



**GOVERNMENT OF SAMOA**

**SAMOA SECOND INFRASTRUCTURE AND ASSET  
MANAGEMENT PROJECT (SIAM II)**

**Draft**  
**COMPONENT 5.2: LAND VALUATION**  
**VALUERS LEGISLATION ACT REPORT**

**TECHNICAL ASSISTANCE REPORT NO. 9**  
**SUBMITTED TO**  
**MINISTRY OF NATURAL RESOURCES, ENVIRONMENT AND**  
**METEOROLOGY**

**MAY 2005**



## Version Control

Version	Date	Type of Change (s)	By
1.0	13 <sup>th</sup> May 2005	Draft submitted to MNREM	M McLoughlan

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# 1. Valuers legislation

## 1.1 Introduction

The purpose of this brief report is to:

- Provide the draft 'Valuers Licensing Act' for the Ministry of Natural Resources, Environment and Meteorology as required by the Project
- Provide information about the development of the drafting of the 'Valuers Licensing Act'
- Provide attachments relevant to the 'Valuers Licensing Act' and a link to the 'National Valuation Practice Standards – Samoa 2005'

## 1.2 The draft valuers licensing legislation:

The draft 'Valuers Licensing Act' is in Attachment 1.

The 'Valuers licensing Act' prescribed forms and the licence proforma are located in Attachment 2.

Notes regarding the legislation are in Attachment 3.

## 1.3 Development of the of the valuers licensing legislation:

Development of the draft legislation has occurred substantially during March and April 2005 and has involved

- Consultations with various interested parties and key stakeholders
- Numerous meetings and discussions with the valuers and valuation staff at the Ministry of Natural Resources, Environment and Meteorology
- A workshop with key stakeholders to present the draft legislation as a discussion paper. This included an opportunity for feedback and responses
- Notes on the legislation including information and reasoning on content

Persons consulted are listed in attachment 4

The workshop presentation in 'Powerpoint' is Attachment 5

A list of invitees and workshop participants are in Attachment 6

Feedback and responses for the workshop are in Attachment 7

**Draft**

## **1.4 National Valuation Practice Standards:**

The 'National Valuation Practice Standards - Samoa 2005' document was developed during the March 2005. It was presented as a discussion paper to a workshop on the 6<sup>th</sup> April 2005 and modified following feedback from stakeholders.

This document is a schedule to the draft 'Valuers Licensing Act' and is in Project Report 8 Attachment 1 Part 1.

The 'National Valuation Practice Standards - Samoa 2005' have been developed to provide some guidance, where required, to Valuers in Samoa and will be taken into account by the Samoa Valuation Board in its dealing in the licensing of valuers, regulation of valuers and complaints against valuers.

*Draft*

## **Attachments**

<b>Attachment 1</b>	<b>Draft Valuers Licensing Act</b>
<b>Attachment 2</b>	<b>Prescribed forms and Licence</b>
<b>Attachment 3</b>	<b>Notes regarding the Valuers Licensing Act</b>
<b>Attachment 4</b>	<b>Persons consulted</b>
<b>Attachment 5</b>	<b>'Powerpoint' Presentation - slides</b>
<b>Attachment 6</b>	<b>List of invitees and workshop participants</b>
<b>Attachment 7</b>	<b>Feedback – workshop</b>

**ATTACHMENT 1**

**VALUERS LICENSING ACT - SAMOA 2005**

*Draft*

## VALUERS LICENSING ACT – SAMOA 2005

The Act establishes the Samoa Valuation Board, which has provisions for regulations.

The Samoa Valuation Board is to deal with:

- The licensing of valuers
- The regulation of valuers
- Complaints against valuers

### INTERPRETATION

In this Act unless the context otherwise requires

'assessment(s)' includes written reports

'assistant' means any person who assists a Valuer in the inspection of land and preparation of any valuation

'ACEO' means Assistant Chief Executive Officer, MNREM

'approved' means approved by the Samoa Valuation Board

'Board' means Samoa Valuation Board

'CEO' means Chief Executive Officer of MNREM

'Chairperson' means the Chairperson of the Board

'Land' means any estate or interest in land and includes improvements to, or on, the land

'Licence' means a licence under this Act

'Licensed valuer' means a person licensed under this Act

'LVS' means Licensed Valuer Samoa

'MNREM' means the Ministry of Natural Resources, Environment and Meteorology

'Property' means either land and/or assets including Plant and Equipment

'Principal Valuer' refers to the licensed valuer in charge of the Valuation section of the MNREM

'Plant and Equipment' includes all production machinery and equipment, motor vehicles, vessels and mobile plant etc

'Minister' means the Minister responsible for this Act

'Register' means the list of Valuers

'Valuer' means Licensed Valuer Samoa

*Draft*

## **PART 1: ESTABLISHMENT OF SAMOA VALUATION BOARD**

The Valuers Licensing Act – Samoa 2005 establishes the Samoa Valuation Board.

The purpose of the Samoa Valuation Board is to administer the Valuers Licensing Act – Samoa 2005.

The Samoa Valuation Board will have the capacity to act on all matters relating to this Act.

The Samoa Valuation Board shall consist of:

1 Chief Executive Office of MNREM, or the ACEO of Technical Division MNREM as their delegated representative. This person is Chairperson of the Board.

There will be four other members of the Board who shall be:

2 the Attorney General, or their delegated representative who shall be a member in odd years and the President of the Law Society, or their delegated representative who shall be a member in even years

3 the President of the Chamber of Commerce or their delegated representative

4 the Principal Valuer at the MNREM.

5 a private valuer, who shall be nominated by the Chairperson of the Board. The private valuer's appointment must be for a minimum of 12 months. The Chairperson of the Board may nominate another private valuer for any subsequent 12 month period. Where the private valuer is unable to proceed with duties (eg. due to illness) the Chairperson shall appoint a replacement private valuer. When and if there is a formal professional association of valuers established in Samoa then the private valuer (to sit on the board) shall be filled by that groups chairperson (or delegated representative).

Members of the Samoa Valuation Board shall be paid an annual allowance and a sitting fee, as the Minister responsible for Public Service Commission determines. For the initial 12 months the annual allowance shall be \$1,200 plus a sitting fee of \$30.

The Samoa Valuation Board shall meet at least once per year, at a place specified by the Chairperson, who must be in attendance.

The CEO of MNREM or the ACEO Technical Division as their delegated representative shall chair meetings of the Samoa Valuation Board.

Three members equal a quorum and one of these must be from the private sector.

In the event that one of the valuer members of the Board is the subject to a formal complaint, then that member shall not sit on the Board when the complaint is being considered.

The Chairperson shall nominate the secretary of the Board, an unpaid position. The secretary shall be a not be a member of the Board, and shall be an employee of MNREM.

## **Powers of the Samoa Valuation Board**

- May require attendance before the Board of any person relevant to the licensing and practice of valuers
- May require production of any documents to substantiate claims relevant to licensing and practice of valuers
- May inspect books, documents and copy if it sees fit to, related to the practice and licensing of valuers
- Require any person to make oaths or affirmations, that he/she will truly answer all questions put to them by the Board relating to any valuation licensing matter being inquired into by the Board
- In any proceedings the Board shall act according to equity, good conscience, and the substantial merits of the case. The Board must act with fairness.

*Draft*

## **PART 2: LICENSING OF VALUERS**

The Minister shall grant any Valuation Licence upon recommendation from the Samoa Valuation Board.

The Samoa Valuation Board is responsible for keeping a register of valuers.

The Samoa Valuation Board shall take account of the 'Samoa National Valuation Practice Standards 2005' in its deliberations regarding any application for a valuation licence.

The first issue of the Samoan National Valuation Practice Standards forms a schedule to this Act.

A person to be licensed will have the following information:

- Full Name
- Residential address (and professional address if applicable)
- Date of Licence
- Licence number
- Particulars of the person's qualifications
- Any restrictions to practise
- Any other matters the Samoa Valuation Board considers relevant

A valuer must:

- Be, in the opinion of the Board, a person of good character and reputation and be competent to carry out the duties of a licensed valuer
- Hold a degree in Land Management from USP, Fiji or an international equivalent
- Have at least three years documented valuation experience, under the direct supervision of a licensed valuer, immediately prior to applying for a licence. The Board needs to be satisfied that the documented experience is sufficiently broad and continuous and is directly related to the valuation of property. Experience that is not likely to fully qualify includes: property management and real estate sales and research
- If not academically qualified, have sufficient, recognised valuation skills. The Board has authority to issue valuation licences for those who have specific work experience in the valuation field. The person must be able to demonstrate a sound knowledge of valuation theory and practical applications of those skills. A minimum of ten continuous years of valuation-related experience, immediately prior to registration, would be acceptable. This condition only applies until 2012.

Despite any of the above a student, or a person who is employed as an assistant to a licensed valuer, is permitted to perform and discharge functions and duties connected with valuations. See also 'Assistant(s)'

## Assistant (s)

This term includes:

- Students undertaking a course of study in Valuations, who are performing functions and duties connected to valuations, but under the supervision of a licensed valuer
- A person, including any graduate, who is employed as an assistant to a licensed valuer, and is under the direct supervision of that licensed valuer, and who has such training that is likely to be recognised by the Samoa Valuation Board as a condition for a Valuation Licence

## Application for a Valuation Licence

Applications for a Valuation Licence must be made on the prescribed form that will include an oath that the information is correct and that the applicant will carry out all valuations impartially. (See schedule XX).

An initial fee of \$300 tala is required for the Valuation Licence application. For foreign valuers seeking a short term licence the initial fee is \$500 tala. The fees shall be refunded if the licence as a valuer is not granted. This fee may be increased annually at the fall of a new year, by a majority vote of the Samoa Valuation Board.

The Samoa Valuation Board's granting of a Valuation Licence indicates that the fully licensed valuer is regarded as competent for all valuation assessments.

To assist in the promotion of public awareness and confidence in the valuation profession an acronym (LVS – Licensed Valuer Samoa) followed by a number (denoting the valuer's current licence number, that includes the year and any restriction) is the only valid reference for valuers in Samoa. **The Licence proforma is in schedule XX**

An example of an unrestricted licence reference that shall be granted by the Samoa Valuation Board is LVS 06 / 2005.

The Samoa Valuation Board may grant Valuation Licences with restrictions, in these instances:

1. Persons regarded as having substantial valuation experience for residential properties may be licensed as competent for residential valuations only. For valuers restricted to residential assessments, a notation following the licence number, shall apply.  
eg. LVS 04 / 2005 [Residential valuer only]

2. Persons regarded as having substantial valuation experience for plant and equipment may be licensed as competent for plant and equipment valuations only. For valuers restricted to plant and equipment assessments, a notation following the licence number, shall apply. eg. LVS 02 / 2005 [Plant & Equipment valuer only]
3. The Valuation Board may grant foreign valuers a short-term licence (less than a year) to practise in Samoa for 'one-off' assignments. (Refer to separate heading 'Foreign Valuers following')

A register of valuers shall be published annually, at least on one occasion, in the 'Samoa Observer' and the Government 'Savali' newspaper on or about March 1<sup>st</sup> each year.

A list of licensed valuers, including their licence numbers and any restrictions to their valuation licences, is to be clearly displayed for public purposes at the office of CEO of MNREM. This information will also be displayed at other principal offices (if any) of MNREM in Apia for members of the public to view.

The valuation licence is valid for the period of twelve months.

An application for renewal of the Valuation Licence shall be made annually, within 30 days of the last licence expiring. This application, that will include an oath that the information is correct and that the applicant will carry out all valuations impartially, is to be accompanied by the prescribed fee of \$300.

This annual fee shall be the same as the initial fee, and can only be changed by a majority vote of members at a meeting of the Samoa Valuation Board.

The Samoa Valuation Board must consider applications for Valuation Licences / Licence Renewals within 30 days of the receipt of the application.

The Samoa Valuation Board must make its decision known to the applicant within 7 days of the decision being made. This notification shall be in writing. A decision to decline or to postpone a licence / renewal, or to grant a licence / renewal with limited conditions must be accompanied by a statement of reasons. Reasons to postpone or refuse a licence / renewal may be on several grounds including inadequate, false or misleading information.

Any licence renewal will be formally communicated to the valuer in writing under the signature of the Chairperson of the Samoa Valuation Board on Ministry of Natural Resources Environment and Meteorology letterhead and will be counter signed by the Minister. The renewal will state the current licence number and year. This will be the essential evidence of currency.

The Samoa Valuation Board's decision is final and there shall be no appeal, subject to rights of appeal to courts.

## **Licensing of Foreign Valuers**

Foreign valuers are not permitted to practise in Samoa, unless they have been granted a licence, known as a short term Licence.

The Samoa Valuation Board may grant foreign valuers a short term Valuation Licence, for less than a year, to practise in Samoa for one-off assignments.

The Samoa Valuation Board shall grant a short term Valuation Licence if the valuer/s satisfy the usual criteria for registration for valuers in Samoa.

If a foreign valuer requires a licence earlier than the standard one month there shall be a non-refundable one off application fee of \$1,000. In these circumstances the Samoa Valuation Board shall provide its decision within 14 days.

The Samoa Valuation Board may revise the application fee on or near the 1<sup>st</sup> March each year.

*Draft*

## **PART 3                      REGULATION OF VALUERS**

### **Removal of Valuation Licence**

The Samoa Valuation Board shall take account of the 'Samoa National Valuation Practice Standards 2005' in its deliberations regarding any consideration of removal of valuation licences.

The Samoa Valuation Board may remove valuers from the register if:

- a. the Samoa Valuation Board considers a valuer no longer competent
- b. a valuer has been registered as a result of fraud or misrepresentation or by virtue of dishonesty
- c. the valuer no longer represents the good standing of the Valuation profession
- d. a valuer allows a person other than a licensed valuer to practise in their name as a valuer
- e. the valuer fails to adequately supervise their valuation assistant(s) that includes inspections of all property valued. The licensed valuer who is supervising an assistant is at all times legally responsible for the assessment. The licensed valuer must accompany the assistant on all inspections done under their supervision. The licensed valuer is responsible for the accuracy of the assessments. When an assistant signs an assessment the licensed valuer must countersign
- f. there is any contravention of the Code of Ethics
- g. any valuer is not a financial member for the year in question (i.e. Has not paid their annual fee within 30 days of their licence expiring).

To further clarify the above in respect to responsibility for assessments. If another valuer (perhaps senior to the licensed valuer who signs) adds their signature to the valuation report, then that valuer should not include their licence number unless they have also inspected the property. Adding the licence number may give the false impression that the second valuer has inspected the property and this must be avoided.

### **Professional Development**

A licensed valuer is expected to complete five (5) hours of professional development each year to maintain their licence.

Evidence of the professional development undertaken must be produced for the Samoa Valuation Board on payment of prescribed annual fee for renewal of the Valuation Licence. Examples of acceptable profession development include: undertaking computer courses; attending seminars relevant to the property industry and private study relating to the property industry.

When structured professional development has not been possible, the valuer may seek to demonstrate that they have participated in continuing education through an interview with the Board. The Board will, on request, agree to the interview. At this interview the Board may

question the valuer on any valuation matter that proves to its satisfaction that the valuer has kept abreast of valuation and property related matters. This may include case law, international developments relating to the valuation and property industry gleaned from the internet or other public media.

## Code of Ethics

The document, 'Valuers Code of Ethics and Rules of Conduct – Samoa 2005' is mandatory reading and should be understood by all licensed valuers.

The first issue of the Code of Ethics forms a schedule to this Act. **See Schedule XX**

The Samoan Valuation Board, may periodically update this document, that takes account of International Valuation Standards.

The Board shall provide a copy of this document to all valuers upon their initial registration. Any updates will be provided on the renewal of their licence.

Any contravention of the Code of Ethics is grounds for termination of a valuer's licence.

## Unlicensed persons practising as Valuers

Any person, other than a licensed valuer, who:

- pretends to be a licensed valuer
- uses the name or title of a licensed valuer or other reference such as 'valuer' that gives the impression of being a licensed valuer
- practises as a valuer charging a fee
- or in any way makes out to be competent to make valuations

shall be guilty of an offence under the Valuers Licensing Act – Samoa 2005.

Such fraudulent, misrepresentation shall have a penalty of a monetary fine for the first offence which will be, initially, \$2,000.

The amount shall be increased, at the discretion of the Board, if there are subsequent offences.

An assistant to a licensed valuer who is under the direct supervision of a licensed valuer shall not be guilty of any offence, as cited above.

The above does not prevent a firm or corporation that has at least one person a licensed valuer, from using the term 'Licensed Valuer Samoa' on its letterhead or any promotional matter. However, the name or name(s) of the licensed valuer must be contained in this material.

## **PART 4 DEALING WITH COMPLAINTS AGAINST VALUERS**

The public, including financial houses and other clients in general or any other valuer, has the right to complain to the Samoa Valuation Board about any valuer.

The grounds for such a complaint:

1. Fraudulent activity in relation to the valuer's practice
2. Improper behaviour befitting a professional valuer
3. A valuation task conducted incompetently
4. Conflict of interest in the dealing with property sales and valuation. eg a valuer who is also a real estate agent must not value a property that they have also sold about the same time.

The Samoa Valuation Board shall take account of the 'Samoan National Valuation Practice Standards 2005' in its deliberations regarding any complaint in relation to a valuer's licence.

Complaints will not be accepted on the following grounds:

- That a valuation is too high or too low (this may be a matter for the courts)
- Any personal criticism

If a complaint is made against a valuer who is a Board member he/she must not sit on the Board for any decision in relation to that complaint. Another member of the Board as nominated by the Chairperson would fill that vacancy.

The complaints must be on the prescribed form (refer to Schedule XX)

The Board will deal with the complaints within 2 months of receipt.

The Board may at its discretion call on the valuer and/or the person who has complained to appear before the Board to hear matters in relation to the accusation(s). This may include a valuer who is a member of the Board.

In any proceedings the Board shall act according to equity, good conscience, and the substantial merits of the case. The board must act with fairness.

The Board's formal response to the person(s) / company who complained will be communicated in writing within 3 months of the complaint being received.

If the Board finds that any formal complaint is proven then the Board has discretion regarding penalty. However, de-licensing is the most likely outcome where a serious complaint is sustained.

The de-licensing period can be for a number of years or forever.

There shall be no appeal to the Board regarding its response/decision.

## **PART 5      REGULATIONS**

The Minister may make regulations that he/she considers necessary or expedient for the purposes of this Act.

Not intending to limit the meaning of the above those regulations may include:

- The procedure of the Board
- Powers of the Board to investigate matters relating to the licensing and regulation of Valuers
- Particulars to be recorded in the Register
- Penalties in relation to the Act
- Prescribe, and provide for the recovery of, any fee for the purposes of this Act
- Establishing the rights of valuers to enter property and to seek certain information

*Draft*

**ATTACHMENT 2**

**Prescribed forms and Licence Proforma  
Valuers Licensing Act**

*Draft*

**APPLICATION FOR VALUATION LICENCE**  
**UNDER THE VALUERS LICENSING ACT – SAMOA 2005**

To the Secretary  
Samoa Valuation Board, Apia

I apply for a Valuation Licence under the Act and supply the following information:

1. Full Name
2. Address for Correspondence
3. Business Address (for valuation practice)
4. Date of Birth
5. Country of Birth
6. Nationality
7. Names, occupations and addresses and contact phone/email addresses of three referees [nb. Referees should not be relatives]  
References to be furnished from referees (original will be returned upon request)
8. I intend to practise as a valuer in my own right / in partnership with another valuer / as an employee of a firm / as an employee of government / other (state)
9. Academic Qualifications (eg. BA--Land Management, USP)
10. Practical experience in valuations (eg. past 4 years full-time valuation experience as an assistant to Mr. X, a licensed valuer) Notes: applicants are required to provide experience in the immediate 3 years previous to the date of application.
11. I apply for:
  - A licence without restriction
  - A licence for residential valuation only
  - A licence for plant & machinery only
  - A short-term licence as a foreign valuer

*I hereby swear that the above is true and correct and that I will carry out all valuations impartially.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Where there is insufficient space, please attach additional information.

**APPLICATION FOR RENEWAL OF VALUATION LICENCE  
UNDER THE VALUERS LICENSING ACT – SAMOA 2005**

To the Secretary  
Samoa Valuation Board, Apia

I apply for a renewal of my Valuation Licence under the Act:

1. Full Name
2. Current Valuation Licence Number LVS\_\_\_\_/20\_\_
3. Restrictions applied - Not applicable
  - Residential only
  - Plant & equipment only
4. Address for Correspondence
5. Business Address (for valuation practice)
6. Date of Birth
7. Names, occupations and addresses and contact phone/email addresses of three referees [nb. Referees should not be relatives]
8. References to be furnished from referees (original will be returned upon request)
9. I intend to practise as a valuer in my own right / in partnership with another valuer / as an employee of a firm / as an employee of government / other (state)
10. Academic Qualifications (eg. BA - Land Management, USP)
11. Practical experience in valuations (eg. past 4 years full-time valuation experience as an assistant to Mr. X, a licensed valuer) Notes: applicants are required to provide experience in the immediate 3 years previous to the date of application.
12. I apply for: A licence without restriction  
A licence for residential valuation only  
A licence for plant & machinery only
13. Required hours of professional development completed Yes/No (evidence attached)

***I hereby swear that the above is true and correct and that I will carry out all valuations impartially.***

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Where there is insufficient space, please attach additional information.

# COMPLAINT TO SAMOAN VALUATION BOARD

## UNDER THE VALUERS LICENSING ACT – SAMOA 2005

To the Secretary  
Samoa Valuation Board, Apia

### Section A: I wish to lay a complaint against a licensed valuer

1. Full name of complainant:
2. Address:
3. Telephone number:
4. Valuer's Full Name:
5. Valuer's Licence Number (if known)

6. Business Address (for valuation practice)

Acceptable grounds for complaints against valuers include:

- fraudulent activity; improper behaviour befitting a professional valuer
- valuation done incompetently
- A conflict of interest applies

Note: Grounds unacceptable are:

- that a valuation is wrong
- a valuation is too high or too low
- any personal criticism

7. Nature of complaint – separate page maybe included for this.

*I declare the above to be true and correct.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Where there is insufficient space, please attach additional information

# COMPLAINT TO SAMOAN VALUATION BOARD

## UNDER THE VALUERS' LICENSING ACT – SAMOA 2005

To the Secretary  
Samoa Valuation Board, Apia

### **Section B: I wish to lay a complaint against a person acting as a valuer without a licence**

1. Full name of complainant:
2. Address:
3. Telephone number:
4. Person acting as a valuer - Full Name:
5. Business Address of person acting as a valuer

Grounds for complaint:

- A complaint may only be made if the person/s completing a valuation does not hold a current Samoan Valuation Licence.

6. Complaint details

*I declare the above to be true and correct.*

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Signature

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Date

# Valuation Licence



Licence No 01/2005



*Issued by the Minister of Natural Resources, Environment and Meteorology,  
on recommendation from the Samoa Valuation Board to:  
Ms Valuation Example  
Year: 2005*

.....  
Minister  
Signature:

*Date of Issue*  
*1st June 2005*

.....  
Chairperson of the Board  
Signature:

**ATTACHMENT 3**

**NOTES ON DEVELOPMENT – VALUERS  
LICENSING ACT**

*Draft*

## Notes on Development of Valuers' Licensing Act – Samoa 2005

### Name of proposed Act

Considerations of the title for the Act included: the Valuation Act; the Valuation & Valuers Licensing Act; the Land Valuation Act and others

The titles should reflect, as much as possible, the broad content of the Act. The 'Valuers' Licensing Act' – Samoa 2005 has been chosen because it conveys the meaning intended, which is that the act principally concerns the licensing of valuers.

The licensing of valuers inherently involves issues relating to the suitability of the people to be valuers and regulations concerning the continued suitability of valuers to practise. In this regard, the Samoan Valuation Board will take account of the Valuation Standards and Practice Notes, as well as the Code of Ethics for valuers in both licensing valuers and in the renewal of licences for valuers. The Act also takes into account complaints against valuers and this can be an inherent issue for licensing matters.

### Layout of the Act

The draft Act has been set out, as much as possible, along general legal formatting. It includes: a brief description of the Act; interpretation; and parts 1 to 5.

The Attorney General's office will frame the Act but not change the content. The draft will be submitted to MNREM in mid-May 2005. It will then be forwarded to the Attorney General's office.

### Interpretations

An 'assistant' is any one who assists a valuer in preparing a valuation and inspecting a property under the supervision of a licensed valuer. 'Licensed valuer' means a licensed valuer who holds a licence under the authority of the Valuers Licensing Act. The licensed valuer will have their licence recorded in a register with a number, including the current year. There should be no confusion about this and terms such as 'registered valuer', 'sworn valuer', 'honorary valuer', 'assistant valuer', 'interim valuer', 'valuer with certificate' and 'cadet valuer' should not be used.

It is considered essential that the public and valuation professionals be encouraged to use the same term for clarity and promotion. The term 'licensed' reflects the above and alternatives such as: 'registered licence', 'licensed certificate' and 'approved licence' should be avoided as they will only serve to confuse.

## **Part 1**

### **Composition of the Samoa Valuation Board**

Consideration has been given to a three, five & seven member Board. Five members are considered to be the most appropriate, with a quorum of three members (one of who is to be from the private sector). More than five members would incur additional and unwarranted cost. There is no reason to suggest that a Board cannot operate effectively with five appropriate and well- respected members.

Following a workshop of April 28<sup>th</sup>, 2005 consideration has been given to including a member from the banking sector on the Board in lieu of the President of the Chamber of Commerce or their delegated representative. The banking sector is a major stakeholder in the valuation industry in Samoa.

The Attorney General (or their delegated representative) was initially included on the Board to represent the legal perspective and this is important. However, after input from stakeholders following the workshop and after further consideration, including the Government of Samoa's document 'Strategy for the Development of Samoa 2002-2004'<sup>1</sup> a view is that the Samoa Law Society should also be represented. The Samoa Law Society seems closer to the every day issues and trends facing the community, especially the Banking sector. It must be acknowledged that the Attorney General is more likely to be involved in 'bigger picture' valuation issues such as compensation cases (eg the current Salelologa case) and that they should also be included on the Board. On balance, and to ensure balance, the considered view is that the both the Attorney General (or delegate) and the President of the Law Society (or delegate) should be included on the board. However, to overcome the firm view that the Board should be limited to 5 members, the compromise (and an acceptable position) is to have the Attorney General (or delegate) and the President (or delegate) sit in alternating years.

The Chairperson is the CEO of MNREM or the ACEO of Technical Division as their delegated representative. This Chair is appropriate because of the status attached to land issues. The MNREM also has the largest number of valuers in Samoa.

The Principal Valuer of MNREM is included on the Board as it is a position of major standing in the valuation industry in Samoa. It is also considered important that a valuer be a member of the Board to give guidance in respect to valuation matters.

The considered view is that the Secretary of the Board should essentially be a clerical position and they have no voting rights. The secretary would act as a record keeper and an organiser of meeting. There is no need to incur additional costs as the secretary would be a permanent employee of the MNREM who is appointed (and therefore satisfactory) to the Chairperson.

The final member of the Board is a private valuer. They should represent the interests of the private sector. This person is to be nominated by the Chairperson to facilitate management of the Board and recognises that there is a small number of private valuers in Samoa at present. Any suggestion that such a position should be filled by consensus of private valuers may be unworkable where there is no formal association of valuers. However, there is scope for a nominated valuer by private valuers should a recognised association be formed some time in the future.

#### Payment of Board Members

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<sup>1</sup> 'Enhanced Growth in the Private Sector', Appendix page 11, V point 6

Consideration has been given to the allowance and sitting fee for Board members. A reasonable amount has been set at \$1,200 per annum plus a sitting fee of \$30 per session with the Public Service Commission determining any change as time passes.

## **Board to Meet**

It is essential that the Board meet once a year to consider the annual renewal of valuers' licences. The Board will use its discretion for the need to meet more often than this.

## **Quorum**

The considered view is that a quorum must be 3 members and that to provide balance the Chairperson (or delegate) must be present plus a member from the private sector.

## **Complaints against member valuers**

It is considered important that member valuers do not sit on the Board when there are complaints being considered against them. This may mean that the valuer members may sit on the Board when other matters are being heard, but be excused for that part of any deliberations involving complaints against them.

## **Powers of the Board**

The purpose of providing this section is to give some guidance as to the authority of the Board. In general, its powers are restricted to licensing of valuers, regulation of valuers (including complaints against valuers) as distinct from making judgements or comments about any particular valuation figure. It is not the role of the Board to make judgements about valuation figures.

However, the Board has authority under the Act to seek whatever information it requires to make reasoned and fair decisions on whether a valuer should in the first instance hold a valuation licence and in the second instance, whether their licence should be re-newed for any particular twelve month period.

## **Part 2**

### **Licensing of valuers**

The considered view is that the Minister should grant the Valuation Licence upon recommendation from the Samoan Valuation Board. This means that the recommendation must come from the Board before the Minister can grant any licence.

In considering whether a licence should be recommended to the Minister, the Board will take into account the Samoan National Valuation Practice Standards – 2005 in assessing whether a candidate is suitable to practise as a valuer. These Practice Standards have been developed prior to the drafting of the legislation and form a schedule to the Act.

## Information to be provided by an applicant for a Valuation Licence

Most of this information is of a factual nature including: name, address, birth date etc. Importantly, an application will have supportive documentation relating to experience over the preceding three years, academic qualifications and three references from employers (where possible).

The application must be submitted on a form approved by the Board. A copy of the form is attached as a schedule to the Act.

### A Valuer 'must'

This part of the Act outlines what a valuer must be, hold or have, to be a successful candidate.

The reference to the valuer of 'good character and reputation' gives the Board discretion as to what is deemed applicable. It is the considered view that the balance and opinions of the five Board members should enable sound judgement in this respect.

The essential academic qualification is a degree in Land Management and Development from USP, Fiji. This is regarded as the standard for the Pacific region, including Samoa. The Board has discretion to accept what it regards as an international equivalent qualification.

The documentary evidence of valuation experience prior to applying for a licence is important to demonstrate that the applicant has had sufficient exposure in the property/valuation industry. In some other countries, four years is the requirement for continuous experience under supervision, prior to qualifying. However, in Samoa it is deemed that three years is sufficient. The emphasis is on three years of continuous valuation experience under a licensed valuer prior to applying for a licence.

A person who has not the academic qualifications, may qualify for a valuation licence provided they have a minimum of ten years continuous experience in valuation related matters. This provision has been included to recognise the dearth of academically qualified valuers in Samoa and at the same time, recognises that there are experienced property experts who are capable and should qualify as valuers. However, this condition should not be forever and a time limit of 31<sup>st</sup> December 2012 applies. This means that if a 'property expert' without the necessary academic qualifications was to apply for a valuation licence on or after 1<sup>st</sup> January, 2013 they would not be successful. This time limit also gives an opportunity for interested people to become academically qualified.

As at the date of the first day of operation of the Act, there will be no licensed valuers in Samoa. This means that anyone who has a 'licence' prior to the commencement of the Act would need to apply to the Samoan Valuation Board to have his or her licence under the Act granted. This means that the first hearing of the Board would comprise the three members who could not be valuers. The three member Board, consisting of the Chairperson, the legal representative and the Chamber of Commerce representative shall sit until the other two vacancies on the Board are filled. It is recognised that there may be no valuation expertise in the restricted Board membership initially. However, the considered view is that this is not a major issue.

Assistants to licensed valuers are not restricted in performing functions connected with valuations. Assistants are, as implied, those who assist licensed valuers in sales research and inspections of property under the supervision of the licensed valuer. These people may also be involved in writing reports under the supervision of a licensed valuer. Assistants are people who are likely to progress to be licensed valuers but they may not.

## Application for a valuation licence

To provide a standard approach to applications for a valuation licence, all applicants must complete the prescribed form. This form is a schedule attached to the Act. The form includes essential information about personal details, referees and an oath that the contents are accurate. The application fee of \$300 must be attached to the application form. For foreign valuers seeking a short term licence a fee of \$500 is required. The fees may be increased annually, at the fall of the new year, on a majority vote of the Board.

## Types of valuation licences

The Board has the authority to grant four types of valuation licences. It is anticipated that the unrestricted licence will be the most common licence approved. This licence will enable valuers to complete assessments of any property without restriction and the designated reference will be simply 'LVS' followed by a number and the year the licence is current. eg. LVS 06 / 2005

Where a licence is approved with restrictions, a reference will follow the licence number. The three possibilities are as follows:

1. Valuer for residential purposes only  
eg. LVS 04 / 2005 (Residential valuer only)
2. Valuer for plant and equipment only  
eg. LVS 02 / 2005 (Plant & equipment valuer only)
3. Foreign valuer short term licence  
eg. LVS 10 / 2005 (Short term licence - Foreign valuer)

The restricted licences are included to overcome the perceived shortage of valuers in Samoa at the time of the Act's development. This is particularly relevant for residential valuers and for specialist plant and equipment valuers. The short-term licence for foreign valuers has been included so that foreign valuers can practise with legitimacy and at the same time provide some income to Samoa in the form of a licence fee. It is anticipated that local valuers will also benefit from foreign valuers licensing as often, foreign experts bring useful information from abroad which may be beneficial to the local valuation profession. The Board may also benefit from information provided by foreign valuers during the licensing process.

## Publication of valuers licences

The public has a right to know, and have ready access to, a list of licensed valuers. At a minimum this is to be provided once per year in the 'Samoa Observer' and the government 'Savali'. In addition to this, a list of licensed valuers is to be displayed at the office of the CEO of MNREM and any other principal officers of MNREM in Apia.

## Licence validity

The Valuation licence is valid for a period of twelve months. Consideration has been given to longer periods of two years, three years and five years. It has been deemed that twelve months is appropriate and is in line with international standards, including Australia.

## Licence renewal

Consideration has been given to various terms, such as: 'annual practising certificate', 'annual licence' and 'annual registration'. The considered conclusion for simplicity and convenience to adopt the term 'renewal of valuation licence' as the most appropriate. A valuer must apply for renewal of their valuation licence within thirty days of the preceding licence expiring. The prescribed fee of \$300 must accompany the renewal application. The renewal application is to be on the form prescribed for this specific purpose. The annual fee of \$300 can only be changed by a majority vote of the Board members.

The Valuation Board must consider applications for valuation licences within thirty days of receipt at the office of the Chairperson. This is designed so a valuer may have confidence that their licence will be granted / renewed automatically if the Board fails to meet.

The Valuation Board must make its decision on an application known within seven days of its decision. This is to be in writing. If a decision is made to decline or to postpone a licence, or to grant a licence with conditions, a statement of reasons must accompany this decision.

The Valuation Licence will be a formal document that issued by the Board that has the Government of Samoa crest and the logo 'Licensed Valuer Samoa'. The proforma has been developed with the Valuation section of the Ministry of Natural Resources Environment and Meteorology.

Consideration was given to a separate formal 'certificate' that could be regarded as a 'Annual Practising Certificate' or 'Annual Licence'. However the view is that a letter from the Chairperson of the Board that is also signed by the Minister indicating that the Licence has been renewed (including the current licence number) is sufficient and will also help in reducing costs associated with another formal document. The initial formal Licence document is retained as the prime evidence of the right to practise. The letter will show currency of the Licence and should be displayed by the valuer adjacent to the original licence.

The Board must give reasons if it postpones or cancels a licence. The grounds may include: inadequate, false or misleading information.

The Board's decision on granting, postponing or granting a licence with conditions is final and without appeal. There is of course, the right to appeal to the courts.

The reason for placing time limits on the Board for consideration of applications is so that valuers know that their applications will be dealt with promptly and that if they are not, then they have the right to assume their licence has been granted / re-newed.

The reason for their being no appeal regarding the Valuation Board's decisions (subject to rights of appeal to courts) is so that the Board is not burdened with administrative matters concerning valuation licences and re-newals (as well as complaints). If there was an appeals procedure the same board members would most likely hear the appeal and this mitigates against any different outcome.

An applicant who has been declined a licence, or granted a licence with conditions, may re-apply for a licence / full licence in the next 12 months.

## Licensing of foreign valuers

It has been considered that foreign valuers must have licences to practise in Samoa. The reason for this is so that the Samoan Valuation Board has some knowledge of the number of foreign valuers practising in Samoa at any time. Similarly, the Board needs to be aware of their standards and competence before issuing any licence. In addition, foreign valuers will contribute funds to the Board (\$500 licence; and \$1,000 – in circumstances where a decision is required in fourteen days).

Foreign valuers would be granted a licence known as a 'Short Term Licence'. However, where a foreign valuer (s) practises in conjunction with a Samoan valuer, they use the Samoan valuer's licence. The Samoan valuer must take responsibility for any assessments.

### **Part 3**

#### Regulation of Valuers

- *Removal of valuation licence*

The Valuation Board has the responsibility to review a valuer's competence and related valuation matters every year upon the application for renewal of a licence.

What should be taken into account?

The 'Samoan National Valuation Practice Standards – 2005' have been written to provide some guidance to the Board in not only granting licences, but also for its deliberations regarding renewal of licences and/or complaints against valuers. (Complaints against valuers will be dealt with in particular in Part 4 of these notes.)

The Valuation Board may remove valuers from the licence registry. The list of reasons for removal of licences is set out in the Act.

A particular issue appears to be the supervision of assistants to valuers. When considering this matter some stakeholders had the view that licensed valuers should have discretion on when and how they supervise unqualified people assisting in their work. The over-riding concern is that the public has confidence that the licensed valuer is the only one to sign a valuation assessment and report, and that they have inspected each and every property valued at the time of any assessment. If an assistant writes all, or part of, an assessment, the supervising valuer must not only inspect the property, but also have sufficient knowledge of the contents of the report before signing it. 'Sufficient knowledge' is a matter for the Board to decide on should this become an issue.

- *Professional development*

There was a view put by at least one stakeholder during the development of the Valuers Licensing Act that professional development was unnecessary, or at least unnecessary to be formalised in the Act. The considered view is that professional development is important and international best practice demands that this be addressed. In Australia, for example, twenty hours of professional development annually is required to maintain membership of the Australian Property Institute. Five hours per year in

Samoa is considered a modest target and by some, it is considered too modest. On balance the compromise of five hours per year is suitable.

The Board has wide discretion in taking into account what constitutes reasonable professional development. However, proof of a valuer's continuing education is required. If not in writing, then by an interview with the Board on the valuer's request. The Board has discretion to increase the number of hours required.

- *Code of Ethics*

The Code of Ethics that forms part of the 'Samoa National Valuation Practice Standard – 2005' is a document that is mandatory reading for all valuers prior to their application for a licence. The Samoan Valuation Board should take into account this document in its consideration of applications for licences, renewal of licences and complaints against valuers. The Code of Ethics is important for the regulation of valuers and takes into account international valuation standards.

- *Unlicensed persons practising as valuers*

On development of the Valuers Licensing Act, it became clear that the public has little or no idea about who is qualified to value property. This part of the Act aims to clearly show that only a licensed valuer is permitted to value property in Samoa. Any person who pretends in any way gives the impression that they are competent to make valuations shall be guilty of an offence under the Valuers Licensing Act. The Act is also designed to elevate the status of licensed valuer. Thus, such terms as 'registered valuer', 'valuer general', 'cadet valuer', 'trainee valuer', 'valuer's assistant', 'head valuer', 'principal valuer' (except for the valuer in charge of the Valuation section MNREM) are not acceptable under the Act. An assistant to a valuer will be referred to simply as an 'assistant'. Where it is the practise/policy within any organisation for a person, to authorise or countersign valuations done by a licensed valuer (who may not be supervising an assistant) that person (who may also be a licensed valuer) may sign but not with their licensed valuer number and / or Licensed Valuer Samoa logo, unless they have inspected the particular property in question. The reason for this is to show the client that they are not the valuer responsible for the report. To make it very clear the countersigning person should state the capacity in which they sign.

The Valuation Board has the authority to investigate complaints made by the public about person/s who in any way purport to be valuers or competent at valuations. A prescribed form has been designed for this purpose. A complaint on this basis must be made on this form.

## Part 4

### Dealing with complaints against valuers

As part of the regulation of valuers, the provision for complaints is an important element of the Act. Clients not only have the right to cease employing a valuer, they also have the right to make formal complaints against valuers for any matters relating to their practice. In drafting the content for this it was considered necessary to define the grounds for legitimate complaints and to have these complaints dealt with in a formal manner. The complaints must be on a prescribed form/s. It was also considered important that complaints not be accepted on certain grounds, in particular, for any personal consideration which is irrelevant to any valuation matter and that a complaint cannot be accepted on the grounds that a valuation is too high or too low. It is important to make a distinction between the role of the Board as a regulator of valuers, as distinct from an arbitrator or mediator in respect to any

particular valuation figure. The Board is bound to deal with complaints on the basis of valuers' competence or otherwise.

It is also important for the Board to exclude either of the valuers on the Board if a complaint is being heard against them. This exclusion is only for the duration of the consideration of the complaint. The time limit for the Board to deal with complaints (two months) is set so that a complainant knows that their grievance will be dealt with within a reasonable time. The Board will communicate its decision, in writing, to the complainant within three months. The Board has wide discretion on how to deal with any outcomes on the complaints process. It may de-license a valuer, give a warning or dismiss the complaint.

## **Part 5**

### Regulations

This part of the Act is included so that there is legal authority for the Minister, upon recommendations from the Board, may make regulations that they consider appropriate for the purposes of the Act. The regulations are not to be inconsistent with the Act. Such regulations may be required for procedures of the Board and for others, including penalties in relation to the Act

*Draft*

**ATTACHMENT 4**

**PERSONS CONSULTED**

*Draft*

<b>Stakeholder</b>	<b>Position</b>	<b>Name</b>
MNREM	CEO	Tu'u'u Luafatasaga Dr. Ietitaia Setu taule'alo
MNREM Technical Services	Asst. CEO	Safuta Toelau Iulio
	Principal Valuer	Patea Malo Setefano
	'Valuer'	Moira Faletutulu
	'Valuer'	Faanimio Warren
	Senior Valuer	Vaitogi Sefo Vaitogi
Chamber of Commerce	President	Epa Tuioti
	Managing Dir IPA	Leiataua Isikuki Punivalu
ANZ Bank	Business Dev Mgr	Mark Burns
	Prime Banking Mgr	Rita Tugia-Enesa
National Bank of Samoa	Manager	Bruce Phillips
Ministry of Finance	Deputy CEO	Iulai Lavea
	Principal Officer	Janice Pritchard
	ACEO Finance Division	Maeva Betham-Vaai
Pacific Corporate Services Limited	Managing Director	John Boyle
Land Titles Court	Judge	Maiava Nafatali Moa
Samoa Realty Ltd	Managing Director	Rosita Brighthouse-Slaven
Samoa Law Society	Immediate past president	Maiava V. Peteru
SMI Hardware	Managing Director	George Lober
Central Property Valuers	Private Valuer	Lui Seru
Kaisara Real Estate Management	Private Valuer	Liamanaia Toeupo Kaisara
Private Valuer	Mgr. Elon Betham & Associates & General Manager Samoa Shipping Services Ltd.	Elon P. Betham
Progressive Insurance	Managing Director	John Filemu
O Le Siosiomaga Society Inc	Executive Director	Fiu Mata'ese Elisara-Laulu
Attorney General Office	Parliamentary Counsel	Tony Lawson
	Solicitor	Lalotoa Mulitalo

## **ATTACHMENT 6**

**Invitees and workshop participants**

*Draft*

Presentation and Workshop - Valuers' Legislation Workshop 28th April 2005			
	Invitees	Corporations/Company	Participants
1	Financial Secretary	Ministry of Finance	Janice Pritchard (Principal Finance Officer)
2		Ministry of Finance	Noelani Tapu (Senior Finance Officer)
3	Public Trustee	Public Trust Office	Evelina J Godinet Ale (Principal Estates & Trust Officer)
4	General Manager	Samoa Commercial Bank	Sam Lolani (Manager of Asset Management)
5	General Manager	ANZ Bank	Sallie Tauati (Manager of Asset Management)
6	General Manager	Samoa National Provident Fund	Tafeao Faatuai (Manager of Investments)
7		Samoa National Provident Fund	Vaovasa Toilolo (Senior Officer)
8	General Manager	Samoa Life Assurance Corporation	Farani Ieli
9	General Manager	Kaisara Real Estate Management	Liamanaia Toeupu Kaisara
10	Valuation Section.	MNREM	Moira Faletutulu
11	ACEO	MNREM	Safuta T Iulio
12	Valuation section	MNREM	Elisaia Talouli
13	Valuation section	MNREM	Patea M Setefano
14	Valuation section	MNREM	Vaitogi Iosefo
15	Valuation section	MNREM	Faanimi Reti-Warren
16		MNREM	Elisapeta Leato (Principal Draughtsperson)
17	Project Manager - SIAM 2	MNREM	Peleiupu Fuatai
18	General Manager	Central Property Valuers	Lui Seru
19	The Manager	Elon Betham & Associates Ltd	Itunui Samoa (Assistant)
20	Attorney General	Attorney General's Office	nil
21	President	Chamber of Commerce	nil
22	President	Law Society	nil
23	President	Accountants Association	nil
24	General Manager	Westpac Bank Ltd	nil
25	General Manager	National Bank of Samoa	nil
26	General Manager	Development Bank of Samoa	nil
27	Managing Director	Samoa Housing Corporation	nil
28	General Manager	Progressive Insurance	nil
29	General Manager	HMT Property Valuers	nil

**ATTACHMENT 7**

**FEEDBACK FROM WORKSHOP**

*Draft*

# VALUERS LEGISLATION WORKSHOP

Discussion Paper 28<sup>th</sup> April 2005

## **Submissions, Questions, Comments and Responses**

### *Written submission*

#### Part 1

- “It is our view that the “Chamber of Commerce” should not be included in the Board as it is not appropriate.  
If this is the case, other Presidents of other association should be included. (ie. Manufacturers etc)  
Does not bring any wealth of experience to the Board.
- Should invite President of Engineers or Surveyors in the Board composition – more relevant.
- The Minister in charge should be involved in Lands, not Public Service, as the Chief Executive Officer if from MNREM
- Board should meet at least three times per year”

#### Response:

*The Chamber of Commerce represents a large and influential group of businesses in Samoa, particularly in Apia. It is recognised that there would be other suitable candidates for inclusion on the Board in lieu of the Chamber of Commerce representative. The banking sector in particular would be a worthy addition and this is to be given further consideration before the draft legislation is submitted to MNREM administration.*

*The suggestion that the President of the Engineers or Surveyors be included on the Board is also worthy of consideration. However, the important point is balance on the Board and this will be achieved.*

*The suggestion that the Minister should be on the Board (and not the CEO of MNREM) introduces the political element. It is the considered view that the Minister should be involved only to the extent that they sign licences as recommended by the Board and not be party to any of the Board’s deliberations. It is important that the public have confidence in the Board as an independent entity without political (perceived or real) interference.*

*The discussion paper presents Board meetings as annual events unless otherwise required. There is no need to state anything more than this since the Board has discretion to call meetings as required.*

### Part 3

- “The Licensed Valuer must exercise judgement whether to accompany the assistant on all inspections done under his or her supervision.”

*It appears clarification is required here. The licensed valuer (as outline in the discussion paper) must inspect every property that is subject to a valuation under his/her supervision. If more than one inspection is required for any particular property for the same valuation then there is discretion on the part of the licensed valuer in this respect.*

*The important point is that international best practice requires that a valuer inspect each and every property that they value, either directly valuing themselves or under supervision.*

*The public must have confidence that the licensed valuer has inspected each and every property that they have valued.*

*It is proposed that the Board be very clear about this point. The aim is to improve the standing of valuers, particularly in the eyes of the public. Failure by licensed valuers to inspect should be regarded as a prime ground for negligence and the regulation of valuers dictates this.*

### Professional Development

- ~~“This is unnecessary as if one hold himself or herself as a professional he or she should be knowledgeable in valuation matters not to be instructed by Law to keep abreast in valuation matters.”~~

*Internationally valuers are increasingly required to keep abreast of valuation / property related matters. In Australia for instance, valuers are required to complete at least 20 hours of documented and acceptable professional development. This includes: seminars, computer courses, private study; submission of papers; presentation material etc. If Samoa wishes to improve its quality in the valuation profession, why should it be exempt from continuing professional development? It is the considered view that 5 hours per year (subject to further hours at the discretion of the Board) is not onerous. There is wide scope for opportunities to comply with this requirement. In making professional development a formal requirement, it ensures that valuers will undertake the minimum extra study.*

*The public should have confidence that this requirement is improving the capacity of valuers.*

#### Part 4

- “There shall be (insert) right of appeal (instead of no appeal) to the Board regarding its response/decision”.

*The inclusion of ‘no right of appeal’ for complaints against valuers aims at simplifying the process. It should be noted that there is in fact a ‘right of appeal’ to the courts. However, this should not involve the Board.*

*There is high emphasis placed on the capacity of the Board to give sound and well- reasoned response to any legitimate complaint it receives.*

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#### Comments from the floor at the workshop & Responses

- “Someone from the banks, the Treasury or the Central Bank Governor should be on the Board. The financial sector is a major player in the valuation industry.”

*The point is well made that banks are important stakeholders in the property / valuation industry. Further consideration is being given to including a member of the banking sector on the Board in lieu of the Chamber of Commerce.*

- “There is no guidance given to valuers about the difference between commercial and residential property. There is a lot of inconsistency in the valuations provided by valuers.”

*The Samoa Valuation Board, as proposed, is not designed to provide direct education for valuers. All licensed valuers are required, under the proposed Act, to have sufficient practical experience as well as academic qualifications to undertake the valuation assignments in Samoa.*

*If it can be shown that valuers are unable to provide the required quality of work demanded of them by clients then they should be subjected to a complaints procedure, as per the Act. It should be clearly understood that the education of valuers is not a role of the Samoa Valuation Board.*

- “With regard to ‘continuing professional development’ the MNREM should provide seminars to cover this requirement.”

*There is wide scope within the requirement for continuing professional development to adhere to the modest requirement of 5 hours professional development per year. It should not be the role of MNREM to satisfy the demands of the Act in this respect. However, workshops such as the one held today, comply with the expectations of professional development.*

- “The \$300 licence fee, and renewal fee, should be subject to the Revenue Board’s approval.”

*The Attorney General will look at the legal aspect of stating an amount in the Act. It would appear that the Act takes precedence over any other matter in this regard.*

- “There is a provision in the Act (discussion paper) that states a ‘complaint cannot be accepted on the basis that a valuation is too high or too low’. The Board should have authority to comment on this and act accordingly.”

*The Board does not exist to monitor any variations in valuations. Its primary role is to license valuers and to regulate this licensing capacity. There is a link that demands valuers are competent. This matter is broader than the scope of the Act and it is not intended that the Board become embroiled in any particular valuation dispute on the grounds of monetary differences. However, it should act on any issue that has been brought to its attention that reflects on a valuer’s unacceptable practice.*

- “There should be an arrangement that private valuers agree to nominate the private valuer Board member. There is no transparency if, as suggested in the discussion paper, the CEO of MNREM appoints the private valuer member.”

*Firstly, there are very few private valuers in Samoa at present. They have no professional association or formal unifying arrangement. For this reason alone it is unlikely that consensus would be reached in nominating a representative.*

*Secondly, the CEO of MNREM holds a position that is well respected and his/her decision regarding this should be upheld.*

*Thirdly, the suggestion is worthy of further consideration whereby there may be an association, or like body, some time in the future. The proposed Act may be amended to include this possibility and therefore the scope for a private valuer member, chosen by their peers via such an organisation.*

- “A real estate agent should be a board member as they are a key player in the property industry.”

*There are very few real estate agents in Samoa and they have no formal qualifications or organisation. The considered view is that there are more relevant representative of the property industry for inclusion on the Board. It should be acknowledged that some valuers are also real estate agents and the private valuer representative may be one of these.*

- “Who regulates the Board? There is nothing in the discussion paper to regulate the Board.”

*The short answer to this is ‘no one’. There is no perceived need for another authority to regulate the Board. Such a regulator may only serve to complicate processes and be counter-productive as well as incurring further cost. Much depends on the quality of the five member Board, and this is where the emphasis lies.*

- “If the Act comes into force, as per the discussion paper, am I correct in assuming that there will be no ‘interim’ licence available?”

*Yes, that is correct. The discussion paper provides:*

- 1. Unrestricted valuation licence*
- 2. Restricted licences for those worthy of ‘residential only’; ‘plant & equipment only’ and short term licences for foreign valuers.*

- “Inspections by licensed valuers should not be required for residential properties. This should be left to the discretion of the licensed valuer. However, inspections should be compulsory for licensed valuers in respect to commercial properties.”

It is a basic tenet of valuation that all properties are inspected in the valuation process. There should be no distinction between residential, commercial or any other form of property. Importantly, this does not preclude assistants to licensed valuers completing part or even most of the valuation assignment as long as the licensed valuer has inspected each and every property valued at the time of the assessment and to a degree that allows them to provide a sufficiently accurate valuation. The assistant to the valuer may sign the valuation report, but it must be countersigned by the licensed valuer, with their licence number adjacent.

*DRAFT*