

Hong Kong Actuaries

Actuarial Society of Hong Kong's Newsletter

❖ Feature Articles

Reports of Council 2019

❖ Council & Committee Updates

- ✚ *President's Report*
- ✚ *Health Committee*
- ✚ *Life Committee*
- ✚ *Membership and Communication Committee*
- ✚ *Non-Life Committee*
- ✚ *Pension Committee*
- ✚ *Professional Development Committee cum Curriculum/Examination Taskforce*
- ✚ *Professional Matters Committee*
- ✚ *Strategy & Statutory Path Committee*
- ✚ *Actuarial Innovation Committee*
- ✚ *IFRS17 Taskforce*
- ✚ *HKAS 2019 Organizing Committee*

❖ Call for Articles or Views for the next issue of Newsletter in 2020! —

DECEMBER 2019 VOLUME 04



ACTUARIAL SOCIETY
of
H O N G K O N G
香 港 精 算 學 會

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Editorial

Dear Readers,

Welcome to the 2019's December issue of ASHK newsletter!

Over the past 50 years the ASHK has built an enviable reputation among the actuarial bodies in Asia as a proactive and genuinely representative organisation of the actuarial profession.

You are urged to go read this issue to get an understanding of the ASHK's key achievements and developments in 2019. And congratulations to Mr. Peter Duran who will become the President in 2020 and he will lead the Council to pursue a better future for the ASHK and our profession.

Taking this opportunity, we would like to pay tribute to everyone involved in the publications for their dedication and hard work over the past year. We would also like to thank readers for taking the time to read the newsletters! Happy Holidays and Prosperous Year 2020!

With the development of ASHK Newsletter in 2020, while all articles are welcome, we would especially like to receive articles for the Feature Articles and Knowledge Sharing sections. If you have written any inspiring articles or have read any interesting articles from other actuarial organisation(s), please feel free to let us know. We will try to reprint them in our newsletter. Welcome to email your articles or views at info@actuaries.org.hk.

Best Regards,
Alexander WONG
EDITOR

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ACTUARIAL SOCIETY
of
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PRESIDENT'S REPORT - MR J. PETER DURAN

Dear Members, we have almost come to the end of the year. I have only stepped into the role of ASHK President in October so this report is largely delivered on behalf of Kenneth Dai. I would like to thank members of the Council, in particular, Simon Lam, Past President for their time and valuable contributions to the Society and all those members who provided active support to our activities.

As you will see from the Committee reports, although we still have some ways to go, I feel we have made positive progress in our recent discussions with the government bodies on the recognition of the ASHK status towards governing practicing actuaries in Hong Kong. In the past year, we have been working closely with the IA and FSTB and will be meeting the MPFA soon to present our proposal to them. On the global front, we have had opportunities to raise our profile and provide some meaningful support to the actuarial profession. My thanks to Mrs. Estella Chiu who has been representing the ASHK at the International Actuarial Association meetings.

The achievements of the Society are based on the dedication of time and energy from our members, volunteers, our honorary legal advisor and honorary auditor and Council members. Members form the cornerstone of our profession. I encourage you to continue to give your full support and commitment in the year ahead!

I am pleased to provide a brief report below outlining each Committee's activities & achievements towards meeting the ASHK's mission and strategic goals in the past year. The full President's Report can be viewed at the ASHK website at www.actuaries.org.hk.

Best wishes for a merry festive season ahead!

Sincerely
J. Peter Duran
President



THE ACTUARIAL SOCIETY OF HONG KONG ANNUAL GENERAL MEETING 2019



From left to right:

Mr. Nathan Dentice & Ms. Iris Cheng (Honourary Legal Adviser), Mr. Dicky Lam, Mr. Simon Lam, Mr. Sai-Cheong Foong, Mr. Kevin Lee, Mr. Peter Duran, Mr. Alexander Wong, Ms. Nora Li, Mr. Roddy Anderson, Ms. Ka-Man Wong, Mr. Frank Wong (Honourary Auditor), Mr. Sam Yeung

Those absent from phototaking:

Mr. Gary Lee, Ms. Trinity Pong, Mr. Billy Wong

President	Mr. Kenneth Dai (1 Jan to 30 Sep) Mr. Peter Duran (1 Oct to 31 Dec)
Immediate Past President, Strategy & Statutory Path Committee	Mr. Simon Lam
Actuarial Innovation Committee	Mr. Dicky Lam
Actuarial Summit Organising Committee	Mr. Billy Wong
Health Committee	Mr. Sam Yeung
Life Committee	Mr. Sai-Cheong Foong Mr. Kevin Lee
Membership & Communications Committee, Secretary & Treasurer	Mr. Alexander Wong
Non-Life Committee	Ms. Trinity Pong
Pension & Employee Benefits Committee	Mr. Gary Lee
Professional Development Committee	Ms. Nora Li
Professional Matters Committee	Mr. Peter Duran
Strategy & Statutory Path Committee	Ms. Ka-Man Wong

HEALTH COMMITTEE

CHAIRD BY MR SAM YEUNG

Health Committee 2019

Sam Yeung
 Bob Charles
 Ken Cheung
 Fred Choi
 Albert Ko-pan Chu
 Wolfgang Droste
 Peter Yi-dong Fang
 Stephen Kwan
 Orchis Li
 Ben Chung-ping Ng
 Steve Tong
 Lawrence Tsui

This year marks an important milestone for health insurance in Hong Kong with the rollout of the Voluntary Health Insurance Scheme (VHIS) for individuals.



The Health Committee has closely monitored development of VHIS both in the run up to implementation and after the launch. We have actively engaged various stakeholders with the objective of keeping ASHK members educated and up to date at the upcoming ASHK Actuarial Summit. By leveraging the ASHK signature event, we will create a forum for constructive discussion about the VHIS experience and future healthcare reforms in Hong Kong.

Besides VHIS, we have also invited distinguished guest speakers about healthtech and China market development at the ASHK Actuarial Summit. These are existing fronts that represent great future market growth opportunities.

Looking forward, we expect that the market will continue to grow, and that more regulatory attention will be directed towards health insurance. These developments will increase the standards for actuarial practice and generate greater professional development opportunities as well as educational needs. The Health Committee will readily explore the appropriate training for ASHK members and engagement opportunities with other key stakeholders to support development of the profession and bring more benefits to the society.

LIFE COMMITTEE

CHAired BY MR. SAI-CHEONG FOONG & MR. KEVIN LEE

Life Committee 2019

Sai-cheong Foong

Kevin Lee

Steve Cheung

Andrew Chui

Steve Gin

Dicky Lam

Simon Lam

Rockson Leung

Jeremy Porter

Chirag Rathod

Steve Tong

Yeoh Sing Yee

Ellick Tsui

Jiang Bin Lai



The Life Committee's activities for the year have been:

01 Provided comments on QIS 2.5 and QIS 3 under the Risk-based Capital (RBC) regime at IA's Life and GI Industry Focus Group meetings through the RBC Working Group, a subcommittee of the Life Committee. The Working Group also contributed comments to IA's Discussion Paper on Group Wide Supervision in November.

02 Made some progress on the new mortality table study where 18 insurers have participated in the study by contributing exposure and claim data towards the study. The Experience Sub-committee is conducting data cleaning and 65% of the total data has been cleaned at this stage. A meeting was held recently with the IA to discuss the methodologies and the rationale for the coming new mortality table. We are aiming to publish the new mortality table sometime in Q1 2020.

03 Formed a joint Benefit Illustration Working Group with the HKFI Actuarial Working Group with the intent to work with the IA to address the current situation whereby there is a lack of clear limits on the investment return assumptions that companies use to support par business and universal life business illustrations. We believe it is necessary to create a level playing field for illustrations across all life insurers in the market and this requires the support of the IA.

04 Continued to take part as an observer in the Hong Kong Insurance Implementation Support Group (HKIISG) established by HKICPA on the matters relating to HKFRS 17.

05 Recruited speakers and panelists for the life and risk management sessions of the inaugural Hong Kong Actuarial Summit which has now been postponed to 19-20 May 2020.

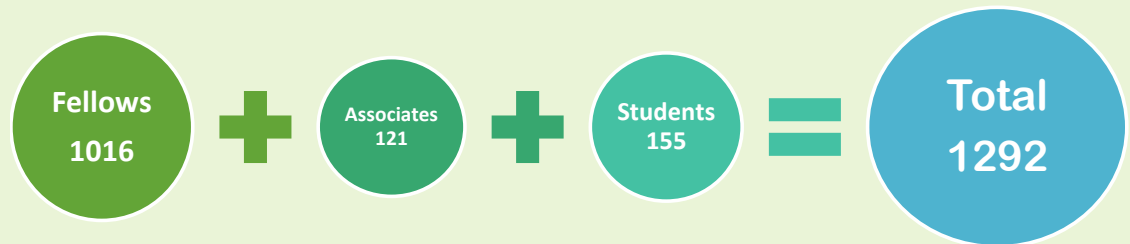
MEMBERSHIP & COMMUNICATIONS (M&C) COMMITTEE

CHAired BY MR. ALEXANDER WONG

The ASHK strives to enhance membership communication and continues to develop more support to our members through M&C Committee activities. In 2019, we continued our efforts to serve our members and we hoped members found it to be a fruitful year.

Membership statistics

In 2019, total membership of the ASHK stands at **1,292**, of whom 1,016 are Fellow members, 121 are Associate members and 155 are Student members.



Continued with YAS Initiatives

We launched the Young Actuaries Scheme (YAS) in 2016 and we continued the programmes and activities targeting our young member population.

Last year we continued to organize our Mentorship Programme and received good participation. We have matched up nearly 30 pairs of mentors and mentees. The next round of recruitment of Mentors and Mentees will be launched next year. Please don't miss this valuable opportunity to connect with your future mentor/mentee!

Last year we also rolled out a new membership category – University Student Member, by setting a lower subscription fee for university students to join the ASHK. University Student Members are entitled to attend ASHK events and joint events with other professional bodies at a member rate. By offering these benefits, we encourage university students to start building up their business network and exploring their future career path as early as possible.

Membership &
Communication
Committee 2019

Alexander Wong
Mary Kwan
Amy Chan
Donald Chan
Rachel Chu
Shirley Fong
Cyrus Leung
Michael Leung
Wilson Lam
Florence Li
Jude Tai
Nicolas Yeung
Frank Zhang

MEMBERSHIP & COMMUNICATIONS (M&C) COMMITTEE

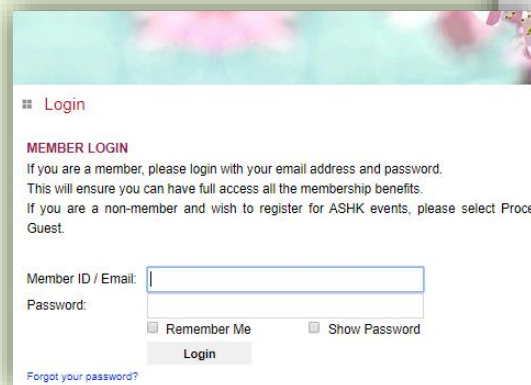
CHAired BY MR. ALEXANDER WONG

(CONTINUE)

Website enhancement and LinkedIn connection

Our website enhancement project was completed with the successful launch of the online event registration system in the past year. The online payment and event registration functionalities not only helped to streamline administration work for the staff, but also provided greater convenience and a smoother experience for all members when interacting with the ASHK.

Last year we continued to actively promote the ASHK via our LinkedIn account and regularly posted our ASHK Council updates, event highlights and ASHK newsletters' feature articles on our account. Our LinkedIn followers have increased significantly over the year and we look forward to building it as an additional engagement platform for better connection and communication with members as well as to extend the reach of our society.



Evening talks on hot topics, other events and Newsletter updates

As usual, we kept our core committee activities at its best and we took part in joint activities with the Actuaries Institute, in the ever-popular Joint Regional Seminar in Asia and also organised several well received evening talks in 2019. The evening talk of IFRS17 Discount Rates held in September drew a full house with almost a hundred participants.

The development of digital has been changing the insurance industry in many ways. 2019 was no different. Our Newsletter themes this year ranged from Insurtech to RBC to Online Insurance to make sure we cover industry hot topics as always. These newsletters served to keep our members informed of the must-know news happening in our sector.

NON-LIFE COMMITTEE CHAired BY MS. TRINITY PONG

Non-Life Committee 2019

Trinity Pong
Fred Choi
Cathy Hwang
Jack Jiang
Jonathan Ko
Jenny Lai
Crystal Leung
Ada Lui
David Menezes
Teresa Yam

The Non-life Committee has been maintaining a healthy dialogue with the Insurance Authority ("IA") throughout 2019. Coordinating with IA, the Committee has issued the letter "Documentation of GL9 Reports" in early February discussing various aspects in relation to GL9 valuation reports. Certifying Actuaries are encouraged to review the points in the letter in conjunction with existing actuarial guidance. With the assistance of HKFI, the letter has also been sent to senior executives of HKFI's member companies. The Committee has also been continuously supporting the Hong Kong Risk Based Capital project including the Quantitative Impact Studies and Stress and Scenario Testing.

To help the development of Hong Kong Practical Education examination, the Non-life Committee has been continuously working with the Professional Development Committee on syllabus and study materials with regard to the general insurance track. Two rounds of User Acceptance Tests have been completed in 2019. The first ASHK General Insurance Track exam will be launched in May 2020.



The Committee is also having regular conversation with other professional bodies, such as Casualty Actuarial Society, Society of Actuaries and Institute of Actuaries of Australia, to cooperate on different activities. In addition, the Committee has continued to service its members by organizing different events. A working group has been formed to prepare for the 4th General Insurance Conference to be held in 2020.

PENSION AND EMPLOYEE BENEFITS COMMITTEE

CHAired BY MR GARY LEE

The objective of the Committee is to represent, develop and inspire pension and employee benefits actuaries in Hong Kong to serve public interests.

In 2019, we completed a number of achievements including the following:

Assisted in the planning of the inaugural Hong Kong Actuarial Summit 2019 by coordinating the pension track of the program which included panel discussions on "Sustainability of MPF", "Longevity Risk" and "How to Prepare for your Retirement Needs". The overall event was attended by over 300 people and around 100 were present for the pension track.

Refreshed the pension local exam syllabus to include recent development of local annuities market.

Conducted and published the results on an industry survey to better understand the practice of actuaries in performing pricing analysis for group medical insurance. In particular, this market has been struggling for long term profitability for many years, so the Committee will further explore the potential to create a guidance note with the aim of enhancing the long term sustainability of this market.

Continue to follow up and respond to other related industry developments including the abolishing of the offset mechanism for MPF.

Going forward, the Committee will continue to discuss relevant industry topics and perform more research that we find beneficial to the industry and public.

Pension and Employee Benefits Committee 2019

Gary Lee

Billy Wong

Eddie Mak

Ellen Leung

Isabella Leung

Terry Yung

William Chow



PROFESSIONAL DEVELOPMENT COMMITTEE
EXAMINATION AND CURRICULUM TASKFORCE
CHAired BY Ms. NORA LI

The Successful Launch of the First-ever Local Actuarial Examination

Last year, the Professional Development Committee and the Curriculum/Examination Taskforce have made the local actuarial examination ready including the development of exam curriculum and administration as well as the communication towards the stakeholders and regulators. For the majority of 2019, the Committee focused on providing the strategic direction to Exam Taskforce to launch the ASHK Examination in May and November respectively.

We are pleased to share our successful launch of the first local actuarial examination in May and the first batch of passing candidates have received their results in July. There were eight candidates sitting for the exam and six candidates had passed both papers / either Core or Elective paper.

They will be eligible for the fellow membership of ASHK provided they are also one of the fellows of the following accredited actuarial bodies: IAAust, CAS, IFoA, SOA, or possess appropriate professional actuarial qualification other than the above and practical experience as approved by the ASHK Council.

With our successful launch of the first local actuarial examination in May, the second examination will take place on 29 November 2019. Five registrations received for the Nov 2019 exam with two candidates on Core and three on Life paper. Council considers the examination as a necessary step towards its statutory recognition and an important route to ensure actuaries practicing in Hong Kong have the relevant local knowledge.

ASHK conducted an interactive survey with the candidates after the examination. We are offering to help set up Study Groups to suit the needs of candidates who prefer a different learning style. The study group may meet at an agreed-upon time in a location convenient to all of the candidates in the group.

The first free INFO Session of the ASHK Examination has been held on 15 October aiming at providing a better understanding to our valued members, local university students as well as employers on the examination, study tips and how it benefits career and professional development. Nora Li, Steve Hui and the two May 2019 exam passers had been sharing their views and experiences with the potential candidates. Half of the attendees have shown their interest in taking up the exam in next May and Council had kindly granted them the exam fee waiver (i.e. scholarship) as an encouragement.

**Professional
Development Committee
2019**

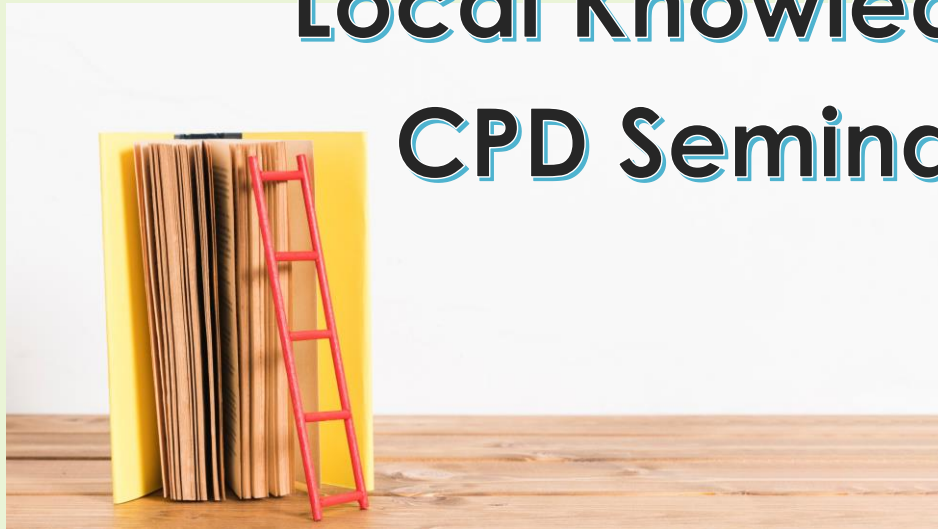
Nora Li
Steve Hui
Stanley Wang
Miao Chen
Nicola Yeung
Garth Raper
Raymond Soong

PROFESSIONAL DEVELOPMENT COMMITTEE
EXAMINATION AND CURRICULUM TASKFORCE
CHAIRD BY MS. NORA LI (CONTINUE)

Examination and
Curriculum Taskforce
2019

Nora Li
Steve Cheung
Angela Choi
Shirley Fong
Devadeep Gupta
Steve Hui
Issac Kwan
Gary Lee
Florence Li
Ada Lui
Trinity Pong
Dr. K.P. Wat
Billy Wong
Wilson Wu
Si Xie
Eva Yan
Prof. K.C. Yuen
Andy Yang
Angelina Lai
Robert Gow
Guy Yeung

Local Knowledge CPD Seminar



To ensure the grandfathered actuaries understand the local landscape and meet IA and FSTB's requirement, the Professional Development Committee was initially planning to organise a one-day local knowledge CPD seminar for them to cover one plenary session on Core subject plus concurrent sessions on Elective subjects (Life Insurance, Pension and GI). Targeted speakers shall be invited from the Big Four consulting firms and previous Examination Taskforce members. Since the Council is now engaging with IA in the proposal of statutory path development and this CPD seminar should be one of the requirements, the Seminar shall be hosted in near future when the statutory path is determined.

Going forward, the Committee and the Taskforce would continue to examine and review the examination format and contents in order to better serve our candidates' needs and to help them achieve higher goals.

PROFESSIONAL MATTERS COMMITTEE CHAIRD BY MR. RODDY ANDERSON

Professional Matters Committee 2019

Roddy Anderson
Peter Duran
Chris Hancorn
Nora Li
Thomas Tang
Des Thomas

01

- An updated CPD Frequently Asked Questions document was posted on the ASHK website in January 2019.

02

- Organised 4 successful Professionalism Courses with 1 in May, back to back in October and another in December 2019.

03

- Performed an audit of 5% of members subject to CPD requirements. For the calendar year 2018, no member was found to be non-compliant which was the same result as 2017.

04

- Having reviewed our revised PCC, the International Actuarial Association (IAA) insisted as a requirement of continued membership of the IAA that the PCC was revised to include 3 new sections and the updated PCC went for membership consultation in May and was endorsed by the Council.

05

- Having further reviewed the updated PCC, a further amendment went for consultation by the membership in September and then to the Council for endorsement so that the further amended PCC will be tabled at the AGM in December and if approved will be effective on 1 January 2020.

06

- ISAP1 issued by the IAA was considered by the PMC relative to PS1 and its adoption by other international actuarial bodies. It was concluded that the adoption of ISAP1 was the most efficient direction. However, there were certain issues raised in ISAP1 such as Peer Review which will require further consideration in 2020.

STRATEGY AND STATUTORY PATH COMMITTEE CHAired BY MR. SIMON LAM & MS. KA-MAN WONG

Strategy & Statutory Path Committee 2019

Simon Lam
Ka-man Wong
Roddy Anderson
Steve Cheung
Steve Hui
Dicky Lam
Peter Lau
Kevin Lee
Carol Siu
Stanley Wang

The Strategy & Statutory Path Committee had made significant progress in the year of 2019 to prepare for the statutory body with various collaborations and supports. We are delighted to announce the following milestones were achieved.

Strategy Day 2019

This year's Strategy Day was held on 14 March 2019 at Parkview. With reference to the Strategy Day's agenda, the key takeaways of the 3-5 years plan of ASHK are as follows: Financial status and budget sharing in comparison with last year and ideas of increasing membership fee - given the increasing and recurring expenses, it would be best to match with recurring revenue rather than relying on events. Setting up a training centre / organise a Local Knowledge CPD Seminar to meet IA's requirements for grandfathering actuaries on professionalism Practicing Certificate for new fellows to join ASHK

Roadmap of Statutory Path and Proposal to IA

The Committee continued to engage the Insurance Authority's (IA) in amending Chapter 41A, Insurance Companies (Actuaries' Qualifications) Regulations (the Regulations) to add Fellow of the Actuarial Society of Hong Kong (FASHK) in conjunction with overseas actuarial bodies presently listed in the Ordinance. We put tremendous effort to compile a comprehensive proposal "ASHK Proposal on Our Roadmap towards Statutory Body" to address IA's queries from the following perspectives:

- 1) Accepted Qualifications for Membership by introducing the practicing certificate,
- 2) Local knowledge of members exempted from ASHK examinations,
- 3) Professional Conduct and Discipline, and
- 4) Proper ASHK's Governance.

With the establishment of a specific working group with IA, we formalized the regular discussions at strategic and working levels and enhancing mutual cooperation and support for the profession and industry while respecting each other's independence.

The first meeting with IA was held in August 2019. The Committee worked closely with Council to meet with representatives from FSTB and IA in late September to touch base on the Statutory body project and the ASHK Examination. Moving forward, the Council will continue to put effort in discussing the key steps with the IA as well as engaging the FSTB.



STRATEGY AND STATUTORY PATH COMMITTEE
CHAIRD BY MR. SIMON LAM & MS. KA-MAN WONG
(CONTINUE)

Grandfathering Arrangement of ASHK Fellow Members

The Strategy & Statutory Path Committee had made recommendations to facilitate the launch of the HK exam by the transition / grandfathering arrangements for existing actuaries practicing in Hong Kong. Under the new structure, it is compulsory for all individuals to be Fellows of at least one of the recognised actuarial bodies AND pass the HK exam before they are eligible to be Fellows of the ASHK. All existing ASHK Fellows who hold valid membership status on 1 January 2019 will be grandfathered. If Fellows were grandfathered, but subsequently lapsed their membership irrespective of any reasons (health reasons, relocation, or suspension due to failure to achieve their CPD, etc), they must take and pass the exam in order to regain their Fellowship status.



ASHK Trademark Registration

Further to the development of our statutory path, ASHK Council has also started the registration of the trademarks. Following the submission back in April, the applications were approved in late October by the Trademark Registry (TMR) subject to a 3-month opposition period. Below are the two key areas we proceeded after an in-depth discussion among the Committee and the approval from Council:

- Expand the classes of the existing trademark (already registered in class 41) – in 5 classes (Classes 9, 16, 35, 36 and 42)
- Register “ASHK” and “FASHK” trademarks - in 6 classes (Classes 9, 16, 35, 36, 41 and 42)

The Trademark Usage Guideline should be published and publicized in early 2020. The objective of this guideline is to provide members a guidance on the trademark usage from a legal and enforcement perspective. This ensures the proper usage of Fellow Member of the Actuarial Society of Hong Kong (“FASHK”) in business cards and other social channels and to make the title become official. This initiative will enhance credibility for our FASHK designation among the profession.

Last but not least, we have come through a year that was filled with challenges and successes to the objective of obtaining the recognition of the ASHK status towards governing practicing actuaries in Hong Kong. We would like to take this opportunity to thank all the Committee members for their contributions throughout the year and look forward to a successful 2020!

Dicky Lam
Erwin Chan
Cyrus Cheng
Scott Chow
Nora Li
Orchis Li
Erik Lie
Xavier Lo
Iris Lun
Perkin Shek
Annie Tay
Brian Wong
Terry Yung



Member survey – To understand the needs and expectations of our members regarding actuarial innovation, a member survey was performed around middle 2019. Around 100 responses were received which provided very insightful information to our members, the Committee and the Society.

Evening talk – An evening talk with the topic “The journey of the first virtual insurers in Hong Kong” was successfully held on 2 September 2019. The talk received overwhelming responses and had reached its maximum capacity.

Articles contribution – To keep our members updated regarding actuarial innovation development, the Committee had requested a corner from the ASHK Newsletter and had been contributing articles to the publication regularly.

Establishing external connection – Over the year, the Committee had reached out to technology / innovation-based associations / organizations and societies and established close connection with them. This helps the Committee to be aware of what is happening outside of our community and keep our members informed and updated.

Actuarial Summit – The Committee was a big supporter of the ASHK Actuarial Summit, originally scheduled on November 2019 (which was unfortunately rescheduled), and was responsible for a section of the Summit. The Committee is also planning to arrange a conference itself in early 2020.

Going forward, the Committee will continue with similar activities to ensure our members can benefit from its initiatives.

IFRS 17 TASKFORCE CHAIRMAN MR. STEVE CHEUNG

IFRS 17 Taskforce 2019

Steve Cheung

Rachel Chu

Mark Kai

Brian Kelly

Abhishek Kumar

Jeremy Menzies

Kim Yeoh

Wilson Wu

Steven To

Eric Tsang

Fred Choi

Alain Beland

IASB published IFRS 17 in 2017 May, and implementation is well underway. It is clear that adoption will radically change financial reporting for insurers. All actuaries working in the insurance financial reporting field will need to be familiar with the new framework. Before the Standard is finalized in 2017, ASHK has been actively facilitating the development for the Hong Kong insurance industry from actuarial perspective.

At the end of 2018, ASHK Council has started the discussion and agreed to set up the ASHK IFRS 17 Task Force to carry on the related initiatives. The Task Force supports the ASHK's mission of "Representing, developing and inspiring the actuarial profession in Hong Kong to serve the public interest" in the insurance industry. More specifically, the Task Force aims to help ASHK members keep abreast of IFRS 17 development. The scope of the Task Force includes:

Promote and facilitate industry exchanges of view, opinions and practice among ASHK members on IFRS 17 related matters that are relevant to Hong Kong insurance industry; Collaborate, on behalf of ASHK, with relevant regulatory, industry, and professional organization(s) on IFRS 17 related matters relevant to the members; Organise training.

In the past year, Task Force members has worked on the following initiatives:

- Exposure Draft ED/2019/4 Amendments to IFRS 17 ("2019 ED")
 - The Task Force has written on behalf of ASHK to comment on the 2019 ED issued by the International Accounting Standards Board ("IASB") on 26 June 2019. Whilst the Task Force is supportive of the proposals in the 2019 ED in general, it also recommends the IASB to consider some of the issues we noted in the HK market. The detailed comments letter can be found in http://eifrs.ifrs.org/eifrs/comment_letters//544/544_25986_ChrisLamTheActuarialSocietyofHongKongASHK_0_ASHKcommentletter_ExposureDraftED_2019_20190924_IASB.pdf
- IAA's Exposure Draft of the Proposed IAN 100 on Application of IFRS 17 Insurance Contracts
 - An International Actuarial Note (IAN) is an educational document that provides information on current or emerging practices in relation to an international actuarial topic. It serves to familiarize actuaries with approaches that might be taken and to demonstrate how the actuarial profession might approach the topic.



IFRS 17 TASKFORCE

CHAired BY MR. STEVE CHEUNG
(CONTINUE)

- As one of the members of the IAA, the Task Force has also submitted the comments on the exposure draft. The detailed comments can be found in https://www.actuaries.org/IAA/Documents/Publications/IANs/IAN_100_Consultation/Comments_Received/IAN100_Comments_ActSocHongKong_26April2019.pdf
- Collaboration opportunity with the Actuaries Institute - Evening talk on IFRS 17
 - The Task Force has also co-hosted with Actuaries Institute Australia for an evening talk event on IFRS 17. We have invited Ian Laughlin, Actuary of the Year 2018 of the Actuaries Institute Australia, to share his views on IFRS 17 development. The event has been successfully held at EY Hong Kong office on 27 June 2019 with a total attendance of over 50 participants. Ian has also shared the experience gained from Australian market and how that can be applied to the Hong Kong insurance industry.
- IAA's Second Exposure and Final review version of Proposed ISAP 4 on IFRS 17 Insurance Contracts
 - This International Standard of Actuarial Practice (ISAP) provides guidance to actuaries when performing actuarial services in connection with IFRS 17 issued in May 2017. The Task Force has reviewed the Second Exposure Draft and the Final review version, and has no particular comment or objection on that.

Since the Standard is issued in 2017, there are a lot of discussions and implementation activities happening in the market. After the 2019 ED published by IASB, there are further discussions regarding certain area that requires amendments from the Standard. At the IASB Board meeting on 20 November 2019, the IASB Board agreed a re-deliberation plan for the amendments. It plans to complete re-deliberations by February 2020. The Task Force will continue to work with different parties, including the HKICPA HKIISG, IAA etc. on the related topics. We are also planning to organize the IFRS seminar in 2020 (tentatively Q1-Q2) to provide a platform for members to exchange the views and get the update from the latest development – stay tuned!

On behalf of the Task Force, we wish you every success on your IFRS 17 related implementation or initiatives. For any comments or volunteer interest for the Task Force, please reach out to Steve Cheung at steve.cheung@hk.ey.com.



**HONG KONG ACTUARIAL SUMMIT
ORGANIZING COMMITTEE
CHAIRD BY MR. BILLY WONG**

Hong Kong
Actuarial Summit
Organizing Committee
2019

Billy Wong
Orchis Li
Gary Lee
King-yin Pang
Wilbur Lo



The inaugural Hong Kong Actuarial Summit, originally scheduled on 21-22 November 2019 at the Kowloon Shangri-la has been postponed to 19-20 May 2020 in view of the unforeseen circumstances in Hong Kong. With the theme of "Embracing the New Future", we are very honored to invite The Hon Paul Chan Mo-po, GBM, GBS, MH, JP, Financial Secretary of the Hong Kong Special Administrative Region to address the opening and Dr the Hon Moses Cheng, Chairman of the Insurance Authority to deliver the welcome address.

This two full-day event is truly a breakthrough by combining the ASHK Annual Dinner, Appointed Actuaries Symposium, General Insurance, Pension and Health Seminars. The Summit will include a variety of topical areas bringing together participants, expert speakers and honorary guests from across the territory, providing members an opportunity to meet with ASHK Council and the key industry stakeholders from among the actuarial profession. More than 300 delegates including C-suite level executives, Appointed Actuaries, general practitioners, regulators and media are expected to attend.



Plenary sessions include topics on "Promoting Hong Kong as the Insurance/Reinsurance Centre", "C-suite Panel", "Embracing the Digital World - Virtual Financial Institutions" and "Professionalism". Featured breakout sessions will also be held in which we will engage in a deep dive in the areas of Life, Health, General insurance, Risk, Innovation and Pension. And with tremendous support from the Hong Kong Science & Technology Parks Corporation (HKSTP), a total of 7 innovation and technology companies will showcase their tech prowess and the most up-to-date gadgets relevant to the insurance industry in the Innovation breakout track.

Message from New President 2020

Ladies and gentlemen, fellow actuaries, students, staff and supporters of our profession, I would like to thank you for giving me the honour to act as President of the Actuarial Society of Hong Kong for the coming year ahead; it is a privilege of which I am both grateful and proud. This is my second time in this role as President of the ASHK.

As you may be aware, Kenneth Dai stepped down from the Presidential role recently to take up a position in Canada. I would like to thank Kenneth for his leadership over the past year and congratulate him on all that he has done for the profession in Hong Kong. My best wishes to Kenneth in Canada. He will be missed. My appreciation also goes to the Council, Committee volunteers, our Honorary Auditor and Legal Advisor for their support and guidance during my year as Vice President.

I would also like to thank all of you for attending this AGM and the membership at large for their support of the ASHK. I am pleased to say that to-date we have 1,292 members of whom 1,016 are Fellow members, 121 are Associate members and 155 are Student members.

In the coming year, there are several key areas I would like to focus on:

In my view the ASHK exists to serve its members and the public at large. The primary way we serve our members is through providing educational and networking opportunities. With the global business environment changing at an unprecedented pace, the actuarial profession has to adapt and challenge ourselves in order to

remain relevant in tomorrow's economy and to increase our value to society. With technological advancements and the new regulatory requirements very much driving the insurance industry, we as actuaries need to equip and upgrade ourselves with the necessary knowledge to cope with the changes. To this end we strive to support our members in the navigating the changing landscape by providing relevant CPD opportunities. 2020 will be especially rich in relevant CPD opportunities. For instance, members can look forward to an innovation showcase at our first Actuarial Summit rescheduled to 19-20 May where seven innovation and technology companies will showcase their tech prowess and the most up-to-date gadgets relevant to the insurance industry. We are targeting to have more than 300 actuaries at this event.

A separate InsurTech seminar is also in the pipeline for 2020 as well as seminars on IFRS and General Insurance. In addition, we will provide a number of opportunities for meeting CPD requirements in professionalism.

As I mentioned, besides serving our members, our mission extends to serving the public. We seek to work cooperatively with our various regulators, especially the Insurance Authority. We have established an HKIA / ASHK Working group to discuss matters of mutual concern and to ensure that the communication lines remain open. We have worked with the IA on a number of initiatives and I expect this to continue next year. Hong Kong RBC will result in fundamental changes to the industry and we have been and will remain deeply engaged.

Our longstanding quest to achieve formal recognition of the ASHK credential in the laws and regulations of Hong Kong, the so-called “statutory body project” remains high on our list of priorities. A key initiative of this project is to require fellowship in the ASHK to be a requirement for fulfilling certain statutory roles such as Appointed Actuary. I view this as completely consistent with our goal of serving the public as it will provide formal assurance that any Appointed Actuary is knowledgeable about Hong Kong regulation and fulfills CPD requirements related to local knowledge, while being subject to the ASHK disciplinary scheme. This project presents a win-win situation for the public, for regulators and for our profession alike. Having a strong and independent local actuarial professional body not only serves to protect public interest, but also serves to enhance the reputation of Hong Kong as a leading global international financial centre. In the coming year, the ASHK will continue to actively seek the support of regulators and stakeholders to recognize in the Ordinance the proposed FASHK with a practicing certificate for actuaries with statutory roles in Hong Kong.

As 2019 draws to an end it's a good time to reflect upon what each of us has done during the year and to set personal goals for the new year. Please think about your personal role in the ASHK. I encourage you to make a difference and invite you to be a part of this; by building connections with the actuaries and other professionals around you; by attending professional development events to reinforce existing knowledge and to learn about areas you may not be familiar with; by working on topics where you can contribute; by becoming a volunteer and joining a committee. If you have the time and relevant experience, please

consider standing for the Council in 2021.

No matter how big or small a step we take, let's all challenge ourselves to be more relevant to our chosen profession.

Finally, I would like to again thank all of you for the honour to serve as President for the coming year. I'm looking forward to the challenges ahead. I wish you an enjoyable Christmas and a Happy New Year. Thank you.

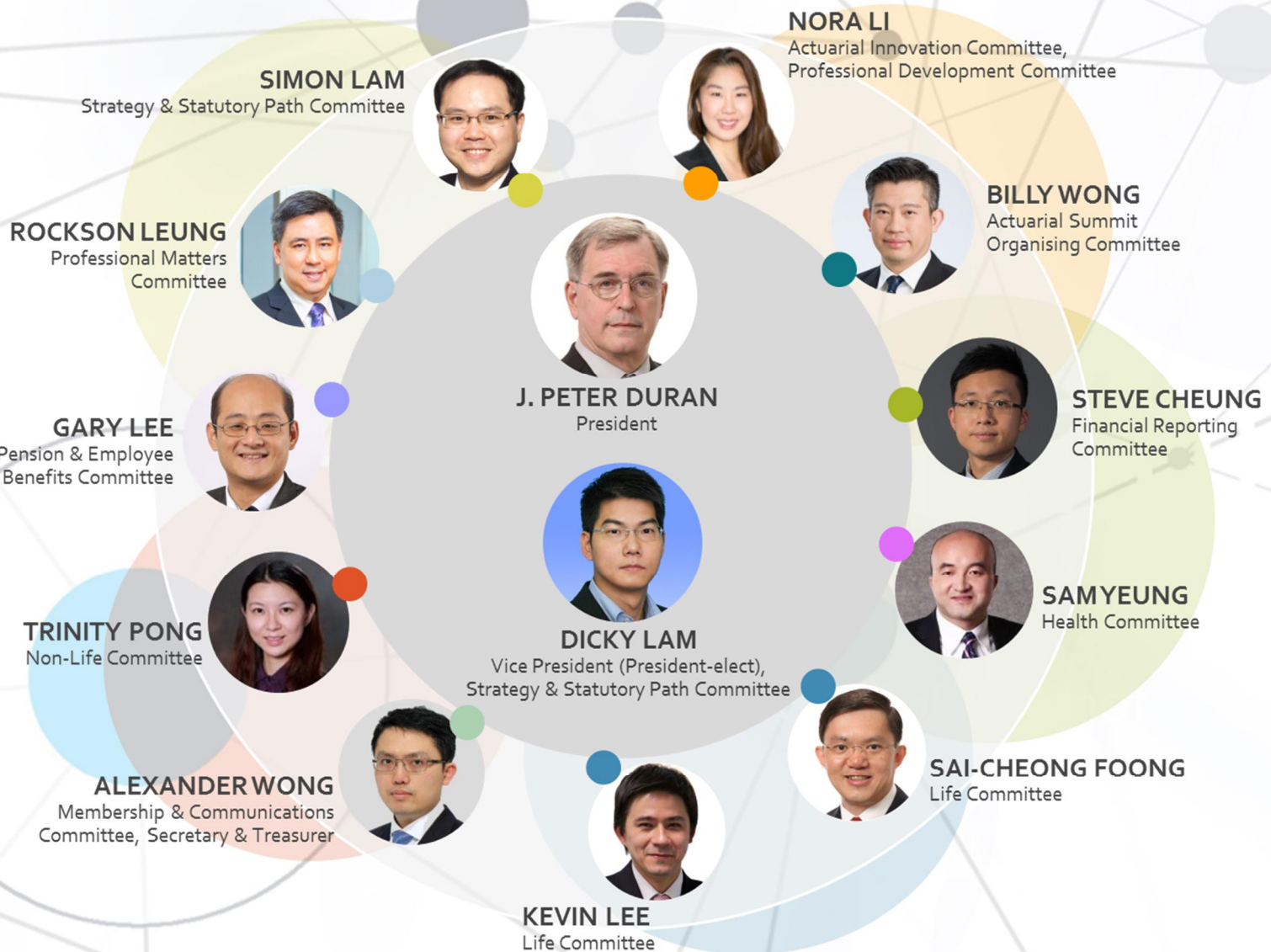
(Delivered at the ASHK Annual General Meeting on 12 December 2019)



J. Peter Duran
ASHK President 2020

New Council 2020

The ASHK held its Extraordinary General Meeting & Annual General Meeting on 12 December 2019 during which there were 6 candidates standing for election of the 6 places on the Council. Ballot voting was not required and the 6 candidates, namely, Steve Cheung, Dicky Lam, Simon Lam, Rockson Leung, Billy Wong and Sam Yeung were deemed to be duly elected Council members for 2020. At the Handover Meeting immediately after the AGM, Council members were nominated to head various Committees of the ASHK in 2020 as follows:





The ASHK Council would like to thank
Committee volunteers for their contribution
over the year.

VOLUNTEERING AT THE ASHK

ASHK has a variety of Committee volunteer opportunities
(including new Financial Reporting Committee) for both members and the
profession to make progress together.

If you are interested in volunteering at the ASHK, please contact the ASHK
Office by email at info@actuaries.org.hk.



The time for contracting is now. Don't get snowed under by IFRS17

It's two years until the effective date of IFRS17, the biggest challenge and change that the insurance industry has experienced. And while it might be two years until effects take place, time is not on our side.

The urgency to find talent is critical.

Organisations in Asia have begun to accept that the demand for talent outstrips the limited supply. The global contracting model is gaining traction across the region, with our clients seeking skilled professionals within the critical areas of actuarial, technology, finance and projects.

This is where you come in.

You have the skills and expertise to help us guide our clients through IFRS17. We now have 65 contractors on client site within Asia – and this number is rising quickly.

So take your career to the next level and join us today. To find out more contact one of our team:

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OJC

**Oliver James
associates**

Revised Mandatory Provident Fund Guidelines

The Mandatory Provident Fund Schemes Authority (the Authority) has recently approved the revised Code on Disclosure for MPF Investment Funds (the Disclosure Code).

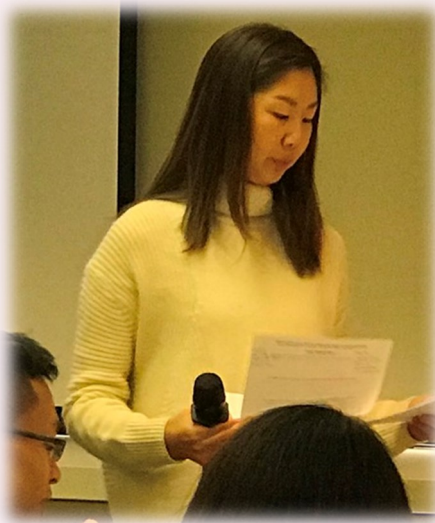
The Disclosure Code has been amended with the main objectives to improve the presentation of key information in the annual benefit statement (ABS), and to enhance scheme members' understanding and draw their attention by the use of graphical illustrations. We have also updated the figures in the sample ABSs in the Disclosure Code to better reflect the current fee charging practices of approved trustees. Moreover, some textual edits have been made to the Disclosure Code for housekeeping purposes.

Copies of the revised Disclosure Code can be downloaded from the Authority's website at www.mpfa.org.hk. 



Event Highlights

ASHK Professionalism Seminar



Ms. Nora Li
ASHK Professional Matters Committee



Mr. Thomas Tang
ASHK Professional Matters Committee



Mr. Roddy Anderson
ASHK Professional Matters Committee

Event Highlights

ASHK EGM and AGM, 12 December 2019



Mr. Sam Yeung
ASHK Health Committee Chairperson
(MC)



Mr. Peter Duran
ASHK President



Mr. Dicky Lam
ASHK Actuarial Innovation Committee
Chairperson



2018 - 2019 Newly Qualified Fellows

Event Highlights

ASHK EGM and AGM, 12 December 2019



Mr. Frank Wong
EY, Honorary Auditor



(Left) Mr. Nathan Dentice
Honorary Legal Adviser



(Left) Mr. Sai-Cheong Foong
ASHK Life Committee
Co-Chairperson



(Left) Mr. Kevin Lee
ASHK Life Committee
Co-Chairperson



Mr. Simon Lam
ASHK Strategy & Statutory Path
Committee Co-Chairperson



(Left) Mr. Roddy Anderson
ASHK Professional Matters
Committee Chairperson



(Left) Ms. Ka Man Wong
ASHK Strategy & Statutory
Path Committee
Co-Chairperson



(Left) Mr. Alexander Wong
ASHK Membership &
Communications Committee
Chairperson



(Left) Ms. Nora Li
ASHK Professional
Development Committee
Chairperson



Thanks

Upcoming Events

Date	Event
Mar 2020	SOA APC, Shanghai
9-10 May 2019	IFoA Asia Conference, Kuala Lumpur
May 2019	ASHK Examination (Registration opens from February - Apr 2020)
19-20 May 2020	ASHK Actuarial Summit
1-2 June 2020	SOA Asia-Pacific Symposium, Singapore
June 2020	SOA APC, Singapore
July - August 2020	Joint Regional Seminar in Asia
September 2020	ASHK IFRS 17 Seminar
11 December 2020	ASHK AGM 2020



To: All ASHK members and readers

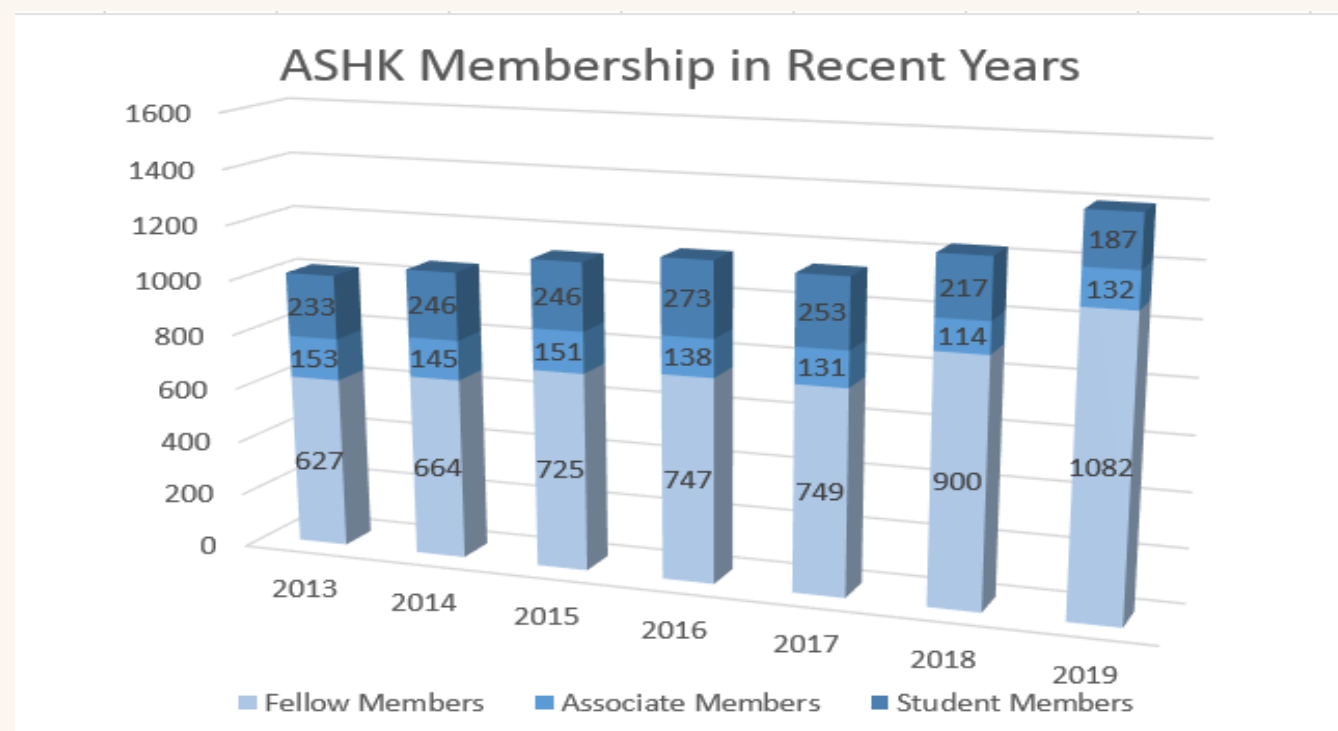
From: The ASHK Council



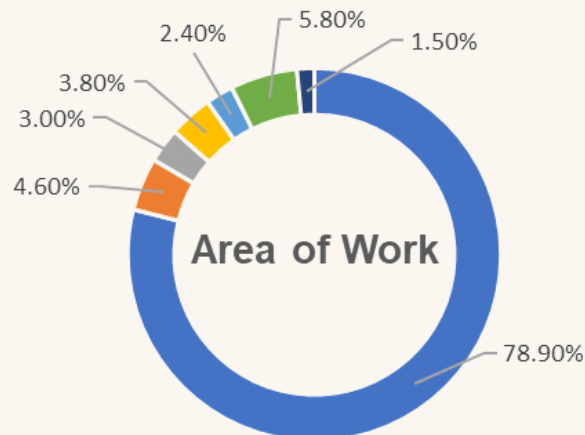
Membership Update

2019 MEMBERSHIP PROFILE

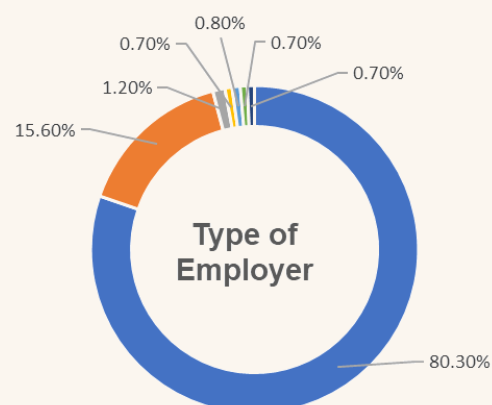
Development of membership numbers



Membership Analysis



- Life Insurance
- General Insurance
- Finance/Investment
- Retirement Schemes
- General Corporate Management
- Others (e.g. Education, IT)
- Undisclosed



- Insurance/Reinsurance Companies
- Consulting Firms (Insurance and/or Retirement Schemes)
- Financial Institutions
- Education Establishment
- Public/Government Service
- Others (e.g. Broking/Rating/Recruitment Agency)
- Undisclosed/Not Actively Employed

Corporate Advertisement

The ASHK will accept corporate advertisements in the ASHK Newsletter provided that the advertisements do not detract from the actuarial profession. Acceptance and positioning of advertisement will be at the editor's discretion.

File Formats

Advertisers have to supply the artworks which should be created in MS Word/ PowerPoint/JPEG/PDF formats.

Advertising Rate

	One Off	Whole Year
Full page (A4-size)	HK\$6,000	HK\$5,000 each

To advertise, please contact ASHK Office by
Tel: (852) 2147 9420 or e-mail: info@actuaries.org.hk



ACTUARIAL SOCIETY
of
HONG KONG
香港精算學會

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We welcome members' contribution to the "Hong Kong Actuaries" Newsletter, especially, the Feature Articles and Knowledge Sharing sections. If you have written any inspiring articles or have read any interesting articles from other actuarial organisation(s), please feel free to let us know. We will try to reprint the article(s) in our newsletter to share with our members.

For the above issues, please e-mail your articles or views to Alexander Wong by email at alexanderkpwong@hsbc.com.hk or ASHK Office by email at info@actuaries.org.hk. Publication of contributions will be at editor's discretion.