

(12 May 2010 – to date)

## **FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT 37 OF 2002**

*(Government Notice 1453 in Government Gazette 24079 dated 15 November 2002. Various commencement dates – See Act for details)*

### **DETERMINATION OF CONTINUOUS PROFESSIONAL DEVELOPMENT REQUIREMENTS, 2008**

*Board Notice 103 in Government Gazette 31514 dated 15 October 2008. Commencement date:*  
*31 December 2008*

#### **As amended by:**

*Board Notice 95 in Government Gazette 32496 dated 17 August 2009. Commencement date:*  
*17 August 2009.*

*Board Notice 60 in Government Gazette 33166 dated 12 May 2010. Commencement date: 12 May 2010.*

I, DUBE PHINEAS TSHIDI, the Registrar of Financial Services Providers, after consultation with the Advisory Committee on Financial Services Providers, hereby under section 8(1) of the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002), determine the continuous professional development requirements as set out in the Schedule.

(Signed)

**D P TSHIDI**

*Registrar of Financial Services Providers*

## **SCHEDULE**

### **DETERMINATION OF CONTINUOUS PROFESSIONAL DEVELOPMENT REQUIREMENTS**

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*(Table of contents substituted by BN 95 of 2009)*

## **PART I: DEFINITIONS**

### **1. In this Schedule:-**

**"the Act"** means the Financial Advisory and Intermediary Services Act, 2002, including, unless the context indicates otherwise, any measure referred to in the definition of "this Act" in section 1(1) of the Act; and

any word or expression to which a meaning has been assigned in the Act and in the Determination of Fit and Proper Requirements for Financial Services Providers, 2008, has that meaning, and unless the context otherwise indicates-

**"accredited training provider"** means a provider of occupational learning programmes accredited through SETAs;

**"CHE"** or **"Council for Higher Education"** means the independent statutory body responsible for advising the Minister of Education on all higher education policy issues, and for quality assurance in higher education and training;

**"continuous professional development"** or **"CPD"** means a process of learning and development, with the aim to enable an FSP (who is a sole proprietor), key individual or representative to maintain capabilities to perform competently within the Categories or subcategories they render financial services in;

**"CPD programmes or activities"** means industry or professional conferences, seminars, workshops, financial services specific or professional qualifications, structured self-study programmes, product seminars, attendance at industry road shows and industry training, as approved by the Registrar, for purposes of this Determination;

**"FSP"** or **"provider"** means an authorised financial services provider as defined in section 1(1) of the Act;

**"institutions of higher education"** means institutions, whether public or private, that are accredited by the Council for Higher Education to provide learning programmes at the higher education level;

**"learning"** means a broad range of processes whereby an individual acquires capabilities, including systematic, formal processes such as education, or processes such as attendance of less formal programmes;

**"professional knowledge"** means topics that make up subjects related to the financial services industry as well as other related business disciplines that, together, constitute the essential body of knowledge of professionals in the financial services industry;

**"professional skills"** means the various abilities required to apply professional knowledge and professional values, ethics, and attitudes appropriately and effectively in a professional context, including technical and functional skills, organisational and business management skills, personal, interpersonal and communication skills, as well as intellectual skills;

**"SETA"** means a Sector Education and Training Authority which is responsible for the organisation of education and training programmes within a specific sector;

**"verifiable"** in relation to CPD programmes or activities, means that the attendance and/or participation in the CPD programme or activity is confirmed by the provider of the CPD programme or activity.

## **PART II: PURPOSES OF CPD**

2. Subject to Part VII of the Determination of Fit and Proper Requirements, 2008, CPD is applicable to FSPs (who are sole proprietors), key individuals and representatives. The purposes of Continuous Professional Development are-
  - (1) to ensure that FSPs (who are sole proprietors), key individuals and representatives develop and maintain professional competence in order to provide financial services of high quality in the public interest that will support the professionalisation of the financial services industry;
  - (2) to ensure that the FSP (who is a sole proprietor), key individual and representative understand that the primary responsibility for competence vests in the individual, and that they have an obligation to develop and maintain their professional competence, relevant to the nature of their work and professional responsibilities; and
  - (3) to assist an FSP (who is a sole proprietor), key individual and representative to render financial services with due care, competence and diligence and subject to a continuing duty to maintain knowledge and skill at a level required to ensure that a client receives competent professional service based on up-to-date developments in legislation, industry practice and development in respect of specific Categories and subcategories.

### **PART III: SPECIFIC CONDITIONS**

3. The specific conditions that apply to a FSP (who is a sole proprietor), key individual and representative:
  - (1) An FSP (who is a sole proprietor), key individual and representative is required to complete the requirements regarding CPD as specified in Part VII of the Determination of Fit and Proper Requirements for Financial Services Providers, 2008;
  - (2) an FSP (who is a sole proprietor), key individual and representative is required to record individual achievements regarding CPD with the Registrar, using the mechanisms provided by the Registrar for reporting purposes.

### **PART IV: VERIFIABLE CPD PROGRAMMES AND/OR ACTIVITIES**

4. The requirements for verifiable CPD activities and/or programmes are as follows:
  - (1) Industry associations, statutory professional bodies, voluntary professional bodies, employers, institutions of higher education, accredited training providers and individuals may apply, in the prescribed format as published by the Registrar by notice in the *Gazette*, to the Registrar for recognition of their offerings/interventions as CPD programmes, which will, upon such approval, be added to the Registrar's reporting mechanisms for recording purposes;  
*(Part IV 4(1) substituted by BN 95 of 2009)*
  - (2) examples of verifiable CPD programmes and/or activities include, but are not limited to-
    - (a) courses, conferences and seminars;
    - (b) studies leading to formal assessments, e.g. additional qualification, which may be through private study, distance learning or attendance at formal courses;
    - (c) workshops; or
    - (d) structured self-study programmes, including web-based, computer-based or paper-based delivery, that assess the knowledge.

### **PART V: KEEPING OF RECORDS AND REPORTING**

5. The requirements regarding keeping of records and reporting:
  - (1) FSPs (who are sole proprietors), key individuals and representatives are required to confirm that they have complied with the CPD requirements by way of self-certification annually.

- (2) FSPs (who are sole proprietors), key individuals and representatives are required to retain verifiable proof of the CPD programmes and activities they participated in for a period of five (5) years after completion; and key individuals and representatives are required to provide copies of such documentary proof to the financial services provider on a quarterly basis.
- (3) FSPs (who are sole proprietors), key individuals and representatives are required to log CPD activities using the on-line CPD register of the Financial Services Board, and must provide-
  - (a) title and date of activity/programme;
  - (b) institution providing the CPD activities; and
  - (c) number of learning hours.
- (4) An FSP or compliance officer involved will be required to report to the Registrar on the CPD activities undertaken by the key individual(s) and/or representative(s), and the reporting requirements will be included in the annual compliance report submitted by the providers.
- (5) Compliance officers of FSPs are required to report on the sample used to determine the accuracy of the reporting in terms of CPD conducted by the FSP, and the findings of such sample testing in the compliance report.

#### **PART VI: FORMAT FOR APPROVAL OF CPD PROGRAMMES**

6. The format for application for the approval and/or removal of CPD programmes from the list of approved CPD programmes is published in the Annexure to this Schedule.

#### **PART VII: MISCELLANEOUS**

7. Short title and commencement

This Determination is called the Determination of Continuous Professional Development Requirements, 2008, and comes into operation on 31 December 2008.

## ANNEXURE

### CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD) APPLICATION FOR RECOGNITION and INDEX OF FORMS

#### 1. Purpose of application

The purpose of the application form is to serve as a mechanism whereby accredited training providers, institutions of higher education, professional bodies, employers and industry associations may apply for recognition of a programme for CPD purposes.

#### 2. Background

CPD is one of the requirements that form part of the FAIS Fit and Proper dispensation which requires applicants, key individuals and representatives to complete specific CPD requirements within 3 year cycles. In order to simplify the identification of which programmes are relevant for CPD purposes, a CPD reference list of approved programmes will be developed and published. This list will be updated / amended regularly, and updates will be published on an ongoing basis.

#### 3. Application process

Accredited training providers, institutions of higher education, professional bodies, employers and industry associations must use this CPD application form to submit new applications for programmes to be placed on the CPD List of approved programmes, or submit requests for programmes to be removed from the CPD List of approved programmes:

- (a) For applications for qualifications to be added to the Fit and Proper CPD List -complete Form CPD1 to Form CPD 4.
- (b) For applications for qualifications to be removed from the Fit and Proper CPD List - complete Form CPD 5.

The application is to be submitted directly to the Financial Services Board (FSB): see paragraph 5 below for the relevant address / postal details, or can be submitted electronically on the FSB website.

The application will be considered, and the result of the application will be communicated to the applicant within a period of 4 - 6 months.

#### 4. Application requirements

All fields included in the application form must be completed in full in order for the proposed programme(s) to be considered.

Submissions will be considered based on the following principles:

- (a) The programmes submitted for consideration; and
- (b) the suitability of the programmes for CPD purposes.

#### 5. Submission of applications

Applications must be submitted directly to the Financial Services Board (FSB):

**Delivery:**

FAIS Department  
CPD Programmes  
Fit and Proper  
1st Floor Nassau Building  
Kasteelpark Office Park  
Cnr. Nossob and Jochemus Street  
Erasmuskloof

**Postal Address:**

FAIS Department  
CPD Programmes  
Fit and Proper  
P O Box 35655  
Menlo Park  
Pretoria  
0102

**E-Mail**

**[fitandproper@fsb.co.za](mailto:fitandproper@fsb.co.za)**

- \* Please note that e-mailed documents should be provided in either MSWord or Adobe Acrobat format
- \* Submissions provided in another format will not be accepted.

**INDEX OF FORMS**

CPD 1: Business Information of Applicant

CPD 2: CPD Programme/ Activity Details

CPD 3: Programme Applicability

CPD 4: Programme Content

CPD 5: Removal of Programme

*(Index of Forms substituted by BN 95 of 2009)*

<b>CPD 1: Business Information of Applicant</b>						
1.1	Applicant Name					
1.2	Trading Name / Division					
1.3	Type of Business	University	Accredited Provider	Professional Body	Industry Association	Other (Please specify below)
1.4	Contact Details					
	Physical Address					
	Postal Code					
	Postal Address					
	Postal Code					
	Telephone Number					
	Fax Number					
	Website Address					
1.5	Contact Person					
	Title					
	Initials					
	Surname					
	Telephone Number					
	Cell Phone Number					
	E-mail Address					

<b>CPD 2: CPD Programme / Activity Details</b>
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Prepared by:



1.1	Programme / Activity Title		
1.2	SAQA (Qualification ID (if relevant)		
1.3	Provider		
1.4	Venue(s) available (please add additional information if necessary)		
1.5	Delivery method(s) (please add additional information if necessary)		
1.6	Purpose and rationale of programme / activity		
1.7	Does this programme replace any other programme?	Yes	No
	If "Yes", please specify which programme will be replaced by this programme		
1.8	Is it a financial services industry specific / relevant programme? (Please motivate your answer in detail.)		
1.9	Are records kept by the provider / institution for participants that have completed / will be completing this programme?	Yes	No
1.10	Does this record clearly indicate the date of completion?	Yes	No

### CPD 3

#### Programme Applicability

Please indicate (✓) to which subcategory this qualification will be applicable:

1.1	Long-term Insurance subcategory A	
1.2	Short-term Insurance Personal Lines	

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1.3	Long-term Insurance:	
1.3.1	subcategory B1	
1.3.2	subcategory B2	
1.4	Long-term Insurance subcategory C	
1.5	Retail Pension Benefits	
1.6	Short-term Insurance Commercial Lines	
1.7	Pension Fund Benefits	
1.8	Securities and Instruments: Shares	
1.9	Securities and Instruments: Money market instruments	
1.10	Securities and Instruments: Debentures and securitised debt	
1.11	Securities and Instruments: Warrants, certificates and other instruments acknowledging debt	
1.12	Securities and Instruments: Bonds	
1.13	Securities and Instruments: Derivative instruments	
1.14	Participatory Interests in one or more collective Investment schemes	
1.15	Forex Investment Business	
1.16	Health Service Benefits	
1.17	Long-term Deposits	
1.18	Short-term Deposits	
1.19	Friendly Society Benefits	
	Category II	
	Category IIA	
	Category III	
	Category IV	
	Role specific, e.g. Key Individuals	

*(Form CPD 3 amended by BN 95 of 2009)*

*(Form CPD 3 substituted by BN 60 of 2010)*

<b>CPD 4: Programme Content</b>			
1.1	Please list the topics / modules / subjects below:		
	<i>Topics / Module / Subject</i>	<i>Level</i>	<i>Credits</i>


## CPD 5: Removal of Programme

### Business Information of Applicant

Programmes placed on the Fit and Proper CPD List, can be removed where-

- the programme will not be offered in the future;
- the modules / content of the programme have changed, and as a result the programme can no longer be deemed "appropriate";
- the programme was once-off, and will not be available again.

1.1	Applicant Name		
1.2	Trading Name / Division		
1.3	Contact Details		
	Physical Address		
	Postal Code		
	Postal Address		
	Postal Code		
	Telephone Number		
	Fax Number		
	Website Address		
1.4	Contact Person		
	Title		
	Initials		

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	Surname	
	Telephone Number	
	Cell Phone Number	
	E-mail Address	
1.5	Programme Title	
1.6	SAQA Qualification ID	
1.7	Provider	
1.8	Please state reason(s) for removal:	