

Private Wealth Management Association announces the launch of the Enhanced Competency Framework in Hong Kong

Non-statutory framework sets out an enhanced level of core competence and on-going professional development of PWM practitioners with customer-facing roles.

Hong Kong, 24 June 2014 –The Private Wealth Management Association (PWMA) announces the launch of the Enhanced Competency Framework (ECF) for private wealth management (PWM) practitioners in Hong Kong. For the first time, there is a common competency benchmark which gives recognition to qualified practitioners in the private wealth management industry.

The ECF was developed by a Task Force chaired by the Hong Kong Monetary Authority, and comprised representatives from the PWMA, The Hong Kong Institute of Bankers, Hong Kong Securities and Investment Institute, and Treasury Markets Association.

The ECF sets out an enhanced level of core competence and on-going professional development of PWM practitioners who undertake customer-facing roles. It is a non-statutory framework separate from the existing licensing or registration regime for the securities industry.

The PWMA will administer the ECF including accreditation and exemption under the ECF. Pursuant to the ECF benchmark, the PWMA has developed a professional qualification "Certified Private Wealth Professional (CPWP)". The PWMA will administer the CPWP certification and on-going professional training requirements for practitioners of PWMA members.

"The PWMA is excited about the launch of the Enhanced Competency Framework. It is a potentially far-reaching initiative in that it will enable Hong Kong to build a brand that encompasses competency and integrity for our PWM practitioners. Not only does it introduce a common competency benchmark but it will also enhance competitiveness by ensuring practitioners are equipped with the requisite technical and market knowledge. I want to thank the PWMA members for their support in the development of the ECF," said Mrs. Kathryn Shih, Chairman of the Executive Committee of the PWMA and CEO of UBS Wealth Management, Asia Pacific.

"I am confident that the introduction of the ECF will consolidate Hong Kong's status as a regional wealth management centre. The PWMA will work to ensure that it is consistently adopted across the industry and will quickly establish a common yardstick with which Hong Kong's wealth management industry can measure the core and actual competencies of its practitioners," said Mr. Lok Yim, Vice-Chairman of the Executive Committee of the PWMA and Head of Wealth Management, North Asia at Deutsche Asset & Wealth Management.

"To maintain Hong Kong's competitiveness and to realize our vision to become Asia's leading wealth management centre, it is crucial to attract and build talent," said Mr. He Guangbei, Chairman of HKAB and Chief Executive of Bank of China (Hong Kong) Limited, "We believe the introduction of the ECF will make Hong Kong comparable to other major private wealth management centers in areas of private wealth management, ethical and compliance knowledge and client advisory competency. We encourage the industry to uniformly adopt the ECF to enhance the competency level among frontline staff, and we also see this as the best tool to achieve investor protection."

Relevant practitioners may be grandfathered if they have at least 10 years of relevant customer-facing experience on or before 31 December 2014. Those grandfathered will be exempted from taking Module 1 training programmes and examinations, and only need to complete training programme or pass the examination on Module 2. Application forms for grandfathering can now be obtained from the PWMA.

HKSI and HKIB will commence enrolment in the coming few months for the first batch of training programmes and examinations.

Please refer to the PWMA website at www.pwma.org.hk for additional information on the ECF including details of the framework, eligibility guidelines and application forms.

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About the Private Wealth Management Association

The Private Wealth Management Association is a Hong Kong-based voluntary association incorporated as a company limited by guarantee; it is separate from the Hong Kong Association of Banks. The 27 members of the PWMA are: ABN AMRO Bank N.V., *Bank of China (Hong Kong) Limited, Bank of China International Limited, The Bank of East Asia, Limited, Bank Julius Bär & Co. Ltd., Bank Morgan Stanley AG, Hong Kong Branch, Bank of Singapore Limited, Banque Privee Edmond de Rothschild SA, Hong Kong Branch, Barclays Bank PLC, BNP Paribas Wealth Management, *Citibank, N.A., Coutts & Co Ltd, *Credit Suisse AG, Dah Sing Bank, Limited, DBS Bank (Hong Kong) Limited, *Deutsche Bank AG, *Goldman Sachs, Hang Seng Bank Limited, *The Hongkong and Shanghai Banking Corporation Limited, Industrial and Commercial Bank of China (Asia) Limited, JPMorgan Chase Bank, National Association, Nomura International (Hong Kong) Limited, Pictet & Cie(Europe) S.A., Société Générale Bank & Trust, *Standard Chartered Bank (Hong Kong) Limited, *UBS AG, Wing Lung Bank.

[*Note: members of the Executive Committee.]

The main objectives of PWMA are to better position Hong Kong as the private wealth management hub in the region by promoting and encouraging the growth and development of the PWM industry in Hong Kong, to help maintain Hong Kong's status and competitiveness as a major financial centre, to provide a forum for members to discuss and exchange views on trends and challenges faced by the PWM industry and how to



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strategically position for these trends and challenges, to promote proper conduct, integrity and high standards of professional competence on the part of PWM practitioners, to provide industry representation and consultation in Hong Kong on PWM related matters, and to provide a channel for the private wealth management industry to maintain ongoing dialogue with governments, regulators, trade bodies and non-governmental organizations. Membership is available for Full (Corporate) Member status.

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