

**EX POST IMPACT ASSESSMENT ON THE INDEPENDENT  
VALUERS ACT**

**S U M M A R Y**

RIA.BG



## Introduction

The impact assessment of the Independent Valuers Act is done in respect of its operational and general objectives, taking into account the inputs of human, material and financial resources invested in the implementation of the law. This assessment is compliant with the established international criteria, such as efficiency, effectiveness and long-term impact. On this basis, a set of indicators for each level of objectives has been formulated.

### **The specific objectives of the ex post impact assessment of the Law are:**

- to determine how the Law is applied;
- to identify and evaluate the impacts of the Law and
- to make recommendations for the amendments and supplements to the Law.

## Main results

A set of quantitative indicators supplemented by qualitative and comparative analysis has been applied to measure the impact of the Independent Valuers Act with regard to the general and operational objectives in the period from its entry into force in December 2008 to date.

- **The general objectives of the Law are achieved to a high degree - over 90%** of the respondents included in the study form the evaluation believe that the realization of the general objectives of the Law, e.g. “Identification and transparency of the activity of the independent evaluators”, “Raising the responsibility of independent evaluators for the quality of assessments” and “Protection of the interests of users of services provided by independent evaluators” have been achieved to a high degree.

- **Fully achieved operational objective of the Law** is the “Introducing of liability of independent evaluators for breach of professional obligations and professional ethics.”

- **Achieved in lower degree are the following operational objectives of the Law** – “Regulation of the legal status of independent evaluators”, “Setting of rules and conditions for qualifying as independent valuer”, “Definition of terms and conditions to practise the professions of independent valuer” and “Regulating the structure, organization and activities of the Chamber of Independent Valuers.”

- **There are not objectives of the Independent Valuers Act that are considered unachieved** or for which it is accepted that contrary to the objectives has been achieved.

- **The main obstacles that hinder the effective implementation of the Independent Valuers Act are:** lack of guarantees for independence, objectivity and professional qualification in the work of independent valuers; lack of synchronization between the registers of the Chamber of Independent Valuers and the courts in the Republic of Bulgaria. The provisions of the Law are not observed by institutions, organizations and other users of services from valuers.

- **The main proposals to increase the efficiency from the implementation of the Law are:** to improve the organization of the Chamber of Independent Valuers, to introduce a

requirement for synchronizing the registers of the Chamber of Independent Valuers with the courts in the Republic of Bulgaria; to raise the requirements for participation in the exams for qualification as independent valuers; to establish a mechanism for control on the observance of the Independent Valuers Act by all addressees.

***Recommendations for changes to the Independent Valuers Act***

To overcome the weaknesses of the Independent Valuers Act and to achieve its objectives to a higher degree we recommend the following changes:

1. To specify the types of qualifications for operating as a valuer;
2. To introduce equal conditions between independent valuers /as for instance by introducing a single fee for maintenance of the register of independent valuers, and to admit legal persons to be members of the Chamber of Independent Valuers/;
3. To introduce Tariff for the fees collected by the Chamber of Independent Valuers;
4. To establish a minimal professional threshold for those who plan to pass the exam for acquiring of qualification in order to better protect the interests of consumers of independent evaluations;
5. To introduce the requirement that the pricing of the services of independent valuers is done following a methodology adopted by the Chamber of Independent Valuers;
6. To provide a mechanism for control on the performance of the obligations of the Chamber of Independent Valuers;
7. To establish a mechanism for control on the observance of the Independent Valuers Act by all of its addressees as for instance by reference to a body which to make check for compliance with the provisions of Law;
8. To make synchronization between the Independent Valuers Act and the Judiciary Act with the aim of having evaluations in court cases done by independent valuers registered in the Chamber of Independent Valuers.