



[For Immediate Release]

IFPHK Revamps CFP^{CM} Certification to Enhance Financial Planning Professionalism in Hong Kong

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***New Associate Financial Planner (AFPTM) Mark to Be Introduced in 2011
New Format for CFP^{CM} Cross-Border Examination Also to be Launched This Year***

(28 June 2011, Hong Kong) After establishing the CFP^{CM} (Certified Financial Planner) Certification as a standard in Hong Kong over the decade, the Institute of Financial Planners of Hong Kong (“IFPHK”) announced today the enhancement of the CFP Certification requirements to advance consumer protection and improve financial planning professionalism in Hong Kong. The new AFPTM (Associate Financial Planner) Certification has been introduced as a progressive pathway to CFP Certification. The AFP Certification is tailored for qualified individuals to care for the common financial planning needs of clients. Those financial planners who are keen to further enhance their professional knowledge in specialized and sophisticated areas can continue with their CFP Certification. Enrolment for the first AFP Certification Examination will begin on July 1, 2011.

As the sole licensing body in Hong Kong and Macau authorized by the US-based Financial Planning Standards Board (“FPSB”), IFPHK regularly reviews the CFP Certification requirements – for 10 years now – to ensure its relevancy and practicality to the Hong Kong market. The first step of the revamp was to conduct a survey among the 4,000 CFP certificants in early 2010. The survey was developed collaboratively by the FPSB, IFPHK and its sister affiliates, and an independent psychometrician to identify the knowledge, skills and abilities of CFP certificants in the successful practice of financial planning.

Based on the survey’s findings and with the services of an independent consultant as well as the support of a strong Steering Committee, comprising senior executives of the financial planning sector, the review of the CFP Certification commenced in June 2010. The main objective of the review was to ensure that the certification program meets consumers’ growing demand for qualified wealth-related advisory services in Hong Kong. After a review of a year, the revamped CFP Certification is now being implemented with the introduction of a new AFP mark to Hong Kong.

The Revamped CFP Certification

IFPHK’s revamped program adheres to the discipline of its role as the premier professional organization representing financial planners upholding the highest professional standards by requiring candidates to satisfy rigorous requirements before certification. These requirements, Education, Examination, Experience and Ethics, or the “4E” standards, epitomize the commitment of financial planners to provide competent and ethical financial planning services. The “4E” standards assure the public of objective financial planning advice from – CFP certificants and AFP certificants dedicated to help them achieve their life goals.

1. The new professional mark, the “AFP Certification – A Pathway to CFP Certification” aims to provide candidates with multiple abilities in three aspects of professional competence, collecting, analyzing, and synthesizing information. Specifically, these abilities include:
 - Identifying the client’s objectives, needs and values
 - Identifying and collecting information required for financial advice
 - Assessing and analyzing the information to formulate advice for consumption, retirement, investment products and personal risk management insurance products

To be eligible for AFP Certification, candidates are required to complete a 120-hour education program and pass a 3-hour examination. Candidates must also possess one year of full-time qualified work experience, and agree to abide by a strict code of professional conduct that sets forth an AFP certificant’s ethical responsibilities to the public, clients and employers.

2. Those who are keen to further expand their industry knowledge and practice in specialized areas can continue with CFP Certification which represents the Gold Standard of financial planning. CFP Certification provides knowledge and skills training in ALL areas of financial planning most importantly:
- The ability to synthesize collected information to develop and evaluate strategies for creating a financial plan
 - The ability to construct, manage and review an investment portfolio
 - The ability to assess and analyze collected information to formulate advice in ALL areas of financial planning

To be certified as a CFP certificant, apart from meeting the requirements to complete the 160-hour education program and pass a two-level, six-hour examination, candidates must possess three years of full-time qualified work experience. For current AFP certificants, two years of relevant qualified work experience is required. Similar to AFP certificants, all CFP certificants must agree to abide by a strict code of professional conduct that sets forth a CFP certificant's ethical responsibilities to the public, clients and employers.

"By introducing the AFP Certification as a progressive pathway to CFP Certification, IFPHK believes that more members of the public can benefit from quality financial planning services delivered by professionals meeting global standards. This will gradually minimize the potential problems caused by inconsistent definitions of the terms 'financial planning' and 'financial planner' seen in recent years," said Ms Eleanor Wan, IFPHK's Chief Executive Officer.

She continued, "We expect the revamped CFP Certification to encourage wider recognition of financial planning as a distinct professional practice. By implementing a fundamental professional framework for financial planning and continuing to develop the CFP certification, IFPHK demonstrates its commitment to working with regulators and other stakeholders to introduce and promote appropriate standards of service at different levels of financial planning competence".

Education programs for AFP Certification and CFP Certification are to be provided by the IFPHK's Approved Education Providers, while a self-study mode is also available for eligible individuals according to their academic or professional credentials. IFPHK is also actively working with major financial institutions in Hong Kong to explore the possibility of accrediting qualified in-house financial planning training programs as meeting the education requirement for AFP Certification.

Cross-Border Examination

Hong Kong is an international financial centre and with its close ties to mainland China, IFPHK is committed to groom financial talents who wish to practice in Hong Kong. As a result of the revamped CFP Certification, the CFP Certification cross-border examination was also revised to reflect the competency level required to practice financial planning in Hong Kong. This new cross-border examination is to focus on testing CFP certificants in other jurisdictions such as mainland China on their knowledge in Hong Kong's rules and regulations. The new examination format is to be introduced in December 2011.

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About IFPHK

IFPHK was established in June 2000 as a non-profit organization for the fast-growing financial industry. It aims to be recognized in the region as the premier professional body representing financial planners that uphold the highest standards to benefit the public.

The Institute is the sole licensing body in Hong Kong authorized by Financial Planning Standards Board Limited to grant the much-coveted and internationally-recognized CFP^{CM} certification and AFPTM certification to qualified financial planning professionals in Hong Kong and Macau.

It represents more than 10,000 financial planning practitioners in Hong Kong from such diverse professional backgrounds as banking, insurance, independent financial advisory, stockbroking, accounting, and legal services.

Currently there are more than 133,000 CFP certificants in 24 countries/regions; the majority of these professionals are in the U.S., Canada, China, Australia and Japan, with more than 4,200 CFP certificants in Hong Kong.

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Appendix

Revamped CFP^{CM} Certification Program – New Structure

