



Financial Services Commission
Mauritius

CONSULTATIVE PAPER ON COMPETENCY STANDARDS FOR INVESTMENT DEALERS

March 2014

1. Consultation Point 1: Technical Competencies and Minimum Educational Qualifications

- 1.1 Competency standards will be established for the following representatives of investment dealers, as identified in the Third Schedule of the Securities (Licensing) Rules 2007:
- Full Service Dealer: Type 1, Type 2 and Type 3;
 - Broker: Type 1 and Type 2; and
 - Discount Broker: Type 1.
- 1.2 The Securities Licensing Rules 2007 exempt the following categories of Investment Dealers from the requirement to identify representatives:
- Investment Dealer (Commodity Derivatives Segment);
 - Investment Dealer (Currency Derivatives Segment);
 - Investment Dealer (Government of Mauritius Securities and Bank of Mauritius Securities Segment); and
 - Investment Dealer (Equity Segment).
- 1.3 The Financial Services Commission (“FSC Mauritius”) proposes the technical competencies, minimum educational qualifications and experience requirement for the representatives of investment dealers as set out in Annex 1.

Consultation - Point 1

The FSC Mauritius is seeking views on the following:

- (i) The tasks, operations and knowledge which licensed representatives of investment dealers should carry out and demonstrate, as proposed in Annex 1;
- (ii) The minimum educational entry requirement and minimum prior working experience which licensed representatives of investment dealers should have, as proposed in Annex 1; and
- (iii) The proposal to license representatives for the following categories of investment dealers: commodity derivatives segment, currency derivatives segment, equity segment, Government of Mauritius Securities and Bank of Mauritius Securities segment. This is to ensure that the persons acting on behalf of these investment dealers are adequately qualified and competent.

2. Consultation Point 2: Continuous Professional Developments Requirements

- 2.1 Continuous professional development (“CPD”) training plays an important role in ensuring that licensees remain up-to-date in their knowledge of market and regulatory developments.

Consultation – Point 2

The FSC Mauritius is seeking views on the following:

- (i) The number of CPD training hours which the representatives of investment dealers should complete; and
- (ii) Types of courses that should be counted towards fulfilling the CPD training hours.

3. Consultation Point 3: Transitional Arrangement

- 3.1 The FSC Mauritius proposes for a transitional arrangement for the application of the competency standards on existing representatives of investment dealers.

Consultation – Point 3

The FSC Mauritius is seeking views on the proposal for a transitional arrangement for the application of the competency standards to existing representatives of investment dealers.

ANNEX 1

Technical Competencies and Minimum Educational Qualifications for Investment Dealer

Role	Technical Competencies	Minimum qualification and experience requirement
Full Service Dealer (Type 1, Type 2 and Type 3)	<p>The representative should:</p> <ul style="list-style-type: none"> - Have basic or intermediate or advanced knowledge of general principles of securities (depending on the type of representative of the Investment Dealer) - Have basic or intermediate or advanced knowledge of securities products (depending on the type of representative of the Investment Dealer) - Have basic or intermediate or advanced knowledge of general principles of fund management and fund management products (depending on the type of representative of the Investment Dealer) - Have advanced knowledge of the ATS Schedule of Procedures known as ‘The Trading Procedures’ - Have the ability to execute trade orders - Have the knowledge and ability to underwrite and distribute securities on behalf of an issuer or a holder of securities - Give investment advice - Manage portfolios - Have advanced knowledge of regulatory framework for securities activities in Mauritius - Comply with laws, legislations, regulations, codes of practice, etc. 	<p>Type 1 with at least 8 years of relevant experience in investment business:</p> <p>Degree with emphasis on finance, capital markets, financial services, business administration, financial planning</p> <p>OR</p> <p>Any one of the following professional qualifications:</p> <ul style="list-style-type: none"> - Investment Management Certificate - Chartered Financial Analyst - CII Advanced Diploma in Financial Planning <p>OR</p> <p>Any other equivalent qualification as may be approved by the FSC Mauritius</p> <p>Type 2 with at least 5 years of relevant experience in investment business:</p> <p>Degree with emphasis on finance, capital markets, financial services, business administration, financial planning</p> <p>OR</p> <p>Any one of the following professional qualifications:</p> <ul style="list-style-type: none"> - Investment Management Certificate - Chartered Financial Analyst - CII Advanced Diploma in Financial Planning <p>OR</p> <p>Any other equivalent qualification as may be approved by the FSC Mauritius</p> <p>Type 3 with at least 3 years of relevant experience in investment business:</p> <p>Diploma in banking, finance, business administration, financial planning</p> <p>OR</p> <p>Any other equivalent qualification as may be approved by the FSC Mauritius</p>

Role	Technical Competencies	Minimum qualification and experience requirement
Broker (Type 1 and Type 2)	<p>The representative should:</p> <ul style="list-style-type: none"> - Have basic knowledge of general principles of securities - Have basic knowledge of securities products - Have basic knowledge of general principles of fund management and fund management products - Have advanced knowledge of the ATS Schedule of Procedures known as ‘The Trading Procedures’ - Have the ability to execute trade orders - Give investment advice - Manage portfolios - Have basic knowledge of regulatory framework for securities activities in Mauritius - Comply with laws, legislations, regulations, codes of practice, etc. 	<p>Type 1 with at least 4 years of relevant experience in investment business:</p> <p>Degree with emphasis on finance, capital markets, financial services, business administration, financial planning</p> <p>OR</p> <p>Any one of the following professional qualifications:</p> <ul style="list-style-type: none"> - Investment Management Certificate - Chartered Financial Analyst - CII Advanced Diploma in Financial Planning <p>OR</p> <p>Any other equivalent qualification as may be approved by the FSC Mauritius</p> <p>Type 2 with at least 3 years of relevant experience in investment business:</p> <p>Diploma in finance, business administration, financial planning</p> <p>OR</p> <p>Any other equivalent qualification as may be approved by the FSC Mauritius</p>

Role	Technical Competencies	Minimum qualification and experience requirement
Discount Broker (Type 1)	<p>The representative should:</p> <ul style="list-style-type: none"> - Have basic knowledge of general principles of securities - Have basic knowledge of securities products - Have basic knowledge of general principles of fund management and fund management products - Have advanced knowledge of the ATS Schedule of Procedures known as ‘The Trading Procedures’ - Have the ability to execute trade orders - Have basic knowledge of regulatory framework for securities activities in Mauritius - Comply with laws, legislations, regulations, codes of practice, etc. 	<p>Type 1 with at least 2 years of relevant experience in investment business:</p> <p>Diploma in finance, business administration, financial planning</p> <p>OR</p> <p>Any other equivalent qualification as may be approved by the FSC Mauritius</p>