MINUTES OF THE SAMVAL WORKSHOP

HELD ON 26 JUNE 2014 AT 09:00

AT THE MILITARY MUSEUM

Present:	**A Macfarlane (Chairman)**	
	M Austin	**Dr T Marshall**
	A J A Bals	**A McDonald**
	J Botha	**J Odendaal**
	V G Duke	**K Redman**
	A Kinghorn	**D J van Niekerk**
	J Luckmann	
Apologies/Absent:	**V Bansi**	**A de Bruyn**
	Dr R Becker	**J Ruddy**
	A N Clay	**N Steenkamp**
	R Croll	**M R Tlala**
	R Davel	**A van Zyl**
In Attendance:	S Moolla	Manager, SAIMM
	J Carpenter	Recordist and minutes

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1. Welcome

The Chairman welcomed everyone present to the meeting.

2. Acceptance of previous minutes with reference to actions noted

The minutes of the meeting held on 4 June 2014 were accepted with no changes or amendments.

3. Matters arising

<u>Page 2, Minute 4, Finalisation of draft Code</u>: Dr Marshall had provided the definition for scoping study which was included in the draft Code. She explained that although SAMREC had wanted to use PEA, CRIRSCO had requested that Scoping Study be used as this was internationally accepted. Mr Macfarlane felt that for SAMVAL's purposes it was probably necessary to include an additional qualifying statement.

<u>Page 2, Minute 5, Definition of process for exposure and public comment</u>: Mr Macfarlane and Mr Clay would raise the issue of registration and competence at the SSC meeting.

Action: ALASTAIR MACFARLANE/ANDY CLAY

4. Finalisation of draft Code

After a further debate on regarding the definition of scoping study in relation to confidence levels, transparency and what value people are going to assess it on, Mr Macfarlane agreed to prepare an additional statement on level of risk/uncertainty. This would be circulated to the committee before it was included in the draft Code.

Action: ALASTAIR MACFARLANE

Mr Macfarlane reported that Mr van Niekerk's changes were only to improve the document and would not alter the definition of the Code.

However, Miss de Bruyn's changes were quite significant and a meeting would be arranged with her to discuss these one-on-one. Mrs Redman and Mr Kinghorn would be included in the meeting. **Action: ALASTAIR MACFARLANE**

The registration of CVs was a key issue and Mr Macfarlane requested Ms Moolla to contact the Registrar to arrange an urgent follow-up meeting. **Action: SAM MOOLLA**

The SSC workshop on registration and competence would be arranged shortly. Mr Macfarlane advised that this meeting was being planned to:

- Get everyone on the same page
- Get the SSC viewpoint
- Obtain a position on the matter from the SSC.

He added that he assumed the SACPVP were willing to set up a separate registration category. However it was important for SAMVAL to be included in the registration process and to this end we wanted significant involvement in the process. However with the structures and the changes to the Act this would take time. He added that even if SACNASP were chosen as the home for CVs it would take time to set up.

It was therefore agreed that the interim transitional arrangement would apply.

Mr van Niekerk explained the reason that he thought the SACPVP had not replied to our request for a meeting. He explained that at a meeting of the Council for the Built Environment held in July three possibilities had been raised, viz.,

- The maintain the status quo
- Create the CBE as a major body with only 1 Act and all other 6 professions would become Boards under the CBE
- Take over the CBE's functions and the CBE Act to disappear and fall under the 6 professional.

Mrs Redman felt that people should be given an option for registration. Mr Duke added that there was a fear that we could follow a structure of which we were unsure of the consequences and then it could become difficult to unravel. Mr Macfarlane added that at the previous meeting with the SACPVP they had implied that whether we joined them or not, they would go ahead with the registration of CVs.

5. Definition of process for exposure and public comment

Ms Moolla had circulated the approval process and timelines for the draft Code and the Chairman reported that the deadline for the draft Code was 29 August.

Mr van Niekerk questioned whether the public were aware of the draft changes and the Chairman replied that working group members should be carrying a mandate to report back to their constituencies. Mr van Niekerk felt that people should be made aware of the changes before the 29 August. The Chairman advised that a roadshow had been planned to do this.

Dr Marshall reiterated this and reported that in addition to the roadshow a presentation was being prepared on what was happening with the SAMREC Code that would be given at various conferences.

The draft Code would be presented at the next meeting.

6. Election of a new Chairman

Ms Moolla confirmed that there were no further nominations received.

It was agreed that Mrs Redman would be put forward as the new Chairperson and Mr Kinghorn as her Deputy. Mr Macfarlane would make this recommendation to the SSC at the meeting to be held on 28 August where it would be ratified and become effective at the September meeting.

Mrs Redman and Mr Kinghorn were congratulated.

7. General

7.1 IMVAL report back

Mr Macfarlane reported that the IMVAL group had held a telecom on 3 June to discuss the draft template which had been circulated prior to the meeting. A conference call had also been held at the IVSC meeting in London and the IVSC were keen to collaborate with IMVAL and wanted to establish a Memorandum of Understanding with them. The IVSC had also spoken about qualifications, which was also a part of the IMVAL discussions. These discussions would also need to be started within SAMVAL.

There had been objections received from the Australians with regard Public Reports and they also wanted a Charter to be set up. As the other members had rejected this they had agreed to go back to the original template.

Mr Bill Roscoe from CIMVAL would provide a note on levels of valuation studies. The inclusion of Petroleum, Oil and Gas also had to be discussed as this was dealt with differently in each country and it was agreed that a clause should be developed that recognises these differences. Specialist Scope is a valuation of mineral assets as it does not extend to enterprise or business evaluation, so it is limited to scope. This was the discussion they had with IVSC and had informed them that CVs were not accountants and these would be people who would be looking at other intangibles. IVSC would then rely on IMVAL for this expertise.

Mrs Redman was opposed to this wording as she felt that it could be misinterpreted and that in time to come the intention would be lost.

The Chairman concluded that Mr Roscoe would take over as the Chairman of IMVAL once the draft was completed.

The meeting ended at 09:37.

The next meeting would be held on Thursday, 31 July 2014 at 08:00.

SUMMARY OF KEY ACTION ITEMS
Alastair Macfarlane and Andy Clay: **To raise the issue of registration and competence at the next SSC meeting.**
Alastair Macfarlane **to include an additional comment on level of risk/uncertainty under Scoping Study.**
Alastair Macfarlane **To arrange a one-on-one meeting with Annalie de Bruyn and to include Kelly Redman and Andrew Kinghorn in the meeting.**
Sam Moolla **Contact the Registrar of the SACPVP to set up an urgent meeting.**