
Case for Endorsement

Financial Services

FNS Financial Services Training Package Version 4.0

Project 1K Financial Markets

PwC's Skills for Australia

Project 1K

February, 2020

AISC submission

Executive summary

Introduction

This Case for Endorsement outlines the rationale, evidence, and industry support for modifications to proposed training package components related to:

- Project FNS 1K Financial Markets

It builds on the consultations undertaken by PwC's Skills for Australia (SfA) in the Case for Change for these projects, which were submitted to the Australian Industry and Skills Committee (AISC) in May 2018 (Project 1K).

In particular, this Case for Endorsement demonstrates how the proposed training package components align with the COAG Industry Skills Council reforms to Training Packages, and other principles for quality that inform our training product development work.

We are satisfied that there is strong industry support for these changes and that the proposed modifications will ensure that the FNS Financial Services Training Package meets the needs of learners and workers within the industry.

Structure of the report

This report has been developed as part of our training product development work on behalf of, and directed by, the Financial Services Industry Reference Committee (IRC).

We have structured this report around the required elements of the Case for Endorsement template. These key elements are:

- 1 Administrative details of the Case for Endorsement
- 2 Description of the work and request for approval
- 3 Evidence of industry support
- 4 Industry expectations about training delivery
- 5 Implementation of the new training package
- 6 Quality assurance reports
- 7 Implementation of the COAG Industry Skills Council reforms to Training Packages
- 8 A copy of the full content of the proposed training package component(s)

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1 Administrative details

Name of allocated IRC(s)

Financial Services IRC (FNSIRC)

Name of SSO

PwC's Skills for Australia

Training package components submitted for approval

See Table 1.

Table 1 Training Products submitted for approval

Current training product code	New training product code	Title	New / existing / deleted training product
1K Financial Markets			
16 updated units of competency submitted for endorsement:			
FNSAML801	FNSAML811	Design anti-money laundering and counter terrorism financing programs	Existing
FNSAML802	FNSAML812	Design and assess controls to monitor money laundering and terrorism financing risk	Existing
FNSAML803	FNSAML813	Design and monitor reporting systems for suspicious transactions	Existing
FNSAML804	FNSAML814	Design customer due diligence policies and procedures	Existing
FNSAML805	FNSAML815	Manage assessment of organisation vulnerability to money laundering and terrorism financing	Existing
FNSAML806	FNSAML816	Implement anti-money laundering and counter terrorism financing programs	Existing
FNSFMK401	FNSFMK411	Perform reconciliations	Existing
FNSFMK504	FNSFMK514	Complete confirmation and settlement processes	Existing
FNSFMK505	FNSFMK515	Comply with financial services regulation and industry codes of practice	Existing

FNSFMK507	FNSFMK517	Analyse risk mitigation in the operations process	Existing
FNSFMK508	FNSFMK518	Monitor and process collateral	Existing
FNSFMK510	FNSFMK520	Develop and monitor risk management strategies for client	Existing
FNSFMK501	FNSFMK521	Analyse financial markets and information	Existing
FNSFMK601	FNSFMK611	Price financial transactions	Existing
FNSFMK602	FNSFMK612	Manage trading exposures	Existing
FNSINC801	FNSINC811	Lead compliance with financial services legislation and industry codes of practice	Existing
7 new units of competency submitted for endorsement:			
N/A	FNSFMK416	Conduct work within financial markets compliance framework	New
N/A	FNSFMK513	Undertake assessment of product and advice suitability for non-retail clients	New
N/A	FNSFMK516	Review and confirm human resources and IT systems satisfy requirements of licence	New
N/A	FNSFMK619	Develop and implement policies and procedures to support organisational values and culture	New
N/A	FNSFMK522	Apply financial product knowledge in the context of the deal transaction cycle	New
N/A	FNSFMK523	Comply with requirements of licence and regulatory framework	New
N/A	FNSFMK524	Conduct work within financial markets organisational risk management framework	New
2 units of competency to be deleted:			
FNSFMK506	N/A	Detect errors and fraud when processing financial transactions	Remove
FNSFMK511	N/A	Apply limits when trading	Remove
3 updated qualifications submitted for endorsement:			
FNS51015	FNS51020	Diploma of Financial Markets	Existing
FNS60715	FNS60720	Advanced Diploma of Financial Licensing Management	Existing

FNS80115	FNS80120	Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing	Existing
1 new qualification submitted for endorsement:			
N/A	FNS80020	Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing	New
1 qualification to be deleted:			
FNS41115	N/A	Certificate IV in Financial Markets Operations	Remove
1 new skill set submitted:			
N/A	FNSSS00017	Custody and Operations Skill Set	Existing

The above draft endorsed components have been deemed equivalent or not-equivalent to their previous version by industry stakeholders. The details are listed in the FNS Version 4.0 Modification History table and are being submitted as an AISC endorsement. The draft endorsed components have been independently verified as meeting the requirements of the *Standards for Training Packages* and reviewed and approved by the Financial Services IRC.

Table 2: Total number of proposed changes

Total proposed changes to training products	Number of training products
Units to be updated	16
Units to be created	7
Units to be deleted	2
Qualifications to be updated	3
Qualifications to be created	1
Qualifications to be deleted	1
Skill sets to be updated	-
Skill sets to be created	1
Skill sets to be deleted	-

Note: The Financial Services IRC also approved a number of non-endorsable updates which will be implemented when the FNS Financial Services Training Package Version 4.0 is added to the National Register. **Appendix B** provides details.

Case for Change details

A Case for Change was established based on initial research and consultations, and was endorsed by the AISC on behalf of the Financial Services IRC in May 2018 (Project 1K).

Table 3: Activity order details

Activity order	Project	Date executed	Scope of activity order {# of units}
PwC/TPD/2017-18 001	1K Financial Markets	27 June 2018	Update 16 existing units of competency, 4 qualifications and 1 skill set. Develop 1 new skill set and delete 1 qualification.

2 Description of work and request for approval

2.1 Description of work being undertaken and why

PwC's Skills for Australia prepared the Cases for Change on behalf of the Financial Services Industry Reference Committee (IRC) and submitted it to the Australian Industry and Skills Committee (AISC) in May 2018 (Project 1K). The AISC endorsed the 1K Financial Markets project on the 5th June 2018. Since the Case for Change was approved, we have undertaken significant stakeholder consultation for Project 1K Financial Markets. The information below outlines the key industry drivers for change for the project.

Project 1K Financial Markets

The Financial Markets space has experienced a high degree of disruption in recent years, due in part to shifts in culture and values as a result of the Financial Services Royal Commission, and the flow on effects of emerging and evolving technologies. These changes have created gaps in skills and knowledge throughout qualifications in financial markets, particularly in ensuring there is a focus on increasing trust and credibility in the sector; shifting culture and values to prioritise acting in the best interest of the client and providing professional service over profits; ever-changing licensing and regulatory requirements; and clear pathways for those seeking to work as custodians and in the anti-money laundering and counter terrorism financing space. Additional updates are also required to reflect changes in skills needs in due to updated technology leading to analysing and interpreting data resulting from automated processes, and to ensure training products are updated for policy.

Key drivers for change include the following:

- **Automation leads to change in skills requirements:** The financial markets sub-sector has been heavily impacted by technological changes, with tasks such as pricing of financial products and trading processes being largely automated. This has led to a shift in focus for workers from following processes to providing value by analysing and interpreting data for clients.
- **Shift in culture and values:** There is increasing recognition in financial markets that instead of prioritising profit alone, firms must also ensure that the best interests of the client are served and a professional service is provided. This shift has led to significant changes in the way advisers and dealers provide services to clients. Consultation and analysis conducted after the commissioning of this project indicated that in addition to updating existing financial markets units of competency to reflect this overall shift in culture and values, a new unit was also required to address the training gap of assessing client and advice suitability.
- **Focus on increasing trust and credibility in the sector:** The Financial Services Royal Commission has highlighted the importance for banks and financial institutions to focus on maintaining trust and credibility in the sector. As a result, ethical decision making has been highlighted as a vital focus within these institutions moving forward, particularly so that learners maintain ethical conduct when selling and dealing in financial products. Consequently, legal obligations within the Corporations Act to manage conflict of interest will be considered as a minimum, to be reflected in the training package.
- **Licensing and regulatory changes:** Changes to licensing and regulatory requirements in the financial markets space occur frequently. Industry feedback during Case for Change consultation indicated that current training in this area can become outdated quickly, so training should be updated. In addition, training needs to provide learners with an understanding of how to be aware of changes and maintain their own knowledge in this space. Consultation and analysis conducted after the commissioning of this project indicated that generalised and/or imported units of competency previously utilised to meet regulatory and compliance obligations are no longer meeting the specialised and specific needs of the financial markets industry. Consultation highlighted the need for new units of competency with different and financial-markets-specific performance criteria and performance evidence, in order to close these gaps in training.
- **Learning pathways for Anti-Money Laundering and Counter Terrorism Financing:** Industry feedback has indicated that the stringent entry requirements for the Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing (AML CTF) are excluding potential learners from undertaking the qualification who may benefit from the training, and in turn provide benefit to industry. Further consultation conducted after this project was commissioned led to an understanding that industry also requires a pathway into the Graduate Diploma which allows learners with experience in financial markets to gain AML CTF skills, without already occupying a senior role in AML CTF. Industry indicated that this need would be best met by the establishment of a Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing. It should be noted that the current Skill Set in AML CTF does not provide a pathway into the Graduate Diploma of AML CTF. The Skill Set was established as a way for those operating in the financial markets and risk management space at Diploma and Advanced Diploma level, to seek further skills and training in AML CTF as an emerging skill set, *without* necessarily looking to take on leadership or responsibility for the area within the organisation.
- **Lack of clear educational pathway for custodians:** Learners currently undertake a group of units of competency in the FNS41115 Certificate IV in Financial Operations in order to seek entry to job roles as custodians. The Case for Change for this project indicated that industry would benefit from a skill set or a specialisation within an existing qualification such as the FNS51015 Diploma of Financial Markets, in order to provide a nationally recognised education pathway for custodians. Further consultation and analysis conducted after this project was commissioned led to the understanding that, rather than a stream in an existing qualification, industry would be best served by the establishment of a Skill Set consisting of the custody and operations units of competency.

2.2 Request for approval

This submission puts forward the Case for Endorsement for the proposed components of the Financial Services Training Package Version 4.0.

The draft components submitted to the Australian Industry and Skills Committee (AISC) for endorsement are:

- **16** currently endorsed units of competency that were reviewed and updated
- **7** new units of competency to be created
- **2** units of competency to be deleted
- **3** currently endorsed qualifications that were amended to reflect the above endorsed changes to units of competency
- **1** new qualification to be created
- **1** qualification to be deleted
- **1** new skill set to be created.

All components submitted for endorsement have been developed and reviewed in accordance with the *Standards for Training Packages 2012*, the *Training Package Products Policy 2012* and the *Training Package Development and Endorsement Policy 2016*.

Evidence of consultation with States and Territories, and evidence that the views of key stakeholders have been considered is provided in Section 3 of this Case for Endorsement.

This Case for Endorsement is approved by the Financial Services IRC, as per Section 3 of this document. It is therefore submitted, through the Department of Education and Training, for AISC consideration.

The training product changes outlined below are based on PwC's Skills for Australia's analysis of the feedback we received through consultation with industry.

Project 1K Financial Markets: Summary of training product changes

Update 3 existing qualifications to deliver clear vocational outcomes for the following qualifications and amend entry requirements and packaging rules to provide relevance to industry, employers and learners.

- FNS51020 Diploma of Financial Markets
- FNS60720 Advanced Diploma of Financial Licensing Management
- FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing

Create 1 new qualification to provide a nationally recognised pathway for those seeking to upskill in anti-money laundering and counter terrorism financing who do not yet have the experience or implementation authority to complete FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing:

- FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing

Update 16 existing units of competency to include important learning outcomes for job roles relevant to the financial markets qualifications. This includes ethical decision making, compliance knowledge and acting in a customer's best interest as well as problem solving capabilities in an increasingly automated environment.

- FNSAML811 Design anti-money laundering and counter terrorism financing programs

- FNSAML812 Design and assess controls to monitor money laundering and terrorism financing risk
- FNSAML813 Design and monitor a reporting system for suspicious transactions
- FNSAML814 Design customer due diligence policies and procedures
- FNSAML815 Manage assessment of organisation vulnerability to money laundering and terrorism financing
- FNSAML816 Implement anti-money laundering and counter terrorism financing programs
- FNSFMK411 Perform reconciliations
- FNSFMK514 Complete confirmation and settlement processes
- FNSFMK515 Comply with financial services regulation and industry codes of practice
- FNSFMK517 Comply with financial services regulation and industry codes of practice
- FNSFMK518 Monitor and process collateral
- FNSFMK520 Develop and monitor risk management strategies for client
- FNSFMK521 Analyse financial markets and information
- FNSFMK611 Price financial transactions
- FNSFMK612 Manage trading exposures
- FNSINC811 Lead compliance with financial services legislation and industry codes of practice

Create 7 new units of competency to replace general imported units requiring greater specificity to financial markets contexts, and address the training and skills gap in meeting Australian Financial Services Licence compliance requirements and assessing client product and advice suitability:

- FNSFMK416 Conduct work within financial markets compliance framework
- FNSFMK513 Undertake assessment of product and advice suitability for non-retail clients
- FNSFMK516 Review and confirm human resources and IT systems satisfy requirements of licence
- FNSFMK619 Develop and implement policies and procedures to support organisational values and culture
- FNSFMK522 Apply financial product knowledge in the context of the deal transaction cycle
- FNSFMK523 Comply with requirements of licence and regulatory framework
- FNSFMK524 Conduct work within financial markets organisational risk management framework

Delete 1 existing qualification which is no longer being used in its entirety to lead to the custodian job role outcome. This unit to be replaced by a new skill set:

- FNS41115 Certificate IV in Financial Markets Operations

Create 1 skill set consisting of the units of competency previously completed as part of the FNS41115 Certificate IV in Financial Markets Operations to provide a nationally recognised education pathway for custodians:

- FNSSS00017 Custody and Operations Skill Set

Delete 2 units of competency removed from the Diploma of Financial Markets and not featured in any other nationally accredited qualifications:

- FNSFMK506 Detect errors and fraud when processing financial transactions
- FNSFMK511 Apply limits when trading

3 Evidence of industry support

The Financial Services IRC supports the submission of the training package components detailed in this Case for Endorsement.

Name of Chair: Allan Jones (CEO)
Property & Business Skills Advisory Body WA

Signature of Chair: 

Date: 28 January 2020

3.1 Conduct of enquiry and evidence of consultation

Our consultation approach has been guided by our principles for training product development, which determine that our work should:

- 1 Be industry-led;
- 2 Encourage broad and transparent stakeholder consultation;
- 3 Respond quickly to industry skills needs and priorities;
- 4 Be efficient and cost-effective; and
- 5 Produce high quality and independently validated training products.

We have consulted with Financial Services IRC members, industry and other relevant stakeholders through the methods outlined below. A list of stakeholders consulted over the course of project work can be found in Appendix A.

IRC meetings

The Financial Services IRC has been engaged throughout all phases of Project 1K Financial Markets, including initial consultations, ongoing consultations and in the review of draft and final training products. IRC members have been engaged through formal IRC meetings, involvement in the Project Working Groups (PWGs) for each project, individual and focus group consultations, review over the high level summary of consultation insights, and invitations to submit feedback on draft training products published on the PwC’s Skills for Australia webpage.

The table below provides a list of the IRC meetings where Project 1K was discussed.

Project 1K: IRC meetings held from January 2018 to October 2019

IRC	Meeting number	Date	Number of attendees
Financial Services IRC	1	22nd February 2018	12
	2	10th May 2018	14

3	16th August 2018	13
4	3rd December 2018	14
5	11th April 2019	11
6	6th August 2019	8
7	23rd October 2019	9
8	16th January 2020	11

Project working groups

Following approval of the Case for Change, a PWG was established for the project consisting of industry, peak body and Registered Training Organisation (RTO) subject matter experts. The purpose of the PWG was to provide subject matter expertise for training product development work, and to guide stakeholder engagement. PWG members for this project are listed in Appendix A of this Case for Endorsement.

Membership of the PWG was directed by the FNS IRC members with the aim of having fair stakeholder representation from industry, peak bodies, and RTOs. The PWG had IRC representation, with two IRC members on the Project 1K Financial Markets PWG.

For Project 1K, the PWG met 5 times over the period from September 2018 – August 2019. The purpose of these meetings was for PWG members to offer specialised input, to discuss key consultation feedback and to consider recommendations in response to that feedback.

In addition to these scheduled meetings, PWG members were consulted on a regular and ongoing basis via email and phone calls to validate key issues and review key documents.

The table below provides a list of PWG meetings held from September 2018 – August 2019. Further correspondence regarding the training products after that time occurred via email and phone correspondence.

Project Working Group meetings held

Project 1K	Meeting number	Date	Number of attendees
Financial Markets PWG	1	25th September 2018	3
	2	28th November 2018	7

3	12th June 2019	4
4	15th August 2019	2
5	27th August 2019	3

Targeted consultations

Throughout the projects we have held targeted consultations with key stakeholders, identified through Financial Services IRC members, PWG members, as well as through PwC’s Skills for Australia’s networks. The consultative approach was national, inclusive and invited responses from a range of stakeholders including industry employers and organisations, peak bodies, government, and RTOs. Consultations were generally held in the form of one-on-one phone or face-to-face interviews, as well as through emails. It should be noted that economic activity, employer demand and headquarters of major organisations and peak bodies in financial services are usually located in Sydney, NSW and Melbourne, VIC. As a result, targeted consultation involved a high proportion of stakeholders from those locations. IRC and PWG members confirmed these consultations were representative of industry’s views due to the types of organisations engaged and the nature of this industry.

Furthermore, to capture feedback from stakeholders that were not able to be engaged via one-to-one interviews or focus groups, PwC’s Skills for Australia published draft training products on its website and social media channels for public review, and encouraged IRC and PWG members to share published materials with their networks.

The table below shows a summary of the types of stakeholders involved in the targeted consultations. Note that the below includes PWG and IRC members who were also engaged for one-on-one consultations.

Targeted consultations by type for this Case for Endorsement

Industry	Peak Body	RTO
37	3	7

*Please note that stakeholders representing organisations that fit into more than one type above (e.g. Peak Body and RTO) have been noted under each relevant type.

Needs Emerging Through Consultation

Industry consultations identified that there was a need to develop one new qualification and to delete one existing qualification. Emerging industry needs were explored by the PWG members and via thorough industry consultation, and these approaches were determined to be the most effective responses. The rationales for these proposed actions are detailed below.

Addition of one qualification to the National Register

Based on industry consultation, one qualification is proposed to be added to the National Register:

- FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing.

The addition of this Graduate Certificate is proposed as a direct response to emerging industry needs which are not met by the existing FNS80120 Graduate Diploma in Anti-Money Laundering and Counter Terrorism Financing. While anti-money laundering (AML) and counter terrorism financing (CTF) were previously considered a specialisation field, senior compliance roles in industry have begun to require skills in aspects of AML CTF prior to taking on implementation responsibilities (i.e. AML CTF leadership roles with the responsibility to not only analyse and design AML CTF processes, but to approve and implement them). Industry have indicated that the needs of new entrants to the field seeking skills in AML CTF would be met by establishing a Graduate Certificate containing three existing units of competency from the Graduate Diploma. These units provide the skills and knowledge required to work in senior compliance roles that include aspects of AML CTF but do not yet have implementation authorities or responsibilities.

The design of the FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing also creates a pathway into FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing. While these qualifications occupy the same AQF level (AQF 8), industry feedback has been strong throughout consultations that a Graduate Certificate should be established instead of a Skill Set in order for the comprehensive level of training and volume of learning to still be recognised as AQF 8, and so the qualification can be more easily understood by industry as a precursor to a Graduate Diploma.

This approach has been thoroughly investigated and consulted upon throughout this project, including in targeted consultations, PWG meetings, and in meetings of the Australian Financial Markets Association's AML CTF and Education Advisory Committees. These consultations have spanned the length of the project, from Case for Change consultations in 2017 through to December 2019, and have included senior industry members from numerous key Australian financial markets organisations (all consultees are listed in Appendix A). Industry has been unanimous in requesting and supporting the establishment of a Graduate Certificate in AML CTF.

PwC's Skills for Australia also consulted with the independent Quality Assurance panellists responsible for producing the Editorial, Equity, and Quality Assurance reports included in the appendices of this Case for Endorsement. While the approach of establishing a Skill Set was thoroughly explored, all parties concluded that training should be established according to industry needs, leading to the proposed creation of the Graduate Certificate based on industry requirement.

Deletion of one qualification from the National Register

Based on industry consultation, one qualification is proposed to be deleted from the National Register:

- FNS41115 Certificate IV in Financial Markets Operations.

This qualification is proposed for deletion due to its low completion rate. Learners currently complete only a subset of units from the qualification which are required to enter custody and operations job roles. The proposed FNSSS00017 Custody and Operations Skill Set has been designed to include that subset of units, thereby meeting that training need in a more appropriate format.

Stakeholder support for the deletion of FNS41115 Certificate IV in Financial Markets Operations from the National Register is strong and has been supported throughout consultations. PwC's Skills for Australia has also engaged directly with the sole RTO with this qualification on scope. The RTO is supportive of the deletion of this qualification due to the establishment of a pathway to pursue custody and operations training at through the FNSSS00017 Custody and Operations Skill Set. PwC's Skills for Australia has not been made aware of any negative implications, including downstream impacts, of deleting this qualification.

The optimal time to delete this qualification will be following the AISC's endorsement of this Case for Endorsement and the subsequent publication of the FNS Financial Services Training Package Version 4.0 on the National Register.

Engagement with State and Territory Training Authorities

State and Territory Training Authorities (STTAs) have been engaged on several occasions throughout the review process, in addition to providing feedback and advice on an ongoing basis. All STTAs were consulted and many provided feedback on the following stages of our training product development work:

- Case for Change consultations
- Draft training products published on PwC's Skills for Australia website
- Draft training package components, including this Case for Endorsement and accompanying materials. These were provided to all STTAs from the 5th December 2019 until the 19th December 2019.

Support for this Case for Endorsement was received from the following STTAs: Queensland, New South Wales, Northern Territory, Australian Capital Territory, South Australia, Western Australia and Tasmania. It is noted that while Victoria will not impede the submission of the Case for Endorsement to the AISC, it requested the following comments be noted:

Victoria

During the course of STTA consultation, the Victorian STA sought clarification around a number of items in the Case for Endorsement. All issues were resolved with the Victorian STA with the exception of the following two items.

Inclusion of references to FNSFMK521 *Analyse financial markets and information as an option to satisfy prerequisite requirements for FNSASICL503 Provide advice in the regulated emissions market*

The unit of competency FNSASICL503 currently contains prerequisite unit requirements, including FNSFMK501 *Analyse financial markets and information*. This Case for Endorsement includes an updated and equivalent version of FNSFMK501: FNSFMK521 *Analyse financial markets and information*.

The unit FNSASICL503 is planned for review and submission to the June 2020 AISC meeting, and so is not being reviewed or updated as part of this project. Its listed prerequisite units cannot be updated without triggering a new release of the unit. Updating FNSASICL503 as part of this training package release solely to update the listed prerequisite units would create unnecessary administrative churn for training providers and learners. Additionally, preventing the project from progressing as a result of this issue would unnecessarily delay updates to training required by industry.

It is critical to note, FNSASICL503 also currently contains zero enrolments so direct impacts on learners or training providers in this timeframe are unlikely. Further, the two RTOs with FNSASICL503 on scope were represented on the Project Working Group for this project and noted no issues in review.

To mitigate any possible effects of this item prior to the June update of FNSASICL503, the following adjustments to training products and accompanying documents have been proposed as part of this Case for Endorsement:

- Wording adjusted in the Diploma of Financial Markets and Advanced Diploma of Financial Licensing Management qualifications prerequisite tables to read "FNSFMK501 *or* FNSFMK521* ". An asterisk immediately below each table is accompanied by text explaining that FNSFMK501 is the previous version of FNSFMK521, that they are equivalent units, and that FNSFMK521 can be used to satisfy the prerequisite requirements for FNSASICL503.
- Placed a note against FNSASICL503 in the Implementation Guide Appendix table titled "Units of competency with prerequisite unit requirements" noting that FNSFMK501 *or the equivalent* FNSFMK521 can be used to satisfy the prerequisite learning requirements.
- The two RTOs with FNSASICL503 unit on scope will be notified again of this situation and these adjustments.
- ASQA will be notified of the exceptional circumstances and mitigating approaches.

While the Victorian STA does not impede this Case for Endorsement proceeding to the AISC for consideration, it requested that the following be included as the basis for its dissenting view:

- FNSFMK521 has not been endorsed by the AISC and cannot be listed as a pre-requisite until it is endorsed. FNSFMK521 must be removed as a pre-requisite to FNSASICL503 *Provide advice in the regulated emissions market*. ASQA must audit against the National Register which does not yet recognise FNSFMK521 because it has not yet been endorsed by the AISC. The proposed RPL solution from PWC SFA will not assist RTOs to remain compliant with the Standards for RTOs and will disadvantage students by requiring them to pay for an additional RPL process. It would be contradictory for RTOs to undertake a reverse mapping to RPL students from the new unit to the old, or credit transfer; and will not meet industry's needs nor would it likely be acceptable to ASQA. Inserting the proposed statement in the unit that either FNSFMK501 or FNSFMK521 meets the pre-requisite requirements still amounts to changing the pre-requisite unit without endorsement from the AISC and does not meet the Standards. The pre-requisite for this unit of competency remains FNSFMK501 until the AISC endorses the updated pre-requisite requirement. It cannot include an unendorsed unit and it should be removed.

Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing

The Victorian STA stated concerns regarding the proposal of a Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing. Their concerns pertain to whether the volume of learning for the proposed qualification would be sufficient to meet AQF Level 8 expectations, and question whether the proposed qualification addresses the COAG Industry Skills Council priorities of fostering the use of Skill Sets and removing duplication.

Further information was provided to the Victorian STA as to the extent of the investigation into the ramifications of the establishment of the Graduate Certificate, as well as the Australian Qualifications Framework mapping document used during Editorial and Equity and Quality Assurance review processes. It was confirmed that, as outlined and stipulated above in this Case for Endorsement, ultimately no barriers were found preventing the establishment of the Graduate Certificate.

Comment was also sought pertaining to the volume of learning of the qualification from the Australian Financial Markets Association (AFMA), as the peak body for the Australian financial markets sector and one of few RTOs delivering training in anti-money laundering and counter terrorism financing. AFMA summarised that, per unit of competency the following would be expected:

- Supervised delivery and assessment: 80 hours
- Completing assignments and skills assessments: 50 hours
- Independent research and study: 60 hours
- Workplace consultations and research: 30 hours

Each unit would therefore require 220 hours in total to complete, giving the qualification a total volume of learning of 660 hours, which is within the specified range for volume of learning of an AQF 8 qualification of 600 to 1200 hours.

AFMA also noted that while the volume of unsupervised study hours required may seem large, it is important to bear in mind that this is a postgraduate qualification. Further, although the units of competency assume prior in-depth *knowledge* of financial markets and *some aspects* of AML CTF, the Graduate Certificate is designed to assist those with this *knowledge* but not yet with the *experience* of working directly in AML CTF, and therefore with the more complex features of AML CTF procedures and controls. The distinction between knowledge and experience is a key differentiator to understand in appreciating the purpose of the proposed Graduate Certificate in AML CTF.

While the Victorian STA does not impede this Case for Endorsement proceeding to the AISC for consideration, it requested that the following be included as the basis for its dissenting view:

- Creating this new qualification, comprising three Units of Competency, does not address the CISC priorities of fostering the use of Skill Sets and removing duplication (the Graduate Certificate is entirely nested within the core of the Graduate Diploma). Regarding the issue we raised about the Volume of Learning for the Graduate Certificate, the statement provided by the IRC and SSO that the competencies themselves 'assume in-depth knowledge of financial markets and a basic understanding of AML/CTF principles and processes does not reconcile with the qualification statement that it is designed for those with little experience of financial markets/services and of AML/CTF, procedures and controls'. Further, the advice appears to reflect the views of one RTO, and others may have a different approach to their training and assessment strategy. The view of the Victorian STA remains that an additional qualification has been created comprising three

Units of Competency which are all provided within the core of the Graduate Diploma. A Skill Set is required under the Standards to clearly state its relationship with a qualification (i.e., the Graduate Diploma) and, therefore, industry's concerns about clarity to industry and learners regarding the pathway to the Graduate Diploma would be met via a Skill Set.

Draft training product review

Draft training products were published on the Skills for Australia website between 4th June 2019 and 24th June 2019, and between 16th August 2019 and 13th September 2019. The purpose of publishing the training products on our website was to ensure stakeholders could review and comment on the ways in which the feedback received during consultation had been reflected in proposed changes to training products.

During the consultation period, the financial services industry webpage where Project 1K products were hosted received a total of 70 page views, including 60 unique page views.

We also sent emails alerting stakeholders that the draft training products were available for review on our website. These emails were distributed to and by IRC members, Project Working Group members, STTA networks and our website subscribers. These emails successfully reached a minimum of 944 unique stakeholders, leading to a minimum of 102 downloads of the training products.

4 Industry expectations about training delivery

4.1 Industry advice on training delivery

Industry expressed that training delivery and assessments need to incorporate awareness of and adherence to current legislative and regulatory requirements. Additionally, due to the continually shifting nature of the regulatory environment, stakeholders were concerned with the speed that training could become obsolete when referencing specific regulations. This has been addressed in the training package by referring to broad regulatory principles as opposed to referencing specific legislative acts or regulatory guidance. Industry members advised that training delivery and assessments should incorporate and adhere to the most recent guidance from the relevant regulator, as indicated in individual units of competency.

In addition, within each unit, the performance evidence states the number of times a task is required to be performed in order to show competence in performing that task. It was advised by industry stakeholders that tasks should be performed more than once in order for a learner to be deemed competent unless otherwise indicated (as in the case of larger and/or more complex tasks).

Additional advice is included in the FNS Companion Volume Implementation Guide about industry's expectations of training delivery, delivery modes and pathways, work-based learning strategies and learner characteristics, and assessments.

4.2 Industry advice on traineeships and apprenticeships

Industry and members of the FNS Industry Reference Committee, inform us that the training product development work proposed in this Case for Endorsement is not expected to have an impact on the use of traineeships and/or apprenticeships.

5 *Implementation of the new Training Package*

Implementation management strategy

The communication of these changes to the FNS Training Package will require RTOs to potentially respond with modifications to qualification offerings and scope. We have developed a strategy for the communication of these changes in the event of AISC approval. This includes:

- Update the PwC's Skills for Australia website, including publishing a news post on the FNS webpage
- Email all subscribers to the FNS industry on PwC's Skills for Australia's website
- Email organisations and individuals previously engaged throughout the training product development process, including STTAs, employers, RTOs and peakbodies
- Develop a summary document outlining the changes, and include it with the abovementioned communications
- Verbally communicate the changes at relevant meetings, conferences and events attended PwC's Skills for Australia team members
- Share the changes with the broader public via social media, including the PwC's Skills for Australia LinkedIn page.

In addition, an automated email will be sent from training.gov.au notifying all RTOs on the scope of changes to the Financial Services Training Package.

Licensing requirements

Industry consultation indicates that changes made in relation to the training products do not affect any licensing requirements across Australia. Licensing requirements which affect the FNS Financial Services Training Package are listed in the FNS Implementation Guide in the 'Implementation information' section.

6 Quality assurance reports

6.1 Independent Quality Reports

Independent Quality Reports, including an Editorial Report, an Equity Report, and a Quality Report have been included as part of this Case for Endorsement.

The reports attest to there being a quality-assured Companion Volume Implementation Guide. PwC's Skills for Australia confirms that this Guide will be available on VETNET following publication of the FNS Financial Services Training Package Version 4.0 on the National Register.

6.1.1 Equity Report

The equity report was completed on 3rd December 2019 by Quality Assurance Panellist Bernadette Delaney. The report can be found in **Appendix C**.

6.1.2 Editorial Report

The editorial report was completed on 3rd December 2019 by Quality Assurance Panellist Bernadette Delaney. The report can be found in **Appendix D**.

6.1.3 Quality Report

The quality report was completed on 4th December 2019 by Quality Assurance panellist Anna Henderson. The report can be viewed in **Appendix E**.

6.2 Declaration of alignment with standards

Throughout consultation, we have sought to place the needs of industry at the heart of our review. We have also ensured that the proposed training package components we have developed as a result of our consultation with industry meet the requirements of:

- The Standards for Training Packages 2012
- Training Package Products Policy
- Training Package Development and Endorsement Process Policy.

6.3 Declaration of having met the Training Package Quality Principles

The table below provides evidence that the draft training package components meet the Training Package Quality Principles.

Principle	Evidence
1. Reflect identified workforce outcomes	<ul style="list-style-type: none"> • The conduct of our enquiry, as outlined in Section 3.1 of this Case for Endorsement, has ensured that industry needs have formed the basis of our training product development work. • Existing training package components have been amended to ensure currency with current industry processes, procedures and technology. • New training products have been created to address financial markets specific compliance skills, and client product and advice suitability.

	<ul style="list-style-type: none">● Training package components have been developed with reference to the key trends identified in the FNS Industry Skills Forecast and Proposed Schedule of Work and key themes emerging from industry consultation.
2. Support portability of skills and competencies including reflecting licensing and regulatory requirements	<ul style="list-style-type: none">● Training package components have been developed to be industry agnostic where appropriate. In particular, training products updated and developed in Project 1K Financial Markets where possible were not made specific to financial markets so that they can be used across a variety of financial services qualifications.● Where possible we have created skill sets in order to support the transferability and portability of skills. This includes the creation of a skill set in Project 1K Financial Markets, which relates to upskilling for custodial and operations based roles.● Where appropriate, the packaging rules for qualifications have been made flexible as to allow the importation of units of competency from other training packages, or units of competency from other qualifications within the FNS Training Package. This includes updates to qualifications reviewed as part of Project 1K Financial Markets to ensure that a sufficient number of units of competency may be selected from elsewhere in the FNS Training Package, other endorsed training packages or accredited courses.● We have involved relevant regulatory and registration bodies in our training product development work, including consultations with relevant IRC and PWG members and targeted consultations with stakeholders listed in Appendix A.● Industry indicates no other licensing or regulatory requirements have been impacted by the proposed modifications to training package components listed in this Case for Endorsement.
3. Reflect national agreement about the core transferable skills and core job-specific skills required for job roles as identified by industry	<ul style="list-style-type: none">● Our consultations have included stakeholders from national and multinational employers, peak bodies, RTOs and other subject matter experts, as outlined in Appendix A. Consultation indicates the proposed modifications to training products will facilitate the national and international portability of skills across the financial services industry.
4. Be flexible to meet the diversity of individual and employer needs, including the capacity to adapt to changing job roles and workplaces	<ul style="list-style-type: none">● Units have been updated to ensure alignment with industry needs and workforce skill requirements. Furthermore, terminology used in units referring to regulatory requirements have been made updated, where appropriate, to ensure it is sufficiently flexible to adapt to a constantly changing regulatory environment.● Qualifications have been updated to ensure appropriate and varied listed elective unit choices are available for learners. Moreover, packaging rules have been updated, where appropriate, to increase the number of units of competency that may be selected from elsewhere within the FNS Training Package, other endorsed training packages or accredited courses to enable application of training in different contexts.

5. Facilitate recognition of an individual's skills and knowledge and support movement between the school, vocational education and higher education sectors

- The suite of 'financial services' qualifications have been designed to provide learners with a pathway to employment and/or further education. This is supported by the open entry point into these qualifications, where appropriate.

6. Support interpretation by training providers and others through the use of simple, concise language and clear articulation of assessment requirements

- The content of units of competency has been developed in consultation with industry and trainers and assessors, ensuring that language used is relevant to workplaces and is easily understood in a training context.
 - A Companion Volume Implementation Guide will accompany Version 4.0 of the FNS Financial Services Training Package, helping to support implementation of training across a range of settings.
 - Assessment requirements in units of competency have been written to ensure consistency. Where industry requires assessment to occur in a particular way for a given unit of competency, it has been clearly articulated in the assessment conditions.
-

7 Implementation of COAG Industry Skills Council reforms to Training Packages

7.1 Alignment with the COAG ISC reforms to Training Packages

The table below demonstrates the alignment of the draft training package components with the COAG Industry Skills Council reforms to Training Packages.

Principle	Evidence
<p>1. Ensure obsolete and superfluous qualifications are removed from the system</p>	<ul style="list-style-type: none"> The skills needs for the occupational outcome of custodians were being met by a small group of units in FNS41115 Certificate IV in Financial Markets Operations, leading to early attrition. As a result the qualification is proposed for deletion from Version 4.0 of the FNS Financial Services Training Package to be replaced by FNSSS00017 Custody and Operations Skill Set.
<p>2. Ensure that more information about industry’s expectations of training delivery is available to training providers to improve their delivery and to consumers to enable more informed course choices</p>	<ul style="list-style-type: none"> The Financial Services Training package products have been clearly titled, with titles linked to job roles and/or to specific skills, enabling users to make more informed course choices. A Companion Volume Implementation Guide will accompany Version 4.0 of the FNS Financial Services Training Package to support implementation of training across a range of settings Assessment requirements in units of competency have been written clearly to ensure they are implemented by RTOs consistently. Where industry requires assessment to occur in a particular way for a given unit of competency, it has been clearly articulated in the assessment conditions.
<p>3. Ensure that the training system better supports individuals to move easily from one related occupation to another</p>	<ul style="list-style-type: none"> Entry requirements have only been retained in high level qualifications (Graduate Certificate and Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing) where industry felt strongly that it would benefit learners to access the qualification only with the specified level of education and training and/or experience in the specialist area. The entry requirements of the Graduate Diploma have been revised following industry feedback that they were previously unnecessarily stringent. Where appropriate, entry requirements have not been applied to the other qualifications that have been updated, nor have prerequisite units been added.

	<ul style="list-style-type: none">● Skill sets have been created in response to industry demand, and to ensure that clear pathways into qualifications and job roles exist.
4. Improve the efficiency of the training system by creating units that can be owned and used by multiple industry sectors	<ul style="list-style-type: none">● The FNS Financial Services Training Package components have been developed so they are applicable across job roles and across industries wherever possible. For example, units in Project 1K Financial Markets were amended where appropriate to ensure wording could be applied across the Financial Services industry where applicable, to avoid creating duplicate units for each sub-sector.
5. Foster greater recognition of skill sets	<ul style="list-style-type: none">● A new skill set has been created in custody and operations to meet the demand for specific upskilling and training leading to a job role as a custodian.● Advice on the implementation of this skill set is included in the Companion Volume Implementation Guide.

7.2 Alignment of development work with AISC Case for Change

The Activity Order for the Case for Change for Project K was for a review of **16** units of competency, as outlined in **Table 3: Activity order details**.

The final result of our training package development work was a review of **25** units of competency, including **16** units of competency to be updated, with **7** units of competency to be created, and **2** to be deleted as outlined in **Table 2: Total number of proposed changes**.

Our work also included non-endorsable changes to the training package. A list of these changes are available in **Appendix B**.

7.3 Evidence that training package components are publication ready

All draft training package components are included in this Case for Endorsement. Subject to the AISC's endorsement of the training package components, they are ready for publication on the National Register.

We expect Version 4.0 of the FNS Financial Services Training Package to be published on the National Register in March 2020.

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Appendix A: Consultation

The tables below list the stakeholders who provided feedback throughout PwC's Skills for Australia training product development work in their capacity as Industry Reference Committee (IRC) members, or through their participation in Project Working Groups (PWGs), targeted consultations, and feedback on draft training products published on PwC's Skills for Australia's website.

The process for the consultation process has been outlined in section 3.1 of the Case for Endorsement (pages 12-15). Please note that former IRC members have been included in the PWG and targeted consultation tables as appropriate.

Industry Reference Committee Members

Table 1: Financial Services IRC Members

Individual	Organisation	Representation	State
Julia Angrisano	Financial Services Union	Union	NSW
Kareena Assem	Commonwealth Bank of Australia	Industry	NSW
Karen Barrett	Australian Financial Markets Association (AFMA)	Peak body	NSW
Eileen Eaton	Australian Taxation Office	Government	TAS
Allan Jones	Financial, Administrative and Professional Services Training Council Incorporated	Peak body	WA
Anne Palmer	Financial Planning Association of Australia	Peak Body	NSW
Val Phinn	LMI Group	Industry	QLD
Rebecca Slingo	ANZIIF	Peak body	VIC
Gail Smith	The Financial Services Academy	Industry	QLD
Keddie Waller	CPA Australia	Peak body	VIC
Wayne Wilson	KnowIT Group	Industry	NSW

Stefan Simunic	Association of Superannuation Funds of Australia (ASFA)	Peak body	NSW
Yvonne Webb	Industry Skills Advisory Council Northern Territory	Peak body	NT

Project Working Groups

Table 2: Project Working Group Members – Project 1K Financial Markets

Individual	Organisation	Representation	State
Karen Barret	AFMA	IRC/Peak Body	NSW
Keddie Waller	CPA Australia	IRC/Peak Body	NSW
Kylie Shaftesbury-Brooks	JP Morgan	Industry	NSW
Belinda Brown	Financial Education Professionals	RTO	NSW
Christina Sinclair	Commonwealth Bank of Australia	Industry	NSW
Chris McNeil	UBS	Industry	NSW
Mike Chadwick	AFMA	Peak Body/IRC stand in for Karen Barret	NSW
Stephen Chater	NAB	Industry	NSW
Anthony (Tony) Buerton	Hunter Burton Capital	Industry	NSW
Alice Saveneh Murray	Murray Waldren Consulting	Industry	VIC

Targeted consultations

Targeted consultations held for Projects 1H and 1M are listed below. Targeted consultations consist of focus groups and/or one-on-one consultations.

Table 3: Targeted Consultations

Individual	Organisation	Stakeholder type	State
Karen Barret	AFMA	Peak Body/RTO	NSW
Michael Chadwick	AFMA	Peak Body/RTO	NSW
Damian Jeffree	AFMA	Peak Body/RTO	NSW
Belinda Brown	Financial Education Professionals	RTO	NSW
Diana Burgarcic	TAFE Sydney Institute	RTO	NSW
Louis De Koker	Deakin University/La Trobe University	RTO	VIC
Mathew Leighton-Daly	University of Wollongong	RTO	NSW
Peter Best	Infigen Energy	Industry	NSW
Daniel Carton	DHA Investment Property	Industry	NSW
Stephen Chater	National Australia Bank Limited	Industry	NSW
Penelope Stafford	BNP Paribas	Industry	NSW
Mark O'Dwyer	Alinta Energy	Industry	NSW
Stephen Weeks	National Australia Bank Limited	Industry	VIC
Daniel Carlton	Defence Housing Australia	Industry	ACT
Danielle Bartholomeusz	Financial Index Australia	Industry	VIC
Anthony Bradley	Hunter Burton Capital	Industry	NSW
Angus Walker	International Capital Markets Pty Ltd	Industry	NSW
Nick Burrell	Invesco Australia Limited	Industry	VIC
Fadl Khoury	Corrs Chambers Westgarth	Industry	NSW
Kylie Shaftsbury-Brooks	JP Morgan Chase Bank	Industry	NSW

Gianni Paludetto	Mizuho Bank Ltd	Industry	NSW
Alice Saveneh-Murray	Murray Waldren Consulting Pty Ltd	Industry	VIC
Rachel Waldren	Murray Waldren Consulting Pty Ltd; ANZ	Industry	VIC
Pamela Crook	National Australia Bank Limited; Mercer (Australia) Pty Ltd	Industry	VIC
Jacqui Wardaugh	Western Union Business Solutions (Australia) Pty Ltd	Industry	NSW
Neil Jeans	Yarra Valley Associates	Industry	VIC
Michelle Watson	AML Systems and Training	Industry	NSW
Chris McNiel	UBS AG, Australia Branch	Industry	NSW
Neil Jensen	AML-CTF Global Consulting Pty Ltd	Industry	NSW
Gordon Hook	Asia Pacific Group on Money Laundering	Industry	NSW
Darryn Glanvil	National Australia Bank Limited	Industry	VIC
David Wilson	NSW Treasury Corporation	Industry	NSW
Andrew McKissock	National Australia Bank Limited	Industry	NSW
Adam Lord	Westpac Banking Corporation	Industry	NSW
Narelle Rutter	BNP Paribas Securities Services	Industry	NSW
Natasha Feder	Colonial First State Global Asset Management	Industry	NSW
Karl Wise	ANZ	Industry	NSW

Wayne Jordan	ANZ	Industry	NSW
Skye Masters	National Australia Bank Limited	Industry	NSW
Tracy Ferguson	National Australia Bank Limited	Industry	NSW
Deborah Nutting	Citi Australia	Industry	NSW
Jacqui Wardhaugh	Western Union & Western Union Business Solutions	Industry	NSW
Jossie Gresham	Commonwealth Bank of Australia	Industry	QLD
Sophie Bilinsky	Credit Suisse	Industry	

Appendix B: Non-endorsable Components

The IRC approved a number of non-endorsable updates which will be implemented when FNS Financial Services Training Package Version 4.0 is added to the National Register.

Table 6: Non-endorsable training package components submitted

Project	Current training product code	New training product code	Training product title	New / existing / deleted training product
1K	N/A	FNSSS00017	Custody and Operations Skill Set	New

Table 7: Summary of non-endorsable changes

Create the following new skill set to align to industry needs:

- FNSSS00017 Custody and Operations Skill Set

Training Package Quality Assurance

Appendix C: Equity Report

Equity Report

The following equity report was produced by Bernadette Delaney as part of the quality assurance process.

Equity Report Section 1 – Cover page

Information required	Detail
Training Package title and code	FNS Financial Services Training Package Version 4.0
Number of new qualifications and their titles ¹	1 new qualification FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing
Number of revised qualifications and their titles	3 updated qualifications FNS51020 Diploma of Financial Markets FNS60720 Advanced Diploma of Financial Licensing Management FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing
Number of new units of competency and their titles	Seven new units- FNSFMK416 Conduct work within financial markets compliance framework FNSFMK513 - Undertake assessment of product and advice suitability for non-retail clients FNSFMK516 Review and confirm human resources and IT systems satisfy requirements of licence FNSFMK522 Apply financial product knowledge in the context of the deal transaction cycle FNSFMK523 Comply with requirements of licence and regulatory framework FNSFMK524 Conduct work within financial markets organisational risk management framework FNSFMK619 Develop and implement policies and procedures to support organisational values and culture
Number of revised units of competency and their titles	16 revised units Financial Markets

¹ When the number of training products is high the titles can be presented as an attached list.

Training Package Quality Assurance

Information required	Detail
	<ol style="list-style-type: none"> 1. FNSAML811 - Design anti-money laundering and counter terrorism financing programs 2. FNSAML812 - Design and assess controls to monitor money laundering and terrorism financing risk 3. FNSAML813 - Design and monitor reporting systems for suspicious transactions 4. FNSAML814 - Design customer due diligence policies and procedures 5. FNSAML815 - Manage assessment of organisation vulnerability to money laundering and terrorism financing 6. FNSAML816 - Implement anti-money laundering and counter terrorism financing programs 7. FNSFMK411 - Perform reconciliations 8. FNSFMK514 - Complete confirmation and settlement processes 9. FNSFMK515 Comply with financial services regulation and industry codes of practice 10. FNSFMK517 Analyse risk mitigation in the operations process 11. FNSFMK518 - Monitor and process collateral 12. FNSFMK520 - Develop and monitor risk management strategies for client 13. FNSFMK521 - Analyse financial markets and information 14. FNSFMK611 - Price financial transactions 15. FNSFMK612 - Manage trading exposures 16. FNSINC811 - Lead compliance with financial services legislation and industry codes of practice
Confirmation that the draft training package components meet the requirements in Section 2 <i>Equity checklist of draft training package components</i>	Yes, the draft training package products meet these requirements.
Is the Equity Report prepared by a member of the Quality Assurance Panel? If 'yes' please provide the name.	Yes Bernadette Delaney
Date of completion of the report	3 December 2019

• **Section 2 – Equity checklist of draft training package components**

Equity requirements	Equity reviewer comments
<p>The training package component(s) comply with Standard 2 of the <i>Standards for Training Packages 2012</i>. The standard requires compliance with the <i>Training Package Products Policy</i>, specifically with the access and equity requirements:</p> <ul style="list-style-type: none"> • Training Package developers must meet their obligations under Commonwealth anti-discrimination legislation and associated standards and regulations. • Training Package developers must ensure that Training Packages are flexible and that they provide guidance and recommendations to enable reasonable adjustments in implementation. 	<p>Provide brief commentary on whether the draft endorsed components meet each of the equity requirements</p> <p>Yes, there is compliance with Standard 2 of the <i>Standards for Training Packages 2012</i> and <i>Training Package Products Policy</i>.</p> <p>Access and Equity Requirements</p> <p><i>The FNS Financial Services Training Package Implementation Guide v4.0</i> has a section on access and equity considerations that covers definitions and information about disadvantaged learners. These sections provide advice for implementation and reasonable adjustment.</p> <p>The section on Foundation Skills explains the approach to the documentation of these skills in FNS Training Package Version 4.0.</p>

Section 3 - Training Package Quality Principles

• **Quality Principle 4**

Be **flexible** to meet the diversity of individual and employer needs, including the capacity to adapt to changing job roles and workplaces.

Key features

Do the units of competency meet the diversity of individual and employer needs and support equitable access and progression of learners? What evidence demonstrates that the units of competency and their associated assessment requirements are clearly written and have consistent breadth and depth so that they support implementation across a range of settings? Are there other examples that demonstrate how the key features of flexibility are being achieved?

Equity requirements	Equity reviewer comments
<p>1. What evidence demonstrates that the draft components provide flexible qualifications/units of competency that enable application in different contexts?’</p>	<p>There were four draft qualifications presented and entry requirements are only in the two higher level qualifications. These were the FNS80020 Graduate Certificate of Anti-Money Laundering and Counter Terrorism Financing and FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing.</p>

Equity requirements	Equity reviewer comments
	<p>The Graduate Certificate was developed to improve pathways into the Graduate Diploma for those seeking to upskill in anti-money laundering and counter terrorism financing who do not yet have the experience or implementation authority to complete FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing.</p> <p>Skill sets have been created in response to industry demand to provide clear pathways into qualifications and existing job roles.</p>
2. Is there evidence of multiple entry and exit points?	The range of qualifications provides opportunities for a wide variety of learners to access them from different levels and contexts in the industry.
3. Have prerequisite units of competency been minimised where possible?	Draft units presented have no prerequisites.
4. Are there other examples of evidence that demonstrate how the key features of the flexibility principle are being achieved?	<p>The FNS Financial Services Training Package components have been developed so they are applicable across job roles and across industries wherever possible. In particular and where appropriate, training products were not designed specifically to financial markets so that they can be used across a variety of financial services qualifications. Packaging rules have increased the number of units of competency that may be selected from elsewhere within the FNS Training Package, other endorsed training packages or accredited courses to enable application of training in different contexts.</p> <p>One of the main objectives in reviewing and developing these qualifications and units was the changes in financial market work. These draft units have addressed these changes and their flexibility will allow them to be accessed across these industry sectors as electives in a broad range of qualifications, and skills sets.</p>

- **Quality Principle 5**

Facilitate **recognition** of an individual's skills and knowledge and support movement between the school, vocational education and higher education sectors.

Key features

Support learner transition between education sectors.

Equity requirements	Equity reviewer comments
1. What evidence demonstrates pathways from entry and preparatory level as appropriate to facilitate movement between schools and VET, from entry level into work, and between VET and higher education qualifications?	Higher education qualifications can be used as an entry point for the Graduate Certificate and the Graduate Diploma.

• **Quality Principle 6**

Support interpretation by training providers and others through the use of simple, concise language and clear articulation of assessment requirements.

Key features

Support implementation across a range of settings and support sound assessment practices.

Equity requirements	Equity reviewer comments
1. Does the Companion Volume Implementation Guide include advice about: <ul style="list-style-type: none"> • Pathways • Access and equity • Foundation skills? (see Training Package Standard 11)	The Companion Volume Implementation Guide has sections on: <ul style="list-style-type: none"> • Qualification pathways and occupational outcomes • Access and equity • Foundation Skills
2. Are the foundation skills explicit and recognisable within the training package and do they reflect and not exceed the foundation skills required in the workplace?	The foundation skills are clearly documented for each unit if they are not explicit in the performance criteria. All foundation skills adequately address the requirements needed to complete the tasks outlined in the units. The foundation skills are also clearly linked to the assessment requirements and would be covered in the application of these requirements.

Appendix D: Editorial report

Editorial Report

The following editorial report was produced by Bernadette Delaney as part of the quality assurance process.

Editorial Report

1. Cover page	
Information required	Detail
Training Package title and code	FNS Financial Services Training Package Version 4.0
Number of new qualifications and their titles ²	1 new qualification FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing
Number of revised qualifications and their titles	3 updated qualifications FNS51020 Diploma of Financial Markets FNS60720 Advanced Diploma of Financial Licensing Management FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing

² When the number of training products is high the titles can be presented as an attachment.

<p>Number of new units of competency and their titles</p>	<p>Seven new units-</p> <p>FNSFMK416 Conduct work within financial markets compliance framework</p> <p>FNSFMK513 - Undertake assessment of product and advice suitability for non-retail clients</p> <p>FNSFMK516 Review and confirm human resources and IT systems satisfy requirements of licence</p> <p>FNSFMK522 Apply financial product knowledge in the context of the deal transaction cycle</p> <p>FNSFMK523 Comply with requirements of licence and regulatory framework</p> <p>FNSFMK524 Conduct work within financial markets organisational risk management framework</p> <p>FNSFMK619 Develop and implement policies and procedures to support organisational values and culture</p>
<p>Number of revised units of competency and their titles</p>	<p>16 revised units Financial Markets</p> <ol style="list-style-type: none"> 17. FNSAML811 - Design anti-money laundering and counter terrorism financing programs 18. FNSAML812 - Design and assess controls to monitor money laundering and terrorism financing risk 19. FNSAML813 - Design and monitor reporting systems for suspicious transactions 20. FNSAML814 - Design customer due diligence policies and procedures 21. FNSAML815 - Manage assessment of organisation vulnerability to money laundering and terrorism financing 22. FNSAML816 - Implement anti-money laundering and counter terrorism financing programs 23. FNSFMK411 - Perform reconciliations 24. FNSFMK514 - Complete confirmation and settlement processes 25. FNSFMK515 Comply with financial services regulation and industry codes of practice 26. FNSFMK517 Analyse risk mitigation in the operations process 27. FNSFMK518 - Monitor and process collateral 28. FNSFMK520 - Develop and monitor risk management strategies for client 29. FNSFMK521 - Analyse financial markets and information 30. FNSFMK611 - Price financial transactions 31. FNSFMK612 - Manage trading exposures 32. FNSINC811 - Lead compliance with financial services legislation and industry codes of practice

Confirmation that the draft training package components are publication-ready	Yes, the draft training package products meet these requirements.
Is the Editorial Report prepared by a member of the Quality Assurance Panel? If 'yes' please provide a name.	Yes Bernadette Delaney
Date of completion of the report	3 December, 2019

2. Content and structure

Units of competency

Editorial requirements	Comments
Standard 5: <ul style="list-style-type: none"> The structure of units of competency complies with the unit of competency template. 	<p>Yes, the structure of the units of competency is compliant as they are presented following the <i>Training Package Standards</i> template requirements. All components follow the requirements outlined in the template and in <i>Training Package Standards</i> and <i>Training Package Products Policy</i>. Each unit of competency covers code, title, application, unit sector, elements, performance criteria, foundation skills and unit mapping information. The content of each unit reflected the title and the description in the application describing how the unit is to be applied and who would use it. The Foundation Skills were detailed and this will assist in implementation and assessment.</p> <p>In the editorial process, the structure and common components of the units were checked for consistency.</p> <p>All components follow the requirements outlined in the template and in <i>Training Package Standards</i> and <i>Training Package Products Policy</i>.</p>
Standard 7: <ul style="list-style-type: none"> The structure of assessment requirements complies with the assessment requirements template. 	<p>Yes, the structure of the Assessment Requirements is compliant covering performance and knowledge evidence, assessment conditions and a link to the <i>Companion Volume Implementation Guide</i>. The assessment requirements are written clearly so that they can be implemented by users in a variety of contexts.</p>

Qualifications

Editorial requirements	Comments by the editor
Standard 9: <ul style="list-style-type: none"> The structure of the information for qualifications complies with the qualification template. 	<p>The qualifications comply with the required template. The qualification description indicates clearly the skills and knowledge which are the focus of each qualification and they identify the individuals most likely to access the qualifications.</p> <p>Packaging rules were clearly described and accessible.</p>
Standard 10:	No national credit arrangements exist at this stage for the qualifications presented.

Editorial requirements	Comments by the editor
<ul style="list-style-type: none"> Credit arrangements existing between Training Package qualifications and Higher Education qualifications are listed in a format that complies with the credit arrangements template. 	PwC's Skills for Australia provided information confirming that no national credit arrangements exist for the four draft qualifications presented.

Companion Volumes

Editorial requirements	Comments by the editor
Standard 11: <ul style="list-style-type: none"> A quality assured companion volume implementation guide is available and complies with the companion volume implementation guide template. 	Yes, the draft <i>FNS Financial Services Training Package Release Implementation Guide v4.0</i> is compliant and covers all mandatory fields of the template as well as implementation information on changes in the financial services industry.

3. Proofreading

Editorial requirements	Comments by the editor
<ul style="list-style-type: none"> Unit codes and titles and qualification codes and titles are accurately cross-referenced throughout the training package product(s) including mapping information and packaging rules, and in the companion volume implementation guide. 	Yes, the unit codes and titles are consistent across publications.
<ul style="list-style-type: none"> Units of competency and their content are presented in full. 	Yes, all draft units of competency were presented in full.
<ul style="list-style-type: none"> The author of the Editorial Report is satisfied with the quality of the training products, specifically with regard to: <ul style="list-style-type: none"> absence of spelling, grammatical and typing mistakes consistency of language and formatting logical structure and presentation of the document. compliance with the required templates 	Yes, all training products have been quality reviewed. Editorial review has checked the draft training products submitted in these areas: <ul style="list-style-type: none"> acceptable conventions of technical writing expected in training products including spelling, grammar and typing errors consistency of language and formatting across the suite of products and consistent with the <i>Financial Services Training Package</i> the logical presentation of unit and assessment requirements structure compliance with templates from <i>Standards for Training Packages</i>.

Appendix E: Quality Assurance Report

Quality Assurance Report

The following quality assurance report was produced by Anna Henderson as part of the quality assurance process.

Quality Report

- Section 1 – Cover page

Information required	Detail
Training Package title and code	FNS Financial Services Training Package Version (V): 4.0 <i>Financial Markets component</i>
Number of new qualifications and their titles	One new qualification: <ul style="list-style-type: none"> FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing
Number of revised qualifications and their titles	Three updated qualifications: <ul style="list-style-type: none"> FNS51020 Diploma of Financial Markets FNS60720 Advanced Diploma of Financial Licensing Management FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing
Number of new units of competency and their titles	Seven new units: <ul style="list-style-type: none"> FNSFMK416 Conduct work within financial markets compliance framework FNSFMK513 - Undertake assessment of product and advice suitability for non-retail clients FNSFMK516 Review and confirm human resources and IT systems satisfy requirements of licence FNSFMK522 Apply financial product knowledge in the context of the deal transaction cycle FNSFMK523 Comply with requirements of licence and regulatory framework FNSFMK524 Conduct work within financial markets organisational risk management framework FNSFMK619 Develop and implement policies and procedures to support organisational values and culture
Number of revised units of competency and their titles	Sixteen revised units: <ul style="list-style-type: none"> FNSAML811- Design anti-money laundering and counter terrorism financing programs FNSAML812 - Design and assess controls to monitor money laundering and terrorism financing risk FNSAML813 - Design and monitor reporting systems for suspicious transactions

Information required	Detail
	<ul style="list-style-type: none"> • FNSAML814 - Design customer due diligence policies and procedures • FNSAML815 - Manage assessment of organisation vulnerability to money laundering and terrorism financing • FNSAML816 - Implement anti-money laundering and counter terrorism financing programs • FNSFMK411 - Perform reconciliations • FNSFMK514 - Complete confirmation and settlement processes • FNSFMK515 Comply with financial services regulation and industry codes of practice • FNSFMK517 Analyse risk mitigation in the operations process • FNSFMK518 - Monitor and process collateral • FNSFMK520 - Develop and monitor risk management strategies for client • FNSFMK521 - Analyse financial markets and information • FNSFMK611 - Price financial transactions • FNSFMK612 - Manage trading exposures • FNSINC811 - Lead compliance with financial services legislation and industry codes of practice
<p>Confirmation that the panel member is independent of:</p> <ul style="list-style-type: none"> • the Training Package or Training Package components review ('Yes' or 'No') • development and/or validation activities associated with the Case for Endorsement ('Yes' or 'No') • undertaking the Equity and/or Editorial Reports for the training package products that are the subject of this quality report ('Yes' or 'No') 	<p>Yes, I am independent of:</p> <ul style="list-style-type: none"> • FNS Training Package • The development and validation activities • The Equity and Editorial reports.
<p>Confirmation of the Training Packages or components thereof being compliant with the <i>Standards for Training Packages 2012</i></p>	<p>Yes, the Financial Markets component of the FNS Financial Services TP V:4.0 is compliant with the <i>Standards for Training Packages 2012</i></p>
<p>Confirmation of the Training Packages or components thereof being compliant with the <i>Training Package Products Policy</i></p>	<p>Yes, the FNS Financial Services TP V:4.0 is compliant with the <i>Training Package Products Policy</i>.</p>

Information required	Detail
Confirmation of the Training Packages or components thereof being compliant with the <i>Training Package Development and Endorsement Process Policy</i>	Yes, the FNS Financial Services TP V:4.0 is compliant with the <i>Training Package Development and Endorsement Process Policy</i>
Panel member's view about whether: <ul style="list-style-type: none"> the evidence of consultation and validation process being fit for purpose and commensurate with the scope estimated impact of the proposed changes is sufficient and convincing 	Yes
Name of panel member completing Quality Report	Anna Henderson
Date of completion of the Quality Report	4 th Dec 2019

• **Section 2 – Compliance with the Standards for Training Packages 2012**

Standards for Training Packages	Standard met 'yes' or 'no'	Evidence supporting the statement of compliance or noncompliance (including evidence from equity and editorial reports)
<p>Standard 1</p> <p>Training Packages consist of the following:</p> <ol style="list-style-type: none"> AISC endorsed components: <ul style="list-style-type: none"> qualifications units of competency assessment requirements (associated with each unit of competency) credit arrangements One or more quality assured 	Yes	<p>The Financial Markets component of the FNS Financial Services Training Package (TP) V 4.0 submission consists of the following endorsed components:</p> <ul style="list-style-type: none"> 4 qualifications 23 units of competency Credit arrangements are discussed in the FNS Financial Services TP V:4.0 Companion Volume Implementation Guide (CVIG) and in the Credit Arrangements document. A quality assured Companion Guide – FNS Financial Services TP V:4.0 CVIG.

Standards for Training Packages	Standard met 'yes' or 'no'	Evidence supporting the statement of compliance or noncompliance (including evidence from equity and editorial reports)
companion volumes		
<p>Standard 2</p> <p>Training Package developers comply with the <i>Training Package Products Policy</i></p>	Yes	<p>The draft Training Package components comply with this Standard:</p> <p>Coding and titling –: the qualifications and units of competency comply with the coding and titling policy.</p> <ul style="list-style-type: none"> • Foundation Skills -: The FNS Financial Services TP V:4.0 CVIG provides further explanation about foundation skills. The language, literacy and numeracy skills are represented by the five core skills set out in the Australian Core Skills Framework (ACSF): Learning, reading, writing, oral communication and numeracy. • The employment skills are described using either: • The skills set out in the employability skills framework: <ul style="list-style-type: none"> • Teamwork • Initiative and enterprise • Planning and organising • Problem solving • Self-management • Technology • or • the core skills for work set out in the Core Skills for Work developmental framework: <ul style="list-style-type: none"> • Navigate the world of work • Interact with others • Get the work done. <p>Mapping - the mapping tables found in the FNS Financial Services TP V:4.0 CVIG including equivalence status of the endorsed components are in the CVIG Appendix.</p> <p>Qualification packaging rules –the rules for the qualifications are clear and practical and allow for packaging for a range of contexts.</p> <p>Qualification – occupational/pathway advice – occupation outcome advice for financial sector occupations advice is included in the CVIG.</p>
<p>Standard 3</p> <p>Training Package developers comply with the AISC <i>Training Package</i></p>	Yes	<ul style="list-style-type: none"> • The FNS review in this submission comply with the AISC Training Package Development and Endorsement Process Policy. • The Case for Endorsement (CfE) provides information about the following FNS project:

Standards for Training Packages	Standard met 'yes' or 'no'	Evidence supporting the statement of compliance or noncompliance (including evidence from equity and editorial reports)
<i>Development and Endorsement Process Policy</i>		<p>Project 1K Financial Markets</p> <p>The Financial Markets space has experienced a high degree of disruption in recent years, due in part to shifts in culture and values as a result of the Financial Services Royal Commission, and the flow on effects of emerging and evolving technologies. These changes have created gaps in skills and knowledge throughout qualifications in financial markets, particularly in ensuring there is a focus on increasing trust and credibility in the sector; shifting culture and values to prioritise acting in the best interest of the client and providing professional service over profits; ever-changing licensing and regulatory requirements; and clear pathways for those seeking to work as custodians and in the anti-money laundering and counter terrorism financing space. Additional updates are also required to reflect changes in skills needs in due to updated technology leading to analysing and interpreting data resulting from automated processes, and to ensure training products are updated for policy.</p> <p>Key Consultation processes included:</p> <ul style="list-style-type: none"> • Meetings • Targeted consultations • Website feedback • Validation discussions.³ <p>Feedback from the consultation process resulted in qualifications, units of competency, and a custody and operations skill set that are supported by industry.</p> <p><i>See Section 3, Quality Principle 1 for more information.</i></p>
Standard 4 Units of competency specify the standards of performance required in the workplace	Yes	The new and revised units of competency are well written, and adequately specify standards of performance required in the workplace.
Standard 5 The structure of units of competency complies with the	Yes	The structure of the new and revised units of complies with all aspects of the unit of competency template: application, elements, performance criteria, foundation skills and unit mapping information.

³ An official validation meeting will be held in January 2020

Standards for Training Packages	Standard met 'yes' or 'no'	Evidence supporting the statement of compliance or noncompliance (including evidence from equity and editorial reports)
unit of competency template		
<p>Standard 6</p> <p>Assessment requirements specify the evidence and required conditions for assessment</p>	Yes	<ul style="list-style-type: none"> • All draft units of competency specify the performance evidence (including references to volume and frequency), the assessment conditions and the knowledge evidence to be demonstrated for assessment. • The assessment requirements cross-reference well to the performance criteria requirements. •
<p>Standard 7</p> <p>Every unit of competency has associated assessment requirements. The structure of assessment requirements complies with the assessment requirements template</p>	Yes	<p>The structure of the Assessment Requirements is compliant. It covers performance and knowledge evidence; assessment conditions and has a link to the <i>Companion Volume Implementation Guide</i>.</p> <p>Each section of the assessment requirements presented follows the required template and provides volume or frequency for the performance evidence.</p> <p>Knowledge evidence reflects the requirements to achieve the performance evidence and unit requirements.</p> <p>Assessment conditions are clearly stated.</p>
<p>Standard 8</p> <p>Qualifications comply with the Australian Qualifications Framework specification for that qualification type</p>	Yes	<p>The qualifications comply with the AQF specification for the qualification type.</p> <p>There were four draft qualifications presented and entry requirements are only in the two higher level qualifications. These were the FNS80020 Graduate Certificate in Anti-Money Laundering and Counter Terrorism Financing and FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing.</p> <p>PwC's Skills for Australia advised that the Graduate Certificate qualification is proposed for creation as a pathway into senior compliance roles which include aspects of AML and CTF. The qualification may also act as a pathway into FNS80120 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing. While FNS80020 and FNS80120 qualifications are at the same AQF level (AQF 8), industry feedback, throughout consultations maintained that a qualification is required to meet the upskilling and training demands of those working in senior compliance roles with some exposure to AML and CTF, but not yet with the implementation responsibilities required to be able to complete all units of competency in the Graduate Diploma. PwC's Skills for Australia also noted that the grouping of the</p>

Standards for Training Packages	Standard met 'yes' or 'no'	Evidence supporting the statement of compliance or noncompliance (including evidence from equity and editorial reports)
		three high level units was comprehensive enough to be created as a Graduate Certificate, rather than a Skill Set.
<p>Standard 9</p> <p>The structure of the information for the Australian Qualifications Framework qualification complies with the qualification template</p>	Yes	The structure of the qualifications complies with the qualification template.
<p>Standard 10</p> <p>Credit arrangements existing between Training Package qualifications and Higher Education qualifications are listed in a format that complies with the credit arrangements template</p>	Yes	1 As stated in the FNS CVIG V4.0, there are no national credit arrangements between FNS qualifications and Higher Education qualifications at this time.
<p>Standard 11</p> <p>A quality assured companion volume implementation guide produced by the Training Package developer is available at the time of endorsement and complies with the companion volume implementation guide template.</p>	Yes	<ul style="list-style-type: none"> • The Training Package components in this submission are accompanied by the FNS Financial Services TP V:4.0 CVIG. • The CVIG complies with the companion volume implementation guide template included in the 2012 Standards and has been quality assured in line with the PwC's Skills for Australia editorial processes.
<p>Standard 12</p> <p>Training Package developers produce other quality assured companion volumes to meet the needs of their stakeholders as required.</p>	Yes	<p>The FNS Financial Services TP V:4.0 CVIG includes information about how the FNS qualifications related to job outcomes.</p> <p>The CVIG has an 'Appendix' guide that provides further information on qualification and skill set mapping.</p> <p>PwC's Skills for Australia has produced companion resources for the other industry sectors they cover.</p>

• **Section 3 – Compliance with the training package quality principles**

Note: not all training package quality principles might be applicable to every training package or its components. Please provide a supporting statement/evidence of compliance or non-compliance against each principle.

Quality principle 1. Reflect identified workforce outcomes

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance/non compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
Driven by industry’s needs	Yes	<p>As discussed in the CfE the drivers for change include the following:</p> <ul style="list-style-type: none"> • Automation: The financial markets sub-sector has been heavily impacted by technological changes, with tasks such as pricing of financial products and trading processes being largely automated. This has led to a shift in focus for workers from following processes to providing value by analysing and interpreting data for clients. • Shift in culture and values: There is increasing recognition in financial markets that instead of prioritising profit alone, firms must also ensure that the best interests of the client are served, and a professional service is provided. This shift has led to significant changes in the way advisers and dealers provide services to clients. • Focus on increasing trust and credibility in the sector: The Financial Services Royal Commission has highlighted the importance for banks and financial institutions to focus on maintaining trust and credibility in the sector. As a result, ethical decision making has been highlighted as a vital focus within these institutions moving forward, particularly so that learners maintain ethical conduct when selling and dealing in financial products. Therefore, legal obligations within the Corporations Act to manage conflict of interest will be considered as a minimum, to be reflected in the training

		<p>package.</p> <ul style="list-style-type: none"> ● <i>Licensing and regulatory changes:</i> Changes to licensing and regulatory requirements in the financial markets space occur frequently. Industry feedback has indicated that current training in this area can become outdated quickly, so training should be updated. In addition, training needs to provide learners with an understanding of how to be aware of changes and maintain their own knowledge in this space. ● <i>Accessibility issues in FNS80115 Graduate Diploma of Anti-Money Laundering and Counter Terrorism Financing:</i> Industry feedback has indicated that the stringent entry requirements for the Graduate Diploma may be excluding potential learners from undertaking the qualification who may benefit from the training, and in turn provide benefit to industry. The entry requirements for the Graduate Diploma should be reviewed, along with the existing skill set in Anti-Money Laundering and Counter Terrorism Financing to ensure effective options exists for learners seeking to upskill in this area. ● <i>Lack of clear educational pathway for custodians:</i> Learners currently undertake a group of units of competency in the FNS41115 Certificate IV in Financial Operations in order to seek entry to job roles as custodians. Stakeholder feedback indicates that industry would benefit from a skill set or a specialisation within an existing qualification such as the FNS51015 Diploma of Financial Markets, in order to provide a nationally recognised education pathway for custodians. <p>As discussed in Standard 3, to capture industry intelligence, PwC's Skills for Australia ran project working group meetings and conducted targeted consultations.</p>
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<p>Compliant and responds to government policy initiatives</p> <p>Training package component responds to the COAG Industry and Skills Council's (CISC) training package-related initiatives or directions, in particular the 2015 training package reforms. Please specify which of the following CISC reforms are relevant to the training product and identify supporting evidence:</p> <ul style="list-style-type: none"> • ensure obsolete and superfluous qualifications are removed from the system • ensure that more information about industry's expectations of training delivery is available to training providers to improve their delivery and to consumers to enable more informed course choices • ensure that the training system better supports individuals to move easily from one related occupation to another • improve the efficiency of the training system by creating units that can be owned and used by multiple industry sectors • foster greater recognition of skill sets 	<p>Yes</p>	<p>2 Compliance with Government policy initiatives</p> <p>Project 1K aimed to follow AISC requirements and support the COAG Industry and Skills Council reforms to training packages by developing:</p> <ul style="list-style-type: none"> • qualifications that better reflect occupational standards and current industry requirements • units of competency that provide a clear intended outcome. <p>The revised units of competency align with the <i>Standards for Training Packages 2012</i>.</p> <p>Training delivery/flexibility (supporting movement from related occupations)</p> <p>The FNS Training Package components have been developed so they are applicable across job roles and across industries wherever possible. The draft units of competency developed will apply to a number of different work contexts in financial markets.</p> <p>Improve efficiency of the training system</p> <p>One of the main objectives in reviewing and developing FNS Financial Markets units was to address the Royal Commission findings. The draft Financial Markets FNS components have addressed this issue.</p>
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Reflect contemporary work organisation and job profiles incorporating a future orientation	Yes	<p>The CVIG details the following information relating to the industry sectors and the Financial Services qualifications that relate to them. Job profiles that the qualifications relate to include the following:</p> <ul style="list-style-type: none"> • Finance administrators • Business analysts • Risk analysts • Collateral managers • Anti-money laundering and fraud specialists • Risk and assurance managers.
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Quality principle 2: Support portability of skills and competencies including reflecting licensing and regulatory requirements

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
Support movement of skills within and across organisations and sectors	Yes	The FNS Financial Services TP V:4.0 supports careers and skill development in the industry. Occupation outcome advice for included in the FNS CVIG.
Promote national and international portability	Yes	<ul style="list-style-type: none"> • Portability is supported by a range of imported units in all qualifications to support transferability of skills across the industry. • Three of the four qualifications allow for units to be selected from a pool of elective units, including units that may be drawn from other Training Packages and Accredited Courses.
Reflect regulatory requirements and licensing	Yes	Industry consultation indicates that changes made in relation to the training products do not affect any licensing requirements across Australia. Licensing requirements which affect the Financial Services Training Package are listed in the FNS CVIG in the 'Implementation information' section.

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
		<p>FNS60720 Advanced Diploma of Financial Licensing Management states that work functions in occupational areas where these qualifications are used may be subject to regulatory requirements and that candidates should refer to the relevant regulator for specific guidance on requirements.</p> <p>Licensing does not apply to the other qualifications.</p>

Quality principle 3: Reflect national agreement about the core transferable skills and core job-specific skills required for job roles as identified by industry

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
Reflect national consensus	Yes	<ul style="list-style-type: none"> The overall development and consultation process of Financial Markets FNSTP V4, as discussed in the CfE, allowed for engagement with industry and other stakeholders throughout the life of the project to inform the drafts prior to submission of the final product.
Recognise convergence and connectivity of skills	Yes	<p>The flexibility in the draft Financial Markets FNS units will allow them to be accessed across these industry sectors as electives.</p> <p>The draft qualifications feature multi-skilled outcomes in risk assurance and business analysis and collateral management.</p>

Quality principle 4: Be flexible to meet the diversity of individual and employer needs including the capacity to adapt to changing job roles and workplaces

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
Meet the diversity of individual and employer needs	Yes	The FNS P V4 draft submission supports diversity. The CVIG provides advice on access and equity considerations including reasonable adjustment for learners with disabilities.
Support equitable access and progression of learners	Yes	The Financial Markets component of the FNS Training Package are applicable across job roles and across industries wherever possible. Equitable access and progression of learners is supported because the draft units of competency developed will apply to a number of different financial markets work contexts.

Quality principle 5: Facilitate recognition of an individual's skills and knowledge and support movement between the school, vocational education and higher education sectors

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
Support learner transition between education sectors	Yes	The FNS Training Package V4.0 CVIG provides information about learner transition. There are no entry requirements for FNS51020 Diploma of Financial Markets and FNS60720 Advanced Diploma of Financial Licensing Management.

Quality principle 6: Support interpretation by training providers and others through the use of simple, concise language and clear articulation of assessment requirements

Key features	Quality principle is met: Yes / No or N/A	Evidence demonstrating compliance with the quality principle Please see examples of evidence in the <i>Training Package Development and Endorsement Process Policy</i>
Support implementation across a range of settings	Yes	The group of qualifications offer a range of entry and exit points for different educational and occupational levels. As discussed, occupation outcomes advice is included in the FNS Financial Services TP V:4.0 CVIG.
Support sound assessment practice	Yes	The Financial Markets component of the FNS Training Package, V4.0 supports sound assessment practice. The assessment requirements in all the units of competency in this submission cross reference well to the elements and performance criteria.
Support implementation	Yes	<p>The draft qualifications in this submission support implementation for the following reasons:</p> <ul style="list-style-type: none"> • The Diploma and Advanced Diploma qualifications do not have entry requirements • Their packaging rules are flexible with a wide range of electives offered. These rules allow for importing of units of competency from other training packages or accredited courses • They can relate to licensing and regulatory requirements.