



INTERNATIONAL ACTUARIAL ASSOCIATION
Leaders' Forum Meeting
November 20, 2016 – 15:30 – 18:00
Cape Town, South Africa

Minutes

Officers

Tom Terry	Chair, President-Elect
Malcolm Campbell	President
Fred Rowley	Immediate Past President

Executive Committee

Jane Curtis	
Micheline Dionne	(ISAP 4 Chair)
Peter Doyle	(Branding and Communication Chair)
Tarmo Koll	(Advice & Assistance Chair)
Mike McLaughlin	
Tomio Murata	(Accreditation Co-Vice Chair)
Dave Sandberg	(Insurance Regulation Chair)

Committee Chairs

Thomas Béhar	Scientific
Cecil Bykerk	Audit and Finance
Bob Conger	General Insurance
Barbara D'Ambrogio-Ola	Social Security
Yasuyuki Fujii	Pensions and Employee Benefits
Alf Gohdes	Actuarial Standards
William Hines	Insurance Accounting
Ken Hohman	Accreditation
David Martin	Professionalism
Emile Stipp	Health

Section Chairs

Michael Sherris	AFIR/ERM
Doug Carey	AWB
April Choi	IAAHS
Abraham Hernandez Pacheco	PBSS
Cathy Lyn	IACA
Marc Slutzky	IAALS
Michiel Van Der Wardt	ASTIN

Invited Guests

Adrian Baskir	Vice-Chairman. IAAHS
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Staff

Nicole Séguin	Executive Director
Carol Ann Banks	Director, Operations and Finance
Christian Levac	Director, Communications and Membership
Karla Zuniga	Coordinator, Communications and Membership
Amali Seneviratne	Director, Technical Activities

Regrets

Bozenna Hinton	Education (Vice-Chair)
Réjean Besner	Enterprise and Financial Risk
Francis Ruygt	EC Member

1. Introductions and approval of the Agenda

Chair Tom Terry called the meeting to order, welcomed the attendees and asked those present to introduce themselves. The agenda for the meeting was approved as presented.

2. Approval of the minutes from the Saint Petersburg meeting

The draft minutes of the Saint Petersburg meeting were approved as presented.

3. IAA Report on Supranational Relationships and MOUs

Nicole reported that the supranational chart had been updated with the comments from the previous meeting. The chart is colour coded to show the priorities and activities for each identified organization. She stressed the importance of keeping Carla Melvin informed if any of the committees are working with the Supranationals. Tom explained that the EC and Officers discuss the importance of these organizations to the IAA on a regular basis – should they be upgraded or downgraded? For instance – the sub-committees to a lot of work with the OECD and they have suggested that there are more areas where the IAA could be involved- should we?

As the relationship manager with the IAIS Dave Sandberg reported that the Microinsurance Working Group is working on a joint paper with them to be published in the third quarter of 2017. The Working Group is also working on a project with the IFoA and SoA to develop a microinsurance syllabus and course materials that can be added to the IFoA's CAA qualification, which could serve as a recognized microinsurance actuarial qualification.

These topics are of interest to a variety of IAA committees and could be an opportunity to “professionalize” the microinsurance industry. It is one way for the IAA to work with the regulators to facilitate the growth of emerging markets. The committee asked Dave to provide regular reports on the progress of the two papers.

4. Upcoming News Releases

Christian reviewed both the past and upcoming planned news releases. Committees were reminded to provide Chris with an update on their work particularly as it relates to strategic topics or material of interest and relevant to the FMA's.

5. Executive Committee Issues

- **Workplans and Strategic Plan Alignment**

Tom explained that the Workplans are a vehicle for monitoring the IAA work. Elements of the workplan are mapped to the strategic Objectives. The EC recognizes that the format may be imperfect and they are always open to feedback on how to make it better. Previously, one of the roles of the Strategic Planning Subcommittee was to review the Committee and Section workplans to ensure that there was alignment between the strategic goals of the IAA and the work being done by the Committees and Sections. The reviews were carried out by members of the SPS using a template developed to assist the reviewers with their work. This process was deemed to be cumbersome and not well understood. Going forward, the EC Committee and Section liaisons will be doing the plan reviews and have been asked to engage in a conversation with the Committee Chairs. The results of the reviews are summarized and given to the EC as it is their ultimate responsibility to ensure cohesion amongst the volunteers and adherence to the IAA goals.

April suggested that the due date should be sent to all committees and Sections at the beginning of the year. Several people commented that the timing of the deadlines makes it hard to decide so far ahead. There were suggestions that the plans could be put on a 18 month rolling cycle or a 3 year cycle but these would not necessarily serve the intended purpose.

Strategically, the workplans should be identifying to the EC the resources required and the upcoming projects so they can review in-light of what is important. Each committee or Section is not required to identify activities under all strategic Objectives. The Committee Chairs need to have input from the liaisons to ensure that they understand what is relevant.

Workplans drive the budget. The Secretariat includes a placeholder in the preliminary budget based on last year's actuals plus a buffer. Based on the numbers received from the Committees the final numbers are submitted to the EC and ultimately to Council. The budget timeframe does not affect the Sections as they create and monitor their own budgets which do not require Council approval.

There should be ongoing discussions about the workplan at every meeting which should also include teleconference meetings in between the two in-person meetings.

Do the workplans go to the FMA's? No. Are they posted on the website? Not currently, but they can be. Many FMA's have delegates on committees so even if there is a report to the FMA's from the delegates there should also be a summary report from the EC to Council. Chris explained that the 6 newsletters every year are excellent

communication vehicles. There are also two special newsletters produced, one after each face to face meeting to tell the FMA's what is happening at the IAA. It is an opportunity and the responsibility of each committee to report their activities in a strategic fashion to encourage engagement and promote the work of the IAA.

Committee member responsibilities – Chairs should be reminding their members to report back to their FMA's and inspiring them to promote the IAA. Often delegates are required by the FMA's to share and contribute to the IAA and report back to them. Should the Chair provide bullet points to the committee members to report back to their FMA's? No. Committee members can use the minutes to report to their FMA's. IFoA requires their delegates to provide a report of the IAA activities but there should also be a focus on communication that is strategically focused. This should come from the newsletter but it is dependent on what is provided by the committees.

The Branding and Communications sub-committee discussed the communication of each work product. Who will be responsible to vet them? Published papers, monographs etc. need to use a consistent message. There is a formal review process for all work products that are published outside of the meetings to ensure that the messaging is consistent. Do Sections need to go through this process? Branding can sometimes be confusing between the Sections and IAA committees. Peter's comment was that if it is an internal document for members only no, but if it becomes an IAA document it needs to be subjected to the formal review process. Sending work products for review by the Communications and Branding Committee can only help improve the messaging and the product.

For a long time, the IAA has been communicating with, and asked to respond to, the Supranationals on a variety of topics. As the IAA receives more of these requests we need to be aware of to whom and how we communicate. Sometimes actuarial work overlaps with other professions i.e. accounting, for instance, so we need to think critically about the issues. There could be a risk to the IAA if we stray too far from commenting on things not within the actuarial profession. The IAA may be asked to endorse something, but should we? We do not want to diminish the influence of the IAA.

Dave Sandberg – Historically the IAA has been reactive but sometimes we need to be proactive especially when addressing new issues i.e. Big data, consumer discloser etc. New areas are tricky when actuaries are not necessarily the experts, where do we go with these questions to clarify?

Cathy Lynn - The public already sees IAA as having credibility so what we respond to will affect that image.

How do committee's assess risk at the committee level? Committees should evaluate and identify risks as a standing agenda item. The Audit and Finance Committee is responsible for risk oversight for the IAA and should be monitoring/asking what the committees are doing. It is important to create a culture of risk mitigation.

- **International Actuarial Platform**

The EC will decide about working with the DAV on the platform by November 28, 2016.

- **Strategic Planning Day**

At the meetings in Saint Petersburg, the EC decided it was time to review the Strategic Plan. The process started in July/August by the EC members interviewing the FMA's. The comments from the interviews were accumulated and disseminated on Thursday to the EC and Strategic Planning Subcommittee during their day long discussions about the Strategic directions for the IAA. The three main things to come out of the session were:

1. The group confirmed that the objectives are correct as they stand. There may be some tweaking required to improve the language but not the intent.
2. We need to rationalize our structure. We currently have 65 committees, working groups and sub-committees and may be looking to reduce that number.
3. We need to prioritize and focus our work by putting our energy and resources into things that are most important. The EC is requesting a due increase of \$1.00 from Council which we anticipate will invoke questions about what we are doing and how are we prioritizing our work.

Abraham – One way to limit some of the activities is to review the IAA's research efforts. It is not an objective of the IAA to produce research. Section Colloquium should be the place to publish and discuss research products. Producing research on emerging topics may enhance our partnerships with the FMA's.

Marc – The Life Section has never been asked for input or funding to support the work of Committees. The Section itself does not take positions on anything, it promotes the products /research of its individual members. It could be useful to create a stronger relationship between Sections and Committees.

Should the IAA facilitate the opportunity to FMA's to discuss common issues? Currently the IAA fills this need at the macro level by building the infrastructure to facilitate discussions and providing information to help the FMA's look at things from a higher level.

Cathy – It is important to encourage young actuaries to attend meetings and engage with the IAA. Committees and Sections should invite students to attend their meetings. IACA has a Young Consulting Actuary High

Achievement Award for actuaries under 40 who have distinguished themselves. They are also working on a tool kit to encourage younger actuaries to become involved in their profession.

6. Other Items

Malcolm thanked Tom for his leadership at the Forum over the past year

The meeting was adjourned at 5:30 pm local time. The Leaders Forum will meet next in person in April 2017 in Budapest.