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**Third Meeting 2015**  
11 August 2015  
14:15-15:45  
Sofitel Melbourne on Collins  
Melbourne, Australia

## **Meeting Paper 7-A**

# **Update on Progress of Valuation Practices Initiative**

International Valuation Standards Council

<b>PURPOSE</b>	For information.
<b>ISSUE</b>	Update and way forward on the Advisory Group's work on valuation standards
<b>BACKGROUND</b>	<p>There has been progress on efforts to strengthen valuation practices and to promote the role of the valuation profession across the 21 APEC economies and there is dialogue with regulators, practitioners and the many users of valuation services as to the way forward. Under the stewardship of IVSC, the initiative is currently working on the following:</p> <ul style="list-style-type: none"><li>● preparation of an Audit, which essentially maps the current Valuation Landscape of all 21 economies;</li><li>● creation of a Template of Best Practice which will outline how aspects such as regulation and compliance, access to information and disclosure and education and training are to be addressed when contemplating how best to establish a valuation infrastructure appropriate to the economy in question; and</li><li>● series of roundtables with the valuation community in several APEC economies to develop road maps to assist those economies to adopt appropriate standards as well as strengthening valuation practice and the valuation profession.</li></ul>
<b>PROPOSAL</b>	N.A.
<b>DECISION POINT</b>	Note the progress of the initiative and agree on the way forward



## **Update on Progress of Valuation Practices Initiative**

I must first apologise for my absence but I am conflicted by another APEC related event, namely a meeting of the APEC Policy Partnership on Science, Technology and Innovation which is to be held at an identical time in Manila and where I am the appointed Principal Advisor.

However, I am pleased to report that we continue to make progress on our efforts to strengthen valuation practices and to promote the role of the valuation profession across the 21 APEC economies and we are in dialogue with regulators, practitioners and the many users of valuation services as to the way forward. The current volatility that we are seeing across many economies and markets is reinforcing the argument for certainty in relation to value. Similarly, the diversification by many institutions and companies into new markets and sectors outside their traditional comfort zones is also responsible for adding further momentum to the objective of the exercise.

There are two principal planks to the Initiative:-

- (1) The preparation of an Audit, which essentially maps the current Valuation Landscape of all 21 economies. This is an ongoing exercise where we are working with all those involved in the valuation arena but in particular valuation practitioners and valuation professional organizations to establish the Valuation Landscape in each of the 21 economies and to identify those areas where there is scope either to enhance existing valuation practices or, where there is currently a void, to help to establish an appropriate local valuation professional organisation.
- (2) The creation of a Template of Best Practice which will outline how aspects such as regulation and compliance, access to information and disclosure and education and training are to be addressed when contemplating how best to establish a valuation infrastructure appropriate to the economy in question.

In the autumn, as previously advised, it is planned to hold a series of roundtables and to engage with the valuation community in several APEC economies to develop road maps to assist those economies to adopt appropriate standards as well as strengthening valuation practice and the valuation profession. The initial roundtables are likely to take place in Vietnam, Malaysia and the Philippines, but these plans are still under discussion with the valuation community in each of the economies concerned.

The planned Symposium which was to take place in Beijing in November as a joint initiative with the China Appraisal Society and the Ministry of Finance, the focus for which is to be “Valuation and its Contribution to Economic Growth” has now been deferred with the endorsement of all parties until 2016. On reflection, it is considered that from a resources perspective the emphasis for the time being should be on engaging through roundtables and other similar means with the valuation communities in as many APEC economies as possible and that a large scale Symposium when the results could be publicised would best follow later.

Funding continues to remain a challenge and we are talking with organizations which have an interest in the outcome in funding the cost of the in-economy roundtables on an economy by economy basis.

Nicholas Brooke, IVSC Trustee

5<sup>th</sup> August 2015