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August 19, 2019  
The International Valuation Standards Council  
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*Comments on the Consultation Paper: Proposed IVS Adoption Recognition Mark*

The Japanese Institute of Certified Public Accountants (the “JICPA”) is grateful for the ongoing efforts of the International Valuation Standards Council (“IVSC”) and welcomes this opportunity to comment on the *Consultation Paper: Proposed IVS Adoption Recognition Mark*.

The JICPA is an organization of audit and accounting professionals pursuant to the Certified Public Accountants Act of Japan and is currently not a Valuation Professional Organisation (“VPO”). However, members of JICPA are actively engaged in services relating to business valuations by referring to the Guidelines on Corporate Value Assessment, issued by the JICPA. Furthermore, the JICPA supports the activities of the IVSC as an Institutional Member.

Based on the above, the JICPA, hereby, expresses its comments, as follows.

1. On the “General background”

The JICPA believes that the “General background” should clarify how the results of the *Consultation on the Proposed IVSC Business Valuation Quality Mark* (“previous Consultation”), conducted by IVSC in May 2018, and the relevant discussions are reflected in the current Consultation. For example, the following points represent departures from the previous Consultation and thus explanations should focus on these points.

- In the previous Consultation, the scope was limited to “Business” but in the current Consultation, the scope is not defined.
- With regard to the purpose and requirements, numerous items in the previous Consultation referred to the IVSC Professional Membership Obligations (PMO). However, such references have been deleted from the current Consultation.
- The previous Consultation articulated specific requirements of VPO(s) but none are mentioned in the current Consultation.

## 2. On the “Purpose”

Given that, in many cases, valuation practices based on market conditions and laws and regulations will vary according to the type of asset (real estate, intangible assets, financial assets, etc.) and country or region, JICPA believes that the qualifications of members using the mark should limit the type of asset and country or region to be valued.

## 3. On the “Requirements”

The JICPA believes that clear and measurable VPO requirements are preferable. Additionally, in order to make it possible for stake holders to identify members, VPOs should be required to disclose members and their areas of expertise.

It should be noted that given that IVS are in the process of being disseminated, the JICPA believes that VPOs should be encouraged to conduct PR activities for IVS.

## 4. On the “IVS Adoption Recognition Mark”

The JICPA believes that the design of the individual mark should indicate that the valuation services are being carried out in accordance with IVS rather than the IVSC.

The JICPA also believes that there is a need to indicate which VPO awarded the recognition mark in order to be able to identify specialized countries and regions and the asset types to be subject to valuation.