

Annex B

THE IMPORTANCE OF AN INFORMED AND TRANSPARENT VALUATION LANDSCAPE IN SUPPORTING CREDIBLE AND SUSTAINABLE BUSINESS PRACTICES, BOTH NATIONALLY AND INTERNATIONALLY

Valuation is central to informed decision-making within the global economy, applying both to capital and property market decisions and to decisions and actions in both the public and private sectors, including statutory and regulatory organisations. This critical role, with its relevance to any valuation which has a public interest aspect to it, means that it is essential for all economies to agree to the adoption not only of high-quality valuation standards across jurisdictions but also the development of robust, respected and trusted professional valuation organisations.

The optimum type of valuation landscape for any specific economy depends to some extent on the areas of valuation it requires to be covered given its principal industries and services sectors and the economic and social structures within which it operates. However, valuation and the valuation profession play important roles in the following areas, all of which are common to almost all economies:

Taxation models:

Taxes on estates, stamp duties, corporate and personal dispositions of assets all require valuation to determine an equitable amount of taxes to be paid. Valuation plays an important role in determining the quantum of taxes to be paid in relation to the disposing of assets such as real estate, businesses or financial instruments, such as within the context of corporate reorganisation or emigration;

Mortgage, secured lending and insurance:

Valuation plays an important role in determining the loan amount and risk exposure to the lender, with respect to various types of security such as real estate, tangible assets, publicly traded investments, financial derivatives and shares of privately held companies and financial instruments that are accepted by financial institutions;

Mergers and acquisitions including cross border IPO's and distressed asset restructuring:

In the merger and acquisition (M&A) context, valuation is an integral part of the process providing target screening, industry pricing, value analysis based on the target's stand-alone outlook and capabilities, quantification of potential synergies, and ultimately, the valuation of tangible assets (real estate, plant, machinery and equipment) and intangible assets (intellectual property; customer lists; goodwill) acquired for price determination and financial reporting;

Public-private partnerships:

In Public Private Partnerships (PPPs), where the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project, valuation can determine the ownership contribution of each party, whether in cash or assets to ensure fair contributions of each partner;

Financial reporting for public and private companies:

Accounting rules on measurement and related amortization with respect to real estate, tangible and intangible assets, and financial instruments can have a material impact on the financial

position and performance of an entity, impacting investment decisions. It is therefore important that control processes around the measurement of values and their reliability are in place;

Dispute resolution:

In the context of valuation in litigation (the most common form of judicial dispute resolution) the issue is typically related to shareholder dispute, family dispute over inheritance or breaches of corporate agreements. The dispute could involve a variety of assets such as real estate, tangible assets, intangible assets and businesses across different geographical locations;

Compulsory purchase or dispossession:

The term eminent domain (United States, Philippines), compulsory purchase (United Kingdom, New Zealand, Ireland), resumption (Hong Kong), resumption/compulsory acquisition (Australia) or expropriation (South Africa, Canada) refer to the power to take private property for public use by a state or national government. The property may be taken either for government use or by delegation to third parties. Valuation plays a critical role in contributing to the determination of the appropriate compensation levels for compulsory purchase or dispossession.

In light of the impact of valuation on such a wide range of matters, there is a need to ensure that the valuation profession has the capacity to undertake its work in a professional and credible manner that gives a central role to standards, ethics, independence and objectivity, competence and transparency.

In order to make recommendations for appropriate introduction or improvement in the structure and conduct of the valuation profession within the APEC economies or its potential alignment with internationally recognised standards adopted elsewhere, it is firstly necessary to understand the structures, systems and capabilities currently in place and secondly to define a future framework within which such valuations might best be conducted. The key components of such a framework include regulation and compliance, organisational structure, access to information and required disclosure, education and training and internationally recognised and respected standards.

The attached Audit of the valuation landscape across the APEC economies has been researched and compiled to establish the current situation while the [Draft Template] is based on observed good practices and approaches from a number of economies which have been successful in establishing and underpinning robust and credible valuation professions capable of delivering internationally respected and trusted valuation work.

IVSC WORKING GROUP – AUDIT OF VALUATION LANDSCAPE IN APEC

Australia
Regulatory Environment including compliance – Public Sector
Land, Buildings and Property Plant & Equipment (PP&E)
<p>State based statutory licensing provisions in New South Wales, Queensland and Western Australia. The other states and territories have no licensing requirements</p> <p>In New South Wales, Queensland and Western Australia valuers can be disciplined under the respective legislation</p> <p>Review of valuations are regularly conducted by the Australian Taxation Office (ATO), State Revenue Offices (SRO)</p> <p>Australian Professional and Ethical Standards Board requirements of which certain standards relate to valuations</p>
Business Valuations and Intangibles
<p>Australian Professional and Ethical Standards Board requirements of which certain standards relate to valuations</p> <p>Australian Securities & Investments Commission (ASIC) has released guidance for expert reports which includes valuation work</p>
Regulatory Environment including compliance – Private Sector
Land, Buildings and Property Plant & Equipment (PP&E)
<p>Australian Property Institute (API)</p> <p>The Australian Valuer's Institute (AVI)</p> <p>The API provides the certifications of Certified Practising Valuer (CPV) and CPV (PP&E)</p> <p>Compliance with standards overseen by individual membership bodies to which a valuer may belong</p>
Business Valuations and Intangibles
<p>Institute of Chartered Accountants of Australia (ICAA) has a special interest group (BVSIG) and recently launched an accreditation process for its members who wish to be designated as BV but the BVSIG does not have any legal/regulatory valuation requirements.</p> <p>All members must comply with the Australian Professional and Ethical Standards Board requirements of which certain standards relate to valuations</p>

Relevant Organisational Framework – Public Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Business Valuations and Intangibles

Australian Securities & Investments Commission (ASIC) has released guidance for expert reports which includes valuation work

Relevant Organisation Framework – Private Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Australian Property Institute (API)

The Australian Valuer's Institute (AVI)

The API provides the certifications of Certified Practising Valuer (CPV) and CPV (PP&E)

Compliance with standards overseen by individual membership bodies to which a valuer may belong

Business Valuations and Intangibles

Institute of Chartered Accountants of Australia (ICAA) has a special interest group (BVSIG) and recently launched an accreditation process for its members who wish to be designated as BV but the BVSIG does not have any legal/regulatory valuation requirements.

All members must comply with the Australian Professional and Ethical Standards Board requirements of which certain standards relate to valuations

Access to Information – Public Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Business Valuations and Intangibles

Access to Information – Private Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Rpdata

Business Valuations and Intangibles

Education/Training – Public Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Business Valuations and Intangibles

Education/Training – Private Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Business Valuations and Intangibles

Valuation Standards – Public Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Business Valuations and Intangibles

Valuation Standards – Private Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Australia and NZ Valuation and Property Standards by API

AVI code of ethics

IVS as published by the IVSC

Business Valuations and Intangibles

The Australian Securities Investment Commission (ASIC) has issued guidance for expert reports

ECONOMIES AS AT 1 August 2104

Brunei Darussalam**Regulatory Environment, including compliance and Relevant Organisational Framework**

No professional organisation/regulatory structure, but Government employed professional practitioners, mainly members of the RICS

Canada**Regulatory Environment, including compliance – Public Sector**

Land, Buildings and Property Plant & Equipment (PP&E)

Provincial licencing requirements in three provinces: Nova Scotia, New Brunswick and Alberta. The other provinces and territories have no licencing requirements.

The Appraisal Institute of Canada (AIC) oversees the disciplinary process for all AIC members across the country with the exception of the Nova Scotia and New Brunswick provincial affiliates who are legalised to discipline the members within their respective jurisdictions.

Business Valuations and Intangibles

Regulatory Environment, including compliance – Private Sector

Land, Buildings and PP&E

There is no regulatory oversight under this area of practice impacting the AIC and the valuation of real property

Business Valuations and Intangibles

There is no regulatory oversight under this area of practice impacting the AIC. AIC's Standards of professional practice known as the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) do not have provisions for business valuations and intangibles.

The Canadian Institute of Chartered Business Valuators (CICBV) is the recognised authority in this area.

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PPE

The Appraisal Institute of Canada (AIC)

AIC issues Accredited Appraiser Canadian Institute (AACI) and CRA (Canadian Residential Appraiser)

Business Valuations and Intangibles

Canadian Institute of Chartered Business Valuators (CICBV)

CICBV issue CBV

Access to Information – Public and Private Sectors

Land Buildings and PP&E

Access to sales data in Canada is complex and comes from multiple sources ranging from national private organizations, to provincial public organizations, to private and public organizations at the municipal and local levels. Access varies from municipality to municipality, province (territory) to province (territory). Cost to access data and information is also wide ranging depending on the region, the provider, the type and quantity of information, and level of details.

Business Valuations and Intangibles

Education/Training – Private Sector

Land, Buildings and PP&E

AIC has a rigorous university-based education curriculum with applied experience requirements for both designations: CRA (Canadian Residential Appraiser) and the AACI. The focus is on real property, not PP&E or Business Valuations and Intangibles

Business Valuations and Intangibles

Valuations Standards – Private Sector

Lands, Buildings and PP&E

AIC's standards of professional practice known as the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) do not have provisions for business valuations and intangibles.

Business Valuation and Intangibles

CICBV standards are applicable for CICBV members but not required by statute

Chile

Regulatory Environment, including compliance – Public Sector

Superintendencia de Bancos e Instituciones Financieras (SBIF). It is an autonomous public institution, whose main objective is to supervise commercial banks and other financial institutions, to safeguard depositors or other creditors and the public interest.

The SBIF establishes the criteria for valuation of financial instruments and derivatives, divided into two departments :

1. Dirección de Riesgos.

Responsible for supporting the supervision of the institutions under the supervision of the SBIF, and development of methodologies for quantifying and monitoring risks. It accounts for specialized areas in operational risks, credit risks and financial risks.

2. Dirección de Jurídica.

Analyzes various laws and regulations regarding banking and notes how they should be applied; advises the Superintendente, Intendentes and Direcciones on matters of law and order and participates in the preparation and discussion of the draft law on matters of a financial nature.

Superintendencia de Valores y Seguros (SVS). Main objectives are to ensure market transparency monitoring, through timely and wide dissemination of public information and contributes to the knowledge and education of investors, policyholders and the general public.

Superintendencia de Pensiones (SP). Organization that represents the state within the Chilean pension system.

These two institutions, governing the new valuation of financial instruments according to their competence.

Regulatory Framework – Private Sector

Land, Buildings and PP&E

Appraisers are basically governed by IFRS principles in both the public and private sectors

Business Valuation and Intangibles

This type of valuation is usually undertaken by professionals holding business administration

qualifications or a BSc in Industrial Civil Engineering. In some exceptional cases other professionals will be involved who hold MBAs or Masters in Finance degrees

Relevant Organisational Framework – Public Sector

Land, Buildings and PP&E

Business Valuations and Intangibles

Comité de Superintendentes del Sector Financiero (CSSF)

Organization of collaboration and coordination between the institutions of the financial sector composed of the SBIF, SP, SVS and the Central Bank of Chile, the latter as an observer, to better fulfil its purposes and the proper functioning and development of financial markets

Relevant Organisational Framework – Private Sector

Land, Buildings and PP&E

Appraisers Architects Association of Chile (ASATCH) – a private association of surveyors

The Ministry of Public Works has accredited some surveyors as “peritos judiciales” and have established a list of accredited surveyors

In order to undertake appraisals for banks, a valuer will first be asked to provide details of their accredited degree(s) and studies

Business Valuations and Intangibles

Instituto Chileno de Administración Racional de Empresas (ICARE)

The objective of this institution is to promote the principles, values and concepts underlying the development of enterprise and private initiative as an agent of national progress

Currently, dedicated efforts to support institutions to understand the new valuation of financial instruments and derivatives

Access to Information – Public and Private Sectors

Online data – Portal Inmobiliario, SII, Tesorería

CBR – Property registration administration

Paid data suppliers – Incity, Mientorno

Education/Training – Public and Private Sectors

Accredited Universities – accepted degrees: architecture, civil constructor, engineers

Conferencia Académica Permanente de Investigación Contable (CAPIC)

Nonprofit organization dedicated to training in accounting standards in Chile. In relation to valuation of financial instruments, constantly proposes workshops, courses and seminars to promote vocational training valuation.

Valuation Standards – Public and Private Sectors

Superintendencia de Bancos e Instituciones Financieras (SBIF)

People's Republic of China

Regulatory Environment, including compliance – Public Sector

Land, Buildings and PP&E

China is an emerging country which is undergoing a transition from a central planned economy to a market economy with the Chinese characteristics.

One of its characteristics in shaping the valuation landscape is that valuers are disciplined by different government departments and 7 or more government departments are involved in setting up VPOs, with each of those departments trying to retain a certain share of valuation market based on the type of assets for the VPO under its supervision by using its influence. This means that certain VPO members with certain credentials under the umbrella of certain government departments would have their own market share, and different valuation purposes, different types of assets, different sellers and buyers (State-Owned Enterprises (“SOE”s) for example) will involve different VPO members with different credentials to do the valuation assignment, although there are some cases that are less restrictive.

For land, State based statutory licensing provisions are established for Real Estate Valuers (REV) by the *Ministry of Land and Resources (MLR)*

For mineral rights, State based statutory licensing provisions are established for Mineral Rights Valuers by the *Ministry of Land and Resources (MLR)*

For buildings, State based statutory licensing provisions are established for Real Estate Appraisers (REA) by the *Ministry of Construction*

For Property Plant & Equipment (PP&E), State based statutory licensing provisions are established for Chartered Public Valuers (CPV) by the *Ministry of Finance (MOF)* for all types of assets including PP&E

For assets related to insurance, State based statutory licensing provisions are established for Insurance Assessors by *China Insurance Regulatory Commission*

For Second-hand vehicles, State based statutory licensing provisions are established for second-hand vehicle valuers by the *Ministry of Commerce*

Most of the valuation standards and guidelines are issued by the VPOs, but sometimes the government departments also engage in setting up certain valuation standards and guidelines, making part of the standards function as rules and regulations of the government or as part of the State legislature

Ministry of Construction released *Standards for Real Estate Appraisal* for Real Estate Appraisers
Ministry of Finance released *Valuation Standards Basic Principles* for Certified Public Valuers (CPVs) who conduct valuation on all types of assets including PP&E

Ministry of Land and Resources released *Valuation Standards for Land in Urban Areas (GB/T18508-2001)* for Real Estate Valuers

Even though many of these standards incorporate some of concepts and principles of the International Valuation Standards (IVS), the Uniform Standards of Professional Appraisal Standard (USPAP) or RICS Valuation – Professional Standards (Red Book), etc, they remain different from each other in details or methodologies, leaving the valuation market segmented to some extent

As property tax is still in the pilot process, there are no state based statutory licensing provisions for valuation for tax purposes at the moment. Valuers would be asked to offer valuation opinion according to their disciplines and expertise only when there are disputes over the value of the tax base of a certain property.

Ethical Standards are released by respective ministries as well.

Code of Ethics-Basic Principles for CPV released by Ministry of Finance

Ethical requirements for other disciplines could be found in relevant management documents issued by the supervising bodies

It should be noted that Ministry of Finance (MOF) plays a major role in the overall development of the valuation profession, as most of the property transfers involve State-owned assets, making it the overall administrative department in charge of the valuation profession, the responsibilities of which include formulating the management regime and regulated documents, releasing general valuation standards, and promoting the valuation legislation.

Generally speaking, review of valuations is regularly conducted by respective government departments which have the responsibility of overseeing a certain VPO, usually on an annual basis.

However, sometimes, special requirements would be made for such reviews. For example, the State-owned Assets Supervision and Administration Commission (SOASAC) released a circular (one type of government guidance document in China) in 2009, asking SOE management organizations to pay attention to details regarding the review of valuations reports for State-owned Assets valuation ([2009]941).

The National Development and Reform Commission (NDRC) together with the Ministry of Human Resources and Social Security provide a certification of Price Assessor. The body which oversees the daily management is Price Assessing Center of NDRC.

The Ministry of Construction released “Regulation on the Administration of Real Estate Appraisal Institutions”

Business Valuations and Intangibles

The State Council released a “*Regulation on Management of State-owned Assets Valuation*” in 1991, which established a framework for valuation practices, and stipulates that only those who have a valuation license or permit from the Ministry of Finance (MOF) are allowed to become involved in valuation of state-owned assets. The Ministry of Finance (MOF) is thus empowered to be the overall administrative department in charge of the valuation profession in the country whenever state-owned assets are involved.

As no independent or separate state based statutory licensing provisions have been established for Business Valuation and Intangibles by MOF or China Appraisal Society (CAS), which is under the guidance and supervision of MOF. Certified Public Valuer (CPV) designated by

CAS has become the *de facto* state based statutory licensing designation for business valuation and intangibles. A CPV is entitled to evaluate all type of assets including business valuation and intangibles.

The “*Valuation Standards Basic Principles*” and the “*Code of Ethics-Basic Principles*” released by Ministry of Finance for Certified Public Valuers (CPVs) also apply to business valuation and intangibles.

The State Intellectual Property Office of China (SIPO) has also been involved in the overall management of intangibles valuation. For example, SIPO, together with the Ministry of Finance, released a “*Circular on the Strengthening of the Overall Management over the Intellectual Property Valuation*” in 2006, stipulating that the standards and guidance issued by MOF and CAS for CPVs should followed when valuation of intangibles is made, officially making the CAS standards a state based statutory requirement.

Valuation firms undertaking securities work are authorised by MOF and China Securities Regulatory Commission (CSRC)

Regulatory Environment, including compliance – Private Sector

Land, Buildings and PP&E

Chinese Real Estate Valuers Association (CREVA) provides certification of Real Estate Valuers (REV) for land valuation

Chinese Institute of Real Estate Appraisers and Agents (CIREA) provides certification of Real Estate Appraisers (REA) for building valuation

China Appraisal Society (CAS) provides certification of Certified Public Valuers (CPV) for assets in general, including PP&E

China Automobile Dealers Association (CADA) for second hand vehicles provides certification of Second-hand Vehicles Valuer (SVV)

The Insurance Association of China (IAC) for assets related to insurance provides certification of Insurance Assessor (IA)

Compliance with standards overseen by individual membership bodies to which a valuer may belong

The State Council issued a “*Regulation on the Expropriation of Buildings on State-owned Land and Compensation*” which involves some requirements about the valuation of compensation for the compulsory purchasing.

The Ministry of Construction released a “*Valuation Regulation for Compulsory Purchasing of Houses on Land of State Ownership*” aiming to standardize the valuation work for compulsory purchasing of houses on state-owned land

For valuing houses as mortgages, the Ministry of Construction, together with the People’s Bank of China (the Chinese central bank) and China Banking Industry Supervision and Regulatory Commission, released a “*Guidance on Valuation of Houses as Mortgages*”, which sets forth special requirements for valuing houses as mortgages.

Business Valuations and Intangibles

China Appraisal Society (CAS), a national institution of self-disciplinary management VPO which is subject to the guidance and supervision of Ministry of Finance, provides certification of Certified Public Valuer (CPV) for assets in general, including business valuations and intangibles

Relevant Organisational Framework – Public Sector

Land, Buildings and PP&E

The Ministry of Construction released a “*Regulation on the Management of Real Estate Appraisal Companies*” a “*Regulation on the Management of Real Estate Appraisers (REA)*”, which stipulates management requirements for REAs, and “*Standards for Basic Terminology for Real Estate Appraisal*” aiming to standardize the terminology of real estate appraisal.

The Ministry of Land and Resources released a “*Interim Regulation on the Management of Real Estate Valuing Companies*“, which stipulates management requirements for Real Estate valuing companies and a “*Regulation on the Management of Real Estate Valuers (REV)*”.

Business Valuations and Intangibles

Ministry of Finance released *Valuation Standards Basic Principles* for Certified public valuers (CPVs) , which also involves some requirements for valuation work.

The State Intellectual Property Office of China (SIPO), together the Ministry of Finance, released a “*Circular on the Strengthening of the Overall Management over the Intellectual Property Valuation*” in 2006, which also set forth requirements for better management of valuation work

Relevant Organisational Framework – Private Sector

Land, Buildings and Property Plant & Equipment (PP&E)

Chinese Real Estate Valuers Association (CREVA)
Chinese Institute of Real Estate Appraisers and Agents (CIREA)
China Appraisal Society (CAS)
China Automobile Dealers Association (CADA)
The Insurance Association of China (IAC)

Chinese Real Estate Valuers Association (CREVA) released a “Guidance on Land Valuation for Important Projects” and a “Format Requirement for Land Valuation Report” which includes valuation work

Compliance with standards overseen by individual membership bodies to which a valuer may belong

Business Valuations and Intangibles

China Appraisal Society (CAS)

All CAS members must comply with CAS requirements

Access to Information – Public Sector

Land, Buildings and PP&E

All the government departments have their official websites, thanks to China's Government Online Program. Almost all rules and regulations, standards and guidelines, and relevant public data are available online for the public, and only some special, technical and statistical data are accessible to their members

For example, the Ministry of Construction has a database which is accessible to members of Chinese Institute of Real Estate Appraisers and Agents (CIREA), while real estate valuers (REV) could get access to database of the basic price of urban land compiled and published by the local agencies of Ministry of Land and Resources, which is an important parameter for land valuation

Information about those who have been warned of wrong doing or punished is available online as well

Business Valuations and Intangibles

The Ministry of Finance (MOF) also has its own website. The enterprise department of MOF is responsible for overseeing the valuation profession, which even offers consulting service regarding the valuation practices

Access to Information – Private Sector

Land, Buildings and PP&E

All the VPOs have their websites, including Chinese Real Estate Valuers Association (CREVA), Chinese Institute of Real Estate Appraisers and Agents (CIREA), China Appraisal Society (CAS), China Automobile Dealers Association (CADA), and the Insurance Association of China (IAC)

Information about member names, registration status, education, examination and punishment is available online

Chinese Institute of Real Estate Appraisers and Agents (CIREA) has got a database which is only accessible to its members, making it easier for its members to find comparable market price

Chinese Real Estate Valuers Association (CREVA) has got a database which only accessible to its members with the information about basic price of urban land compiled and published by the local agencies of the Ministry of Land and Resources, which is an important parameter for land valuation

The website of China Appraisal Society (CAS) is linked to the Appraisal Information Network. After registration, access can be gained to the latest information about machinery and equipment, for example, the cost standards of different processes from freight to installation, and other valuation parameters, etc.

As for real estate valuation, the cost information can be obtained from the China Engineering Cost Network. Though not very timely, the data on the Cost Network is accurate

The CPVs can have access to the land price on the Land and Resource Bureau's network, on which the information is released regularly

Business Valuations and Intangibles

The Appraisal Information Network run by CAS provides lots of information, making it easier for the CPVs to conduct their valuation assignments. For example, comprehensive information about sales, mergers and acquisitions can be found

Education/Training – Public Sector

Land, Buildings and PP&E

Normally, the education of valuers includes three stages in China: the academic education, the pre-qualification training and the continuing training. The academic education is offered by universities and colleges while the pre-qualification training and the continuing training is provided by VPOs before and after one becomes a valuer

In China, 33 universities offer Bachelor Degrees for undergraduates and 68 universities offer Master Degrees for postgraduates for those who study valuation as their major

Courses on land valuation, real property valuation, business valuation, real estate finance, and corporate finance, etc, can be found in the curriculum of many universities

Business Valuations and Intangibles

Courses on business valuation and intangibles can be found in the curriculum of many universities among students who study economics, financial economics, accounting, etc.

Education/Training – Private Sector

Land, Buildings and Property Plant & Equipment (PP&E)

National Examinations are held twice a year for almost all qualifications in China, and only students that pass the examination might have the potential to get the credential/designation that they are seeking, as a certain period of professional practices and pre-qualification training is required before one can be licensed by the relevant VPO, This training is usually organized by the employer (the valuation firm)

Continuing training is compulsory after certification in order to update the knowledge and skills of the valuer with most VPOs having such training requirements

Chinese Real Estate Valuers Association (CREVA) for real estate valuers, Chinese Institute of Real Estate Appraisers and Agents (CIREA) for real estate appraisers and China Appraisal Society (CAS) for certified public valuers have continuing training requirement

The China Automobile Dealers Association (CADA) for second hand vehicle valuers and the Insurance Association of China (IAC) for insurance assessors do not have continuing training programs

Continuing training programs are offered or conducted either by the employer (valuation firm) or the VPO depending on the scenario. If the employer is big enough and is qualified to organize its own programs which can meet the requirements of the VPO, it may do so by applying for such an opportunity to the VPO to which it belongs.

Business Valuations and Intangibles

To become a CPV, a valuer needs to pass a national qualification examination, of which the specific management and coordination work would be conducted by a VPO. Once prospective valuers pass the exam, they will need to undertake a certain period of valuation practice and receive pre-qualification training so as to be licensed under the local societies. To be qualified to take the examination, one needs to have relevant degrees and have a fixed period of practical experience depending on which level of degree one holds. After the licensing, a valuer needs to receive continuing training every year and receive annual inspection from the VPO

Valuation Standards – Public Sector

Land, Buildings and PP&E

Standards for Real Estate Appraisal by Ministry of Construction for Real Estate Appraisers

Valuation Standards for Land in urban areas (GB/T18508-2001) by Ministry of Land and Resources for Real Estate Valuers

Standards for Basic Terminology for Real Estate Appraisal by Ministry of Construction for Real Estate Appraisers

Valuation Standards Basic Principles by Ministry of Finance for Certified public valuers (CPVs) who conduct valuation on all types of assets including Property Plant & Equipment (PP&E)
Code of Ethics-Basic Principles by Ministry of Finance for CPVs

Guidance on Valuation of Houses as Mortgages by Ministry of Construction, together with the People's Bank of China and China Banking Industry Supervision and Regulatory Commission

Business Valuations and Intangibles

Valuation Standards – Private Sector

Land, Buildings and PP&E

China Appraisal Society (CAS) released a series of documents which include:

Valuation Standard — Machine and Equipment

Valuation Standard—Real Property

Valuation Standard - Jewellery

Valuation Standard - Forest Resource Assets

CAS has also has released guidelines relating to *Valuation Reports of State-Owned Assets of Enterprises*, *Valuation Reports of State-owned Assets of Financial Enterprises*, *Non-performing Financial Assets Valuation (Trial)*, *Investment Property (Trial)* and *Real Option Valuation (Trial)*

All CAS members of must comply with CAS requirements for *Valuation Procedures*, *Engagement Letter*, *Working Papers*, *Engagement of Specialists*, and *Business Quality Control of Valuation Firms*, all of which are regarded as guidelines for CPVs

Business Valuations and Intangibles

The “*Valuation Standards Basic Principles*” and the “*Code of Ethics-Basic Principles*” released by Ministry of Finance are to be followed for CPVs when they conduct business valuation and intangibles valuation assignments.

CAS has released a series of standards and guidance documents for business valuation and intangibles, which are generally regarded as *de facto* standards and guidelines for business valuations and intangibles. Some of these are as follows:

Valuation Standard – Business Value by CAS
Valuation Standard – Intangible Assets by CAS
Guidance on Patent Asset Valuation by CAS
Guidance on Trademark Asset Valuation by CAS
Guidance on Copyright Asset Valuation by CAS

All members must comply with the requirements set forth by CAS which relate to valuations

Hong Kong

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E

There is no statutory regulation of valuers in Hong Kong

Many real estate valuers are registered under the Surveyors Registration Ordinance, but apart from certain government jobs this is not normally a requirement to undertake valuation work in Hong Kong

Business Valuations and Intangibles

There is no statutory regulation of business valuers in Hong Kong

Compliance with standards is overseen by individual membership bodies to which a valuer may belong

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E

Hong Kong Institute of Surveyors (HKIS)

Royal Institution of Chartered Surveyors (RICS)

Business Valuations and Intangibles

Hong Kong Institute of Chartered Public Accountant (HKICPA)

Hong Kong Society of Financial Analysts (HKSFA)

HKSF, HKIS and RICS have jointly formed an informal body called Hong Kong Business Valuation Forum (HKBVF)

Access to Information – Public Sector

Land, Buildings and PP&E

Online data suppliers – Rating and Valuation Department, Lands Department, Land Registry

Access to Information – Private Sector

Land, Buildings and PP&E

Government online data suppliers as above and data agglomerators such as EPRC

Business Valuations and Intangibles

Education/Training – Public and Private Sectors

Land, Buildings and PP&E

Accredited Universities including Hong Kong University, HK Polytechnic University

Distance learning – College of Estate Management, UK

Assessment of Professional Competence (after 2 years of practical experience) conducted by both HKIS and RICS

Valuation Standards – Public Sector

Land, Buildings and PP&E

Usually statutory valuations

Valuation Standards – Private Sector

Land, Buildings and PP&E

HKIS valuation Standards (Grey Book)

RICS Valuation Standards (Red Book)

HKIS Code of Ethics

RICS Code of Ethics

IVS as published by International Valuation Standards Council (IVSC)

Business Valuations and Intangibles

IVSC Valuation Standards are recognised by BV/IA professionals

Indonesia

Regulatory Environment, including compliance – Public and Private Sectors

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E, Business Valuations and Intangibles

Indonesian Society of Appraisers (MAPPI). MAPPI has 4 levels of membership (Affiliate, Associate, Accredited and Certified Member) with only a Certified Member being eligible to issue valuation reports

Ministry of Finance

Access to Information – Public and Private Sectors

Land, Buildings and PP&E, Business Valuations and Intangibles

National Land Agency (Badan Pertanahan Nasional or BPN)

Advertisements from internet or newspapers

Local experts such as developers and brokers

MAPPI internal database

Indonesia Stock Exchange/Mergerstat database

Disclosure requirements as per local financial reporting requirements

Education/Training – Public and Private Sectors

Land, Buildings and PP&E, Business Valuations and Intangibles

MAPPI requires members to have obtained:

Basic Education Property Assessment 1 & 2

Further Education Appraisal 1 & 2

Continuing Professional Development (CPD):

Appraisers must follow the Advanced Professional Education held and/or recognised by the Association of Professionals

It is mandatory for the Appraiser to obtain at least 25 credit units each year with at least 5 assessments being related to the guidance and supervision of appraisal

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E, Business Valuations and Intangibles

Indonesian Valuation Standards, Code of Ethics and Standards Assessment (SPI – 2013)

Japan

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E

The Act on Real Estate Appraisal sets out the work which an appraiser undertakes which requires licensing. It only covers land and buildings. The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) is in charge of the license

In regard to PP&E valuation, no license is required

Financial Services Agency (government) is in charge of ABL and therefore it should be the government body in charge of PP&E

It should be noted that it is illegal to do real estate appraisal with fee in Japan unless the report is signed by licensed appraisers and also it is issued under the name of licensed appraisal entity

Business Valuations and Intangibles

On the other hand, the Ministry of Economy, Trade and Industry are in charge of business and intangible valuation although no license for the valuer exists

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings & PP&E

Japanese Association of Real Estate Appraisers (JAREA) is the only organisation recognised by the government. JAREA is in charge of CPD for licensed appraisers under the guidance of MLIT

There is an organisation named Japan Society of Independent Appraisers (JaSIA) which is affiliated with the American Society of Appraisers (ASA). It has been hosting the courses for PP&E appraisers under the support of ASA

Business Valuation and Intangibles

The Japanese Institute of Certified Public Accountants has published the guideline on business valuations

Access to Information – Public Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Various information is accessible from:

The Ministry of Land, Infrastructure, Transport and Tourism
<http://www.mlit.go.jp/en/index.html>

The Financial Services Agency, The Japanese Government
<http://www.fsa.go.jp/en/index.html>

Ministry of Economy, Trade and Industry
<http://www.meti.go.jp/english/index.html>

Access to Information – Private Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

The real estate sales data provided by JAREA, which is exclusively available to JAREA members

Various real estate portal sites on the internet

Education/Training – Public Sector

Land, Buildings and PP&E

Only one university offers BA/MS/PhD in real estate, Meikai University. However, many other universities offer the lectures related to real estate

Business Valuations and Intangibles

At the business schools or the departments of economy/commerce in the universities, lectures in regard to business valuation and intangible valuation are offered

Education/Training – Private Sector

Land, Buildings and PP&E

JAREA provides CPDs for appraisers

Business Valuations and Intangibles

JaSIA offers limited courses for PP&E valuations along with ASA

Valuation Standards – Public Sector

Land, Buildings and PP&E

MLIT sets standards

Valuation Standards – Private Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Real estate appraisal standard set by the MLIT.
Valuation Guidelines by JAREA – Japanese Real Estate Appraisal Standards
International Valuation Standards (IVS)
RICS Valuation – Professional Standards (Red Book)

Korea

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings & PP&E

Licencing under Korean Appraisal Board

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E

Korean Association of Property Appraisers (KAPA)

Access to Information – Public and Private Sectors

Education/Training – Public and Private Sectors

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E

Malaysia

Regulatory Environment, including compliance – Public and Private Sectors

Licensing under Board of Valuers, Appraisers and Estate Agents Malaysia which is also responsible for compliance

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E

Royal Institution of Chartered Surveyors Malaysian (RISM)

Board of Valuers, Appraisers and Estate Agents Malaysia (BOVAEA)

Association of Valuers, Property Managers, Estate Agents and Property Consultants in Private Sector (PEPS)

Access to Information – Public and Private Sectors

JPPH - Valuation and Property Services Department

GIS System

Malaysia Exchange/Mergerstat database

Disclosure requirements as per local financial reporting requirements

Education/Training – Public and Private Sectors

A registered valuer (full member) of BOVAEA must have:

Recognised academic qualifications

Passed the Test of Professional Competence set by the Board

Passed professional examinations

CPD:

Credit hours made up of professional meetings, research publications and presentations and private studies

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Malaysian Valuation Standards issued by Board of Valuers, Appraisers and Estate Agents Malaysia

General Code of Conduct and Ethics for BOVAEA Registered Valuers

Asset Valuation Guidelines issued by Securities Commission Malaysia

Mexico

Regulatory Environment, including compliance – Public Sector

Secretaría de Hacienda y Crédito Público

Public institution of higher authority that regulates and supervises financial operations of Mexico, for this purpose it relies on the following public institutions :

1. **Comisión Nacional Bancaria y de Valores (CNBV).** Institution that supervises and regulates member organizations of the financial system that engage in financial transactions and financial risk assessment
2. **Comisión Nacional de Seguros y Fianzas (CNSF).** Institution responsible for supervising insurance and financial sector operations comply with the regulatory framework, preserving the solvency and financial stability of the institutions of Insurance and Finance
3. **Comisión Nacional del Sistema de Ahorro para el Retiro (CONSAR).** Its main activity is to oversee and regulate effectively the Retirement Savings system for each saver in order to allow individuals to build their own pension benefits
4. **Comisión Nacional para la Protección y Defensa de los Usuarios de Servicios Financieros (CONDUSEF).** Institution responsible for publicizing the sanctions that, in terms of the Credit Institutions Law, Credit Information Companies Law and Transparency and Ordering of financial services, are imposed on financial institutions

Licencing regime by the relevant state for both Real Estate and Tangible Asset valuations

Compliance overseen by relevant state and/or professional organisation in which individual is a member

Regulatory Environment, including compliance – Private Sector

Nacional Financiera (NAFIN)

This is an institution which develops evaluation standards for financial instruments under Mexican securities market regulations and credit institutions

Asociación de Supervisores Bancarios de las Américas (ASBA)

Contributes to the strengthening of bank regulation and supervision and financial system stability in Mexico by actively sharing information and disseminating knowledge; providing support and services that lead to increased technical capacity and leadership; supporting the adoption and implementation of sound supervisory practices; and promoting timely and relevant international dialogue

Relevant Organisational Framework – Private Sector

Asociación Mexicana de Entidades Financieras Especializadas (AMFE)

It is focused on the development and strengthening of relationships with institutional investors. It helps for generating greater number and frequency of transactions and for maintaining relationships with authorities and regulators

Asociación Mexicana de Capital Privado (AMEXCAP)

Development and strengthening of relationships with institutional investors. It helps for generating greater number and frequency of transactions and for maintaining relationships with authorities and regulators

Asociación Mexicana de Intermediarios Bursátiles (AMIB)

It acts as a self-regulatory organization in terms of coordination and is a complement of the regulatory bodies and self-regulation of the stock market and derivatives

La Asociación Mexicana de Sociedades Financieras de Arrendamiento, Crédito y Factoraje, Asociación Civil (AMSOFAC)

Entity created to improve the organizational framework of financial leasing, leasing, factoring and credit institution in Mexico.

Consejo Mexicano de Uniones de Crédito (ConUnión)

Civil association that promotes the activities related to the management of trusts in compliance with the rules established in Mexico.

Asociación de Bancos de México (ABM)

The target of this organization is to develop and strengthen the Mexican banking sector and represent the interests of the institutions that are in the sector, allowing them to achieve their objectives and activities, providing technical expertise, information, contact with authorities, international interaction studies research and services of common interest.

Federacion de Colegios Institutos y Sociedades de Valuadores de la Republica Mexicana, A.C.

Access to Information – Public Sector

Instituto Federal de Acceso a la Información y Protección de Datos (IFAI)

Infomex – Data

Comision National Bancaria y de Valores (CNBV)

Portfolio Information - Data

Access to Information – Private Sector

Asociacion Mexicana de Entidades Financieras Especializadas (AMFE)
Information System for Financial Institutions

Education/Training – Public and Private Sectors

Centro Educativo del Mercado de Valores
Pioneer institution regarding education in stock market and financial valuation in Mexico

Instituto Tecnologico Autonomo de Mexico (ITAM)
The most recognised study centre in financial economics in Mexico

Nacional Financiera (NAFIN)
This is an institution which develops evaluation standards for financial instruments under Mexican securities market regulations and credit institutions

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Colegios de Valuadores Profesionales por cada Entidad Federativa
There is a professional evaluator college for each state, whose aim is to propose and certify standard valuation rules for financial instrument. These colleges also develop the training function and professional training

Consejo Nacional de Armonizacion Contable (CONAC)
An entity that, following the General Accounting rule, sets general principles for governing government accounting and financial reporting of public bodies to achieve proper harmonisation. Specific Rules of Registration and Heritage Appreciation

For financial reporting USPAP and ASA valuation standards applicable

Federacion de Colegios de Valuadores (FECOVAL)
Institution that pursues the unification of rule and assessment standards in Mexico, joining the main professional valuers

New Zealand

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and Property Plant & Equipment (PP&E)

The Valuers Act 1948 is the base regulatory statute for the membership, conduct and disciplining of valuers both in the Public and Private Sector

The registration (effectively licensing) of valuers is overseen by the Valuers Registration Board who issue Annual Practising Certificates and control the ethical and professional behaviour. It is a statutory body governed by the Valuers Act with board members appointed by the Government

The Valuers Act is currently under review by the Government. The most likely outcome is a new Act with greater public protection, lay membership of the Registration Board and a streamlined complaints / disciplinary process

Business Valuations and Intangibles

No direct regulatory oversight but valuers of business / intangibles generally aligned to accounting and therefore covered by the New Zealand Institute of Chartered Accountants (NZICA).

Also some areas covered by Financial Services Act

Compliance with standards overseen by individual membership bodies to which a valuer may belong

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and Property Plant & Equipment (PP&E)

Property Institute of New Zealand (PINZ)

New Zealand Institute of Valuers (NZIV)

Royal Institution of Chartered Surveyors (RICS)

Compliance with standards overseen by the individual membership bodies to which a valuer may belong

Business Valuations and Intangibles

New Zealand Institute of Chartered Accountant (NZICA)

Access to Information – Public and Private Sectors

Land, Buildings and Property Plant & Equipment (PP&E)

Online data suppliers – Property Guru, Quickmap, Local Authorities

Business Valuations and Intangibles

New Zealand Exchange/Mergerstat

Disclosure requirements as per local financial reporting standards requirements

Education/Training – Public and Private Sectors**Land, Buildings and Property Plant & Equipment (PP&E)**

Universities – Lincoln, Massey, Auckland

PINZ

RICS

Business Valuations and Intangibles**Valuation Standards – Public and Private Sectors****Land, Buildings and Property Plant & Equipment (PP&E)**

Australia and NZ Valuation and Property Standards

PINZ code of ethics

NZIV Code of Ethics

IVS as published by the IVSC

Business Valuations and Intangibles

Accounting Standards, External Review Board (Government)

Advisory Engagement Standard 2 – Independent Business Valuation Engagement

Papua New Guinea**Regulatory Environment, including compliance – Public and Private Sectors**

No further information currently available

Relevant Organisational Framework – Public and Private Sectors**Land, Buildings and PP&E**

PNG Institute of Valuers and Land Administrators

Peru**Regulatory Environment, including compliance – Public Sector**

Ministerio de Economía y Finanzas

Designing, proposing, executing, and evaluating with efficiency and transparency, the economic and financial policies of the country in order to achieve sustainable economic development for the general welfare of the population.

The main two Public Institutions through which the Ministry of Economy and Finance regulates and supports the regulation and assessment practices are:

1. **Superintendencia de Banca, Seguros y AFP-Administradoras de Fondos de Pensiones-(SBS).** The aim of this institution is to supervise and regulate, applying international standards and the best practices, private business decisions for maintaining its solvency and stability in the long term supported by the skills of its human capital. The SBS attempts to implement a supervisory approach for each type of risk
2. **Superintendencia del Mercado de Valores (SMV).** This institution, which is dependent on the Ministry of Economy and Finance, has as a main goal to ensure investor protection, the efficiency and transparency of the markets under its supervision, the correct price formation and dissemination of all information necessary for such purposes

Relevant Organisational Framework – Public Sector

Corporación Financiera de Desarrollo S.A. (COFIDE S.A.)

This is a joint venture that has administrative, economic and financial autonomy. Its capital is owned 97.96% by the Peruvian State, represented by the Fondo Nacional de Financiamiento de la Actividad Empresarial del Estado (FONAFE).

COFIDE takes part of the national financial system and can carry out all operations of financial intermediaries allowed under its laws and statutes and, in general, all kind of related operations.

Comisión Nacional Supervisora de Empresas y Valores (CONASEV).

Public Institution of Economy and Finance sector whose purpose is to promote the stock market, monitoring proper management of companies and establishing accounting norms thereof.

Relevant Organisational Framework – Private Sector

Cuerpo Técnico de Tasaciones del Perú (CTTP)

Access to Information – Public Sector

Superintendencia de Banca, Seguros y AFP (SBS)

Software – SUCAVE

Valuation Standards – Public Sector

Comité de Peritos y Valuadores del Colegio de Economistas de Lima (CPVCEL)

It is an economic expert technical body, which gathers members of the order that operate as

an economic specialist on economic, financial, environmental and other aspects; in the public and private sectors of industry, banking, insurance and trade.

Valuation Standards – Private Sector

Peritos Valuadores - Personas Naturales (físicas) y Personas Jurídicas

Nowadays, the proposed rules of financial valuation are a consensus of 76 companies and more than 400 people recognized in sector. To be licensed as a financial valuator, a registry at the SBS is needed.

Philippines

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Republic Act No. 9646 – Real Estate Service Act (RESA), an act regulating the practice of real estate service in the Philippines, creating for the purpose a professional regulatory board of real estate service, appropriating funds therefor and for other purposes. Professional Board for Real Estate Service (PBRES) under Professional Regulation Commission responsible for registration

The State recognizes the vital role of real estate service practitioners in the social political, economic development and progress of the country by promoting the real estate market, stimulating economic activity and enhancing government income from real property-based transactions. Hence, it shall develop and nurture through proper and effective regulation and supervision a corps of technically competent, responsible and respected professional real estate service practitioners whose standards of practice and service shall be globally competitive and will promote the growth of the real estate industry.

The term “real estate service practitioners” encompasses real estate consultant, real estate appraiser, real estate assessor, real estate broker and real estate salesperson.

The law is silent on property plant & equipment, business valuations and intangibles.

Relevant Organisational Framework – Public Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Philippine Association of Local Treasurers and Assessors (PHALTRA)

Association of Valuers and Assessors (AVA)

Relevant Organisational Framework – Private Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Philippines Association of Realty Appraisers (PARA)

Institute of Philippines Real Estate Appraisers (IPREA)

Business Valuers Institute of the Philippines (BVIP) – newly formed

Access to Information – Public Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Local assessors' office for tax maps

Access to Information – Private Sector

Property information websites
Advertisements from internet or print media

Education/Training – Private Sector

Land, Buildings and PP&E

BSc in Real Estate Management – offered by 14 schools located in various areas in the Philippines

CPD:

A licensed practitioner must complete a total of at least 45 hours in a 3 year period.

Training is being done by accredited service providers by the Professional Regulation Commission (PRC)

Valuation Standards – Public Sector

Land, Buildings and PP&E

Philippine Valuation Standards – prepared and circulated by the Bureau of Local Government Finance (BLGF), Department of Finance (DOF) to be adopted by all real estate assessors and government appraisers

Valuation Standards – Private Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

IVS

RICS Valuations Standards (Red Book)

Philippine Valuation Standards (when private appraisers are performing valuations for government institutions)

Russia

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E and Business Valuation and Intangibles

Ministry of Economic Development of the Russian Federation is the authorised body for organisation and governance of the valuation activity in Russia. Its responsibilities include:

Functions of state governance and control
Development of standards and guidelines on valuation
Development of requirement and procedures for the common qualifying examination
Expert and Consultative Council on Valuation Activity

Relevant legislation includes:

Russian Federal Law “Concerning Valuation Activity” No. 135-FZ with changes and amendments in 2013

Russian Federal Law “Concerning Self-Regulatory Organisations” No. 315-FZ with changes and amendments in 2013

Accounting Regulations “Intangible Assets Inventory” AR 14/2007 with changes and amendments in 201

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Russian Society of Appraisers (RSA)

Russian Board of Appraisers (RBA)

Self-regulated Inter-regional Appraisers Association

Access to Information – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Moscow Stock Exchange database

Disclosure requirements as per local financial reporting standards requirements

Education/Training – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Member of the self-regulatory organisations (SROV)

Higher education diploma on valuation specialty

Common qualifying examination – administered by Ministry of Economic Development of the Russian Federation

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Federal Standards on Valuation (FSV) 1-6 with an FSV on “business valuation” to be implemented by the end of 2014 and FSV No. 7 on “Real Estate” to be implemented shortly

Singapore

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

The Appraiser and House Act (Chapter 16), also known as the Appraisers' Act, sets out the work which an appraiser undertakes which requires licencing and also clearly indicates the asset classes which do not require the valuer to be licenced. These include PP&E, ships, carpets, motor vehicles, etc.

It should be noted that the licence is issued by the Comptroller of Property Tax and as such the common practice in Singapore is for property valuers to seek such a licence when performing valuation work for tax related purposes.

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Institute of Valuers and Appraisers of Singapore (IVAS)

Singapore Institute of Surveyors and Valuers (SIS)

Access to Information – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

REALIS by Urban Redevelopment Authority

Singapore Exchange/Mergerstat database

Disclosure requirements as per Singapore/international reporting standards requirements

Property information websites

Advertisements from internet and print media

Education/Training – Public and Private Sectors

Land, Buildings and PP&E

SISV – generally admits 3 classes of Membership: Student, Technical Member and Probationer

A registered valuer/full member must have:

Recognised academic qualifications

Passed examinations prescribed by the Council

Passed assessment of professional competence

CPD:

A member must complete at least 60 hours in total in a 3 year period

Business Valuation and Intangibles

IVAS is in the process of developing a certification programme for professional business valuers and establishing the criteria and requirements for membership admission

Valuation Standards – Public and Private Sectors

Land, Buildings and PP &E

International Valuations Standards (IVS) of International Valuation Standards Council (IVSC)
Valuation Standards and Guidelines issued by SISV
RICS Valuations Standards (Red Book)

Chinese Taipei

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

According to Article 14 of Real Estate Appraiser Act, a Real Estate Appraiser, commissioned by his / her clients, can undertake appraisal of land, buildings, crops and interest upon them. And practical rules in respect of real estate appraisal, including procedures, methods and other related matters, to be followed in appraising real estate is instituted in the Regulations on Real Estate Appraisal.

A person who has passed the examination for Real Estate Appraiser could apply for the Certificate of Real Estate Appraiser to the competent central authority (Department of Land Administration, Ministry of Interior)

A person who possesses a Certificate of Real Estate Appraiser and has over two years' practical experience in real estate appraisal may apply for Real Estate Appraisal Practicing License. A Real Estate Appraiser is not allowed to practice before Real Estate Appraiser Practicing License is obtained. This examination is held by government.

The government does not hold examinations for Equipment, Business and Intangibles valuations. Nevertheless, for Business and Intangibles valuations, the government has set up a recommendation name list of service providers.

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E

The Real Estate Appraiser Guild in a Municipality or a County (City)

ROC Real Estate Appraiser Association (ROCREAA)

Business Valuations and Intangibles

Chinese Association of Business and Intangible Assets Valuation

Access to Information – Public Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Real Estate Transaction Price Disclosure System maintained by Ministry of Interior

Access to Information – Private Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Market Observation Post System maintained by Taiwan Stock Exchange

Education/Training – Public Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Campus Class

Education/Training – Private Sector

Land, Buildings and PP&E

CPD:

A Real Estate Appraiser shall submit documentation of at least thirty-six hours' professional training within the last four years or documentation equivalent to the above professional training for renewal of practicing license.(Article 20 of Real Estate Appraiser Act)

Taiwan Academy of Banking and Finance

Business Valuations and Intangibles

Chinese Association of Business and Intangible Assets Valuation

Taiwan Academy of Banking and Finance

Valuation Standards - Public Sector

Land, Buildings and PP&E

The Regulations on Real Estate Appraisal

The Real Estate Appraiser Act

Valuation Standards – Private Sector

Land, Buildings and PP&E and Business Valuations and Intangibles

Valuation Standard for Intangible Assets issued by the Accounting Research and Development Foundation

Thailand
Regulatory Environment, including compliance – Public and Private Sectors
<p>Land, Buildings and PP&E and Business Valuations and Intangibles</p> <p>Standard Practices for Valuers in Thailand (October 2000) by Valuers Association of Thailand</p> <p>Regulation governed by the Securities and Exchange Commission (SEC)</p> <p>TVA and VAT members can become approved valuers on the list administered by the SEC if they pass specific examinations although this system is currently suspended while SEC works on a new, more robust process</p>
Relevant Organisational Framework – Public and Private Sectors
<p>Land, Buildings and PP&E and Business Valuations and Intangibles</p> <p>Valuers Association of Thailand (VAT)</p> <p>Thai Valuers Association (TVA)</p>
Access to Information – Public and Private Sectors
<p>Land, Buildings and PP&E and Business Valuations and Intangibles</p> <p>Provincial Land Office</p> <p>Advertisements from Internet or print media</p> <p>Local experts</p> <p>Stock Exchange of Thailand/ Mergerstat database</p> <p>Disclosure requirements as per local financial reporting requirements</p>
Education/Training – Public and Private Sectors
<p>Land, Buildings and PP&E and Business Valuations and Intangibles</p> <p>An approved valuer on the SEC list must pass the examinations held by the SEC</p> <p>To be qualified as a member of VAT and TVA requires:</p> <p>A diploma or bachelor degree or above plus 1-2 years experience in a related field</p> <p>Passing the training sessions as well as professional standards test</p> <p>Showing minimum hours annually to maintain their professional standing</p> <p>CPD:</p> <p>The Appraisal Foundation and Thai Real Estate Business School are some of the organisations offering real estate training, seminars, etc</p> <p>Each hour of participation is considered 1 CPD point or hour</p> <p>Members need to attend 18 hours annually to maintain their professional standing</p>

Valuations Standards – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Codes of professional ethics and standards of professional appraisal practice were issued in November 1997

United States

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E

Business Valuations and Intangibles

Relevant Organisational Framework – Public and Private Sectors

Land, Buildings and PP&E

Appraisal Institute (AI)

National Association of Independent Fee Appraisers (NAIFA)

American Society of Farm Managers and Rural Appraisers (ASFMRA)

Personal Property: American Society of Appraisers (ASA)

There is a federally mandated licencing system using private sector expertise (The Appraisal Foundation) plus accreditation and disciplinary action by individual states and oversight by the Federal government

Compliance is by individual state licencing Enforcement Department for real property and/or the Professional Organisation in which an individual is a member for other valuation disciplines

Personal property valuations are currently not regulated

Business Valuations and Intangibles

American Society of Appraisers (ASA)

American Institute of Certified Public Accountants (AICPA)

Business Valuations are currently not regulated

Other Organisations:

National Association of Certified Valuation Analysts

Appraisers' Association of America

Association of Machinery and Equipment Appraisers

Equipment Appraisers' Association of North America

Access to Information – Public and Private Sectors

Land, Buildings and PP&E

Business Valuations and Intangibles

Education/Training – Public and Private Sectors

Land, Buildings and PP&E

Business Valuations and Intangibles

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E

USPAP (Appraisal Foundation)

Standards of Valuation Practice (SVP) Proposed – Appraisal Institute

Business Valuations and Intangibles

USPAP (Appraisal Foundation)

ASA Business Valuation Standards

AICPA SSVS

Vietnam

Regulatory Environment, including compliance – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

The valuation industry is administered by the Price Control Department, Ministry of Finance (MOF)

The conduct of valuation is governed by law and decree issued by the Government and Follows the Vietnam Valuation Standards issued by the MOF

In 2014, MOF published a list of 132 valuation companies operating in Vietnam and at the end of 2013 there were approximately 1037 certified valuers

Relevant Operational Framework – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Vietnam Valuation Association (VVA)

Access to Information – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

Vietnam Stock Exchange/ Mergerstat database

Education/Training – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

There are strict criteria on certified valuers including:

Graduating from university in specialty related to price appraising operations

Having work experience for 36 months or more since possessing university degree in specialty specified

Possessing the certificate of professional training in price appraising operations granted by competent agencies

Possessing valuer certificate prescribed and issued by MOF after passing the relevant MOF examination

The examination comprises 5 key subjects:

Law on price and valuation

The principle of market value and principle of valuation

Real estate valuation

Machinery valuation

Enterprise valuation

There is also a requirement English language capability

Valuation Standards – Public and Private Sectors

Land, Buildings and PP&E and Business Valuations and Intangibles

There are 13 valuation standards issued by the MOF:

Market Value

Valuation Ethic

Non-market Value

Report document, valuation certificate

Valuation process

Economic principles which impact valuation

Comparison approach

Cost approach

Income approach

Residual approach

Asset Classification

Intangible asset valuation