



Financial Adviser Standards and Ethics Authority Ltd

*Corporations (Relevant Providers Continuing Professional Development Standard)
Determination (Amendment) 2020*

Explanatory Statement

Key information

1. This instrument amends the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018* by modifying the current requirements for continuing professional development (**CPD**) that relevant providers (financial planners and financial advisers) must undertake to meet the fourth of the education and training standards under section 921B of the *Corporations Act 2001* (see subsection 921B(5) of the Act). The modification is made to provide relief to relevant providers whose ability to complete the CPD requirements has been impacted by COVID-19.
2. **Date of effect:** the day after the instrument is registered in the Federal Register of Legislation (see section 2 of the determination).

Glossary

3. Words and expressions used in this statement are defined in the following table.

Expression	Meaning
<i>Act</i>	the <i>Corporations Act 2001</i> .
<i>Authority</i>	Financial Adviser Standards and Ethics Authority Ltd, which is the standards body under section 921X of the Act.
<i>education and training standards</i>	the standards set out in section 921B of the Act.
<i>CPD</i>	short for “continuing professional development”.
<i>relevant provider</i>	defined in subsection 910A of the Act.

4. References to numbered sections or other provisions are to those sections or other provisions of the instrument, unless indicated otherwise.

Context

5. Section 921B of the Act sets standards that relevant providers must meet (*education and training standards*).
6. The fourth of the standards requires a person to meet CPD requirements set by the Authority. The Authority has set requirements for CPD in the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018*.
7. This instrument extends the period relevant providers have to complete their CPD requirements for CPD years that include 18 March 2020, to provide relief to relevant providers in the context of COVID-19.

Preliminary matters

8. Section 1 provides that the name of the instrument is the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination (Amendment) 2020*.
9. Section 2 provides that the instrument commences on the day after it is registered in the Federal Register of Legislation.
10. Section 3 sets out the legislative authority for making the instrument: subparagraph 921U(2)(a)(iv) of the Act.
11. Section 4 amends the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018* as set out in Schedule 1 of the instrument.

Schedule 1: Amendments

12. Subparagraph 921U(2)(a)(iv) of the Act requires the Authority to set requirements for CPD purposes in relation to the CPD year of a financial services licensee. The Authority has done this in the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018*.
13. Item 1 of Schedule 1 of this instrument inserts a new subsection 9(7) into the *Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018*. The new subsection enables relevant providers whose CPD year includes 18 March 2020 to count towards their CPD requirements for that CPD year any qualifying CPD activities they have completed during a period of 3 months after the end of that CPD year. Those activities may not be counted towards meeting the CPD requirements for any other year.
14. The effect of this amendment is that a relevant provider whose CPD year includes 18 March 2020 has a further 3 months to complete the CPD requirements for that CPD year.
15. 18 March 2020 is the date on which the *Biosecurity (Human Biosecurity Emergency) (Human Coronavirus with Pandemic Potential) Declaration 2020* came into force. It marked the formal recognition by the Commonwealth of the COVID-19 emergency. Although the declaration is to remain in force for a limited period, this does not affect relevant providers' ability to claim the relief provided by this instrument, even after the COVID-19 emergency period ends.

Consultation

16. The Authority undertook public consultation in June 2020 in connection with this instrument. All feedback was given due consideration. The Authority concluded that the instrument provides adequate relief for relevant providers in relation to the requirements for CPD.
17. The Authority considers that a relatively short period of consultation is appropriate because of the urgent and beneficial nature of this instrument, as well as its limited scope.

Regulatory impact

18. The Office of Best Practice Regulation has confirmed that no Regulatory Impact Statement is needed for the determination.

Statement of compatibility with human rights

19. The instrument does not engage any human rights or freedoms, and is assessed to be compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.