

IVSC SRB Meeting Update April 2025

Items shown in bold italics should include links to the relevant documents

This IVSC Update highlights preliminary decisions of the IVSC Standards Review Board (Board). Projects affected by these decisions can be found on the ***IVSC Publication Schedule***. The Board's final decisions on IVS® Standards and Amendments are formally balloted as set out in the ***IVSC Standards Review Board Due Process and Working Procedures***.

The Board met remotely on the 30th of April 2025. The topics in order of Discussion were:

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 - *Location New Delhi*
 - *27th October – 1st November*
- Mexico City SRB Meeting Proposed Dates
 - *4th March 2026 – 6th March 2026*
- Lisbon SRB Meeting Proposed Dates
 - *17th June 2026 – 19th June 2026*
- AOB

The Board were asked if there were any conflicts of interest in relation to the proposed topics and no conflicts were declared.

Administration

Welcome, Attendance and Agenda (2025.04.30. IVSC SRB Conference Call Agenda PDF)

SD welcomed the SRB and in particular the new members, who were joining the SRB for the first time.

Next steps

None.

IVSC SRB Toronto Meeting Update March 2025 (IVSC SRB Toronto Meeting Update March 2025)

The Board reviewed the IVSC Toronto meeting update and agreed that it was an accurate report of the Toronto meeting. There were no further revisions suggested, and the meeting update was approved by the SRB.

Next steps

None.

IVSC SRB New Member Introductions (2025.04.25. New IVSC Board Members)

SD advised the SRB that the following new members had joined the SRB and asked them each to provide a brief summary of their role and experience:

- *Alex Cheong (AC)*
- *Bernadette Gitar (BG)i*
- *Sofia Underabi (SU)*

AC advised that he was a Canada based, Director and Valuations Lead at Canadian Public Accountability Board, who are Canada's national public company audit regulator.

AC further advised that he was a qualified CPA and CBV.

BG advised that she was Kenya based and a former Knight Frank valuation leader, former RICS Africa leader, Valuation Registration Board examiner, Mediator and Tax Appeals Tribunal member.

SU advised that she was a UAE based, Senior Partner and Group Head of Valuation at Cavendish Maxwell in Dubai.

The Board welcomed the new members and looked forward to their participation in the SRB.

Next steps

None.

Asset Board Updates

BVB Update

The Board was advised that the BVB had welcome the following four new members:

- *James Moulton (Australia based, PwC Director working across Asia Pacific, part of Global AI Taskforce and lecturer at Macquarie Business School)*
- *Tomasz Piotr Wisniewski (Poland based, KPMG Valuation Leader for Central and Eastern Europe, on Global Valuation Committee and leads Global Accreditation Committee)*
- *Ryan Tang (mainland China based, Grant Thornton Asia Pacific Co-Head of Valuation)*
- *Soren Petre (PwC Partner based in Romania, Former President of ANEWAR)*

The Board was further advised that Richard Stewart had come to the end of his term as chair of the BVB and that Srividya Gopal was the new chair of the BVB

The Board was also advised that the main focus of the BVB was on Intangible Assets , which was a key topic for both FASB and the IASB.

The Board was advised that FASB had recently issued an Invitation to Comment on "*Recognition of Intangibles*" and the BVB had set up a working group to draft a response.

The Board was informed that the BVB also focussed revisions to the BVB standards on the following IVS key topics:

- ESG
- Use of Technology in Valuation
- Valuation Risk

The Board was further informed that the BVB was also focussed on revisions to the BVB standards and had received some feedback from the Agenda Consultation in relation to potential changes.

The Board was also informed that the BVB was currently in the process of reviewing the BVB standards.

The Board was also advised that NK and KH had recently presented to the Australian Tax Office on IVS.

Next steps

BVB to send draft Response to the FASB Invitation to Comment on Recognition of Intangibles for consideration and review.

FIB Update

The Board was advised that the FIB was advised that the FI Board had the following new members:

- *Luca Blasi (UK based, former Bank of England Head of Risk and Controls, working as S&P Global Head of Private Markets Valuation and Level 3 Regulatory Solutions)*
- *Nicolas d'Hautefeuille (based in France and Global Head of Innovation and Strategic Advisory at major bank Credit Agricole with strong knowledge of AI and ESG)*

The Board was further advised that a few FI Board members were meeting in Chicago to discuss the following topics:

- 1) FAQ:** *will present initial draft FAQs in Prague.*
- 2) Valuation Adjustments:** *currently considering model recalibration*

The Board was also advised that the FIB was considering which parts of IVS 500 could be moved to the IVS General Standards.

The Board was informed that the Board was considering that some of the concepts contained within IVS 500 on Review and Challenge and Quality control could be moved to the IVS General Standards.

Next steps

SD, DS and AA to work on preliminary revisions to the IVS General Standards to incorporate quality control and review and challenge.

TAB Update

The Board was advised that the TAB had welcomed the following new members:

- *Massimo Gozzo (Italy based, Tangible Assets Valuation leader for KPMG, over 24 years of experience working across Europe and Australia)*
- *Ayda ChamCham (based in Germany, VP of Loan Markets and Syndication, Aereal Bank, prior experience includes RICS and AIC Board and Committee positions)*

The Board was further advised that the TAB had formed an IVS 400 and IVS 410 working group to integrate IVS 400 and IVS 410 in a single standard.

The Board was also advised that the TAB would consider the proposed changes during the next Tab conference call on the 14th May 2025.

The Board was informed that the TAB was considering some other revisions around site inspection.

The Board was further informed that the TAB had also been working with the EMSRC to publish a position statement on Prudential Value.

The Board was also informed that the main purpose of the position statement was to inform European members of the current situation and the inherent risk in undertaking an instruction on this basis.

The Board was advised that though the TAB had written to the BCBS via Alistair Darling highlighting concerns and also had met with the EBA the TAB had received no response, and no further guidance had been issued.

The Board was advised that there was currently no agreed interpretation of the definition of Prudential Value nor was there an agreed valuation approach.

The Board was also informed that TAB members had participated in the SRB working groups and the TAB had reviewed and provided comments on the forthcoming perspective papers on the topics of public vs private markets, use of technology in valuation and valuation risk.

The Board was further advised that though the TAB had met in December the TAB had focussed on TAB working group meetings during January.

Next steps

TAB to send revisions to the IVS Tangible Asset chapters for the SRB to consider at the Prague meeting.

Working Group Updates

(2025.04.25. IVSC SRB Working Groups)

Listed vs Unlisted Working Group Update (2025.04.07.IVSC - Draft Perspectives Paper - Exploring the divergence in public and private real estate markets clean)

KH advised the Board that further to the Toronto meeting the working group had had a couple of meetings since Toronto to discuss and agree changes.

KH further advised that the changes included a reframing of vehicle structure and leverage and an overall review of the language to ensure that the paper did not appear to be defensive.

KH also advised that this was a final version of the perspectives paper, and the working group was only looking for fatal flaws at this stage.

KH added that the perspectives paper also included questions to engage stakeholders on the topic.

DS added that this would be the first perspective paper in the series and the second perspectives paper would deal with the issue of Governance.

SD thanked the working group for their efforts and asked the Board if they had issues in relation to the perspective papers.

As no issues were raised the Board agreed that the perspectives paper could be sent to RS for publication.

The Board also agreed that the working group should go on sabbatical until after the Prague meeting.

Next steps

AA to send the *"2025.04.07.IVSC - Draft Perspectives Paper - Exploring the divergence in public and private real estate markets clean"* to RS for publication.

Valuation Risk Update -Darren Sullivan (2025.04.25. Valuation Risk Draft clean)

DSL advised the Board that advised the Board that further to the Toronto meeting the working group had had a couple of meetings since Toronto to discuss and agree changes.

DSL further advised that that since Toronto there had been a number of iterations to the perspectives paper and there had been a number of edits to the paper.

DSL also advised that the working group had reviewed the language and simplified the examples of Valuation Risk.

DSL informed that the working group noted that the paper needed to distinguish between Valuation Risk and Value Uncertainty and intentional and unintentional errors.

DSL further informed that through following the IVS valuation process valuers could minimise valuation risk but not eliminate it.

SD thanked the working group for their efforts and asked the Board if they had issues in relation to the perspective papers.

The Board had no further comments but noted that it was important to publish the perspectives paper asap as the responses to the consultation questions could aid the SRB in considering revisions in relation to valuation risk.

As no issues were raised the Board agreed that the perspectives paper could be sent to RS for publication.

DSL advised that this was the first part of a series of perspectives papers and subsequent papers would consider value uncertainty and price and value.

Next steps

AA to send the *"2025.04.25. Valuation Risk Draft clean"* to RS for publication.

Use of Technology in Valuation Update (2025.04.25. Draft Use of Technology in Valuation Perspectives Paper clean)

AF advised that further to the SRB Toronto meeting the working group had been revising the perspectives paper in line with comments received.

AF further advised that in line with the SRB comments the perspectives paper consultation questions have now been revised.

AF also advised that next working group meeting was on the 13th May and the working group was aiming for the SRB to have a revised draft for consideration and view at the next SRB meeting on the 29th May.

Further to discussion the Board agreed to provide any comments or revisions by close of play on the 9th May.

Next steps

The Board to provide AA with any comments or revisions to the "2025.04.25. Draft Use of Technology in Valuation Perspectives Paper clean" by close of play on the 9th May.

ESG Working Group Update

JC advised that since Toronto JC, RH and AA had met to discuss the ESG working group current objectives.

JC further advised that he had contacted existing members of the working group to see if they were still interested in participating.

JC also advised that JC and AA had carried out a full review of working group members and had incorporated some working group members.

JC informed the Board that he was unable to join the most recent working group meeting on the 28th April due to a power cut and AA had chaired the working group meeting on his behalf.

JC further informed that this issue highlighted how important was the issue of ESG was.

AA advised that the working group had discussed existing sustainability definitions provided by the UN, UNESCO, US EPA and the Oxford Dictionary.

AA further advised the working group had discussed revisions to the IVS 104 Data and Inputs Appendix to incorporate sustainability.

Next steps

The working group to draft a definition of sustainability to be considered by the IVS Glossary working group and to propose revisions to the IVS 104 Appendix.

Glossary Working Group

MC advised that the previous Glossary working group meeting was on the 23rd April.

MC further advised that the Glossary working group was working with the other Technical Boards and working groups to agree new Glossary definitions.

MC also advised that he was awaiting a definition of Financial Instruments from the FIB.

MC added that the working group had not yet decided whether a definition of AI was needed but had a draft definition as a placeholder.

MC further added that both revisions to existing definitions and the addition of new definitions needed to be reviewed in the context of IVS.

MC also added that the working group considered providing a definition of third party as this was used over 23 times in the standard but further to discussions agreed that this was a commonly defined term and therefore probably did not need defining.

MC advised that furthermore the term third party was often defined in Law and varied on a country by country basis.

MC further advised that the working group was meeting on a two weekly basis and should have a draft ready to be considered in Prague.

MC also advised that the working group had circulated the updated draft with comments for the SRB to consider and review.

DS asked about the deadlines for revisions to IVS as he thought it was unlikely for that revisions to valuation adjustment would be completed before Prague.

AA advised that in order for the IVSC to meet its publication deadline revisions to IVS needed to be completed by the end of October 2025.

SD advised that MC should be advised of any proposed revisions to definitions.

MC advised that the working group would use existing definitions where they exist as this was part of a collaborative approach and would aid the harmonisation of standards.

MC further advised that an overarching premise of the working group was that if definitions don't require changing then they don't need changing.

MC also advised that the working group was extremely cautious about including new words or defining words where definitions were not necessarily required.

SD added that she liked the way the Glossary was presented with track changes.

MC added that for more complicated definitions such as the definition of financial instruments it may be better to use an FAQ than to try and define the term in the Glossary.

MC further added that for all new definitions the working group needed to continually ask themselves why an additional definition is needed.

MV also added that the working group needed to tread cautiously.

Further to discussion SD asked that all draft IVS documents should have a "Confidential Draft" watermark before being distributed.

Next steps

AA to ensure that all future IVSC draft have a "Confidential Watermark" prior to being distributed.

IVS Exposure Draft

(2025.04.25. IVS Effective 31 January 2028 Publication Schedule)

IVS Exposure Draft Update

The Board was advised that DS, SD and AA were drafting provisional revisions to the IVS General Standards to incorporate quality control and review and challenge requirements within IVS 500.

The Board was further advised that the intention was to have provisional revisions to the IVS General Standards completed prior to June so these could be discussed at the Prague SRB meeting.

The Board was asked to send any proposed revisions to the IVS General Standards to AA so the proposed revisions could be incorporated into the draft IVS General Standards Exposure Draft.

The Board was advised that in order to meet the attached publication timeline all revisions to IVS would have to be approved by the end of October.

The Board was further advised that there was some contingency in relation to this date but not much as the publication process including the creation of a red line document would take at least two months.

Next steps

The Board to send any proposed revisions to the IVS General Standards to AA so the proposed revisions could be incorporated into the draft IVS General Standards Exposure Draft.

Prague Meeting Agenda

IVSC Prague Meeting Discussion

- *Wednesday 11th June (PM) to Friday 13th June*

The Board was advised that the next SRB physical meeting would be in Prague between the 11th and 13th June 2025.

The Board was further advised that Tomas Krabec of the FIB would be hosting the meeting.

The Board was further advised that the meeting would be held at the Prague University of Economics and Business and that the meeting location was as follows:

*Prague University of Economics and Business
Winstona Churchill 1938/4,
120 00 Praha 3-Žižkov,
Czechia*

The Board was also advised that the IVSC Technical Directors were in the process of agreeing the agenda and further details were to be provided in course

Next steps

AA to provide SRB Prague Agenda in due course.

Future Physical Meetings

IVSC SRB AGM 2025

- *Location New Delhi*
- *27th October – 1st November*

The Board was advised that the next IVSC SRB AGM would be held in Delhi between the 27th October and the 1st November.

The Board was further advised that arrangements were still being made but details would be sent in due course.

The Board also asked whether the SRB would have the facilities to meet for 2 days.

AA advised that this had not yet been confirmed but he would check with SKD of the TAB who was one of the main organisers for the meeting in New Delhi.

Next steps

AA to check with SKD whether the SRB would have access to a meeting room to meet for two days in New Delhi

Mexico City SRB Meeting Proposed Dates

- *4th March 2026 – 6th March 2026*

The Board discussed a potential meeting in Mexico City between 4th March and 6th March.

KH questioned whether a March meeting was required as the IVS Exposure Draft would still be in consultation.

The Board discussed the dates further but no decision was reached.

Next steps

AA to include the Mexico City SRB meeting as an agenda item for the next SRB conference call.

Lisbon SRB Meeting Proposed Dates

- *17th June 2026 – 19th June 2026*

The Board discussed a potential meeting in Lisbon between 17th June and 19th June.

The Board discussed the dates further but no decision was reached.

Next steps

AA to include the Lisbon SRB meeting as an agenda item for the next SRB conference call.

Administration

AOB

There was no other business, so the chair closed the meeting.