

GENERAL INSURANCE ASSOCIATION OF SINGAPORE



**GIA GUIDELINES ON
CONTINUING
PROFESSIONAL
DEVELOPMENT**

APPENDIX C OF GIARR



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1. Background

- 1.1 The General Insurance Association of Singapore (GIA) established the Committee on Enhancement of Standards in General Insurance (CESGI) in August 2001 to transform the industry and help it meet the challenges of the global marketplace. The CESGI reform took an industry-wide approach. Among many recommendations were the requirement for training and competency as applied to all employees of general insurers and intermediary (including brokers, corporate agents and trade specific agents (TSA)).
- 1.2 CESGI introduced the following:
 - 1.2.1 A Code of Conduct which sets minimum standards regulating the sales, advisory and service standards of the general insurer, intermediary (including agents and brokers) and anyone acting for the general insurer; and
 - 1.2.2 A new industry training and competency standards which will require insurance company staff, brokers and agents who deal with customers to have relevant industry qualifications.
 - 1.2.3 In particular, all Corporate Agents will be required to undergo a minimum of twenty-four (24) hours of continuing professional development (CPD) training each year over the next twenty-four (24) months from date of entry into the general insurance industry or date of employment whichever date first occur. Subsequent CPD training requirement will be set at fifteen (15) hours per year.
 - 1.2.4 Motor TSA will be required to complete four (4) CPD hours annually.

2. Objectives of CPD Requirements for Agents

- 2.1 To promote and ensure training and competency for Agents with minimum industry standards to deliver professionalism in a rapidly evolving industry;
- 2.2 To raise the standard of service to customers and enhance capabilities of Agents; and
- 2.3 To ensure training activities under CPD programme must be substantively related to general insurance knowledge and skills.



3. *Minimum Training Hours*

- 3.1 Twenty-four (24) hours of CPD would be required for all Agents (excluding those selling life products and single product) for the first two (2) years and fifteen (15) hours of CPD annually from third year onwards.
- 3.2 Eight (8) hours of CPD would be required for life agents who also sell general insurance in addition to the minimum hours which they have accumulated as agent for life products.

4. *Qualifying Criteria for CPD Eligibility*

- 4.1 Maintenance and updating of knowledge and skills appropriate to Agents' activities and responsibilities; and
- 4.2 Development of new knowledge and skills to enhance Agents in their role and responsibilities.

5. *Types of Training Activities Eligible for CPD*

- 5.1 Knowledge - may include insurance law, specialist risk categories, products and services, the regulatory requirements relating to professional obligation (including confidentiality, disclosure of material information, persistency), new trading and financial regulations, and company and industry guidelines.
- 5.2 Skills - relating to the practice of general insurance principles or sales management and may include prospecting, fact-finding interview, situation analysis and planning, problem solving, interpersonal communication, counselling, negotiation and training courses of similar nature.

6. *Accountability for Training Activities*

- 6.1 Primary Principals and Secondary (insurers) will be responsible for tracking the CPD requirements of agents. They are required to submit CPD hours earned by their registered agents into the Agent Registration and CPD Management System (ARCM). Agents are ultimately responsible for tracking their own CPD hours, development and upgrading their skill and knowledge.
 - 6.1.1 In-House Training Activities - Courses, workshops, seminars or conferences conducted by general insurance companies either by



their own staff/trainers or by external vendors, solely for the agents are eligible for CPD hours.

- 6.1.2 External Training Activities - Courses, workshops, seminars or conferences conducted by external vendors must be customized for that general insurance company in terms of contents, and duration of hours.
- 6.1.3 Training Vendors are required to provide each participant who has achieved at least seventy-five percent (75%) attendance with Certificate of Attendance for CPD hours eligibility.
- 6.1.4 All approved training records will be accepted as submitted as a registered agent. Training records that were obtained before registering as an agent will not be accounted.
- 6.1.5 Any appeals to for CPD lapse must come with a valid reason. Any appeal that comes after January of the year will not be accepted.