



Financial Services Commission
Mauritius

**CONSULTATIVE PAPER ON COMPETENCY STANDARDS
FOR INVESTMENT ADVISERS**

March 2014

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

- 1.1 Competency standards will be established for the representatives of investment advisers (restricted and unrestricted).
- 1.2 The Securities Act 2005 defines the representative as including an individual employed by an investment adviser, who on its behalf exercises securities transactions as well as an officer who carries out securities transaction. The Securities Act 2005 further defines “*securities transaction*” as “*a sale, transfer, purchase, exchange or conversion of securities or other dealing thereof*”.
- 1.3 The Financial Services Commission (“FSC Mauritius”) proposes the technical competencies, minimum educational qualifications and experience requirement for the representatives of investment advisers 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 advisers should carry out and demonstrate, as proposed in Annex 1; and
- (ii) The minimum educational entry requirement and minimum prior working experience which licensed representatives of investment advisers should have, as proposed in Annex 1.

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 advisers 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 advisers.

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 advisers.

ANNEX 1

Technical Competencies and Minimum Educational Qualifications for Investment Adviser (Unrestricted and Restricted)

Role	Core Competencies	Minimum qualification and experience requirement
Representative of Investment Adviser (unrestricted)	<p>The representative should:</p> <ul style="list-style-type: none"> - Have advanced knowledge of general principles of securities - Have advanced knowledge of securities products - Have advanced knowledge of general principles of fund management and fund management products - Give investment advice - Manage portfolios¹ - Have advanced knowledge of regulatory framework for securities activities in Mauritius - Comply with laws, legislations, regulations, codes of practice, etc. 	<p>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 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>

¹ Section 5 of the Securities (Licensing) Rules 2007 states that:

“5. Categories of investment adviser licence

Every person who, by way of business, intends to carry out any of the activities of an investment adviser under section 30 of the Act, shall apply for a licence in one of the following categories -

(a) unrestricted - authorised to **manage, under a mandate, portfolios of securities** and give advice on securities transactions through printed materials or any other means;

(b) restricted - authorised to give advice on securities transactions through printed materials or any other means.”

Role	Core Competencies	Minimum qualification and experience requirement
Representative of Investment Adviser (restricted)	<p>The representative should:</p> <ul style="list-style-type: none"> - Have advanced knowledge of general principles of securities - Have advanced knowledge of securities products - Have advanced knowledge of general principles of fund management and fund management products - Give investment advice - Have advanced knowledge of regulatory framework for securities activities in Mauritius - Comply with laws, legislations, regulations, codes of practice, etc. 	<p>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 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>

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