



INTERNATIONAL VALUATION STANDARDS COUNCIL

IPS 101: Initial Professional Development - Entry Requirements to Professional Valuer Accreditation Programmes

EXPOSURE DRAFT

Publication date: 31 March 2016

Comments on this Exposure Draft are invited before 30 June 2016. All replies may be put on public record unless confidentiality is requested by the respondent. Comments may be sent as email attachments to:

commentletters@ivsc.org

Or by post to: IVSC, 1 King Street, LONDON EC2V 8AU, UK

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Notes for Respondents

The intent of this Exposure Draft is to seek views from interested parties. The IVSC Professional Board seeks comment on the proposed *IPS 101: Entry Requirements to Professional Valuer Accreditation Programmes* and would like respondents to express a clear overall opinion of the Exposure Draft. Responses to the specific questions are also invited.

Questions for Respondents

In addition to any specific comments, responses are invited to the following questions. Not all questions need be answered. Please indicate the question to which any answer relates.

IPS 101: Initial Professional Development – Entry Requirements to Professional Accreditation Programmes

1. Is a university degree or equivalent normally a prerequisite for accreditation as a professional valuer in your specialty or geographical area? Should a university degree be a requirement in IPS 101?
2. Does IPS 101 provide sufficient detail relating to entry requirements? Should IPS 101 be more prescriptive, eg, entry requirements by asset class?

Notes for respondents:

In order for us to analyse and give due weight to your comments, please observe the following:

1. Responses should be made in letter format, where appropriate on the organisation's letter heading.
2. Comments should not be submitted on an edited version of the Exposure Draft.
3. Unless anonymity is requested, all comments received may be displayed on the IVSC website.
4. Comment letters should be sent as an email attachment in either MS Word or an unlocked PDF format and no larger than 1mb. All documents will be converted to secured PDF files before being placed on the website.
5. The email should be sent to commentletters@ivsc.org.

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Standard

Scope of this Standard

- 1 1. The International Professional Standards (IPSs) are professional standards for Valuation
2 Professional Organisations (VPOs) to incorporate into the education and development of their
3 members. This IPS prescribes the principles to be used when setting and communicating entry
4 requirements to professional valuer accreditation programmes. Requirements relating to entry
5 to the valuation profession are covered by:
 - 6 • IPS 102: Initial Professional Development – Professional Skills and Ethics,
 - 7 • IPS 103: Initial Professional Development – Technical Knowledge,
 - 8 • IPS 104: Initial Professional Development – Practical Experience, and
 - 9 • IPS 105: Initial Professional Development – Assessment of Professional Competence.
- 10 2. This IPS is addressed to International Valuation Standards Council (IVSC) member bodies that
11 provide professional valuer accreditation for the education and development of their members
12 (VPOs that are members of the IVSC). In addition, this IPS may be helpful to those who
13 commission or rely on valuations, educational organisations, those who design, deliver, assess
14 or support education programmes for professional valuers, employers of professional valuers,
15 government authorities, regulators with responsibility for the oversight of the work of
16 professional valuers, prospective valuers who undertake their own learning and development.
- 17 3. Definitions and explanations of key terms are set out in paragraph 12.
- 18 4. The commentary, as set out in paragraphs A1 to A13, provides additional explanation relevant
19 to the requirements of this IPS. The commentary is intended to explain more fully what a
20 requirement means and may include examples of how to meet the requirements. The
21 commentary does not in and of itself impose any additional requirements; its purpose is to
22 assist in their application.
- 23 5. VPOs that are members of the IVSC have responsibility for setting and communicating entry
24 requirements for professional valuer accreditation programmes.
- 25 6. This IPS explains the principle of allowing flexible access to professional valuer accreditation
26 programmes while ensuring that professional valuer candidates (Candidates) have a
27 reasonable chance of successful completion of such programmes. This IPS explains a
28 reasonable chance of successful completion, the suitability of entry requirements and the
29 different forms of entry requirements.
- 30 7. This IPS recognises that entry requirements may vary by jurisdiction, due to different pathways
31 through professional valuer accreditation programmes, and differences between various
32 jurisdictions in governance and regulatory arrangements.
- 33 **Effective Date**
- 34 8. This IPS is effective from Date tbc, 2016, although earlier adoption is encouraged.

35 **Objective**

36 9. The objective of this IPS is to establish the principles for setting and communicating entry
37 requirements to professional valuer accreditation programmes.

38 **Requirements**

39 10. VPOs that are members of the IVSC shall set entry requirements that will allow entrance to
40 those with a reasonable chance of successfully completing the professional valuer
41 accreditation programme, A university degree or equivalent is normally a prerequisite for
42 accreditation as a professional valuer.

43 11. VPOs that are members of the IVSC shall make relevant information publicly available to assist
44 applicable education providers and individuals considering a career as a professional valuer
45 assess the chances of successfully completing a professional valuer accreditation programme.

46 **Definitions and Explanations of Key Terms**

47 12. This IPS uses the following definitions and explanations of key terms:

- 48 • A professional valuer is a person who has expertise in the field of valuation, achieved
49 through formal education and practical experience and maintained through continuous
50 learning and development, is held to high professional standards equivalent to the IVSC's
51 IPSs and *Code of Ethical Principles for Professional Valuers* and whose compliance with
52 such standards is subject to enforcement by a VPO that is a member of the IVSC.

- 53 • A professional valuer candidate is an individual who has commenced a professional valuer
54 accreditation programme as part of Initial Professional Development.

55

Commentary

Scope of this Standard (paras 1-7)

- 55 A1. Professional valuer accreditation programmes are designed to support Candidates to develop the
56 appropriate professional competence by the end of Initial Professional Development (IPD). Such
57 programmes may include formal education delivered through qualifications and courses offered
58 by educational institutions, VPOs that are members of the IVSC and employers, as well as
59 workplace training. The design of professional valuer accreditation programmes may therefore
60 involve substantive input from stakeholders other than VPOs that are members of the IVSC.
- 61 A2. VPOs that are members of the IVSC may have varying levels of control over entry
62 requirements to professional valuer accreditation programmes. In some jurisdictions, entry
63 requirements to the accreditation programme may be set by universities or accreditation
64 requirements may be set by governments. There are a number of steps a VPO that is a
65 member of the IVSC may take to meet its membership obligations with respect to the IPD of its
66 members. For example, in a situation where a university rather than the VPO sets the entry
67 requirements, the VPO might work with the university to explain the purpose of the IPSs and
68 communicate that compliance with the IPSs would enable individuals to be considered as
69 Candidates in the VPO.
- 70 A3. There may be differences between the entry requirements to the education programme and to
71 the accreditation process. For example, where a university degree is a prerequisite for
72 accreditation, Candidates may be able to enter the accreditation process prior to completion of
73 the university degree, but accreditation does not occur until the university degree is conferred.
- 74 A4. There are various pathways into the valuation profession, eg traditional degree level entry,
75 gaining experience by working in the profession and entry from the secondary education level.
76 The selection of the appropriate entry requirement to its professional valuer accreditation
77 programme will be made by the VPO that is a member of the IVSC.

Objective (para 9)

- 78
- 79 A5. Entry to the valuation profession requires Candidates to achieve an appropriate level of professional
80 competence at the end of IPD. Reasonable and proportionate entry requirements provide that
81 access to professional valuer accreditation programmes is limited to those likely to succeed.
- 82 A6. Entry requirements to professional valuer accreditation programmes should be neither too high
83 causing unnecessary barriers to entry to the profession, nor too low causing individuals to believe
84 falsely they have a likelihood of completing the education successfully. Such entry requirements
85 assist individuals considering a career as a professional valuer to make informed career decisions.
- 86 A7. VPOs that are members of the IVSC can contribute to efficient and effective career decisions
87 by informing individuals considering a career as a professional valuer of the professional skills
88 and ethics, and technical knowledge expected of those successfully completing professional
89 valuer accreditation programmes. Individuals are only able to make informed decisions about
90 their career choices when provided with the necessary information.

91 The information to be provided may cover:

- 92 • varying entry points to professional valuer accreditation programmes,
- 93 • encouraging individuals considering a career as a professional valuer to commence a
94 professional valuer accreditation programme only when they have considered their
95 chances of successful completion,
- 96 • pass rates relating to the qualification,
- 97 • transparent information regarding the expectations and costs associated with professional
98 valuer accreditation programmes, and
- 99 • self-diagnostic tools such as competency maps setting out the skills and knowledge to be
100 acquired on successful completion of the professional valuer accreditation programme.

101 **Requirements (paras 10-11)**

102 A8. Determining a reasonable chance of successful completion is a matter of judgement,
103 depending on a number of factors. Normally, the entry requirement for accreditation should be
104 at a level required for a university degree and may be attained by a cognate first degree, a
105 postgraduate or Master's degree or by structured or unstructured study while the Candidate is
106 attaining practical experience. The intention is to help individuals considering a career as a
107 professional valuer be as fully informed as possible and encourage those providing
108 professional valuer accreditation programmes to share as much helpful and relevant
109 information as possible. This may involve taking into account factors such as:

- 110 • the economic, business and regulatory environment,
- 111 • the prerequisite knowledge required,
- 112 • the expected learning to be acquired,
- 113 • the role of the valuer, and
- 114 • any other relevant factors.

115 A9. The entry requirements may be justified with reference to the professional skills and ethics, and
116 technical knowledge needed to successfully complete a professional valuer accreditation
117 programme. Entry requirements should be neither excessive nor trivial. An excessive barrier to
118 entry may include prescribing specific subject qualifications from certain institutions. The
119 purpose of avoiding such excessive barriers is to allow flexibility of access to professional
120 valuer accreditation programmes, not to dilute standards either of professional valuer
121 accreditation programmes themselves or of the valuation profession.

122 A10. VPOs that are members of the IVSC may adopt different entry requirements, because
123 professional valuer accreditation programmes vary by jurisdiction and by type of asset class.

124 A11. Candidates may have developed their professional skills and ethics, and technical knowledge
125 through various pathways, including work experience, study or qualifications. The flexibility of
126 pathways to professional valuer accreditation programmes in no way dilutes the rigour of that
127 education, nor of the standards required of Candidates to complete IPD. The purpose of this
128 flexibility is to allow broad access to professional valuer accreditation programmes. An example of

129 this flexibility can be found where a VPO that is a member of the IVSC specifies a university degree
130 entry requirement but allows direct entrance to its professional valuer accreditation programme for
131 those without a university degree if they have a period of relevant practical experience.

132 A12. VPOs that are members of the IVSC may prescribe specific criteria used to determine that
133 individuals meet the entry requirements to a professional valuer accreditation programme.
134 These may include qualifications, courses, entry tests or experience. Entry requirements may
135 include the assessment of one, or a combination of, qualifications, experience or other
136 requirements deemed appropriate by the VPO. This information could be made widely
137 available by publishing it in the brochures for professional valuer accreditation programmes or
138 by including it on the website of the VPO.

139 A13. VPOs that are members of the IVSC can help individuals considering a career as a
140 professional valuer consider their chances of successfully completing a professional valuer
141 accreditation programme by encouraging them to consider the content covered, its level and
142 methods of assessment of the programme.