



INTERNATIONAL ACTUARIAL ASSOCIATION
Executive Committee (EC) Zoom Meeting
October 20, 2020 – 8:03 a.m. – 10:02 a.m. EDT
Minutes

Present

Tonya Manning, Chairperson
Gábor Hanák, Past President
Jan Kars, President-elect
Jerry Brown
Estella Chiu
Charles Cowling
Régis de Laroullière
Catherine Denise Lyn
Alf Gohdes
Roseanne Harris
Jacques Tremblay

David Martin, Chair, Professionalism
Committee, Item 1

Secretariat

Mathieu Langelier, Executive Director
Christian Levac, Director, Membership
Amali Seneviratne, Director, Technical
Activities
Karla Zuniga, Administrator, Membership
Norah Neill, Executive Assistant

Guest

1. Revised IAA Professionalism Guideline 2 (PG 2) - Principles in Relation to the Governance of International Actuarial Work

David Martin, Chair of the Professionalism Committee (PC), presented the revised PG 2 Guideline to the EC. The EC reviewed, discussed, and approved the revisions. This will be on the 30-day November 18 Council agenda for Council ratification.

President Tonya extended a special thank you to David for all his hard work and dedication during his term as Chair to the PC for the past 6 years which ends on December 31, 2020. The EC virtually applauded David!

2. Committee Terms of Reference (ToR)

a. Insurance Regulation Committee ToRs

The EC reviewed these revised ToRs another time since seeing them last at the September 22 EC meeting. The EC approved the revised Insurance Regulation Committee's ToRs.

b. Meeting Frequency

Tonya explained that there is a paragraph in all committee ToRs that addresses the frequency of meetings. It is being recommended to remove this paragraph as committees can meet as much as necessary to complete their workplan and are not obligated to meet in-person. It is still to be determined what kind of support will come from the Secretariat regarding meetings (in-person or virtual). The EC agreed to remove the portion regarding meeting frequency from all committee ToRs. Tonya and Mathieu will communicate this revision to all committee ToRs to committee Chairs. Gábor said although committees are free to meet any time virtually, there may be some guidance coming through Council from the Strategic Planning Committee on the in-person meeting frequency.

3. Advance Committee's (AC) Recommendations on IAA Entities and Next Steps

Charles Cowling, Chair of the AC, is hopeful the AC will confirm their recommendation to EC at the AC's meeting next Friday. Some of the AC have concerns about potential disbandment/merging of the entities since the leadership of 11 forums already been proposed. Merging would mean making compromises about how these entities are going to work together.

Some of the EC shared this concern. The point of the IAA renewal is to gain efficiency as an organization. The merging of these groups is possibly not gaining efficiency and will create more work delegated in different ways. It could also add an additional layer of review before something gets to the AC. The AC's recommendation must focus on efficiency and effectiveness. What is most effective way to operate. Another view within the EC was that it would be rather difficult to disband forums once established and easier to start with less entities and more can be created in the future if there is a real need.

If the EC will recommend entities to be disbanded to Council, there first needs to be clarity as to how the EC reached their recommendation (what criteria was used to create or not create a forum from an existing entity) and what will happen in its place. Timing for any changes needs to be clear. The EC wishes to move to final structure as quickly as possible, still not rushing through but handling with care, ensuring that sufficient time is given to AC and to those entities impacted by decision.

The AC will address EC comments/concerns at their meeting next week and will come back to EC with a recommendation for the next EC meeting on November 1 at 8 a.m. EDT. EC will review AC's recommendation and will then determine what should be issued for Council ratification on the 15-day November 18 Council agenda to be released on November 3.

4. **Nominations Committee (NC)**

a. **Recommendations for the 2021 Pensions Accounting Committee Leadership Appointments**

Gábor presented the NC's recommendations to the EC. After careful discussion, the EC approved. This will be issued on the 30-day Council agenda for Council ratification.

b. **Revised NC Protocol and the Related Changes to the documents listed below**

Gábor explained to EC the reasoning for the revisions to the NC Protocol.

- House cleaning and linguistic changes.
- Change the number of non ex-officio members on the NC under point 6.a.iii from at least five, but not more than 9 to 9 which has been the practice for several years. The NC believes this is a good solution.
- The revisions to point 6.I deals with a potential competitive vote for members of the NC. The NC did not understand the reasoning for "more than 2 valid additional nominations" and could not recall the purpose of the wording. The NC did not like ambiguity in this point and therefore formulated the wording more reasonably.

The EC approved the revisions to the NC Protocol, and this will be issued for Council approval on the 30-day agenda.

i. **Revised Internal Regulations**

The EC approved the revisions to the IRs that are for consistency in-line with the revisions in the NC Protocol. This will go for Council approval on the 30-day agenda.

ii. **Revised Role of the IAA Delegates to Sections**

The EC approved the revisions to Role of IAA Delegates to Sections that are for consistency in-line with the revisions in the NC Protocol.

5. **Addendum to the ICA 2023 Regulations**

The EC was informed and approved the ICA 2023 date change through email earlier this month. Christian Levac, Director of Membership, explained to EC that a motion that will be issued to Council on its 30-day agenda will ask for Council ratification on this change proposed by EC and Australia. The EC was supportive.

6. Strategic Planning Committee

a. Education Guidance

Chair of the SPC, Gábor Hanák, explained to EC the proposals coming out of this topic.

- Recommendation to remove Fully Qualified Actuary (FQA) and replace with Member with an Actuarial Credential (MWAC) for FMA delegates (to a committee or to Council) or with an actuary who has successfully completed an education programme compliant with the Education Guidelines and the Education Syllabus for IAA leadership positions.
- Improving the education guidelines document, better explaining the breadth and depth of coverage which makes an education program IAA complaint.
- Offer a self- assessment tool for member associations that could be used by them and also the Education Committee.

SPC members were to collect and submit their FMA feedback no later than end of day today October 20. The next meeting on this topic will be October 22.

One EC member's comment was that this topic is core to what the IAA is, and a deeper attention is required to ensure member associations are complaint to the syllabus and the ethic code.

b. SPC Medium Term Financial Plan

Jan explained that this topic of the Finance Task Force was split into 5 workstreams (listed below) and their results were presented altogether to the SPC on October 16.

- What are the key values of the IAA to its members?
- What is an appropriate target level of reserve?
- What efficiency measures can be taken?
- What non-membership fee revenue should be explored?
- Does the IAA have a concentration of risk in the membership fee revenue and if so how to treat it?

The Finance Task Force is currently reflecting and will send a survey to help SPC collect FMA feedback and support further discussions. They will share their reflections and the FMA feedback collected by the survey at the next SPC meeting on finances on October 30 at 12 a.m. EDT.

c. SPC Review of Role of ISAPs/Specimen Actuarial Standards (SASs): Next Steps and Action Items

Jacques reported to EC that he and the Secretariat had been working on progressing the SPC's recommendation on this topic (see item 6 of [EC August 18 minutes](#)) .

- Due Process for ISAP and EC Guidelines on ISAPs: suggested changes that reflect recommendations from SPC and sent to Officers for feedback, received helpful feedback from Gábor so far. Defined role of PC, in charge of maintenance of Due Process. Added section on convergence. Added clarification on the front that these are model standards. The next step is to send to EC and if EC agrees, go to Chair of PC and ASC to ensure they are happy.
- Approval of SOI: Actuarial Standards Committee (ASC) to work on draft, consult with FMAs and develop final draft and send it the SPC for their approval (with EC informed), then go to Council.
- ISAPs: ASC will work on a draft, consult with FMAs, finalize draft and then send to EC for approval and then go to Council.
- SASs: create a survey to send to FMAs to determine the demand and the type of assistance required by smaller FMAs. There is a role for the IAA to help small associations.

7. AWB Task Force

Jan informed EC over the process and explained that they will receive a written report of this TF shortly.

8. Report on Supranational Relations Activities/ Memorandum of Understanding (MoU)

The EC noted the current report and summary that will be issued in the next IAA Weekly News Brief and will be posted supranational relations/EC micro website.

a. IAIS & Sustainability Insurance Forum (SIF) MoU

Alf presented the draft IAA/SIF MoU SIF for EC's approval. The EC was supportive of this.

Alf informed the EC that the IFRS is suggesting to further develop the entity reporting and add sustainability reporting to financial reporting as an integral part of the overall reporting standards. They have issued a discussion paper and are requesting feedback by end of this year. It was discussed whether it be the EC or SPC who responds to this. The IAA needs to be strategic as to where it allocates its time and efforts. The EC recognized the SPC does not have all the background information. The EC is the most educated on the IAA's relationships with supranational organizations. The EC agreed that it needs to promptly form a task force that will explore this and make a recommendation whether to respond to this. The SPC should be informed of the creation of the task force immediately. Should the SPC assess this as a strategic matter requiring its attention then the EC will help the SPC with proper background information. Also, once the recommendation is established the EC will communicate this to the SPC.

9. Virtual Council Meeting November 18 30-day Agenda

The EC noted this agenda that will be issued shortly after this meeting.

10. Other Business**Mortality Working Group Epidemics – Pandemics Papers**

Alf Gohdes, Chair of the Communications Subcommittee (CS), reported to EC that papers on epidemics and pandemics was submitted to the CS for approval. This initially was one paper submitted to CS earlier this year which the CS/EC turned down due to content and length. After the CS's careful review of these papers, they recommended these not be published under the IAA. The EC was supportive of the CS's recommendation.

11. Adjournment and Next Meeting November 1, 2020, 8 a.m. EDT

The next EC meeting is being held through Zoom on November 1 starting at 8 a.m. This EC meeting scheduled on a Sunday is due to exceptional circumstances. The EC will need to have one more meeting before the 15-day Council agenda is sent out on November 3 and due to the continued work of the SPC and Advance Committee. Tonya adjourned the meeting at 9:59 a.m. EDT.