
ACTUARIAL GUIDANCE NOTE**AGN 6 CONTINUING PROFESSIONAL DEVELOPMENT****1. Introduction**

- 1.1 Continuing Professional Development (CPD) is defined as the maintenance, improvement and broadening of knowledge and skill and the development of the personal qualities necessary for the execution of professional and associated technical duties throughout the actuary's working life. The actuarial profession throughout the world has encouraged the interchange of professional information. This has been done through the publication and discussion of papers, seminars and conferences.
- 1.2 It is very much in the interest of the public and government in Hong Kong that actuarial advice is soundly based and that actuaries are fully informed and properly developed as professional individuals. The profession cannot maintain (or hope to extend) its statutory and other 'public' roles unless it is fully committed to CPD and seen to be so. This is especially important where many other professions (including several in the insurance and financial services industries) already have effective schemes operating in Hong Kong.
- 1.3 The Actuarial Society of Hong Kong is issuing this guideline to ensure that Fellow members are fully aware of the aims of the CPD program and of their professional obligations regarding CPD.
- 1.4 The Actuarial Society of Hong Kong recognizes that its Fellow members may already be required and/or advised by their original qualifying body* to undertake CPD. The Council of the Actuarial Society of Hong Kong does not wish to impose any extra CPD requirements over and above those that the Fellow is already required to meet.
- 1.5 The Council does however wish to acknowledge the importance of CPD to Fellows practising in Hong Kong and to encourage them to fulfil their professional obligations. It is important that any Fellow practising in Hong Kong ensures that he keeps himself up to date with developments and legislation in the Hong Kong market that might affect his ability to perform as an actuary. The Council thus proposes to operate the CPD scheme on a 'look through' basis with the other original qualifying bodies. i.e. a Fellow of the Actuarial Society of Hong Kong will be deemed to have fulfilled the Actuarial Society of Hong Kong CPD requirements if he has fulfilled his original qualifying body's CPD requirements and a reasonable proportion of the CPD undertaken relates directly to the Hong Kong market.
- 1.6 If a Fellow of the Actuarial Society of Hong Kong is not a member of any of the original qualifying bodies listed below* or if any of the original qualifying bodies* do not operate a CPD scheme and/or do not require/advise members to undertake CPD then a Fellow of the Actuarial Society of Hong Kong should be aware of the need to continually develop himself professionally. It is the responsibility of each Fellow to satisfy himself that he is developing himself sufficiently to ensure that he is still competent to practice as an actuary.

** Original qualifying bodies are as defined in the Actuarial Society of Hong Kong Handbook and Memorandum and Articles of Association i.e. Institute of Actuaries (England), Faculty of Actuaries (Scotland), Society of Actuaries (United States of America) and Institute of Actuaries (Australia).*

2. Aims of the Continuing Professional Development Program

2.1 Current Work

- (a) To help members to develop, after completion of the actuarial examinations, so they can be fully effective professionally.
- (b) To help members to do their current jobs more effectively.
- (c) To help members to maintain the high standards of the profession through the giving of relevant and up-to-date advice.
- (d) To enable members to meet and share professional experiences with their peers.

2.2 New Work

- (a) To help members to develop new expertise in their traditional areas of work.
- (b) To help members who wish to transfer to a new practice area.
- (c) To encourage members in the growth of new areas in which actuarial skills may be used effectively.
- (d) To prepare members for new roles in business and commerce.

2.3 Contextual Activities

- (a) To help members to understand better the business context in which they are operating.
- (b) To support members taking on work in other countries as well as in their original country of qualification and/or current country of residence.
- (c) To support actuaries moving from other countries to work in Hong Kong.
- (d) To provide an enjoyable and intellectually stimulating experience for members.

2.4 Other Activities

- (a) To encourage CPD events for actuaries from outwith Hong Kong.

3. CPD in Context of the Actuarial Profession in Hong Kong

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- Members are reminded of the importance of maintaining the highest standards and practising only with adequate knowledge and experience. Thus Council strongly

recommend that appropriate records of CPD are maintained, as members should be able to demonstrate, if the need arises, that a reasonable effort has been made to keep abreast of current developments.

- 3.2 Whilst the undertaking of CPD is not mandatory for members wishing to act as Appointed Actuaries to life insurance companies in Hong Kong, Council considers it best practice for all actuaries (whether acting as Appointed Actuary or not) to fulfil their CPD requirements.
- 3.3 The Actuarial Society of Hong Kong will organize on an annual basis a one-day conference for Appointed Actuaries. The purpose of this conference will be to discuss matters of mutual interest and to highlight any issues that may require action from Council.

4. What Activities Can Be Classified As CPD?

- 4.1 There are many types of activity which can contribute to CPD, and the many schemes from the original qualifying bodies distinguish between Formal CPD and Informal CPD. Generally speaking, Formal CPD is attendance at professional meetings or courses and other events of equivalent standing where, in the opinion of the member, the subject matter relates to a professional or technical area which is relevant to the personal development of the member. It is important to distinguish between professional/technical topics (directly relating to actuarial matters) and commercial subjects (which may be more business related with no actuarial content) as the latter would be excluded from the definition of CPD.
- 4.2 For definition of the minimum CPD standard in any year Fellows should refer to the CPD scheme of their original qualifying body. In the event that the original qualifying body does not have a CPD scheme Fellows should ensure that they attend sufficient meetings/undertake sufficient private study to enable them to keep up to date with developments/issues in the Hong Kong market and in any other market that they practise in as an actuary.
- 4.3 The responsibility for determining which events rank as Formal CPD, and the appropriate time credit, rests fully with the member subject to the guidance issued by the original qualifying body and the content of 2 above.
- 4.4 Examples of meetings normally expected to come within the definition of Formal CPD are given below. It is emphasized, however, that the responsibility for determining the category rests with members, who must be satisfied that the meeting has contributed to their personal professional development:
- (a) Actuarial conventions, courses, seminars, special meetings, etc.
 - (b) Meetings of the Actuarial Society of Hong Kong.
 - (c) Meetings of original qualifying bodies which are deemed to meet their CPD criteria.

- (d) Meetings of technical committees/working parties of the profession.
 - (e) In-house professional meetings.
- 4.5 With regard to meetings held outside Hong Kong, it is the relevance of the subject matter to the member's professional development that is material, and the relevance may depend, inter alia, on the legislative or other background to the topic being discussed.
- 4.6 Where seminars, etc., are organised other than by a professional actuarial body, it may be that none, or only part, of the proceedings comes within the definition of Formal CPD (please see 1 above).
- 4.7 There will be stages in an actuary's career when attendance at courses on management skills, communication skills and development of other personal skills in an actuarial context may be included within the definition of Formal CPD. Fellows should check with the terms of their original qualifying body's CPD scheme or seek guidance from Council if they are unsure.
- 4.8 Council wishes to maintain a full program of CPD events and will establish appropriate events throughout the year. Members with comments on the CPD program or with queries on the CPD Scheme are invited to send these to the Actuarial Society of Hong Kong for consideration by the Council.

***** END OF ACTUARIAL GUIDANCE NOTE *****