

UPDATE REPORT ON
EMEA REGION
as of 27 August 2006

by Stefan Illmer, Chairman of the RIPS EMEA

1. RIPS EMEA Objectives

The objectives of each Regional Investment Performance Subcommittee (RIPS) are:

- a) to represent the interests of regional Country Sponsors in the GIPS standards at the GIPS Council
- b) to provide a conduit of information between the local Country Sponsor and the GIPS Council
- c) to promote the implementation of the GIPS standards within the region – preferably by Country Sponsors adopting the GIPS standards (In English), or an EC-endorsed Translation of the GIPS standards (TG);
- d) to stimulate interest and support for the GIPS standards by communicating the benefits of the GIPS standards and encouraging investment management firms to comply;
- e) to support the GIPS Council and EC in the further development of GIPS standards by providing meaningful input and seeking suitable nominees to participate in the work of the EC and its subcommittees;
- f) to promote the establishment of an effective and consistent verification service throughout the region; and
- g) to communicate the benefits of the GIPS standards and cooperate with regulators to broaden GIPS standards compliance to cover all aspects of the investment management industry in the region.

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2. Membership

The following organizations are the current country sponsors of the RIPS EMEA:

	<u>Country</u>	<u>Members</u>	<u>TG (tbc)</u>	<u>Status of Endorsement</u>
1	Austria	(1) Österreichischen Vereinigung für Finanzanalyse und Asset Management (ÖVFA) and (2) der Vereinigung österreichischer Investmentgesellschaften (VÖIG)	yes	Not yet
2	Belgium	Association Belge des Fonds de Pension (Belgian Association for Pension Institutions (BAPI)	no	Not yet
3	Denmark	CFA Society of Denmark	no	Not yet
4	France	"French Experts Group sponsored by (1) Société Française des Analystes Financiers (SFAF) and (2) Association Française de la Gestion Financière (AFG)"	no	Not yet
5	Germany	German Asset Management Standards Committee: (1) BVI Bundesverband Investment und Asset Management e.V. (2) DVFA Deutsche Vereinigung für Finanzanalyse und Asset Management, and (3) CFA Germany	yes	Not yet
6	Hungary	CFA Society of Hungary	yes	Endorsed by GIPS EC
7	Ireland	Irish Association of Investment Managers (IAIM)	no	Not yet
8	Italy	Italian Investment Performance Committee (IIPC) sponsored by: (1) ABI, (2) (L'Associazione Italiana degli Analisti Finanziari) AIAF, (3) Assogestioni, (4) MEFOP, (5) Assirevi, (6) Italian Society of Investment Professionals (ISIP)	no	Not yet
9	Lichtenstein	Lichtenstein Bankers Association	no	Endorsed by GIPS EC
10	Luxembourg	(1) Association Luxembourgeoise des Fonds d'Investissement (ALFI), and (2) Association Luxembourgeoise des gestionnaires de portefeuilles et analystes financiers (ALGAFI)	no	Not yet

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11	Netherlands	Vereniging van Beleggings Analisten (VBA)	yes	Not yet
12	Norway	The Norwegian Society of Financial Analysts (NFF)	no	Endorsed by GIPS EC
13	Poland	Polski Komitet Wyników Inwestycyjnych	no	Not yet
14	Portugal	Associação Portuguesa de Analista Financeiros (APAF)	no	Endorsed by GIPS EC
15	South Africa	Investment Management Association of South Africa (IMASA)	no	Endorsed by GIPS EC
16	Spain	CFA Society of Spain	yes	Endorsed by GIPS EC
17	Sweden	Swedish Society of Financial Analysts (SFF)	no	Not yet
18	Switzerland	Swiss Bankers Association (SBA)	no	Endorsed by GIPS EC
19	United Kingdom	UK Investment Performance Committee (UKIPC) sponsored by: (1) Investment Management Association (IMA), (2) Association of British Insurers, and (3) The National Association of Pension Funds	no	Endorsed by GIPS EC

The following industry organizations will provide observers to the RIPS EMEA and will be recommended to become authorized observers with a voting right on the RIPS EMEA level. This recommendation was discussed at the Rome meetings and will be further discussed at the next EC conference calls.

		<u>Organization</u>	<u>Representing</u>
1	EFAMA	European Fund and Asset Management Association	Mutual fund and asset management organizations
2	EFFAS	European Federation of Financial Analysts Societies	EFFAS members
3	EVCA	European Private Equity and Venture capital Association	Private Equity and Venture capital organizations
4	NAPF	National Association of Pension Funds	Pension funds
5	EFRP	European Federation for Retirement Provision (EFRP)	Pension funds

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The following are the current observers to the RIPS EMEA (to be approved):

	<u>Observer</u>	<u>Representing / Role / Interest</u>
	None yet	

At the moment there are no observers to the RIPS EMEA until the RIPS EMEA decide on how and which observers should be invited. The first observers are expected to be invited to the next in-person meeting.

3. Interested countries or countries on the spot

	<u>Country</u>	<u>Interested organization</u>	<u>Status of contact</u>
1	Cyprus	CFA Society of Cyprus	Established
2	Dubai	---	Not yet
3	Greece	CFA Society of Greece	Established
4	Kuwait	---	Not yet
5	Russia	CFA Society of Russia	Established
6	Ukraine	Ukrainian Society of Financial Analysts (IPSC USFA)	Re-established
7	UAE	Emirates Financial Services	Established
8	Poland	---	Not yet
9	Slovakia	Slovak Association of Investment Firms	Established
10	Turkey	---	First contact
11	Finland	---	First contact
12	Czech Republic	---	First contact

4. Status of RIPS EMEA initiatives

	<u>Initiative</u>	<u>Status of RIPS EMEA initiative</u>
1	Working group on performance attribution	Working group closed: a) Questionnaire on performance attribution and b) EIPC Guidance on Performance Attribution Presentation
2	Working group on investors	Working group closed: a) Questionnaire for investors

	questionnaire	
3	Working group on client reporting	Working group closed: a) RIPS EMEA Guidance for Recipients of Investment Reporting
4	Working group on risk measures	Working group running: a) Initial ideas and principles set up b) New chairman to restart working group
5	Working group on balanced accounts	Working group running: a) Initial ideas and principles set up b) Chairman to restart working group
6	EIPC / EFAMA working group	Working group running: a) Initial ideas and principles set up b) Final set up issues to be resolved

5. Status of action items of the last RIPS EMEA meeting

- Dimitri Senik and Catherine Jasserand will provide their comments on the draft Operating Policies and Procedures documents to Stefan Illmer as soon as possible so they can be incorporated in the next revised draft to be distributed to Country Sponsors. => **closed**
- Stefan Illmer to prepare a document similar to the GIPS Country Sponsor Agreement to address and provide a process for authorized Observers to participate within the RIPS structure. The idea is that organizations wishing to serve as Observers must execute a document stating their intentions. This document (RIPS Authorized Observer Agreement) and proposal will be submitted to the GIPS Council and EC for their review and approval prior to moving forward. => **open**
- Stefan Illmer will prepare draft disclaimer language that will be included on all former EIPC and future RIPS EMEA Working Papers posted to the GIPS website. => **open**
- Dimitri Senik to prepare the final version of the “Guidance for Recipients of Investment Reporting” and distribute it to the RIPS EMEA and GIPS Secretariat. => **closed**
- Stefan Illmer requested John Barras to provide regional support to RIPS EMEA. => **open**
- The Regulator Relations Working Group will provide an update on their activities at next RIPS EMEA meeting. => **open**
- GIPS Secretariat to post meeting materials and presentations from 22 June RIPS EMEA meeting on GIPS website and send an email to RIPS EMEA members with the web link. => **closed**
- Martin Schliemann and Stefan Illmer to prepare a response to EFAMA and acknowledge their TOR document. => **closed**

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- A copy of the EFAMA TOR will be made available to all RIPS EMEA members and comments are to be submitted to Martin Schliemann. => **closed**
- Updates from the Risk Measures and Balanced Accounts Working Groups were deferred to the next RIPS EMEA meeting. => **open**

6. Next RIPS EMEA meeting

- Conference call on the 12th of October 15:00 to 16:00 (tbc).

End of RIPS EMEA Update Report.