



International Actuarial Association
Association Actuarielle Internationale



Pre-Council Webinar

For the hybrid Council meeting in
Amsterdam, Netherlands on December 5,
2021

Speakers:

Jan Kars, President

Roseanne Harris, President-Elect

Tonya Manning, Chair, Strategic Planning Committee

Mathieu Langelier, Executive Director

November 18, 2021



Welcome and Introductions



President:
Jan Kars
(Netherlands)



**Immediate
Past President:**
Tonya Manning
(USA)



President-Elect:
Roseanne Harris
(South Africa)



**Executive
Director:**
Mathieu Langelier
(Canada)



Welcome!

Opening remarks by President Jan Kars





Today's agenda

1. Welcome remarks
2. Brief overview of the hybrid meetings
3. Review of Council Agenda for December 5
4. Update on diversity and inclusion initiative
5. High-level information and background the report from the Strategic Planning Committee (item 6 on the Council agenda).
6. Questions or comments

Brief Overview of Hybrid Meetings

December 3 - 5, 2021



Hybrid Committee Meetings

- Registration for onsite participation is now closed.
- If you are not attending in person, Zoom links have been sent to all committee delegates and observers.



Hybrid Council Meeting

- This is the first ever truly hybrid Council meeting.
- Virtual participants must register no later than November 26, 2021. The registration link was sent via email on November 4
- Zoom links will be sent to the virtual participants before December 2.
- One person/FMA can have a seat at the table, whether onsite or virtual.
- The meeting will be streamed on our [YouTube channel](#) for other virtual attendees.
- Reminder to submit a proxy or electronic ballot, if you are unable to participate, either in person or virtually.

Council Agenda

Sunday, December 5



Council Agenda

Information Agenda - the items listed below have already been approved by Council and are presented for information only.

Item	Purpose
<p>Results of electronic ballots since May 13, 2021, Council Meeting</p> <ul style="list-style-type: none">• That, on the recommendation of the Membership Committee, Council admit the Ecuadorian Actuarial Association as a Full Member.• That, on the recommendation of the Executive Committee, Council approve the revised following Section rules: AFIR-ERM, ASTIN, IAAHS, IAALS & PBSS.	Information



Council Agenda (continued)

Statutory Committee Reports

Item	Purpose
<p>President and Executive Committee</p> <ul style="list-style-type: none">• 2022 Appointments & Reappointments of the IAA Leadership	Ratification
<p>Strategic Planning Committee</p> <ul style="list-style-type: none">• Medium-Term (5-year) Strategic Plan• Pandemics Task Force (TF) Statement of Intent (SOI)• Future of the Actuary TF SOI• Emerging Important Topics Process• Revised Statutes and Internal Regulation	Information Information Information Approval Approval



Diversity and Inclusion update

- EC TF sent out survey in August aiming to understand needs and gather inputs
- Most of the survey respondents have undertaken some initiative towards the advancement of D&I activities. Some suggested that the IAA focus its efforts towards
 - Addressing topics of gender, culture and ethnicity, and generational diversity;
 - Encouraging the participation of countries less represented within IAA structures; and
 - Assisting associations from countries where the actuarial profession is developing.

Information sharing

- FMAs sharing actions, plans and inputs
- Workshops to enhance understanding of challenges

Events

- Virtual forums and events
- Address topics such as unconscious bias
- Topics of interest to actuaries earlier in their career

Internal matters

- Council engagement
- Role of Nominations Committee
- Forum for IAA leadership
- Communication plan



Medium-Term (5-year) Strategic Plan

- SPC has established 3 task forces to identify the high-level goals and activities to target over the next five years to ensure the IAA is making optimal progress towards meeting each of its 3 Strategic Objectives:
 - Impact
 - Assure
 - Advance
- Preliminary work of each task force will be considered at the upcoming meetings on November 24 and on-site in Amsterdam.
- More to report at the Council meeting on December 5



Pandemics Task Force Statement of Intent

Pandemics

- SPC is working on defining the scope of work regarding this important topic.
- Key considerations are topics of global relevance and serving public interest
- The IAA can help share information/work already produced by FMAs on this topic.
- Then the IAA can also help increase visibility by:
 - Providing input to Supranationals on post-pandemic risk,
 - Aggregating some of the work done by FMAs,
 - Building on such work via IAA publications, and/or
 - Communicating the topic at IAA events, webinars, the International Congress of Actuaries (ICA) and so on.



Pandemics Task Force Statement of Intent

- Some of the matters currently being assessed for future work products:
 - What are the pandemic impacts on inequality?
 - What are the protection gaps in insurance arising from the pandemic?
 - What are the post pandemic impacts on mortality tables?
 - New ways to model pandemics and catastrophes
 - The insurability question relating to business interruption
 - Considerations in public/private sharing of pandemic or other catastrophic risks

Impact
<ul style="list-style-type: none">• Supra input

Advance
<ul style="list-style-type: none">• Platform for sharing• Papers (limited and where appropriate)

Assure
<ul style="list-style-type: none">• Enhancing knowledge and• best practice



Future of the Actuary Task Force Statement of Intent

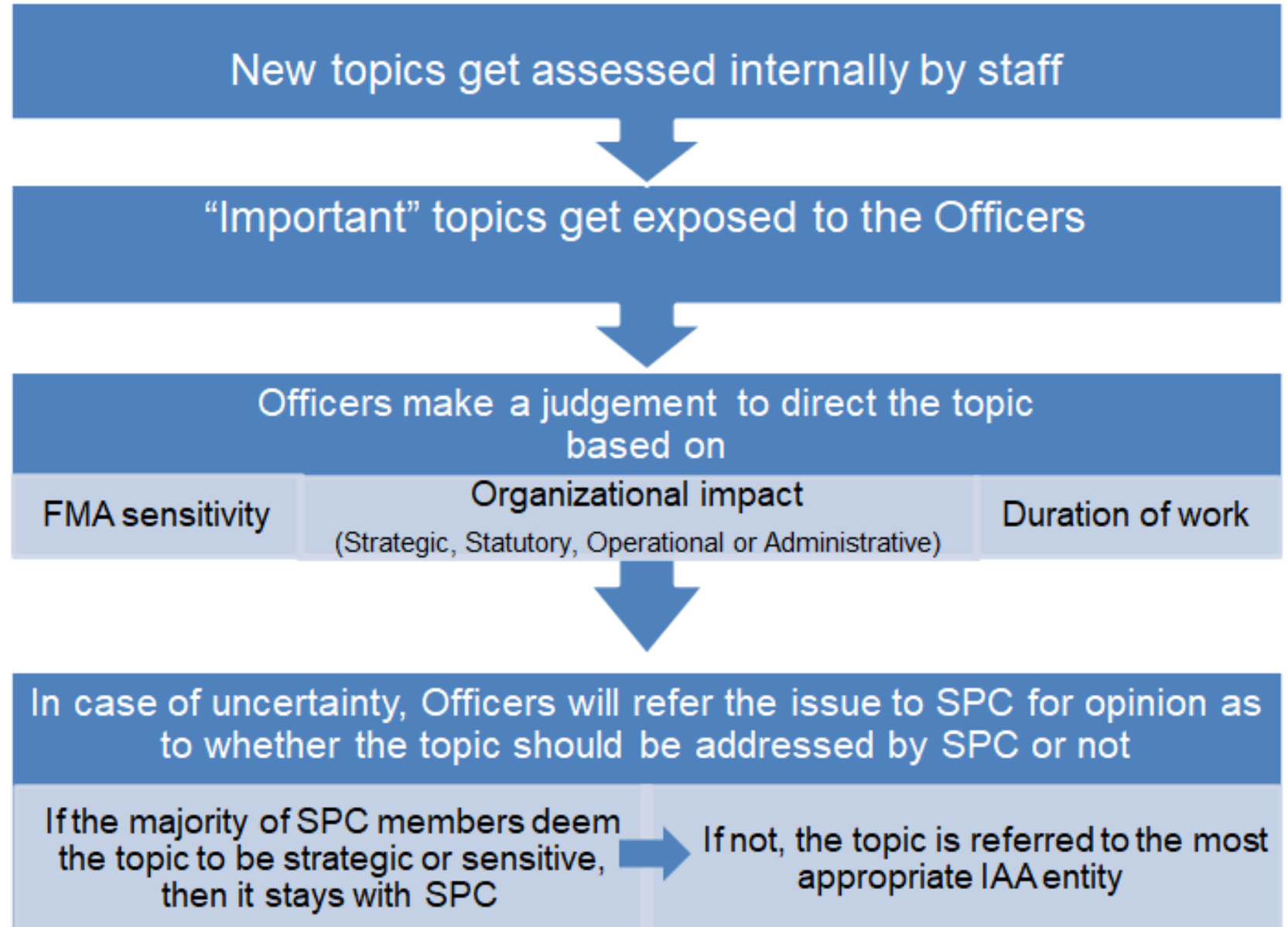
The Future Actuary

- A very important topic for the future of the profession.
 - What does the future actuary look like?
 - How can we stay ahead of the curve and ensure ongoing relevance?
 - How do we attract the best candidates for longevity of the profession?
 - What will be the domain knowledge and the skillset required by actuaries in the future?
 - How can the global profession face megatrends like artificial intelligence (AI), machine learning, and automation?
- New opportunities for the profession on climate-related risks; Environmental, Social & Governance (ESG); sustainability issues...



Emerging Important Topics Process

New Process to determine where emerging and important topics will be addressed.





Emerging Important Topics

Checks and Balances

- Officers will direct any emerging issue to SPC, EC/Statutory or Secretariat
- FMAs will have a regular communication of topics that have been directed to EC
- If an FMA or member of SPC would like to discuss an issue or topic that has been directed to EC, they would reach out to SPC Chair for discussion
- Once an item is pulled for SPC to address, the ownership remains with SPC until they delegate it to another committee or send it to Council for decision



Education - Revised Statutes and Internal Regulations

- Matters discussed at Council in November 2020 – Straw poll indicated strong support
- Statutes: Removing of outdated references to “Fully Qualified Actuaries”
- Internal Regulations:
 - Removing of outdated references to “Fully Qualified Actuaries”
 - Ensuring that FMAs “designate one or more categories of membership as reserved for actuaries who have successfully completed an education programme compliant with the Education Guidelines and the Education Syllabus, ...”
- Education Committee is working on recommendations for enhancing the syllabus definition which will be considered by SPC and brought to Council in due course.



Council Agenda (continued)

Statutory Committee Reports

Item	Purpose
Nominations Committee <ul style="list-style-type: none">• 2022 Appointments & Reappointments to Statutory and Limited Membership Committees	Approval
Audit & Finance Committee <ul style="list-style-type: none">• Reserve Policy• Auditor for 2021• 2022 Budget	Approval



2022 Budget Highlights

Flat Income

- New format presenting our expenses broken down by our main cost centers, with graphics to help illustrate trends to readers.
- No significant variation in membership fees: 1% expected increase in MWAC.
- Unchanged membership fee rate of \$18.75 per MWAC → 7th year in a row.
- The Section Administrative cost recovery is now presented as an expense, but it is purely a cost recovery. FMAs do not pay for the cost of supporting IAA Sections.
- Interest & investment revenue will increase slightly as our reserves have increased during the pandemic.
- IAA Council & Committee meetings are not appealing for patrons/sponsors who prefer to invest in visibility at ICA, Colloquia and FMA events. Increasing efforts would negatively impact those events is detrimental to the IAA.



2022 Budget Highlights

Expenses

- One in-person Council & Committee meeting (Brussels, May 2022) and one additional in-person SPC meeting.
- Total support staff expenses remain lower than the 2019 thanks to cost reduction efforts. Staff time has been reallocated to support various initiatives, notably the Impact function and virtual meetings.
- Focus on developing staff skills to optimize IT tools and increase virtual engagement.
- Investments in developing IT system for future years.
- Marketing support for ICA 2023.

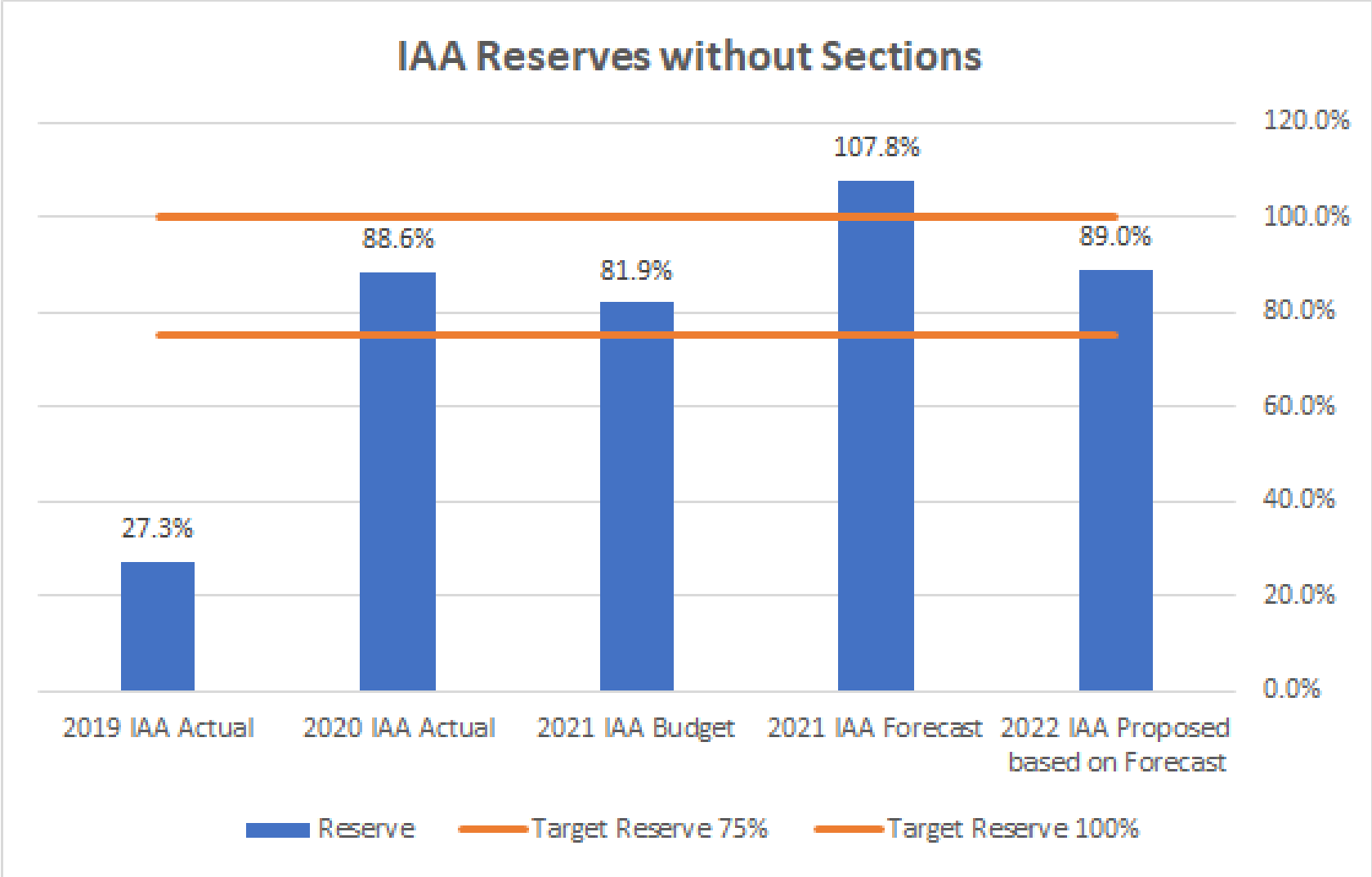


Reserve Policy

- Essential to maintain an Operating Reserve to mitigate financial risk to the organization arising from unforeseen events.
- Auditors formally recommended that the IAA creates such a policy.
- Benchmarking of largest FMAs showed using a range of 75-100% of yearly expenses is what was identified as a general best practice.
- Audit & Finance Committee will evaluate reserve ratio annually and recommend mechanisms to maintain the reserve ratio goal in budget recommendations to EC.
- Topic has been discussed at SPC and strong support for this principal.
- Assets of the IAA Sections are not included for the purposes of IAA reserve ratio calculations.

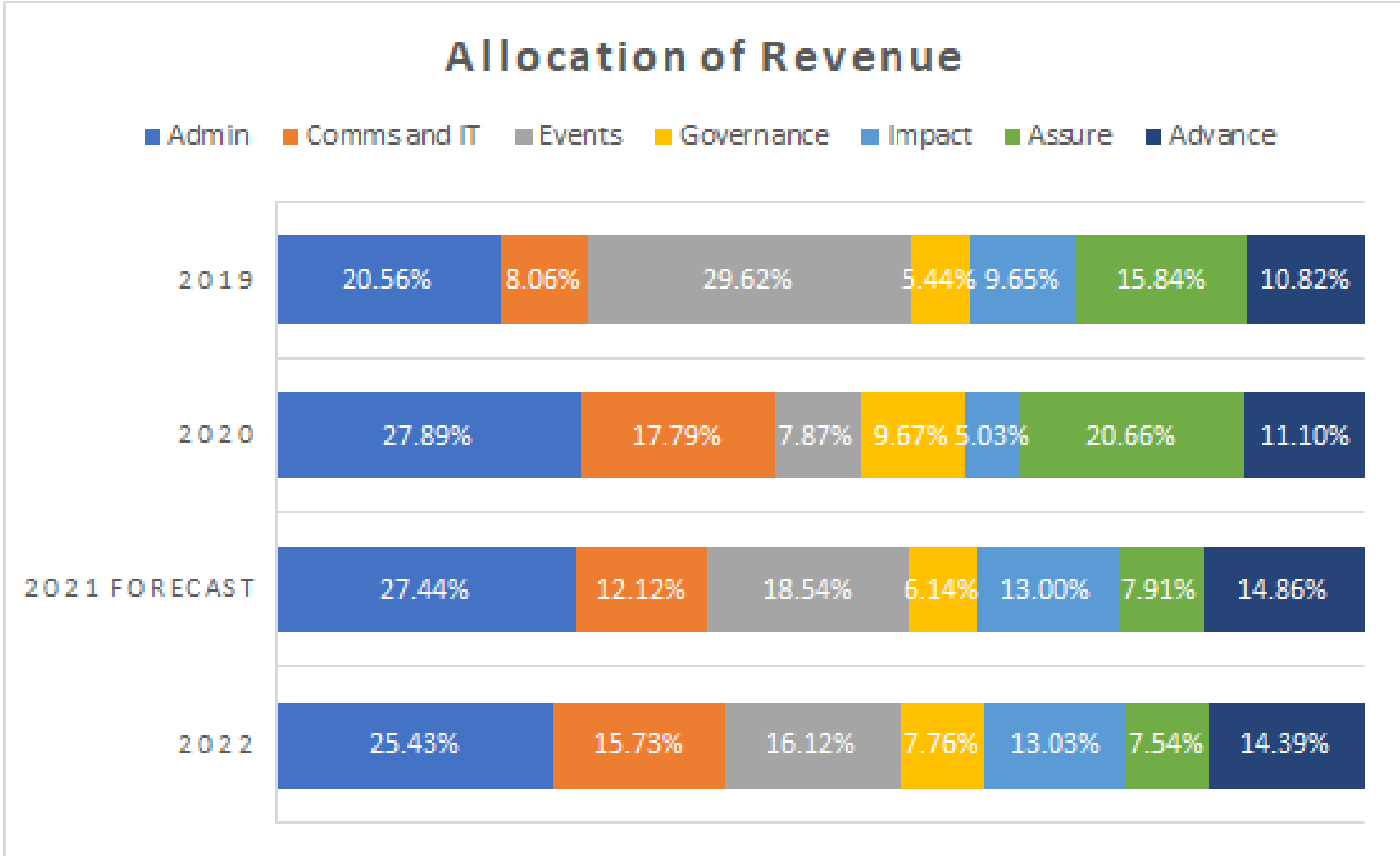


Reserves – 2022 Budget





Reserves – 2022 Budget





Council Agenda (continued)

Business Agenda

Item	Purpose
Actuarial Standards Committee Report	Information
Membership Committee Report	Information
Change of Officers	Approval
Future Events <ul style="list-style-type: none">• ASHK Joint Conference With IAALS and PBSS, Hong Kong, April 25-28, 2022• AFIR-ERM/ASTIN Joint Colloquia, Orlando, United States, May 17-20, 2022• International Congress of Actuaries, Sydney Australia, May 28-June 1, 2023	Information

Questions & Answers

See you in Amsterdam!

