



International Actuarial Association
Association Actuarielle Internationale



Pre-Council Webinar

For the virtual Council meeting
on May 13, 2021

Speakers:

Jan Kars, President

Tonya Manning, Chair, Strategic Planning Committee

Charles Cowling, Chair, Advance Committee

Mathieu Langelier, Executive Director

April 21, 2021



Welcome!

Opening remarks by President Jan Kars



The purpose of this webinar is to preview certain topics that will be discussed at our virtual Council meeting.

We will not do a roll call of participants.
The recording of the webinar will be sent afterwards.

We will set aside 5 to 10 minutes at the end for questions or comments. Please use the Q&A facility for this.



Today's Agenda

1. Welcome remarks
2. Brief overview of the virtual meetings
3. Information and background on key Council topics:
 - President and Executive Committee Report - Update on Goals
 - Diversity & Inclusion
 - Advance Committee: New Forums
 - Strategic Planning Committee
 - 2020 Audited Financial Statements
4. Questions or comments



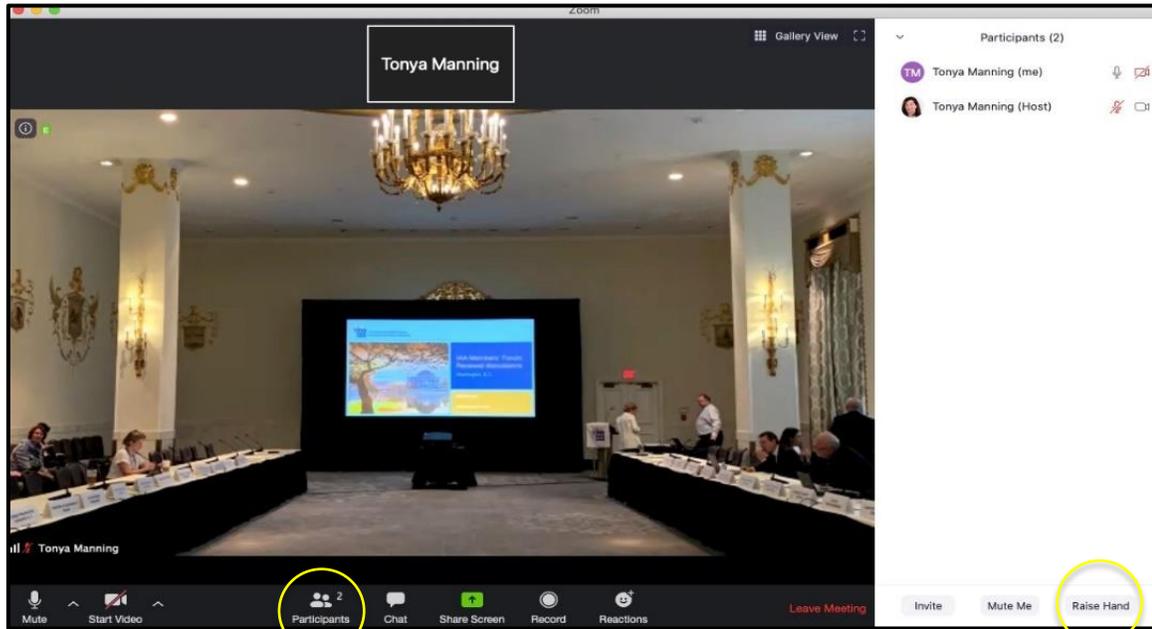
Overview of Virtual Meetings

- In-person meetings originally planned for Brussels were moved to a virtual format due to COVID-19

- Effective discussions will require strong adherence to set protocols:
 1. Request to make a verbal contribution
 - Use the Chat function, or use the Raise Hand feature (see next slide)
 2. Wait to be recognized by the Chair
 3. Avoid interrupting others

*** In order to have effective meetings, we must adhere to this protocol ***

Requesting to Contribute via Zoom



Once you have selected 'Participants', you should see a list of participants, and the 'Raise Hand' option at the bottom

Virtual Council Agenda

May 13, 2021



May 13 Council Meeting

- Council will be split into 2 parts:
 - Part 1: 7:00 to 9:00 EDT
 - Part 2: 23:00 to 01:00 EDT
 - This attempts to make the times as convenient as possible given the wide range of time zones; many will have sub-optimal choices

- Council Members will be invited as Participants and muted
 - Participants need to request to make a contribution
 - Chair will ask to unmute contributors one at a time
 - Observers/interested parties/others will be able to see the live broadcast of the meeting via the [IAA YouTube channel](#)



Council Agenda (continued)

President and Executive Committee Report - Update on Goals

Supranational Organizations (Impact)

- ❑ Planning future IAIS leadership meeting
- ❑ Actuarial capacity building for supervisors, our mini-series had more than 400 participants and we are soon to start work on a phase 2 for this initiative
- ❑ Climate risk: paper published on Introduction to Climate-Related Scenarios, and hosted webinar; CRTF is working on two more papers to be published later this year
- ❑ Signed MOU with SIF (Sustainable Insurance Forum)
- ❑ Responded to 5 IAIS consultations, the latest one being: Draft Paper on Supervision of Control Functions
- ❑ We also responded to other Supranational organizations: Financial Stability Board's (FSB) Task Force on Climate-related Financial Disclosures (TCFD) Consultation on Forward-looking Financial Sector Metrics



Council Agenda (continued)

Support the Strategic Planning Committee

→ Tonya will provide an update on SPC activities

Implementing a midterm financial plan, and

- Operationalizing matters of strategy as determined by SPC.

Implement Forums (Advance)

→ Will be presented later by Charles

Organizational change plan including special attention to communication, creating ambassadors and success stories

- Webinars, latest one being on Introduction to Climate-Related Scenarios – Paper released in February 2021



Council Agenda (continued)

Increase Diversity & Inclusion (Assure)

→ Will be presented later by Tonya

- Working to support a new association in Bangladesh
- Finalized revisions to the guidelines on the Strategic Action Plan for ISAPs and the Due Process for ISAPs
- Secretariat is finalizing a survey to small and medium FMAs regarding the proposal for Specimen Actuarial Standards, and potential IAA support for implementing standards locally.



Council Agenda (continued)

Engagement with FMAs/younger actuaries

- Held 2 “Espresso yourself” sessions on the topic of engaging millennials
- Working on a report and recommended next steps
- Rationalized out “interested Persons” for all our entities, many volunteers expressed their desire to remain involved with IAA work. This is a good sign of the value of the IAA.
- Held 4 bilateral meetings with FMAs, looking to book more in the upcoming weeks

At large

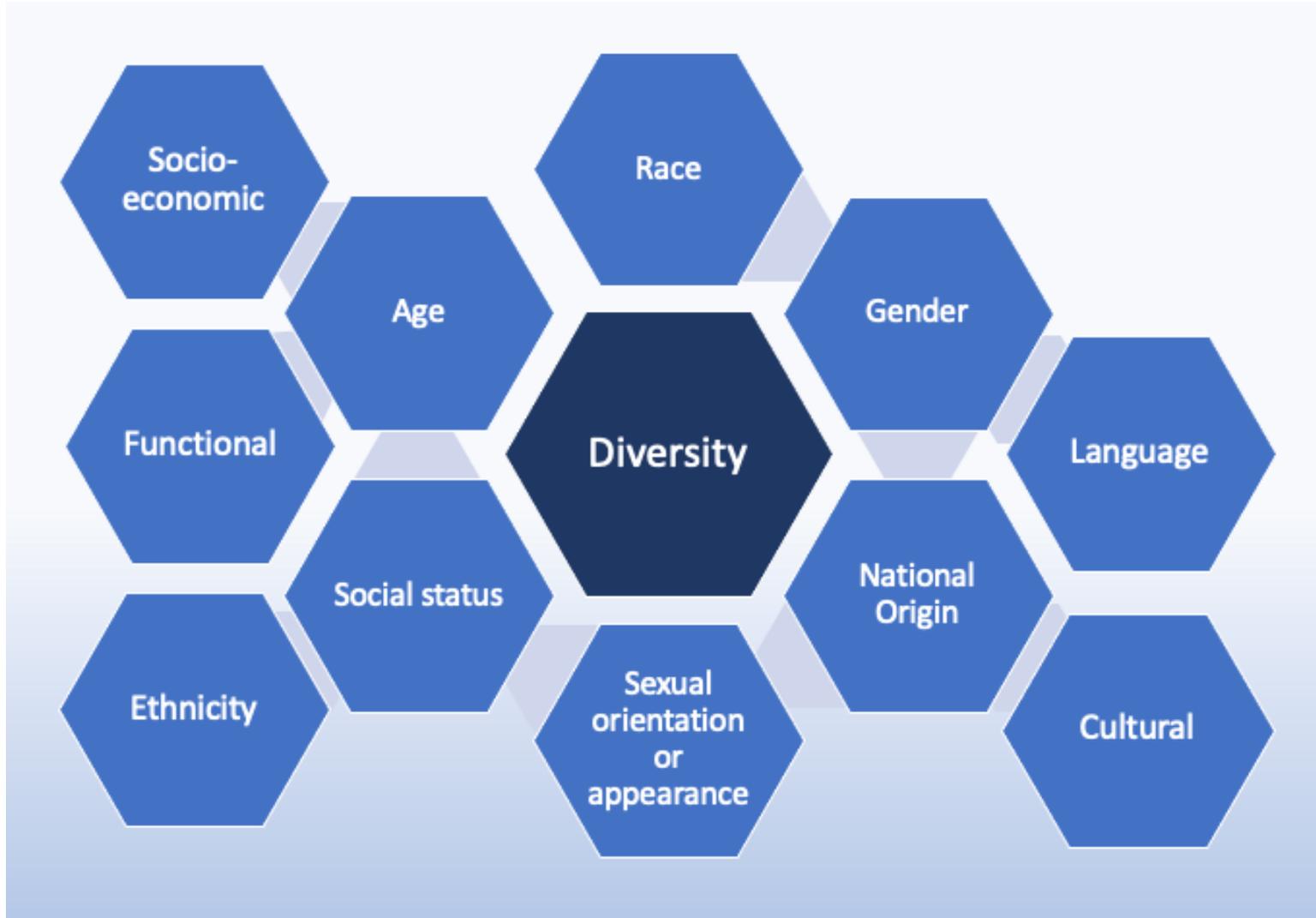
- Working on moving the incorporation of the IAA from Switzerland to Canada

Diversity & Inclusion

Tonya Manning



What is diversity?





Why pursue diversity?

Diverse teams:

- Focus more on facts
- Process those facts more carefully
- Are more innovative

Enriching a volunteer pool is key for boosting joint intellectual potential:

- Creating a more diverse organization will help to keep team members' biases in check and make them question their assumptions
- We need to also make sure we have inclusive practices so that everyone feels they can be heard
- Diversity and inclusion can make our teams smarter and, ultimately, make the IAA more successful



EC Proposal

Diversity is about empowering people.

We do so by respecting and appreciating what makes them different.

The ultimate goal is inclusion in how IAA activities are conducted

A proposed initial step is an adjustment to our Values statement.

This will signal our commitment to working on this complex task.

Proposed changes to IAA Values Statement:

The IAA adheres to the values of

- integrity,
- **diversity and inclusion,**
- accountability,
- transparency, and
- objectivity

when **dealing** engaging with **our volunteers,**
Member Associations, other stakeholders and
the public.

Advance Committee: New Forums

Charles Cowling



Advance Committee: New Forums

Operations Structure – Key issues

- Current IAA structure has grown significantly over the years
- Huge number of activities undertaken → Minimal coordination and oversight
- FMAs have requested more visibility over IAA activities and for activities to be FMA led
- FMA engagement (and delivering value to FMAs) is an important priority for the IAA
- More focus is needed on core IAA strategic objectives, in particular our desire to maximize our impact with key supranational organizations
- With the departure of the AAA there is an increasing need to improve efficiency and reduce costs and activities



Final Recommendations

Advance Committee

Forums

- Enterprise and Financial Risk
- General Insurance
- Health
- Pensions, Benefits and Social Security (with social security merged into PEBF as a subgroup)

Virtual Forums

- Banking
- Data Analytics
- Inclusive Insurance
- Mortality
- Resource and Environment

Time-limited TFs

- Ad-hoc TFs appointed to work on a specific task.
- Only active until the task is completed.
- Secretariat support provided to complete the Task as needed.



Desired outcomes

Serve IAA's Vision and Strategic Objectives

All entities serve the IAA's vision and Strategic Objectives
The purpose of each group and its importance to the IAA/FMAs were carefully reviewed in the AC's evaluation.



Focus on topics that have strong FMA interest

All entities will have only delegates supported by FMAs. Self nominated individuals are no longer allowed as observers.



Improve effectiveness

All Advance entities (other than TFs) are limited to information sharing.
Top-down approach for selecting IAA initiatives – i.e., “doing” activities
Only strategic activities with FMA support or Supranational demand will be pursued.



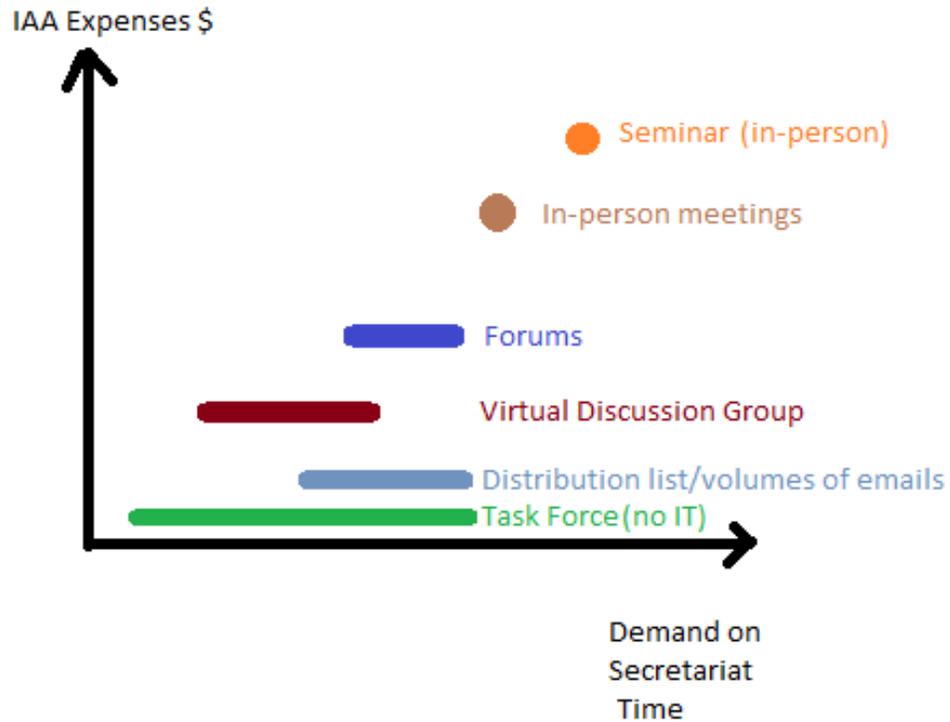
Improve efficiency and reduce cost

Next slide....





Improved efficiency and reduced cost



Activity	Forums	Virtual Forums	Committees and Former WGs
Membership maintenance	Yes	Yes	Yes
Website maintenance	Yes	Yes	Yes
Distribution lists maintenance	No	No	Yes
In person meeting support	Reduced	No	Yes
Support relating to "Doing"	No	No	Yes
IAA cost of in person meetings	Reduced	No	Yes
FMA costs for IAA meetings	Reduced	No	Yes
Overall - Secretariat Resources/ IAA expenses/ FMA Expenses	Reduced	Lowest	Highest



Restructure - overall reduction in the number of IAA entities

Permanent Entities	Entities prior to restructure	Entities after restructure	Remarks
Committees	13	9	High resources/costs for IAA and FMAs
Subcommittees	6	0	High resources/costs for IAA and FMAs
Working Groups	6	0	High resources/costs for IAA and FMAs
Forums		4	Reduced resources/costs for IAA and FMAs
Virtual Forums		5	Lowest resources/costs for IAA and FMAs
TOTAL	25	18	

*** In addition, several TFs have been disbanded after completing their tasks.*

Strategic Planning Committee

Tonya Manning



Strategic Planning Committee Update

2021 Operations

- Workplan in place
- 2020 initiatives continue
- Process being tested for the selection of new initiatives
- Online tools used for discussions and document sharing

2021 Goals

- Complete 2020 initiatives
- Evaluate new initiative(s) with an outward focus
- Engage in quicker discussions and decisions on emerging strategic matters
- Leverage other committees; allow SPC to focus on strategic discussions & direction

Future Tasks (post-2021)

- Set a short-term strategic plan for the IAA, perhaps for 5 years
- Confirm our long-term strategic objectives (ideally, not done frequently)



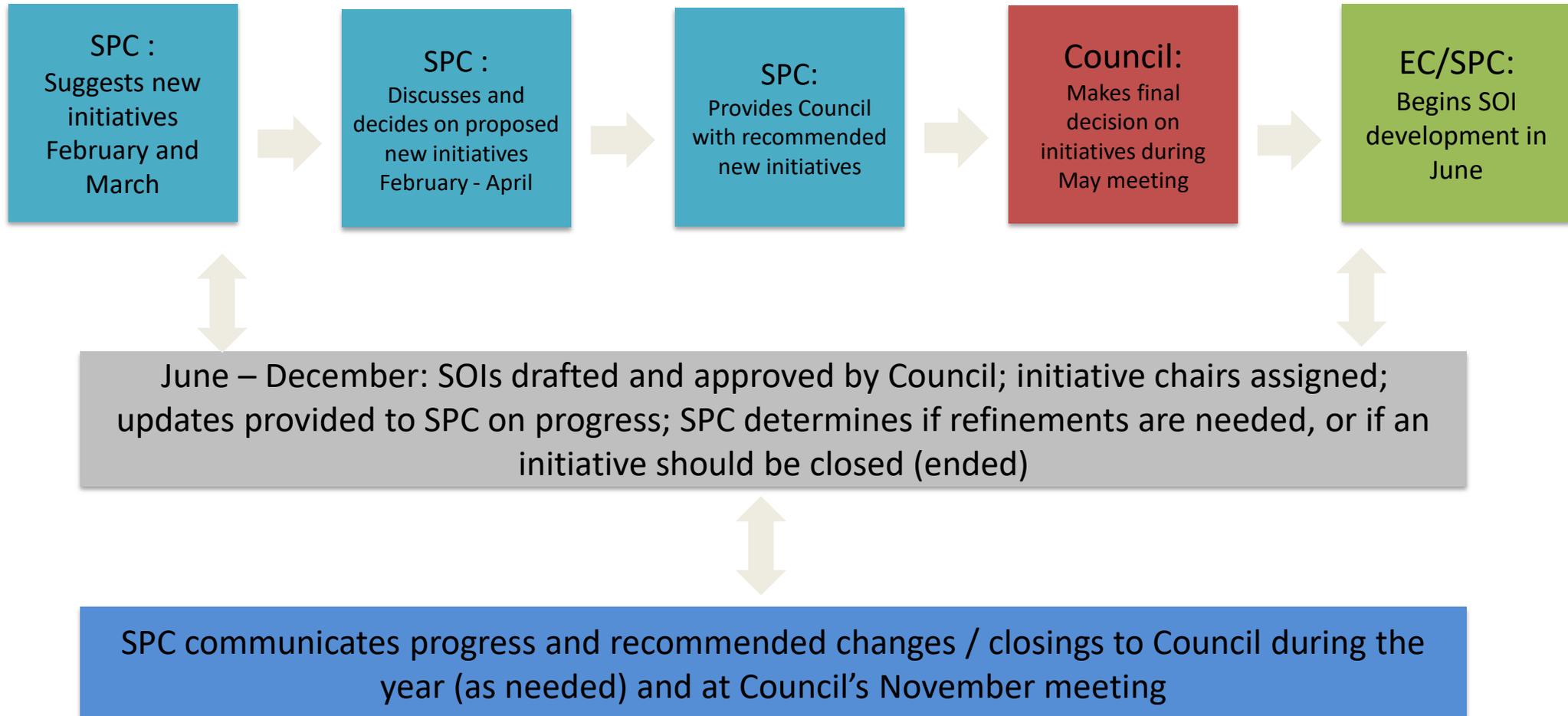
Current SPC Workplan

SPC Proposed Workplan for 2021 Q1 Q2

	January 27 23:00 ET, 60 minutes	February 24 23:00 ET, 60 minutes	March 31 6:30 ET, 90 minutes	April 28 6:30 ET, 90 minutes	May 26 6:30 ET, 90 minutes	June 30 6:30 ET, 90 minutes	July: Off
Operational items for discussion during the meeting:	Begin development of 2021 workplan Discuss process to select initiatives	Discuss process to select initiatives Review new initiatives submitted to-date Confirm 2021 Initial Workplan (will need to be flexible as things develop through the year)	Review additional new initiatives submitted	Select initiatives to propose to Council Finalize items for May 6 Council Agenda	Post-Council meeting follow-ups		
For meeting discussion:							
Internal Initiatives							
Education			FQA, compulsory minimum standard, etc.				
Standards				Specimen Actuarial Standards			
Finance					Medium term financial plan		
Other?							
Outward Initiatives							
Prioritize supras?							
Pandemics?							
Other?							



Selection of Initiatives





This year's selection process

Prior to Council:

- SPC will provide Council with a list of proposed initiatives
- Each initiative will include a general understanding of what it is to achieve
- Details will not be provided to avoid development of a full SOI for something that is not supported by Council



During Council:

Council votes on the advancement of the proposed initiatives for the development of Statements of Intent



Following Council:

- EC collaborates with SPC on development of SOIs
- Other IAA committees may be asked to support the development of SOIs
- Council asked to review and comment on proposed SOIs (virtually)
- Once an initiative's SOI is confirmed, EC will oversee the initiative's execution



2021 Initiatives Currently Under Consideration by SPC (not yet proposed!)

The Future
Actuary & IAA

Pandemics

Actuaries on
De-risking

Supranational
Relationships

Diversity

Note: 2020 Initiatives will continue

Finance and Administration



Finance and Administration

Audited Financial Statements for 2020

- Assets have increased significantly due to reduction in expenses due to COVID-19
- Support Staff expenses reduced by:
 - Positive staff retention/avoiding layoff costs
 - Change of one full-time position to part-time
- Office and related overhead have been reduced due to staff working from home 9 months in 2020 and continuing



Finance and Administration

- This is an “Unqualified Audit”
- The auditor recommends the creation of a surplus fund or reserve, this is also on the SPC list
- We are now at a reserve to expense ratio of 57.1%, a much better situation than we were in previous years, but still not at the target level of 75% as discussed by SPC

Other Council Agenda Items



Council Agenda (continued)

Business Agenda

Item	Purpose
Report of the Nominations Committee	Information
Report of the Actuarial Standards Committee <ul style="list-style-type: none">• Revisions to the IAA Due Process for ISAPs	Approval
Advice & Assistance Committee Revised Terms of Reference	Approval
Section Activities Update	Information



Council Agenda (continued)

Business Agenda

Item	Purpose
<p>Future Events:</p> <ul style="list-style-type: none">• ASTIN Online Colloquium – May 2021• Joint SAS/IAAHS Hybrid Conference – September 2021• Joint Online Section Colloquium – October 2021 (TBC)• Joint ASHK/IAALS/PBSS Hybrid Colloquium – April 2022• AFIR-ERM and ASTIN Colloquia – May 2022• International Congress of Actuaries – May/June 2023	Information



2021 Q4 Meetings

- The Institute of Actuaries of Korea (IAK) has agreed to postpone hosting the Seoul Council and Committee meetings to 2024
- The date of the Q4-2021 Council meeting will be determined at the end of July
- Our best-case scenario is now to test an experimental format of a hybrid Council meeting with a very small number of in-person participants (SPC plus very limited other participants) in one location somewhere around the world
- This will only happen if the required combination of factors are expected to be reasonably present
- If not, the Q4 meeting will be held entirely virtually

Questions & Answers