



Australian Government

FNSFMK512 Apply knowledge of emissions markets

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to participate in and provide specialist advice on defined financial products in the emissions markets.

It applies to individuals who use specialised knowledge (including the mandatory knowledge outlined in ASIC RG146 Appendix A2.11), analytical skills and systematic approaches to manage the provision of advice to clients.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Financial markets

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Comply with regulatory framework unique to emissions markets	1.1 Identify domestic and international regulatory framework within which emissions reduction schemes are placed 1.2 Identify key legislation, regulation and industry codes of practice relevant to operating within Australian emissions markets 1.3 Comply with relevant legal and regulatory principles when operating in emissions markets 1.4 Discuss regulatory risk for both voluntary and regulated emissions markets, and determine possible impacts of pending regulatory or legislative change
2. Evaluate scope and	2.1 Identify regulated and voluntary carbon markets and outline

ELEMENT	PERFORMANCE CRITERIA
impact of emissions markets	how they operate 2.2 Distinguish respective supply and demand drivers for voluntary and regulated markets 2.3 Describe price drivers for emissions products 2.4 Differentiate participants in carbon markets and motivations for their participation 2.5 Distinguish functions of primary and secondary emissions markets 2.6 Discuss auction types and processes 2.7 Describe functions, requirements and rules for registries
3. Identify types of emissions products, their characteristics and liabilities	3.1 Compare different types of emissions products and instruments traded in compliance and voluntary markets 3.2 Identify key features of compliance market products 3.3 Describe risks inherent within each product and their potential impact in given context 3.4 Describe transactional processes for each product, including acquiring, transferring and surrendering 3.5 Describe tax treatment of emissions products, including deductibility of costs where relevant
4. Apply knowledge of emissions products	4.1 Determine relevant information influencing the market 4.2 Analyse relevant information when selecting products for emissions markets transaction 4.3 Devise strategies for using emissions market products 4.4 Seek advice, guidance and specialist expertise when required 4.5 Apply knowledge of financial market transactional processes when operating in emissions markets 4.6 Complete relevant documentation and complete any additional organisational processes
5. Maintain emissions market knowledge	5.1 Review relevant emissions trading markets sources regularly and apply any changes in daily work 5.2 Maintain professional competence in market knowledge in accordance with codes of conduct and/or organisational requirements 5.3 Implement processes for maintaining up-to-date knowledge of relevant aspects of emissions trading markets

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Learning	4.4, 5.2, 5.3	Actively updates and maintains knowledge of changes to regulation, markets and emissions
Reading	1.1, 1.2, 2.1, 2.4-2.7, 3.1-3.3, 4.1, 4.2	Accurately interprets and analyses complex information from a range of sources and consolidates information relevant to requirements
Writing	3.3-3.5, 4.6	Prepares documents, incorporating clear and detailed information organised sequentially for internal reference
Oral Communication	3.3-3.5	- Uses language, terminology and concepts appropriate to the audience and purpose - Participates in verbal exchanges to share, convey and clarify information
Numeracy	2.3	Uses mathematical equations to perform calculations to interpret pricing information
Navigate the world of work	1.3, 1.4, 2.5-2.7, 5.2	- Identifies and follows relevant legislative requirements, and explicit and implicit protocols, policies and procedures, and meets expectations associated with own role - Keeps up to date on changes to legislation or regulations and considers implications on work outcomes
Interact with others	4.4	Liaises with others, shares information, and seeks advice and guidance
Get the work done	4.3, 4.5, 4.6, 5.1	Plans and sequences complex tasks, and monitors and adapts work to incorporate changes in compliance issues

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status

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FNSFMK512 Apply knowledge of emissions markets	FNSFMK512A Apply knowledge of emissions markets	Updated to meet Standards for Training Packages	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>