

Education, Training and Qualifications

Overview

The UK has a strong tradition in financial professional education, training and qualifications (ETQ), covering accountancy, banking, investment and securities, and other sectors. British professional bodies have had great success in helping entrants to attain basic competence through training and examination, to maintain it through continuing professional development (CPD) and to promote the highest standards of ethics and integrity, cornerstones of a prosperous financial system.

The British professional bodies' involvement in the development of international financial centres has been particularly helpful in countries where regulators have encouraged their communities - by endorsement and by mandating examinations and professional membership - to engage with global bodies. The UK professions have extensive experience of working with regulators in many markets, both developed and developing, in helping deliver effective regulation.

Call to action

The most important next step for the second half of 2012 is the establishment of a schedule of structured and frequent meetings, both face-to-face and online, with key Russian counterparts – regulators, employers and training institutions - to help develop a professional qualifications programme for MIFC which is appropriate both for the Russian market and regulators and for the global financial community.

We propose twin objectives, which will have a different constitution for each of the respective Russian and UK counterparts, as follows:

1. We will assist our Russian counterparts, including particularly the regulators, to establish an ETQ framework that will:
 - a. evidence competence through examination; and
 - b. create a culture of continuing learning and development through membership of professional bodies

Where appropriate, we, the UK professions, would recognise with equivalence, and would encourage the UK Financial Services Authority and employing firms to do likewise.

2. In parallel, Russia's authorities and professions would recognise the equivalence of British qualifications and CPD.

These two actions can be achieved by formalised cooperation with us as a group, plus other appropriate Russian and UK professional bodies in due course. It would be helpful if Mr Voloshin would formally appoint the appropriate Russian counterparts for the ETQ stream.

The value of qualifications

Surveys such as the Global Financial Centres Index (GFCI) consistently stress the importance of human capital. The four professional bodies* principally involved in this project all have global experience in supporting industry entrants with medium-term qualifications, with study periods of up to 12 months, and with full-scale qualifications leading to membership over a period of two to four years.

The value of membership of professional bodies

Beyond initial qualifications, the professions put great stress on continuing learning and development, to help members keep up-to-date with industry and regulatory developments in the fast-changing financial industry, through a wide range of media – in print, online and face-to-face. The professional bodies also provide valuable networking opportunities for their students and members.

The four professional bodies* involved in the initial work all have experience in meeting the specific MIFC objective of “introducing licensing for independent investment advisers of mandatory membership in self-regulatory organisations”. All have a specific role in Britain as regulators themselves and as bodies accredited by the UK Financial Services Authority.

Building partnerships with Russian universities and training institutions

The UK professions also have a proud tradition of creating relationships with universities and other properly-vetted training institutions. Recognising the strength of the Russian education system, appropriate Russian degrees and professional qualifications should count towards full global membership of these bodies. The British professions have extensive experience of supporting national organisations that deliver training for their qualifications.

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*Association of Chartered Certified Accountants, Chartered Banker Institute, Chartered Institute for Securities & Investment, Institute of Chartered Accountants in England and Wales.