

Report of the Secretary General to the Council Meeting Rome, Italy, June 16th 2005

Secretariat

It has become a standard feature of my report to point out that the level of activity supported by the Secretariat has been on the rise. This reflects an increase in the activities of volunteers at work in Sections, Committees and Workforce as well as outreach activities. On behalf of the IAA, I wish to thank you all for your generous support.

Nicole Séguin, Christian Levac and Katy Martin have been kept busy with a combination of regular and special activities, not the least being the preparation of this meeting in Rome where we expect a record number of delegates and meetings, including for the first time the Presidents' Forum. They have been well supported by the CIA staff under the direction of Daniel Lapointe, the new Executive Director of the CIA attending his first IAA meeting here in Rome. Rosemary Leu, CIA Finance Director, whom you met in Washington, is also with us; she has been particularly involved in work on our budget and financial statements, the audit, the insurance coverage and the legal issues.

We issued a fairly long Newsletter in March 2005 which reflected the activities surrounding the numerous meetings in Washington as well as various development in the global profession. Similarly we will be issuing a Newsletter following our meeting in Rome,

Nicole has been providing organization and on-site support for the Latin America region of the IAA Fund in Panama on February 15 & 16th. On her way to Panama, she took advantage of a stop-over in Mexico City to meet with the staff of the Sheraton Historico Hotel, our venue for the April 2007 meetings. A few days ago she was in Washington for a special meeting of members of the A&A Committee with representatives of the World Bank, USAID and FIRST. Nevertheless she attended with me a meeting with the Committee of the 2006 International Congress of Actuaries in Paris last Friday before joining some of us for an IAA Alumni Dinner in Brussels last Saturday night, in memory of the old times! We should all thank Nicole for the energy she invested in the organization of this dinner despite an already full work schedule.

Christian has been quite busy with the redesign of the Web site. That was not a series of incremental changes but a strategic move to a different approach that should allow us to more efficiently manage in a timely manner, a growing number of links and multi-lingual documents. We now have email addresses for over 28 700 actuaries worldwide, with almost 4000 of them having opened an account. We hope that with the added facilities, this number will keep growing,

Over the period from March 1 to May 31 we counted 82,393 hits on our website. These hits are distributed as follows:

About the IAA: 5,907
Council: 2,647
Committees: 25,521
Library: 5,973
Library search: 205
Events: 7,029
Sections: 22 998
Membership: 4,702
Translation:
Other Member Tools: 281

There is still a certain amount of upgrading and programming that is ongoing to ensure all links are functional as planned. The next step is the improvement of the Sections web sites that are being given a more distinct and personalized look. These sites are integrated in the IAA web site for ease of navigation for our members but we have also secured a domain name for each of our Sections to make them easier to locate on the Internet.

Katy Martin has been kept quite busy with the coordination of the receipt of responses to the education questionnaire and annual confirmation forms. She is also the person processing the Associate and Full member applications forms in support to the Accreditation Committee. But a major task remains the coordination of the Public Statements and potential IAA Standards regarding International Financial Reporting. All Public Statements since November 2004 have used the Fast Track procedure which did away with the ballot process. In addition to the 7 Standards prepared by the Sub-Committee on Actuarial Standards which follow a similar procedure, she managed the Interim Assessment of the Morris Review prepared by the professionalism Committee, 5 statements prepared by the Insurance Regulation Committee and 4 statements prepared by the Insurance Accounting Committee.

Representations

Since last November, I had the privilege of representing the IAA in two occasions: one in Lebanon February 20th to 22nd 2005, just a week after the assassination of former Prime Minister Hariri, the other one just a few weeks ago, May 30th and 31st in Taiwan.

The 9th Regional Pension and Social Insurance Conference Beirut, organized by the national Social Security Fund and the Muhanna Foundation was held under the auspices of the President of the Lebanese Republic and regrouped participants from 21 countries, mostly in the regions. The venue of the Conference had to be changed at the Last minute given the damages suffered by Hotel Phoenicia. I was invited to speak at the opening ceremony and also to present a communication in the first session. The key participants were invited to meet with the President General Emile Lahoud at the Presidential Palace.

In Taipei I presented the Opening remarks at an International Pension Forum organized jointly by the Taiwan Insurance Institute and the local Actuarial Association of Taipei with support from the IAA Fund. There were about 100 attendees from Taiwan, Hong Kong, mainland China as well as from 5 other countries. 10 media were represented at the Press Conference which I attended with Chris Daykin and representatives of the sponsoring organizations.

Congress Bursaries

Thank you to ASTIN who issued a challenge to other sections and member associations to contribute to the Congress Fund for 2006. This challenge has already generated additional funding with more expected. At this meeting the Member Services Committee has taken steps to put in place a selection process but we are dependent on your suggestions to reach out to the best candidates, not only to those that already know the IAA.

Financial Statements for 2004

The financial statements at December 31, 2004 have now been audited. Attendance at our meetings in Stockholm and in Washington was much higher than expected, with a record attendance in Stockholm of 170 delegates. This resulted in much higher costs for both of our meetings in 2004. Combined with the increased activities at the committee and leadership levels, we ended up with a much higher deficit than originally anticipated, C\$114 000 versus C\$44 000, an excess of about C\$60 000. We must remember that the IAA was trying to operate in 2004 on a budget increase of C\$0.50 which had been set three years ago.

Over C\$7 000 of the excess deficit was the cost of printing the book "A Global Framework for Insurer Solvency Assessment". I am pleased to report that we have nearly exhausted our supply, thereby recovering our printing and shipping costs. C\$27 000 was due to meetings costs and C\$18 000 for committees and representation expenses higher than expected; there was C\$ 10 000 for additional staff costs; other positive and negative differences being in balance,

Revised budget for 2005

The importance of the work of the IAA for the profession worldwide is becoming more and more evident and, in order to continue this work, funding is needed. After seeing the numbers for 2004, we decided to issue a revised budget for 2005 in order to allocate more money to our meetings and committee activities. With attendance at these meetings in Rome exceeding 200 and with the addition of the Presidents' Forum, this was a wise decision as we would have more than exceeded our original budget for the meetings line. The revised budget for 2005 is up for approval at this meeting. It includes a provision for adding another person to the IAA staff later this year, in August or September to cope with the increase in the workload.

Draft budget for 2006 and proposed dues

A draft budget for 2006 has been prepared in view of helping us determine the level of dues that will be required in 2006 to support the IAA activities, which we are proposing be set at \$12.50 CAD for 2006. The final budget will be submitted for approval at the Council meeting on November 19, 2005 but the level of fees should be decided now to facilitate budgeting by our member associations.