an overview of current CAS activities and the audience was very interested.

I thought that it was an excellent meeting and it highlighted to me the strong affiliation and sense of community of CAS members in China. The number of CAS members in Beijing at this time is relatively small and I got the sense that our members all know one another, are friends and are very willing to help each other. It is a wonderful group.

After the ARECA meeting, there was a reception and dinner. There were about 40 attendees for dinner and I had the pleasure of congratulating the new CAS Fellows and Associates. Michael Chou arranged for a ceremony like we have at CAS meetings. I had a wonderful time at the dinner and got to know a number of our members. It reminded of the CAS when I got my FCAS and we were much smaller and tended to know almost everyone at a meeting.



I also had the pleasure to visit two Universities. I visited the:

1. University of International Business and Economics; and
2. Renmin University.



## Achievements in 2018 (continued)



Both schools had a very energetic student body and I received a number of good questions. Renmin University received the CAS University Award at the CAS Annual Meeting in November. Renmin was very proud of receiving the award and the students and faculty were very excited that three CAS members visited the campus and spoke (Bo Huang, Guanjun Jiang, and I). We received a lot of great questions, most understandably about the job market. In speaking with the students and faculty, it seems like most students are getting a strong education in predictive analytics – with most students having exposure to R and Python. The schools are excellent and graduating many students with 3+ exams. I want to thank Professor Xiaojun Wang and Professor Shengwang Meng at Renmin for the strength of the school's casualty program, arranging a meeting with the students and the wonderful Peking Duck at lunch.

I also met with the Chinese Actuarial Association (CAA). Bo and I met with Ms. Donghong Liu, Acting Secretary General of CAA, and her three staff. We discussed the opportunity to work collaboratively with CAA to educate Chinese actuaries on casualty topics. The CAA is looking forward to working with the CAS.

Bo and I also met with the Dr. Yulong Zhao, Director General of the Finance, Accounting and Solvency Regulation Department of the China Banking and Insurance Regulatory Commission. Dr. Zhao oversees the actuarial development in China. He is a strong supporter of actuaries and believes that actuaries can play a key role in pricing and helping insurance companies identify and analyze risk. He is very interested in solvency regulation and believes that actuaries can play a key role in this area. He also believes that in 10 years that China will have 50,000 credentialed actuaries. By way of reference there are only approximately 100,000 credentialed actuaries in the world today.

I want to thank Bo Huang and Michael Chou. Bo is a FCAS who works for KPMG in Beijing, and is President of ARECA. Michael is a CAS staff member who supports our members in Asia. Bo and Michael were kind enough to arrange all of my visits and attend the meetings with me. The highlight was the ARECA Meeting and the reception afterwards to celebrate new CAS Fellows and Associates. Michael does a great job supporting our members in Asia. Bo is a true leader and wonderful ambassador for the actuarial profession. Thank you to you both!

## Achievements in 2018 (continued)

### ARECA Scholarship

The inaugural ARECA Scholarship was a great success last year. The winners were announced on April 3 after careful deliberation from the committee:

The ARECA Scholarship committee was pleased to announce this year's winners of the ARECA Scholarship:

Jerald Lim, Jiajin Li, and Hang Guo.

The ARECA Scholarship is awarded to current undergraduate students in the Asia Pacific region who are interested in pursuing the actuarial profession. The primary element of the 2018 scholarship competition was for the applicant to prepare an essay (approximately five pages) addressing one of several business scenarios that are illustrative of the issues that are analyzed by property and casualty actuaries in their daily work. The funding for these scholarships is sponsored by AXIS, part of the AXIS Capital group of companies.

Jerald Lim, a senior at Singapore Management University majoring in Economics and Actuarial Science, was this year's recipient of the \$1000 ARECA Scholarship. His scenario essay topic was on peer-to-peer Motor Insurance.

Jiajin Li, a junior at Renmin University, China majoring in Applied Statistics, was awarded a \$600 ARECA Scholarship for her efforts on Peer-to-peer Motor Insurance.

Hang Guo, a junior at Southwestern University of Finance and Economics, China majoring in Insurance Bilingual Classes, was awarded a \$400 ARECA Scholarship for his efforts on Typhoon Damage.

For 2019, the ARECA scholarship will have some minor update, which is for the applicants to prepare an essay (approximately five pages), based on the following new theme:

One of the core activities of many general insurance actuaries is the design and pricing of general insurance products that help mitigate the financial consequences of damage to property, people, and businesses from various hazards. Describe the potential roles that a general insurance actuary might play in developing and implementing future solutions that lead to a reduction in the damage caused by a hazard of your selection.

Scholarship awards of US \$667 per person will be awarded to three students.

The funding for these scholarships continues to be sponsored by AXIS, part of the AXIS Capital group of companies, which includes global insurers and reinsurers providing clients and distribution partners with a broad range of specialized risk transfer products and services.



新年快乐

Happy Chinese  
New Year!

