

International Valuation Standards Council
The Standards Review Board
1 King Street
London
United Kingdom
EC4V 8AU

Dear Mr Zyla,

IVSC Invitation to Comment – IVSC Agenda Consultation 2017

Thank you for the opportunity to provide response to the IVS standards.

Kindly find below the response from the Saudi Authority for Accredited Valuers (TAQEEM).

i. Biological Assets

IVS should provide a standard of Biological Assets. Agreed with the title as it is more comprehensive involving forestry and agricultural produce.

Related articles: Biological assets valuation reconstruction: A Critical Study of IAS 41 on Agricultural Accounting in Indonesian Farmers

https://www.dropbox.com/s/5v9695izhev2m7z/ICAS2014_Kurniawan-Mulawarman-Kamayanti.pdf?dl=0

Biological Assets: Financial Recognition and Reporting Using US and International Accounting Guidance

https://www.dropbox.com/s/jlwmeptzslci90/FischerM_Web13_2_.pdf?dl=0

ii. Extractive Industries

Good effort by the IVS to reinvigorate the Extractive Industries Valuation issue. This is to ensure the uniformity of fundamental principles and framework of application across all mineral valuation standards of significance globally and between the mineral valuation standards and the major comprehensive valuation standards. There are no prerequisite to segregate between mining, oil and gas.

Related article: Preliminary Literature Review on The Mining / Ore Valuation

<https://www.dropbox.com/s/8ljagcf5y623a5a/Preliminary%20Literature%20Review%20On%20The%20Mining%20%20Ore%20Valuation.pdf?dl=0>

iii. Price vs Value

Value determined by valuers is based on the market after appropriate analysis with the experience and expertise they possess. It is also helped by the maturity level of industry players such as real property owners, developers, banks and even governments.

The question is how to diminish 'asking price' as a source of pressure in the determination of the market value of real properties. It is critical for a country that does not have a comprehensive mechanism to capture and provide property sales transactions as mature market players.

Different market interprets price and value to their own understanding. Auction price or asking may be accepted by the locals as market in the absent of proper transaction sales. The study for these terminologies can close the gap between these two and create similarity and better understanding of terminologies usage.

Related article: Effect of Client Pressure on Market Valuation of Residential Properties in Minna, Nigeria

<https://www.dropbox.com/s/8y7446jbzaol7uq/Effect%20of%20client%20pressure%20on%20market%20valuation%20of%20residential%20properties%20in%20minna%20nigeria.pdf?dl=0>

Please do not hesitate to contact us if there is any enquiry concerning our comments.

Thank you.

Best regards,

Ahmed Sabry FRICS

TAQEEM