UPDATE REPORT ON
ASIA PACIFIC REGION
As of 5 March 2007

Submitted by Louis Boulanger, CFA
Chairman, Asia Pacific RIPS

Asia Pacific RIPS 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.
Membership

The following organizations plus the Chairman are the seven current voting members of the Asia Pacific RIPS. Each organization has been endorsed by the GIPS Executive Committee as a Country Sponsor in the region.

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<th>Country</th>
<th>Member</th>
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<tr>
<td>Australia</td>
<td>Performance Analyst Group of Australia (P Group)</td>
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<tr>
<td>Hong Kong SAR</td>
<td>Hong Kong Society of Financial Analysts</td>
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<tr>
<td>Japan</td>
<td>The Security Analysts Association of Japan (SAAJ)</td>
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<tr>
<td>Micronesia¹</td>
<td>Asia Pacific Association for Fiduciary Studies (APAFS)</td>
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<tr>
<td>New Zealand</td>
<td>CFA Society of New Zealand</td>
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<td>Singapore</td>
<td>Investment Management Association of Singapore</td>
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¹ Republic of Palau (ROP); Republic of the Marshall Islands (RMI); Federated States of Micronesia (FSM); Commonwealth of the Northern Marianas Islands (CNMI); and Territory of Guam (Guam)

Review of Status

We have to date had two meetings; the first was in person in Rome on 22 June 2006 and the second was on 15 November 2006 by conference call. Since the last meeting, the EC has had three closed meetings and one open to the public. Two of these meetings were in person: one closed to the public on 30 November and one open on 1 December 2006. The GIPS Council has not met since the in person meeting in Rome last year in June.

It is in my view a very exciting time for GIPS in Asia Pacific. Within the region, GIPS is gaining momentum and stakeholders are beginning to engage with each other and also more effectively with officials as a result of the establishment of this RIPS. Also, the participation of an increasing number of volunteers from the region on all the various technical subcommittees ensures that there remains a growing regional representation within the global GIPS Organization and with the ongoing evolution of the Standards.

There have been two major developments in the region since our last meeting. The first comes from Korea and the second relates to China. Following the positive ASAF development, thanks to the initiative of member SAAJ, of creating a working group on GIPS among ASAF members in the region and holding a meeting in Seoul last November, the Korea Certified Investment Analysts Association (KCIAA) has completed a formal application (dated 27 December 2006) to become the country sponsor of GIPS in Korea and this application was received by the GIPS Secretariat in early January 2007 and immediately forwarded to the EC. The EC is currently considering the application.
Another member, HKSFA, completed their translation of GIPS in Simplified Chinese and sent its final draft version to the EC for its consideration on 20 January 2007. The draft translation produced by HKSFA has now been researched and reviewed by CFA Institute staff and their translation service. It would appear that the HKSFA has done an excellent job in preparing the Translation of GIPS (TG) and there are only minor edits that need to be addressed.

I know that all members will join me in expressing our sincere gratitude to SAAJ and HKSFA in particular for their considerable efforts since our last meeting in significantly advancing the reach of GIPS in the region.

Of course, much is also happening elsewhere in the region. In Australia, for example, the sponsor there is currently in the process of ensuring that the local industry is aware that the Australian Investment Performance Standards (AIPS), the Australian version of GIPS (or ‘old’ CVG), has effectively been replaced by the GIPS standards themselves. The sponsor (IFSA) is also planning to review the proposed new Country Sponsor Agreement this month.

For your information, I will be visiting Pakistan next week as I travel towards Cape Town, where I was invited to make a presentation on GIPS at a conference of mutual fund managers. The CFA Association of Pakistan has also asked me to meet with them and other local organisations that have expressed interest in GIPS.

**Next Steps**

We must still establish priorities for the region as a whole (for example, what is more important: to focus on our existing country sponsors and their needs or on searching for more good candidates in other countries in order to expand our membership and thereby gain better representation on the GIPS Council?), as well as clarify what are the specific needs of each country sponsor – as these are likely to vary significantly from member to member, given the different stage each is at in its own constituency with respect to GIPS awareness and compliance.

In closing, I remind members that the GIPS meetings in September 2007 will be held in our region. I hope we can all work together to maximise the impact of having the presence of so many key individuals involved in the GIPS Organization in the region at that time. Each member should now already be thinking of how to best leverage off this tremendous opportunity and start planning activities around that time in their own country.

I thank you for your support and look forward to continue serving the region in 2007, which looks like an exciting year for us as we will host for the first time in Asia the new GIPS Organization meetings in September.