

2020 AICT - SOA Joint Seminar — IFRS17

Session Information

10/20		Outline
09:10 10:10	Implication of IFRS17 on life insurance management	<p>With the implementing IFRS17, actuaries has responsibility to explain the financial results to the management and management have to adapt their approach to performance measurement. IFRS17 will not only change the financial performance results but also disclose more information about business. Management need to understand the implication and ensure a coherent management logic explainable to market. In this presentation, I will discuss what management details will be presented in the financial statement and how management shall link the financial performance to business rationale.</p> <p>At the conclusion of the session, attendees will be able to apply the principles mentioned in the talk to their actual practice, i.e., explain the complex financial results to their management and enable management team to control business performance.</p>
10:10 11:10	Reinsurance in the IFRS 17 world	<p>With the Standard on IFRS 17 Insurance Contracts finalized in June 2020, there are less than 18 months for production until the effective date as set out by the International Accounting Standards Board (IASB). Have you become more prepared for IFRS 17 transition in terms of reinsurance strategy and overall KPI management? Swiss Re will share its insights on the latest changes of the Standard regarding reinsurance, key considerations on how to account reinsurance held, and how reinsurance can be leveraged to improve your Key Performance Indicators after transition.</p> <p>At the conclusion of the session, attendees will be able to identify how reinsurance can help to address operational and financial challenges along the IFRS 17 implementation journey.</p>
11:30 12:30	IFRS 17 Transition: Indirect vs Direct Approach & Financial Implication	<p>Transition has always been an important topic in IFRS 17, and the groups subject to Fair Value approach probably have the most significant financial impact among the three transition approaches. In this session, we will discuss the key difference between the two treatments for fair value approach – commonly knowns as Direct Approach and Indirect Approach. Case-study style examples/ scenarios will be presented to help the audience to explore the financial implications under these two different treatments.</p> <p>At the conclusion of the session, attendees will be able to o Identify the key differences between Direct and Indirect Approach under Fair Value o Compare the pros and cons in terms of different financial implications under these two approaches o Evaluate the preferable solutions under different circumstances.</p>
14:00 15:00	Key considerations when implementing IFRS 17 business planning functionalities within your actuarial model	<p>In this session we will discuss key considerations when implementations business planning functionalities within the existing actuarial model of companies using the Prophet software as an example. This will cover various technical topics including risk adjustment, TVOG, reinsurance, rebasing of assumptions etc. We will use actual example gained from projects to explain the key issues faced and the potential solutions. At the conclusion of the session, attendees will be able to identify some of the key issues faced when implementing IFRS 17 business planning functionalities and better evaluate practical potential solutions.</p>
15:00 16:00	IFRS 17 implementation in Asia (Part I) IFRS 17 implementation in Asia (Part II)	<p>Part 1 Session:</p> <ul style="list-style-type: none"> •A snapshot: Progress made by (re)insurers implementing IFRS 17 in Asia •Market intelligence: IFRS 17 vendor solution choices globally and with focus on Asia •Lessons learned so far when implementing IFRS 17 vendor solutions <p>Part 2 Session:</p> <p>Experience sharing on difficulties encountered by insurers and observed market practices regarding IFRS17 development will be provided on two levels.</p> <p><u>On strategic level:</u></p> <ul style="list-style-type: none"> •Effective collaboration between actuarial, finance, IT and risk departments •Clear understanding by related parties regarding data requirements and processes •Impact to company's Key Performance Indicators and expectation management <p><u>On technical treatment:</u></p> <ul style="list-style-type: none"> •Bundling between basic policies and riders •How to deal with the reinsurance cash flow