

22 November 2018

CONTINUING PROFESSIONAL DEVELOPMENT CONSULTATION NOTIFICATION

Section 921U(2)(a)(iv) of the Corporations Act 2001 (the Act) requires FASEA to set requirements for continuing professional development in relation to the CPD year of a financial services licensee.

FASEA released “Proposed guidance on continuing professional development” on 23 July 2018 inviting submissions by 31 August 2018.

During the submission period FASEA consulted with key stakeholders representing industry associations, individual financial advisers, financial advice licensees, education providers and consumer representatives including facilitating consultation forums with representatives from key stakeholder groups.

A total of 35 formal submissions were received for this standard. All feedback and submissions received due consideration by FASEA in finalising the standard.

FASEA has reduced the number of CPD hours advisers are required to complete from 50 to 40 hours each CPD year (including a maximum 4 hours of professional reading), of which 70% will need to be approved by the licensee. FASEA has defined minimum hours for CPD categories as follows: Technical – 5 hours, Client Care and Practice – 5 hours, Regulatory Compliance and Consumer Protection – 5 hours, Professionalism and Ethics – 9 hours, with the balance up to 40 hours consisting of qualifying CPD.

Transition arrangements for 2019 will be on a pro-rata basis for licensees whose CPD year is not a calendar year.

The draft Legislative Instrument, Explanatory Statement, and FPS004 - Continuing Professional Development Policy are available at www.fasea.gov.au.

FASEA invites submissions and/or comments on the draft Legislative Instrument through our dedicated consultations email (consultation@fasea.gov.au) by 7 December 2018.

