



Report to Council
from the Executive Committee Meeting
of May 26, 2015

1. Actuarial Standards

a. Revised Strategic Action Plan (SAP) for International Standards of Actuarial Practice (ISAPs)

Alf Gohdes, Chair of Actuarial Standards Committee (ASC), presented a proposal for the revised Strategic Action Plan for ISAPs to include ISAP 1A as a separate ISAP addressing governance of models. The ASC has received feedback from various stakeholders suggesting that this topic be addressed in a separate ISAP as opposed to an amendment to ISAP 1, given that some FMAs have already started implementing ISAP 1 and this could cause difficulties in their internal approval process. Given that ISAP 1A could possibly be incorporated into ISAP 1 in the future, the ASC opted for the addition of a letter to the numbering rather than assigning the next number in the series of ISAPs.

The EC thanked Alf and the ASC for all their good work and supported submitting the revised SAP for Council approval by [electronic ballot](#) (issued May 27, 2015).

2. Supranational Relations

a. Update on Relationship with International Federation of Accountants (IFAC)

William Hines, Chair of the Task Force examining the IAA's relationship with IFAC, reported that, further to recent exchanges with IFAC, the Task Force has changed its views on formalizing a relationship with IFAC given their structure and governance. IFAC does not have a direct relationship with its various Boards, but rather plays an oversight role. In light of this, an MOU between the IAA and IFAC would not extend to any of their Boards, which is where the work is happening. William is the IAA Delegate to the advisory group of the Auditing and Assurance Standards Board and finds this to be a very effective way to keep informed of their developments as the role of advisory groups is to review the Board agendas and comment on them before they are finalized. He is exploring the possibility of appointing an IAA Delegate to their Ethics Board. William continues to explore opportunities for exchanging of information that could bring value to both organizations and will report back to the EC on developments. The EC thanked William for his work in this area and commented that it would appear that the way forward with IFAC is most likely through working on specific projects.

b. Update on Relationship with International Association of Insurance Supervisors (IAIS)

The EC continues to discuss and strategize on the best way forward with the IAIS in light of their recent decision to no longer engage in memoranda of understanding with their Observers.

3. Task Force on CPD Requirements for FMAs – [Final Terms of Reference \(ToRs\) and Membership](#)

The EC approved the creation of a Task Force on Continuing Professional Development (CPD) Requirements, its terms of reference and membership outline. The Task Force, Chaired by Rob Brown, is aiming to submit its report to the Executive Committee in time for its meeting in Vancouver.

4. Finance – [1Q Financial Statements](#)

The EC reviewed the 1Q financial statements which were pretty much in line with the results expected at this time of year. A 2015 annual forecast column was added in order to reflect the decisions taken in Zurich on the allocation of the ICA 2014 surplus which have a favourable impact on the committee and representation expenses and on the Section administration recovery budget lines in the statement of revenue and expenses. The Secretariat confirmed that Milliman had signed up as a Patron of the IAA at the Silver level.

5. Education Committee: Additional Budget Request for Task Force on Education Syllabus

Steve Eadie, Chair of the Education Syllabus Task Force, joined the EC for this discussion. After careful consideration, the EC approved an additional budget amount of \$15,000 for the Education Committee in order to progress the work on the new syllabus in a timely fashion.

6. EC Engagement with Full Member Associations (FMAs)

Peter Doyle, Chair of Branding and Communications Subcommittee (BCS), recommended that the EC once again engage one on one with FMAs to seek their feedback on current activities. A new set of questions will be developed and each EC member will be assigned two different FMAs to contact. This exercise will be repeated on an annual basis with a different set of questions and assignment of FMAs on a rotational basis to ensure that, over a certain period of time, each FMA has had an opportunity to share its views. For 2015, this exercise will be carried out between now and the Vancouver meetings.

7. Branding

Peter Doyle presented on the initial work of the BCS on branding and two proposed branding messages: one for the IAA and one for the profession globally. This work is still at the early stage and, at some point, the BCS will be seeking the opinion of an external branding expert to ensure consistency among the brands. Final recommendations will be presented to EC prior to the Vancouver meetings and will eventually be brought to Council.

8. Recommendation re UNEP

On the recommendation of the Scientific Committee, the EC unanimously approved engaging with UNEP (United Nations Environment Program) through our Resource and Environment Working Group. It was concluded that the IAA could both benefit from this relationship as a branding exercise and contribute to relevant insurance industry research and activities in this important emerging area, without investing significant financial and human resources. By being a supporting member of UNEP, the actuarial profession can play a role in disaster risk management, an area where it can bring value.

Fred Rowley, Chairperson