



To: Members of ICSA China/Hong Kong Division and HKICS

**The Hong Kong Institute of Chartered Secretaries (HKICS);
The Institute of Chartered Secretaries and Administrators (ICSA); and
Chartered Secretary (CS) profession**

The Chartered Secretary profession originates from The Institute of Chartered Secretaries and Administrators of the United Kingdom (ICSA). As we know, ICSA has nine Divisions worldwide and The Hong Kong Institute of Chartered Secretaries (HKICS) is its China/Hong Kong Division. All Chartered Secretaries must have passed ICSA's International Qualifying Scheme (IQS) examinations, possess three to six years relevant working experience and be a fit and proper person. Accordingly, our qualifying scheme is a global one based on good governance and sound company secretarial practices.

Corporates now operate in an increasingly regulated environment and more emphasis is placed on good governance initiatives and practices including compliance and risk management. In response to the ever increasing needs of the corporate world, ICSA along with its nine Divisions have been evaluating a number of strategic initiatives to its structure and qualification to ensure (a) its members possess up-to-date knowledge and skills to lead their organisations; and (b) the Institute is a healthy, growing and sustainable professional institute into the future. ICSA is planning to seek approval from its entire membership on two important initiatives which are explained below.

Qualifying programme

In order for our members to possess up-to-date knowledge and skills, ICSA has conducted a review of our IQS which has resulted in a decision to introduce two qualifying programmes to replace the current one. These programmes will be at the same professional level as the current qualifying programme, with one leading to the designation of 'Chartered Secretary' and the other leading to the designation of 'Chartered Governance Professional'. The pathway to the two qualifications is illustrated in the chart enclosed with this letter.

You will notice that under the new qualifying programmes, a Chartered Secretary will continue to have focused training and skills in company secretarial practices and general grounding in governance, law and finance with a new subject 'risk and compliance'. A Chartered Governance Professional will have more in-depth training and skills in governance, law and finance as well as advanced risk management (enterprise risk management) and strategy.

In certain divisions, the Chartered Secretary and Chartered Governance Professional qualifications would be offered as two separate and distinct professional pathways. For Hong Kong, as a mature ICSA Division, HKICS members, as Chartered Secretaries, currently play an important role in ensuring companies, in particular listed companies, comply with all the applicable laws, rules and regulations. Accordingly, the HKICS Council has decided that all future HKICS students would continue to be required to take eight qualifying subjects (as with the current position but with strengthening in risk management) for conferment of dual Chartered Secretary and Chartered Governance Professional qualifications.



As for our existing members, for Fellows who already have a sound grounding in both company secretarial practices and governance, including risk management, they would be grandfathered to become Chartered Governance Professionals upon implementation of the dual qualifying programmes without further examination or training. With respect to other HKICS members (being Associates), Graduates and Students, they would be required to undergo further examination or compulsory CPD training within a specified time period to obtain the new qualification.

In essence, for Hong Kong, we see the implementation of the plan as an enhancement of the value to the profession with no derogation whatsoever from the standing of HKICS members. In fact, we see it as recognition of the governance role performed by the Chartered Secretary, and alignment with the global direction and emphasis of governance, including risk management, and hence the rightful award of a further designation.

New Affiliated Member Category

We would add that for ICSA, there are plans to introduce a new category of members called 'Affiliated Member'. This new category of membership is to attract those interested in an intermediate qualification (students who complete the core part of the new qualifying programme) to benefit from membership of the Institute. Affiliated Members are NOT Chartered members. However, in Hong Kong, the Institute has no intention to introduce the Affiliated Member category for the time being.

From the above, in terms of who is an HKICS member, the current status of these being Fellows and/or Associates of HKICS would not change. There is still an eight papers qualifications requirement, at least three to six years relevant working experience along with the fit and proper test both before and after the implementation of the new initiatives. The only change is that instead of being known only as the Chartered Secretary, the Chartered Secretary could also be known by an additional designation, the Chartered Governance Professional, which is a recognition of the increasingly important governance role of HKICS members.

ICSA is planning to seek approval of these two proposals from its entire membership at the members' meeting to be held in London on Wednesday, 4 October 2017.

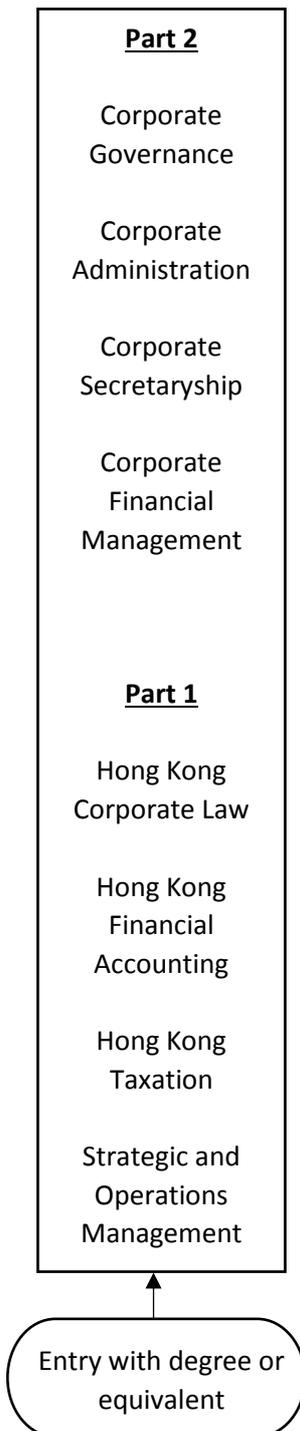
These upcoming initiatives, which are not only a response to market needs, are also strategic steps to equip our members with advanced knowledge to lead their organisations in the 21st century. We hope that you will take the time to consider the contents of this letter. We will be holding a series of fora with our members to explain these proposals and to learn of your views and answer questions that you might have. Your support will be highly appreciated.

Yours sincerely

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The Institute of Chartered Secretaries and Administrators
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Pathways to ICSA/HKICS Qualifications

Current International Qualifying Scheme



ICSA/HKICS New Qualifying Programme

