



International Actuarial Association
Association Actuarielle Internationale



Lessons learned from the Covid-19 Pandemic Crisis Management– Working Party

05 Jan 2023

IAA AFIR ERM Section
presenting the IAA AFIR-ERM Working Parties series

Moderated by: Annie Tay FIA CERA

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Agenda

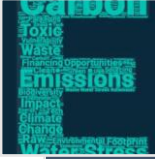


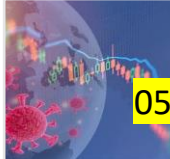
- **Introduction**
- **Pandemic Risk Management landscape**
- **Poll**
- **A Japanese – case study**
- **An American - case study - TBC**
- **Others – case study - TBC**
- **Q&A**



The AFIR ERM Working Parties aim to:

- Foster research related to thematic Risk Management topics applicable to the actuarial profession.
- Extract value from the intellectual potential of the AFIR ERM membership and global associations/parties on Risk Management.
- Provide an added value of professional networking and deepening research for the financial and actuarial related industries.

2022 -2023 AFIR ERM Working Parties – Research scope now effective

 <p>14 Nov 2022</p> <p>Environmental Risk Management</p> <ul style="list-style-type: none"> Climate change is a long-term risk that introduces challenges when applying standard modelling practices <p>Research focus: Actuarial modelling consideration of long term liabilities for climate risk.</p>	 <p>28 Nov 2022</p> <p>Societal Risk Management</p> <ul style="list-style-type: none"> The study and management of Societal risk is relatively under-developed in actuarial science. <p>Research focus: To address fundamental gaps and, especially, define the major sub-types of Societal Risk with the goal to develop path of integration towards a ERM mature framework.</p>	 <p>12 Dec 2022</p> <p>Governance Risk Management</p> <ul style="list-style-type: none"> A robust governing system is deemed the bedrock to establish sustainable impact when exposed to ESG risks. <p>Research focus: To identify key governance and ERM elements and considerations to practically address the balance between financial, operational and ESG perspectives for the Financial services sector.</p>	 <p>05 Jan 2023</p> <p>C19- Pandemic</p> <ul style="list-style-type: none"> Lessons Learned <p>Research focus: To assess financial protection/contingency plans during the pandemic</p> <p>To understand the limitation of models in a pandemic crisis</p>
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Finance, Investment & ERM

About the speakers

Naoki Sunamoto, FIAJ

- He is a board member, Director and Executive Officer of Fukoku Mutual Life Insurance, in charge of the ERM Department and the Financial Reporting and Actuarial Department.
- He has also served as the board member of IAJ since 2017 and as the board member of IAA AFIR ERM section since 2021.



Dr Dirk Nieder, FSA, MBA

- He is the Life/Health Regional Director of South-East Asia and Japan at Gen Re.
- He has over 30 years of experience in the life reinsurance industry, including overseas assignments in Singapore and Tokyo, chairing Gen Re's Competence Centre for Long -Term Care and responsibility for the product management unit of Gen Re.





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About the speakers

Ulrich Pasdika, Actuary (DAV)

- He is a member of the board of directors at General Reinsurance AG, which is part of the Gen Re group. He is responsible for Gen Re's Life and Health business in Continental Europe, Latin America and the MENA region.
- In over 20 years at Gen Re he has held various positions, such as heading the German Life and Health business unit as well as the managing the Life and Health Research & Development, a central unit supporting Gen Re's business in all international markets outside of North America.

Annie Tay, FIA CERA

- Insurance practitioner, and experienced Chief Risk Officer, with about 30 years of insurance experience. She specializes in Corporate Governance, Life Insurance, Finance and Investments and Risk Management.
- She is currently Vice Chair of IAA AFIR ERM section Board and Board Lead for all AFIR ERM working parties. She also sits on the Board and Audit and Risk Board Committees for the Institute of Risk Management (IRM) and the Chartered Insurance Institute (CII) respectively.





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Covid-19 Pandemic Crisis Management Working Party

Survey

Naoki Sunamoto (FIAJ)

Member of the AFIR ERM Lessons learned from the Covid-19 Pandemic Crisis Management Working Party

Fukoku Life Japan

05 Jan 2023



Covid-19 Pandemic Crisis Management Working Party

Workstream	Objectives
Finance and Investment	<ul style="list-style-type: none">• To assess the effectiveness of financial protection/contingency plans during the pandemic• To know the limit of models as a lesson from the pandemic
Mortality and Morbidity	<ul style="list-style-type: none">• To assess the effectiveness of (re)insurance protection/management actions during the pandemic• To know the limit of models as a lesson from the pandemic
Actuarial & Crisis Management	<ul style="list-style-type: none">• To know what had been prepared for and what had been unexpected, and then to research how CRO and ERM actuaries had responded.



Research progress to date

	Major Examples
Action-restricting measures to prevent Covid-19	<ul style="list-style-type: none">• In many countries, governments issued lockdowns or declared states of emergency.• Prohibits outings except for food, hospital visits, work where telework is impossible, etc.
Examples of Good Practices	<ul style="list-style-type: none">• Modification and rerun of Stress Testing• The grace period was extended to 6 months for policyholders who have difficulty paying premiums.(Japan)• Applying an accidental death benefit for a death caused by COVID-19.(Japan)• Applying an outpatient benefit for medical care through telemedicine, such as online or telephone doctors, at home instead of visiting hospitals.(Japan)• Major health insurers have established a giveback program that returns COVID-19 claim savings to the policyholder. (Australia)• Some insurance companies carried out Extraordinary ORSA. (Norway)



Research progress to date

	Major Examples
Utilization of remote work and online interviews	<ul style="list-style-type: none">• 90% of employees work from home at peak times. Around 8,200 agents digitally handle customer relations. (Germany, Allianz)• Maximum utilization of remote work and remote interviewing by life insurance companies. (Japan)
Other adaptations in the insurance industry	<ul style="list-style-type: none">• Authority mandated the launch of two Covid insurance protection to all life and non-life companies during the first wave of COVID-19. (India)
Advances in digital technology	<ul style="list-style-type: none">• The spread of the new coronavirus has forced them to conduct "non-face-to-face, non-contact" sales, and the major life insurers have turned to the digitalization of sales staff channels. Each company lends its sales staff electronic devices such as smartphones and uses the communication application LINE, and the web conferencing application Zoom and other tools have been used to create contact with customers.(Japan)

Survey

Pandemic Risk – Lessons
Learned



Actuarial and Risk Management Survey - to support Pandemic Working Parties 2022-2024

Aim of Survey

- The survey focuses primarily on **risk/crisis management of the pandemic** for the Financial Services sector.
- It aims to provide a **systematic and structured insight** in understanding the reality of the current and near-future landscape of the management and priorities for pandemic crisis management from an actuarial perspective across the world.

Target Audience

- IAA estimated population size **78000 members globally**
- **Financial & Risk Management** practitioners globally
- Academic & Scientists

Survey Time Plan

High-Level Timeline

- Survey Start: 16th Sep 2022
- Submission Deadline:
31st Dec 2022

Poll

Pandemic Risk - Focus



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<https://www.surveymonkey.com/r/W8D6HRG>

Actuarial & Risk Crisis Management Survey

Supporting Pandemic working parties

Participate in a survey focused on Risk Crisis management of the [Pandemic](#) for the Financial Services Sector. The survey aims to provide a systematic and structured insight to the IAA – Finance and Risk Management Section (AFIR-ERM) in understanding the reality of the current and near-future landscape of the management and priorities for the Financial Services sector across the world.

[Take the survey](#)



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ESG Risk Management Framework **understanding the realities of ESG** **management**

This survey aims to provide anonymous insight for the IAA – Finance and Risk Management Section (AFIR-ERM) in understanding the reality of the current and near-future landscape of [ESG](#) (Sustainability) management and priorities, at a portfolio level. Participate in a survey focused primarily on the professional impression of the financial services sector's Environmental Societal and Governance Risk Management framework.

[Take the survey](#)

<https://www.surveymonkey.com/r/WVXF2Z5>