



2005 ANNUAL REPORT OF  
THE INTERNATIONAL ASSOCIATION  
OF INSOLVENCY REGULATORS

This is the report on the operations and activities of the International Association of Insolvency Regulators (IAIR) for the period 1 January 2005 – 31 December 2005.

The report covers the following:

- 2005 Annual General Meeting & Conference
- Membership and Executive Committee
- Achievement of objectives
- Executive support to the Association

1 2005 Annual General Meeting and Conference

- 1.1 The 2005 Annual General Meeting & Conference of the Association was held in Helsinki Finland on 6-8 June 2005. A reception function was hosted by the Chairman on the evening of 5 June, allowing delegates to renew acquaintances with old colleagues and meet new people. The meeting was attended by 40 delegates from 21 member or observer organisations. This included delegates from agencies who had not previously attended: British Virgin Islands Financial Services Commission, the Indonesia Department of Law & Human Rights and Supreme Court, the Latvia State Insolvency Administration Agency, the Mauritius Companies Division, the Norway Bankruptcy Court and the Papua New Guinea Public Curator's Office. A full list of those who attended IAIR Helsinki 2005 is attached.
- 1.2 The meeting was opened with a keynote address by the Finland Minister of Justice Mr Johannes Koskinen and during the conference we were honoured to have Mr Justice Mikko Konkkola, Chief Justice, Vaasa Court of Appeal, Finland present a session on bankruptcy law in Finland. The formal AGM business covered the Record of the Delhi 2004 meeting, the Annual Report, Financial Statements and Executive Director's Report, all of which were noted and endorsed; and the annual membership fee was approved. The Meeting decided to reappoint the Chairman for another year, and noted that the Executive Committee had been appointed for a two year period at IAIR Delhi 2004 (see more detail below at para 2.3).
- 1.3 The main Conference covered a wide variety of subject matters and issues, including reports on projects commissioned at previous meetings, and the participation and interaction between delegates on all items was most pleasing. The meeting decided on specific issues that would be the subject of further project work by the Association during the forthcoming year. A detailed record of the meeting is available for endorsement at IAIR 2006 Mexico City.



- 1.4 The main Conference Dinner was hosted on the evening of 6 June by the Ministry of Justice Finland at the very impressive House of Estates, where delegates were treated to a special reception which included an interesting summary of the history of the House. The Conference ended with a magnificent boat trip around the Archipelago and dinner at the Suomenlinna Sea Fortress, a most enjoyable and memorable finale, for which all were truly grateful to our hosts, the Bankruptcy Ombudsman's Office Finland
- 1.5 The Meeting accepted with gratitude the offer from Luis Meján on behalf of the Instituto Federal de Especialistas de Concursos Mercantiles, Mexico to host IAIR 2006 in Mexico City.

## 2 Membership and Executive Committee

2.1 Membership of the Association at 31 December 2005 comprised 22 government departments, agencies and public authorities as follows:

- Australian Securities & Investments Commission;
- Insolvency & Trustee Service Australia;
- Financial Services Commission, British Virgin Islands;
- Office of the Superintendent of Bankruptcy, Canada;
- Ministry of Commerce, People's Republic of China;
- Bankruptcy Ombudsman's Office, Finland;
- Official Receiver, Hong Kong;
- Ministry of Company Affairs, India;
- Department of Enterprise Trade & Employment, Ireland;
- Office of the Director of Corporate Enforcement, Ireland;
- Viscount's Department, Jersey;
- Department of Insolvency, Malaysia;
- Instituto Federal de Especialistas de Concursos Mercantiles, Mexico;
- Insolvency & Trustee Service, New Zealand;
- Agency for Licensing Bankruptcy Administrators, Republic of Serbia;
- Insolvency & Public Trustee Office, Singapore
- Masters of the High Court Business Unit, South Africa;
- Ministry of Justice, Thailand;
- The Insolvency Service, England & Wales;
- Insolvency Service, Northern Ireland;
- Accountant in Bankruptcy, Scotland; and
- Administrative Office of the United States Court (Bankruptcy).

It was especially pleasing to welcome the Agency for Licensing Bankruptcy Administrators, Republic of Serbia as a new member in 2005.

2.2 A number of government officials from non-member organisations have attended Annual General Meetings & Conferences as observers. This is encouraged as it provides an opportunity for them to see at first hand, and contribute to, the Association's operations prior to committing to becoming members: it also provides member organisations with a wider perspective of developments in other jurisdictions.



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- 2.3 The Executive Committee, appointed for a two year period at IAIR New Delhi 2004 comprises: Insolvency & Trustee Service Australia; Office of the Superintendent of Bankruptcy, Canada; The Insolvency Service, England and Wales; Department of Insolvency, Malaysia; Insolvency and Trustee Service, New Zealand; Masters of the High Court Business Unit, South Africa; and Ministry of Justice, Thailand.
- 2.4 The Insolvency & Trustee Service Australia provides the Secretariat services for the Association and operates and manages the Association's bank account.
- 2.5 Terry Gallagher, Inspector-General in Bankruptcy, Insolvency & Trustee Service Australia, was reappointed as Chairman at IAIR Helsinki 2005.
- 2.6 The membership contribution for 2005 remained at US\$1,000

### 3 Achievement of Objectives

#### 3.1 The objectives of IAIR are:

- To promote liaison, cooperation and discussion amongst government insolvency regulators; and
- To be recognised as an international body with the knowledge and credibility to promote fair, effective and efficient systems for the administration of insolvencies.

The Association has been active in pursuing these objectives through a range of initiatives and projects.

- 3.2 The Association's website was maintained during the year. It contains information about the Association and how to join; current and recent activities, projects and publications; member profiles and links to member websites and other international bodies; and a members' only section. The website considerably enhances Members' and observers' ability to communicate and to gain access to information. A statistical report on website usage has been provided to members and is included in the IAIR Mexico City 2006 papers. It shows there were 34,007 visits to the site during 2006. The opportunity exists for more use to be made of the site by members and observers, for example, for annual membership renewal, on-line registration for the Annual General Meeting and Conference, and making Conference papers available rather than distributing them individually by email. It is always a challenge to keep websites updated; but a combination of material provided by members and assiduous work by Karen Axford of the ASIC host organisation and by the webmaster has ensured that information, particularly member profiles, is substantially current and relevant.
- 3.3 The project work that is undertaken serves to meet both of the objectives of the Association. Projects that have been completed include the No Asset Insolvencies report and the Phoenix Companies report, both of which are now on the website. During this year the projects relating to e-Filing and Student Loans have been committed and reports on progress will be presented at IAIR



2006 Mexico. The final reports are of value and so too is the liaison, cooperation and discussion between countries that is generated, and which has enabled the Association to develop an increasingly comprehensive picture of insolvency systems around the world - now summarised in the Overview of Insolvency report prepared by the Executive Director. IAIR 2006 Mexico City will consider projects for 2006-07 from a number of important topics which have been identified.

3.4 The Association has over a number of years, through its Executive Director, worked with the World Bank in the development of principles and guidelines for the regulation of insolvency practitioners. Progress on this particular initiative slowed as the World Bank and UNCITRAL sought to bring together their respective principles and legislative guide in relation to insolvency and creditor rights. Now that the way ahead has been rather more clearly charted, the Association will be undertaking further work on material to complement the principles and guidelines.

3.4 Finally we are all aware of considerable bilateral and multilateral dialogue between countries during the course of the year. Requests for input to policy issues have been made to fellow member and observer agencies on a number of subject matters. For example, Australia (ITSA) has worked with the Legal Execution Department in Thailand on a project to consider voluntary bankruptcy for individuals. This involved visits by ITSA staff to Thailand in July 2005 and return visits by a delegation from the LED in August. ITSA also visited Indonesia in October 2005 to discuss developments in that country's insolvency system. The UK Insolvency Service has been working with the Czech Republic Ministry of Justice and the private sector insolvency administrator body there in the development of its regulatory framework; and the Association has provided material for the Serbia Agency for Licensing Bankruptcy Administrators – it is particularly pleasing that both countries will be represented at IAIR 2006 Mexico City. These are some examples and no doubt there have been many others. The Association might consider ways of better recording contacts between members and observer agencies. In the meantime, the Association's handy pocket-size leaflet has been revised and updated, and it is hope members will use it to promote the Association with contacts they have.

#### 4 On-going Executive Support for IAIR

4.1 The current Executive Director appointment is for a two-year period ending at the end of the IAIR Annual General Meeting and Conference 2006. Following the agreement of members at IAIR Helsinki 2005, the terms of this arrangement were altered to better reflect the work required. This variation was formalised between the Chairman and the Executive Director in November 2005. Also a formal arrangement for the appointment of a web manager for the maintenance and support of the website was made in November 2005. It is necessary to continue these support arrangements and the Association's approval for this will be sought at IAIR Mexico 2006.

#### 5 Financial position



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- 5.1 The 2005 financial statement shows that the Association is in a healthy position. It operated with a small surplus in 2005 and at 31 December 2005 had accumulated funds amounting to US\$43,267. It will be noted from the financial statement that the Helsinki meeting costs exceeded revenue from registration fees by US\$4,700. It will remain the intention to run the annual meetings on a break even basis.
- 5.2 It will be recommended to IAIR Mexico 2006 that the annual membership contribution remain at US\$1,000.

## 8 Conclusion

- 8.1 In conclusion, it is clear that 2005 was a year in which the Association continued to progress. Many new contacts were made and there is considerable interest by insolvency agencies across the world in the work of IAIR. This is due to the exceptional efforts of a number of member organisations. A particular thank you is extended to Eeva Arko-Koski and her staff from the Bankruptcy Ombudsman's Office Finland for hosting a wonderful 2005 General Meeting and Conference. Peter Joyce continues to provide great support for which the Association is very grateful. The support and friendship of all member agencies during the year is acknowledged and appreciated.

**Terry Gallagher**  
IAIR Chairman

**Peter Joyce**  
IAIR Executive Director

May 2005



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## IAIR Helsinki 2005 List of Delegates

<b>Australia</b>	Professor Berna <u>Collier</u> Mr Terry <u>Gallagher</u> Mr David <u>Bergman</u>	Commissioner Inspector General Legal and Practice Support Adviser	Australian Securities & Investments Commission Insolvency & Trustee Service Australia Insolvency & Trustee Service Australia
<b>British Virgin Islands</b>	Mr Chris <u>Hill</u> Ms Floris <u>Lettsome-Lewis</u>	Director Insolvency Services Assistant Director Licensing & Regulation	Financial Services Commission Financial Services Commission
<b>Canada</b>	Mr Marc <u>Mayrand</u>	Superintendent of Bankruptcy	Office of the Superintendent of Bankruptcy
<b>Finland</b>	Mrs Eeva <u>Arko-Koski</u> Mr Antti <u>Kurikka</u> Mr Harri <u>Hamalainen</u> Mr Petri <u>Hirsimaa</u> Mr Tuomo <u>Kara</u> Ms Marina <u>Vatanen</u> Mrs Pirjo <u>Sunnari</u>	Bankruptcy Ombudsman Senior Lawyer Senior Lawyer Senior Lawyer Senior Lawyer Senior Lawyer Co-ordinator	Bankruptcy Ombudsman's Office Bankruptcy Ombudsman's Office Bankruptcy Ombudsman's Office Bankruptcy Ombudsman's Office Bankruptcy Ombudsman's Office Bankruptcy Ombudsman's Office
<b>Hong Kong SAR</b>	Mr Eamonn <u>O'Connell</u>	Official Receiver	Official Receiver's Office
<b>India</b>	Mr Jitesh <u>Khosla</u>	Joint Secretary	Department of Company Affairs
<b>Indonesia</b>	Mr Syamsudin Manan <u>Sinaga</u> Ms Justice Mieke <u>Komar Kantaatmadja</u>	Director of Civil Law Judge	Department of Law & Human Rights Supreme Court
<b>Ireland</b>	Mr Paul <u>Appleby</u> Mr Adrian <u>Brennan</u>	Director Legal Adviser	Office of Director of Corporate Enforcement Office of Director of Corporate Enforcement
<b>Jersey</b>	Mr Michael <u>Wilkins</u>	Viscount of the Royal Court	Viscount's Department
<b>Latvia</b>	Ms Dace <u>Mihalska</u>	Deputy Director of Law Dept	State Insolvency Administration Agency
<b>Malaysia</b>	Mdm Halijah binti <u>Abbas</u> Mr Aslam bin <u>Zainuddin</u> Mdm Nor Risan binti <u>Saad</u>	Director of Insolvency Director, Liquidation Division Insolvency Officer Liquidation Division	Department of Insolvency Department of Insolvency Department of Insolvency
<b>Mauritius</b>	Mrs Divanandum <u>Chinien</u>	Registrar of Companies	Companies Division
<b>Mexico</b>	Mr Luis <u>Mejan</u>	Director General	Instituto Federal de Especialistas de Concursos Mercantiles
<b>New Zealand</b>	Mr Neville <u>Harris</u> Mr Ross <u>van der Schyff</u>	Official Assignee Group Manager	Insolvency & Trustee Service Insolvency & Trustee Service
<b>Norway</b>	Mr Justice Ernst <u>Moe</u>	Judge and President	Stavanger Bankruptcy Court
<b>Papua New Guinea</b>	Mr Paul <u>Wagun</u>	Public Trustee	Public Curator's Office
<b>Singapore</b>	Mr Sarjit <u>Singh</u> Ms Beverley <u>Wee Ying Ling</u>	Official Assignee and Public Trustee Assistant Official Assignee and Public Trustee	Insolvency & Public Trustee's Office Insolvency & Public Trustee's Office



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<b>South Africa</b>	Mr Paul <u>Baloyi</u>	Acting Chief Master	Masters of the High Court Business Unit
	Ms Nonkoliso <u>Sigcau</u>	Master of the Pretoria High Court	Master of the High Court Business Unit
	Ms Monica <u>Kriel</u>	Deputy Master of the Pretoria High Court	Masters of the High Court Business Unit
<b>Thailand</b>	Mr Kraisorn <u>Barameeauychai</u>	Director General	Legal Execution Department
	Ms Manida <u>Attanat</u>	Deputy Director General	Legal Execution Department
	Mr Sirawat <u>Chandharath</u>	Deputy Director General	Legal Execution Department
	Ms Angkana <u>Ruworanan</u>	Official Receiver	Legal Execution Department
<b>United Kingdom</b>	Mr Desmond <u>Flynn</u>	Inspector General & Chief Executive	The Insolvency Service
	Mr Mike <u>Norris</u>	Director of Policy	The Insolvency Service
<b>Executive Director</b>	Mr Peter <u>Joyce</u>	Executive Director	IAIR



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