



Report to Council From the Executive Committee Conference Call Meeting November 9, 2010

1. Strategic Planning Subcommittee (SPS)

The EC approved the reappointment of Thomas Béhar as the EC liaison on the SPS for 2011. This will provide continuity for the discussions at the Presidents' Forum on the risk assessment of the IAA strategic plan, a topic for the agenda at the Sydney meeting.

2. Communications Subcommittee

Following the Vienna meetings, a news release was issued to report on the address given to Council by Peter Braumüller. The next one will be to announce the release of the paper on Internal Models. Roughly 20 topics have been collected from Section and Committee chairpersons; these have been communicated to the Communications Subcommittee for the planning of future news releases.

3. Supranational Relations Subcommittee (SRS)

A standard template for Memoranda of Understanding has been developed and is being considered.

4. Actuarial Standards

a. Professionalism Committee/Actuarial Standards Subcommittee

Since the meetings in Vienna, and upon further reflection, it was felt that if the Standards Subcommittee were to report to the EC, it would strengthen the independent role of the Professionalism Committee as the overseeing group and that, for clarity, it should be renamed the Standards Oversight and Professional Conduct Committee (SOPCC). This would not mean that the EC would become involved in the writing of standards, but rather it would enable it to ensure that the Actuarial Standards Subcommittee was addressing its agenda adequately, given that the EC has a higher standing within the hierarchy of the IAA and is better positioned to resolve on a timely basis any issues that may arise.

On the basis that this was meant to be a transitional arrangement, it was agreed to name the Standards Subcommittee the Interim Standards Subcommittee and to have it report directly to the EC, on the understanding that the restructure would be reviewed by the end of 2012.

It was also agreed that the Interim Actuarial Standards Subcommittee should only deal with items that will become standards, and that Actuarial Notes should remain the responsibility of the SOPCC.

The priorities for the development of standards were identified as IFRS4, Generic, IAS19, SocialSecurity, ERM.

It was important to complete the work relating to IFRS4 as it will be published in June 2011 and the actuarial standards should accompany it. The EC agreed that the generic standard needed to be advanced in parallel with and simultaneously with the standard for IFRS4.

b. Task Force on Due Process for International Actuarial Standards

The current due process requires the submission of a Statement of Intent (SOI) that is supported by the Professionalism Committee and approved by Council. This form of due process had caused undesirable

delays, as was experienced with the SOI for IASP2, and should be revisited. It was proposed to create a Task Force on Due Process (TFDP) reporting to the EC to review both the current and previous processes and to recommend a more efficient due process. A proposal of a revised due process should be a discussion item for Council in Sydney, and for approval either by electronic ballot following the meeting in Sydney or in Zagreb in September 2011. The report of the TFDP should also propose a suitable more permanent structure for addressing standards.

c. *Council Motion*

It was agreed to put a motion to Council to amend Strategic Objective 3 as follows:

"Promote the development and issuance of actuarial standards in the jurisdictions of all FMAs, and the global convergence of actuarial standards."

5. Memoranda of Understanding (MOU)

It was agreed to proceed with the MOU with the OECD and IAIS, then to develop MOUs for the IASB and ISSA. A template MOU has been developed by the Supranational Relations Subcommittee and will be customized to the other organizations.

6. Climate Change

It was agreed to proceed with the creation of a Working Group on climate change, to be chaired initially by Yves Guérard.

Paul Thornton, Chairperson