



Final, June 18, 2019

**INTERNATIONAL ACTUARIAL ASSOCIATION**

**Executive Committee (EC) Meeting  
Mayflower Hotel, Washington, D.C., US  
Chinese Room**

**May 19, 2019 – 11:00 – 14:30 (includes 30 minutes for lunch)  
Minutes**

**Present**

Gábor Hanák, Chairperson  
Tonya Manning, President-elect  
Masaaki Yoshimura, Past President  
Charles Cowling  
Alf Gohdes  
Jerry Brown  
Ken Hohman  
Roseanne Harris  
Cathy Lyn

**Regrets**

Tomio Murata  
Régis de Laroulière

**Secretariat**

Mathieu Langelier, Executive Director  
Carol Ann Banks, Director, Operations and Finance  
Christian Levac, Director, Communications & Membership

Chairperson Gabor Hanák called the meeting to a start at 11:04 a.m. EDT. The EC approved the agenda as presented.

**1. Follow-ups from Washington Meetings**

The EC discussed the Washington meetings and the feedback received, excluding the Renewal Task Force (RTF) and Section discussions as these two items will be discussed later on.

A small task force (Alf, Ken & Tonya) was created and will work closely with the Executive Director and the Audit and Finance Committee in order to assess both financial and non-financial risks stemming from a major Full Member Association (FMA) withdrawing from the IAA.

The Washington meetings were quite positive and successful. The Town Hall was very well attended, and many EC members received positive comments about it, albeit some participants commented that they still do not see the need to go through all these changes and thought it was a little long.

**Education Committee**

An issue arose at the Education committee where the first review of the new syllabus from DAV highlighted the need to better focus the work of the reviewers with a more tangible set of assessment criteria in line with the Full Member Association membership requirements. There is a need to clarify that the IAA is not a regulator but there are education requirements linked to membership and the compliance with the membership criteria needs to be carefully assessed. In particular for the education program compliance with the Education Guidelines and the Education Syllabus adopted by Council need to be assessed. There were worries with the current way the DAV review was done by the Austrian delegate who involved others in this assessment. This raised confidentiality concerns and needs to be clarified.

A small task force (Jerry, Roseanne and Masaaki) will help to develop a statement regarding membership requirements and liaise with Bozenna Hinton, chair of the Education Committee. Jerry Brown, Henning Wergen and Malcolm Campbell have volunteered to work on a framework for evaluating associations in the Education Committee. There is also a need to have separate review processes for new associations entering the IAA and for those with changes to their previously approved guidelines and syllabus.

### Membership Committee

On the Membership issue, EC reported concerns with member associations not submitting dues on time, along with confirmation forms. A suggestion is to look at implementing a late payment fee once the initial delay period has expired ( for example 3 months) and then to look at escalating measures in order to drive up compliance, such as removing voting rights after certain period of time (for example 6 months), and barring such member from having volunteers in leadership after one year. These measures may not be effective as most late paying FMAs are often not present at Council nor in leadership roles. Another option would be to shorten the time delay for membership removal (currently 3 years without payment). The Secretariat will look at these options and submit recommendations to EC before the end of the summer.

It was also noted that the Membership Committee will recommend a Tunisian association for Associate Membership, however more than one association exists in Tunisia and apparently, they have not been able to work together for a joint application due to local disagreements.

The EC expressed satisfaction with the supranational report and all the great work the IAA is doing with many supranational organizations. This report will be updated with the names of the new Relationship Managers (RMs) and be sent to all RMs as a good way to keep them informed of the work of other RMs and other supranational organizations.

At the General Insurance Committee meeting, Jacqueline Friedland raised an issue with regards to an ASTIN questionnaire and some of the poor language used. The Secretariat will contact Jacqueline to obtain a copy of the questionnaire as the Secretariat has not seen this questionnaire prior to it being sent out.

## 2. IAA Renewal Task Force (RTF) Update and Next Steps

There was a lot of discussions regarding the RTF proposals during the meetings; at the Council meeting on Saturday there was a great overall support for the envisaged top-down governance changes and for the concept of introducing a Strategic Planning Committee (SPC). The main concerns are around the number of observers and the details of what the SPC would be called to work on and what it would not work on. The risk of overlap with the next EC is still a worry and will need to be addressed in the next phase of discussions.

There is still a lot of work on the bottom-up to be done. The meetings over the week have allowed broader discussions to better frame and imagine Communities and how it could work without the current format of Working Groups and technical Committees while keeping the good elements that the IAA does not want to lose.

Overall the presentations on the RTF went well, the discussions during the Leader's Forum were also very positive, although there seemed to be limited appetite to reduce the number of entities. The disbandment of Standard Setters Round Table as well as a few subcommittees of the Insurance Regulation Committee are encouraging signs. The breakout sessions allowed members of the future Advance function to collaborate closely together and to figure out more precisely what future Communities would look like. The draft Terms of Reference (ToRs) created by Bob Conger was very helpful in moving the discussions forward.

The participants in the future Assure function quickly agreed that this function would not need a formal committee structure, but instead a coordination meeting of the chairs of the committees. This would help EC avoid duplication of efforts and better coordination between the entities. The review of the ToRs and the clarification of their roles and what they are not to do will be key.

The Members' Forum discussions went very well and the presentation by Gábor with the key principles and next steps really helped move things along. Some participants urged things to

move forward quickly for the IAA to change its current focus on internal and governance matters back to focus on external matters notably the growth and support of the profession.

The discussions during Council were generally supportive and the show of hands illustrated a wide support for the overall direction. Both Council and EC members expressed a strong need to better communicate the work of the RTF to Council.

EC will need to work on all the changes required to make this happen: changes to Statutes, Internal Regulations, TORs of EC, SPC, Nominations Committee (NC) and so on.

NC matters will need to be planned in advance of Tokyo with the assumption that the proposal including the new SPC will be approved in Tokyo although NC should also plan for no change to governance will take place in Tokyo. It will be important to disband the RTF in Tokyo and be ready to replace it with a fully staffed SPC right away and not wait any longer.

### **3. IAA Section Related Issues**

The Officers as well as many EC and RTF members participated in the Section Chairs and Treasurers meeting earlier in the week. The discussions focussed around the document sent to this group by the EC regarding the governance of Sections.

Many Section leaders challenged parts of the document. Some Section leaders supported others opposed the idea that Sections take on a more central role inside the renewed IAA. Overall discussions were not as constructive as hoped but it is important that the Officers and EC maintain the discussions with Section leaders about the future of Sections in the renewed IAA and what governance should be in place concerning Sections.

It became clear in Washington that not all Sections are equal. Many Sections leaders seem to be focussed on their own work versus the wider picture of the IAA as a whole, some commented that the renewal was a distraction to their work.

The Executive Director will work on next steps document in order to address some of the concerns raised by the Sections and the problems identified with Section governance. It was noted that if Sections are doing things that they should not be doing then the EC simply needs to tell them No. However, at the same time, there is general support that the status quo is not an option and that change in Section governance is necessary.

It was also noted that the Sections play an important role for the IAA and that the IAA would not want to lose this value. EC members expressed concern that if Sections were to operate outside of the IAA then most would not survive.

The discussions were cut short due to lack of time, however it was agreed that this discussion will be followed up before the Tokyo meetings.

### **4. EC Liaisons' Summary on their Respective Committees**

This item was not discussed for lack of time.

### **5. Other Business**

There was no other business to discuss.

### **6. Next Meeting and Adjournment**

The next EC meeting will be a conference call on Tuesday, June 18 07:00-09:00 EDT. Gabor thanked the EC members for their participation and adjourned the meeting at 14:30 EDT.

*Respectfully submitted, Mathieu Langelier*