



International
Forum of Insurance
Guarantee Schemes

IFIGS

CONFERENCE CALL OF THE EXECUTIVE COMMITTEE (EXCO) NOVEMBER 10, 2014

Location: Conference Call

Time: 12:30 (GMT)

Participants: Josée Rheault (JR) (Chair)
Jörg Westphal (JW) (Secretary)
Alex Kuczynski (AK)
Yee Ming Lee (YML)
Kuo Bin Lin (KBL)
Marek Monkiewicz (MM)
John Keah (JK) – joined the meeting in progress

| Items |
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| <p>The ExCo meeting took place by telephone conference call. The call quality was poor at times, so the minutes may be an incomplete or inaccurate record</p> <p>1. Management of IFIGS</p> <p>JR, as Chair, referred to the draft agenda sent by email. JW noted he had not had an opportunity to review the amended ExCo terms of reference, which item was therefore deferred to the next meeting of ExCo.</p> <p>JR introduced the main topic for discussion - the management of IFIGS and the apparent disconnect between the Chair, JR and the Secretary, JW which needed to be addressed head on. JW had sent an email with comments setting out his viewpoint.</p> <p>In JR's view, IFIGS was an oversight board not a management board. It used resources available through its members and experts, who were responsible and accountable for carrying out the delegated tasks. For example, the Working Group set-up to draft the funding paper had that responsibility. The Working Group comprised three people from member schemes. It reports to ExCo at appropriate points such as the first draft report etc., when there would be opportunity to guide and comment in detail.</p> <p>In JW's view, it depended on both the view of IFIGS, and the importance of the issues, as to whether and what control was required. Position papers were very important and ExCo needed to be advised of progress. For example, JW considered further engagement with ExCo should have been carried out before the dispatch of the questionnaire as ExCo members may be required to support the questionnaire/survey in the relevant region. Further, there could be comments on the draft questionnaire as circulated by the Working</p> |

Group which needed to be discussed - JW had done so with a Working Group member regarding market share, where an alternative measure might have been claims payments. In JW's view it was important that ExCo had an opportunity to comment at an early stage rather than too late and too little control on the draft papers. He also stressed that from his point of view the ExCo will fulfil the management function of IFIGS and is responsible to the members for any activity.

AK identified the shared interest in IFIGS's efficacy and the requirement to strike a balance between accountability to the ExCo, but avoid micro-management, and transparency of progress by regular updates against milestones and targets.

JR noted that comments on the draft questionnaire had been taken into account, 20 responses received, and the information being collated. However, it was not realistic, if ExCo was to operate as oversight board, for it to be involved in drafting detailed questions or early drafts of the paper. An update has been given to JW on his request, but there was no further information to impart since that update and the Working Group were encouraged to continue the drafting. JW added that the update was given after a lot of requests and was outdated/incomplete.

MM noted this appeared to be an issue of communication between the Working Group and ExCo regarding the transparency of the Working Group to ExCo members. He was a member of both, but on the Working Group in a local/personal capacity not as an ExCo representative. MM had suggested that greater information might be disclosed by the working group on ExCo members' request.

JW proposed a "speaker" from ExCo, independent of the Working Group and independent from the organisation of the lead writer, which might monitor the activity and report to ExCo colleagues - that speaker would facilitate early discussion and approval by ExCo of progress.

KBL was keen ExCo and IFIGS continued to share experience and confirmed the current plans for publication of the funding paper. It would need to be distributed to all for prior agreement before publication.

YML regarded ExCo as an oversight not management board and need not be involved in the detail of the Working Group report - updates should be received from time to time by the Chair or ExCo in full. Further, this paper was more of a "research" rather than "position" paper as it did not recommend particular funding models or outcomes for a jurisdiction. Comments would be made on the draft circulated to date.

JW noted that the questionnaire could not now be changed but in future considered he or ExCo needed to be closer to the process at different points. ExCo should be contacted by the Working Group.

JR had some reservations about the detailed contribution of ExCo in particular in the drafting stage before a complete draft had been prepared by the Working Group, as it would inevitably continue to change.

AK did not regard ExCo as a "management board" and agreed ExCo had delegated responsibility to the Working Groups and therefore was owed reports and updates at appropriate stages by the Working Group.

JW did not think there had been open information about the report to date and noted the working relations between JR and the Working Group lead writer. Should there be a different split of responsibilities to avoid any conflicts?

JR considered there was a different philosophy in the approach to the Working Group by some members of ExCo, and the level of oversight.

JR and AK agreed that voluntary resource from members needed to be flexibly appreciated in view of competing primary (internal) responsibilities. JW agreed a balance should be sought between management and oversight.

YML asked what the next milestone for the draft paper was. JR referred to the email of 16 October. Those comments could be submitted by 1 December. The Working Group would update its timetable which had been slightly delayed due to receipt and review of questionnaire responses.

The matter would be discussed further at the next meeting of ExCo, to be scheduled shortly.

In advance of the next meeting, (1) ExCo was advised to comment on the draft funding paper materials (2) JW would prepare a statement on the proposed relationship between ExCo and the Working Group, and (3) the remaining items would be addressed at the next meeting (for which a request for availability would be circulated shortly).

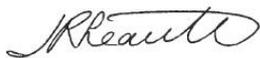
2. Other Business

The remaining agenda item discussed was the application from NCIGF, in the US. Further information had been requested by JW because he feared that the application is not in line with the actual Terms of Reference. It was not clear what its role was and whether it was a guarantee scheme or a body which assisted guarantee schemes. The terms of reference for membership of IFIGS may need to be revised - also to deal with NOLHGA who was already a member.

Not discussed: IAIS Conference, IFIGS position of RWG, Update on Funding Paper (discussed above)

There was no other business.

Signed by:



Chair of IFIGS Executive Committee



Secretary of IFIGS Executive Committee