



FINANCIAL PLANNING  
ASSOCIATION *of* AUSTRALIA

# FASEA'S PROPOSED GUIDANCE FOR CONSULTATION ON EDUCATION REQUIREMENTS FOR EXISTING FINANCIAL PLANNERS

January 2018



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At the end of 2017, the Financial Adviser Standards and Ethics Authority (FASEA) released for consultation a [proposed guidance](#) on the qualifications and pathways for existing advisers. Consultation will be ongoing until 29 June and the FPA will be responding in support of members to ensure the pathways are fair, reasonable and practical. We will continue to advocate for a system that appropriately recognises the extensive education most of our members have undertaken.

Existing financial planners are broadly defined as individual financial planners who, prior to 1 January 2019, have authorisation to provide personal advice to retail clients in relation to financial products and are registered on the ASIC financial adviser register (FAR).

FASEA's starting point for an existing financial planner is that you meet the education requirements if:

1. You already hold an approved qualification (i.e. a qualification that is on the FASEA/FPEC approved register) completed within the last 10 years; OR
2. You complete an approved qualification at Australian Qualifications Framework (AQF) 7 (i.e. bachelors degree) level by 1 January 2024; OR
3. You undertake an approved qualification of at least 8 units at AQF8 level or above before 1 January 2024 – typically, this would be at graduate diploma level or above; OR
4. You undertake an approved bridging course (i.e. a bridging course that is on the FASEA/FPEC approved register) of at least 8 units at AQF8 level or above before 1 January 2024 – at this stage no bridging courses have been approved by FASEA; OR
5. You make up the studies in (3) or (4) by undertaking individual units of study – this option is only available where they hold a qualification with financial planning or advice in the title, or a specific major in financial planning or advice, that was not completed within the last 10 years or is not an approved qualification.

## Notes

- Under the joint FASEA and Financial Planning Education Council (FPEC) accreditation framework, FASEA uses the FPEC framework for approving qualifications and bridging courses. FASEA has determined that [courses](#) already approved by FPEC will meet the education requirements.
- Approval of additional courses will continue under the joint framework until FASEA creates its own accreditation framework, which is anticipated by the end of 2018.

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- Regarding (3) and (4), you require completion of at least 8 units, covering fields that include: ethics, professional attitudes and behaviours; financial planning and advice process; and technical requirements.
  - The 8 units will be drawn from the core body of knowledge in the FPEC-approved curriculum until a FASEA standard is established.
  - A bachelors degree (or higher) qualification with financial planning or advice in the title, or a specific major in financial planning or advice, that is not an approved qualification can be retrospectively made an approved qualification if it:
    - contains at least 10 of the 12 core units for approved bachelor degrees under the accreditation framework; and
    - was issued since the start of the AQF in 1995
  - A retrospectively approved qualification completed within the last 10 years\* meets the education requirements.
  - Recognised prior learning (RPL) options for credit or exemption may be available. Broadly, this is a matter for education providers. FASEA will monitor and review RPL practices.

*\*see “How do I know if my qualification meets the education requirements?” section below for FPA’s position on this statement.*

## **FPA White Paper and “100 Point Plan”**

The FPA has been proactively considering the new standards over 2017 as the legislation was finalised through Parliament and FASEA was set up. During the 2017 FPA National Roadshows, we consulted with members to develop our [Degree and Degree Equivalence White Paper](#)

It has and continues to be our intention to provide the White Paper to FASEA as the FPA’s position on this standard. We are now reviewing the recommendations made in this paper.

As part of the FASEA consultation process, we will be conducting an extensive consultation agenda with FPA members to ensure you are heard and we can provide the best possible response so the standard is fair, reasonable and practical.

Announcement of our consultation agenda will be made shortly, in the meantime we would welcome any feedback you wish to provide to [policy@fpa.com.au](mailto:policy@fpa.com.au).

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## **Financial Planning Education Council (FPEC)**

FASEA announced in October 2017 that it would adopt the [Financial Planning Education Council's \(FPEC\)](#) framework and approved list of degree courses for new financial planners from 2019.

FPEC was set up as a partnership between the higher education sector and the FPA in 2011 with the aim of establishing a curriculum for financial planning degrees, and a process to approve university courses against this curriculum.

Through its charter, FPEC has the authority to approve individual programs that satisfy requirements for admittance to the FPA membership category Financial Planner AFP®, and for entry into the CFP® Certification Program.

There has been no change to FPEC following the announcement in October, FPEC continues to operate in accordance with its charter and accreditation framework.

The FPA 'gifted' the FPEC standard so it can be used to assess degrees for new financial planners. It was never intended to be the standard for assessing existing financial planners.

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**IMPORTANT NOTE: THESE FAQs HAVE BEEN PREPARED BASED ON THE PROPOSED NEW STANDARDS WHICH IS PART OF A CONSULTATION PROCESS ENDING 29 JUNE 2018.**

| Question  | Answer  |
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| <p><b>1. How do I meet the proposed requirements?</b></p> | <p>If you haven't already met the proposed requirements, you will need to complete one of the following:</p> <ul style="list-style-type: none"><li>• an approved qualification at Australian Qualifications Framework (AQF) 7 (i.e. bachelors degree) level by 1 January 2024; or</li><li>• an approved qualification* of at least 8 units at AQF8 level or above before 1 January 2024; or</li><li>• an approved bridging course** of at least 8 units at AQF8 level or above before 1 January 2024; or</li><li>• make up the studies in such an AQF8 qualification or bridging course by undertaking individual units of study before 1 January 2024 – this option is only available where you hold a qualification with financial planning or advice in the title, or a specific major in financial planning or advice, that was not completed within the last 10 years or is not an approved qualification.</li><li>• <a href="#">See What is considered an “approved qualification” by FASEA? below</a></li></ul> <p>*FASEA is stated an approved course is a Graduate Diploma from an <a href="#">FPEC approved Masters program</a> which includes the 8 required subjects.</p> <p>**FASEA is yet to approve any bridging courses and will consider this option after it finalises its Degree Equivalence Standard.</p> |

**2. How do I know if my qualification meets the education requirements?**

If you hold an AQF 7 [Bachelor] or higher qualification [Grad Diploma] that is on the approved FASEA/FPEC list and completed in the last 10 years\*, then you have met the proposed new education standards.

- [See \*What is considered an “approved qualification” by FASEA?\* below](#)

If not, you do not meet the proposed education requirements.

- [See “How do I meet the requirements?”](#)

**FPA Comment**

\*Subject to consultation. The FPA will be liaising with FPEC/FASEA regarding degrees that have previously been recognised by the FPA for advanced standing in the CFP® Certification Program but are not on the current FPEC approved list. We will update members as soon as recognition by FPEC/FASEA has been agreed.

FPA will be advocating to FASEA to consider earlier courses which meet the standard but are not on the current FPEC list.

**3. What is considered an “approved qualification” by FASEA?**

FASEA’s current proposal uses the FPEC [approved degree list](#) found on FASEA’s website: [www.fasea.gov.au](http://www.fasea.gov.au)

**FPA Comment**

The FPA will be liaising with FPEC/FASEA regarding degrees that have previously been recognised by the FPA for advanced standing in the CFP® Certification Program but are not on the current FPEC approved list. We will update members as soon as recognition by FPEC/FASEA has been agreed.

FPA will be advocating to FASEA to consider earlier courses which meet the standard but are not on the current FPEC list. .

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| <p><b>4. I have a financial planning degree (e.g. Bachelor of Financial Planning), do I meet the proposed standard?</b></p>                 | <p>If the degree is on the FASEA/FPEC approved list and completed in the last 10 years*, then you've met the proposed requirements</p> <p>If not, you do not meet the proposed new standards</p> <ul style="list-style-type: none"> <li>• <a href="#">See "How do I meet the proposed requirements?"</a></li> </ul> <p>Education providers may consider advanced standing for the units of study you have previously completed.</p> <p>Recognised Prior Learning may be considered and the FPA will continue to advocate for such changes to the FASEA draft standard as per the <a href="#">FPA Degree and Degree Equivalence White Paper</a>.</p> <p>However, it is possible for qualifications with financial planning or advice in the title, or a specific major in financial planning or advice, to be retrospectively approved. A retrospectively approved qualification completed within the last 10 years meets the education requirements.</p> <p><b>FPA Comment</b></p> <p>*Subject to consultation. The FPA will be liaising with FPEC/FASEA regarding degrees that have previously been recognised by the FPA for advanced standing in the CFP® program but are not on the current FPEC approved list. We will update members as soon as recognition by FPEC/FASEA has been agreed.</p> <p>FASEA's consultation paper is a proposal and the FPA will continue to strongly advocate that your degree meets the standard as part of the 100 point plan concept.</p> |
| <p><b>5. I have a degree in a related field (e.g. Bachelors of Accounting Bachelors of Economics), do I meet the proposed standard?</b></p> | <p>As it stands, you do not meet the proposed new standards and will need to complete an FPEC/FASEA approved qualification</p> <ul style="list-style-type: none"> <li>• <a href="#">See "How do I meet the requirements?"</a></li> </ul> <p>Recognised Prior Learning and units of study already completed may be considered by higher education providers for credit exemptions where the units are those listed in the FASEA standard.</p> <p><b>FPA Comment</b></p> <p>FASEA's consultation paper is a proposal and the FPA will continue to strongly advocate that your degree meets the standard as part of the 100 point plan concept.</p>   |

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| <p><b>6. I have a degree in an unrelated field (e.g. Bachelors of Arts), do I meet the proposed standard?</b></p>  | <p>As it stands, you do not meet the proposed new standards and will need to complete an FPEC/FASEA approved qualification</p> <ul style="list-style-type: none"> <li>• <a href="#">See “How do I meet the requirements?”</a></li> </ul> <p>Recognised Prior Learning and units of study already completed may be considered by higher education providers for credit exemptions where the units are those listed in the FASEA standard.</p> <p><b>FPA Comment</b><br/>FASEA’s consultation paper is a proposal and the FPA will continue to strongly advocate for recognition of your degree as part of the 100 point plan concept.</p> |
| <p><b>7. I have a Diploma or an Advanced Diploma in financial planning (i.e AQF 5/6 – DFP and ADFP only), do I meet the proposed standard?</b></p> <ul style="list-style-type: none"> <li>• <a href="#">Also see “What are the AQF levels?” below</a></li> </ul> | <p>If this is the only or highest financial planning education you have completed, additional study will be required.</p> <p>The FPA would encourage you to commence these studies as soon as possible.</p> <p>Recognised Prior Learning and study already completed may be considered by higher education providers for credit exemptions on an individual basis.</p> <ul style="list-style-type: none"> <li>• <a href="#">See “How do I meet the requirements?”</a></li> </ul>   |
| <p><b>8. I am a specialist adviser in one area of financial planning (e.g. risk – only, SMSF, stock broking, super intra-fund), do I meet the proposed standard?</b></p>   | <p>As there is currently no separate licence or education standards for specialist advice, you would have to meet the proposed new financial planning standard set by FASEA.</p> <ul style="list-style-type: none"> <li>• <a href="#">See “How do I meet the requirements?”</a></li> </ul>   |
| <p><b>9. I only have a Diploma, may I enrol in an AQF8 qualification?</b></p>  | <p>Admission into an AQF8 program without a degree will typically require at least 5 years’ experience. Entry is determined by the education provider.</p> <p>Entry to an AQF8 program may require completion of a graduate certificate for people without prior AQF7 qualifications. The graduate certificate is typically 4 units of study and should count toward a graduate diploma (8 units).</p> <p>A post graduate diploma typically takes 2 years part-time to complete.</p>   |



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| <p><b>10. What are the bridging courses?</b></p>  | <p>FASEA has not made any clarification about this as yet. They expect more will become available after 2019 and therefore FASEA will consider bridging courses after it finishes its Degree Equivalence Standard</p>   |
| <p><b>11. I have a foreign degree, how do the proposals impact me?</b></p>  | <p>The proposal is specifically for Australian Degrees. FASEA is required to develop a standard for assessing foreign qualifications as part of their standards, however it has indicated this will occur after other standards have been set (i.e. potentially in 2019).</p>   |
| <p><b>12. I am a CERTIFIED FINANCIAL PLANNER® professional, do I meet the proposed new standards?</b></p> <p><b>Where does CFP® certification sit on the AQF standards?</b></p> | <p>The CFP® mark is a designation and not a degree. It is accredited outside the Australian Qualification Framework, thus equivalence is hard to draw.</p> <p>FPA will consult with FASEA to determine the AQF equivalent level for the CFP designation, and how much further education CFP professionals may require.</p> <p>However, depending on the units studied (to be clear, units studied, not advanced standing received i.e. advanced standing for any or all of units 2, 3 and 4) and the time of completion, the 5-unit CFP Certification Program may give you cross-credit exemptions or advanced standing from education providers on the FASEA/FPEC approved list.</p> <p>As consultation begins, these variables will be considered when assessing how much further education you may require.</p> <p><b>FPA Comment</b></p> <p>FASEA's consultation paper is a proposal and the FPA will continue to strongly advocate for recognition of the CFP Certification Program as part of the 100 point plan concept.</p> |
| <p><b>13. I completed the CFP® Certification Program prior to 2003 through Deakin.</b></p>  | <p>The CFP® Certification Program facilitated by Deakin prior to 2003 was conducted at AQF 5/6 level.</p> <p>❖ <a href="#">See: "What are the AQF levels?" below.</a></p> <p>If this is the only financial planning education you have completed, additional study will be required.</p> <p>❖ <a href="#">See "How do I meet the requirements?" and "I have a Diploma or an Advanced Diploma in financial planning".</a></p>  |

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| <p><b>14. What is an AQF level?</b></p>    | <p>The Australian Qualifications Framework (AQF) specifies the standards for educational qualifications in Australia. It's administered by the government and ranges from vocational education to higher education.</p> <p>There are 10 levels of AQF, commonly known as degrees, diplomas and certificates at both undergraduate and postgraduate levels.</p> <p>The AQF ensures national recognition, consistency and quality of education offered by universities and RTOs as well as a common understanding of what defines each qualification level.</p>  |
| <p><b>15. What are the AQF levels?</b></p> | <p><b>AQF 1 – 4</b></p> <ul style="list-style-type: none"> <li>• Certificate I - IV</li> </ul> <p><b>AQF 5</b></p> <ul style="list-style-type: none"> <li>• Diploma</li> </ul> <p>The current minimum requirement for financial planners.</p> <p><b>AQF 6</b></p> <ul style="list-style-type: none"> <li>• Advanced Diploma &amp; Associate degree</li> </ul> <p><b>AQF 7</b></p> <ul style="list-style-type: none"> <li>• Bachelor degree</li> </ul> <p>New entrant requirement for financial planners.</p> <p><b>AQF 8</b></p> <ul style="list-style-type: none"> <li>• Graduate Certificate [4 unit]</li> <li>• Graduate Diploma [8 unit]</li> <li>• Bachelor Honours degree</li> </ul> <p><b>AQF 9</b></p> <ul style="list-style-type: none"> <li>• Master's degree</li> </ul> <p>CFP® certification is generally assessed at this level depending on the education provider.</p> <p><b>AQF 10</b></p> <ul style="list-style-type: none"> <li>• Doctoral degree</li> </ul> |