



Financial Adviser Standards and Ethics Authority

Consultation Paper 7: Foreign Qualifications

CONSULTATION OPEN

FASEA invites submissions on the guidance contained in this document in relation to the Foreign Qualification requirement as per s921V of the Corporations Amendment (Professional Standards of Financial Advisers) Act 2017.

We invite you to provide written submissions and/or comments to FASEA through our dedicated consultations address (consultation@fasea.gov.au) by 31 August 2018.

FASEA also intends to run forums with representatives of different stakeholder groups.

1. Introduction and Background

The Financial Adviser Standards and Ethics Authority (FASEA) was established on April 11, 2017 under the Corporations Amendment (Professional Standards of Financial Advisers) Act 2017 to set the education, training and ethical standards for financial advisers. FASEA is established as a Commonwealth Company under clause 8 of the constitution and operates on a not for profit basis.

On 13 June 2017, FASEA was declared as the standards body under the Corporations Act 2001.

FASEA is responsible for setting the education, training and ethical standards of financial advisers, licensed under Australian law.

The Board of FASEA Ltd was appointed by the Minister for Revenue and Financial Services, the Hon Kelly O'Dwyer MP on 10 April 2017. Further information on the Board membership can be found on the [FASEA Website – about us](#).

2. Purpose of the Foreign Qualification Standard

The Foreign Qualification Standard is an essential component of the educational qualifications and standards for individuals who have obtained their qualification outside of Australia. The Foreign Qualification Standard will provide a mechanism for assessing qualifications obtained outside of Australia to determine whether they meet the education standard.

It is expected that individuals will have certified evidence of the completion of a foreign qualification and that the foreign qualification has been approved by FASEA. Licensees are also required to notify ASIC of the providers compliance with the standards in relation to the relevant provider register.

Financial services and financial advice in Australia are wide and complex fields with legal, taxation, investment and market requirements, contexts and products that are unique to Australia. Thus, ensuring that qualifications obtained include the FASEA competencies and/or a good level of understanding of Australian regulatory and legal obligations for Financial Advisers is important for FASEAs Education Standards, and in particular the Foreign Qualifications Standard.

3. Foreign Qualifications Key Roles and Responsibilities

A foreign qualification is a bachelor or higher degree or equivalent qualification that is awarded by a Higher Education Provider outside Australia. The following details the requirements of each of the key roles:

Standard for Individuals

A person who has a foreign qualification may apply to the standards body for approval of the foreign qualification (s921V(1))

An application must be in a form approved in writing by the standards body (s921V(2)).

An individual may apply to request a review of the decision made by the standards body to either refuse the foreign qualification or undertake extra courses. The individual will need to apply to the Tribunal for a review (s921V(7)).

An individual must ensure their foreign qualification has been translated into English (if appropriate) and that they have certified copies.

Prior to applying to the standards body for approval of their foreign qualification, the individual is required to have their foreign qualification assessed by the Australian Education International – National Office of Overseas Skills Recognition (AEI-NOOSR). NOOSR, is an Australian Government Agency that provides information and advice about overseas education systems to facilitate assessments as to the educational level of an overseas qualification. The assessment broadly compares an overseas qualification to an Australian qualification, using the Australian Qualifications Framework. Any fees payable to NOOSR are the responsibility of the individual.

If the individual is a New Entrant¹, following the NOOSR assessment the individual will be required to complete additional education as defined by the Standards Body.

If the individual is an Existing Adviser², following the NOOSR assessment, the existing adviser will apply for assessment by the Standards Body.

¹ A person who is not defined as existing provider (s1546A existing provider)

² A person defined as existing provider (s1546A existing provider)

Standard for Financial Service Licensees

Licensees will have an important role in ensuring the validation of the foreign qualification to ensure that they are satisfied that the foreign qualification was obtained. The licensee is responsible for updating the Relevant Provider Register with the foreign qualification once approved by the Standards Body (s922F(1)(m)(i)).

Standards Body

The standards body must either approve or refuse the foreign qualification (s921V(3)(a)(b)).

The standards body may approve if it is satisfied that the foreign qualification gives the person qualifications equivalent to a degree or qualification approved by the standards body. The standards body may require the individual to complete one or more courses to meet the education qualification requirement (s921V(4)).

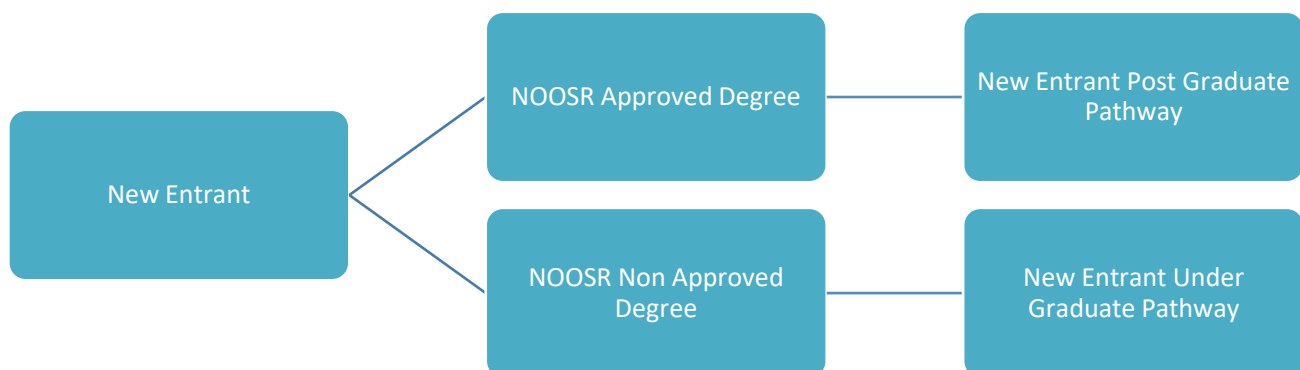
Consultation Questions:

- 3.1 Do you agree that the NOOSR assessment is an appropriate approach in assessing the education level of an overseas qualification? If not, why not?

4. Foreign Qualification Requirements

New Entrants

To ensure that the individual understands the Australian environment and following the assessment received from NOOSR, the standards body will approve Foreign Qualifications for New entrants and determine the pathway that applications will undertake to meet the FASEA Education Standard as indicated below:



1. If the individual has an approved qualification from NOOSR, the individual is required to complete a FASEA approved post graduate.

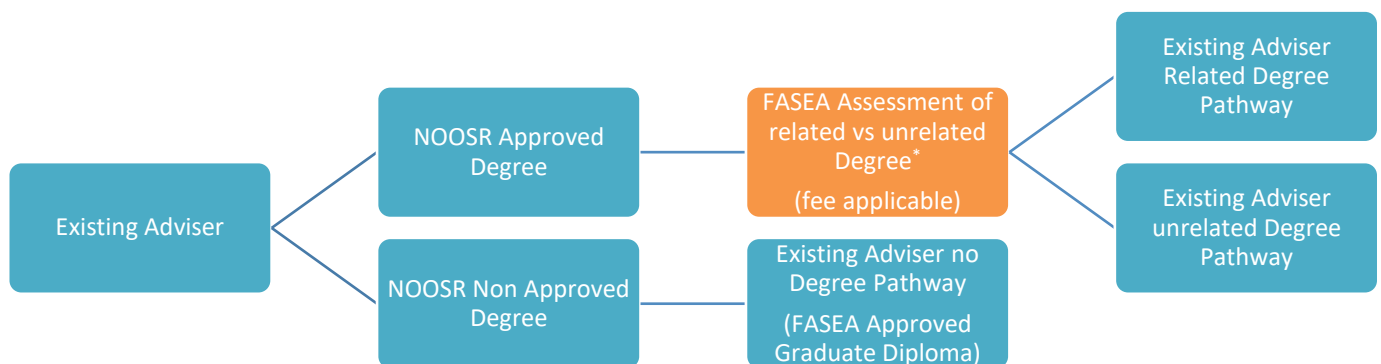
The new entrant is eligible for Recognition of Prior Learning (to be assessed by education provider) if they undertake the post graduate pathway. Credit cannot be given for elements of the required curriculum that are specific to the Australian legal, taxation and/or practice context unless they have been specifically

studied. This will be specifically confirmed when the FASEA Education Standard and associated program and provider accreditation regime is in place.

2. If the individual’s foreign qualification was not approved by NOOSR, the individual is required to complete a FASEA approved undergraduate degree.

Existing Advisers

Following the NOOSR assessment of their Foreign qualifications, Existing advisers are required to follow the pathways indicated below:



* as proposed in the FASEA Education Pathways Guidance.

1. If the existing advisers has a NOOSR approved foreign qualification, then they are required to:
 - a. Submit a request to FASEA for an assessment of whether the foreign qualification is a relevant qualification³. Following FASEA’s assessment, the existing adviser will be required to:
 - i. If their qualification is deemed relevant by FASEA, the existing adviser will be required to undertake the requirements as per the relevant degree pathway
 - ii. If their qualification is deemed not relevant by FASEA, the existing adviser will be required to undertake the requirements as per the unrelated degree pathway.
 - b. FASEA’s assessment process will be subject to a nominal fee⁴ by the individual.
2. If the existing adviser’s foreign qualification was not approved by NOOSR, the existing adviser is required to complete a FASEA approved degree undertaking the requirements as per the no degree pathway. This is also the pathway for those who do not wish to have their foreign qualifications assessed.

³ Subject to the finalisation of the FASEA Education Standard

⁴ Fee will be calculated based on a cost recovery approach and is subject to periodic review by FASEA

Credit cannot be given for elements of the required curriculum that are specific to the Australian legal, taxation and/or practice context. This will be confirmed when the FASEA Education Standard and associated program and provider accreditation regime is in place.

Consultation Questions:

- 4.1. Do you agree with the approach for approving New Entrant Foreign Qualifications? If not, why not?
- 4.2. Is there an alternative approach that should be considered for approving New Entrant foreign qualifications?
- 4.3. Do you agree with the approach for approving Existing Adviser Foreign Qualifications? If not, why not?
- 4.4. Is there an alternative approach that should be considered for approving Existing Adviser foreign qualifications?

5. Precedent Database

FASEA approved foreign qualifications, will be added to FASEA's Foreign Qualification Precedent Database that will be available on FASEA's website. The Precedent Database will be updated periodically and consist of the following information:

- a. Foreign Education Provider & Country
- b. Course Name
- c. Year Awarded
- d. Specialisations (as relevant)
- e. NOOSR Approval
- f. FASEA Determination ie. related or unrelated

Consultation Questions:

- 4.5. Do you agree that a Precedent Database and its availability on the FASEA website will be useful? If not, why not?
- 4.6. Do you agree with the information that will be updated periodically on the website? If not, why not?

6. Potential resources

FASEA Foreign Qualification Assessment Application Form

To enable FASEA to assess the foreign qualification to determine whether it meets the relevant degree criteria, individuals will need to complete an Application Form and undertake a submissions process. In addition, the individual must provide certified copies of the foreign qualification and a copy of the NOOSR assessment.

MAKE YOUR SUBMISSION

Your feedback and submissions on this consultation paper will assist the Standards Authority to finalise the development of the examination for financial advisers.

Submissions must be provided in writing to our dedicated consultation address (consultation@fasea.gov.au).

Due date for submission: 5pm 31 August, 2018

Consultation interests of FASEA

We encourage you to provide feedback on any aspect of the proposed examination.

The Standards Authority is interested in your specific feedback on:

S3 Foreign Qualification Roles & Responsibilities

Proposal: FASEA requires individuals to provide certified copies of their foreign qualification and if applicable translated to English. In addition, FASEA requires individuals to apply for NOOSR assessment with the NOOSR fees payable by the individual. See section 3 for more details.

Questions: S3.1 Do you agree that the NOOSR assessment is an appropriate approach in assessing the education level of an overseas qualification? If not, why not?

S4 Foreign Qualification Requirements

Proposal: FASEA Proposes that New Entrants who have an approved NOOSR foreign qualification complete a FASEA approved post graduate, otherwise undertake a FASEA approved undergraduate Degree. See section 4 for more details

FASEA Proposes that Existing Advisers who have a relevant foreign qualification will be required to undertake the requirements as per the relevant degree pathway otherwise, the existing adviser will be required to undertake the requirements as per the unrelated degree pathway.

Questions: S4.1 Do you agree with the approach for approving New Entrant Foreign Qualifications? If not, why not?

- S4.2 Is there an alternative approach that should be considered for approving New Entrant foreign qualifications?
- S4.3 Do you agree with the approach for approving Existing Adviser Foreign Qualifications? If not, why not?
- S4.4 Is there an alternative approach that should be considered for approving Existing Adviser foreign qualifications?

S5 Precedent Database

Proposal: FASEA approved foreign qualifications, will be added to FASEA's Foreign Qualification Precedent Database that will be available on FASEA's website. The Precedent Database will be updated periodically and consist relevant information. See section 5 for more details.

- Questions:
- S5.1 Do you agree that a Precedent Database and its availability on the FASEA website will be useful? If not, why not?
 - S5.2 Do you agree with the information that will be updated periodically on the website? If not, why not?

Information about you

It will assist FASEA to understand who has provided submissions and the type of environment you might work in.

Please provide: your name, your role (job title), your role in making the submission (e.g. financial adviser, licensee, client etc).

You may also advise if you want your submission (or parts of it) to be treated as confidential. FASEA intends to publish all non-confidential submissions on its website and the names of those who submit confidential submissions (but not their submission).

We understand that you may have specific questions from the proposed guidance. We invite you to provide your submission and feedback through this process and advise that we will not be able to respond to individual questions and queries. All feedback received to that email address will be collated for consultation and may also assist FASEA in the development of FAQs that will be progressively updated on our website – www.fasea.gov.au.