



# Institute of Actuaries of India

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August 25, 2018

To  
All Members

Dear All,

**Subject: - Modification in APS 9 as per Principles and Procedures for issuance of Guidance Notes (GNs)/Actuarial Practice Standards (APSs) (Version 4.00 /24 08 2012)**

The Council in its meeting held on 21<sup>st</sup> July 2018 approved modifications in APS 9: Continuing Professional Development (CPD) and the Actuary after following the due process as per Principles and Procedures for issuance of Guidance Notes (GNs)/Actuarial Practice Standards (APSs) (Version 4.00 /24 08 2012).

The said APS 9 (version 3.00/ 21 07 2018) is a Practice Standard i.e., mandatory and will be effective from 1<sup>st</sup> April 2018.

Yours Sincerely,

Sanjeeb Kumar  
President



## Actuarial Practice Standard 9 (APS9): Continuing Professional Development (CPD) and the Actuary

**Classification:** Practice Standard

**Legislation or Authority:** Section 19 (2) (i) of the Actuaries Act 2006

**Author:** The Council of the Institute of Actuaries of India.

**Compliance:** Members are reminded that they must always comply with the Professional Conduct Standards (PCS) and that Actuarial Practice Standards imposes additional requirements under specific circumstances.

### Application

This Actuarial Practice Standard (APS) is applicable to all fellow members (called member/s herein below) of the Institute of Actuaries of India (the Institute) as under:

1. All Fellow members who hold Certificate of Practice (COP) under Section 9 of the Actuaries Act 2006 and in accordance with the COP Guidelines issued by the Council of the Institute of Actuaries of India.
2. All other Fellow members who are not holding Certificate of Practice (COP) as per Section 9 of the Actuaries Act, 2006.

### Status:

APS 9 Version 1.00 - Remained in force till 27<sup>th</sup> March 2015

APS 9 Version 2.00 - Remained in force between 28<sup>th</sup> March 2015 to 31/03/2018

This version of the APS 9 (Version 3.00) comes into effect from the CPD year 2018-19

### 1. Legal Framework

This Actuarial Practice Standard is issued by the Council of the Institute of Actuaries of India in exercise of the powers vested under section 19 (2) (i) of the Actuaries Act 2006.

### 2. Objective

On compliance with this APS, a member will have a high degree of confidence in the application of actuarial principles and practices while meeting his/her obligations for the cause of public interest under Professional Conduct Standards.



### 3. Actuarial work

For the purpose of this APS, the “actuarial work” is defined as work that involves the application of Actuarial Science as defined under the section 2(1) (a) of the Actuaries Act 2006.

### 4. Practice Areas

Each area of actuarial practice needs possession of specialised knowledge and skills by a member on an on-going basis and, therefore, each practicing member who holds COP should have earned minimum credit of Twelve (12) technical CPD hours per year, as stipulated in Section 5.5.1(i) below, in the respective area of practice. The areas of practice are a) Life Insurance; b) Health Insurance; c) General Insurance; d) Pension and Other Employee Benefits; e) Finance , Investments and Management and f) any other.

If a member practices in multiple areas of practice, the required minimum Technical CPD hours under section 5.5.1(i) below would go up by 6 CPD hours under each additional area of practice.

### 5. CPD requirements

- 5.1. All Fellow members must spend certain amount of time each year to undertake appropriate activities that address personal development needs and contribute to learning that is relevant to the nature of the member’s work or role. Such time spent in learning shall be called Continuous Professional Development hours (CPD hours). The minimum prescribed CPD hours set out in this practice standard are mandatory for all Fellow members of the Institute.
- 5.2. The CPD year(s) for all Fellow members of the Institute shall be a period of one year (from 1st April to 31st March).
- 5.3. The eligibility for COPs as per the COP Guidelines will be reviewed on 1st April every year and eligibility with respect to CPD activities will be based on the full CPD year/s immediately prior to the CPD year to which the COP applies.
- 5.4. For members applying for new CoP or the restoration of the CoP and if they do not have the CPD hours as per section 5.3 , the CPD hours earned during the year of application/restoration may also be counted for the purpose of total CPD hours.
- 5.5. Minimum CPD hours required in each CPD year for different categories of members are provided below:

5.5.1. For a fellow member who applies for or holds a COP, a minimum credit of 24 CPD hours are required each year, of which:

- i). A minimum of 12 CPD hours should be pre-approved verifiable technical CPD hours. For members holding or applying for additional areas of practice, there would be a requirement of additional CPD hours as per Section (4) above.
- ii). A minimum of 6 CPD hours should be pre-approved verifiable professional CPD hours.
- iii). A maximum of 6 CPD hours may be earned as other verifiable CPD hours.

5.5.2. For all other fellow members, the following minimum CPD hours are required each year:

- i). 12 CPD hours, if aged less than 60 years;
- ii). 9 CPD hours, if aged between 60 years to 70 years; and  
No CPD hours required, if aged above 70 years

The above CPD hours should be in respect of pre-approved verifiable activities, irrespective of technical CPD or professional CPD.

5.6. Excess CPD hours earned in a CPD year, in excess of the minimum requirements set out above, may be carried forwarded to immediate next CPD year, subject to the following conditions:

- ❖ The required minimum CPD hours for the CPD year as well as any excess CPD hours should have been earned by undertaking relevant CPD activities during the CPD year itself (and not by utilising any past carry-forward credits from prior CPD year/s); CPD hours only in respect of pre-approved verifiable activities may be carried-forward, and shall retain the classification into technical or professional CPD hours as per the original activity; and
- ❖ Excess CPD hours may be carried forward provided the minimum CPD hours requirement of the member based on classification of membership described above remains the same in the CPD year during which excess CPD hours have been earned and the CPD year into which CPD hours are carried forward.

5.7. Fellow members who do not hold a COP may be exempted from the CPD requirements of the Institute if they are members of other actuarial body recognised by the Institute for the purpose of demonstrating CPD and meet the CPD requirements of that actuarial body. They must be capable of demonstrating compliance to the CPD requirements of the other actuarial body



for the relevant CPD year and also declare that the other actuarial body is the primary regulator for CPD matters.

However, for avoidance of doubt, all COP holders of the Institute would have to comply with the CPD requirements of the Institute as per section 5.5.1 above regardless of which actuarial body is the primary regulator for CPD matters for the member.

- 5.8. Fellow members who are unable to meet the required CPD hours due to exceptional personal circumstances such as advanced age, disability or illness may apply for exemption or may meet the required CPD hours through distance learning to the satisfaction of the Institute. Any exemptions shall be considered on its merits on a case by case basis, provided the Council, at its sole discretion, is satisfied that the public interest is not served by requiring that member to complete the minimum CPD requirements.

## 6. Nature of CPD Programs:

- 6.1. "Technical CPD hours" means the time spent on acquiring knowledge that enhances technical actuarial skills relevant to a member's practice area. The requirements for each specific area of practice will be as per section 4 above.
- 6.2. "Professional CPD hours" means the time spent on acquiring knowledge that is directly relevant to enhancing the understanding of professional obligations and behaviour expected from a member.
- 6.3. For pre-approved verifiable CPD programs/ events organised by the Institute, the Council shall designate the program or event as 'technical' or 'professional' at the time of announcement of the activity. For technical programs the CPD hours by area of practice shall also be specified.

For pre-approved verifiable CPD programs not directly organised by the Institute, the classification as 'technical' with applicable area of practice or 'professional' shall be assigned at the time of providing such pre-approval.

For other verifiable CPD activities, members may classify their CPD hours as 'technical' with area of practice or 'professional' based on their own judgement with respect to the nature of the activity undertaken.

### A. Pre-approved Verifiable CPD hours:

- 6.4. Pre-approved Verifiable CPD hours are those that the Council deems as being such. The Council at its sole discretion might add, delete or change the

eligibility by considering the appropriateness of the activity contributing to such CPD hours. A list of all activities, programs and events deemed as contributing to pre-approved verifiable CPD hours shall be published by the Institute and any change would be suitably notified to the members. A list of such activities currently deemed as pre-approved is provided in Annexure A.

6.5. If a particular activity, program or event is not approved by the Institute and so not listed as pre-approved, any Fellow member may apply for its inclusion in the list of pre-approved verifiable CPD hours if the activity is deemed appropriate in the context of enhancing opportunities for providing continuous professional development for members of the Institute. An activity, program or event may be considered for preapproval by the Council provided the following criteria are met:

- ❖ The organising body is an organisation of appropriate reputation in the context of actuarial work, for example a professional body, a regulator, another member body/partner of the International Actuarial Association (IAA), an appropriate industry group or industry organisation or a reputed employer of actuaries;
- ❖ There is a demonstrable enhancement of knowledge and/or skills relevant to actuarial work as a result of participation;
- ❖ Participation is open for all Fellow members of the Institute and not limited to a certain set of individuals, for example by invitation only or any other eligibility criteria;
- ❖ Participation exposes members to an exchange of viewpoints including individuals from outside of the member's own organisation; and
- ❖ Participation as well as learning outcomes are capable of being evidenced to the Institute in writing.

6.6. A member when applying for inclusion of a specific activity, program or event to the pre-approved list, must provide the following minimum information to the Institute for its consideration:

- ❖ Name and brief description of the activity, program or event;
- ❖ Name of the organising body;
- ❖ Total number of CPD hours for which pre-approval is required as a result of participation;
- ❖ Classification as 'technical' or 'professional' along with rationale for the same;
- ❖ Frequency (e.g. one-off / ad-hoc from time to time / annual etc.);
- ❖ Nature of participation (e.g. via open registration / nomination by the Institute or any other form of nomination etc.);



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- ❖ A clear description of expected learning outcomes as relevant to actuarial work and rationale for inclusion in the pre-approved list;
  - ❖ Whether the activity is recognised as valid for CPD purposes by any other actuarial body recognised by the Council for the purpose of CPD credit;
  - ❖ A clear description of how the participation as well as learning outcomes shall be evidenced to the Institute; and
  - ❖ Any other supporting documents or materials (e.g. relevant brochures / announcements / references to past iterations of the event or previously published materials etc.).
- 6.7. Upon receipt of such an application, the Council shall consider on a case by case basis merits for inclusion or otherwise of the activity, program or event in the list of pre-approved verifiable CPD activities. The Council may consider such inclusion on its own or may delegate such responsibility to a suitable group by means of an Office order of the Institute. The decision for inclusion or otherwise of any activity in the pre-approved list is the sole prerogative of the Institute and may not be challenged by any member.
- B. Other verifiable CPD hours:**
- 6.8. Other verifiable CPD hours relate to any time spent on activities that contribute to a member's professional development but are not listed under the pre-approved verifiable list of activities. These may include, but are not limited to any informal ways of enhancing own knowledge through self-study or attending internal training and development programs of a member's own organisation.
- 6.9. Any activity, program or event may be considered as other verifiable CPD hours provided the following conditions are met:
- ❖ There is a demonstrable enhancement of knowledge and/or skills relevant to the member's role or personal development needs related actuarial work as a result of undertaking such activity; and
  - ❖ Engagements in the activity as well as learning outcomes are capable of being evidenced to the Institute in writing.
- 7. Hours of CPD Credit:**
- 7.1. CPD hours should only be claimed to the extent that the member considers professional development has happened as a result of participation in the stated activity, program or event. Hours claimed as CPD shall be at the discretion of the member (subject to maximum limits set out in the table below), based on self-assessment of learning outcomes, consistent with the

nature of the member's own work or role and personal development needs. An assessment of CPD hours commensurate with the member's learning outcomes should be undertaken regardless of whether these are in respect of pre-approved verifiable CPD activities or other verifiable CPD activities.

- 7.2. Nevertheless, to ensure reasonable amount of hours are considered as CPD hours for each activity, the maximum limits set out in the table below shall apply. The Council at its sole discretion might change the eligibility of maximum CPD hours of any of the listed activities considering its appropriateness and any change would be suitably notified to the members.

No.	Activity	Maximum permissible hours of CPD Credit
1.	Participation in seminars, workshops, conferences and similar events.	Three (3) hours for half day and six (6) hours per day subject to maximum of twelve (12) hours from a single event for in-person participation. In case of participation through watching online videos of the relevant event, credit may be taken for only 50% (100% only for Members aged 70 years and above on date of participation) of CPD hours for equivalent in-person participation.
2.	Attending meetings of the Council, Committees and Working groups or Advisory groups of the Institute and other relevant bodies considering actuarial matters.	Three (3) hours for half day and six (6) hours per day .
3.	Examiner/marker in one or more subject whether as an Examiner or review Examiner for examinations conducted by the Institute.	Six (6) hours per subject per examination diet subject to a maximum of twelve (12) hours in a year.
	Publishing research or articles on actuarial matters.	Six (6) hours per publication subject to maximum twelve (12) hours in a year.
4.	Participating in formal training programs (including classroom training / webinars / distance learning or e-learning programs) related to actuarial work	Maximum six (6) hours in a year.
5.	Any other program	As approved by the Council on case to case basis.

## 8. Evidence of CPD hours

- 8.1. It is strongly recommended that appropriate records of CPD hours earned during a year are maintained by the members. As best practice, members should maintain a log that contains, as a minimum, the following information:

- ❖ Date of CPD activity





- ❖ Name of event / activity undertaken
- ❖ Number of CPD hours claimed, commensurate with member's assessment of own learning outcomes
- ❖ Area of the practice applicable.
- ❖ Nature of activity: whether pre-approved verifiable CPD activity or other verifiable CPD activity
- ❖ Classification of CPD hours: whether 'technical CPD hours' or 'professional CPD hours'
- ❖ A brief description of learning outcomes providing a description of the knowledge and/or skills which the member gained as a result of undertaking the stated activity. Explanation should include how the activity contributed to professional development for the member and fulfilled a personal development need commensurate with the number of hours of CPD recorded; and
- ❖ A verifiable evidence of participation in the CPD activity.

8.2. Verifiable evidence of participation in the CPD activity is a written or other documentary record which may include but is not limited to:

- ❖ A signed register of attendance;
- ❖ A certificate, letter or email vouching for attendance and/or completion of a course or activity;
- ❖ A copy of minutes from any meetings attended with name included in list of attendees;
- ❖ Articles or papers written for publication bearing name of the member;
- ❖ Hard copies of lectures or presentations, including hand-written learning notes by the member; and
- ❖ Photographic or other multimedia record of participation together with name on an agenda or participants list of an event;

9. For newly qualified members, the CPD hours requirement will be applicable from next CPD year.

10. Removal of Doubts

For any doubt related to interpretation, the President is authorised to issue clarifications on the same.



## Annexure A: List of pre-approved verifiable CPD activities

Activity / Meetings	Classification	Applicable technical area	Maximum permissible CPD hours
<b>Events organised by the Institute</b>			
Global Conference of Actuaries (GCA)	As per announcement		As per announcement
India Fellowship Seminar	Professional / Technical	All	
Capacity Building Seminars	Technical	All	
Current Issues (in member practice areas) Seminar	Technical	Respective areas	
Other seminars / workshops announced by the Institute	As per announcement	As per announcement	
<b>Attending meetings of the Institute</b>			
Council	Professional		
External Affairs and Research Committee	Technical or Professional	As per topic of discussion	
Professionalism Committee	Professional		
Audit Committee	Professional		
Finance and Admin Committee	Professional		
Education Committee	Technical	All	
Disciplinary Committee	Professional		
Quality Review Board	Professional		
Advisory Group on Examination	Technical	All	
Advisory Group on Professionalism, Ethics and Conduct	Professional		
Advisory Group on Education	Technical	All	
Advisory Group on Life Insurance	Technical	Life Insurance	
Advisory Group on General Insurance	Technical	General Insurance	
Advisory Group on Health Care Insurance	Technical	General/Health Insurance	
Advisory Group on Pensions, Other Employee Benefits and Social Security	Technical	Pension & Retirement	
Advisory Group on Sustainable Development and Micro insurance	Technical	Life Insurance	



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Advisory Group on Risk Management	Technical	All	
Advisory Group on Examination Guidance and Coaching	Technical	All	
Other committees / advisory groups formed by an Office order of the Institute	Technical/ Professional		
<b>Examiner/Marker for Institute examinations</b>			
All subjects other than CT9 and CA3	Technical	All	Up to Six (6) hours per diet
CT9 and CA3	Professional		Up to Six (6) hours per diet
<b>*Publishing research or articles on actuarial matters</b>			
Actuary India Magazine	Technical	As per topic of discussion	Up to Six (6) hours per publication
IRDAI Journal	Technical	As per topic of discussion	Up to Six (6) hours per publication
Outputs of IAI Research projects	Technical	As per topic of discussion	Up to Six (6) hours per publication
Outputs of IFoA Research projects	Technical	As per topic of discussion	Up to Six (6) hours per publication
British Actuarial Journal (BAJ)	Technical	As per topic of discussion	Up to Six (6) hours per publication
Annals of Actuarial Science (AAS)	Technical	As per topic of discussion	Up to Six (6) hours per publication



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The Actuary Magazine	Technical	As per topic of discussion	Up to Six (6) hours per publication
Actuarial Research Clearing House (ARCH)	Technical	As per topic of discussion	Up to Six (6) hours per publication
Australian Journal of Actuarial Practice	Technical	As per topic of discussion	Up to Six (6) hours per publication
<b>Events other than those organised by the Institute</b>			
Asian Actuarial Conference	Same as GCA		Up to Twelve (12) hours
<b>Attending meetings of other professional groups</b>			
Life Insurance Council	Technical	All	Up to Two (2) hours per meeting
IRDAI Committee or Meeting of Appointed Actuaries /Committees/Working Group by IRDAI	Technical or Professional	All	Up to Six (6) hours for full day and Three(3) hours for half day per meeting

\* - If research or article is on professional matter, it can be claimed as professional CPD hours.



## Annexure B: CPD Schemes of other actuarial bodies recognised by the Institute

- Institute and Faculty of Actuaries (UK)
- Institute of Actuaries of Australia (Australia)
- Actuarial Society of Hong Kong (Hong Kong)
- Singapore Actuarial Society (Singapore)
- Actuarial Society of South Africa (South Africa)
- American Academy of Actuaries (United States of America)
- Casualty Actuarial Society (United States of America)
- Society of Actuaries (United States of America)

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