



**STANDARD FOR CONTINUING  
PROFESSIONAL DEVELOPMENT  
FOR THE FINANCIAL SERVICES  
INDUSTRY**

*February 2019*

## **ABOUT THE FINANCIAL SERVICES PROFESSIONAL BOARD**

The Financial Services Professional Board (FSPB) is an industry-led initiative that was officially launched in Kuala Lumpur, Malaysia by Bank Negara Malaysia and Securities Commission Malaysia on 24 September 2014. It comprises a group of prominent individuals from the financial services industry (FSI) and other related industries. The aim of FSPB is to support a strong culture of professionalism in the FSI through the development and advocacy of professional and ethical standards that are applicable across the industry, consisting of banking, capital markets, insurance and Islamic finance.

# **FINANCIAL SERVICES PROFESSIONAL BOARD STANDARD FOR CONTINUING PROFESSIONAL DEVELOPMENT FOR THE FINANCIAL SERVICES INDUSTRY**

## **PREAMBLE**

The financial services industry (FSI) plays a critical role in society; and organisations and individuals across the industry have a responsibility to consistently adhere to a high standard of professionalism and ethics in the conduct of their business and professional activities. In this respect FSPB has developed and launched the FSPB Code of Ethics (CoE) and the FSPB Professional Code for the Financial Services Industry (FSPB Professional Code) as well as the Guidance Notes to the CoE.

The FSPB CoE sets out the core ethical principles for organisations and individuals across the FSI. The FSPB Professional Code provides the five principles of ethics as found in the CoE for the financial services industry and the 10 standards of professional conduct which interprets the five principles of ethics. One of these 10 standards refers to “Acquiring professional knowledge and skills” and this relates to both ‘Organisations’ as well as ‘Individuals’. For individuals, this standard encapsulates the importance of ensuring he/she is competent by maintaining and keeping up-to-date through acquisition of relevant knowledge, skills and expertise through Continuing Professional Development (CPD). CPD is thus seen as the vital link to the ‘Competence’ pillar of the CoE to professional conduct.

## CONTEXT

The Continuing Professional Development (CPD) Standard arose from a recommendation by the FSPB at a Board meeting held in April 2016. The standard (Standard) for the FSI provides a minimum requirement for Professional Bodies/Associations. It will also set the standard should a CPD policy be developed or be reviewed in terms of measurement and monitoring by Professional Bodies/Associations.

Comparisons have been made with CPD offered by FSI in the region including Singapore and Hong Kong as well as other Professional Bodies/Associations in the UK, Singapore, Hong Kong and Malaysia. The aim of the benchmarking process is to ensure that the Standard defines the quality for Continuing Professional Development across the Malaysian FSI.

The Standard also aims to be forward looking as it recommends the use of technology to optimise and facilitate the process of maintaining CPD records and support appropriate monitoring. It provides a range of best practices based on the research and benchmarking against other jurisdictions.

The Standard sets out a minimum requirement and good practice for an individual in his/her Continuing Professional Development. It seeks to focus on how professional bodies/associations as well as individuals can derive value from CPD rather than view it as a process to renew individual membership or practicing licenses annually.

In order to ensure competence, members of professional bodies/associations should keep up to date by undertaking relevant CPD activities. CPD requirement should be recognised by all professional bodies/associations as integral for continued membership and maintaining competence.

## SCOPE OF APPLICATION

The Standard applies to:

- any individual who is currently a member of a professional body/association working in the FSI;
- any individual who is holding a senior role<sup>1</sup> working in the FSI;
- professional bodies/associations within the FSI.

As not all individuals are currently members of a professional body/association, it is recommended that those in senior roles ensure that individuals who deal directly or indirectly with the consumer, corporate or institutions in the FSI receive training in critical areas<sup>2</sup> in order to carry out their work professionally.

All individuals who are currently not members of any professional body/association in the FSI shall aspire to hold membership of at least one professional body/association.

The Professional Body/Association in this Standard refers to a body/association operating within the FSI and covers the four sectors of banking, insurance, capital markets<sup>3</sup> and Islamic finance.

As the FSI plays a critical role in the economic development of the nation and owes a moral obligation to society, the public legitimately expects members of professional bodies/associations across the FSI to demonstrate a high standard of professionalism and ethics in the performance of their duties.

---

<sup>1</sup> Senior roles in the FSI includes 'CEOs and Senior Management'.

<sup>2</sup> Anti money laundering, data protection, whistleblowing procedures and integrity.

<sup>3</sup> In the capital markets sector, Continuing Professional Education (CPE) must be fulfilled by all individuals who carry out capital market activities under the licensing requirements as per the Capital Markets and Services Act 2007 (CMSA).

## **CPD STANDARD**

The Standard sets out the minimum requirements for Continuing Professional Development expected of members of their respective Professional Body/Association within the FSI.

This Standard will set clear guidance on the following requirements:

- Definition of CPD;
- CPD Responsibility;
- Amount of CPD;
- CPD Activities;
- CPD Records;
- CPD Monitoring;
- Ethics;
- Mutual recognition of CPD; and
- Governance of Professional Bodies/Associations.

## **DEFINITION OF CPD**

CPD is the acquisition of knowledge, skills and behaviours by an individual in order to continue to remain competent (upon meeting initial requirements/qualifications) to practice in his/her profession. On the other hand, Learning and Development is the acquisition of knowledge, skills and behaviours to meet job requirements and improve performance.

## **CPD RESPONSIBILITY**

Members of Professional Bodies/Associations across the FSI shall strive to uphold and abide by the Standard in order to set a high standard of professionalism and ethics across the FSI.

## AMOUNT OF CPD

Professional Bodies/Associations shall ensure that individual members complete a minimum of 30 CPD hours in a calendar year.

Where the responsibility to comply with CPD requirements is prescribed by the regulator<sup>4</sup>, the amount of CPD may vary. In this instance, the Standard shall apply as a benchmark of good practice for any review and future enhancement of the CPD/CPE<sup>5</sup> programmes for Professional Bodies/Associations.

## CPD ACTIVITIES

In determining the range of CPD activities, Professional Bodies/Associations shall ensure that:

- (a) activities are relevant to the financial services industry; and
- (b) learning outcomes can be recorded and assessed where relevant.

CPD hours may be completed through application of a range of learning activities. Professional Bodies/Associations may in addition, select and prescribe a range of activities which includes both formal and informal development activities. The range of CPD activities is constantly being refined and updated to reflect evolving development activity.

Formal CPD activities, as set out in **Appendix 1**, refer to activities which are generally structured and participative in nature. These activities carry appropriate contents with clear outcomes where attendance can be evidenced.

---

<sup>4</sup> Individuals who carry out capital market activities that are regulated under the Capital Markets and Services Act 2007 (CMSA) have to comply with a mandatory CPE programme as prescribed by the Securities Commission Malaysia.

<sup>5</sup> CPE or Continuing Professional Education (CPE) Programme as per SC Licensing Handbook SC-GL/LH-2007 (R5-2017) aims to 'foster a culture of continuous learning among individual licensed persons. As an individual licensed person, you must fulfil the CPE requirements in order to continue your license'.

**Appendix 2** sets out the informal CPD activities which are generally unstructured activities and undertaken by individuals on their own initiatives. It is encouraged for individuals to include these activities as part of their key performance indicators.

## **CPD RECORDS**

All CPD activities must be recorded and Professional Bodies/Associations shall support their members through an online or other appropriate tracking system to facilitate record keeping.

Organisations shall facilitate the process for individual members to access their CPD records within their own organisations.

## **CPD MONITORING**

Individual members shall be monitored by the respective Professional Bodies/Associations.

Professional Bodies/Associations shall establish a robust annual monitoring process utilising effective audit sampling methods.

Professional Bodies/Associations shall:

- provide guidelines on the documentation required from members as evidence for the audit;
- address the consequences of non-compliance in their respective CPD Policy;
- include sanctions for non-compliance; and
- define criteria for exemption of completing CPD in their respective CPD Policy.

## **ETHICS**

Professional Bodies/Associations shall ensure:

- Courses focusing on ethics or contain topics related to ethics are made available at entry into the professional bodies/associations within the FSI;
- Ethics shall be made core to membership requirements either through providing:
  - ethics modules by way of examinations/online modules; or
  - offering formal/informal activities related to discussions on ethical predicaments/dilemmas;
- Regular review and update of Ethics syllabus/modules to ensure relevance of the ethics programmes to the industry.

## **MUTUAL RECOGNITION OF CPD**

Professional Bodies/Associations in the FSI shall strive to mutually recognise CPD activities of each other.

## **GOVERNANCE OF PROFESSIONAL BODIES/ASSOCIATIONS**

The role of Professional Bodies/Associations shall be to:

- establish a clear CPD Policy statement;
- promote CPD to both individual members and organisations; and
- implement this Standard as a minimum requirement.

## **GUIDANCE AND REVIEW OF THE STANDARD**

FSPB will, from time to time, review and revise the Standard to address the evolving needs and expectations of the FSI, stakeholders and the public.

FSPB may, from time to time, provide additional guidance on the application, adoption and implementation of the Standard.

## APPENDIX 1

### TYPES OF CPD FORMAL ACTIVITIES

Activities	Description
<b>Training programmes, courses and workshops</b>	<p>Interactive and participative courses (internal or external) with clear objectives and learning outcomes. This refers to structured activities designed to meet specific development needs.</p> <p>For the purpose of CPD, these activities are applicable to attendees as well as trainers who provide/facilitate the interactive and participative discussions, talks and tutorials for others.</p>
<b>Conferences, seminars and webinars</b>	<p>Informative presentations on topics provided by internal or external subject matter experts. This refers to structured activities designed to meet specific development needs.</p> <p>For the purpose of CPD, these activities are applicable to attendees as well as presenters/facilitators who deliver presentation topics as provided by internal or external subject matter experts.</p>
<b>E-learning</b>	<p>Online learning packages with clear objectives and outcomes. Online packages come with assessment measures or reflection on learning which may include time spent completing assessments.</p> <p>This refers to structured activities designed to meet specific development needs.</p>
<b>Examinations and tests</b>	<p>Examinations, tests or assessment offered by examining bodies, including all related study and time spent in an examination setting.</p> <p>This comprises among others, the setting and marking of examination scripts by candidates as well as the study of academic courses or formal business related qualifications.</p>

Activities	Description
	This refers to structured activities designed to meet specific development needs.
<b>Technical review and authorship</b>	<p>Reviewing and writing books, reports, articles, journals, instruction manuals for professional purposes which are published for use by others.</p> <p>This refers to structured activities designed to meet specific development needs.</p>
<b>Technical committees</b>	<p>Committees formally set up for the purpose of discussing business related topics/issues which is facilitated by a third party (internal or external) which include working groups, focus groups, research initiatives or technical events. This may be structured or unstructured depending on the nature of participation and the objectives of work involved.</p> <p>This however, does not include attendance at social events or sales/promotional meetings.</p>

*Note: There may be additional activities recommended by respective Professional Bodies/Associations*

## APPENDIX 2

### TYPES OF CPD INFORMAL ACTIVITIES

Activities	Description
<b>On-the-job training</b>	<p>Interactive and participative discussion and instruction by a subject matter expert. This includes job rotation and work shadowing.</p> <p>Considered as structured activities which are designed to address specific learning needs.</p>
<b>Mentoring, coaching and peer review</b>	<p>Providing instruction, guidance and support in carrying out roles and responsibilities at work.</p> <p>The preparation of certain aspects of monitoring and coaching should be planned and structured.</p>
<b>Reading and undertaking research</b>	<p>Reading technical, financial and trade publications, fact files, bulletins, updates, manuals and journals. This may also include the usage or viewing of podcast, video, TV, audio and other media.</p> <p>These activities are structured if for instance, reading is done with a specific purpose in mind such as to meet a specified learning and development need. However, if the purpose is to keep abreast of developments in the industry at a general level, this activity is likely to be considered unstructured.</p>
<b>Voluntary work</b>	<p>Work undertaken for the public interest using professional skills and knowledge, which may be incidental in nature such as the provision of advice and the involvement in shaping policy as well as corporate social responsibility activities.</p>

*Note: There may be additional activities recommended by respective Professional Bodies/Associations*

## **MEMBERS OF THE FINANCIAL SERVICES PROFESSIONAL BOARD**

**Tan Sri Dato' Dr Mohd Munir Abdul Majid (Chairman)**

*Chairman, Bank Muamalat Malaysia Berhad, Malaysia*

**Chandrashekhara Bhaskar Bhave**

*Former Chairman, Securities and Exchange Board of India*

**Abdul Kadir Md Kassim**

*Managing Partner, Kadir, Andri & Partners, Malaysia*

**Dato' Seri Johan Raslan**

*Former Executive Chairman, PricewaterhouseCoopers Malaysia*

**Bill Howarth**

*President, International Compliance Association and Group Managing Director (Risk and Compliance), Wilmington PLC, United Kingdom*

**Ng Keng Hooi**

*Group Chief Executive and President, AIA Group, Hong Kong*

**Dato' Dr. Nik Ramlah Mahmood**

*Former Deputy Chief Executive Officer, Securities Commission Malaysia*

**Richard Thomas, OBE**

*Managing Director, Sustainable Economy Limited, United Kingdom*

**Sir David Tweedie**

*Chairman, Board of Trustees, International Valuation Standards Council, United Kingdom*

## **MEMBERS OF THE WORKING GROUP FOR THE STANDARD**

**Agnes Chew Yuet Hoong**

*Director of Training, Asian Banking School*

**Abdul-Samad bin Saadi**

*Associate Director, Chartered Institute of Islamic Finance Professionals*

**Mujahid Omar**

*Senior Executive, Chartered Institute of Islamic Finance Professionals*

**Mithila Sathasivam**

*Director, Membership & Marketing Division, Asian Institute of Chartered Bankers*

**Sivalingam Navaratnam**

*Associate Director – Programme Development, Securities Industry Development Corporation*

**Liew Yoke On**

*Chief Marketing Officer, The Malaysian Insurance Institute*

**Shahizan**

*Head of Content Development, Islamic Banking and Finance Institute Malaysia*

**Kalpana Sambasivamurthy**

*Executive Director, Association of Banks in Malaysia (ABM)*

**Dato' Norazharuddin Abu Talib**

*Chief Executive Officer, Federation of Investment Managers Malaysia*

**Koh Hwee Ngim**

*General Manager of Industry Services Division, Federation of Investment Managers Malaysia*

**Chung Kar Yin**

*Executive Director, Malaysian Financial Planning Council*

**Kristina Rai**

*Director, Human Capital Development Centre, Central Banking Services, Bank Negara Malaysia*

**Noor Ashikin Ismail**

*Assistant General Manager, Economics & Market Analysis, Securities Commission Malaysia*

**Dato' Ahmad Azman Dato' Abdul Manaf**

*Chairman, Association of Stockbroking Companies Malaysia*

## **SECRETARIAT OF THE FINANCIAL SERVICES PROFESSIONAL BOARD**

The Secretariat function of the FSPB is performed by the Asian Institute of Finance (AIF) through its Professional Standards Division.

**Thomas Abraham**

*Director, Professional Standards*

**Jayasree Gopalakrishnan**

*General Manager, Professional Standards*

**Chitra Devi Sundram**

*General Manager, Professional Standards*

**Norli Ismail**

*General Manager, Professional Standards*

**Najila Suhana Jalil**

*Manager, Professional Standards*

Address: Asian Institute of Finance  
Unit 1B-05, Level 5 Block 1B, Plaza Sentral  
Jalan Stesen Sentral 5  
50470 Kuala Lumpur

Website: [www.fspb.com](http://www.fspb.com)