Minutes of the IAA Accreditation Committee Meeting  
Rio de Janeiro, Brazil  
November 17, 2005

Members Present:
Juan Carlos Padilla, Chairperson  
Ed Robinson, Vice-Chairperson (via conference link)  
Harvie Brown  
Cecil Bykerk  
Mo Chambers  
Jeremy Goford  
Steve Handler, Liaison, Advice & Assistance Committee  
Curtis Huntington  
Christopher Lewis (via conference link)  
Mary Frances Miller  
Peter L. Perkins

Observers Present:
Malcolm Campbell  
Sinval Chaves  
Ursulla Fidalgo  
Ramalinga Kannan  
Masakazu Masaki  
Dan McCarthy  
Katy Martin  
Tomio Murata  
Leonie Tickle  
Roland Van Den Brink  
Sweden  
Instituto Brasileiro de Actuaria  
Instituto Brasileiro de Actuaria  
Actuarial Society of India  
Japanese Society of Certified Pension Actuaries  
American Academy of Actuaries  
Secretariat  
Institute of Actuaries of Japan  
Institute of Actuaries of Australia  
Het Actuarieel Genootschap

1. Welcome Committee Members and Guests

   The chair welcomed members of the committee and guests. One change to the order of the agenda items was made: it was agreed that related items 6 and 9 would be discussed at the same time. The chair congratulated and expressed his thanks to Ed Robinson, who will continue to serve the committee as Vice-Chairperson for another year. The Chair welcomed Celeste Leclerc, a new member of the IAA Secretariat, who will take over from Katy Martin in supporting the committee’s work. The Chair expressed his gratitude to Katy for her work with the committee.

2. Approval of minutes of Washington and Rome meetings

   The committee approved the minutes of both meetings as presented.
3. **Applications for Full Membership and related Council motions under B13**

*Slovak Society of Actuaries (SSA)*
The committee had agreed by email to recommend that the Council admit the Slovak Society of Actuaries as a Full Member at its November 19 meeting. The Education Assessment Working Group will recommend to the Education Committee that Slovakia be deemed to meet the IAA Education guidelines. The committee confirmed its support of the application.

*Institut des Actuaires de Côte d’Ivoire (IACI)*
The application from Côte d’Ivoire was discussed by email. The Education Assessment Working Group review resulted in a recommendation to the Education Committee that the Côte d’Ivoire be deemed to meet the IAA education guidelines. The committee was concerned with Article 49 of the IACI disciplinary process: “Le délai d’appel et l’appel sont suspensifs.” The meaning of this clause was unclear, and thought to be a translation issue. Pending clarification of Article 49 of the disciplinary process, the committee agreed to recommend that the Council admit the Institut des Actuaires de Côte d’Ivoire (IACI) as a Full Member, at such time as the Accreditation Committee confirms that they meet the criteria for Full Membership.

*Secretarial note.* Following the meeting, the translation of Article 49 was verified to read: “During the course of the appeal, the decision to discipline the member is suspended.” In light of this clarification, the Chairperson announced during the Joint meeting of the Accreditation and Education Committees that the Accreditation Committee would recommend full membership for the Côte d’Ivoire without conditions.

*Society of Actuaries of Indonesia (SAI)*
The committee considered the revised application from Indonesia. Two issues of concern were discussed: revisions to their code of conduct and disciplinary procedure require ratification at a general assembly (to be held November 23); and the SAI’s acknowledgement that they did not meet IAA education requirements.

The committee deliberated on the treatment of new applicants should the proposed Council motion on transitional arrangements be adopted. The motion allows for the temporary dispensation of one or more membership requirements (item 8 below). It was suggested that the Council be made aware that the admission of the SAI is subject to such dispensation of membership requirements as the Accreditation Committee deems appropriate. The committee agreed to recommend admission of the Society of Actuaries of Indonesia as a Full Member, at such time as the Accreditation Committee confirms that they meet the criteria for Full Membership. The committee will require (1) confirmation that the revisions to their documents have been ratified; and (2) the preparation and implementation of a transition plan to meet IAA education requirements. The Education Assessment Working Group in conjunction with the Education Committee will monitor the plan and related reports.
Serbian Actuaries Association (SAA)
The committee decided to continue its deliberations on the application from Serbia by email. A representative from the EAWG reported that further information and clarification from the SAA was required to complete the education assessment.

In regard to applications from smaller associations, one member raised concerns with how a discipline process can work in practice when some associations have fewer than perhaps a dozen members. It was suggested that it would be worthwhile for the Professionalism Committee to consider setting up a panel within the IAA to provide discipline process services to smaller associations along the lines of the model developed in Lebanon. One member recommended that the Professionalism Committee be alerted to the issue and that they consider writing some protocols for providing assistance. Another member cautioned against financially overburdening the smaller associations so that it becomes unreasonable for them to set up an independent disciplinary process. Although balance was important, discipline can be an expensive process.

4. **2004 Confirmation Form including non-payment of dues by Associate Members**

The Secretariat reported that Iceland and Italy have not submitted the form. The education questionnaire is also outstanding from Iceland, but Cecil Bykerk reported that the EAWG had been in contact with a representative from Iceland and there was every expectation of progress. All Full Members have paid their dues. It was reported that one Associate Member is three years behind in payment of membership dues and four others are two years behind.

The Secretariat will follow-up with the Associate Members who have dues outstanding, with personal contact to be attempted where possible.

5. **2005 Confirmation Form**

The committee considered a request from the Professionalism Committee to include several questions related to the newly released International Actuarial Standards of Practice (IASPs) on the 2005 Confirmation Form. There was concern that the confirmation form could become too lengthy and confusing with these additional questions. One member felt that the form should clearly indicate that these questions were additional information requested by the Professionalism Committee and that they were not a membership requirement. It was suggested that these questions should form part of a separate survey instead. Further, the order of the questions should be re-arranged to ask if IFRS applies in the jurisdiction, and then if the association has adopted or endorsed the IAA IASPs 2-8. There must be the possibility to answer “don’t know”, and links to the texts of the IASPs would need to be provided. It was agreed that the questions should be referred back to the Professionalism Committee for reconsideration and to address these problems.
6. **IAA Membership Requirements and Compliance**

The chair outlined the need to establish a committee procedure to clarify membership requirements and to outline the consequences of non-compliance. A change to the statutes and internal regulations of the IAA should not be necessary rather the focus would be on the clarification of membership requirements while maintaining a level of flexibility in their implementation.

Under the proposal, the decision to downgrade a Full Member to an Associate Member is made by the Accreditation Committee. Some members expressed discomfort with the process of automatic termination of Full Membership privileges without the Council taking explicit action. The issue of an appeal procedure was flagged and it was noted that, as the procedure is written, termination of membership can occur before the next Council meeting. One suggestion for improvement was to add the words “ratified (or possibly over-ruled) by Council at the next Council meeting” whereby the Accreditation Committee could still act under delegated authority but its decision would not take effect until the next Council meeting. An association would then have the opportunity to appeal the Accreditation Committee’s decision to Council.

It was pointed out that there should perhaps be a different rule for on-going non-payment of dues than for other kinds of non-compliance issues. The Vice-Chair recommended that the committee’s proposal be circulated to member associations at the earliest opportunity for comment and feedback. The Chair summed up the need to hold further discussions by email in order to refine the procedure, and that the committee should aim to have a final proposal ready for the 90-day Council agenda for Paris. The Vice-Chair agreed to update the procedure to take account of the committee’s comments and to prepare a decision tree.

9. **Criteria for Membership: Review and clarification of documentation required to achieve membership in the IAA**

The Vice-Chair updated the committee on the work of the task force and invited interested committee members to contact any task force member if they wished to participate in the discussions. One member reflected on the fact that once an association was accepted as a Full Member, there was no further obligation to show up at meetings, or to participate in the work of the IAA. Should there not be a moral obligation to maintain contact and participate? It was pointed out that smaller associations with limited resources may not be able to participate as much as they would otherwise like. The chair agreed that universality of participation was an ongoing challenge for the IAA, and an issue of concern with the Strategic Planning Task Force.

Because these issues were related to professionalism, i.e., discipline requirements, codes of conduct, etc., it was agreed to invite the Chair of the Professionalism Committee to appoint a representative to the ad hoc Task Force. A further suggestion was put forth to request that the Professionalism Committee explore the possibility of setting up a permanent discipline subcommittee to assist smaller associations with disciplinary matters. The Chair
urged members of the committee to take a critical look at the Criteria for Membership proposal and provide comments to the Task Force.

7. **For Information: Council agenda item on revised Terms of Reference**

   The Committee noted that the revised Terms of Reference had received the support of the Nominations Committee.

8. **For Information: Council agenda item on transition arrangements for Full Members in non-compliance with education requirements**

   The Vice-Chair corrected the impression that the transition arrangements were only for non-compliance with education requirements. In fact, a temporary dispensation from any one or more specific membership requirements could be granted.

10. **Other Business**

    The Chair announced that the next meeting will be in Paris in May 2006 and expressed his appreciation to everyone for their valuable help and assistance in moving the committee’s work forward. There being no further business, the meeting was adjourned at 12:05.