

STRICTLY PRIVATE & CONFIDENTIAL

**MINUTES OF THE ELEVENTH EXECUTIVE COMMITTEE (EC) MEETING FOR THE YEAR 2021–2022 HELD ON TUESDAY 2<sup>ND</sup> AUGUST 2022, AT 11.00 A.M. THROUGH VIDEO LINK**

PRESENT

Syed Ali Haider, Vice Chairman  
Mr. Altaf Q. Gokal  
Mr. Faisal Khan,  
Mr. Ihtsham Ul Haq Qureshi  
Mian Kashif Rashid  
Mr. Mohammed Ali Ahmed  
Mr. M. Faisal Siddiqui  
Syed Kazim Hasan

In Attendance

Mr. N.A. Usmani (Secretary General (SG))  
Nabeel W. Sabir (Deputy Secretary General)

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Mr. Azfar Arshad, Chairman, Mr. Babar Mahmood Mirza, Senior Vice Chairman and Mr. Farhan Akhtar Faridi could not attend the meeting and were granted leave of absence. Mr. Shabbir Gulamali, Ex-officio Member did not attend the meeting.

The meeting commenced with the recitation from the Holy Qur'an by the SG.

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**1. Confirmation and Signing of the Minutes of Executive Committee (EC) 2021-22 Meeting No.10 held on Tuesday, 5<sup>th</sup> July, 2022 at 11:00 A.M. through video link**

The minutes which were circulated to members were confirmed by the Committee and approved to be sent to Vice Chairman for signing.

**2. Matters pertaining IAP AGM**

**I. To approve draft of Circular Notice & Agenda 61<sup>st</sup> AGM of IAP 2022-23**

The Committee approved the subject circular with the levy slabs (noted under agenda item no. iii) to remain as last year.

**II. IAP's Annual Report 2021-22 (Draft)**

The Committee approved the Annual Report 2020-21.

III. **Review and approval of IAP's Accounts for the Year Ended June 30, 2022**

The SG informed the EC that the Finance, Administration & HR Committee has reviewed the initialed accounts received from the auditors and has proposed that the accounts may be considered for approval by the EC.

Since no suggestions/ comments were received from any EC member, the EC approved the initialed Audited Annual Accounts for the year ended 30<sup>th</sup> June 2022 and also resolved to approve the following;

1. Above financial statements for the year ended June 30, 2022
2. Proceeds from redemption of investments amounting to Rs. 2,919,465/-
3. Addition in fixed assets amounting to Rs. 155,432/- at cost
4. Write off of old fixed assets items amounting to Rs. 1,139,838/- at cost
5. Related party transactions as mentioned in note 20 of the financial statements
6. Contribution made to staff gratuity fund amounting to Rs. 1,494,700/-
7. Contribution made to staff provident fund amount to Rs. 1,132,368/-
8. The EC also ratifies the understanding given to the Auditors by the management in relation to matters stated in point 2 of their letter RSM/KHI/AUD/22-23/0209 dated July 29, 2022 regarding Investment Property.

The EC also authorized the Chairman and any one EC Member to sign the accounts.

IV. **To approve draft of Circular calling nominations for IAP Technical Committees for the year 2022-23**

The Committee approved the subject circular

3. **IAP Annual Dinner 2022**

The Committee had noted that booking has been made for Saturday, 24th September 2022 at Crystal Ballroom, Marriott Hotel Karachi.

The Committee had suggested to develop a program outline and then the EC would form a Committee to manage the Entertainment Program at the Annual Dinner.

The following event outline was noted

Arrival of guests .....	8.30 p.m
Recitation (by Mr. Aftab or pre-recorded)	9:00 p.m
Welcome address by Chairman – IAP	9:05 p.m
Memento Awarding Ceremony	9.10 p.m

(by Chairman, Senior Vice-Chairman/ Vice-Chairman and some senior person from the industry)	
Vote of thanks (by Senior Vice-Chairman/Vice Chairman - IAP)	9:25 p.m
Dinner .....	9:30 p.m
Entertainment Program	10:00 p.m

The following Committee was constituted to supervise IAP Annual Dinner 2022 and Entertainment Program

1. Mr. Azfar Arshad
2. Mr. Faisal Siddiqui
3. Syed Kazim Hasan

**4. Memento Awards to Insurance Veterans**

Subject awards are presented to recipients at the Annual Dinner, for the last two years award distribution was not held due to COVID-19 outbreak.

The following names were identified at the last meeting

- 1) Mr. Tahir Ahmed
- 2) Mr. Mahmood Lotia
- 3) Captain Azhar Ehtesham
- 4) (Late) Asif Arif
- 5) Mr. George Lobo (Director @ Joseph Lobo Pvt. Ltd.)-  
*Mr. Faisal Khan has proposed the name of Mr. George Lobo for Lifetime Achievement Award in recognition of his services spanned over four decades (1978-2018) to the insurance industry as a Loss Adjustor/ surveyor/ property valuator.*

For their services to IAP the following were also advised to be recognized at the Annual Dinner (for their contribution at IAP’s Building Committee)

1. Mr. Hasanali Abdullah
2. Mr. Tahir Ahmed
3. Captain Azhar Ehtesham

Members were requested again to make suggestions for this year’s potential recipients.

Syed Kazim Hasan nominated Mr. Iftikhar Alam ex Commercial Union and Jubilee Life for his contributions to the industry. The EC requested if his profile can be shared with the EC for information of those members unfamiliar with his contributions/ achievements.

**5. Insurance Conference/ Workshop 2022**

IAP forwarded the proposed agenda of workshop to SECP on 17<sup>th</sup> May 2022 and no feedback from SECP was received.

As advised by the Chairman the following reminder was sent on 17<sup>th</sup> June 2022

*“Dear Ms. Sabahat,*

*We have missed the opportunity of holding the workshop in early June and pre-budget 2022 while waiting for SECP’s feedback on the proposed agenda, we would however still want SECP to share their views if we can plan this activity later in the year.”*

No response has been received

The Committee advised to remove the item from monthly agenda as no further action is needed.

## **6. PRCL Letter Requesting Permanent Seat in IAP Executive Committee**

PRCL through its letter dated 15<sup>th</sup> April 2022 had requested a permanent seat at EC. The matter was discussed at the 8th meeting and the advised IAP’s response was sent on 6th June 2022.

PRCL replied on 24th June 2022 arguing levy amount and again demanding a permanent seat at EC without elections. The following IAP response sent on 5<sup>th</sup> July 2022 was noted by the Committee

*“This is in reference to your response dated 24th June 2022, we would reiterate that the Ministry of Commerce defined rules and the Association’s Articles only allow us to form an Executive Committee through elections, the manner in which these elections are to be conducted are also well defined by the Ministry of Commerce/ Directorate General of Trade Organisations.*

*We would advise PRCL to regain its name in IAP’s election voter list, nominate your representative for IAP’s Executive Committee elections and follow the defined election process to join the Executive Committee 2022-23. As done by Mr. Junaid Moti of PRCL who served on IAP’s Executive Committee for the period October 2018- September 2020.*

*With regard to PRCL Chairing the IAP Reinsurance Committee, we would remind you that IAP Technical Committees are only open to IAP members and PRCL needs to clear its membership dues to regain its valid membership status. The matter of chairing the committee is discussed within the committee and with all members concurrence PRCL may chair the committee.*

*The scale of IAP levy charged to members is approved by IAP’s General Body at the Annual General Meeting each year under Article 29(b), for 2020 and 2021 the levy scale was approved at the rate of 0.12% of Gross Direct Premium/ Contribution written inside Pakistan subject to minimum of Rs. 100,000/- and maximum of Rs. 2,000,000/- to be collected from all IAP members.*

*We hope the above answers your questions.”*

No response from PRCL has been received

## **7. Meeting with Commissioner Insurance Ms. Sadia Khan**

A meeting was scheduled to be held on 26<sup>th</sup> May 2022 at SECP Karachi, which was cancelled by SECP.

The Committee noted the following two matters.

### **Emlaak Financials**

For introduction of insurance products on Emlaak Financials portal the following reminder was sent to CDC on Chairman IAP's advice dated 16<sup>th</sup> June 2022

*“We hope the customer journeys and list of local & international aggregators would have provided insights and your team will now be working on software development components of adding insurance products on Emlaak Financials. As it has been six months from our MoU signing and since SECP is keen to quickly explore Emlaak's potential in effectively offering insurance products, we were wondering if we can integrate Emlaak Financials with companies who are already selling products online through APIs. This can be a much faster route to make insurance products available for Emlaak Financials users.*

*Please let us know your thoughts.*

*If you are available on 23rd or 24th June 2022 at 3:00 pm an online meeting with our working group can be scheduled to discuss the idea further.”*

No CDC feedback has been received.

### **IAP Comments on AML/CFT Regulations 2020**

Ms. Sadia Khan had advised to separately discuss these comments with SECP AMLD, she was of the view that there could be differences in interpretation which is causing on-site inspection teams to require strict compliance. Needed clarifications will be issued by SECP in line with insurance being low risk profile industry in context of AML/CFT.

A meeting with SECP AMLD was held on 21<sup>st</sup> April 2022, IAP was assured that AMLD will be issuing FAQs to address industry concerns raised but no such document has been shared yet. SECP was last reminded on 31<sup>st</sup> May 2022

The EC had advised that once the FATF Asia Pacific Group meeting concludes we can again remind SECP on the subject clarifications/ FAQs for insurance sector.

## **8. SECP Reply | Launch of online portal to access information of companies registered under the Companies Act. 2017**

The subject letter dated 23<sup>rd</sup> May 2022 was shared for the Committee's advices, where SECP had asked IAP to

1. to advise members to generate/ obtain their primary user IDs by sending requests in writing on [online.portal@secp.gov.pk](mailto:online.portal@secp.gov.pk)
2. ensure that information accessed through the portal should not be misused and accessed by members only
3. monthly invoices be paid timely by companies using the portal
4. update the commission about cancellation of membership of any company so that its user account be treated accordingly
5. A MoU needs to be signed between SECP and IAP to document above arrangements.

The IAP response sent on 17<sup>th</sup> June 2022 was noted by the Committee last month and was updated that no response from SECP has been received yet.

## **9. CDC's Centralized Gateway Portal**

Reference CDC's meeting with IAP representatives (EC, T&L and TC) on 10<sup>th</sup> June 2022 at 4:00 pm, CDC had requested IAP's feedback on CGP Presentation and Draft copy of SECP master circular at the earliest.

Last month the Committee was updated on IAP comments sent on 28th June to SECP and CDC response received on 1st July 2022.

The Committee had agreed that the project in essence would be beneficial for the industry if checks performed through various services are done through a single facility, eliminating the need for accessing all these services individually. It was noted that the existing client data submitted by companies to the gateway should remain secure.

#### **10. IAP Levy and Subscription**

The Committee noted that PRCL has not yet cleared its 2020 and 2021 IAP levy.

#### **11. Outstanding Payments of Deloitte, Syed Asad Ali Shah and Akhtar & Hasan Actuaries**

The payment status of subject engagements was noted by the Committee.

#### **12. Matters Arising out of the Previous Minutes**

##### **i. Matters of Technology Committee**

Six meetings of the Technology Committee have been held on 26th January 2021, 22nd February 2021, 22nd April 2021, 23rd July 2021, 26th August 2021 and 26th November 2021.

The EC approved the Technology Committee's recommended proposal from FetchSky for Rs. 678k and advised works to be commenced at the earliest.

The Committee was to be updated on the progress of IAP web-based data collection and creation of a webpage for life members unit linked funds' performance aggregator. Update on Technology Committee's response on Life Committee's note was also on the agenda but the matter could not be discussed due to time constraint.

The composition of the Committee is as follows:

- Mr. Farhan Akhtar Faridi, Chairman
- Mr. Imran Hussain (Head of IT) Adamjee Life
- Mr. Kashif Naqvi (Group Head – Digital, Technology and Strategic Planning) Jubilee Life
- Mr. Ashfaqe Ahmed (Head of Technology) EFU Life
- Mr. Munir Ahmad (Executive Director IT), The United Insurance Company
- Dr. Syed Arif Hussain (GM) Alpha Insurance
- Mr. Azfar Sabih (Chief Information Officer) Jubilee General Insurance
- Mr. Ali Zaidi, TPL Insurance Ltd.

#### **IAP's Social Media Presence**

On Chairman's instructions IAP's Facebook page, Twitter and LinkedIn accounts have been created, the Technology Committee shared their recommendations on Social Media TORs and was requested for financials and vendor's scope of work.

The Committee was to be updated if scope of work and financial proposal for outsourcing Social Media Management has been secured.

The matter could not be discussed due to time constraint

ii. PII Grant

CEO PII had briefed the EC at the 2<sup>nd</sup> November 2021 meeting where he was requested to kindly share the Institute's roadmap and objective action plan which was missing from the presentation to help EC ascertain how the Institute plans to utilize IAP funding. Past IAP grants of Rs. 9.2 million have been provided which have not had the desired impact on the Institute or its performance.

The PII monthly grant of Rs. 400k remains suspended.

**13. Brief on Technical Committees' Activities**

The Committee reviewed the progress of Technical Committees and the brief shared in this regard.

**14. Request for comments on the draft IFRS sustainability disclosure standards**

The Committee noted that ICAP through its letter dated 30<sup>th</sup> May 2022 on the subject has requested comments on draft IFRS Sustainability Disclosure Standards IFRS S1 and IFRS S2.

ICAP's Accounting Standards Board (ASB) has formed a specific working group on sustainability reporting who will submit its comments to ISSB highlighting the views and concerns of Pakistan's interest in relation to sustainability report standards and requirements.

ASB has requested IAP to be a part of this consultation process and submit comments and feedback on the draft Standards.

Comments on the following were originally required by 12<sup>th</sup> July 2022 while IAP has requested comments submission extension till 15<sup>th</sup> August 2022,

- I. IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- II. IFRS S2 Climate-related Disclosures

Mr. Altaf Gokal informed that his company will be sharing comments in a day or two.

**15. Any Other Matter with the Permission of the Chairman**

None

**16. Matters for Record**

Election of Office Bearers & Members of the Executive

Committee of the Association for the year 2022-23  
Circular No. C-3 dated 6<sup>th</sup> July 2022.

Eid-ul-Azha Holidays

Secretarial Circular No. 4 dated 5<sup>th</sup> July 2022.

Provisional List of Voters

Circular No. C-4 dated 18<sup>th</sup> July 2022.

IAP Election 2022-23

Circular No. C- 5 dated 19<sup>th</sup> July 2022.

**17. To Fix Day, Date, Time & Venue of the Next Executive Committee Meeting**

The Committee authorized the Chairman to fix the date of the next meeting. The Chairman advised to hold the next meeting on Saturday 24<sup>th</sup> September 2022 at 11:00 am through video link

The meeting ended at 12:07 p.m. with a vote of thanks to the Chair.

**CHAIRMAN**

Minutes Eleventh EC Meeting August-2022