



Annual Report to Council from the Executive Committee for the year 2015

The role of the EC, as mandated through the Statutes, is:

1. To carry out the operational aspects of the IAA.
2. To prepare strategy proposals and material for consideration at Council meetings.
3. To monitor the implementation of the Strategic Plan.

The EC is into its fifth year of operating under its new structure and, for the first few years, focused primarily on operational issues and putting in place good governance practices in support of its expanded mandate. Now that it is functioning well in its new environment and that the operational aspects of its responsibilities are well-established, the EC is able to devote more time to strategic issues.

For 2015, the EC had set seven goals for itself as follows:

1. Align the committees with the IAA strategic goals

In an environment of scarce resources, alignment is crucial to achieving strategic goals effectively. The EC reviewed all committee and Section activity and workplans and confirmed that they broadly align to the adopted IAA Strategic Plan, while recognising that some priorities needed revision.

2. Finalize implementation of recommendations of 2013 governance review

The EC has prime accountability for implementing and operating effective governance systems. The final report of the Governance Review Task Force approved in 2014 contained three sets of recommendations with implementation periods ranging from 1 to 3 years. Less than two years following adoption, all recommendations have been addressed. Some – such as increased stakeholder engagement – have already been implemented through the Committee structures, and others will become part of IAA operations and will be documented and implemented by the Secretariat.

3. Continue to monitor implementation of stakeholder engagement plan

The stakeholder engagement plan is a key step in focussing the IAA's activities in a way that recognises stakeholder interests appropriately. Initially, the focus was on Full Member Associations, but the plan is now being extended to other Associate Member Associations, supranational organizations and regional actuarial groups. The EC has instituted a process to survey informally Full Member Associations on a rotational basis annually.

4. Elaborate on value proposition

The EC did not advance this goal as it is preferable to await the outcome of the FMA engagement plan.

5. Improve the effectiveness of committees

From the results of the effectiveness of committee surveys in contributing to the IAA's strategic goals, and through private discussions with Committee Chairs, the EC has observed improvements at many levels.

Through a process of continuous review, various changes to the structures of the IAA have been made during the year, in order to reflect changing strategic priorities.

6. Improve recognition of the actuarial profession among external audiences

The promotion of the profession to the most relevant supranational bodies is a key strategic goal for the IAA. Many EC members have been involved during the year in managing relationships and/or producing and delivering our input to bodies such as the IAIS, IOPS and the IASB, in stimulating collaborations with bodies such as the World Bank, and in various communications with many other global organisations including the UN and the OECD.

7. Approve a branding workplan

The branding workplan – which includes branding activity both for the global profession, and for the IAA itself – has been finalised and approved and is now being implemented.

Attached as Annex 1 to this report is a more detailed listing of activity and accomplishments of the EC in 2015. These activities and accomplishments are organized broadly by areas of EC responsibility.

2015 Executive Committee Activities and Accomplishments

IAA STRATEGIC MATTERS

IAA Strategy: General

1. Reviewed a report from the SPS mapping Committee, Section and Working Group workplans and activities to the strategic plan
2. Asked committee Chairs to consider how the work of their respective groups could further contribute to the strategic objectives.
3. Recommended updates to the strategic plan.
4. Supported the creation of a task force to develop a survey on the state of the profession.

SO 1: Identify, establish, promote and maintain relationships with key supranational audiences and provide them with actuarial input to improve the soundness of decisions being made on important issues with a global impact.

1. Improved our ability to work effectively with a broad array of supranational organizations by replacing the Supranational Relations Committee with a structure of relationship managers who are tied more closely to the IAA's committee structure and by introducing new reporting and tracking tools to monitor our progress.
2. Approved a paper on the role of the new supranational relationship managers and delegates, and assignments to external organizations.
3. Promoted regular engagement with key supranational organizations with the goal of strengthening our relationships and impact.
4. Provided actuarial input into the work of several supranational organizations, including the IAIS, the IASB, the OECD, IOPS and others.
5. Developing general guidelines for IAA engagement with supranational organizations to assure that our relationship with them aligns with the IAA strategic objectives.
6. Approved a revised MOU with the Organization for Economic Co-Operation and Development (OECD) and with the International Accounting Standards Board (IASB), and a new MOU with the International Labour Organization (ILO).
7. Approved engaging with UNEP (United Nations Environment Program) through the Resource and Environment Working Group.
8. Supported issuing a statement supporting the goals of the COP21 talks on climate change, and emphasising the roles actuaries can play in this field.

SO 2: Facilitate the coordination, use and expansion of the scientific knowledge and skills of the actuarial profession, including beyond the traditional areas of actuarial practice, to help enhance the scope, availability, and quality of actuarial services offered by individual members of its member associations.

1. This activity is carried out mainly through the work of Sections. The President presented on relevant topics at the colloquia of the IACA, Life, ASTIN, AFIR-ERM and PBSS Sections.
2. IT needs analysis has indicated that Secretariat IT should in future support more comprehensive and capable knowledge management and accessibility functions, in conjunction with Sections and ICAs.

SO 3: Establish, maintain and promote common standards of actuarial education and common principles of professional conduct. Promote the development and issuance of actuarial standards in the jurisdictions of all Full Member Associations, and the global convergence of actuarial standards.

1. Approved the following documents submitted by the Actuarial Standards Committee (ASC):
 - a. Final ISAP 3 – IAS 19 Employee Benefits and the Revised Glossary
 - b. Statement of Intent for ISAP 1A – Governance of Models
2. Created a task force on continuing professional development (CPD) requirements for FMAs and supported their recommendation that Full Member Associations be required to have CPD requirements for their members. A formal recommendation will be finalized for Council approval.
3. Engaged in discussions with ASC and Professionalism Committee to redefine the targeting of ISAPs.
4. Engaging with Education Committee on new syllabus content and implementation plan.
5. Revisiting the definition of convergence in today's environment.

SO 4: Support the development, organization and promotion of the actuarial profession in areas of the world in which it is not present or is not fully developed.

1. Presentations by President at IAA Fund event in Bangkok in support of the A&A Committee and AWB Section.

SO 5: Provide a forum for discussion among actuaries and actuarial associations throughout the world.

1. Discussed proposal for meeting venues for 2018 to 2020 and is finalizing recommendations to Council.
2. Congresses
 - a. Received report on financial outcome of ICA 2014.
 - b. Received regular updates on ICA 2018.
 - c. Reviewed proposed regulations for ICA 2018 and recommended Council approval.
 - d. Issued call for bids for ICA 2026 and considered expressions of interest.

SO 6: Branding: Improve recognition of the actuarial profession among external audiences, including employers, other professionals, academics, business at large, policy makers, regulators, students, and the public.

1. Asked committee Chairs to consider how the work of their respective groups could further contribute to the branding efforts.
2. Approved proposed branding action plan.
3. Reviewed proposed branding messages and supported a recommendation to engage with external experts to verify the value, accuracy and positioning of the message.
4. Supported issuing a statement on climate change.

IAA OPERATIONAL MATTERS

1. Approved the recommendations from the Nominations Committee for the appointment and re-appointment of Chairs and Vice-Chairs to committees, IAA Delegates to Sections and members of certain limited membership committees.
2. Disbanded the Publications Subcommittee and expanded the terms of reference of the Branding and Communications Subcommittee (BCS) to include publications.
3. Approved the appointments of members to its subcommittees (BCS; Strategic Planning).
4. Regularly updated/re-evaluated the EC Strategic Goals and Agenda Planning for 2015.
5. Developed proposed Council workplan for 2016-2017.
6. Approved appointment of EC liaisons to committees for 2015.
7. Considered the results of the effectiveness of committees` survey for 2014.
8. Approved committee template to help determine the need for a new committee, for disbanding an existing committee or to help an incoming chair understand how the committee works.
9. Received regular updates from the Secretariat on staffing and developed a succession plan for Executive Director.
10. Received regular updates from the Secretariat on the IT needs analysis and recommendations for improvement.
11. Approved development of compensation policy for IAA Secretariat.

IAA GOVERNANCE MATTERS

1. Considered the report form the Task Force on Recommendation 3 of the governance review re voting rights and geographic representation. Agreed to maintain status quo, but requested Nominations Committee implement an expanded diversity report as part of its reporting to Council.
2. Updated Council on implementation of recommendations from report of Task Force on Governance Review.
3. Reviewed regular reports on Full Member Association (FMA) engagement plan and repeated 2014 exercise of informal interviews with select FMAs (this will occur annually on a rotational basis).
4. Considered the report of the Risk Oversight Task Force.
5. Invited Chairs of Education, Scientific, and Actuarial Standards Committees to present to EC on their work.

IAA FINANCIAL MATTERS

1. Recommended membership dues and budget for 2016.
2. Reviewed 2014 audited financial statements, approved the creation of funds for the allocation of the ICA 2014 surplus, and reviewed 2015 quarterly statements and year-end forecast.
3. Monitored committee budgets for 2015 and approved committee budgets for 2016.

Fred Rowley, President