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The Institute of Chartered
Secretaries & Administrators

PRESIDENT'S REPORT TO MEMBERS – April 2017

Dear Member

I am writing to inform you of several important decisions that were taken at the Institute's most recent Council meeting held in Johannesburg on 17 and 18 March 2017.

COUNCIL MATTERS

(a) Qualifying programme

We have reported to you previously on some broad strategic directions your Council has been developing in relation to the examinations that qualify members and to strengthen the strategic position of the Institute in response to the worldwide focus on governance. I am pleased to report that at the Council meeting in Johannesburg, following an earlier teleconference meeting on 1 February 2017, your Council has now agreed to seek approval from our members later this year to several important initiatives.

The work to produce a new qualifying programme for our examinations worldwide is now complete. We are all very grateful to members of the Working Group that led the review and members of the seven Subject Advisory Committees that provided the expert input. The purpose of the review was to ensure that our examinations continue to be fit for purpose for students and employers in each of our nine Divisions and Associated Territories.

Your Council has resolved to introduce two qualifying programmes to replace the current one. They will be at the same professional level as the current qualifying programme, with one leading to the designation of *Chartered Secretary* and the other leading to the designation of *Chartered Governance Professional*. The introduction of the second professional designation will require members' approval and I will address this in a moment.

We are aware that many of our students and members work in many different roles in both the private and public sectors and that for them the designation of Chartered Secretary is not necessarily descriptive of the work they do. At the same time, we are all aware of the growing emphasis placed on 'Governance' worldwide in all areas of business and public life. We are the world's leading governance organisation but we need to widen our appeal to those working in governance roles that do not necessarily involve the traditional responsibilities of a company secretary. We are nevertheless the natural home for these professionals and we believe that the introduction of this new qualification and designation will attract to our membership those working in the broad field of governance. The final timetable for implementation of the two qualifying programmes for most Divisions will be from January 2019. The transition to the two qualifying programmes will not disadvantage or affect the studies of any current student. Details of the transitional arrangements will be advised in the coming months.

(b) New Affiliated Member category

Your Council has also agreed to introduce an intermediate grade of membership which will not be Chartered but will allow successful students to call themselves *Affiliated Members*. It is proposed that students who pass the core part of our qualifying programme or successfully complete appropriate stand-alone qualifications be awarded this new membership grade. This new grade will need members' approval.

In order to recognise the efforts of our students, once they have completed the core part of the qualifying programme, they can apply to be an Affiliated Member and benefit from membership of the professional body that will represent them best. It is therefore proposed to offer Affiliated Membership to those students who complete the core part of the qualifying programme, either as a stepping off point or with a view to completing all the exams at a later date.

Affiliated Membership may also be offered to those who have completed suitable, local stand-alone qualifications, although Affiliated Members who do not complete the core qualifying programme will not be able to progress to full Associate Membership.

We are currently in consultation with the Privy Council to gain in-principle approval before we formally approach our members. In the meantime a thorough communications programme is being planned so that the membership is fully informed of the changes and their implications.

In the end, it will be up to you as members to decide. I should make it clear that the new Chartered Governance Professional qualification and the new category of Affiliated Membership will be available for all 9 Divisions to adopt but it will also be up to each Division as to how they introduce these changes and, indeed, if they choose to introduce them at all.

Once this detailed work is complete, it is envisaged that members will be asked to approve the changes in October 2017 or shortly thereafter.

PROFESSIONAL STANDARDS COMMITTEE

Council reviewed a proposed new methodology for the Professional Standards Committee (PSC) to review and appraise the qualifying standards maintained in the Divisions. The PSC plays an important role in setting and maintaining standards on behalf of the Council and the proposed new methodology of a Quality Assurance framework will continue this important work.

THOUGHT LEADERSHIP COMMITTEE

Council also received a report on the work of the Thought Leadership Committee (TLC). The TLC was set up in 2016 to provide a forum for your Institute to develop ideas and thinking on governance issues of global importance. It is made up of members from most Divisions and already is progressing with developing international guidance on minute taking, board evaluation and will in the near future look at reform of the AGM and board diversity. Work is also underway on a research project in conjunction with the OECD on the impact of Stewardship Codes in ten jurisdictions. That research report should be finalised in the second half of this year.

DIVISION MATTERS

It is worth telling you a little about recent activity and progress in a number of Divisions of ICOSA.

In the UK, the Institute is more respected and relevant than I can remember in all my years of membership and is frequently consulted by Government and Regulators. Brexit has brought a renewed focus on corporate governance and there are at present two consultations taking place on possible changes which will lead to a

revision of the UK Corporate Governance Code and possible legislation. ICSA is playing a leading role in the debate, including exchanging correspondence with the Prime Minister Theresa May and leading the call for the reinstatement of the need for a qualified company secretary for large unlisted companies and the possible formulation of a governance code specifically for them.

Hong Kong/China, Malaysia and the UK have all recently held annual conferences or major events that have attracted record numbers; this is a sure sign of relevance and the growing interest and importance of governance around the world.

Singapore is playing a central role in a debate initiated by the Singapore Stock Exchange as to whether dual-class shares should be permitted to trade in respect of local companies.

Our Australian Division has conducted the first ever survey of ethics and ethical standards in that country, including asking other professionals and businesses which jobs in Australia are the most respected. We were delighted but not surprised to discover that company secretaries were the most respected!

Chartered Secretaries Southern Africa, or CSSA for short, is at the centre of developing good governance in that region. The King Report on Corporate Governance is hugely respected and has been adopted in whole or in part in many countries. Several representatives of CSSA have served on the King Committee in respect of the four iterations of the King Report to date, King IV having been published in November last year. CSSA played a significant part in the deliberations leading to King IV, making a particular contribution to the recognition of the role of the company secretary in the report.

EVENTS IN THE SOUTHERN AFRICAN AND ZIMBABWE DIVISION

As the Council meeting was held in Johannesburg, the Director General Tim Sheehy and I took the opportunity to meet the Council of the Zimbabwe Division and participate in a seminar on board governance, whole-of-organisation governance and King IV. It has been a number of years since a President was in Harare and it was encouraging to see the number of professionals participate in the debate at the seminar and to meet Councillors who are so enthusiastic about their Division.

The time in Johannesburg was also an opportunity to meet the Council of the Southern African Division and for a number of Councillors to participate in a well attended afternoon panel discussion on current topics in corporate governance.

As a matter of policy when your Council holds a meeting in a Division the opportunity is taken to organise seminars or conferences that can capitalise on the international expertise that is then available.

CONCLUSION

I would like to thank all my colleagues on Council for their hard work and time freely given on behalf of our membership during the last year and in particular to my Vice Presidents Edith Shih(HK/China) and Peter Turnbull (Australia), and to Jill Parratt (Southern Africa) who serve on our Executive Committee. We are also very grateful to all those members who serve on Divisional Councils or sit on branch committees throughout the world.

It has been a busy and successful year for our Institute internationally.

The aim of the global body must be to sustain and accelerate the progress we have made, by encouraging the sharing of best practice by our Divisions, by increasing the reputation of the Institute, by continuing the facilitation of best governance practice throughout the world and by educating and supporting our students and members to equip them with the skills and abilities demanded by the 21st century job market.

Best wishes



David Venus FCIS
International President

Evolve for the
Future



A Message From the President

New strategic initiatives: proposed Charter & byelaw changes

As I mentioned in my President's report in April this year, the international Council has developed two separate strategies to enable your Institute to take full advantage of the worldwide focus on good governance. The Council has now resolved to seek your approval to these two strategic initiatives that will position the Institute to evolve and grow sustainably by enhancing its reputation and reach.

The first initiative is the introduction of an intermediate grade of membership that will not be Chartered but will allow successful students to call themselves Affiliated Members. This will attract the many potential students who for various reasons do not wish to complete the full suite of Chartered examinations but do wish to benefit from membership of the professional body that will represent them best.

The second initiative is a new designation to be called Chartered Governance Professional that will rank alongside Chartered Secretary and will provide a home to a wide range of individuals that have a role in delivering good governance but do not necessarily act or see themselves as company secretaries.

A meeting of members will be held in London on 4 October 2017 to seek your approval of the Affiliated Member proposal and the Chartered Governance Professional proposal.

A formal Notice of Meeting will be distributed in early August. It will contain the full detail of the changes to the Charter & byelaws. In the meantime, you can [click here](#) to read more about these initiatives on the Institute's website.

I urge you to consider this information carefully and to engage further with your Division.
The future is in your hands and your Council recommends to you that you vote in favour of these important initiatives.

David Venus FCIS
President

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Evolve for the Future



Dear Member,

Following my email to you about your Council's plans to seek your approval to two new strategic initiatives, I wanted to once again urge you to engage with your Division and vote in favour.

You will shortly receive the formal Notice of Meeting which will include the full detail of these exciting plans, but I wanted to take this opportunity before then to give you further insight regarding what they mean for our Institute.

It is important to stress that the clear focus we place on company secretarial practice will not change, nor will the prestige of the Institute's post nominals. Your Institute will continue to concentrate on achieving greater recognition of the Chartered Secretary designation in all our Divisions and beyond.

The initiatives your Council is proposing will broaden our reach and appeal to the growing numbers of governance professionals working worldwide and will serve to enhance the position of ICSA as the leading qualifying body in the practice of governance.

I urge you once again to read more about these important initiatives for our Institute on the global website at www.icsaglobal.org where you will find a dedicated section devoted to these proposals.

We believe these proposals are key to securing the Institute's future as a mainstream, leading qualifying and representative body of both company secretaries and governance professionals worldwide. We hope you vote in favour of these important initiatives when the time comes.

David Venus FCIS

President

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