

Discussion Document on Chinese Translation of the GIPS Standards

Background

On 17 April 2006, the GIPS Secretariat forwarded a document to the EC that provided updates on the progress of GIPS adoption in several countries. In that report, a brief update was provided on the status of GIPS adoption in China. This section of the update report is provided below:

China: CFA Institute staff has received several requests to translate the GIPS standards into Mandarin Chinese. In addition to the volunteers and staff working in this region CFA Institute has a consultant that we have also raised this issue with. It is the opinion of those staff and volunteers consulted that there is not a clear sponsoring organization for the GIPS standards in China. He and others recommend that CFA Institute have the GIPS standards translated into Chinese strictly for the purpose of building awareness and generating interest in the Standards. It is only through local language translation that we will be able to identify an organization that can become the GIPS Country Sponsor and assume responsibility for the translation.

To date, the model used by the Investment Performance Council (IPC) to endorse Translations of the GIPS standards (TG) required a Country Sponsoring organization to develop and apply for official translation status. Without a Sponsor to back it, a translation was not endorsed as a TG. The IPC believed that having a Country Sponsor was critical to promulgate the GIPS standards locally as well as to ensure the integrity and ongoing maintenance of the TG.

Discussion Points

Since the April 2006 update, there has been no additional progress towards identifying a sponsoring organization in China. To build awareness for the GIPS standards in that region and find a suitable sponsoring organization, it will likely require a local language translation and a concentrated focus on promoting the Standards. As such, the EC is asked to consider and discuss the following possibilities:

1. *Unofficial Translation:* The EC could encourage a group or individual to develop an unofficial translation of the Standards into Chinese. The unofficial translation could be used to encourage GIPS adoption as well as help identify a Sponsor in China who would then take responsibility for the translation. There are numerous groups who could conduct the translation (e.g., the Hong Kong Sponsor, an outside translator, CFA Institute, etc.).
2. *Endorsed TG:* The EC could encourage the development of an endorsed translation of the Standards into Chinese. For example, this could be accomplished by encouraging the Hong

Kong Sponsor to translate and submit for endorsement a Chinese translation (for Hong Kong SAR) that could then be used to encourage Chinese uptake of the Standards. Alternatively, the EC could depart from the traditional Country Sponsor model and utilize an individual or group to conduct the translation without having an organization to stand behind the TG.

We expect this issue is not limited to China, but is likely to surface when discussing how we will promote the GIPS standards in other regions in the future. The EC is asked to consider the implications of these and other possibilities and provide feedback at the 20 September 2006 conference call.