

بمسلمنالزم الزحيم

## **Institute of Chartered Accountants of the Maldives**

Malé,

**Maldives** 

## Regulation on Registering Valuation Service Providers for Financial Reporting Purposes

Introduction and	1.	(a)	This Regulation is made pursuant to section 38 of Act	
Name			Number 13/2020 (The Chartered Accountants of the	
			Maldives Act).	
		(b)	This Regulation shall be cited as the "Regulation on	
			Registering Valuation Service Providers for Financial	
			Reporting Purposes".	
Scope of the	2.	(a)	This Regulation sets out the procedures and guidelines	
Regulation			governing the registration of Valuers, including the	
			requirements applicable to Registered Individual	
			Valuers and Registered Firm Valuers, the payment of	
			annual fees, conditions relating to C.P.D, offences,	
			penalties, and appeals, as well as the decisions of the	
			Institute concerning registration and the information	
			that Registered Valuers are required to submit to the	
			Institute.	
			This Regulation shall apply to individuals and Firms	
			engaged in the provision of Valuation services in	
			connection with the preparation of financial accounts	
			and financial statements of private sector businesses	
			within the Republic of Maldives.	
	3.	The objectives of this Regulation are as follows:		



Purpose of		(a)	To assure relevant institutions, auditors, board of
Registration of			directors and management of companies that
Valuers			Registered Individual Valuers or Registered Firm
Value13			Valuers that are registered with the Institute are
			competent to carry out Valuation exercises in
			accordance with applicable laws and professional
		(1.)	practice standards.
		(b)	To improve the quality and credibility of the Valuation
			exercises carried out by Valuers.
		(c)	To establish disciplinary measures that can be taken in
			relation to complaints and cases filed against Valuers.
		(d)	To promote the adherence to professional and ethical
			standards among Valuers.
Valuers	4.	(a)	Under this Regulation, a "Valuer" refers to a person duly
			registered under this Regulation to provide Valuation
			services in connection with the preparation of financial
			accounts and financial statements of private sector
			businesses, and who possess the competence,
			professional qualifications, and experience required to
			carry out Valuation exercises proficiently.
		(b)	For as long as the registration of a Valuer remains valid,
			every Valuer registered under this Regulation shall
			have the right to use the title "Registered Valuer" or the
			abbreviation "RV" to indicate that the Valuer is duly
			registered under this Regulation.
		(c)	Only Registered Valuers registered under this
		(-)	Regulation with the Institute are authorised to sign
			Valuations carried out for the preparation of financial
			accounts and financial statements of private sector
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			businesses in the Republic of Maldives.



	(d)	Notwithstanding subsection (c) of this Section, persons
		engaged in the provision of Valuation services
		described under this Regulation at the time of its
		commencement may continue to provide Valuation
		services for the period prescribed in Section 5(h) of this
		Regulation. Upon expiry of that period, persons who
		engage in Valuation exercises shall obtain a valid
		registration certificate under this Regulation.
	(e)	Applicants who meet registration requirements under
		this Regulation shall be registered by the Admission
		and Licensing Committee.
Registration of	(a)	The Institute shall maintain a Register of Registered
Valuers		Valuers containing the following information:
		Name of the Registered Valuer;
		Registration Number of the Registered Valuer;
		Date of entry of the Registered Valuer to the
		Register;
		Address, contact number and email address of
		the Registered Valuer;
		If the Registered Valuer is a Firm, the names of
		the Registered Individual Valuers registered
		under the Firm.
	(b)	The Register of Registered Valuers referred to in this
		Section shall be published on the website of the
		Institute.
	(c)	Under this Regulation, Valuers can be registered under
		the following categories:
		Registered Individual Valuer;
		Registered Firm Valuer.
	(d)	The following requirements shall be fulfilled for
		registration as a Registered Individual Valuer:



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			The applicant applying for registration as a
			Registered Individual Valuer shall be of good
			character and reputation, as deemed satisfactory
			by the Valuation Committee;
			The applicant shall be an active member who has
			passed the examination of a Valuation
			professional organisation recognized by the
			Institute, or shall hold a certificate recognised by
			the Institute;
			The applicant shall possess a minimum 2 (two)
			years' experience in a related field.
	(e)	The	following requirements shall be fulfilled for
		regis	tration as a Registered Firm Valuer:
		(1)	The Firm shall be registered pursuant to Act
			Number 18/2014 (Business Registration Act);
		(2)	Where the Firm is registered as a company or a
			partnership, at least 1 (one) partner shall be a
			Maldivian citizen resident in the Maldives, and if
			the business of the Firm is registered as a sole
			proprietorship, the owner shall be a Maldivian
			citizen resident in the Maldives and fulfilling the
			requirements stipulated for Individual Valuers
			prescribed in this Regulation;
		(3)	If the Firm is registered as a company or a
			partnership, the Firm shall have a partner or
			employee who is registered with the Institute as
			a Registered Individual Valuer.
	(f)	Indiv	riduals who do not possess Maldivian citizenship
		shall	be permitted to provide Valuation services
		desc	ribed in this Regulation through a Registered Firm
		Value	er.
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	(g)	Registered Individual Valuers licensed under a
		Registered Firm Valuer shall render Valuation services
		under the name of the Firm with which they are
		registered.
	(h)	All Valuers engaged in the provision of Valuation
		services shall register with the Institute within 60 (sixty)
		days of the commencement of this Regulation.
Application to	(a)	An application for registration as a Registered Valuer
Register as a Valuer		with the Institute shall be submitted to the Admission
		and Licensing Committee using the designated form of
		the Institute, together with required supporting
		documents.
	(b)	Following the submission of the application, the
		Admission and Licensing Committee shall conduct an
		interview, during which the applicant must
		demonstrate sound knowledge of sectoral policies
		relating to Valuation, adequate educational
		competence, and familiarity with the current Valuation
		trends or applicable laws and judicial precedents
		pertaining to Valuation.
	(c)	If the Admission and Licensing Committee determines
		that an applicant lacks sufficient knowledge or training
		in the Valuation sector, it may, at its discretion, reject
		the application for registration as a Registered Valuer.
	(d)	The Admission and Licensing Committee shall have the
		discretion to reject an application for registration as a
		Registered Valuer under the following circumstances.
		(1) The application is incomplete;
		(2) The application contains false or misleading
		information;



	(3)	The applicant has been convicted of fraud, tax
		evasion, or a similar offence, and sentenced to
		imprisonment for a term of 6 (six) months or
		more.
(e)	Upor	n receiving all information required to assess an
	appli	ication for registration as a Registered Valuer, the
	Adm	ission and Licensing Committee shall decide on
	the a	application within 30 (thirty) business days and
	infor	m the applicant of its decision accordingly.
(f)	Follo	wing notification of a decision to register a party
	purs	uant to subsection (e) of this Section, the Institute
	shall	issue a certificate of registration once the
	regis	tration fee determined by the Council has been
	paid	by the applicant.
(g)	The	registration of Registered Individual Valuers and
	Regis	stered Firm Valuers under this Regulation shall be
	auto	matically renewed under the following
	circu	mstances:
	(1)	The C.P.D hours required to be completed by the
		Registered Valuers have been fulfilled;
	(2)	Annual Report(s) relating to previous periods
		have been submitted;
	(3)	Annual fees have been paid up to date;
	(4)	The conditions stipulated under Section 5 of this
		Regulation have been met.
(h)	If any	y person registered under this Regulation is found
	to be	non-compliant with the requirements specified in
	subs	ection (g) of this Section within the first 6 (six)
	mon	ths of any year following the date of registration,
	that	person's registration may be temporarily
	susp	ended



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	(i)	Persons whose registration have been temporarily
		suspended pursuant to subsection (h) of this Section
		will be given 3 (three) months to comply with the
		requirements specified in subsection (g) of this Section.
	(j)	If a person fails to comply with the requirements
		specified in subsection (g) of this Section even within
		the additional period granted under subsection (i) of
		this Section, that person's registration shall be revoked,
		and their names shall be removed from the Register of
		Valuers.
	(k)	If a person wishes to voluntarily cancel their
		registration and have their name removed from the
		Register of Valuers, they shall apply in writing, together
		with the original certificate of registration issued to
		them. Upon receipt of such a request, that person's
		name shall be removed from the Register of Valuers,
		and their registration shall be revoked.
	(1)	The registration status of all parties registered under
		this Regulation shall be valid for a period of 1 (one)
		calendar year from the date of registration.
Continuing	(a)	Registered Individual Valuers registered under this
Professional		Regulation shall complete a minimum of 10 (ten) hours
Development		of C.P.D in each calendar year, and 60 (sixty) hours of
		C.P.D within a period of 3 (three) years.
	(b)	The 10 (ten) hours referred to in subsection (a) of this
		Section shall be verifiable C.P.D hours. Of these, at least
		5 (five) hours shall be organised by the Institute or by
		other parties in association with the Institute.
	(c)	The Admission and Licensing Committee shall have the
		discretion to reduce or exempt C.P.D hour
		requirements, to such extent or in such manner as it



		deems appropriate, based on the special circumstances of a Registered Individual Valuer.
	(d)	Any exemption granted under subsection (c) of this Section shall be valid for a period of 1 (one) calendar year.
	(e)	Any exemption under subsection (c) of this Section in respect to unverifiable C.P.D hours shall be granted only in specific cases.
	(f)	Any party who fails to comply with the requirements under this Section shall be deemed to be in breach of the ethical standards of the Institute. In such a case, the Admission and Licensing Committee shall inquire into the matter and shall have the discretion to temporarily suspend or revoke the registration of that party.
	(g)	For the purposes of this Section, a calendar year shall be the period from 1 January to 31 December.
Offences	(a)	Any party engaging in the following acts shall be considered to have committed an offence under this Regulation.
		(1) Procuring or attempting to procure a certificate of registration by unlawful means;
		(2) Providing or attempting to provide Valuation services in contravention of the provisions of this Regulation or without being registered as required under this Regulation;
		(3) Knowingly making any false or misleading statement with the intent of obtaining any advantage, concession, or privilege under this Regulation;



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		(4) Forging, or knowingly using a forged document
		purporting to be a valid certificate issued under
		this Regulation;
		(5) Engaging in Valuation services without obtaining
		professional indemnity insurance as required
		under Section 11 of this Regulation.
	(b)	Based on the severity of an offence committed under
		subsection (a) of this Section, the Institute shall have
		the power to impose a fine ranging from MVR2,000
		(Two Thousand Rufiyaa) to MVR10,000 (Ten Thousand
		Rufiyaa) on any person found to have committed the
		offence.
Penalties	(a)	If a complaint is to be filed against a Registered Valuer
		under this Regulation, the complaint shall be submitted
		to the Council. After review, if the Council finds that the
		complaint merits further investigation, it shall refer the
		matter to the Ethics Committee.
	(b)	If the Council refers a complaint to the Ethics
		Committee for investigation, the Ethics Committee
		shall investigate the matter as it deems appropriate
		and shall prepare and submit a report to the Council
		with its findings.
	(c)	The Ethics Committee shall have the discretion to
		appoint persons possessing the requisite expertise and
		knowledge to assist in the investigations carried out by
		the Ethics Committee under Section 9 of this
		Regulation.
	(d)	Upon receipt of the report specified in subsection (b) of
		this Section, the Council shall, based on the findings of
		the report, determine the appropriate actions to be
		taken if the circumstances so warrant.
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(e)		Council may, under the following circumstances,
	deci	de to suspend a Registered Valuer's certificate of
	regis	stration or to issue a warning to the Registered
	Valu	er.
	(1)	Being found to have breached the professional
		and ethical standards that the Registered Valuer
		is required to uphold;
	(2)	Failing to fulfil the requirements relating to C.P.D;
	(3)	Failing to comply with the conditions of the
		certificate of registration.
(f)	The	Council may, under the following circumstances,
	deci	de to revoke the certificate of registration issued to
	a Re	gistered Valuer.
	(1)	Submission by the Registered Valuer to remove
		their name from the Register of Registered
		Valuers;
	(2)	The Registered Valuer having been convicted of a
		criminal offence by a competent court of the
		Republic of Maldives or of another country;
	(3)	The Registered Valuer being declared bankrupt
		by a competent court of any country or under
		applicable law;
	(4)	The Registered Valuer committing an act that
		breaches the professional and ethical conduct
		requirements set by the Valuation Committee;
	(5)	The Registered Valuer being deemed mentally
		incapacitated in writing by a registered
		healthcare professional;
	(6)	The death of a Registered Individual Valuer or
		dissolution of a Registered Firm Valuer;



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		(7)	The Registered Valuer failing to meet any of the
			requirements set out under this Regulation.
	(g)	Befo	re removing the name of a Registered Valuer from
		the	Register of Valuers, except in cases of voluntary
		remo	oval or death, the Registered Valuer shall be given
		writt	en notice of at least 30 (thirty) days to object if they
		belie	eve there are no grounds for removal.
	(h)	Ifas	ituation arises that the requirement under Section
		5(e)(	2) of this Regulation is incomplete, the Registered
		Valu	er shall be given a period of 6 (six) months to
		com	ply with that requirement.
	(i)	The	procedures set out under this Section shall apply
		to c	own-motion investigations carried out by the
		Cour	ncil.
Appeals	(a)	А ре	erson dissatisfied with a decision made by the
		Cour	ncil or any Committee, may appeal that decision to
		the A	Appeal Committee within 30 (thirty) business days.
	(b)	The	appellant shall be informed in writing of the
		decis	sion reached by the Appeal Committee within 90
		(nine	ety) business days from the date the appeal was
		subr	nitted.
	(c)	In de	eciding appeals submitted under this Section, the
		Арре	eal Committee may:
		(1)	Uphold, nullify or revise the decision of the
			Council or Committee;
		(2)	Direct the Council or Committee to revise or
			modify its decision;
		(3)	Direct the Council or Committee to revise their
			decision after obtaining additional information
			from the appellant.
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		(d)	The decision of the Appeal Committee, together with its			
		(4)	findings to uphold, nullify or revise the decision of the			
			Council or Committee shall be communicated in writing			
			to the appellant.			
		(e)	Upon request of a Registered Valuer, or if the Council			
			or Committee, on its own initiative, determines that a			
			party whose registration has been revoked or			
			suspended is capable of conducting Valuations, the			
			Council or Committee, as may be the case, may decide			
			to reinstate or renew that party's registration.			
		(f)	For the purposes of this Section, 'Committee' refers to			
			a Committee constituted under Section 25 of the Act			
			and excludes the Ethics Committee, the Admission and			
			Licensing Committee, the Valuation Committee and the			
			Appeal Committee.			
Professional	11.	(a)	Registered Valuers shall obtain professional indemnity			
Indemnity Insurance			insurance from an insurance company recognised by			
			the Institute. Such insurance shall cover financial			
			liabilities that may arise from incomplete services or			
			services inadequately rendered by the Registered			
			Valuer.			
		(b)	Within 30 (thirty) days of the issuance of a certificate of			
			registration, the Registered Valuer shall submit a copy			
			of the insurance certificate to the Institute.			
		(c)	Registered Valuers shall not engage in the provision of			
			Valuation services or Valuation related works			
			connected to financial reporting without the			
			professional indemnity insurance required under this			
			Section.			
Definitions	12.	Unless otherwise specified in this Regulation, the terms set out				
		below shall have the following meanings.				



(a)	"Institute" means the "Institute of Chartered
(a)	
	Accountants of the Maldives" established under the
	Act.
(b)	"Council" means the Institute's Council constituted to
	organise and implement the affairs of the Institute in
	accordance with the Act.
(c)	"Valuation" means valuation carried out for the
	purpose of preparing financial accounts and financial
	statements of private sector businesses.
(d)	"Valuation Committee" means the committee
	constituted by the Council pursuant to the powers
	vested in the Institute under Section 25(d) of the Act, to
	research and advise the Council on formulating
	relevant policies related to Valuation.
(e)	"C.P.D" means "Continuing Professional
	Development".
(f)	"Ethics Committee" means the committee constituted
	to investigate and advise the Council on actions to be
	taken in respect of complaints submitted by members
	regarding other member(s) for breaches of the
	regulation formulated under Section 28 of the Act, or
	of the code of conduct of the members, and to carry
	out own-motion investigations constituted by the
	Institute.
(g)	"Appeal Committee" means the appeal committee
	constituted under Section 29 of the Act to determine
	appeals submitted by members dissatisfied with
	decisions of the Council or other committees.
(h)	"Admission and Licensing Committee" means the
	committee constituted under Section 30 of the Act to
	determine the requirements and policies for members



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			to be registered with the Institute, and to organise and
			carry out all matters relating to the issuance of Audit
			Licence and other related admissions and licensing
			matters under the Act in the Republic of Maldives.
		(i)	"Registered Valuer" means Registered Individual
			Valuers and Registered Firm Valuers registered under
			this Regulation.
		(j)	"Registered Individual Valuer" refers to an individual
			registered to provide Valuation services under this
			Regulation.
		(k)	"Registered Firm Valuer" refers to a Firm registered to
			provide Valuation services under this Regulation.
		(l)	"Act" means the Act Number 13/2020 (Maldives
			Chartered Accountants Act).
		(m)	"Firm" means a company, partnership or a sole
			proprietorship registered pursuant to Act Number
			18/2014 (Business Registration Act) for the purposes of
			providing Valuation services.
		(n)	"Partner" means, in the case of a company, its directors,
			in the case of a partnership, its partners, and in the case
			of sole proprietorships, its owner.
		(o)	"Resident in the Maldives" means residing in the
			Republic of Maldives for a period of at least 183 (one
			hundred and eighty-three) days within any 12 (twelve)
			months beginning or ending in a calendar year.
		(p)	"Professional and ethical standards" means the
			standards set out by the Institute, or by an
			international organisation or association, or institution
			relating to valuation recognised by the Institute.
Commencement of	13.	This R	l egulation shall take effect from the date of its publication
the Regulation		in the Government Gazette.	
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