

## International Ethics Standards – Consultation Document

International Ethics Standards Coalition

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## Welcome to IES

On behalf of the 63 members (at the date of publication) of the IES Coalition, we would like to present to you the *International Ethics Standards* consultation document. The Coalition comprises organizations from all over the world, from land, property, construction, infrastructure and related professions, who have come together to reassert the role of ethics in real estate and thereby meet the needs of today's global market. We have recognized that the past practice of inconsistent ethical standards is unacceptable. Our professions and market places deserve better.

By creating the IES and establishing the global Coalition we can make sure that professional ethics is higher up the agenda and stimulate conversations about enhancing client confidence and public protection. This is a powerful and positive step for the property profession and for the many thousands of professional practitioners around the world.

The Coalition accepts that standard setting is a never-ending process of continuous improvement and will be listening closely to the market to make updates to the standard as needed.

In preparing this consultation document, the Coalition wishes to acknowledge the work undertaken by the IES Standards Setting Committee. The Coalition also wishes to thank George Mason University, who hosted the Standards Setting Committee meeting in Washington DC.

As a Coalition we are also continuing the important work of implementation through engaging with governments, occupiers, owners and other important stakeholders. Please visit <http://.ies-coalition.org> to see how you can become a Supporting Partner and be identified as early adopters at the forefront of this new international best practice.

On behalf of the Coalition, the Standards Setting Committee and the numerous participants in the consultation, we are proud to present the IES.

For further information on IES please see <http://.ies-coalition.org>

**Peter Bolton King**, Trustee for  
RICS, Chairman of the Board  
of Trustees IES Coalition

**Tony Grant**, Trustee for  
FIABCI, Vice Chair of the  
Board of Trustees IES  
Coalition

**Richard Berkemeier**, Trustee  
for JASIA, Secretary General  
of the Board of Trustees IES  
Coalition

## Introduction

The International Ethics Standards Coalition (**IESC**) was formed on 21 October 2014 after meeting at the United Nations in New York. The **Coalition**, comprising the 63 organizations listed below, aims to bring about the harmonization of ethical standards through the creation and adoption of agreed International Ethical Standards for those working in the land, property, construction, infrastructure and related professions.

This document for the draft International Ethics Standards is the first prepared by the **Coalition's** Standards Setting Committee (**SSC**).

The **Coalition** members at the date of publication include:

*American Society of Appraisers (ASA)*  
*American Society of Farm Managers and Rural Appraisers (ASFMRA)*  
*Appraisal Foundation (TAF)*  
*Asian association for Investors in Non-listed Real Estate Vehicles (ANREV)*  
*Asia Pacific Real Estate Association (APREA)*  
*Asian Real Estate Association of America (AREAA)*  
*Asociacion Espanola de Analisis de Valor (AEV)*  
*Asociacion Espanola de Geometras Expertos (AEGEX)*  
*Asociacion Profesional de Sociedades de Valoracion (ATASA)*  
*Association of International Property Professionals (AIPP)*  
*Association of Residential Managing Agents (ARMA)*  
*Assoimmobiliare*  
*Bulgarian Chamber of Professional Valuers (KPO)*  
*Câmara Brasileira da Indústria da Construção (CBIC)*  
*Chartered Institute of Architectural Technologists (CIAT)*  
*Chartered Institute of Building (CIOB)*  
*Chartered Institution of Water and Environmental Management (CIWEM)*  
*China Electricity Council*  
*China Institute of Real Estate Appraisers and Agents (CIREA)*  
*China Real Estate Valuers and Agents Association (CREVA)*  
*CORFAC International*  
*Commonwealth Association of Surveying and Land Economy (CASLE)*  
*Council of European Geodetic Surveyors (CLGE)*  
*Counselors of Real Estate (CRE)*  
*Dubai Real Estate Institute*  
*ETEK (Technical Chamber of Cyprus)*  
*European Association for Investors in Non-Listed Real Estate Vehicles (INREV)*  
*Federação Nacional dos Corretores de Imóveis (FENACI)*  
*Ghana Institution of Surveyors (GhIS)*  
*Hong Kong Association of Property Management Companies (HKAPMC)*  
*HypZert*  
*Indonesian Society of Appraisers (MAPPI)*  
*Initiative Corporate Governance of the German Real Estate Industry*  
*Institute of Estate Agents, Singapore (IEA)*  
*Institute of Philippines Real Estate Appraisers (IPREA)*

*Institute of Quantity Surveyors Indonesia (IQSI)*  
*Institute of Real Estate Management (IREM)*  
*Institute of Residential Property Management (IRPM)*  
*Institution of Civil Engineers (ICE)*  
*International Consortium of Real Estate Associations (ICREA)*  
*International Housing Coalition (IHC)*  
*International Real Estate Federation (FIABCI)*  
*International Right of Way Association (IRWA)*  
*International Valuation Standards Council (IVSC)*  
*Japan Association of Real Estate Counselors (JAREC)*  
*Japanese Society of Independent Appraisers (JASIA)*  
*Lonja De Propriedad Raiz De Bogota*  
*National Association of Realtors India (NAR India)*  
*National Society of Professional Surveyors (NSPS)*  
*Nigerian Institution of Estate Surveyors and Valuers (NIESV)*  
*Real Estate Institute of Australia (REIA)*  
*Real Estate Syndicate of Lebanon*  
*Real Property Association of Canada (REALpac)*  
*Royal Architectural Institute of Canada (RAIC)*  
*Royal Institute of British Architects (RIBA)*  
*Royal Institution of Chartered Surveyors (RICS)*  
*Royal Institution of Surveyors Malaysia (RISM)*  
*Russian Society of Appraisers*  
*Secovi-SP*  
*Singapore Institute of Building Limited (SIBL)*  
*Society of Chartered Surveyors Ireland (SCSI)*  
*South African Geomatics Institute (SAGI)*  
*South African Property Owners Association (SAPOA)*



## The draft International Ethics Standards

### 1 Aim and Scope of the Standards

#### 1.1 Purpose

The aim of the International Ethics Standards Coalition (IESC) of professional organizations in the land, property, construction, infrastructure and related professions (“the real estate professions”) is to assert and sustain the critical role of ethics in professional practice to meet the needs of the global market in order to maintain public trust and confidence.

#### 1.2 Mission

The independent Standard Setting Committee (SSC) was appointed by the IESC to research, write and maintain principle-based International Ethics Standards to be implemented by Coalition organizations and other stakeholders.

#### 1.3 Vision

The IESC aims to promote and strengthen the ethical conduct of real estate practitioners for the benefit of clients, third parties and current and future stakeholders.

#### 1.4 Key Definitions

*For the purpose of these standards the following terms are defined.*

##### **Client**

A person or group using the services of a practitioner working under the membership requirements of organizations within the IESC.

##### **Practitioner**

A person qualified and practising in one of the real estate professions who ascribes to the ethical standards of the IESC. The term applies to persons affiliated with one or more of the organizations that comprise the IESC.

##### **Stakeholder**

A person or group indirectly affected by a service performed by a practitioner for a client.

##### **Third Party**

An involved person or group directly affected by a service performed by a practitioner for a client.

## 2 Ethical Principles

In addition to the ethical principles below, practitioners are expected to observe all appropriate practice standards for their discipline. Practitioners are also expected to observe all laws and statutes applicable to their discipline in the jurisdictions where they practice, as well as all applicable international laws.

*The ethical principles below are listed in alphabetical order and are all of equal importance.*

1. **Confidentiality:** Practitioners shall not disclose any confidential or proprietary information without prior permission, unless such disclosure is required by applicable laws or regulations.
2. **Disclosure:** Practitioners shall make all appropriate disclosures before and during the performance of a service. If, after disclosure, a conflict cannot be removed or mitigated, the practitioner shall withdraw from the matter or obtain written consent of the parties affected to continue.
3. **Fiduciary Responsibility:** Practitioners shall be honest, transparent and trustworthy in all their financial dealings.
4. **High Standard of Service:** Practitioners shall only provide services for which they are competent and qualified, and shall ensure that any employees or associates assisting with the provision of services have the necessary competence to undertake those services.
5. **Integrity:** Practitioners shall act with honesty and fairness in all their dealings, and shall not mislead or attempt to mislead. They shall base their advice on valid evidence.
6. **Respect:** Practitioners shall provide services that honor client, third party and stakeholder interests in the context of applicable rules of law and social and environmental concerns.
7. **Responsibility:** Practitioners owe a duty of care to their clients and due consideration to the rights and interests of third parties and stakeholders.
8. **Transparency:** Practitioners shall not misinform over the products or terms of service to be provided, and shall present relevant documentary or other material in plain and intelligible language.
9. **Trust:** Practitioners shall be truthful in their professional communications and recognize that their professional conduct bears upon the maintenance of public trust and confidence in the real estate professions.
10. **Verification:** Practitioners shall continually evaluate the services they provide to ensure they are consistent with the spirit and evolution of ethical principles and practice standards.