

INTERNATIONAL ACTUARIAL ASSOCIATION

**Chief Staff Officers Meeting
Friday, March 5, 2010 – Cape Town, South Africa**

Minutes

See [Appendix A](#) for a list of attendees

1. Welcome and introductions

The Chair, Anno Bousema, welcomed the attendees to the meeting.

2. Agenda

Anno stated that the agenda will stem from topics that were on the agenda at the Estonia meeting and also the ICA 2014. Greg Heidrich suggested discussing the current policy of IAA administrative support.

3. Framework and practice of classification, implementation and maintenance of professional codes, rules, standards, etc.

Anno Bousema introduced the topic of protocols in each respective association for maintaining professional codes. He stated that in The Netherlands, every year an accountant must sign a paper stating what mistakes were made and outlining his/her procedure. Once every five years an audit team reviews it. The actuarial profession has not yet reached that level. The Netherlands has 870 actuaries (full members).

Mary Downs said although there are five U.S. associations, the American Academy of Actuaries is the one where standards are set in a disciplinary body. A complaint can be made to the Actuarial Board for Counseling and Discipline (ABCD). There is also a Committee of Qualifications which establishes qualification standards which include CE requirements.

Greg Heidrich said the Society of Actuaries has adopted mandatory continuing development professionalism standards which is essentially a self attestation of compliance to the SOA. It is indicated in the actuarial directory whether actuaries are compliant or not. There is a random audit process where approximately 100 actuaries are contacted for an audit and are tested.

Yvonne Lynch said that in Ireland there is a mandatory CPD scheme as well, with two years of reporting at this stage. She indicated that during the first year there was a high degree of compliance, with only one member in non-compliance owing to not paying dues. During the second year, the level of compliance was almost 100%. Other standards in Ireland ensuring quality of work include a mandatory peer review which has had heated debates. She said that such feedback would improve the quality of the process. There were work errors identified but none led to disciplinary actions against the actuary. She mentioned that under Solvency II, the head of the actuary division does not have to be an actuary.

Emil Boeke and Wim Els reported that in South Africa, it is also done with self attestation. At the end of 2009, there were 10 out of 400 actuaries who did not comply which included students from overseas.

Cynthia Ziegler said that the Casualty Actuarial Society supports the ABCD. It has a proposal for discussion at its March Board meeting which includes an attestation requirement. The proposal of CPD will only affect those that are not Academy members or Canadian Institute of Actuaries members.

Caroline Instance stated that in the UK there is a CPD requirement which is mandatory and compliance is covered for all members, followed by a detailed check of 5% of the members.

Michael Steinmetz reported that in Germany there is no formal review of the work of actuaries. In 2012 there will be a voluntary CPD certification.

Japan does not have a mandatory CPD or a monitoring system. There are very few cases of problems cited.

4. **Update on IAA issues**

Nicole announced a new IAA annual report which will be online by the end of March. There will also be a governance restructure with an overhaul of the IAA's Statutes and Internal Regulations. In addition, there will be a review of all documents to see if they are compliant with Canadian and Swiss law. This will be discussed and voted on at the Council meeting tomorrow.

There will be a new, smaller Executive Committee which will hold monthly conference calls and provide monthly reports to the Council.

The IAA is also working with the CERA treaty board to provide some form of administrative support. There will be a section of the IAA website addressing CERA.

Greg asked about the policy of administrative support to the IAA Presidents and Presidents Elect. Nicole indicated that the IAA financially supports the Secretariat and President for travel and accommodations, but that there is no financial support for the President-Elect or Past President. The IAA is reviewing the policy.

5. **Update on European Actuarial Academy (EAA) developments (see slides [here](#)).**

The European Actuarial Academy was founded on 29 August 2005, by the actuarial associations of Germany, Switzerland, Austria and The Netherlands. These four associations are also the EAA stakeholders. Its foundation was a response to the increased demand from Central and Eastern European countries for actuary professionalization. The EAA strives to become the knowledge centre of European actuary education and has on offer:

- Actuarial education, including examination
- Permanent education for (certified) actuaries
- Consulting on actuarial education.

6. **Education Benchmarking (SOA and UK)**

Trevor Watkins and Ken Guthrie presented on the educational standards and CERA. Trevor stated the FSA provides administrative support for CERA development. Currently, they are establishing an association in Switzerland. There is a review parliament chaired by Harry Panjer which is designing a template for submissions which will be used by many associations.

Ken Guthrie mentioned a subgroup that is making an assessment of the UK application which will be a model for associations. Greg added that there is parallel work to finalize various legal arrangements such as transferring intellectual property rights and the status of registration.

Trevor said that there are training exercises with a small subgroup led by the UK and including available observers. With the practitioners who already have expertise there will be a separate route to get the reward only after an initial quality review.

Greg indicated there is a limited window for those who receive the credential, only 45% of applications have been accepted.

Cynthia said the CAS has volunteer groups on syllabus readings and another group preparing exam questions to resubmit them in a corrected form. The first exam will be in the first half of 2011. She said the Joint Risk Management Section members might be the first to have interest in the CERA credential.

7. **Leadership development**

Cynthia reported that CAS volunteers are working on a module for the Spring meeting. The NAAC, which consists of members from the United States, Canada, and Mexico have a Joint Leadership Development Task Force which includes the Executive Director and chair of each leadership development committee of each member organization.

Greg stated the SOA has a formal orientation process for new Board members.

Mary said there is a mega meeting which hosts a joint orientation meeting for new members of the boards of all five U.S.-based organizations.

There will be another meeting of the Chief Staff Officers at the IAA meeting in Vienna, Austria. Michael Steinmetz will chair the meeting.

Appendix A

Attendance

Delegates

The Netherlands: Actuarieel Genootschap & Actuarieel Instituut, Anno Bousema, *Chairperson*
Germany: Deutsche Aktuarvereinigung, Michael Steinmetz
Ireland: Society of Actuaries in Ireland, Yvonne Lynch
Japan: Institute of Actuaries of Japan, Yoshihiko Tsuji
Japanese Society of Certified Pension Actuaries, Takashi Mizukami
South Africa: Actuarial Society of South Africa, Wim Els and Emil Boeke
United Kingdom: Institute and Faculty of Actuaries, Caroline Instance (by telephone) and Peter Dingwall
United States: American Academy of Actuaries, Mary Downs
Casualty Actuarial Society, Cynthia Ziegler
Society of Actuaries, Greg Heidrich
International Actuarial Association, Nicole Seguin

Regrets

Brian Graff American Society of Pension Professionals & Actuaries
Marika Gularnik Estonia, Eesti Aktuaaride Liit

Observers

Tina Getachew American Academy of Actuaries, minutes
Ken Guthrie Society of Actuaries
Trevor Watkins United Kingdom