



## PUBLIC NOTICE

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### THE CAPITAL MARKETS ACT (CAP 485A)

#### DRAFT GUIDANCE FOR COLLECTIVE INVESTMENT SCHEMES ON VALUATION, INVESTMENT PERFORMANCE MEASUREMENT, REPORTING AND OTHER RELATED MATTERS

The Capital Markets Master Plan recognizes that the asset management sector is an important component of capital markets. The sector includes the management of institutional funds, such as pension funds and insurance funds, wealth management of high net worth individuals and the independent management of funds for retail investors, which are distributed through collective investment schemes. The development of a strong asset management sector is therefore critical to facilitate access to the capital markets by investors whether they are retail, wholesale or foreign investors.

Collective Investments Schemes are regulated under the Capital Markets (Collective Investment Schemes) Regulations, 2001. However, due to market dynamics and increased competition, there has arisen a need to standardize practices in the sector including valuation practices, investment performance measurement and reporting, to ensure that investors remain adequately informed on the performance of funds. Consequently, the Authority has developed a draft Guidance to guide Collective Investments Schemes in the valuation, performance measurement and reporting of the Schemes.

In accordance with **Section 12A** of the **Capital Markets Act**, the Authority now invites stakeholders and the general public to submit comments on the proposed Guidance available on [www.cma.or.ke](http://www.cma.or.ke). Kindly submit your comments on the draft framework by **June 15<sup>th</sup>, 2020** via email to [comments@cma.or.ke](mailto:comments@cma.or.ke) or by hand delivery or post to: -

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