

INTERNATIONAL VALUATION STANDARDS

SUMMARY AND CONSULTATION
QUESTIONS

Consultation period
31 January 2026 to 30 April 2026



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INTERNATIONAL VALUATION

STANDARDS COUNCIL

EXPOSURE DRAFT

Summary and Consultation Questions

IVS Exposure Draft Summary and Consultation Questions

The International Valuation Standards Council (IVSC) sets principles-based International Valuation Standards (IVS) to bring confidence to global valuations and reduce valuation risk.

As part of the IVSC's normal processes, the IVS are reviewed every three years by the IVSC's Standards Review Board and Technical Boards (the Boards) to determine whether any part of the IVS would benefit from amendments or updates. This Exposure Draft summary provides an overview of the proposed changes to the IVS General and Asset Standards and includes consultation questions. These questions aim to assist the Boards to determine whether the proposed changes address respondents' and market needs.

In performing its review and developing proposed changes to the IVS, the Boards recognise that existing IVS are widely used. The proposed changes are designed to improve clarity and usefulness of IVS for all stakeholders and to build confidence and public trust in valuation.

The Boards considered a broad range of factors including:

1. ongoing changes in global markets and global valuation, including the increased use of technology and the abundance of available data sources,
2. increased use of artificial intelligence or other technology-based tools and resources that employ opaque or non-transparent logic by valuers in the performance of valuations,
3. additional demands on valuation professionals to address new types of assets or liabilities and to expand the application of valuations into areas such as sustainability,
4. increased demand by stakeholders, including financial institutions, investors, and regulators, for clarity related to valuation process and the management of valuation risk, through quality controls, and
5. integration of IVS 400 Real Property Interests and IVS 410 Development Property.

Based upon the Boards' review, the following updates have been proposed to both General Standards and Asset Standards.

1. Revisions to the glossary to include new definitions for business, financial instrument, non-financial liability, quality control and sustainability and minor revisions to the definitions of ESG, liability, liquidation value, professional scepticism, significant, tangible asset, valuation review and valuation risk, to provide additional clarity.
2. Integration of Structure of IVS within IVS 100 *Valuation Framework*,
3. Additions to the Scope of work to include requirements, where applicable, in relation to; range, the proposed significant use of artificial intelligence or other technology-based tools and resources, service organisations, sustainability considerations and the IVS asset standards to be considered within the valuation.
4. Revisions to IVS 104 *Data and Inputs* to include requirements in relation to the significant use of artificial intelligence or other technology-based tools and the inclusion of a new section on the "*Use of Management or Client Data*",
5. Revisions to IVS 104 *Data and Inputs: Appendix* to incorporate sustainability considerations,
6. Revisions to IVS 105 *Valuation Models* to incorporate requirements in relation to valuation models using AI and/or other technology-based tools,
7. Revisions to IVS 106 *Documentation and Reporting* to include or other technology-based tools,
8. Revisions documentation requirements in relation to the significant use of artificial intelligence to "*IVS 106 Documentation and Reporting*", to include reporting requirements, where applicable, in relation to; range, the proposed significant use of artificial intelligence or other technology-based tools and resources, service organisations, sustainability considerations and the IVS asset standards to be considered within the valuation.
9. Movement of the requirements on "*Allocation of Value*" from IVS 102 *Bases of Value* to IVS 106 *Documentation and Reporting*,
10. Creation of a new chapter titled IVS 107 *Quality Controls*,
11. Review of structure of Business Valuation Asset Standards to better align with the General Standards,
12. Incorporation of additional requirements in relation to inspection within "*IVS 300 Plant, Equipment and Infrastructure*" and "*IVS 400 Real Property Interests*",
13. Merger of IVS 400 *Real Property Interests* and IVS 410 *Development Property*,
14. Minor revisions to IVS 500 *Financial Instruments*.

Structure of International Valuation Standards

The Boards previously developed a valuation structure describing the key steps across each stage of a valuation. The goal was to provide a clear, systematic structure to assist in the development and implementation of rigorous and well-controlled valuation processes and address valuation risk.

To assist respondents in understanding key structural changes to IVS, the table below provides a general indication of where certain content within the Exposure Draft was previously located within IVS (effective 31 January 2025).

IVS 2026 Exposure Draft	IVS (effective 31 January 2025)	Comments
Foreword	Foreword	Structure of IVS moved to IVS 100 <i>Framework</i>
Glossary	Glossary	Some definitions added and other definitions revised or removed.
IVS 100 <i>Framework</i>	IVS 100 <i>Framework</i>	Structure of IVS moved to here and section on Quality Control revised and moved to IVS 107.
IVS 101 <i>Scope of Work</i>	IVS 101 <i>Scope of Work</i>	Some scope of work requirements added (e.g., AI, service organisation, sustainability and asset standards considered).
IVS 102 <i>Bases of Value</i>	IVS 102 <i>Basis/es of Value</i>	Section on allocation of value moved to IVS 106 Documentation and Reporting.
IVS 103 <i>Valuation Approaches</i>	IVS 105 <i>Valuation Approaches and Methods</i>	IVS 103 Valuation Approaches Appendix renumbered to provide additional clarity.
IVS 104 <i>Data and Inputs</i>	IVS 104 <i>Data and Inputs</i>	New requirements in relation to the use of AI and/or other technology-based tools and a new section on the use of Management or Client Data. Appendix revised to include sustainability considerations.

IVS 2026 Exposure Draft	IVS (effective 31 January 2025)	Comments
IVS 105 <i>Valuation Models</i>	IVS 105 <i>Valuation Models</i>	New requirements in relation to the use of AI and/or other technology-based tools.
IVS 106 <i>Documentation and Reporting</i>	IVS 106 <i>Documentation and Reporting</i>	New documentation requirements in relation to the use of AI and/or other technology-based tools. Some reporting requirements added (e.g., AI, service organisation, sustainability and asset standards considered)
IVS 107 <i>Quality Controls</i>	New chapter	Section on quality control previously contained in the IVS 100 Framework revised and extended to included quality control implementation.
IVS 200 <i>Business and Business Interests</i>	IVS 200 <i>Business and Business Interests</i>	Revised structure and new sections to follow General Standards, revision of capital structure considerations, and new section on calibration.
IVS 210: <i>Intangible Assets</i>	IVS 210: <i>Intangible Assets</i>	Revised structure and new sections to follow General Standards and further revisions to provide greater clarity.
IVS 220: <i>Non-Financial Liabilities</i>	IVS 220: <i>Non-Financial Liabilities</i>	Revised structure and new sections to follow General Standards and further revisions to provide greater clarity.

IVS 2026 Exposure Draft	IVS (effective 31 January 2025)	Comments
IVS 230: <i>Inventory</i>	IVS 230: <i>Inventory</i>	Revised structure and new sections to follow General Standards and further revisions to provide greater clarity.
IVS 300: <i>Plant, Equipment, & Infrastructure</i>	IVS 300: <i>Plant, Equipment, & Infrastructure</i>	Minor revisions to provide greater clarity and additional requirements re physical inspection.
IVS 400: <i>Real Property Interests</i>	IVS 400: <i>Real Property Interests</i>	Merger of IVS 400 and IVS 410, minor revisions to provide greater clarity and additional requirements re physical inspection.
IVS 500: <i>Financial Instruments</i>	IVS 500: <i>Financial Instruments</i>	Minor revisions to provide greater clarity.

The Exposure Draft proposes that the General Standards are structured as follows:

- IVS 100 *Valuation Framework*
- IVS 101 *Scope of Work*
- IVS 102 *Bases of Value*
 - Appendix: Bases of Value*
 - Appendix: Premise of Value*
- IVS 103 *Valuation Approaches*
 - Appendix: Valuation Method*
- IVS 104 *Data and Inputs*
 - Appendix: ESG*
- IVS 105 *Valuation Models*
- IVS 106 *Documentation and Reporting*
- IVS 107 *Quality Controls*

Asset Standards provide requirements in addition to General Standards for specific types of assets and liabilities. The Exposure Draft proposes that the IVS Asset Standards are structure as follows:

- IVS 200 *Businesses and Business Interests*
- IVS 210 *Intangible Assets*
- IVS 220 *Non-Financial Liabilities*
- IVS 230 *Inventory*
- IVS 300 *Plant, Equipment and Infrastructure*
- IVS 400 *Real Property Interests*
- IVS 500 *Financial Instruments*

IVS Consultation Timeline

International Valuation Standards (IVS) are developed in an open and transparent way through public consultation. The consultation period on the proposed changes opens on 30 January 2026 for 3 months until 30 April 2026.

Comments can be submitted in the following ways:

By personal letter or email to:

- aaronsohn@ivsc.org
- Online via the **IVSC website**
- **Consultation and Summary Questions**

The link above takes respondents to the relevant page on the website. Respondents can scroll down to find whichever method they prefer to use to respond.

The IVSC will also be providing a series of webinars in March 2026 on the proposed changes to IVS, which will be available via the IVSC website and publicised via ENews.

Subject to responses received the next edition of IVS will be published on 31 January 2027 with an effective date of 31 January 2028.

Summary Consultation Questions

Online Feedback Form

In order to answer the consultation questions below it is necessary to read the General Standards first followed by any applicable Asset Standards.

Respondent details (compulsory)

1. What is your name?
2. What is your job title?
3. Which firm/organisation do you work for?
4. What is your primary location? (*country*)
5. What is your role in respect of valuations? (*if other, please specify*)
 - Academic
 - Advisor
 - Analyst (*please specify, eg, data analyst*)
 - Asset Manager
 - Banker
 - Consultant
 - Data Provider
 - Fund Manager
 - Government Employee
 - Investor
 - Rating Agency
 - Regulator
 - Researcher
 - Service Provider

- *Specialist*
- *Valuer*
- *Other (please specify)*

6. What is your main area of interest? *(tick as many boxes as appropriate)*

- *Business Valuation*
- *Financial Instruments Valuation*
- *Tangible Assets Valuation*
- *Other (please describe)*

7. Are you responding to these questions as an individual or on behalf of a firm or organisation?

- *Individual*
- *Firm/Organisation (please specify which)*

8. Have you responded to previous IVS consultations?

- *Yes*
- *No*

Exposure Draft

Consultation Questions

General Standards

1. The IVS Glossary had been revised to include new definitions for business, financial instrument, non-financial liability, quality control and sustainability. Do you agree with the definitions of the newly added terms? If not, please provide your proposed revisions to the definitions contained within the Glossary.
2. The IVS Glossary had been revised to include minor revisions to the definitions of ESG, liability, liquidation value, professional scepticism, significant, tangible asset and valuation review to provide additional clarity. Do you agree with the revised definitions for the existing terms? If not, please provide your proposed revisions to the definitions contained within the Glossary.
3. The definition of valuation risk has been revised within the IVS Glossary to provide additional clarity. Do you agree with the revised definition of valuation risk? If not, please provide your proposed revision to the definition of valuation risk contained within the Glossary.
4. IVS 101 Scope of work has been revised to include mandatory requirements, where applicable, in relation to:
 - The use of a range,
 - the proposed significant use of artificial intelligence or other technology-based tools and resources,
 - service organisations,
 - sustainability considerations, and
 - the IVS asset standards to be considered within the valuation.Do you agree with the inclusion of these additional mandatory requirements? If not, why not, and what specific changes would you make?
5. IVS 104 Data and Inputs now include mandatory requirements in relation to the significant use of artificial intelligence or other technology-based tools. Do you agree with the inclusion of these additional mandatory requirements? If not, why not, and what specific changes would you make?
6. IVS 104 Data and Inputs: Appendix has been revised to include sustainability considerations in addition to the consideration of ESG factors. Do you agree with the inclusion of sustainability considerations within the IVS 104 Data and Inputs Appendix? If not, why not, and what specific changes would you make?
7. IVS 105 Valuation Approaches now includes mandatory requirements in relation to the significant use of artificial intelligence or other technology-based tools. Do you agree with the inclusion of these additional mandatory requirements? If not, why not, and what specific changes would you make?

8. IVS 106 Documentation and Reporting now includes mandatory documentation requirements in relation to the significant use of artificial intelligence or other technology-based tools. Do you agree with the inclusion of these additional mandatory requirements? If not, why not, and what specific changes would you make?
9. The reporting section within IVS 106 Documentation and Reporting has been revised to include mandatory requirements, where applicable, in relation to:
 - reporting requirements, where applicable, in relation to the use of a range
 - the proposed significant use of artificial intelligence or other technology-based tools and resources,
 - service organisations,
 - sustainability considerations, and
 - the IVS asset standards considered within the valuation.

Do you agree with the inclusion of these additional mandatory requirements? If not, why not, and what specific changes would you make?

10. The section on "*Allocation of Value*" previously contained within IVS 102 Bases of Value has been moved to IVS 106 Documentation and Reporting. Do you agree that this section should now be contained within IVS 106 Documentation and Reporting? If not, why not, and where would you place this section?
11. Do you agree that quality controls should be mandatory within IVS? Do you agree with the level of standards as proposed, or are they too weak or too stringent? If you do not agree that quality controls should be mandatory within IVS, why not, and please provide your reasoning?
12. Do you have any other comments or observations in relation to IVS 107 Quality Controls? Please provide your reasoning for any additional comments or observations.
13. Do you have any other comments or observations on topics not covered by the questions above?

Asset Standards

Business Valuation Standards

14. The Exposure Draft proposes introducing additional sections aiming to provide for better alignment of the Business Valuation asset standards with the General Standards. These sections also seek to improve comparability between Business Valuation asset standards and other Asset Standards, most notably with IVS 300 and IVS 400. These sections include Valuation Framework (Section 30), Scope of Work (Section 40), Data and Inputs (Section 100), Valuation models (Section 110), and Documentation and Reporting (section 120). The introduction of those sections has resulted in the reallocation of some text to those new sections.
 - a. Do you find that these additional sections improve the structure and intelligibility of the Standards?
 - b. If you disagree, please explain your reasoning.
 - c. Where relevant, please provide specific suggestions for changes that you believe would enhance these standards.
15. Across the Business Valuation Standards (IVS 200, IVS 210, IVS 220, and IVS 230), the text was streamlined.
 - a. Do you find that the proposed Exposure Draft includes an appropriate level of detail for valuation professionals?
 - b. Do you find that the rephrasing of the Standards to include more direct sentences that emphasise what the valuer “must” or “should” implement to abide by the principles of the IVS is appropriate?
 - c. If you disagree, please explain your reasoning.
 - d. Where relevant, please provide specific suggestions for changes that you believe would enhance these standards.
16. In IVS 200 *Businesses and Business Interests*, several paragraphs (?) on “Scenario Based Methods (SBM)” replaces the current text on “Probability-Weighted Expected Return Method (PWERM)” found in 130.23 to 130.27.
 - a. Do you agree that this change is appropriate?
 - b. If you disagree, please explain your reasoning.
 - c. Where relevant, please provide specific suggestions for changes that you believe would enhance these standards.
17. IVS 200 *Businesses and Business Interests* introduces a new section on *Calibration*, which is a technique widely used in the valuation of certain assets for specific bases of values, for example, when the intended use of the valuation is financial reporting.
 - a. Do you agree that the introduction of this section is appropriate?
 - b. If you disagree, please explain your reasoning.
 - c. Where relevant, please provide specific suggestions for changes that you believe would enhance these Standards.

Financial Instruments

18. The revised IVS 500 Financial Instruments include requirements on data and inputs incremental to those proposed in IVS 104 in the General Standards. Do you agree that these additional requirements are needed for Financial Instruments? If not, why not and what specific changes would you make?
19. The revised IVS 500 Financial Instruments include requirements on valuation models incremental to those proposed in IVS 105 in the General Standards. Do you agree that these additional requirements are needed for Financial Instruments? If not, why not and what specific changes would you make?
20. The revised IVS 500 Financial Instruments include requirements on quality controls incremental to those proposed in IVS 107 in the General Standards. Do you agree that these additional requirements are needed for Financial Instruments? If not, why not and what specific changes would you make?
21. IVS 500 Financial Instruments include requirements to address the use of artificial intelligence and other technology-based tools incremental to those proposed in the General Standards. Do you agree that these additional requirements are needed for Financial Instruments? If not, why not and what specific changes would you make?

Tangible Asset Standards

IVS 300 Plant, Equipment and Infrastructure

22. Is IVS 300 *Plant, Equipment and Infrastructure* of sufficient scope and quality and if not, why not and what specific changes would you make?
23. Additional content has been added to IVS 300 section 40 in relation to inspection that is required (see para 40.06 to 40.09). Do you agree with this new content? If not, why not, and what specific changes would you suggest we make?
24. Are there any elements within IVS 300 that should be contained within IVS General Standards? If so, please advise which elements?

IVS 400 Real Property Interests

25. Is IVS 400 *Real Property Interests* of sufficient scope and quality and if not, why not and what specific changes would you make?
26. IVS 400 *Real Property Interests* has been restructured to incorporate IVS 410 *Development Property*, since development property is a subset of real property interests. Do you agree with the rationale for the proposed merger of these two chapters? If not, why not?
27. Additional content has been added to IVS 400 section 40 in relation to inspection that is required (see para 40.02 to 40.05). Do you agree with this new content? If not, why not, and what specific changes would you suggest we make?
28. The order of the basic elements for the residual method of development property has been revised to better align with the valuer's process. Do you agree with this reordering? If not, why not?
29. Are there any elements within IVS 400 that should be included within IVS General Standards? If so, please advise which elements should be included.

International Valuation Standards

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