

Review of the Role of Sections

Recommendations of the Member Services Committee (MSC) to Council

1. Introduction

- 1.1. At its meeting in Limassol on 2 November 2008, the MSC received, and considered at a high level, the Report of the Task Force on the Role of Sections dated 25 October 2008, which had been unanimously approved by the Task Force members. A copy of that Report is attached to this paper.
- 1.2. The purpose of this paper is to present to Council the MSC's recommendations based on its subsequent detailed consideration of the Task Force's Report.
- 1.3. It is worth stating that the MSC agrees with practically everything in the Report, and congratulates the Task Force on a job well done.

2. Key Recommendations

- 2.1. The fundamental structure remains appropriate and should not be changed: that is, the IAA is an association of actuarial associations and Sections. IAA Committees are open to member associations to nominate representatives and focus on the needs of those associations and on implementing the overall strategy agreed by the IAA Council, whereas the IAA Sections cater for the needs of individual actuaries who elect to join.
- 2.2. Sections are responsible to their governing committees and should retain the freedom to pursue activities which are consistent with their terms of reference and meet the needs of their members.
- 2.3. With that freedom comes a responsibility to liaise with the IAA Council, Executive Committee (EC) and other relevant Committees to ensure that
 - a) Sections' objectives and activities are aligned to the strategy and objectives set by the IAA Council,
 - b) synergy, coordination and joint activities with relevant IAA Committees and other Sections are maximized, and
 - c) duplication is avoided as much as possible.

To a large extent this already happens, but some improvements may be needed. The MSC makes more detailed recommendations below, largely relating to better communication and interaction, which it believes will further clarify and strengthen this aim.

- 2.4. The Sections constitute a very valuable resource for the IAA member associations. It is in the interests of member associations to foster, promote and support the activities of the Sections and encourage their members to join at least one Section. Hence the coordination,

joint activities, avoidance of duplication and improved communication recommended in 2.3 above applies equally the other way round.

- 2.5 The Sections are also a valuable potential resource for IAA Committees. The Committees should expect to work closely with relevant Sections and encourage coordination, joint activities and good communication between the Committees and the Sections.
- 2.6 Council should establish a procedure to arbitrate on a case-by-case basis if any disputes should arise between IAA member associations, Sections and/or Committees.
- 2.7 Council, with the assistance of the MSC, should adopt more detailed criteria than currently exist for the creation of new Sections and the process to reconstitute, reform, merge or subdivide sections in order to achieve logical and strategic objectives. MSC commends the criteria set out in the Annex.

3. Detailed Recommendations

- 3.1. There should be established, as a regular feature of the half-yearly meetings of the Council and Committees of the IAA, a formal meeting of the chairs of the Sections and IAA Committees. Separate formal meetings of the chairs of the Sections should continue. The objectives of these meetings would be to share information on future plans, to agree how best to deal with areas of potential overlap and to identify new areas for research or other activities which would be in the interests of all to pursue. [This recommendation has already been agreed for implementation after the establishment of the new EC].
- 3.2 Sections should not represent the IAA to outside bodies, or make public statements on behalf of the IAA, unless they are specifically asked to do so by the appropriate authorities in the IAA or do so in collaboration with the relevant Committees. Any public statements that Sections do make should follow published IAA guidelines and should be developed in liaison with the Communications Subcommittee of the EC.
- 3.3. Each Section should submit a copy to the MSC and the EC of its reports to Council under Internal Regulation 5. These reports should be published.
- 3.4 Council, through the MSC, should draw up formal guidelines on the role and responsibilities of IAA delegates on Section committees. Where possible the IAA delegates to each Section should help to facilitate communication and coordination between the Section and relevant IAA Committees. [This recommendation has already been implemented].
- 3.5 The MSC should make a proposal to the EC regarding formal guidance on financial sponsorship of Section activities, although sponsorship of Section events will primarily be a matter for host actuarial associations in accordance with their own guidelines. The EC should take into account the implications for financial sponsorship of other aspects of IAA activities before finalising such a policy.

- 3.6 MSC should be asked to review with the Sections:
- a) what has worked well and what has not worked in the organization of colloquia and whether the organizing structures of the past are drawing in the crowds that are desired;
 - b) the general marketing job necessary to increase the number of actuaries who are members of the Sections; and
 - c) the possibility of holding joint colloquia which may be regarded as mini-Congresses mid-point between two Congresses and rotate between geographical areas, more frequent Congresses with a reduced social part and more internet presentations and other matters of such nature.
- 3.7 Member associations should be encouraged to recognize Section colloquia, and other events such as webcasts, as meeting their requirements for CPD purposes.
- 3.8 Local associations should be involved in the organisation of colloquia and seminars and Sections should be required to liaise with local associations and/or their relevant committees when organising colloquia or seminars. [This is already in the protocol for the organisation of colloquia].
- 3.9 Following a colloquium or seminar, Sections should submit formal written reports to the MSC and to the host association(s), highlighting the outcomes, successes and areas for possible improvement.
- 3.10 Sections should improve the publication and free and timely distribution of research material globally to their members.
- 3.11 The Secretariat should be asked to consider how
- a) the IAA newsletter could be adapted or expanded to increase awareness of the role and work of the Sections in support of individual actuaries;
 - b) developments in technology could benefit the Sections' activities, including colloquia and interaction with individual actuaries; and
 - c) to create a library of research material on its web pages with links to material produced by Sections and links with research published by national associations in their magazines. [These recommendations are already work in progress].
- 3.12 MSC should be asked to monitor the application of Council strategies, objectives and decisions with regard to Sections, including decisions of Council on the above recommendations.

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Annex

Criteria for the establishment of a new Section

- 1) There should be a commitment by the proposers of a new section to achieve a minimum number of members (say 200) within two years of approval. Exceptions could be permitted for: (1) sections existing at the time of this amendment, for a transitional period of, say, two years and (2) “special purpose” sections formed in pursuance of one of the strategic objectives of the IAA (the Actuaries Without Borders (AWB) Section is an example of such a special purpose section).
- 2) Any proposal to create a section should go to the Member Services Committee and then to the EC before going to Council and the EC should make a recommendation to Council.
- 3) The new section should:
 - be complementary to and not significantly in competition with the activities of existing Sections and Committees;
 - conform to the principle of subsidiarity in relations with Member Associations of the IAA;
 - not be the cause of conflict between Sections or between Sections and Committees – for example, by undermining the work of Committees or aiming to steal membership from another section;
 - be subject to a test of long-term viability;
 - not be proposed for reasons unrelated to the strategic objectives of the IAA (e.g. a section for actuaries of a particular religion or language group); and
 - be consistent with the overall aims and objectives of IAA.

Criteria for the dissolution or reformation of a Section

- 1) Voluntary termination: Each section should include within its rules provision for dissolution by vote of the members of the section.
- 2) Involuntary termination: Council may decide to dissolve a section after due consideration of a recommendation or opinion from the EC, on the advice of the MSC, following appropriate consultation with affected parties. In practice, it is expected that there would have to be a major conflict between the section leadership and the rest of the IAA for such a situation to arise for reasons other than a lack of sufficient members or severe financial difficulties.
- 3) Council reserves the right to reconstitute, reform, merge or subdivide sections in order to achieve logical and strategic objectives. Such action should only be undertaken after full consultation with MSC and affected parties.