



INTERNATIONAL ACTUARIAL ASSOCIATION

Advice and Assistance Committee Meeting April 9, 2015 Renaissance Zürich Tower Hotel—Zürich Minutes

Please find the attendance list at the end of these minutes.

1. Welcome

The meeting commenced with Chairperson Tarmo Koll welcoming the participants to the meeting. Participants were asked to introduce themselves.

2. Approval of the Minutes of the Meeting held in London

The minutes of the meeting in London were approved as presented.

Action items

- Secretariat to finalize minutes and post to website (completed)

3. Review of Agenda

The agenda was approved as presented.

4. Review of Action Items and Progress from Washington and A&A Work Plan

A&A Workplan

Committee members noted the items included in the workplan and did not include any further items.

Emerging and Developing Actuarial Associations

It was noted that the [list](#) of these associations is updated between meetings and that all future updates be sent to [Karla Zuñiga](#) for inclusion in the document.

It was mentioned that actuaries from Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates joined to create the Gulf Actuarial Society (GAS). This recently formed association is planning activities in various countries. It was noted that the development of the relationship between this association and the IAA will fall under the Eurasia and Middle East Committee.

The committee was also informed that members of the Asia subcommittee visiting Sri Lanka meet with representatives of the association and agreed on some objectives, timelines and criteria for achieving full membership.

5. Information from the Associate Members Confirmation Form 2014. Requests for assistance

Every year the Accreditation Committee requests information on the documentation status from full member associations and this year they prepared a form requesting information from associate member associations. One of the objectives of the form is learning about the stage of development of the member associations and inquire about the type of assistance, if any, they would like to receive from the IAA.

The chairperson presented the information received from associate members and it was agreed that, following the experience of the Asia SC, the natural way to reply to developing associations needs is through the work of the subcommittees. It was agreed that the table drawn with the survey information presents an optimistic approach that might not reflect the association's reality with regards to IAA requirements. It was recommended that subcommittees approach the associations seeking additional information on their needs.

Facing the question on the development tools available to associations, the committee agreed that it would be important to count with:

- A better template sample of discipline process, similar to the Code of Conduct and the Education Syllabus that are well set up
- A road map or project plan that reference to the tools required to become a FMA or to achieve a specific goal – Association in a box.
- A description of the different approaches that an association can take to produce the required documentation
- Mentoring opportunities given the association's interest to receive this kind of assistance.

It was noted that, over time, several documents have been written and made available to newly formed associations requesting information. Although it would be recommended to update the material available, the chair person expressed that the real work of the committee is providing assistance to the local people. He emphasized on the notion of assisting associations to bring the development process into life.

It was also mentioned that small associations face the problem of presenting the benefits of becoming a member of the association to prospective members and the advantages of working with the IAA. It was suggested to address this issue through the brand and the value proposition.

Ken Hohman informed that the Accreditation Committee would be pleased to assist in the process of reviewing documents while these are drafted so the association approves documents covering all the IAA requirements.

It was noted that the best way to support small associations with infrastructure and administrative items could be through association to association mentorship.

Action item:

- Subcommittees to evaluate the information provided on the Associate Members Confirmation Form and contact associations requesting further information on their needs.

6. Advice and Assistance Committee Budget.

The chairperson informed that EC approved a budget of 49,500 CAD for 2015. This amount includes what was requested for the regional subcommittees. Next year's budget was considered by the chairpersons of the subcommittees and has been included in the template, although there is some time to finalize the budget request, this should be finalized as soon as possible so it is approved by the EC in June or July 2015.

It was also noted that the funds in the IAA fund are expected to dry in the next year. These funds will be used to finance bursaries to attend the various regional meeting and potentially to cover some of the meeting expenses not covered by sponsorship. This year it is expected to spend 20,000 for each Ghana and Azerbaijan and maybe 5,000 for the meeting in Asia.

In the case the IAA fund is fully utilized this year, subcommittee chair people were asked to include within the subcommittee budget request the expenses for the regional seminars together with the representation expenses.

The chairperson informed that due to the good attendance at the ICA2014 in Washington, the IAA received a substantial amount of money and EC decided to allocate part of the revenue to the activities of A&A. This means that there will be some funds to continue with the regional seminars during 2016-17. Nonetheless it is recommended to have two meetings per year so funds can be distributed fairly among the subcommittees.

Action item:

- Subcommittee chair people to provide Tarmo with any extra amount to be included in their budgets request by the end of the month of May.

7. Reports on Regional Subcommittee Activities

Africa Subcommittee

The chairperson of the subcommittee informed that the Actuarial Society of Ghana will be hosting the 4th African Actuarial Congress; nonetheless the project is posing problems on the funding side. He was informed that requests for sponsorship to various companies were not sent in time. As it stands now the organizers would have 50,000 dollars available but they projected 70,000 dollars on expenses which creates the concern on how the association will meet the shortfall of 20,000 and how will they raise the money. It was further noted that during the first weeks of November there will be meetings in Casablanca and Togo that will be attended by similar people and sponsored by the same organizations.

It was mentioned that the SC will give the organizing committee until the 15th of May to present proof of the funds that are required and a plan on how they will be moving forward. They'll ask the association to present a plan to the SC to be evaluated by Chris Daykin and Renata De Leers to ensure that it is feasible to continue with the organization of the event on the established date or if it is better to postpone it to a later date (maybe on February or March next year) or cancelled. The SC was also informed of potential reputational issues between the organizers and one of their service providers, as the association may be using material for which they have not paid.

On the various target countries of the subcommittee, it was mentioned that Senegal has a great university program under development. It is expected that his program train 20-50 actuaries with the full syllabus program.

It was mentioned that on Benin's on-going problem with the two actuarial associations, the

subcommittee agreed to provide them with assistance only once the associations reach an understanding on the type of joint activities they would like to undertake and the country manager they would like to be their representative.

Thierry Poincelin informed the committee on the progress made with the joint education program ISFA Lyon – University of Barcelona - Cheikh Ante Diop University in Dakar (Senegal)¹ to deliver a diploma for master students and a certificate 'Formateur en actuariat'.

Asia Subcommittee

The chairperson informed that they have worked on outreach activities with non-member associations, associate members and full members:

- Myanmar, no-member association. Since the seminar that Chris Daykin, Darryl Wagner and a group of local actuaries assisted to organize they have continued the conversation on how to develop the profession. They have started a dialog with the Singapore Actuarial Society to have them as mentors and to develop activities geared to education and to increase the knowledge of the profession. It was suggested to reach out to AWB as a means of building the actuarial community.
- Sri Lanka, associate member, one of the targets of the subcommittee. Darryl visited the country by the end of January and assisted to organize a mini seminar on IFRS. He also took the opportunity to talk with the leadership of the association and advised them to move forward with the Discipline process and some models they can use. They are the next likely association to become a FMA in the region.
- Malaysia, full member association. Daniel Smith from Australia visited Kuala Lumpur and met with the leaders of the association. He was informed that the country does not have sufficient credentialed actuaries to cover the regulatory requirements around general insurance. Jules Gribble, Fred Rowley, Daniel Smith and Darryl Wagner have discussed this issue and are working on a way to engage: a) with the regulator in order to understand the issue and b) with the association to assist them with ways to build the capacity and working with other associations of the region.

When abroad, participants to the meeting were encouraged to listen to the needs expressed by the various associations or stakeholders so they can share those concerns with the respective subcommittee for consideration. This is a way in which the IAA can assist its full member associations.

For the past years the Asia SC has hosted seminars in the region focused on the leaders of the region, educators, and regulators. The feedback received from the past regional seminar that took place in Chinese Taipei indicated that people appreciated the session but they did not see the connectivity of the topics or their objectives. This year the SC would like to focus on these concerns for the regional seminar that they are planning for Bangkok. Agenda will consider a general aspect and a specific one where action plans for the relation of the different associations will take place.

¹ Partners: Institut des Actuares (France) & Instituto de Actuarios Españoles

With regards to its target countries subcommittee is trying to assist Mongolia to find a program of educational assistance.

Eurasia and Middle East Subcommittee

This is the youngest A&A subcommittee. During its first face to face meeting in Zürich they discussed how to assist associate members to become a FMA. Armenia, Azerbaijan, Kazakhstan, Turkey, and Ukraine were noted as the target countries for development. As the committee understands that the various countries of the region are in different stages of actuarial development, they agreed to encourage peer to peer activities among neighboring countries to achieve the goal of developing the associations.

The idea of collecting information about the education facilities of the region was discussed. The information collected would include the universities offering an actuarial sciences program and the different sort of diplomas that are offered. This will allow the promotion of the resources available as well as the offer of educational seminars in areas that can attract enough participants from various neighboring countries.

Turkey was mentioned as one of the big associations that are not a full IAA member. It was noted that this is due to the domination that the regulator exerts over actuaries disregarding the role that the association could have. Subcommittee members agreed to work with the Turkish association to assist them to improve the situation by emphasizing that the actuary not only receives the license from the regulator but also becomes a member of the association. On this regard the Chinese association was presented as an example that faced a similar problem; the solution they found was applying a flexible approach that would allow a non-actuary that was the regulator in China to become the president of the association.

It was suggested to create a workplan-roadmap for associations ready to engage.

The chairperson announced that a regional seminar will take place of in Baku, Azerbaijan, on the 28-29 of September.

Latin America Subcommittee

The chairperson made an overview of the situation with the subcommittee's target countries:

- Chile: Eduardo and Marco are encouraging members of the association and assisting them to move forward. They presented to the association a workplan, including a chronogram and a list of activities. It was noted that this association is focusing its efforts on attracting more members and creating extra value to their current membership. The association is also working with local universities to create a valuable education program. It was agreed that a good approach to assist this association to meet its needs it through branding. The chairperson informed that the association presented a strong interest to hosting a seminar during the first quarter of 2016.
- Peru: The Subcommittee assisted the local association to host a very interesting regional seminar in November 2014. This instance encouraged the Peruvians to move the profession forward and provided the possibility to engage academic institutions on the creation of a program on actuarial science. Members from the Peruvian regulator reached out to the subcommittee requesting assistance to create an actuarial education

program. As a means to reply and understand the request there will be a conference call with members of the Peruvian regulator and association and the leadership of the subcommittee AWB and AEN to discuss the initiative and assess if there is a way to address the need as a joint effort.

- Uruguay: the existing association has been active for two years and the subcommittee is looking to engage with them.
- Central America: actuaries from various countries of the region met to create an association with a regional jurisdiction.

8. Effectiveness of Committees and subcommittees survey report

The chairperson shared the results of the past survey. It was noted that the assessment over that past two years do not present many changes giving the committee a positive evaluation. Nonetheless these results are based on the comments and views of only ¼ of the committee members. Participants at the meeting agreed that the survey answer rate is not sufficient to provide a good evaluation of the work of the committee. Committee members were encouraged to participate.

With regards to the subcommittees it was noted that approximately 14% of the membership answered the survey. It was recommended for the chairperson of the committee and the subcommittees would send a message encouraging people to answer the survey.

Action items:

- Secretariat to inform the committee what does evaluate from 1 to 5 mean.
- Secretariat to inform the chairperson of the Subcommittee how many people has answered the survey.

Secretarial note:

The survey asks people to evaluate the committees and/or subcommittees in a scale from 1 to 5, 1 being very poor and 5 being very good or excellent. Each of these numbers is assigned 20%. Once the results of the survey are received the secretariat will mark in red any item that receives less than an 80% or is evaluated lower than 4.

9. State Governance of Actuarial Profession: Russian experience.

Presentation on the [Regulation of the Actuarial Profession in the Russian Federation](#) by Irina Melnikova

10. Other business

The Certified Actuarial Analyst Designation was brought to the committee's attention as a certification that is posing some problems in the African context. It was explained that in many African countries where there are no actuaries, people holding this certification are hired to perform actuarial work that goes beyond their level of qualification.

To avoid a possible reputational problem, it was recommended that the IAA works with the IFoA in terms of communicating the distinctions between the educational background of the actuary and the certified actuarial analyst. It was further recommended to take advantage of the synergy between the IAIS and the IAA to work together with the supervisors and to build a process to set up the expectations on education.

Some of the countries of Asia face a similar situation and the question on how to protect the

profession and the people that are being asked to perform beyond their level of skills was posed.

In the case of the Latin American countries it was mentioned that regulators also face the challenge of the lack of actuaries. Some of the issues that the region faces are that people holding a certificate on actuarial science present themselves as actuaries without having a degree on actuarial science. Also there are several cases in which actuaries have received an actuarial designation from a Mexican or European association sever the links with that association and continue practicing as actuaries without complying with the requirements (such as professional development, code of conduct) from the association that gave them the actuarial designation. It is not clear how these associations ensure that its actuaries comply with the discipline and education processes of the mother association.

It was noted that the professionalism committee has looked into this issue and published a paper called "principles of international actuarial practice" where some of these issues are discussed.

Jules Gribble presented his interest to joining Themba and other members of this committee working on this issue and to provide the IAIS perspective as regulators are interested to ensure that a person is qualified to perform the task.

It was recommended to communicate to the regulator who can perform the actuarial function.

11. Close of Meeting

There being no further business to discuss, the meeting was adjourned at 17:20.

Respectfully submitted, Karla Zúñiga-Cortés

Attendance List

Chairperson: Tarmo Koll (Eesti Aktuaaride Liit)

Co-Vice-chairperson: Darryl G Wagner (Society of Actuaries)

Co-Vice-chairperson: José Luis Lobera (Colegio Nacional de Actuarios A. C.)

Members

Mohamed Amrani, Association Marocaine des Actuares

Marcos Barretto Júnior, Instituto Brasileiro de Atuária (IBA)

Bob Conger, Casualty Actuarial Society

Chris Daykin, Institute and Faculty of Actuaries

Renata De Leers, Institut des Actuares en Belgique

Giovanna Ferrara, Istituto Italiano degli Attuari

Julian De Gruchy Gribble, Actuaries Institute Australia

Xueyun Huang, China Association of Actuaries

Stuart Hamilton Leckie, Actuarial Society of Hong Kong

Steve Lehmann, American Academy of Actuaries

Vladimir Novikov, Russian Guild of Actuaries

Thierry Poincelin, Institut des Actuares

Ulrich Stellmann, Deutsche Aktuarvereinigung e. V.

Ex officio

Themba Gamedze, Chairperson, Africa Subcommittee

IAA Secretariat

Karla Zúñiga-Cortés

Observers

Estella Chiu

Ignacio del Barco

Shefik Gërbovchi

Ken Hohman

Eduardo Lara di Lauro

Bob McKay

Rafael Moreno Ruiz

Guillaume Moussa

Jasmina Selimovic