



Institute  
and Faculty  
of Actuaries

# Welcome to the OCF - Sustainability and the Financial System

Chair: Dermot Grenham

Speakers: Simon Jones, Professor Richard Werner and  
Saker Nusseibeh



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# Scottish Board and Our Changing Future

Dermot Grenham



# The Scottish Board

- The Scottish Board of the IFoA is accountable to members in Scotland and has three main key responsibilities (KRs):-
  - **KR1 – Encourage and Develop the Actuarial Community in Scotland.** Key success to date has been the KSS and OCF CPD events. Greater links to students and understanding optimal communication strategy are 2015 objectives as well as greater oversight of the wider CPD programme in Scotland.
  - **KR2 – Raise the Profile of Actuaries and the Profession in Scotland.** The profile and understanding of the IFoA was substantially enhanced by the Independence Vote with many new strong relationships made. Further 2015 work on engaging Employers, Schools/Universities, Media and PR as well as maintaining political engagement.
  - **KR3 – Encourage and Advance Academic Developments in Scotland.** The key success has been use of the Endowment Fund to help set up the ARC which is maturing and developing, we would welcome member input on use of the remaining Endowment Fund. The key 2015 roadmap for this KR is to understand and develop structure around academic developments in Scotland as well as develop a forward plan for the Endowment.
- The Leader of the Scottish Board is Suzanne Vaughan (Towers Watson) and the Regions Manager is Tess Joyce ([Tess.Joyce@actuaries.org.uk](mailto:Tess.Joyce@actuaries.org.uk)). We'd actively like more member feedback on the Scottish Board activities and willing volunteers to join the Board to help support the profession in Scotland.

# Summary of Scottish Events



- This is an OCF event put on by the Scottish Board in relation to feedback from members wanting more frequent and less formal CPD events in Scotland.
- The future events are:-
  - KSS 1 December – Risk Roadshow, Edinburgh AM
  - KSS 1 December – Risk Roadshow, Glasgow PM
  - Masterclass – Enjoy Pitching, Edinburgh AM
  - KSS 13 January 2016 - What is funding liquidity risk and how can a bank manage it? Stirling PM
- Professional Skills for Experienced Members
  - Professional Skills Training sessions in Edinburgh–
    - 8 December,
    - 14 January
    - 11 February
    - 15 March
    - 13 April
    - 17 May
    - 15 June



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# Sustainability & the Financial System

26 November 2015





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# The Actuarial Context

Simon Jones

*Co-Author, Member of Resource &  
Environment Board*

ertise  
ponsorship  
Thought leadership  
Progress  
Community  
Sessional Meetings  
Education  
Working parties  
Volunteering  
Research  
Shaping the future  
Networking  
Professional support  
Enterprise and risk  
Learned society  
Opportunity  
International profile  
Journals  
Support

# Background

- Resource & Environment Board, established late 2013
- Threefold objective of the board
- Builds on the work of previous literature reviews
  - Climate change & resource depletion, 2010 <http://goo.gl/RPxAeu>
  - Climate change & resource depletion, 2011 <http://goo.gl/TzBEWF>
  - Resource constraints: sharing a finite world, 2012 <http://goo.gl/C6WUuS>



# The context

Natural Environment



Real Economy



Financial Economy



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# Conclusions

- Literature review was wide ranging
- Surprising absence of peer-reviewed analysis in top-rated economic journals
- Apparent absence of research aimed at understanding the institutional framework of our system
- Of the themes that did come up, the ones most relevant to actuaries were:
  - GDP – as a measure of economic performance
  - Preparing for steady-state or de-growth economy
  - The use of discount rates





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## Research Findings

Professor Richard Werner,  
*Co-Author, Chair in International Banking*  
*University of Southampton*

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# Response

Saker Nusseibeh

*CEO, Hermes Investment Management*

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# Questions

# Comments

Expressions of individual views by members of the Institute and Faculty of Actuaries and its staff are encouraged.

The views expressed in this presentation are those of the authors of the literature review, and the individual presenters.



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