



iiBV Interview with Mark Zyla, Chair – IVSC Standards Review Board

Interviewed by Ray Moran

Q. Congratulations on your appointment, it looks like a great opportunity for you and the valuation profession. Considering your background in working with the AICPA, ASA, iiBV, and numerous organizations and speaking appearances abroad, how has the transition to a worldwide organization been going?



A. Thank you. The transition has been going extremely well. I work with a group of dedicated people at the IVSC who share a similar interest in enhancing the valuation profession globally which makes my role of Chairman of the IVSC's Standards Review Board that much easier.

Q. We note a recent press release announcing consultations on several new initiatives and topics for the IVSC to address. Are there any topics with a higher priority?

A. The IVSC Standards Review Board recently issued an Agenda Consultation Invitation ("ITC") for various stakeholders and other interested parties to comment on topics that they believe should be considered by the Board. Comments are due by August 15th. In the ITC, we note we are considering six topics: 1. Non-financial liabilities; 2. Discount Rates; 3. Early Stage Valuation; 4. Biological Assets; 5. Extractive Industries; and 6. Inventory for the upcoming year. However, the Board is open to comments for other topics that may be of concern to the valuation profession. If interested, the ITC can

be found on the IVSC website. <https://www.ivsc.org/standards/international-valuation-standards/consultation/ivs-2017-agenda#tab-summary>

Q. What is the IVSC's plan to engage VPO's globally for increased awareness and adoption of IVS 2017 Standards?

A. The IVSC consists of nearly 100 member organizations from around the world. Each of our Standards Boards are active in creating awareness of IVS 2017 as well as the recently issued Agenda Consultation document. The Membership & Standards Recognition Board has taken the lead in securing the recognition of IVS 2017. Additionally, the IVSC has a very active Advisory Forum Working Group consisting of representatives of members of various VPOs who assist in creating awareness of our standards.

Q. How do you see the IVSC working with developing and undeveloped countries and regions, which may or may not have Valuation Professional Organizations (VPO's) to help organize local valuers?

A. The IVSC has taken a lead in assisting the valuation profession in developing and undeveloped countries. Organizations in several countries for example, have adopted IVS as their own set of valuation standards. The IVSC VPO Advisory Forums also provide a mechanism in working with valuation professional organizations in developing and undeveloped countries.

Q. Adam Smith has called the IVS 2017 Standards complimentary to the new CEIV designation for US financial reporting, with the IVS Standards described as a how valuations are performed, and CEIV as less technical and more performance standards. Given CEIV is focused on US financial reporting, how do you see these two standards continuing to coordinate and converge going forward?

A. Yes, definitely. The IVSC was active in the Working Groups which eventually developed the CEIV credential. We believe the credential and IVS are complimentary.

Q. Global standards for accounting, such as IFRS, have not been widely adopted or accepted in the US, although widely followed worldwide. How do you see the IVSC building awareness of global valuation standards in the US?

A. First, VPO members of the IVSC in the US include the American Institute of Certified Public Accountants, the American Society of Appraisers, and the Appraisal Institute which provides a tremendous amount of awareness among VPOs. Additional other organizations such as the Appraisal Foundation, the International Association of Assessing Officers and the National Council for Real Estate Investment Fiduciaries are institutional members of the IVSC. Each of these organizations are actively assisting in creating awareness in the U.S. Finally, individual Board members and staff have been active in assisting in creating awareness of the importance of IVSC.

Q. The recent arrests of senior management of valuation firms in Hong Kong, by the Hong Kong Independent Commission Against Corruption (ICAC), has led to the Securities and Futures Commission (SFC) releasing Guidance Notes on Director's Duties; Circular to Financial Advisers; and a Statement on the Liability of Valuers, in relation to retaining and employing valuation firms. Do you see this as a catalyst for increased global efforts to organize, educate, and regulate our profession worldwide?

A. Yes, I think so. The valuation profession has undergone an increasing amount of scrutiny world-wide in the last several years, particularly in the area of valuations for financial reporting purposes. Having one common set of international valuation standards helps with enhancing the public trust in the profession.

Q. We like to ask those we interview to describe their favorite travel story. Can you share yours?

A. Sure. Last summer my wife, 15 year old son and I took a trip of a life-time to the Galapagos Islands off of Ecuador. Most people are aware that the Galapagos is the place where Charles Darwin developed his theories on evolution. The islands are amazing! There are many different species of animals which only exist on these islands. We stayed on an explorer ship which allowed us to visit most of the islands during our week of travels.