



Report to Council from the Executive Committee (EC) Meeting of October 4 & 8, 2017

1. Data Science Discussions

At one of the Presidents Forums in 2016, a member asked if there was interest in an international data science credential that would be created and branded under the IAA. Several representatives from different FMAs expressed interest in being involved in exploring the topic further.

Following that meeting, ad hoc discussions groups met informally in Budapest and Chicago. The discussions were well attended and many FMA representatives shared information on their own activities in the area of data science. No consensus has been reached about a collaborative, IAA coordinated initiative.

The EC believes that, while there appears to be little appetite for an international data science credential, there is considerable interest in the topic of data science among FMAs and the IAA should continue to facilitate discussions at our meetings and allow ideas about cooperation and/or collaboration to emerge naturally. Separately, the Big Data Working Group will continue to explore the technical and practice aspects of data science according to that group's Terms of Reference.

2. Branding and Communications Subcommittee

Peter Doyle, Chair of the Branding and Communications Subcommittee (BCS), presented proposals for a new IAA logo, new Section logos and new brand visuals. These were developed by the BCS in conjunction with an external branding and design consulting firm. The ensuing discussion revealed keen interest among the EC for a "refreshed" IAA logo appearance and recommended continuation of its bilingual nature (English and French). The EC acknowledged the challenge of establishing new, consistent logos for Sections.

The EC agreed that Peter should present the brand proposal to various stakeholders during the Chicago meetings to solicit their feedback and suggestions. After all feedback is collected, the BCS will go back to the consulting firm and come back to EC with a revised proposal.

3. Secretariat IT Update

IT & Web Specialist, Tishan Clarke, [reported](#) to the EC on the status of the project to upgrade the IAA's IT infrastructure. The goal is to have the project's first phase completed by June 2018.

4. Inclusive Insurance Initiative – Update

Jules Gribble, Senior Policy Advisor at the IAIS, reported on the status of the joint IAIS/IAA efforts to develop two parallel papers addressing supervisory and actuarial needs of inclusive insurance markets. He reported on the presentation of a [webinar](#) following the Budapest meetings, the purpose of which was to keep FMAs informed of the joint project and reminded of the emerging prevalence of inclusive insurance in developing economies around the world.

Jules anticipates there will be a rapidly growing need for actuarial services in inclusive insurance markets the years ahead. He speculated that this growth will happen with or without the involvement of the IAA and the IAA's member associations because it will be driven by demand. Within 10-15 years, there may be thousands of individuals performing needed actuarial work in inclusive markets. The IAA and its member associations may or may not be willing to recognize the providers of these services as actuaries.

The EC agreed this is a rapidly evolving area that the IAA should watch closely. The EC will continue to focus appropriate attention to this marketplace development and to explore all aspects of it going forward.

5. Actuarial Capacity Building with Insurance Supervisors

a. Report on Pilot Program in China in July

In Budapest, the EC discussed and agreed to support and participate in an initiative proposed by the IAIS and funded by the Asian Development Bank. The initiative was a pilot involving training of actuarial supervisors. The pilot took place in July 2017 in China. The curriculum for the week-long pilot was largely crafted by Jules Gribble and Fred Rowley. Fred was designated as the IAA's actuarial faculty member.

Jules reported that the pilot was a success. There were over 40 supervisors from over 20 jurisdictions in the room for the week. The pilot demonstrated that a collective multi-partner training program could be run successfully. It is

expected that anywhere from 50 to 75 percent of the core content developed for the pilot would be completely transferrable to anywhere in the world because of the commonality of risk-based supervision. Jules conveyed the IAIS's view that there is a fundamental and ongoing need for this sort of training.

b. Discussion of Ongoing Initiative and Potential of Memorandum of Understanding with IAIS and Access to Insurance Initiative (A2ii)

Tom shared with the EC that over the course of his year as President, he had the opportunity to discuss this sort of training with insurance supervisors around the world. He separately confirmed the IAIS's view that there is great significant demand for this sort of training in order to build actuarial capacity within supervisory authorities, especially as the authorities embrace risk-based supervision.

Following the pilot program, the IAA engaged in several three-way conversations with the IAIS and a group called A2ii. A2ii is the implementation partner to the IAIS. Their mission is to support solvency standards in developing economies' regulatory regimes around the world. They have a fund-raising capacity to support their work.

The three way conversations led to a proposed partnership to build on the success of the China pilot and to develop an ongoing program of supervisory actuarial capacity building. The IAA would provide curriculum support and volunteer faculty. While initially training programs might follow the model used in China (a week-long in-person training), other models will be examined as well. For example, technology might ultimately be deployed to make the trainings less people and travel intensive.

The expectation is that there would be little or no direct cost to the IAA. Funding would come from A2ii. The A2ii's incoming board chair is Peter Braumüller, an Austrian actuary well known to the IAA. Peter currently serves on the IAA's Actuarial Standards Committee.

The EC discussed the potential good coming from such a program, reviewed the proposal and the draft Memorandum of Understanding (MoU), and agreed the IAA should sign the MoU and move forward with this exciting new partnership initiative. The EC encouraged sensitivity to the possible involvement of local member associations also that we leverage our senior volunteers to identify faculty for this program.

6. 3 Round Table Sessions in Chicago

The EC agreed that the roundtable sessions that kicked off the IAA meetings on the first day in Chicago were a very successful initiative, having heard positive reaction from many.

The feedback was that the minimally-structured roundtable discussions provided a valuable opportunity for attendees to engage meaningfully with one another and to learn about each others' best practices. The EC felt we should build on the success of these session as we design IAA meetings in the future.

7. IAA Sections

Section Chairs, Vice-Chairs and Treasurers, along with EC members, attended a special Section leadership reception. There was good discussion among Section Chairs who each had a chance to talk about issues and challenges.

The EC noted the progress of the Development of Section Task Force (DSTF) and agreed to set the work of this task force as a high priority in the year ahead, with the goal of wrapping up its efforts by the end of 2018. The EC is hoping to identify specific opportunities to improve Section governance and enhance IAA/Section efficiencies in the future.

8. IFRS 17 Implementation

The Chair reported on the intense activity across the IAA related to IFRS 17 implementation. The EC agreed that, in addition to these already identified activities, the IAA should examine ways to "market" the critically important role that actuaries play in this important new accounting paradigm in the global insurance community. More discussions will be had at the EC in the next months.

*Respectfully submitted,
Tom Terry, Chairperson*