

‘Competency’  
Consumer Protection Codes Department  
Financial Regulator  
PO Box 9138  
6 – 8 College Green  
Dublin 2

13<sup>th</sup> August 2010

### **Consultation Paper CP 45 Review of Minimum Competency Requirements**

Dear Sir/Madam

Chartered Accountants Ireland (‘the Institute’) is pleased to respond to the above Consultation proposing amendments to existing competency requirements. In general, we welcome the proposed amendments and have identified no significant issues in that regard.

However, we do have a particular concern that relates to proposals, as yet not finalised, in the Consultation Paper, that impact on the current ‘grandfathering regime’.

Under existing arrangements, those individuals who have had the requisite experience in specified activities between 1 January 1999 and 1 January 2007 have been able to avail of ‘grandfathering’ in respect of those particular activities. After January 2007, it is not possible to avail of grandfathering arrangements. This ‘sunset regime’ that currently exists, therefore, provides for a natural decrease in the number of ‘accredited individuals’ in the sector who do not have a formal recognised qualification.

As an Approved Professional Body under the Investment Intermediaries Act, 1995, the Institute monitors on an ongoing basis the quality of work, competence, CPD etc of those of its members and member firms who are authorised by the Institute under that regime. This obviously includes those individuals who have availed of the ‘grandfathering arrangements’. Our own Investment Business Regulations and professional requirements are sufficient that, where found necessary, appropriate remedial action and sanctions can be imposed on members.

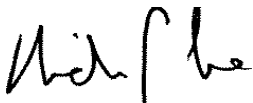
To date, we are not aware of the ‘confusion’ among our own members around the grandfathering process that is referred to in the Consultation Paper. We would not be supportive, therefore, of the suggestion that those who have availed of grandfathering regime be required to obtain a recognised qualification by 2015. We do, however, agree that where such individuals undertake ‘new’ activities, such a formal qualification in that activity should be required.

We are supportive of the proposed CPD requirements. Our interpretation of the reference in paragraph 3.2.1 to accredited individuals arranging ‘their own CPD’ allows chartered accountants to avail of CPD courses that may be offered by Chartered Accountants Ireland that are relevant to the particular investment business activities as counting towards formal CPD requirements.

Finally, the Institute is currently giving consideration to the possibility of obtaining recognition by the Financial Regulator of the ACA qualification as a basis for providing for its members a ‘recognised qualification’ under the Minimum Competency Requirements. We would very much welcome the opportunity to meet with you to discuss this matter. We look forward to hearing from you in this regard.

We hope you find the above comments useful. Please contact me if you would like to discuss further any of the matters raised.

Yours faithfully



Aidan Lambe  
Director, Representation & Technical Policy

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