

## Valuation profession unites behind push for global standards.

# New MOU to boost confidence in the valuation process across global markets

- **Significant step made towards increasing confidence in the standard of care around global valuation.**
- **MOU signed by some of the biggest professional valuation bodies in the world.**

The International Valuation Standards Council (IVSC) has today announced the signing of a landmark memorandum of understanding (MOU) which will see some of the world's largest professional valuation organisations commit to comply with a single global set of standards for valuing assets.

Currently, no single set of global standards for estimating the value of assets has been comprehensively adopted across the world, meaning it can be potentially more difficult to accurately compare asset values when making investment decisions across borders. Although many parts of the world have established and successful valuation principles and standards, other regions are less developed in this respect which can present issues of inconsistency to multi-national companies or investors.

Variations in global valuations can also result in many international businesses – such as banks and pension funds – finding it harder to fully understand the true value of their assets or underlying collateral across different countries and regions.

As the established independent, international standard setter for valuation, the IVSC develops and maintains standards for the reporting and disclosure of valuations, especially those relied upon by investors and other third party stakeholders as the basis of a transaction or in financial statements and other published documents.

Today's MOU announcement represents a significant step forward in the mission to gain global adoption of valuation standards. Some of the world's major valuation organisations are now committed to either adopt, or declare that their own standards are in compliance with, the International Valuation Standards within the next three years.

The following organisations have signed the MOU:

- American Society of Appraisers
- Appraisal Institute of Canada
- Asociación Profesional de Sociedades de Valoración (Spain)

- Australian Property Institute
- Canadian Institute of Chartered Business Valuators
- Chamber of Professional Appraisers - Kazakhstan
- China Appraisal Society
- Expertise Institute for Valuation of Assets of Georgia
- Hong Kong Institute of Surveyors
- Institute of Philippine Real Estate Appraisers
- Instituto Brasileiro Avaliacoés (IBAPE)
- Indonesian Society of Appraisers
- Nigerian Institute of Estate Surveyors and Valuers
- Property Institute of New Zealand
- Republican Chamber of Appraisers Kazakhstan
- Royal Institution of Chartered Surveyors
- Slovene Institute of Auditors
- South African Institute of Valuers
- Thai Valuers Association

**Sir David Tweedie, Chairman of the IVSC Trustees, commented:**

**“Variation of international standards for valuing assets potentially represents a potential problem for global markets and economies, and it has to be in the public interest to bring the various nationally based standards together to create a single set of globally accepted principles**

**“By banding together with this MOU, the IVSC and the signatory VPOs hope to align the already high standards which exist in parts of the international arena and further propagate best practice. This will help iron out any inconsistencies in areas where standards are less well developed.**

**“This MOU which is signed by some of the biggest professional valuation bodies in the world means that these institutions are committed to the development of international standards which value assets in conformance, irrespective of where they are located. This is a landmark achievement and represents a major step towards getting global adoption of international valuation standards.”**

**-Ends-**

**Notes to editors**

**About the International Valuation Standards Council (IVSC)**

The International Valuation Standards Council (IVSC) is an independent, not-for-profit, private sector organisation. As the established international standard setter for valuation, the IVSC develops and maintains standards for the reporting and disclosure of valuations, especially those that will be relied upon by investors and other third party stakeholders in financial statements or other published documents.

It is developing a framework of guidance on best practice for valuations of the various classes of assets and liabilities. To promote the consistent delivery of the standards by properly trained professionals around the globe, the IVSC is also establishing international benchmarks for the conduct and competency of professional valuers.

The governance structure of the IVSC includes two independent technical Boards – the International Valuation Standards Board and the International Valuation Professional Board – and a global Board of Trustees responsible for the overall strategic direction and funding of the IVSC.

For more information please visit: [www.ivsc.org](http://www.ivsc.org)