



RICS[®]

Delivering confidence

Global performance
report 2019-20

Q1

Introduction

For over 150 years, chartered surveyors have built towns and cities, managed land, fostered communities and been expert stewards and protectors of the built and natural environment. The global challenges and opportunities facing the profession today are very different from those encountered all those years ago. It is our role to ensure that as a global professional body we create and foster the conditions in which the profession can grow and thrive. We aim to lead by bringing together professionals, like-minded organisations, policy makers and market influencers to help find solutions that provide a foundation for confident markets, pioneer better places to live and work, and are a force for positive social change.

We believe that, through a combination of the profession's pursuit of standards, its expertise and innovation, and our collective voice and influence, we can bring about real change and better outcomes as the world urbanises and tackles the challenges of climate change, resource scarcity, maintaining connectivity, an ageing population and the impacts of technology on the way we live and work.

Our business plan for 2018–21 sets four strategic priorities that will position RICS as a fit, globally relevant and trusted professional body for the 21st century:

- **Influential:** through collaboration with others, we bring about beneficial change in response to the major challenges the world faces.
- **Trusted:** the standards to which RICS professionals work are demanded and adopted in the major economies of the world.
- **In demand:** as a result of market respect and demand for our profession's standards and qualifications, highly talented individuals will choose to qualify, commit to lifelong professionalism and work to RICS standards.
- **Sustainable:** the organisation is efficient and financially stable, and the profession and RICS employees are highly engaged, proud and increasingly diverse.

This Q1 report is a summary of RICS' worldwide performance against our objectives and strategic goals in the first quarter of the 2019–2020 financial year (August–October 2019). It is available to members of the profession, employees and other key stakeholders.

As our business plan for 2019–20 highlights, we remain excited by the opportunities ahead but mindful of the uncertainties (Brexit, Indian legislative changes, China-US trade tensions, and Middle-East and Hong Kong political tensions) that exist around the world that may require us to reshape our plans with agility.

We welcome all comments on this report.

Paul Marcuse
Chairman, RICS Management Board

Sean Tompkins
Chief Executive Officer, RICS

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136,681



RICS-qualified professionals and trainees worldwide

716

new professionals (28% female) awarded RICS designations in Q1, ahead of the same period last year

53%

of these newly qualified professionals are based outside the UK & Ireland notably Greater China (25%), Southeast Asia, ANZ & Japan (8%) and Europe (6%)

2,701

new candidate enrolments (25% female) during Q1, ahead of last financial year

29%

of these newly enrolled candidates are based outside the UK & Ireland notably MENA (9%), Europe (7%) and Greater China (6%)

21,320

candidates in 128 countries are using our online assessment resource (ARC) to prepare for their professional assessments

At the end of October, our performance is on track with our year-to-date underlying financial plan



93,780

followers on Twitter



82,331

people in the global LinkedIn group and 127,744 followers



62,634

fans on Facebook



8,136

followers on Instagram



6,793

subscribers on YouTube



RICS thought leadership

Significant milestones this quarter

The **International Finance Corporation (IFC)**, the largest global development institution focused on the private sector in developing countries, invited RICS to help shape its upcoming report *An Investment Blueprint for Green Buildings*. The IFC believes that green buildings play a pivotal role in securing a clean energy transition and spurring economic growth, representing a \$24.7 trillion investment opportunity by 2030 across emerging markets. The report will drive the IFC's financing decisions in the built environment sector.

The **UK Construction Industry Council** has invited RICS onto its sector working group alongside the Committee on Climate Change, which is an independent non-departmental public body, formed under the *Climate Change Act 2008* to advise the United Kingdom and devolved governments and parliaments on tackling and preparing for climate change. The group will advise on meeting national net-zero targets, and on collaborative initiatives that professional bodies can take.

The **Hong Kong Trade and Development Council** has agreed to implement the ICMS standard and selected RICS thought leadership on its Belt and Road Portal, which offers market insight, country profiles and project opportunities to its users.

The **Dutch National Bank (DNB)** has requested the inclusion of four questions in the next Netherlands Commercial Property Monitor (part of RICS' Global Commercial Property Monitors) following comments in both the latest Financial Stability Review and by the President of the DNB, Klaas Knot, on the risks posed by the real estate sector. This reliance on an RICS product to gather pertinent insight demonstrates the value placed on the feedback to the market survey by an important stakeholder and, more generally, is testament to the standing of the profession.

The UK Residential Market Survey commands significant media attention. In another example of its broader impact, it has been cited, alongside RICS, as a source of high quality insight by the **Greater London Authority** in their assessment of conditions in the local housing market and how this might impact on the future delivery pipeline of much-needed new homes in the capital.



Listen to Samer Bageen, our Thought Leadership Relationships Manger, talk about the role of data and finance within the profession and how building smarter cities can change the world.

- [Speaking slot at Cityscape Global in Dubai \(Accelerating green cities\)](#)
- [Podcast for Construction Week on how smart city building can change the world](#)



RICS standards

International Construction Measurement Standards (ICMS)

'ICMS is about making sure that all of the trillions that are being spent all over the world can be spent more efficiently'

Ken Creighton, Chair of the ICMS Coalition Board of Trustees and Director of Professional Standards at RICS

ICMS is a global standard for benchmarking and reporting construction project costs, and covers both capital and whole-life costing while providing a way of presenting costs in a consistent format.

Research from the World Economic Forum has shown that improvements in the design and construction process can be achieved by using international standards like ICMS to produce comparable and consistent data. ICMS provides a high-level structure and format for classifying, defining, measuring, recording, analysing and presenting construction and other life cycle costs.

- **Dublin City Council (DCC) adopts ICMS as a drive towards digitization, BIM adoption and better collaboration.**

As the biggest local authority in Ireland, DCC undertakes a lot of building work and has adopted ICMS as part of an overall plan to improve efficiency in their operations. They also have a large supply chain and will be looking for ICMS adoption to filter down, as well as building increased recognition in Dublin.

- **US government looks to ICMS to improve project cost estimating**

The US Government Accountability Office (GAO), in a recent report entitled *Federal Transit Administration Could Improve Information on Estimating Project Costs*, referenced ICMS as a possible solution to enable comparisons of project costs in the United States and other countries.

- **Ministry of Education in New Zealand adopts ICMS**

The Ministry has seen an opportunity to benchmark cost data from educational facility construction projects using ICMS. This will help them to accurately compare project costs on a like-for-like basis.



- **The European Commission supports ICMS**

The European Commission is fully supportive of ICMS. RICS Europe works closely with DG Grow (DG for Internal Market, Industry, Entrepreneurship and SMEs), who recently participated in a conference hosted by RICS acknowledging the importance of standardised cost measurement in the built environment life cycle. They will provide a platform for RICS to promote ICMS: there will be a series of events organised by the European Commission for RICS to present ICMS to key stakeholders at the EU level. This is an important milestone as it raises the profile of RICS as one of the leading actors in the ICMS Coalition and helps the adoption of the standard across European markets.

- **IATA (International Airport Transport Association) adopts ICMS**

IATA is a trade association representing 290 airlines and 82% of global air traffic. It supports various areas of aviation activity and helps formulate industry policy on critical aviation issues. Their recent adoption of ICMS is a significant win for RICS; our standard is to be incorporated into IATA's *Airport Development Reference Manual*, to be referenced by all parties involved in airport development, airport planning, capacity planning and terminal planning. We continue to gain traction by entering into new industry sectors, collaborating with organisations that have substantial influence and causing a ripple effect.

- **BNP Paribas adopts ICMS**

The real estate division of BNP Paribas, a global bank operating in 77 countries, has agreed to adopt ICMS. The real estate division has \$29bn of assets under management in Europe. They provide cost management services to both internal and external clients.

BNP Paribas would like to collaborate with RICS to explore ways in which the data generated by ICMS could be shared to enable more accurate cost estimates to be prepared.

- **Crossrail adopts ICMS at an early stage in the project**

This decision comes at a critical point for Crossrail, as they are currently in the early stages of cost planning. They have been looking to tackle various key objectives, such as developing a digital strategy, finding a practical solution to benchmarking and fending off criticism from linked organisations by curbing life cycle costs and developing an efficient reporting system.

Crossrail 2 is to run from northeast London to Hertfordshire, increasing London's rail capacity by 10% and looks to add £150 billion to the UK economy in the long term. It is exciting for RICS to be part of, and contribute to, the future of the UK infrastructure space.

Over the coming months, we aim to work with the Crossrail team to map their internal system against ICMS, embed the standard, and follow their user journey closely by working with their media team to produce key collaborative messages for the market.

Other key RICS standard successes

- **RICS provides essential help to Uganda on land issues**

A great example of how RICS standards achieve great things and help solve real-world issues is the work we have been doing to assist the Ugandan government and other bodies in that country. Uganda, like many African nations, has major problems establishing who owns what piece of land – something many of us take for granted in Western societies. This leads to people being illegally displaced and potential civil unrest.

The Ugandan President has formed the Commission of Inquiry into Land Matters, who came over to meet us and learn about our suite of standards (including the Red Book, ILMS and Countering bribery). The Commission wanted to see ‘what good looked like’ and how to bring these standards to Uganda. Also in attendance were representatives from Ordnance Survey, who were able to retrieve maps from the colonial period that could assist with contentious boundary and ownership issues.

Combined with this, the Institution of Surveyors of Uganda have recently joined the ILMS coalition with a commitment to adopt the standards.

This shows the fantastic reach of the RICS brand and the high regard for our standards in Uganda.

- **Government of Bahrain adopts IPMS**

Building on the successful incorporation of IVS and Red Book into the Bahrain Valuation Standards, Bahrain has now added International Property Measurement Standards (IPMS) to the list. The Bahraini government want to ensure greater protection for investors by ensuring they have reliable and accurate valuation reports.

Read the full article [here](#).

- **KPMG Germany adopts RICS standard on *Countering bribery and corruption, money laundering and terrorist financing***

Following a joint event with the Institute for Corporate Governance (ICG) on anti-money laundering in Germany and several meetings with RICS, KPMG Germany adopts this RICS standard. They will be cooperating closely with RICS Germany to promote the standard to their clients, as it demonstrates what the real estate sector should do to be compliant with the EU Directive and German law on anti-money laundering. A sponsorship agreement will be signed and RICS Germany has been invited to several big conferences to promote the standard. A recent joint panel with KPMG at ExpoReal is the start of future collaboration. A roadshow with KPMG is also in the pipeline.

Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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