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IFA welcomes qualification exemption

The IFA has welcomed the release of the Code Committee's latest draft Code which has granted some relief for Certified Financial Planner and Chartered Life Underwriters who now automatically qualify as meeting several of the mandatory standards required to achieve Authorised Financial Adviser (AFA) status.

IFA strongly advocated for advisers with Certified Financial Planner (CFP^{CM}) and Chartered Life Underwriter (CLU) designations to be given relief from Standard Set C because of their already proven high levels of competence.

IFA president Nigel Tate says it also lobbied for CFP^{CM} Professionals to be given relief from completing Standard Set A, C, D and/or E, given their experience and qualifications gained via the internationally recognised IFA certification process.

"We are very pleased the Code Committee has taken on board both these recommendations. It signals recognition by the committee that CFP^{CM} and CLU, and its associated mentoring and continuing professional development requirements meet high industry standards."

In its last and final submission to the Code Committee, IFA said it would be a "miscarriage of justice" for CFP^{CM} and CLU holders not to be granted relief, citing "substantial concern" in the rationale for not recognising internationally recognised and highly respected qualifications which demand stringent entrance and ongoing professional development criteria.

At the time IFA said that with no incentive for financial advisers to obtain higher qualifications. there was a high risk that the exclusion of CFP^{CM} and CLU could kill aspirations for professional financial advisers to reach higher standards.

Tate says this risk has now been removed. "We can now expect future advisers to continue to want to seek higher status."

There will now be a short period of targeted consultation by the committee including a meeting between the IFA and the Code Committee where IFA can provide additional feedback on any specific issues that may not have yet been adequately dealt with.

“In the meantime I would like to take the opportunity to thank all those who dedicated long hours to drafting submissions and fronting the committee to lobby for these exemptions. This includes our past president Lyn McMorran and committed IFA office staff.”

The following is a summary of relief available for members with various qualifications, certification marks and/or designations.

CFP[CM] Professional	With FP Diploma	Relief from	Std Sets A, C, D
	With FP Diploma and Risk Papers.		Std Sets A, C, D, E
	Without Diploma		Std Sets A, C
CLU Practitioner	With PRM Diploma	Relief from	Std Sets A, C, E
	Without PRM Diploma		Std Sets A, C
AFP Practitioner	With FP Diploma	Relief from	Std Sets A, D, E
	With four FP Diploma Papers		Std Sets A, E
ALU Practitioner	With PRM Diploma	Relief from	Std Sets A, E
	With four PRM Diploma Papers		Std Sets A, E
General Members	With Adviserlink Certificate in FS	Relief from	Std Sets A, C,
	With NZ Diploma in Life Assurance		Std Set E

ENDS

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Background information on the Institute of Financial Advisers

The Institute of Financial Advisers is the professional body for some 1,200 members, representing financial advisers in New Zealand. All members are individual members, not corporate members. We estimate that our members provide advice to some 200,000 New Zealanders each year, many of whom would be couples rather than individuals, with an overall client base of around 600,000.

Our members provide advice to their clients in the areas of insurance, investments, financial planning, work-based savings and insurance, retirement planning, estate planning and financial services generally. Their professional practices reflect the broad spectrum of New Zealand businesses – they operate as local SME's, are part of large regional or national dealer groups, are associated with strong financial organisations, services companies in banking, funds management, or insurance, work in employee benefits organisations, or sometimes practice as lawyers, accountants and other professional advisers.

The Institute reinforces compliance with a code of ethics and practice standards, runs a Professional Conduct Committee and Disciplinary Tribunal that are independently chaired, offers education pathways that can lead to professional designations and the attainment of internationally recognised adviser marks, maintains and ensures compliance with a continuing professional development programme, and provides networking, education, development, and business practice forums at a national and regional level for members.