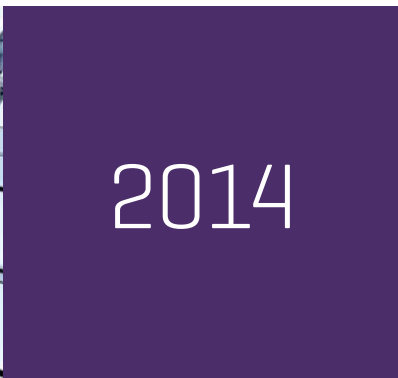




RICS Europe Annual Review



At a glance

Our mission

Confidence through professional standards

RICS is a global professional body. We promote and enforce the highest professional qualification and standards in the development and management of land, real estate, construction and infrastructure.

Our name promises the consistent delivery of standards – bringing confidence to the markets we serve. The work of our professionals creates a safer world: we are proud of our profession's reputation and we guard it fiercely.

Our goals

- 1** Take a leadership role in the development, regulation and monitoring of standards
- 2** Gain market recognition of RICS standards in the key economic and political centres of the world
- 3** Grow the profession in strategically important markets with an emphasis on the BRICS economies
- 4** Ensure the profession continues to develop through the provision of leading edge training, knowledge and information
- 5** Improve our performance and agility to deliver globally against all our Business Plan objectives
- 6** Ensure that members understand the direction of RICS and take pride in their professional status
- 7** Be a role model as a 'responsible' organisation in the eyes of all our stakeholders

Our year in numbers

764

new qualified members
in Europe, Russia and CIS

3,400

articles in the press, including
in key media outlets

42

accredited courses recognised
and monitored by RICS

115

new firms chose to be
'Regulated by RICS'

43%

increase of Registered
Valuers across Europe

150+

firms endorsed REABS,
including significant
players in Russia

32,581

CPD activities recorded
of which 10,470 focused
on ethical standards

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Messages

From RICS Europe Board

Dear RICS members

Celebrating our successes of 2014

Thank you for your ongoing support of RICS, what we stand for and all that we are trying to achieve globally. Our growing strength is demonstrated by the results we attained in the financial year that just passed. We enrolled 888 candidates, registered 764 new qualified members and the retention rate has been 95.5%.

Building our brand around the world

When it comes to recognition of our brand, we also had a strong year: we achieved all our objectives for media attention and recognition, plus endorsements of our standards from leading professional firms and governments around the world. Again, thank you to everyone and in particular to all our members who voluntarily spent a significant part of their valuable time on boards, committees and contributions to the Assessment of Professional Competence (APC) qualification process.

Creating new links and aligning interests

When it comes to the RICS Europe World Regional Board, I am very pleased to share with you that the election and selection process has been successfully completed. The new team has been in place since 1 August 2014, which you can see below.

At our first meeting, one of the things we agreed is that we as a Regional Board would like to become more involved in what is happening at National Board level and help wherever we can. To make this possible, we have allocated each European country a specific Board Member, based on their working area and interests. We have set ourselves the target of attending at least one National Board meeting each year to build stronger working relationships and to better align our interests.

Making progress in an uncertain world

Looking ahead, we can expect another challenging year as the property markets across Europe continue to operate against a background of increased geopolitical and economic uncertainty. Through our sustained commitment to professional standards and best practice, I firmly believe we will continue to make progress despite difficult times, and achieve even greater successes in 2015.

Wishing you all the best for the year to come and I hope we meet at one of our events in Europe this year.



Jörn Stobbe FRICS
Chair RICS Europe World Regional Board

RICS Europe World Regional Board Members

Jörn Stobbe FRICS – Chair (Germany) | Paul Bennison FRICS (Germany) | Bruno Cohen MRICS (France) *not pictured* | Eduardo Fernandez-Cuesta MRICS (Spain) | Hanna Kaleva FRICS (Finland) | Tina Paillet MRICS (France) *not pictured* | Josiane Richardson MRICS (Gibraltar) | Michael Smithing FRICS (Hungary) | Timo Tschammler FRICS (Germany) | Maarten Vermeulen FRICS (The Netherlands)



From the Regional Managing Director

Dear valued members

What RICS membership means to me

It has now been almost six months since I joined RICS as Managing Director for Europe, Russia and CIS and so far I've enjoyed every minute of it. Our performance in the previous year has been very good and we have a great team in place to sustain that performance in future.

Recognising the value of RICS

Since taking up my new post, I've given a lot of thought to the value of being a member of RICS. Not only does it provide a strong network of likeminded colleagues across the world, RICS membership also offers credibility and status: strategic stakeholders recognise the brand as a symbol of professionalism and integrity in the property sector.

Our constant work on continuing professional development (CPD), both locally and Europe-wide, means that members have plentiful opportunities to keep our skills up to date. Plus our system of self-regulation enables RICS to sanction members if they do not comply with RICS global professional and ethical standards.

Creating impact


Governments across Europe and beyond consider RICS accreditation to be increasingly important – indeed, many see RICS as a key partner in the further development of local property markets.

But we can always do better... Part of my role in the coming year is to carefully listen to your suggestions on how we can create additional value for your membership. So I'd like to invite you all to contact me and my team if you have any ideas that you strongly feel can make a difference.

Renew now to maintain your status

To maintain our quality and level of services I would also like to remind you that we are nearing the end of 2014. Now is the perfect time to renew your membership and ensure you stay part of the leading global independent body – contributing to a safer world. If you have any questions, please get in touch with our renewals team at renewalsineurope@rics.org.

And finally, I would like to thank you all for your continuing trust and support for RICS and our staff in Europe.



Maarten Vermeulen FRICS
Regional Managing Director for Europe, Russia and CIS



Our members

Charting new territory as our network grows

RICS membership has developed globally in the last year – nearing 118,000 qualified members and candidates.

Our European network has continued to spread across Europe, Russia and CIS, with a presence in more than 40 countries. We welcomed 764 new members, raising our qualified membership base to 6,560 members.

From 955 candidates sitting 60 final assessments in 20 countries, 714 succeeded (a 75% pass rate). Another 50 applicants were invited as eminent members and elected via direct entry agreements.

We enrolled 888 new candidates to membership, including 325 from accredited courses.

As of July 2014, we had 1,524 candidates preparing for their final assessment and 5,714 RICS students on RICS-accredited courses.

In total this year, 35 members upgraded to fellowship, making the count 834 FRICS. Since August, the online application platform MyFellowship enables members to upload information in French and German. Other languages may follow if members request them.

RICS membership survey results

The latest membership survey conducted in August 2014 received 539 responses in Europe. It showed a high level of pride in being an RICS member (96%) in Europe, and an overall satisfaction of 81% reflected in 'being connected to

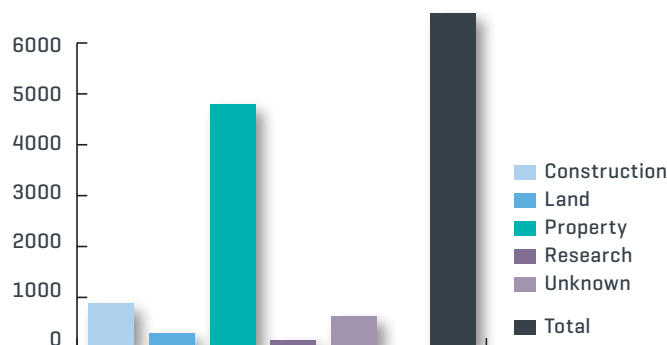
RICS membership worldwide (end July 2014)

Markets	Members [FRICS/MRICS/ assocRICS]	Candidates to membership [trainee/assoctrainee]
United Kingdom	72,311	13,496
Asia Pacific	12,366	3,075
Europe, Russia and CIS	6,559	1,524
MEA	3,330	1,295
Americas	2,667	197
Ireland	2,251	25
Total	99,484	19,612

Qualified membership in Europe (end July 2014)

Austria	199
Benelux	851
CEE	460
Cyprus	216
France	1,105
Germany	1,348
Greece	130
Italy	382
Nordic and Baltic	362
Poland	244
Portugal	73
Russia and CIS	336
Spain	404
Switzerland	302
Rest of Europe	148
Total	6,560

Membership by professional groups [Europe, Russia and CIS - end July 2014]



RICS aims, activities and career opportunities'. This echoes the very good retention rate of 96% in the region. You can see full results on the www.rics.org/membersurvey2014.

One of the key perceived benefits of RICS membership continues to be the wide range of professions represented. Members play a major role in the whole lifecycle of property, land and construction with consistent professional standards and ethics applied across industries.

In Europe, the most popular areas of expertise are valuation, commercial property, property finance and investment; project management, planning and development, management consultancy; quantity surveying, residential property, valuation of business and facilities management.

Newcomers to RICS come mainly from the property sector, with some involved in land and construction.

Breathing new life into RICS Boards

A significant number of boards have been repopulated in 2014 – including Austria, France, Germany, Greece, Spain and Switzerland. We trust that this move will revitalise our activity in each country, while continuing to strengthen our presence at a Board level and build new relationships with local members. On 1 August, the new European World Regional Board was also put in place, with a role in coordinating activity across the area.

Knowledge is the key to success

CPD is critical to career progress at both individual and corporate levels in our professions. That's why, in 2013, we introduced a new CPD policy requiring all our members to

undertake and register online a minimum of 20 hours of training each year.

We achieved a compliance rate of 92% after just one year in Europe, demonstrating our members a high commitment to lifelong learning. What's more, in most countries the average number of hours recorded was far above the minimum requirement: Switzerland, Spain and the Netherlands led with an average of 44 CPD hours per member.

To keep record of members' activity and monitor their compliance, in 2014 we launched a new CPD recording system available in eight languages, and a free mobile app.

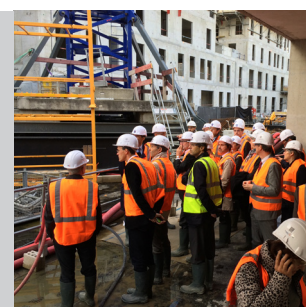
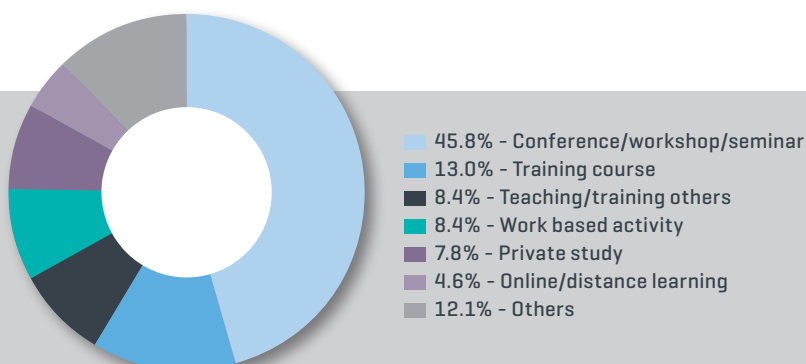
Ethics at the heart of RICS

As well as CPD, we believe ethical behaviour is at the heart of professionalism. RICS members are required to provide a high standard of service, act with integrity and behave in a way that promotes trust in the profession – treating others with respect and taking responsibility.

The first step towards compliance for a member is maintaining all relevant ethics knowledge during a rolling three-year period. This requirement is monitored through the CPD portal where, in 2014 alone, over 30% of all activities recorded were focused on ethics.

The launch of the first European RICS Online Academy will also offer more opportunities to develop professional knowledge through high-quality training and education.

CPD activities in Europe, in 2013/14



RICS market focus

Benelux

RICS Benelux grew to 850 professional members during the last business year, with 150 final assessment interviews resulting in around 120 new members receiving the RICS qualification. Our diversification strategy is also paying off, as more and more members join through a variety of pathways – such as rural, management consultancy, finance and investment.

We had our first final assessment interviews for business valuation and expect that pathway to membership to grow. For all final assessments we train our candidates, assessors and chairs to ensure a correct and fair process with well-prepared candidates. We organised eight large training sessions for candidates and two for assessors. In 2014/15 we expect a continuation of this fast growth, as the market moves more and more into professionalism and regulation.

The RICS brand is now well established in the Benelux area and an increasing number of finance institutions are requesting RICS and the Red Book for valuations.

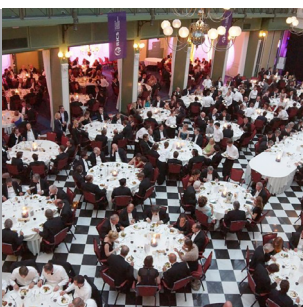
The Netherlands is leading in RICS Valuer Registration in Europe with more than 130 RICS valuers registered in the scheme. There are more than 60 RICS regulated service firms in Benelux and a significant number of firms endorsing our REABS guidance.

In the Netherlands, the RICS National Board was asked to advise on the new national register for valuers. In addition, RICS members were part of a committee that wrote a 28-page recommendation report for accountants on how to deal with valuations, which was ordered by the NBA, the Dutch national association of accountants. This activity forms part of the role of the National Boards in influencing government bodies to accept the recognition program.

RICS members and staff in Brussels have helped to translate important standards and guidance notes like Red Book, Real Estate Agency and Brokerage Standards (REABS) and Real Estate Management (REM) into Dutch, enabling their wider acceptance by clients and service agents. During the past business year, two professional groups were formed in the Netherlands: rural and development, and residential. In 2014, we started collaboration with the NVBK, the Dutch association of quantity surveyors.

Our traditional networking events like the RICS New Year receptions in Amsterdam and Brussels, the RICS Realty lunch and the RICS Nederland annual gala dinner continue to draw crowds of several hundred people. As well as these networking events, RICS Nederland's very active CPD and networking committee organised 10 CPD events last year, with an average attendance of 80 members. In Belgium and Luxembourg, members could attend four CPD events.

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Watch the RICS Realty 2014 video

Interview with Maarten Vermeulen FRICS



Central and Eastern Europe*

The RICS Commercial Property Monitor for Q2 2014 revealed that most regional markets are making a slow and steady recovery. In most Central and Eastern European (CEE) markets macroeconomic challenges continue to influence real estate sentiment, but expectations are improving regarding the longer-term outlook for capital values.

This positive trend took shape throughout the year and was evident at major regional RICS events, such as the second CEE Property Forum held in Vienna, Austria.

This year saw the launch of leading RICS conferences in two new markets. In April, over 100 delegates attended the 1st RICS Real Estate and Investment Conference in Sofia, Bulgaria. RICS delivered the keynote speech focusing on the value of international standards in emerging markets. The conference was chaired by Michaela Lashova MRICS, Ambassador for RICS in Bulgaria, Macedonia and Serbia.

Later on in May, RICS jointly with Portfolio.hu held its first ever regional event focusing on the South East Europe region in Belgrade, Serbia, where Mike Smithing FRICS, Chair, Hungary, opened the event with a presentation on 'Real Estate Going Green'.

The issue of educating our members and the next generation of property professionals remains high on our agenda. As a result of continued efforts, the RICS Continental European Educational Standards Board (CESB) recently announced that the participants of the International Postgraduate Programme of Advanced Studies and Real Estate Development delivered by the Ion Mincu University of Architecture and Urbanism in Bucharest, Romania, will be admitted to the RICS APC. We are currently looking into further RICS accreditation opportunities in the Czech Republic.

We organised a networking event in Bratislava, Slovakia, the first of its kind, in addition to our regular CPD events held in the Czech Republic, Hungary and Romania. To strengthen our relationship with Anevar – the National Association of Valuers in Romania – a memorandum of understanding was signed between the two organisations.

RICS standards are being recognised by major market players with the International Property Measurement Standard (IPMS) attracting interest and official support by international agencies and developers across the region. To mark the importance of this standard a regional conference was held in Vienna, Austria, in October 2014.

Over the coming year, RICS will continue offering access to specialist knowledge and best practice studies, such as a handbook on corporate real estate aimed at CEOs and CFOs, produced by expert members of RICS in Hungary.

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www.rics.org/ceska | www.rics.org/hungary | www.rics.org/romania

* Excl. Poland



Endorsement of REABS
by DTZ Hungary,
bringing the total to
20 firms in CEE



France

Despite complex economic conditions, RICS France has had a very good year marked with growth and numerous activities. With 1,100 members, 500 trainees and 1,200 students, we organised around 50 conferences and three days of training in London on different subjects, including investments and planning.

More and more companies, such as CBRE, BNP, Icade, Allianz, AXA, DTA, JLL, Credit Foncier, AEW, Vinci and Constructa now support the RICS qualification and professional standards. They are actively encouraging membership among their staff.

RICS France has around 200 new candidates - half of these are young professionals taking accredited courses at ICH, ESSEC and ESTP.

RICS has 10 accredited courses in France with a new Master GECIIC (Gestion et Stratégie de l'Investissement immobilier et de la Construction) at Sorbonne. About 50% of students at the institution join RICS at the end of the courses and become members soon after getting the diploma. They tend to join as valuers, asset and property managers. Other candidates are joining through the professional pathway with around 10 years of professional experience.

RICS France has a high diversity of backgrounds among members: geomatics experts, project managers, notaries, lawyers and quantity surveyors. We now have members in Lyon and Marseille, and expectations for new members from Bordeaux, Nantes and Lille. Previously, most new members tended to come from the Paris area.

As a result of RICS France's continued promotion of standards, AMF (Autorités des Marchés Financiers) and ACPR (Autorité de Contrôle Prudentiel et de Résolution) now recommend the use of the Red Book for valuation. In addition, UNTEC (Union Nationale des Economistes de la Construction) joined the IPMS coalition to implement its guidance for office space. We have also trained six mediators, launching the mediation service in the market this business year.

In July 2014, we held a two-day training course on valuation called the 'University of Valuation'. A lot of valuation-related topics were discussed, including sustainability, land, planning and lease, and the new version of the Red Book was explained. The French translation of the Red Book was launched in June 2014.

In November, we plan to hold a seminar on urban development with the annual cocktail for 400 participants and take an active part in the annual SIMI real estate fair.

Contact Marc Ménagé, Country Manager, France, at ricsfrance@rics.org
www.rics.org/france



Interview with Board Chair Karl Delattre FRICS on qualification in Business Immo



Germany

RICS Deutschland started the year with the inauguration of a new Board led by Chair Martin Eberhardt FRICS. During its first 12 months the Board set the course for achieving ambitious targets in membership growth, retention, recognition of professional and ethical standards, and developing RICS' collaboration with other professional bodies.

2014 turned out to be a year of great celebration. In April, the 10th RICS-Focus established itself as one of the cutting-edge conferences and attracted over 250 delegates. In May, the 5th RICS University Symposium in cooperation with the Immobilien Zeitung and Biberach University attracted over 100 young professionals.

In July, the 20th anniversary celebrations marked a real highlight with over 200 members and guests. Honorary speakers included Martin Brühl FRICS, RICS President Elect, and Judith Gabler, Director of Operations, Europe. What started two decades ago with 27 founding members has since established itself as a major player in German real estate. Through ongoing, qualitative growth, the number of fellows and professional members now stands at almost 1,400. In just the last year, we have also achieved 1,426 mentions in the German trade press.

Nine regional groups developed an exciting programme of more than 50 CPD events, lectures and site tours in all major cities this year – in order to provide membership value, enable strong networks and support CPD compliance [96%]. Nine professional groups embracing the wide range of specialisms covered by chartered surveyors acted as a source of impartial advice and guidance. They also showcased events such as the annual Valuation Seminar in January attended by 120 valuation professionals.

Many firms committed as sponsors to support these events, underpinning a strong belief in RICS' professional and ethical values.

RICS President 2013/14 Michael Newey FRICS delivered a keynote speech in front of 1,200 delegates at the annual HypZert Congress in February in Frankfurt. The collaboration with HypZert will be consolidated short-term by a Delta Assessment for HypZert (F) valuers. RICS Deutschland also pursued collaboration with renowned German trade magazines Immobilienwirtschaft and Immobilien Manager.

As RICS Deutschland moves into the 2014/15 business year it will become one of the three national groups alongside Austria and Switzerland to form a new DACH region. RICS is strongly convinced that all three countries working more closely together will facilitate best practice, further support recognition of RICS standards and create additional and exciting synergies at all levels.

Contact Judith Gabler, Regional Manager, DACH, and Christoph G Schmidt, Business Development Manager, DACH, at ricsdeutschland@rics.org | www.rics.org/deutschland



A special 20th-anniversary supplement was published in collaboration with Immobilienwirtschaft



Greece

RICS Hellas changed the makeup of its Board in late 2013 and a new team was selected as follows: Ioannis Ganos MRICS as the Chair, Dimitris Andritsos MRICS, Anna Nazou MRICS, Maria Petrou MRICS, Adamantia Phoca MRICS, Panos Theofilopoulos MRICS, Vasilis Vichas FRICS and Thomas Ziogas MRICS.

RICS certification for valuers received great exposure following its official recognition by the Ministry of Finance last year. Subsequently, there has been a lot of interest from other professionals who are seeking to become certified in their field.

RICS Hellas has added 17 new members during last year. The 10 new members were assessed through a diverse range of pathways, such as planning and development, property finance and investment, project management and quantity surveying. In an effort to satisfy the current and future market demand for the certification in new specialisations, RICS Hellas trained one licensed assessor trainer and 10 new assessors.

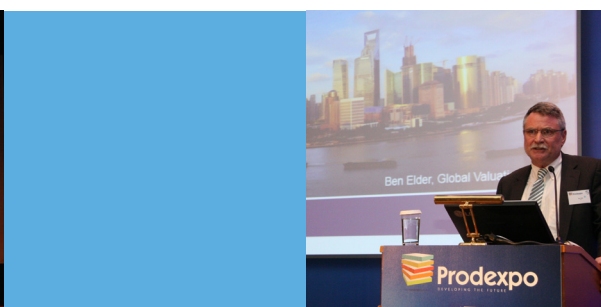
Following recognition of RICS certification by the Greek government, the RICS Hellas Board has focused on providing local professionals with the right tools. We instigated the translation of the Red Book in Greek and wrote a Greek chapter of the Red Book, which is in the final stages before publication. Both publications will greatly contribute to the advancement of professionalism by providing guidance for best practice to Greek valuers.

CPD events is another area that the new Board has chosen to work on and we organised a number of successful, well-attended events presented by high-calibre speakers. Some themes discussed included property taxes, valuing arts and antiques, and the role of real estate in the times of crisis.

RICS Hellas continues to provide support to the restructuring of the economy. Members of the Board had meetings with special advisors and officials at the Ministry of Finance. They offered their advice and networking expertise with colleagues in Europe to support the drafting of the new legislature on aspects of public property. RICS members are actively participating in committees as advisors for the new legislature regarding property valuations and professional status.

A sub-committee of RICS Hellas participated in the consultation on the IPMS for office space and contributed the Greek experience to this global effort. This year, it has been all about building the infrastructure for diversified growth, establishing trustworthy relationships with stakeholders and regulators, and providing development opportunities to members.

Contact Liana Toumazou, Country Manager, Greece, at ricshellas@rics.org
www.rics.org/hellas



Italy

The newly elected Board has given RICS Italia new strength and motivation. We started the year with some important endorsements for the IPMS Coalition, with the adhesion of Assoimmobiliare, followed by many companies signing up for membership.

Banks and the government have been very cautious with the allocation of credit, so the need for increased regulation has become more widely felt and evident. RICS is securing further recognition in the public sector, mainly in the area of valuation and asset management.

In terms of membership, 60 new members qualified during the year and estimates are for the total to reach 400 by the year-end.

RICS Italia has launched a series of events in anticipation of global Expo 2015 event in April 2015 – the first to be held in the Province of Milan.

In January 2014, we kicked off the Professional Group Valuation, we introduced Arts and Antiques in May and the International Property Measurement Standards Coalition (IPMSC) during the Expo Italia Real Estate (EIRE) in June.

A variety of events were held over the year, ranging from the annual meeting held in April in Milan, followed by a seminar ahead of Expo 2015: ‘Land: at what price?’. A workshop on ‘Sustainable Construction’ was organised in February in Vicenza, numerous round tables on professional ethics and transparency in Milan, Turin, Genoa, meetings with professional bodies to introduce RICS and IVS, training courses on valuation and facilities management in Milan, Rome, Padua, Venice and Turin – as well as monthly CPD sessions alternatively in Rome and Milan.

Mid-year saw the publication of the Red Book 2014 in Italian and the update of the Italian chapter now aligned with the year’s requirements. Both were launched officially at EIRE during the summer.

RICS Italia has also actively worked on the Guidance Note on Retail Valuation, information papers on hotel valuations and facilities management, and we have started drafting information papers on project management and art and antiques.

Still to come, in November 2014, there will be a conference on ‘Foreign Investment in Italian Real Estate: transparency and international best practices’ in Rome with Jörn Stobbe FRICS to give a speech.

Contact Paola Sanzeni, Country Manager, Italy, at ricsitalia@rics.org | www.rics.org/italia



A TV interview with Board chair Marzia Morena FRICS on the importance of RICS standards



Nordic and Baltic

Following the official launch of RICS Nordic in 2010 in Stockholm and RICS Finland in 2013, the Baltic region was adjoined to RICS Nordic in September 2012. There are four national groups in the region: RICS Baltic, RICS Denmark, RICS Finland and RICS Sweden, and six professional groups focusing on valuation, transaction and asset and property management matters. It was another record year – we had 14 final assessment sessions across the region, which allowed us to reach 400 members, with a growth of 59 new members during 2013/2014.

The increased growth is a result of added value for the membership, which mainly comes from increased recognition and demand for the RICS qualification, and our international standards.

We have actively focused on promoting RICS and its benefits to property companies, banks, asset managers, auditors and consultancy houses, which has resulted in increased recognition and standing for RICS standards and the qualification. The main demand for qualification is in valuation, finance and investment, commercial property and project management. Following REABS, ethics and valuation standards are also in high demand.

We have arranged a number of activities during the year: the key events were the RICS Finland annual meeting and the RICS annual dinner in Stockholm. Apart from that, we held valuation conferences in Copenhagen, Stockholm and Helsinki, and Red Book education sessions in Denmark and Sweden. We are also collaborating with other event organisers like IPD, KTI, Kiinko, fastighetsmytt and the Danish property Federation.

Several ongoing projects continue to focus on local standards and development of RICS in new sectors. On the standards side, RICS Sweden has come a long way in developing local valuation recommendations to complement the Red Book. The Swedish national chapter is in the process of being produced. The Transaction Group in Sweden is working on a standard general terms of conditions and a standard general confidentiality agreement to be used in the market.

In terms of development in new sectors, we are establishing ourselves in asset and property management by starting a new professional group in the field and increasing our development work in the built environment in Denmark.

Our region is developing faster and growing as a result of increased recognition and membership value. There has been a milestone shift during the year: the driver for growth has shifted from mainly international demand towards increased local demand, which benefits the local profession.

**Contact Mikael Wadsten, Regional Manager, Nordic and Baltic, at ricsnordic@rics.org
www.rics.org/danmark | www.rics.org/finland | www.rics.org/sweden**



Poland

In the last year, we have welcomed 30 new members in Poland, trained 30 new assessors and achieved a high level of retention. Polish members, together with the Board, were highly proactive in consulting the Ministry of Infrastructure to get RICS standards recognised in the market.

RICS looked at filling the gap after the market deregulation with global RICS guidances such as REABS and REM. We launched the Polish version of REM and formed a professional group in real estate management, with Jan Kamas MRICS as a Chair. Both documents were endorsed by several companies in Poland.

We also identified the need for greater technical due diligence within real estate in our region, and launched a Polish version of the RICS Technical Due Diligence (TDD) Guidance. The document was presented to 80 RICS members at a launch event. As a result a Polish professional group on building surveying led by Ian Leyden as Chair will work on the document's adaptation to the Polish market.

RICS Polska has also become a partner in the Memorandum of Understanding (MoU) with the International Facility Management Association (IFMA). We are working together to raise the standards in facility management; IFMA is also promoting RICS standards in management and brokerage (mainly REM and REABS).

Following a successful annual meeting in June 2014 – which saw presentations from Jörn Stobbe FRICS, Polish members welcomed the idea of the IPMS. Some members are now looking to become partners of the coalition.

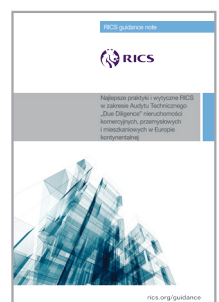
At the CEE Quality Awards this year – the biggest award event for CEE countries – RICS sponsored the award 'RealGreen Building of the Year'. We organised several CPD events, some together with Kingston University, including: 'Developing a construction procurement strategy'; 'European Investments Markets and RICS Ethics'; 'A Moving Agenda/Valuation Standards'; 'An update on BIM' and three presentations on 'Manslaughter, building occupation and the role of the agent', 'Best practices in TDD', and REABS.

A new Board was confirmed on 1 November 2014, chaired by Ian Scattergood MRICS and comprised of Agnieszka Jachowicz MRICS, Kinga Barchoń MRICS, Artur Winnicki MRICS, Marta Jurek Maciak MRICS, Marta Kamionowska MRICS, Seweryna Afanasjew MRICS, Nigel Wade MRICS and Piotr Rusinek MRICS.

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Launch of the Polish version of Technical Due Diligence



Portugal

The past year has not been easy for Portugal, although the worst of the crisis appears to be over and activity in investment and occupational markets is clearly increasing.

RICS Portugal has provided members with a number of events, mainly for the purposes of CPD. These included: a well-attended BIM conference in the 'Semana da Reabilitação' de Lisboa, where over 120 professionals learned about the profound changes that technology will bring to the sector; and the seminar on the 'Lei dos Solos' with Professor Sidónio Pardal, who explained and critically reviewed the proposed planning legislation. More events are planned until the end of 2014, notably a valuation seminar on the new version of the Red Book 2014 and possibly one on mortgage lending value.

In May, Jörn Stobbe FRICS visited Lisbon and attended the second annual RICS Portugal dinner. The keynote speaker, Vitor Bento, a well-known economist and member of the presidential Council of State, addressed around 60 attendees on the topic of ethics in the business environment. Jörn also chaired an informal breakfast meeting with members, listening to their concerns and explaining the organisation's future plans.

Another area of focus has been raising the profile of RICS with legislators and regulators. To that end, RICS Portugal contributed to the public consultation by Conselho Nacional de Supervisores Financeiros (CNSF) on the future legislation on valuations, and on compulsory purchase. In addition, meetings with the Instituto Nacional da Construção e do Imobialirio (InCI – Portugal's construction and real estate regulator), Comissão do Mercado de Valores Mobiliários (CMVM – our stock exchange regulator) and the Bank of Portugal place on a regular basis to make sure that RICS is heard.

With regard to the promotion and adoption of standards, we recently saw the formal endorsement of REABS by the first Portuguese firms. The Board is also working on a wider promotional plan to make professionals and institutions be aware of the advantages of using RICS agents.

In terms of media, several press articles about the proposed valuation standards and the importance of IPMS (both in major national daily Público) have appeared, plus the Portuguese Housing Market Survey received wide national and international coverage, including the Wall Street Journal.

As this year draws to a close, market activity is picking up, with occupiers showing more confidence and taking decisions about expansion and relocation. The international investor community is trying to take advantage of opportunities on offer, often requiring valuation and due diligence services. For these global players, the RICS brand is becoming more familiar as a mark of confidence.

Contact Eulalia Pensado, Regional Manager, Iberia, at ricsportugal@rics.org
www.rics.org/portugal



RICS Portugal Housing
Market Survey



Russia and CIS

RICS Russia and CIS continues its growth and development – both in terms of membership and professional group activities. We have about 350 members and another 180 are registered in the APC system. The majority of our members are certified in valuation (close to 60%); other popular specialisations are commercial real estate, project management, quantity surveying, and property finance and investment. Our members work for big international and Russian companies as well as small and medium companies providing services to the Russian market.

At present, we have three certification centres – Moscow in Russia, Kiev in Ukraine and Almaty in Kazakhstan. In 2014/15, we also plan to start certification in St Petersburg. In the past year, we renewed or set up new professional groups, including: Valuation with a Business Valuation Subgroup, Built Environment Group and Commercial Real Estate. We have also laid the foundations for the start of a Facility Management Group.

In May 2014, two RICS-accredited courses were launched at the Russian Academy of National Economy and Public Administration (RANEPA). Both courses deal with real estate management (MA and MBA) and will open a graduation route in Russia for estate management experts. Accreditation of two more courses is expected by the end of 2014 at Moscow State Construction University.

Over the last year, the Moscow office has started operating as a centre of knowledge, arranging various seminars, round tables and conferences on real estate topics. These events are high quality and well attended – in November 2014, a round table ‘Development of Moscow as a financial centre, international qualifications and certifications’ was arranged at the home of the British Ambassador. It was organised together with two other leading certification institutions – ACCA (Association of Chartered Certified Accountants) and CISI (Chartered Institute for Securities and Investment).

In September 2014, Michael Newey FRICS visited Russia to participate in the PROEstate exhibition – a major real estate exhibition in Russia. Michael was a speaker at two round tables in the framework of the event, covering best international practices on residential property construction and development. Our traditional RICS Christmas 2013 party was popular with our members in Russia in December 2013, with diploma ceremony taking place at the event.

RICS in Russia and CIS continues to promote RICS standards and guidelines. In 2014, seven leading companies endorsed REABS, including GVA Sawyers, Colliers, Knight Frank, Jones Lang Lasalle, IntermarkSavills, ILM Partners and Cushman and Wakefield. We presented information on IPMS to the market and Cushman and Wakefield became the first IPMS Partner in Russia.

RICS in Russia and CIS is committed to promoting high ethical standards and we encourage the debate on this topic in our respective markets.

Contact Irina Aksenova, Regional Manager, Russia and CIS, at ricsrussia@rics.org www.rics.org/russia



↓
 ‘The best place to study and learn about real estate in Russia’



Spain

RICS España has grown to be a 689-strong national group in the last year. This includes 71 candidates and 83 students, indicating healthy growth for the years ahead. We're conscious of the importance of recruiting members and the new Board has established a series of priorities: value for money for members, promotion of RICS standards, more visibility in Spain and other national groups, and increasing the influence of RICS with regulators and legislators.

There are now three professional groups in charge of initiatives ranging from events, standards contribution, development and dialogue with stakeholders. They are: Built Environment (chaired by Jon Blasby MRICS), Residential (Alfredo Milla MRICS) and Valuation (Javier Kindelán MRICS).

As part of its value for money priority, the Board aimed to increase the number of events for members in the last year – both RICS events and those held in collaboration with other organisations. Examples include the participation in 'Consultores' and 'Valoración y Tasación' in Madrid, organised in collaboration with Cesine, and participation in the IE Alumni event and the BIM event in Valladolid.

The Built Environment Group provided regular CPD talks: 'Facility Management' by Pedro Garcia-Carro MRICS; 'NRM2' by Yvonne Simpson MRICS; 'Business Information Modelling' (BIM) and BIM Manager' by Roberto Molinos; 'El futuro de la Inversión en España' by Patricio Palomar and Eduardo Fernández-Cuesta MRICS. In Catalonia the much-missed breakfasts restarted with a sold-out event with Salvador Estapé.

Spain has one of the highest numbers of members in the IPMS coalition, with three national associations subscribing to it – ATASA, AEV and APCE – and all three accredited universities as partners. There are already 36 Registered Valuers and 46 firms regulated by RICS in the country. This number is expected to grow as both are in demand by clients and other stakeholders.

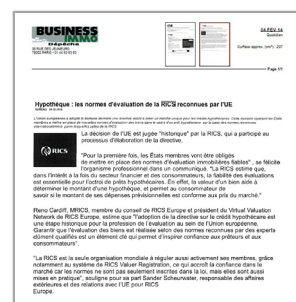
We are pleased to announce that we have our first Spanish members applying for a BIM certificate. If successful, this will mean continental Europe will have the first RICS-certified BIM managers.

Finally, the Board has started a series of meetings with legislators and regulators to promote the importance of RICS international standards and ethics. There is an ongoing dialogue with the Bank of Spain and collaborations with other bodies will soon be announced.

Contact Eulalia Pensado, Regional Manager, Iberia, at ricsespana@rics.org
www.rics.org/espana



Tony Loughran MRICS speaks for RICS España on the work of its Registered Valuers in Spain



Switzerland

RICS Switzerland has continued to grow steadily both in membership numbers (29 new members) and in our market profile over the last year. We have seen the benefits of employing a professional media agency for the last 12 months – the number of press mentions covering the skills and work of our members and the international role of the organisation has increased significantly. We believe this will contribute to a rising awareness of RICS and the quality of our members.

Cross-border working has been a theme for the year with our first highly successful event with RICS Italy. Members and guests met in May 2014 in Lugano, a beautiful lakeside city in Ticino – the Italian speaking part of Switzerland. Swiss members gathered from across Switzerland to meet with our Italian neighbours to enjoy an interesting weekend.

The event started with an informal networking dinner on Friday night, then a conference on the Saturday covering the Ticino market plus presentations from a local architect and a developer, followed by a site visit and a gala dinner. We enjoyed perfect Ticino weather, learnt a lot about the cross-border market and took advantage of numerous networking opportunities. In the next year we would like to repeat the success with a cross-border event with RICS France, most likely in Geneva.

We have identified a clear need for more up-to-date and consistent measurement standards for properties and we believe IPMS will have a strong role in Switzerland. To encourage engagement in the consultation on the office measurement standard and to raise awareness within Switzerland we have been working with the Swiss Real Estate Association (SVIT).

Our engagement with IPMS will continue and as soon as the first standard is available we will provide our members with the opportunity to learn more about how this may be applied within their work. IPMS will, for example, have an important role to manage funds that invest cross-border, and it will benefit all properties, wherever located, to have consistent measurement to the same standard.

In the coming year we will celebrate the 10th anniversary of RICS in Switzerland and be honoured by a visit from RICS Global President Louise Brooke-Smith FRICS. Work will continue to publish the Swiss chapter of the Red Book after wide consultation. We will also see further work on setting and communicating other international standards within the Swiss market.

Contact Mary Ann Reynolds FRICS, Country Manager, Switzerland, at ricsswitzerland@rics.org www.rics.org/switzerland



Mass immigration vote negatively impacts Swiss real estate says survey



Operations

Introducing the APC and accreditation team

The APC and Accreditation team is responsible for educational and professional competence standards in continental Europe, Russia and CIS. The team works with the CESB, a board composed of academics and practitioners across Europe that is responsible for setting APC and accreditation standards in Europe.

Mary Ann Reynolds FRICS, Chair – Switzerland
Professor Dr Eric Pichet FRICS – France
Professor Dr Nico Rottke FRICS – Germany
Carola Arbolí – Spain
Markus Amon FRICS – Germany
Ludovic Charpentier FRICS – France
David Duffy FRICS – Switzerland
Pál Baross FRICS – Hungary
Adamantia Phoca MRICS – Greece
Howard Pierce MRICS – Spain

RICS membership delivers results

Continental Europe and Russia and CIS continues to see consistent levels of membership development mainly in the senior professional and expert route to membership. It has also seen steady growth in the graduate routes, owing to the continuing relationships with RICS-accredited universities.

In the last business year we grew our assessor training pool to over 1,800 trained assessors, and in the last 12 months we carried out over 20 assessor and counsellor training events.

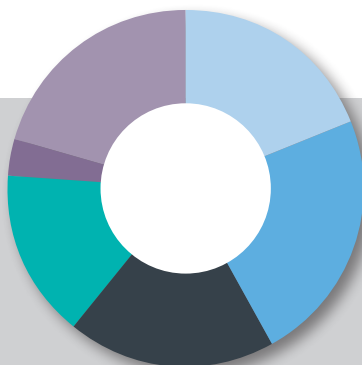
Over the next business year we will see significant global development changes to the APC thanks to the Membership Assessment Pilot (MAP) project -reviewing how we assess-, the APC content review -reviewing what we assess- and the new External Visualisation of Assessment (EVA) project, which is developing a consistent approach to assessments.

Welcoming new candidates to membership

Despite the challenging economic conditions, we exceeded our enrolment target of 800 and enrolled 888 new trainees, including 325 from accredited courses. This is consistent with the number of enrolments over the last few years.

We held over 60 final assessment sessions in more than 20 different countries and eight languages in the last business year. In total, 955 APC candidates sat their final assessments, which is an 8% increase on the previous year (when 871 candidates applied). The pass rate was 75%, with 714 candidates successfully passing their final assessment.

APC candidates
- geographic
breakdown
(July 2014)



19% - Benelux
23% - DACH
18.9% - France
15.3% - Northern Europe
3.4% - Russia & CIS
20.4% - Southern Europe



Note: from for all routes to membership, including those who do not hold an RICS accredited degree

Accreditation and education reaches out

We continue to have a consistent pass rate (the average has remained between 75-78% in recent years), which demonstrates sustained performance in our markets. In addition, 39 eminent applicants were invited and 11 direct entry applicants elected into membership. We welcomed a total of 764 new qualified members.

The strongest contribution continues to be in the property sector, principally valuation, commercial property, and property finance and investment. We are seeing a steady rise in the land sector, particularly in the APC pathways including planning and development and rural practice.

Our challenge over the next year is to work with all stakeholders to increase interest and membership growth in the construction sector.

RICS partnerships with large firms

Our core membership growth is generated from multinational firms such as BNP, CBRE, Colliers International, Cushman and Wakefield, Deloitte, DTZ, Jones Lang LaSalle, Newsec and PwC. However, we are also seeing a steady flow of candidates applying from smaller firms across continental Europe and Russia/CIS.

To speak to the APC team, contact Jen Clarke, Team Manager Educational Standards Europe, at jenniferclarke@rics.org

Course accreditations this year show how RICS accreditation continues to be in demand in our traditional areas such as Germany and France, and in new markets such as Cyprus, Romania and Russia. This business year the CESB dealt with eight re-accreditations and eight new courses. These new courses bring our total up to 42 courses in continental Europe through 32 higher education institutions representing 14 countries.

Moving into the unknown

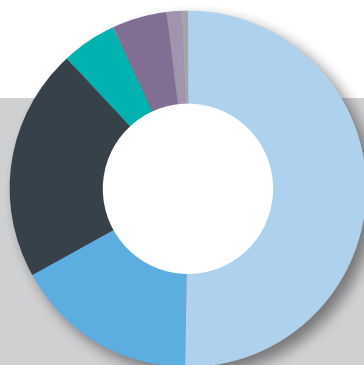
Course accreditations in new markets bring different business attitudes, approaches and understandings. This gives us the opportunity to rethink our own systems and habits, and consider new approaches.

With this in mind, the CESB ran an interactive session on the future of education, which provided us with a number of useful considerations. Most importantly, we realised that in our daily work we need to develop a more flexible mind set and to think global. We will continue our dialogue on these aspects of education over the coming year.

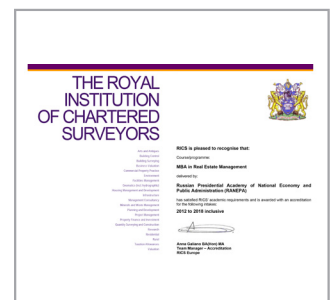
Modular accreditation changes the game

We are particularly proud that modular accreditation, invented in Europe, is now attracting interest from other world regions as well as within Europe. Modular accreditation is a new form of accreditation that offers shorter courses available at postgraduate or executive level. This type of new accreditation also grants students APC access via the adaptation route.

Newly qualified members by route to membership (end July 2014)



- 50.5% - Senior professional route
- 16.6% - Senior expert route
- 21.1% - Graduate routes
- 5.1% - Eminent route
- 4.8% - Adaptation route
- 1.4% - Direct entries
- 0.4% - Others



Online training for a digital world

That said, students of accredited courses continue to be our focus after accreditation is granted. Students and alumni can register for the APC in all routes: graduate, adaption, senior expert and senior professional. Last year we registered 325 candidates for membership, all of whom have studied on an RICS accredited course – representing 36.6% of the 888 new enrolled candidates. The highest enrolment numbers from courses were registered in France, with 93 new membership candidates.

Striving to increase standards

Another significant achievement last year was the inclusion of RICS standards into our accreditation conditions. All RICS accredited courses must now include RICS standards in their course curriculum, especially RICS ethical standards. It is worth mentioning that continental Europe, Russia and CIS is the first RICS region to have acquired several universities as International Property Measurement Standards (IPMS) partners.

Nine European RICS accredited universities and courses from Spain, Italy, Cyprus, Austria and Romania have taken this step, as they consider it important that students are aware of the development of international standards. A full list of members and partners is available at www.ipmsc.org

To find out more about courses and RICS accreditation, go to www.rics.org/courseseurope or contact Anna Galiano at agaliano@rics.org

RICS Online Academy provides members and professionals working in land, property and the built environment with convenient, flexible, online study options outside of the traditional classroom.

Since its launch in 2011, RICS online training has been very successful in the UK. This year demand has become more international and so our efforts in future months will focus on introducing online training to continental Europe, Russia and CIS. At the same time we want to strengthen our cooperation with industry and the academic world to further develop training and education.

So in line with our vision to be recognised as the world's leading provider of training services in the profession, we are currently developing a new training offer for our stakeholders. We understand that training needs, skill development and topics of interest can vary significantly from country to country. And that's why we'd like you to share you ideas on what this should be.

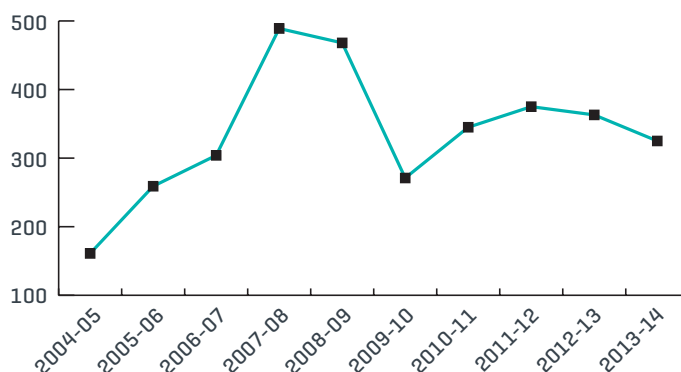
- Which skills do you want to develop and what topics are you interested in when learning online?

We look forward to hearing from you so that we can offer an online training package that best meets your needs.

Share your training needs today via e-mail with Kristin Bammel at kbammel@rics.org

Find out more about RICS training on www.rics.org/onlineacademy

Candidate to membership conversion since 2004



Corporate Affairs

Focus on: Regulation in Europe

Our mission is to effectively regulate the profession for the benefit of the public and to contribute to raising market confidence. We do this by preventing and mitigating risks relating to the profession, and by monitoring the compliance of members with our Rules of Conduct and ethical standards.

This year our new policy on CPD has contributed to an increase in awareness and understanding of the role of regulation. We have assisted, guided and monitored 5,421 members to comply with the new CPD requirements.

Our monitoring activity covers Europe, the Middle East and Africa, and this year we've focused in particular on high-risk areas of practice. Most of the cases handled were triggered either by the annual return submitted by RICS Regulated Firms and RICS Registered Valuers or they were generated during the application procedure to become regulated by RICS.

The outcome of our regulatory casework was in general very positive, with about 95% of cases closed without further action. A total of 15 cases were escalated to the investigation team and one evolved into a disciplinary panel.

Safeguarding valuation standards

We have continued to carry out targeted monitoring activities for both RICS Registered Valuers and RICS Regulated Firms operating in Europe. This is in the interests of ensuring that RICS members remain the 'gold standard' in the market.

We use the Valuer Registration (VR) monitoring system to help members to apply, share and maintain global professional standards. The aim is to ensure consistent,

high-quality valuations. RICS Valuer Registration is available on a voluntary basis for any RICS valuer practicing anywhere in the world, and it has been implemented as a mandatory scheme for all RICS members undertaking valuations in the UK, Netherlands, UAE, Caiman Islands and Hong Kong. In Europe, 445 RICS valuers have already joined, with the highest number in the Netherlands, France and Germany. Following a decision of the RICS Regulatory Board, France will be the next European country where VR will become mandatory for all RICS valuers.

Monitoring best practice

This year, a new system for desk-based reviews has been introduced as a pilot project with the aim to ensure that key documents in the valuation process comply with RICS requirements. With 69 members involved, the first round of the new reviews showed an exceptionally high response rate and a very positive outcome in terms of member compliance.

Regulatory Review Visits conducted by RICS Regulation in Europe using random and targeted testing have outlined a low risk for the public in the valuation activity undertaken by the RICS Registered Valuers involved.

There are clear signals that the appetite for RICS Registered Valuers in the EMEA region has increased significantly. More firms – such as CBRE and JLL – have signed up their RICS valuers for VR as a guarantee of professional expertise and compliance with recognised standards.

All firms registered for regulation are monitored each year to check that they are compliant with RICS rules and requirements, notably those in terms of Professional Indemnity Insurance (PII) and Complaints Handling



Procedure [CHP]. This year, 78% of the regulatory cases opened against regulated firms were related to one of these two key requirements and 115 new firms have recognised the added value of being regulated according to the highest professional standards. Clients can find them on www.ricsfirms.com.

Raising the bar in customer service

Our capacity to offer outstanding customer service has increased significantly with the recruitment of a new multilingual administrator. Our Regulation Helpline now provides assistance to members in English, French, German, Dutch, Spanish, Italian, Polish, Russian and Romanian. Queries range from general information on regulation and the RICS Rules of Conduct to our application procedures, CPD and brand policy.

Complaints about member conduct – for example breaches of the RICS rules and regulations – are dealt with by the Regulation EMEA team. The most frequent complaints involve unethical behaviour, conflicts of interest and the misuse of RICS designations and brand. This year approximately 30% of the complaints received (representing 6% of the overall regulatory cases) were investigated. The remaining 70% of cases were not supported by relevant evidence or they were related to matters RICS cannot investigate.

This indicates that we still face challenges in ensuring that the role of regulation and the scope of our competence are clearly understood by the market.

Ensuring independent decision-making

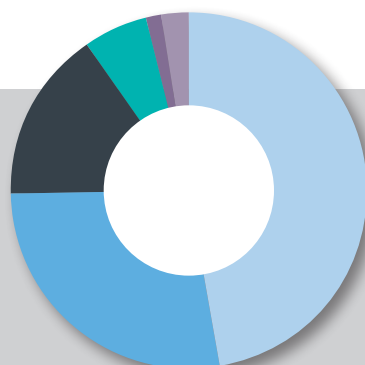
The RICS Regulatory Board is responsible for the formulation and delivery of our regulatory policy objectives, including rules, guidance and advice for members and firms and for disciplinary processes. It operates at arm's length from RICS with a mix of independent members and Chartered Surveyor members, with an independent Chair. The Board is appointed by an independent selection process and is accountable to RICS Governing Council.

In 2013, a World Regional Regulation Advisory Panel (WRRAP) was set up covering Europe, the Middle East and Africa. It had the aim of advising the Regulatory Board on local market, ethical and regulatory issues that impact on the formulation and delivery of the regulatory policy objectives. The WRRAP comprises one RICS member, an independent member and an independent Chair. Over the first year of activity the panel has addressed topics of crucial importance for RICS members in the EMEA region, such as the ethical standards, CPD and Valuer Registration.

Contact Lutz von Peter MBA MCMI, Regulatory Manager EMEA, at lvpeter@rics.org

Call the RICS Regulation EMEA Regulation Helpline on +32 2 289 25 35 or at regulationemea@rics.org
www.rics.org/regulation

Regulatory cases EMEA
[July 2014]



- 48% - Annual return/interim return
- 27% - Application for Valuer Registration
- 16% - Registration for regulation
- 6% - Complaints investigated
- 1% - Regulatory review visit
- 2% - Others

Focus on: advancing international standards

This year our professional groups have continued to draft, review and maintain international standards, as well as best practice guidance, practice statements, codes of practice, guidance notes and information papers.

RICS Europe Virtual Valuation Network (VVN) has supported Europe's valuation engagement strategy, such as the roll-out of Valuer Registration, and national group valuation strategy development. In addition to the continued work on International Valuation Standards (IVS) and the RICS Valuation Standards (the 'Red Book'), working groups have contributed to the development of global, European and national valuation-related guidance in multiple translations.

In 2013/14, the 2014 edition Red Book was translated from English into 10 languages: Dutch, French, German, Greek, Hungarian, Italian, Polish, Portuguese, Russian and Spanish. The Red Book national chapter was launched in Hungary and the Italian edition was updated.

With contributions from members, we produced a guidance note 'RICS valuers: inspiring market confidence' – a paper that helps to distinguish RICS qualified valuers in markets where there is a need for education on international valuation standards, qualifications and regulation.

Developing networks for success

In 2014, we set up RICS Europe Built Environment Network (BEN), which comprises the APC construction pathways quantity surveying, project management, building surveying, building control, built infrastructure and taxation allowance. The BEN's plan is to concentrate on a mixture of global and strategic RICS subjects, such as Business Information Modelling (BIM) and International Construction Measurement Standards (ICMS) projects, combined with meaningful actions within the existing national built environment working groups at a country level.

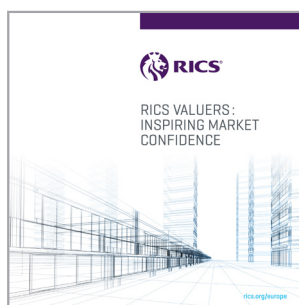
RICS is also a fully engaged coalition member in the development of IPMS [see p. 27], the formation of coalitions on International Ethics Standards (IES) and on ICMS. Our international standards continue to be complemented by practical guidance and training as how to best implement them.

In the next business year, we aim to establish an RICS Europe Commercial Property Network (CPN) that will encompass the commercial property pathway and further build on European coordination and exchange of information.

We also plan to focus our efforts on more publication projects.

- European guidance on Mortgage Lending Value.
- Guidance on portfolio, property and asset management.
- The new REAB guidance note translation into Greek and Portuguese.
- The new REM guidance note translation into French, Polish, Russian, Spanish and Swedish.
- Translation of RICS practice statements IPMS into French, German, Italian, Russian and Spanish.
- Red Book national chapters guidance notes in Cyprus, France, Germany, Greece, Poland, Russia and Sweden.
- A guidance note 'List of services: asset management in Germany, part II'.
- A guidance note on 'Valuation of shopping centres' in Italy.
- A guidance note on 'RICS Swiss national valuation standards' in Switzerland.

Contact **Edouard Dor**, Manager International Standards Europe, edor@rics.org



Focus on: External Affairs and EU liaison

The role of the RICS External Affairs and EU Liaison team is to create the market demand or 'pull' for the services RICS members provide, as well as encourage recognition of international standards and RICS member guidance.

We believe that in a global property market it is crucial that the 'bar' is set at a consistently high level for members. That's why, where possible, RICS no longer develops standards entirely on its own. We work with other organisations to contribute to industry-wide policies that reduce the number of disparate standards and serve to centralise best practice.

The 2014 RICS Valuation Professional Standards (the 'Red Book') is a shining example of this policy. It now completely incorporates the IVS developed by the independent standard-setting body – the International Valuation Standards Coalition.

A question of floor space...

Something as basic as measuring floor space affects nearly all RICS members, and yet it is currently fragmented. In the last business year, we have made considerable efforts in establishing a coalition to develop IPMS, founded in May 2013 together with 12 other organisations.

By the end of this business year, the coalition has grown to 44 organisations, 14 of which come from the Europe region. At European level, the bodies involved represent: unlisted real-estate investment funds (INREV), property owners (UIPI), tenants (IUT) and real estate professionals and property managers (CEPI).

At a national level, organisations joined from Spain (ATASA, APCE, AEV), Germany (HypZert and GIF), Italy (Assoimmobiliare), France (UNTEC) and Russia (Cadastral Engineers). Firms in Bulgaria, Cyprus, France, Germany, Hungary, Italy, Poland and Russia have decided to seek partnership status to IPMS as they see its value in their work, as have universities in Austria, Cyprus, Italy, Portugal, Romania and Spain.

The International Property Measurement Standards Coalition (IPMSC) is now finalising the first measurement standard for office space. This will be followed by a draft standard for residential, and in the medium term with further measurement standards for industry, retail and mixed-use properties.

Besides IPMS, RICS is also in the process of establishing coalitions to develop the IES and the ICMS further.

Legislative progress for RICS

Since the new Red Book came into effect in early 2014, RICS Valuer Registration has increased in relevance, with firms and governments showing their appreciation for the RICS Red Book and RICS Valuers.

The EU Mortgage Credit Directive legislation finally got published in February 2014. This is the first ever EU Directive requiring EU Member States to develop national valuation standards. The Directive advises EU countries to take account of existing international standards, and RICS is mentioned next to IVS and The European Group of Valuers' Associations (TEGoVA).



Further legislative changes have taken place in Cyprus, Greece and Romania. In Greece and Romania, legislation has opened up parts of the valuation markets previously accessible only to a closed group. In Cyprus, due to the current economic situation, the Central Bank issued a Directive requiring market valuations for lending purposes to be carried out in accordance with IVS, RICS or TEGoVA.

Further achievements of note

- INREV, the European Association for Investors in Non-Listed Real Estate Vehicles, has updated its member guidelines, where reference is made to the RICS Red Book. For the first time, INREV also mentions the importance of the valuer being regulated, with RICS Valuer Registration the only example provided.
- RICS Red Book mentioned in an EU policy document on sustainable construction.
- The Asset Quality Review Guidelines of the European Central Bank referred to RICS and TEGoVA standards.
- The Luxembourg Fund Association stated in their 2013 report that 73% of all valuations of their members are done according to Red Book standards.
- Increased cooperation, for example through MoUs or entry agreements, with national valuation associations in France [FFEE], Germany [HypZert] and Romania [ANEVAR].
- Banks and investors endorsing the Red Book, including: CBRE Global Investors in Belgium, Sanofi Aventis in France, Rijksvastgoedbedrijf in the Netherlands, Handelsbanken and RBS Nordisk Renting in Sweden, and Deutsche Pfandbriefbank AG in the Nordics.

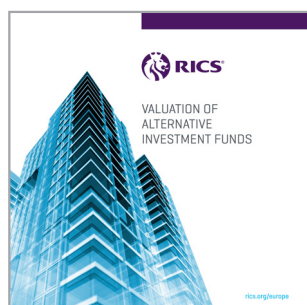
Acknowledgement for REABS and REM

There are now around 150 firms in Europe that acknowledge REABS and are instructing their staff to follow it as best practice. New firms to advocate the standards included seven of the largest firms in Russia [GVA Sawyer, Cushman & Wakefield, Colliers, ILM, Intermark Savills, Knight Frank, JLL], as well as firms in Belgium, Bosnia & Herzegovina, Germany, Hungary, Kazakhstan, Poland and Serbia.

REM has been formally recognised by three firms in Poland, including DTZ. REM is a relatively new framework for best practice in the execution and delivery of real estate management services, subject to local legislative requirements and local market specifics.

With both REABS and REM documentation undergoing changes, the core principles are currently in the process of becoming mandatory for members.

Contact Sander Scheurwater, Head of External Affairs & EU Liaison Europe, at sscheurwater@rics.org



Focus on: PR and media recognition

RICS Europe implemented its media strategy for the past year successfully, with 3,400 articles promoting RICS in the press against our yearly target of 2,280. We got 21% of all coverage in selected tier 1 media – that’s 705 hits against our yearly target of 456. Our PR activity also contributed to increased external recognition, with 2,000 points against a yearly target of 355.

RICS 2013/14 strategic campaigns

We were able to better position our brand internationally – explaining the core objectives of the organisation and gaining recognition of our standards in key markets – by focusing on several strategic planned campaigns on a quarterly basis. We used the voice of our leading representatives at national and European level, considering the best timings and formats, as well as targeting the right media to get the following key messages across.

• RICS facilitating take-up of international standards

Our work within the IPMSC was extensively promoted in the media throughout the year, including: interviews with RICS delegates (at SIMA in Madrid and EIRE in Milan), news about the IPMS consultation for offices and the announcement of the handover of the CLGE measurement code to the IPMS. In total, 78 articles (21 in high-quality media) talked about IPMS and RICS’ collaborative approach.

• RICS global launch of FM standards in Europe

RICS produced the first Facilities Management (FM) standards in the form of ‘best practices’. To gain recognition of these standards, we launched them in Brussels at a

conference organised by RICS and EuroFM. The standards were promoted on our website, social media and through 40 articles in the press, following a press release and two interviews with Jeroen Govers FRICS published by Europe Real Estate and Property EU magazine. The momentum was kept up with the launch in January 2014 of the Global RICS FM research report ‘Raising the Bar’, with 60 articles in the press.

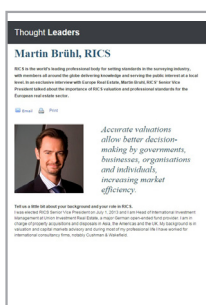
• RICS global launch of Red Book in Europe and mandatory VR in Netherlands

The 13th version of the Red Book was launched at the RICS Governing Council meeting in Amsterdam on 25 November. RICS Europe organised several interviews during the launch with the aim of gaining recognition of our International Valuation Standards and to show the uniqueness of our regulatory and monitoring system for valuers.

We secured six feature articles in top pan-European publications, quoting Martin Brühl FRICS and Peter C Van Arnhem FRICS. Later in the year, we obtained extensive coverage of the translation of this edition of the Red book into several languages in France, Germany, Hungary, Italy and Switzerland. In total, 41 articles contributed to the promotion of the Red Book and VR. European media also commented on RICS valuation standards recognised by EU Mortgage Directive, with 39 articles (10 in leading publications).

• RICS leadership and vision

During the summer of 2014 we released a clear message from Michael Newey FRICS: ‘Continuity and public interest are our watchwords’. This was echoed in the press following



a statement announcing his appointment, and it generated 16 articles Europe-wide.

At Expo Real, Property EU TV interviewed Michael on his role as ambassador of the profession. In Europe, Russia and CIS, we used the announcement of a new RICS Europe Board for a three-year period in October 2013 to reinforce and explain our mission, gaining 22 articles in the press. Our most successful campaign was the recent appointment of Maarten Vermeulen FRICS as the new Regional Managing Director for Europe, Russia and CIS, with 52 articles across Europe, including 16 articles in tier 1 media.

• **Sustainability campaign: RICS as a responsible professional body**

Expo Real in October was the perfect setting to launch our sustainability best practices and standards, with the release of three different papers on the topics of best practice for assessing sustainability in commercial buildings, the impact of sustainability requirements in the future of European construction and 'A global road map for integrating sustainability into existing buildings'. The three papers received broad media coverage, with 80 articles Europe-wide.

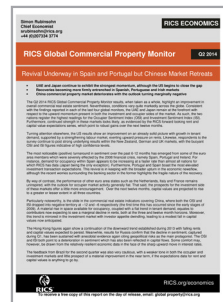
• **Market analysis and RICS knowledge**

The quarterly results of the Global Commercial Property Survey were promoted at European and national level, with a focus on the findings and forecasts in Europe and including comments from local members on each market. The result was excellent exposure for our members' knowledge and the survey – with 104 articles in the press, including RICS

graphics, quotes and pictures. The survey was described by several publications as 'the leading market indicator on commercial property'.

Housing-related expenditure in Europe: 'growth despite the economic crisis report' received wide media coverage with 44 articles Europe-wide, quoting Michael Newey FRICS, with 20 in tier 1 media. The report raised particular interest with 12 articles in Russia, 11 in Poland and 7 in Cyprus. Twenty articles were published in tier 1 media.

Contact **Laura Lindberg, Public Relations Manager, Europe,** at llindberg@rics.org



Glossary

APC

Assessment of Professional Competence

BEN

Built Environment Network

BIM

Business Information Modelling

CEE

Central and Eastern Europe

CESB

Continental European Educational Standards Board

CHP

Complaints Handling Procedure

CIS

Commonwealth of Independent States

CPD

Continuing Professional Development

CPN

Commercial Property Network

DACH

Germany, Austria, Switzerland

DBR

Desk-Based Reviews

EMEA

Europe, the Middle East and Africa

FA

Final Assessment

FRICS

Fellow member of RICS

ICMS

International Construction Measurement Standards

IES

International Ethics Standards

IPMS

International Property Measurement Standards

IPMSC

International Property Measurement Standards Coalition

IVS

International Valuation Standards

MoU

Memorandum of Understanding

MRICS

Professional member of RICS

OIB

Office for Infrastructure and Logistics in Brussels

PII

Professional Indemnity Insurance

REABS

Real Estate Agency and Brokerage Standards

RRV

Regulatory Review Visits

RB

Regulatory Board

Regulated Firms

[or 'Regulated by RICS'] - firms committed to apply RICS rules by signing up for voluntary regulation

REM

Real Estate Management

RICS Valuation Standards

Commonly known as the 'Red Book'

Rules of Conduct

RICS' mandatory rules for all our members, students and trainees and RICS-regulated firms

TDD

Technical Due Diligence

TEGoVA

The European Group of Valuers' Associations

Tier one media

Influential targeted media

UAE

United Arab Emirates

VR

Valuer Registration

VVN

Virtual Valuation Network

WRRAP

World Regional Regulation Advisory Panel

RICS Europe Annual Review 2014

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Confidence through professional standards

RICS promotes and enforces the highest professional qualifications and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve.

We accredit 118,000 professionals and any individual or firm registered with RICS is subject to our quality assurance. Their expertise covers valuation and commercial property practice; property finance and investment; project management, planning & development; quantity surveying as well as facilities management.

From environmental assessments to real estate transactions, if our members are involved the same professional standards and ethics apply.

We believe that standards underpin effective markets. With up to seventy per cent of the world's wealth bound up in land and real estate, our sector is vital to economic development, helping to support stable, sustainable investment and growth around the globe.

With offices covering the major political and financial centres in the world, we are ideally placed to influence policy and embed professional standards. We work at a cross-governmental level, delivering international standards that will support a safe and vibrant marketplace in land, real estate, construction and infrastructure, for the benefit of all. We are proud of our reputation and sustain it, so clients who work with an RICS professional can have confidence in the quality and ethics of the services provided.

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