

**By Fax/By E-mail**

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To : Authorized Representatives, Member Companies, The Hong Kong Federation of Insurers ("HKFI")  
Non-HKFI Insurers using HKFI's agent registration service  
Insurance Agents who have appointed Responsible Officers / Technical Representatives  
All Insurance Agents, Responsible Officer and Technical Representatives (Registered Persons) via their appointing Insurer / Insurance Agent

c.c. : Ms Annie Choi, JP, Commissioner of Insurance, Insurance Authority  
Mr Patrick Chan, Chairman, The HK Confederation of Insurance Brokers  
Mr William Kung, President, General Agents & Managers Association of HK  
Mr Danny Yiu, President, HK Chamber of Insurance Intermediaries  
Mr Jack Ng, Chairman, The HK General Insurance Agents Association Ltd  
Mr Tommy Lim, President, The Life Underwriters Association of HK Ltd  
Mr Johnson Chow, Chairman, Professional Insurance Brokers Association

From : Alice Kong, General Manager – Compliance

Date : 3 December 2014

Subject : **Updated Continuing Professional Development ("CPD") Information Sheet**

You may recall that, at the request of the Insurance Industry Training Advisory Committee, the Hong Kong Council for Accreditation of Academic and Vocational Qualifications ("HKCAAVQ"), the assessment authority for the Continuing Professional Development ("CPD") Programme of the Insurance Intermediaries Quality Assurance Scheme ("IIQAS"), has formulated the mechanism for recognising Qualifications Framework ("QF") accredited programmes as qualified CPD activities under the IIQAS CPD Programme ("Recognition Mechanism"). With the endorsement of the IIQAS Steering Committee on the Recognition Mechanism, the CPD Information Sheet was updated in April 2014 to incorporate the said mechanism.

Under the Recognition Mechanism, the following three types of QF accredited programmes could be recognised under the IIQAS CPD Programme:

- Type 1 : Accredited programmes under the Insurance Industry
- Type 2 : Insurance-related programmes accredited by the HKCAAVQ
- Type 3 : Insurance-related programmes offered by institutions with self-accreditation status

As endorsed, Type 1 programmes could be directly recognised under the IIQAS CPD Programme without the need to go through any vetting procedures. Type 2 and Type 3 programmes embedded with specified contents could, subject to a simple vetting process ("Vetting Process"), also be recognised under the IIQAS CPD Programme.

For Type 1 programmes, the Recognition Mechanism has been implemented since April 2014 upon the publication of the Specification of Competency Standards for the insurance industry. For Type 2 and Type 3 programmes, the HKCAAVQ has recently finalised the framework of the Vetting Process and incorporated it in the Recognition Mechanism. There are also some fine-tuning of the Recognition Mechanism including the recognition of QF accredited programmes with less than 3 QF credits.

In this regard, the IIQAS Steering Committee has recently endorsed the updates in the Recognition Mechanism. As such, the CPD Information Sheet has been further revised to incorporate the said updates and uploaded today on our website at [http://www.oci.gov.hk/framework/index02\\_05\\_05.html](http://www.oci.gov.hk/framework/index02_05_05.html). A copy each of the English and Chinese versions of the CPD Information Sheet are attached herewith for your reference. In particular, you may refer to paragraphs 9, 15, 16, 23 and 24 of the CPD Information Sheet for the updates.



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# CPD Information Sheet (Nov 2014)

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## **Insurance Intermediaries Quality Assurance Scheme Continuing Professional Development Programme**

### **The Programme**

1. Insurance agents/brokers, their chief executives/responsible officers and technical representatives (collectively referred to as “insurance intermediaries”) are required to comply with the requirements of the Continuing Professional Development (“CPD”) Programme under the Insurance Intermediaries Quality Assurance Scheme (“IIQAS”).
2. The objective of implementing the CPD Programme is to ensure insurance intermediaries continue to possess professional competence and standard in providing advice and service to the policy holders and potential policy holders.

### **CPD Requirements**

3. Except for travel insurance agents, their responsible officers and technical representatives (*requirements are specified in paragraph 4*), all insurance intermediaries are required to earn 10 CPD hours every year. Any excess CPD hours accumulated within a particular year cannot be carried forward to any other years.
4. From 1 August 2008 onwards, travel insurance agents, their responsible officers and technical representatives are required to earn 3 CPD hours every year. Any excess CPD hours accumulated within a particular year cannot be carried forward to any other years.
5. Failure to comply with the requirement may lead to application of disciplinary actions to or de-registration/de-authorisation of the insurance intermediary concerned. Concession can be given to those who have long term/prolonged illness which precludes them from attending CPD activities. The self-regulatory organisations (“SROs”), i.e. the Insurance Agents Registration Board, the Hong Kong Confederation of Insurance Brokers and the Professional Insurance Brokers Association can consider granting such concession on a case-by-case basis.
6. Insurance intermediaries should maintain appropriate records and retain the supporting evidence of all CPD activities that they have attended in the way prescribed by the respective SROs.

### Assessment Dates and Procedures

7. Compliance with the CPD requirements is assessed annually. For the CPD assessment dates and the related assessment procedures, please contact the respective SROs.

### Qualified CPD Activities

8. Unless otherwise stated in paragraphs 9, and 14 to 17, qualified CPD activities are structured activities (i.e. activities which require involvement with other people such as training courses and seminars) and must be related to local insurance (or related) legislation, regulatory aspects of insurance practice in Hong Kong, insurance, actuarial science, risk management, financial planning, or other disciplines which are directly related to the work of insurance intermediaries, such as investment, law and legal knowledge, finance, business, commerce, management, engineering or communication skills. Generally, one CPD hour can be earned for each hour's participation in these activities.
9. Qualified CPD activities stated in paragraphs 15 and 16 must include structured activities (i.e. activities which require involvement with other people such as training courses and seminars) and at least 50% of the course contents of those qualified CPD activities as mentioned in paragraph 16 must fall within the areas of coverage specified in the Appendix. Generally, 3 Qualifications Framework ("QF") credits earned under these activities as mentioned in paragraphs 15 and 16 can be recognised as 10 CPD hours<sup>1</sup>.
10. CPD activities must be assessed by the assessment authority for the IIQAS CPD Programme ("Assessment Authority") except those specified in paragraphs 12 to 15 or approved by the Office of the Commissioner of Insurance.
11. IL CPD Activities, i.e. CPD activities which have been assessed and approved by the Assessment Authority for the purpose of fulfilling the IL CPD requirement of completing 20 extra CPD hours dedicated towards the additional modules of the enhanced Investment-linked Long Term Insurance Examination under the Insurance Intermediaries Qualifying Examination ("IL CPD hours") within the two-year transitional period (i.e. 1 March 2010 to 29 February 2012), can be qualified CPD activities under the IIQAS CPD Programme provided that the said activities are still approved by the Assessment Authority. However, anyone attending such CPD activities after 29 February 2012 is not entitled to any IL CPD hours (as the transitional period for the IL CPD requirement already expired on 29 February 2012) but is only entitled to CPD hours that can be counted towards the annual CPD requirement of 10 CPD hours applicable to all insurance intermediaries.

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<sup>1</sup> For those programmes with less than 3 QF credits, insurance intermediaries will be considered as earning 1 CPD hour for attending 1 hour of face-to-face training under such programmes.

12. SROs are allowed to organise qualified CPD activities themselves in accordance with the criteria specified in paragraph 8. They are not required to be assessed by the Assessment Authority.
13. CPD courses organised or formally approved by the specified professional bodies (i.e. professional organisations established under an Ordinance of Hong Kong or those required to perform statutory duties under an Ordinance of Hong Kong, e.g. the Hong Kong Institute of Certified Public Accountants and the Law Society of Hong Kong) for their own CPD programmes (confined to structured activities) can also be recognised as qualified CPD activities for the IIQAS CPD Programme provided that they are within the scope specified in paragraph 8. These courses are not required to be assessed by the Assessment Authority.
14. Studies for local or overseas university bachelor degrees or postgraduate degrees in any disciplines relating to the scope of qualified CPD activities stated in paragraph 8 can be granted 10 CPD hours for each year's studies, for 6 years at most in respect of each university degree programme. They are not required to be assessed by the Assessment Authority. Evidence of examination results, coursework assessment or attendance should be submitted as required by the respective SROs.
15. Programmes accredited under the QF of Hong Kong ("QF") and categorised under the insurance industry on the Qualifications Register ("QR") under the Education Bureau can be recognised as qualified CPD activities for the IIQAS CPD Programme. Insurance intermediaries obtaining 3 QF credits under these programmes in a year will be considered as earning 10 CPD hours for the year<sup>1</sup>. For those programmes with periods of study of over one year, a maximum of 10 CPD hours can be recognised for each year's studies, for 6 years at most in respect of the same programme. These programmes are not required to be assessed by the Assessment Authority. Evidence of examination results, coursework assessment or attendance should be submitted as required by the respective SROs.
16. Insurance related programmes accredited under the QF but not categorised under the insurance industry on the QR can also be recognised as qualified CPD activities for the IIQAS CPD Programme, provided that at least 50% of their course contents fall within the areas of coverage specified in the Appendix and have been approved by the Assessment Authority as qualified CPD activities after undergoing a vetting process. Insurance intermediaries obtaining 3 QF credits under these programmes in a year will be considered as earning 10 CPD hours for the year<sup>1</sup>. For those programmes with periods of study of over one year, a maximum of 10 CPD hours can be recognised for each year's studies, for 6 years at most in respect of the same programme. Evidence of examination results, coursework assessment or attendance should be submitted as required by the respective SROs.

17. Studies for attaining specified qualifications (paragraph 19) can be granted 10 CPD hours for each year's studies, for 6 years at most in respect of each qualification. Evidence of passing the examination of at least one subject in a particular year has to be submitted as required by the respective SROs in order to be granted the 10 CPD hours for that particular year.
18. Holders of the qualifications as specified in paragraph 19 are considered to have satisfied the 10 CPD hours requirement if (i) the institutes granting such qualifications have a specific CPD programme for holders of such qualifications; and (ii) they (as the holders of such qualifications) have satisfied the CPD requirements specified by the institutes granting such qualifications. Evidence of holding such qualifications/titles should be submitted by the concerned insurance intermediaries as required by the respective SROs. They should also be able to produce documentary proof that compliance with the institute's CPD programme is essential for the holding of such qualifications/titles.
19. List of specified qualifications for the purpose of paragraphs 17 and 18:
  - Associate or Fellow of the Chartered Insurance Institute (ACII/FCII)
  - Senior Associate or Fellow of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF (Snr Assoc)/ANZIIF (Fellow))
  - Certified Financial Planner (CFP)
  - Chartered Financial Consultant (ChFC)
  - Chartered Life Underwriter (CLU)
  - Chartered Property Casualty Underwriter (CPCU)
  - Fellow, Chartered Financial Practitioner (FChFP)  
of the Life Underwriters Association of Hong Kong
  - Fellow of the Faculty of Actuaries in Scotland (FFA)
  - Fellow of the Institute of Actuaries of England (FIA)
  - Fellow of the Institute of Actuaries of Australia (FIAA)
  - Fellow of the Life Management Institute (FLMI)
  - Fellow of the Society of Actuaries of the United States of America (FSA)
  - Hong Kong Diploma in Insurance Studies of the Insurance Institute of Hong Kong
  - Hong Kong Insurance Professional Qualification Examination (HKIPQE)  
of the Hong Kong Society of Certified Insurance Practitioners
  - Fellow of the Life Underwriter Training Council (LUTCF)
  - Professional Diploma in Insurance Programme (PDI)  
of the Vocational Training Council

20. Application for assessment is required to be made to the Assessment Authority by the institute granting the qualification for any new qualification to be added to the list of specified qualifications (paragraph 19).

### **Speakers of Qualified CPD Activities**

21. Speakers in any of the qualified CPD activities can earn CPD hours based upon the actual length of time which the speakers have taken part in the activities as speakers at a rate of 1 hour equals to 3 CPD hours. For example, a speaker delivering a lecture in a 4-hour qualified CPD activity for 2 hours shall generally earn 6 CPD hours.

### **CPD Activity Organisers**

22. Besides educational institutes such as universities or other training institutes, CPD activity organisers can also be insurance companies, insurance brokers, insurance agencies or insurance associations. Activity organisers are required to submit their CPD activities to the Assessment Authority for assessment unless otherwise specified in paragraph 10.

### **Assessment of CPD Activities**

23. The Hong Kong Council for Accreditation of Academic and Vocational Qualifications (“HKCAAVQ”) has been appointed as the assessment authority for the IIQAS CPD Programme. The HKCAAVQ is responsible for setting the assessment criteria and assessing relevant activities and qualifications for the IIQAS CPD Programme. It has published at its website (<http://www.hkcaavq.edu.hk>) a list of the approved activities and the respective CPD hours assigned to them. The list of approved activities is updated periodically. The HKCAAVQ is also responsible for vetting relevant QF accredited programmes for the IIQAS CPD Programme as mentioned in paragraph 16 and setting the details of the vetting process. It has also arranged to publish at its website a list of accredited programmes which are recognized as qualified CPD activities as mentioned in paragraph 15 and a list of insurance related accredited programmes which have been approved as qualified CPD activities as mentioned in paragraph 16, and the lists will be updated periodically.
24. The cost of assessment/vetting will be borne by the CPD activity organisers/operators concerned or the institutes applying for their qualifications to be added to the list of specified qualifications (paragraph 19) according to the respective fee schedules promulgated by the HKCAAVQ.

### **Monitoring of Individual's Compliance with the CPD Requirements**

25. The principals (insurers) are responsible for monitoring the compliance of their respective appointed agents and the responsible officers of their appointed insurance agencies. The appointing insurance agents (agencies) are responsible for monitoring the compliance of their respective technical representatives.
26. The insurance brokers are responsible for monitoring the compliance of their respective chief executives and technical representatives.
27. The SROs are responsible for monitoring the compliance of the insurance intermediaries registered with them by auditing their CPD records and the supporting evidence under a random audit system. Please contact the respective SROs for details of the administrative procedures.

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### **Office of the Commissioner of Insurance November 2014**

[CPD Info Sheet English November 2014/gc]



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# CPD Information Sheet (Appendix)

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## **Recognition of insurance related programmes accredited under the Qualifications Framework of Hong Kong as qualified IIQAS CPD activities**

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### **Areas of Coverage**

For those insurance related programmes accredited under the Qualifications Framework of Hong Kong but not categorised under the insurance industry on the Qualifications Register under Education Bureau, their course contents should fall within the following areas of coverage in order to be recognised as qualified CPD activities for the IIQAS CPD Programme:

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|---|---|
| 1. Accounting                             | 21. Liability insurance                               |
| 2. Actuarial science                      | 22. Life and disability insurance                     |
| 3. Annuity                                | 23. Life insurance                                    |
| 4. Aviation insurance                     | 24. Marine insurance                                  |
| 5. Business studies / practice            | 25. Marketing   |
| 6. Claims management                      | 26. Medical and health insurance                      |
| 7. Commerce                               | 27. Motor insurance                                   |
| 8. Communication                          | 28. Organisational behaviour and management           |
| 9. Company and contract law               | 29. Principles and practice of insurance              |
| 10. Economics                             | 30. Property and pecuniary insurance                  |
| 11. Engineering insurance                 | 31. Provident fund (mandatory) and retirement schemes |
| 12. Financial planning                    | 32. Quantitative methods                              |
| 13. General insurance                     | 33. Reinsurance                                       |
| 14. Human resources management            | 34. Risk management                                   |
| 15. Information systems                   | 35. Statistics  |
| 16. Insurance broking                     | 36. Strategic management                              |
| 17. Insurance law                         | 37. Underwriting management                           |
| 18. Investment                            |   |
| 19. Investment-linked long term insurance |   |
| 20. Law and legal studies                 |   |

**Office of the Commissioner of Insurance  
November 2014**

[CPD Info Sheet.Appendix. English November 2014/gc]