

Commission 9 Valuation and Real Estate Management

“Managing Value for our Future”

May 2014 Newsletter

TO ALL COMMISSION 9 DELEGATES AND FRIENDS.

As I approach the end of my term as Chair of Commission 9, I am delighted to report that we anticipate two reports: one on Mass Appraisal Techniques and the other on Large Scale Acquisition of Land, before the end of the year. It is always hard to commit to a four-year plan and I am most grateful to my work group and study group chairs and delegates for making my term as Commission Chair such a success and so very enjoyable.

SELECTED UPDATES FROM INTERNATIONAL STANDARDS:

International Valuation Standards Committee (IVSC):

In September, 2013, the IVCS announced the availability of the 2013 updated International Valuation Standards, which take effect from January 2014. These are available from the IVSC bookshop or by online subscription.

The draft Directive on credit agreements relating to immovable residential property (Mortgage Credit Directive – MCD) was adopted by the European Parliament in December 2013. This Directive requires EU Member States to ensure that reliable national valuation standards are in place which take account of the International Valuation Standards, the RICS Red Book (which incorporates and requires compliance with the IVSs) or the standards issued by the European Group of Valuers’ Association (TEGoVA). The Directive has to be formally adopted by the European Council, following which Member States will have two years to implement the rules into national law. The IVSC is in discussion with senior EU officials focusing on the development of one set of high quality, globally accepted International Valuation Standards and the development and strengthening of the valuation profession infrastructure across key disciplines.

Following on from the Investment Property Project, the IVSC Standards Board has produced changes to the International Valuation Standards (IVS) to reflect guidance on the valuation of real property which is under development. (<http://www.ivsc.org/sites/default/files/230%20-%20300%20changes%20ED%20%28published%29.pdf>)

In January 2014, the IVSC published two documents:

- A new technical information paper “Valuation Uncertainty”; and
- A Guide to the Audit Process for Professional Valuers.

Both documents are available for purchase for the IVSC’s online bookstore or free to online subscribers.

In February 2014, the IVSC announces the Pricewaterhouse Cooper has become a major financial sponsor, highlighting the global importance of the IVSC's work and the significance of global valuation standards in restoring confidence in the financial markets.

In March 2014, the IFRS Foundation and the IVSC announced a joint statement of protocols for co-operation on International Financial Reporting Standards (IFRS) and International Valuation Standards (IVS). This reflects the shared interest in the consistent measurement of fair value for financial reporting, and has the aim of ensuring that both organisations are able to co-operate effectively, while each continues to assume sole responsibility for their Standards. The full protocol can be viewed at:

<http://www.ivsc.org/sites/default/files/IASB%20IVSC%20Protocol%20-final.pdf>

KUALA LUMPUR

I look forward to seeing you all in Kuala Lumpur in June for the 2014 FIG XXV Congress where we have an excellent Commission 9 technical programme prepared for you.

Four years has gone very quickly and much has been achieved. Although we had anticipated that more work would have been undertaken within the Working Groups, circumstances have worked against the keen and enthusiastic volunteers to prevent this. Nevertheless, as Commission Chair, I would like to take this opportunity of thanking everyone involved in the Commission and in the Working Groups, at all stages, as well as all the delegates who have attended and supported Commission 9 events. Finally, I want to thank the staff at the FIG bureau for their unfailing support, courtesy and cheerfulness.

I wish our chair-elect, Professor Liao Junping, every success for the next four years.

Travel safe, everyone.

**Dr Frances Plimmer,
Chair Commission 9.**

email : f.plimmer@btinternet.com