II. COMMENTS ON THE EXPOSURE DRAFT:
PROPOSED CODE OF ETHICS FOR PROFESSIONAL VALUERS

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1. The structure of the Code

The code is simply structured and is clear

2. Topics that need to be included or deleted from the Code

The Code should include discussions on:

a. Why Ethics matters in the Valuation Practice
b. The Economic impact of Ethical practice of valuation (including concrete recent examples of results of malpractice that contributed to economic disasters)
c. Ethics and the regulation of the Valuation Profession

The Code of Ethics should also cover not just the practice of the code by each Professional Valuer. The code should also provide for compelling or at least making each Professional Valuer encourage colleagues in the profession to practice or promote the Code of Ethics.

3. The Code’s being more or less expansive to professional needs

The Code, as it is, sufficiently covers the needs of the profession.

4. Parts of the Code that conflict with market, local regulations or valuation disciplines

There are no observable parts of the code, as it is, that conflicts with market, local regulations or valuation disciplines.

5. Implementation and Execution
The Code of Ethics, unless it can be implemented or executed, and its observation by Professional Valuers monitored, is nothing but a wish list.

The IVSC can play a vital role in promoting the culture of observance of the Code of Ethics. By regulation attached to the maintenance of required professional valuation licenses, Professional Valuers should be made to comply to the Code.

The IVSC or its appointed body should be the primary driver in promoting ethical practice, rather than just being its writer.

(The author is the Managing Director of Value Management & Options Corporation, a management consulting firm based in Manila, Philippines. She is also a member of the Board of Directors of Cuervo Appraisers, Inc., the leading valuation company in the Philippines. She is a Certified Public Accountant and graduated with honors from the University of the Philippines. She is currently a candidate in the Chartered Financial Analyst (CFA) Study Program. The CFA program is a three-level study program covering International Finance, Portfolio Management, Fixed Income Securities, Equities, Accounting, Economics and Global Markets and Instruments, administered by the CFA Institute, a global professional organization based in Charlottesville, Virginia, USA. The Charter is an internationally recognized mark for professionals in investment banking, funds management and global finance, among others.)

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