

1 April 2021

Our Ref: MC/CPD/CIR

*By email only*

To: Chief Executives of all authorized insurers, Responsible Officers of all licensed insurance agencies and licensed insurance brokers companies

Dear Sirs,

**Continuing Professional Development (“CPD”) Requirements –  
CPD Compliance Reporting Procedures for Assessment Periods 2019/20 and 2020/21**

As you will know from our circulars dated 12 June 2020 and 30 September 2020, the Insurance Authority (“IA”) has merged the CPD assessment period for 23 September 2019 to 31 July 2020 (“the First Assessment Period”) with the CPD assessment period for 1 August 2020 to 31 July 2021 (“the Second Assessment Period”). To recap, this means:

- (a) Each individual licensee will be considered as CPD-compliant provided that by the end of the Second CPD Assessment Period, i.e. **31 July 2021**, he or she has earned sufficient CPD hours required for both the First and the Second Assessment Periods;
- (b) If an individual licensee has been unable to complete the requisite CPD hours for the First CPD Assessment Period by 31 July 2020, he or she can make up the shortfall by the end of the Second CPD Assessment Period, i.e. 31 July 2021 (in addition to completing the CPD hours for the Second CPD Assessment Period); and
- (c) Each individual licensee is required to report his or her CPD compliance for the First and Second CPD Assessment Periods no later than **30 September 2021**.

The purpose of this circular is to set out the reporting procedures for (c) above.

**CPD Compliance Reporting Procedures**

As stated in our circular dated 30 September 2020, reporting of CPD compliance for the First and Second CPD Assessment Periods is to be done by individual licensees through their principals (i.e. through authorized insurers, licensed insurance agencies and licensed insurance broker companies). Accordingly, individual licensees must submit a duly completed CPD Declaration Form to their appointing principal **by 30 September 2021**. Authorized insurers, licensed insurance agencies and licensed insurance broker companies must then report the CPD compliance of their appointed individual licensees to the IA **by 31 October 2021**. Further details are provided below.

### ***Instructions for reporting by individual licensees to principals***

As stated, individual licensees must submit a duly completed CPD Declaration Form to their appointing principal **by 30 September 2021**. If an individual licensee is appointed by more than one appointing principal, he/ she must:

- (a) elect one of the appointing principals to be responsible for reporting his/her CPD compliance to the IA, and submit the duly completed CPD Declaration Form to that appointing principal; and
- (b) notify all other appointing principals of his/her election (or any change in such election) and submit to each of the other appointing principals a copy of the duly completed CPD Declaration Form for record.

The CPD Declaration Form which individual licensees should use to report their CPD compliance to their appointing principals is available on the IA's website (see links below):

- English version:  
[https://www.ia.org.hk/en/legislative\\_framework/files/cpd\\_declaration\\_form\\_eng.pdf](https://www.ia.org.hk/en/legislative_framework/files/cpd_declaration_form_eng.pdf)
- Chinese version:  
[https://www.ia.org.hk/tc/legislative\\_framework/files/cpd\\_declaration\\_form\\_chi.pdf](https://www.ia.org.hk/tc/legislative_framework/files/cpd_declaration_form_chi.pdf)

Individual licensees whose licence is suspended as of 31 July 2021 by reason of them not being appointed by any appointing principals are required to submit the duly completed CPD Declaration Form directly to the IA by email to [cpdreporting@ia.org.hk](mailto:cpdreporting@ia.org.hk)<sup>1</sup>. The IA will send an email reminder to these individual licensees for this purpose.

### ***Instructions for reporting by principals to the IA***

Each authorized insurer, licensed insurance agency and licensed insurance broker company must report the CPD compliance of all their appointed individual licensees to the IA **by 31 October 2021** in the following manner:

- (a) download the CPD List available in [Insurance Intermediaries Connect](#), the IA's online portal (see also the next section of this circular);
- (b) collect the completed CPD Declaration Forms from all its appointed individual licensees;
- (c) complete the CPD List by providing the CPD compliance status for each individual licensee in the list; and
- (d) upload the completed CPD List to the online portal for submission to the IA (the upload function will be available after 6 August 2021).

### **CPD List for each Authorized Insurer, Licensed Insurance Agency and Licensed Insurance Broker Company**

The CPD List for each authorized insurer, licensed insurance agency and licensed insurance

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<sup>1</sup> This email address will start accepting submissions from 1 August 2021.

broker company has already been uploaded to its online portal account in the IA's [Insurance Intermediaries Connect](#) and is available for downloading. Each CPD List (which is in Microsoft Excel format) has been pre-populated with the number of CPD hours which each of the appointed individual licensees of the insurer, agency or broker company (as the case may be) is required to complete during the First and Second CPD Assessment Periods (i.e. by 31 July 2021). Please note that each CPD List assumes that the appointed individual licensees named on the list will continue to be appointed by the relevant insurer, agency or broker company as at 31 July 2021.

The IA will update the CPD Lists for each insurer, agency and broker company on a monthly basis until 31 July 2021. The finalized CPD Lists indicating the actual position as of 31 July 2021 will be available on 6 August 2021. Principals should use the finalized CPD List to report the CPD compliance of their appointed individual licensees.

The purpose of releasing these CPD Lists now (and updating them between now and 31 July 2021) is to enable insurers, agencies and broker companies to support and monitor their appointed individual licensees in fulfilling their CPD hours for the First and Second Assessment Periods by 31 July 2021. Every insurer, agency and broker company is therefore advised to download their CPD List by accessing their respective accounts in [Insurance Intermediaries Connect](#) and to start reminding their appointed individual licensees of the deadline of 31 July 2021 for the completion of their CPD hours and the deadline of 30 September 2021 for reporting their CPD compliance to their principals. Please note that while the IA has tried to ensure the accuracy of the information contained in each CPD List, the prospect of the occasional discrepancy cannot be discounted<sup>2</sup>.

### **Open your Supervisor Account in Insurance Intermediaries Connect now!**

Despite repeated reminders, only around 25% of all authorized insurers, licensed insurance agencies and licensed insurance broker companies have opened a Supervisor Account in [Insurance Intermediaries Connect](#). Indeed, for licensed insurance agencies the percentage is only 7%. It is essential that every insurer, agency and broker company opens a Supervisor Account in [Insurance Intermediaries Connect](#) so they can access their CPD List and report the CPD compliance of their appointed individual licensees to the IA by 31 October 2021. Any authorized insurer, licensed insurance agency or licensed insurance broker company which has not opened a Supervisor Account in [Insurance Intermediaries Connect](#) **must do so as soon as possible** by submitting a signed [Form A2](#) to the IA. Please visit the "[Forms – Insurance Intermediaries](#)" webpage on the IA website for the application form and user guides.

### **CPD Related Resources - GL24 and Frequently Asked Questions on CPD requirements**

The CPD requirements and the number of CPD hours an individual licensee must complete are set out in the [Guideline on Continuing Professional Development for Licensed Insurance](#)

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<sup>2</sup> The CPD List captures the status of all individual licensees appointed by a principal as at the day on which the list is generated. Owing to possible time lag in reporting to the IA, the finalized list as of 31 July 2021 may include individual licensees who cease to be appointed by the principal after 31 July 2021 and exclude individual licensees newly appointed by you after that date.

[Intermediaries](#) (GL24). The IA has also issued a set of Frequently Asked Questions (“FAQs”) and accompanying answers to provide explanation and basic rules for calculating the minimum number of CPD hours required of individual licensees with different registration or licensing histories. These FAQs are available on a dedicated [CPD webpage on the IA website](#) in both [English](#) and [Chinese](#).

### **Dissemination of Information in this Circular**

Completing CPD hours is an important means by which individual licensees ensure their knowledge is kept up-to-date so that they are able to carry on regulated activities and serve policyholders to the requisite standards of professionalism. By completing CPD hours, individual licensees reinforce trust in the insurance market. By corollary, failure to complete CPD hours will adversely impact the fitness of properness of individual licensees and attract deserved disciplinary action. We ask that you disseminate this message and the information in this circular to all your appointed individual licensees (and, in the case of authorized insurers, also to your appointed insurance agencies).

We also take this opportunity to remind authorized insurers, licensed insurance agencies and licensed insurance broker companies that, per the requirements in GL 24, you are required to ensure compliance by your appointed individual licensees with CPD requirements and have in place adequate controls and procedures for this purpose. Such controls should include monitoring and ensuring of reporting of the CPD compliance to you by your appointed individual licensees using the specified CPD Declaration Form.

### **Enquiries**

If you have any questions, please contact us as follows:

- for matters concerning Insurance Intermediaries Connect, or the opening or the use of a Supervisor Account, please send your enquiries or applications by email to [licensing@ia.org.hk](mailto:licensing@ia.org.hk).
- for matters concerning the information contained in this circular or the CPD Lists, please send your enquiries by email to [cpd@ia.org.hk](mailto:cpd@ia.org.hk).

Yours faithfully,

Peter Gregoire  
Head of Market Conduct (Acting)  
General Counsel  
Insurance Authority

c.c. The Hong Kong Federation of Insurers  
Professional Insurance Brokers Association  
The Hong Kong Confederation of Insurance Brokers