

Chilean Self-Assessment of Compliance with Santiago Principles

In line with Chile’s commitment to best international practices, the government has participated actively in international initiatives that seek to establish an operational framework for sovereign wealth funds (SWFs) and promote their transparency. In particular, the Finance Ministry played an active role in the International Working Group of Sovereign Wealth Funds (IWG-SWF), established in May 2008, to draw up and promote a common set of voluntary principles for SWFs, based on existing practices, in order to help maintain the free flow of cross-border investment and the openness and stability of financial systems.

In 2008, the IWG-SWF held a number of meetings during which its members exchanged views about the development and definition of these voluntary principles. The key meeting in this process took place in Santiago, Chile in September 2008 when an agreement was reached on a series of Generally Accepted Principles and Practices endorsed by the main countries with SWFs. This agreement is known internationally as the “Santiago Principles.”

In 2010 the Chilean government carried out its first self-assessment of the Santiago Principles in order to determine the degree of compliance of Chilean sovereign wealth funds with each of them.

This document constitutes the second self-assessment of our Chilean SWFs in accordance with the Santiago Principles, and in keeping with our commitment to carry out this exercise every two years.

Principles			Year of implementation
Legal framework, objectives and coordination with macroeconomic policies	1	The legal framework for the SWF should be sound and support its effective operation and the achievement of its stated objective(s).	2006
	2	The policy purpose of the SWF should be clearly defined and publicly disclosed.	2006
	3	Where the SWF’s activities have significant direct domestic macroeconomic implications, those activities should be closely coordinated with the domestic fiscal and monetary authorities, so as to ensure consistency with the overall macroeconomic policies.	2006
	4	There should be clear and publicly disclosed policies, rules, procedures, or arrangements in relation to the SWF’s general approach to funding, withdrawal, and spending operations.	2006
	5	The relevant statistical data pertaining to the SWF should be reported on a timely basis to the owner, or as otherwise required, for inclusion where appropriate in macroeconomic data sets.	2007

Principles		Year of implementation	
Institutional framework and organizational structure	6	The governance framework for the SWF should be sound and establish a clear and effective division of roles and responsibilities in order to facilitate accountability and operational independence in the management of the SWF to pursue its objectives.	2007
	7	The owner should set the objectives of the SWF, appoint the members of its governing body(ies) in accordance with clearly defined procedures, and exercise oversight over the SWF's operations.	2007
	8	The governing body(ies) should act in the best interests of the SWF, and have a clear mandate and adequate authority and competency to carry out its functions.	2007
	9	The operational management of the SWF should implement the SWF's strategies in an independent manner and in accordance with clearly defined responsibilities.	2007
	10	The accountability framework for the SWF's operations should be clearly defined in the relevant legislation, charter, other constitutive documents, or management agreement.	2007
	11	An annual report and accompanying financial statements on the SWF's operations and performance should be prepared in a timely fashion and in accordance with recognized international or national accounting standards in a consistent manner.	2008
	12	The SWF's operations and financial statements should be audited annually in accordance with recognized international or national auditing standards in a consistent manner.	2008
	13	Professional and ethical standards should be clearly defined and made known to the members of the SWF's governing body(ies), management, and staff.	2006
	14	Dealing with third parties for the purpose of the SWF's operational management should be based on economic and financial grounds, and follow clear rules and procedures.	2007
	15	SWF operations and activities in host countries should be conducted in compliance with all applicable regulatory and disclosure requirements of the countries in which they operate.	2007
	16	The governance framework and objectives, as well as the manner in which the SWF's management is operationally independent from the owner, should be publicly disclosed.	2006
	17	Relevant financial information regarding the SWF should be publicly disclosed to demonstrate its economic and financial orientation, so as to contribute to stability in international financial markets and enhance trust in recipient countries.	2008
	Investment policy and risk management	18	The SWF's investment policy should be clear and consistent with its defined objectives, risk tolerance, and investment strategy, as set by the owner or the governing body(ies), and be based on sound portfolio management principles.
19		The SWF's investment decisions should aim to maximize risk-adjusted financial returns in a manner consistent with its investment policy, and based on economic and financial grounds.	2007
20		The SWF should not seek or take advantage of privileged information or inappropriate influence by the broader government in competing with private entities.	2006
21		SWFs view shareholder ownership rights as a fundamental element of their equity investments' value. If an SWF chooses to exercise its ownership rights, it should do so in a manner that is consistent with its investment policy and protects the financial value of its investments. The SWF should publicly disclose its general approach to voting securities of listed entities, including the key factors guiding its exercise of ownership rights.	2012
22		The SWF should have a framework that identifies, assesses, and manages the risks of its operations.	2007
23		The assets and investment performance (absolute and relative to benchmarks, if any) of the SWF should be measured and reported to the owner according to clearly defined principles or standards.	2007
24		A process of regular review of the implementation of the GAPP should be engaged in by or on behalf of the SWF.	2010

GAPP 1. Principle:

The legal framework for the SWF should be sound and support its effective operation and the achievement of its stated objective(s).

GAPP 1.1 Subprinciple:

The legal framework for the SWF should ensure the legal soundness of the SWF and its transactions.

GAPP 1.2 Subprinciple:

The key features of the SWF's legal basis and structure, as well as the legal relationship between the SWF and the other state bodies, should be publicly disclosed.

GAPP 2. Principle:

The policy purpose of the SWF should be clearly defined and publicly disclosed.

Assessment:

The institutional framework for Chile's SWFs is established in a number of laws and decrees that define the rules for their operation. The most important piece of legislation is the Fiscal Responsibility Law (FRL) which sets out the norms and institutional framework for the saving and management of fiscal resources. The FRL created the Pension Reserve Fund (PRF) and permitted the creation of the Economic and Social Stabilization Fund (ESSF) which was officially established under Decree with Force of Law (DFL) N° 1 issued by the Finance Ministry in 2006. The FRL also specifies that the Finance Ministry will define the SWFs' investment policies with the advice of a Financial Committee and may entrust their management to the Central Bank of Chile (CBC).

The uses to which the two funds may be put is defined in the FRL, DFL N° 1 and the Pension Law. Withdrawals must be authorized by decree by the Finance Minister, are implemented by the CBC and the General Treasury of the Republic (GTR) and are subject to review by the Comptroller General's Office (CGR).

Supreme Decree N° 1.383, issued by the Finance Ministry in 2006, delegated the administration of the two funds to the CBC, as Fiscal Agent, and established the general framework for their management.

Supreme Decree N° 621, issued by the Finance Ministry in 2007, created the Financial Committee to advise the Finance Minister on all aspects related to funds' investment policy definition.

As a result, the legal framework for Chile's SWFs rests on sound foundations and is publicly disclosed, favoring efficient funds operations and facilitating achievement of the objectives for which they were created. These laws and decrees were published in the Diario Oficial (Official Gazette) and are available on the SWF website at www.hacienda.cl/fondos-soberanos/legislacion.html.

Assessment:

The purpose of the PRF is established in the FRL and the Pension Law and, in the case of the ESSF, in the FRL and DFL N° 1. All the corresponding legislation is posted at www.hacienda.cl/fondos-soberanos/legislacion.html. Their policy objectives are also clearly set out in the annual report prepared by the Finance Ministry which is available for public consultation at www.hacienda.cl/english/sovereign-wealth-funds.html.

GAPP 3. Principle:

Where the SWF's activities have significant direct domestic macroeconomic implications, those activities should be closely coordinated with the domestic fiscal and monetary authorities, so as to ensure consistency with the overall macroeconomic policies.

GAPP 4. Principle:

There should be clear and publicly disclosed policies, rules, procedures, or arrangements in relation to the SWF's general approach to funding, withdrawal, and spending operations.

GAPP 4.1 Subprinciple:

The source of SWF funding should be publicly disclosed.

GAPP 4.2 Subprinciple:

The general approach to withdrawals from the SWF and spending on behalf of the government should be publicly disclosed.

GAPP 5. Principle:

The relevant statistical data pertaining to the SWF should be reported on a timely basis to the owner, or as otherwise required, for inclusion where appropriate in macroeconomic data sets.

Assessment:

The funds invest exclusively in foreign currencies and overseas assets. Therefore, their domestic macroeconomic implications are minimal. Only the ESSF has direct domestic macroeconomic implications arising from its objective of financing the fiscal deficits that may occur during periods of low growth and/or low copper prices. The Finance Ministry makes the decision to withdraw resources from the fund and their timing since they could affect the peso-dollar exchange rate. In a bid to minimize this impact, withdrawals from the ESSF and their conversion into pesos have, in the past, been coordinated with other fiscal and monetary authorities and made using a system of auctions with a pre-set calendar. This mechanism provides for enough public information to minimize its market impact.

Assessment:

The rules for contributions to the SWFs are clearly established in the FRL while the uses to which they can be put are established in the FRL, DFL N° 1 and the Pension Law as part of their legal framework. Legislation authorizes the Minister of Finance to define the timing and the amount of withdrawals, and then publicly disclose this information. However, fiscal expenditures must be approved by Congress. As indicated above, this legislation is posted on the funds' website. Contributions and withdrawals as well as the expenses involved in the funds' operation are publicly disclosed in a clear manner, with contributions and withdrawals set out in the funds' monthly, quarterly and annual reports and expenses in their quarterly and annual reports.

Assessment:

The CBC prepares daily, monthly, quarterly and annual reports on the state of the funds and the performance of their investments. These reports are supplied to staff of the Finance Ministry and to the GTR.

Based on the information supplied by the CBC and the custodian bank, the Finance Ministry publishes monthly reports that include information about the return on the funds' investments, their size, contributions, withdrawals and their portfolio composition. Quarterly reports prepared by the Finance Ministry complement the information that is publicly available. In addition, the Ministry publishes an annual report on the SWFs while the Financial Committee prepares its own annual report about its activities and recommendations which is presented to the Finance Minister, the Finance Commissions of both houses of Congress and the Joint Budget Commission of Congress.

GAPP 6. Principle:

The governance framework for the SWF should be sound and establish a clear and effective division of roles and responsibilities in order to facilitate accountability and operational independence in the management of the SWF to pursue its objectives.

Assessment:

The clear division of roles and responsibilities established by the funds' legal framework facilitates accountability and operational independence in their management. The FRL specifies that the funds are the property of the State of Chile and that the GTR is the bearer of the resources. Under this law, the Finance Minister is responsible for deciding how the funds are managed and their investment policies.

In defining their investment policies, the Finance Minister is supported by a Financial Committee which provides advice on the aspects related to this decision. The Finance Ministry draws up investment guidelines defining the eligible instruments and issuers as well as other matters such as investment limits and the use of derivatives.

The CBC was appointed by the Finance Minister as the Fiscal Agent responsible for the funds' operational management. The CBC accepted this role and invests the funds' resources with complete independence in accordance with the instructions and restrictions established by the Finance Ministry in their investment guidelines. Since 2012, the CBC has hired external managers to manage the equity and corporate bonds mandates in the PRF, invested according to the guidelines prepared by the Finance Ministry.

The custodian bank, hired by the CBC on behalf of the government, is responsible for custody of securities and also provides a number of middle-office services such as monitoring compliance with investment limits, calculating each manager's performance and preparing financial and accounting reports on the funds.

Finance Ministry staff monitor the CBC and external managers compliance with the funds' investment guidelines, using information provided by the custodian bank, and prepare monthly, quarterly and annual reports on the basis of information provided by the custodian bank and the CBC. In addition, Finance Ministry's staff acts as the Financial Committee's Secretariat and provides support in all tasks related to the funds' investment policies.

The GTR is responsible for the funds' accounting, for preparing their audited financial statements and for their incorporation into Chile's national accounts. The Finance Ministry's Budget Office is responsible for aspects of the SWFs related to the budget such as contributions and withdrawals.

GAPP 7. Principle:

The owner should set the objectives of the SWF, appoint the members of its governing body(ies) in accordance with clearly defined procedures, and exercise oversight over the SWF's operations.

GAPP 8. Principle:

The governing body(ies) should act in the best interests of the SWF, and have a clear mandate and adequate authority and competency to carry out its functions.

GAPP 9. Principle:

The operational management of the SWF should implement the SWF's strategies in an independent manner and in accordance with clearly defined responsibilities.

Assessment:

The FRL establishes the funds' policy objectives and also defined the Finance Ministry as the body principally responsible for their governance and the Finance Minister as responsible for decisions about their management and investment policies. The FRL also named the GTR as the bearer of the resources. The Finance Minister is appointed by the President of the Republic while the members of the Financial Committee are appointed by the Finance Minister according to criteria established in Supreme Decree N° 621 issued in 2007 by the Finance Ministry.

In the case of oversight, Finance Ministry staff monitor compliance with the funds' investment guidelines, reviewing the reports on compliance with investment limits prepared by the custodian bank and also carrying out independent reviews of compliance with these limits.

The Comptroller General's Office, an autonomous body, is responsible for auditing public-sector finances and, therefore, the SWFs.

Assessment:

The institutional framework for the SWFs is defined in the legislation discussed above. Under the FRL, the Finance Ministry is the body primarily responsible for their governance and the Finance Minister is responsible for decisions about their management and investment policies. To assist the Finance Minister in this task, the FRL also created the Financial Committee which advises him on the analysis and design of the funds' investment policies. Although the Finance Minister is not obliged to follow the Committee's independent recommendations, these are public and the government is publicly responsible for the Finance Minister's decisions. In addition, the Finance Minister has set up a unit within the Ministry for all activities relating to investment of the funds' assets and to provide support to the Financial Committee.

Assessment:

The Finance Minister has defined the funds' investment policy and delegated their operational management to the CBC who has delegated to external managers, as requested by the Finance Ministry, the equity and corporate bonds mandates in the PRF. All of them invest their assets in accordance with the investment guidelines drawn up by the Finance Ministry. These guidelines are reviewed and accepted by the CBC which is an autonomous public body not related to the government. The CBC and external managers have total independence to buy and sell instruments and make other operational decisions within the parameters established by the

GAPP 10. Principle:

The accountability framework for the SWF's operations should be clearly defined in the relevant legislation, charter, other constitutive documents, or management agreement.

Finance Ministry in the funds' investment guidelines. The CBC provides the Finance Ministry with daily, monthly, quarterly and annual reports about its fulfillment of its role, including details of the funds' investments and external managers' relevant information.

Assessment:

The accountability framework for the funds' operations is established in the laws and decrees discussed under Principle 1. They were published in the Diario Oficial (Official Gazette) and are available on the funds' website at www.hacienda.cl/fondos-soberanos/legislacion.html and from the Library of Congress (www.bcn.cl).

In order to ensure a proper and effective accountability framework, a range of reports are prepared by the different bodies involved in the funds' management.

Article 12 of the FRL and Article 7 of DFL N° 1, which regulate the PRF and the ESSF, respectively, establish that the Finance Ministry must present to the Finance Commissions of both houses of Congress and to the Joint Budget Commission of Congress monthly and quarterly reports about the funds. In addition, and although not so required by law, the Finance Ministry publishes an annual report about the funds. All these reports are publicly available on the website indicated above.

Under Supreme Decree N° 1.383, the CBC is accountable to the Finance Minister for the funds' operational management and provides the Finance Ministry with daily, monthly, quarterly and annual reports about the funds, the services provided by the external managers and the custodian. The Finance Minister is responsible for the funds' investment policies and decides how they should be managed.

The Financial Committee is an advisory body and is accountable for its obligations as established in Supreme Decree N° 621. Under Article 7 of this Decree, it must present an annual report on its work to the Finance Minister and send a copy of this report to the Finance Commissions of both houses of Congress and to the Joint Budget Commission of Congress. This report is also available on the funds' website.

In addition, the Comptroller General's Office, an autonomous body, is responsible for auditing public-sector finances and, therefore, the SWFs.

GAPP 11. Principle:

An annual report and accompanying financial statements on the SWF's operations and performance should be prepared in a timely fashion and in accordance with recognized international or national accounting standards in a consistent manner.

GAPP 12. Principle:

The SWF's operations and financial statements should be audited annually in accordance with recognized international or national auditing standards in a consistent manner.

GAPP 13. Principle:

Professional and ethical standards should be clearly defined and made known to the members of the SWF's governing body(ies), management, and staff.

GAPP 14. Principle:

Dealing with third parties for the purpose of the SWF's operational management should be based on economic and financial grounds, and follow clear rules and procedures.

Assessment:

The Finance Ministry prepares an annual report on the funds using the information supplied by the CBC, which includes the information provided by the external managers, and the custodian bank. This report includes financial information and is publicly available.

As of 2011 the GTR prepares the financial statements according to IFRS, which are independently audited and included in the annual report prepared by the Finance Ministry.

Assessment:

The funds' operations are audited by internal CBC auditors.

As of 2011 the GTR prepares the financial statements according to IFRS, which are independently audited in keeping with Chilean auditing standards.

Assessment:

The authorities and staff involved in work relating to Chile's SWFs are subject to legally-established professional and ethical norms, such as the principle of probity, which call for impeccable professional conduct and efficient and loyal exercise of their functions in accordance with the common good.

In addition, the CBC has defined professional and ethical standards that are made known to its employees and are available on its website (www.bcentral.cl/transparencia/pdf/Manual_probidad/Manualdeprobidad.pdf). Members of the Financial Committee are subject to the ethical norms established in the Decree which created the Committee as well as to other internally-defined norms. Finance Ministry staff and advisors involved in the funds' management have internally adopted a code of ethics along the same lines of communicating and complying in the best possible way with the legally-applicable professional and ethical norms. This code of ethics is available at <http://www.hacienda.cl/fondos-soberanos/codigo-de-etica.html>. Staff and advisors may, in addition, be subject to other codes of professional ethics (such as that of the CFA Institute).

Assessment:

All transactions with third parties are based on economic and financial grounds. The Finance Ministry has rules and procedures that define the steps to be followed in acquiring or hiring services from third parties and the CBC and GTR also have a series of clearly defined rules and procedures for these situations.

GAPP 15. Principle:

SWF operations and activities in host countries should be conducted in compliance with all applicable regulatory and disclosure requirements of the countries in which they operate.

GAPP 16. Principle:

The governance framework and objectives, as well as the manner in which the SWF's management is operationally independent from the owner, should be publicly disclosed.

GAPP 17. Principle:

Relevant financial information regarding the SWF should be publicly disclosed to demonstrate its economic and financial orientation, so as to contribute to stability in international financial markets and enhance trust in recipient countries.

GAPP 18. Principle:

The SWF's investment policy should be clear and consistent with its defined objectives, risk tolerance, and investment strategy, as set by the owner or the governing body(ies), and be based on sound portfolio management principles.

GAPP 18.1 Subprinciple:

The investment policy should guide the SWF's financial risk exposures and the possible use of leverage.

GAPP 18.2 Subprinciple:

The investment policy should address the extent to which internal and/or external investment managers are used, the range of their activities and authority, and the process by which they are selected and their performance monitored.

GAPP 18.3 Subprinciple:

A description of the investment policy of the SWF should be publicly disclosed.

Assessment:

The procedures established by the CBC aim to ensure that the funds' operations and activities are implemented in accordance with the applicable regulatory and disclosure requirements of host countries.

Assessment:

The funds' institutional framework and objectives are defined by the legal framework discussed under Principle 1 above. Operational management is carried out by the CBC and external managers, both independent bodies of the government. The operational framework for management by the CBC and external managers is defined in Supreme Decree N° 1.383 which was published in the Diario Oficial (Official Gazette). All relevant legislation is published in the Official Gazette and is also available on the funds' website (www.hacienda.cl/fondos-soberanos/legislacion.html) and from the Library of Congress (www.bcn.cl).

Assessment:

The size of the funds, their absolute returns and the countries where their assets are invested are reported monthly while a report on the CBC's performance is published quarterly. The funds' annual report contains additional financial information. All these reports are available on the funds' website.

Assessment:

In our view, the investment policy in force for the ESSF is consistent with its objectives and risk tolerance. In the case of the PRF, the new investment policy implemented at the beginning of 2012 better reflects its objectives and nature when compared to the previous policy.

The financial risks to which each fund is exposed are determined by its investment policy. Given their essentially passive management, these risks depend principally on their strategic portfolios and benchmarks. As of today, the use of leverage is not permitted while the use of derivatives is permitted only for hedging purposes. At present, the funds' operational management is mainly in the hands of the CBC and supervised by the custodian bank and the Finance Ministry. In addition, according to instructions provided by the Finance Ministry and recommendations by the Financial Committee, a thorough selection process was undertaken to select external managers for the investment of PRF's new asset classes, equity and corporate bonds, given the CBC's lack of expertise in investing in those asset

classes. The scope of external managers' responsibilities and activities is set forth in the corresponding investment guidelines as well as their monitoring by the custodian bank, the CBC, and the Finance Ministry.

As of 2012 the investment guidelines are disclosed in Spanish in the section available for each fund on the web site www.hacienda.cl/fondos-soberanos.html.

GAPP 19. Principle:

The SWF's investment decisions should aim to maximize risk-adjusted financial returns in a manner consistent with its investment policy, and based on economic and financial grounds.

GAPP 19.1 Subprinciple:

If investment decisions are subject to other than economic and financial considerations, these should be clearly set out in the investment policy and be publicly disclosed.

GAPP 19.2 Subprinciple:

The management of an SWF's assets should be consistent with what is generally accepted as sound asset management principles.

GAPP 20. Principle:

The SWF should not seek or take advantage of privileged information or inappropriate influence by the broader government in competing with private entities.

GAPP 21. Principle:

SWFs view shareholder ownership rights as a fundamental element of their equity investments' value. If an SWF chooses to exercise its ownership rights, it should do so in a manner that is consistent with its investment policy and protects the financial value of its investments. The SWF should publicly disclose its general approach to voting securities of listed entities, including the key factors guiding its exercise of ownership rights.

GAPP 22. Principle:

The SWF should have a framework that identifies, assesses, and manages the risks of its operations.

GAPP 22.1 Subprinciple:

The risk management framework should include reliable information and timely reporting systems, which should enable the adequate monitoring and management of relevant risks within acceptable

Assessment:

The funds' operational management has been delegated to the CBC and external managers which implement investment decisions autonomously based only on economic and financial grounds and according to a passive investment approach. The CBC applies the same operational standards as for the international reserves and it has been audited and reviewed by international consultants. Likewise, external managers investment processes controls are independently audited. The results from this audit are disclosed to the Finance Ministry annually. The funds' investment policies and guidelines are, moreover, established by the Finance Ministry, taking into account the opinion of the Financial Committee.

Assessment:

Investment decisions are implemented independently by the CBC and external managers which apply standards and operating procedures that meet high probity standards. In addition, when making recommendations, the members of the Financial Committee must do so using only public information.

Assessment:

The PRF invested in equities for the first time in 2012. Nonetheless, given that the fund is invested with a passive approach and that the size of the investment is small relative to each instrument's size in the benchmark, the Finance Ministry decided to follow a neutral approach for exercising ownership rights.

Assessment:

The different bodies that comprise the SWFs' organizational structure have procedures and controls in place that, together, constitute a proper framework for managing the risks to which they are exposed. The annual report prepared by the Finance Ministry includes a description of the main risks.

The investment guidelines defined by the Finance

parameters and levels, control and incentive mechanisms, codes of conduct, business continuity planning, and an independent audit function.

GAPP 22.2 Subprinciple:

The general approach to the SWF's risk management framework should be publicly disclosed.

Ministry determine the funds' maximum permitted exposure to the main risks arising from investment of their assets. In addition, the CBC and external managers, responsible for deciding and implementing financial transactions, monitor the funds' compliance with the limits established by these guidelines. Moreover, the CBC applies the same operating framework as for investment of the international reserves which includes a series of procedures and controls that mitigate not only operational but also reputational and market risk. External managers investment processes controls are independently audited. The results from this audit are disclosed to the Finance Ministry annually. The custodian bank also reports to Finance Ministry staff on the CBC and external managers' compliance with investment limits and the level of portfolio risk while specialized Ministry staff oversee the CBC and external managers compliance with the funds' investment guidelines and monitor the information supplied by the custodian bank. The daily, monthly, quarterly and annual reports presented by the custodian bank and the CBC contain relevant information about the resources managed by the latter and the external managers ensuring the funds' correct management. As stated hereinabove, the principal risks to which they are exposed are publicly disclosed in the annual report prepared by the Finance Ministry.

GAPP 23. Principle:

The assets and investment performance (absolute and relative to benchmarks, if any) of the SWF should be measured and reported to the owner according to clearly defined principles or standards.

Assessment:

The returns are reported in absolute terms and relative to the benchmark. The CBC and the custodian bank report to the Finance Minister the returns. The latter informs them to the Financial Committee and the public. The methodology used to calculate the funds' return and performance is publicly disclosed in their quarterly reports. It is based on Global Investment Performance Standards (GIPS®).

GAPP 24. Principle:

A process of regular review of the implementation of the GAPP should be engaged in by or on behalf of the SWF.

Assessment:

This is the second self-assessment of compliance with the Santiago Principles and, as indicated in the first self assessment carried out in 2010, it will be updated every two years.