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Harmonization of Asset Valuation Laws in ASEAN Member States: A Comparative Legal Analysis of Regulatory Divergence and Convergence

[1]Le Thi Thao

[1]*University of Law, Hue University, Vietnam.*

Corresponding Author: ltthao@hueni.edu.vn

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Abstract: This article examines the challenges of harmonizing asset valuation laws across ASEAN member states amid increasing regional economic integration. Despite the establishment of the ASEAN Economic Community, regulatory fragmentation in asset valuation continues to create legal uncertainty for cross-border transactions. This study assesses whether legal harmonization in asset valuation within ASEAN is necessary and practically achievable by adopting a comparative doctrinal legal methodology, analyzing statutory frameworks and regulatory practices in selected ASEAN jurisdictions, including Singapore, Vietnam, and Indonesia. The analysis focuses on three dimensions: valuation standards, regulatory governance, and enforcement mechanisms. The findings reveal significant divergences across member states, particularly in the absence of unified valuation standards, varying institutional capacities, and inconsistent regulatory enforcement. These challenges hinder effective legal harmonization and limit the efficiency of regional financial integration. The article argues that a hybrid harmonization model—combining regional soft-law coordination with gradual domestic legal alignment—offers a more feasible pathway for ASEAN. This approach provides practical policy implications for strengthening regulatory coordination, enhancing legal certainty, and facilitating cross-border transactions. This study contributes to the literature by reframing asset valuation not merely as a technical issue but as a core regulatory challenge in ASEAN legal integration.

Keywords: ASEAN; asset valuation law; legal harmonization.

1. Introduction

The increasing integration of ASEAN economies under the ASEAN Economic Community (AEC) has intensified the need for regulatory harmonization across various legal domains. Among these, asset valuation plays a crucial yet often overlooked role in ensuring transparency, efficiency, and legal certainty in financial and commercial transactions.[1,2]

However, despite growing cross-border economic activities, the legal frameworks governing asset valuation remain fragmented across ASEAN member states. This divergence manifests in three key challenges: the absence of unified valuation standards, uneven institutional capacity, and inconsistent regulatory enforcement. These issues create significant legal uncertainty for investors, regulators, and financial institutions operating within the region and may lead to regulatory arbitrage and reduced market confidence.[3]

Existing scholarship on ASEAN legal harmonization has primarily focused on trade law, investment liberalization, and financial regulation, often within the broader context of ASEAN economic integration.[4,5] However, limited attention has been paid to asset valuation as a distinct regulatory domain, despite its critical role in determining asset pricing, risk allocation, and financial transparency.

This article seeks to address this gap by examining the extent to which asset valuation laws can be harmonized within ASEAN member states. Specifically, it aims to (i) analyze the differences in legal frameworks across selected jurisdictions, (ii) identify key challenges to harmonization, and (iii) propose feasible regulatory approaches for improving coordination.

By adopting a comparative legal perspective, this study contributes to a more nuanced understanding of regulatory divergence and its implications for ASEAN economic integration, positioning asset valuation as a core governance issue rather than merely a technical or professional matter.

2. Literature Review

The issue of legal harmonization within ASEAN has been widely examined across various sectors, including trade law, investment law, and commercial transactions. Existing studies consistently highlight that regulatory divergence among ASEAN member states poses significant challenges to cross-border economic activities and necessitates greater legal coordination to support regional integration.[6,7] However, the legal dimension of asset valuation remains relatively underexamined. The

1 International Valuation Standards Council (IVSC), *International Valuation Standards (IVS)*, latest edition (London IVSC). https://ivsc.org/new-edition-of-the-international-valuation-standards-ivs-published/.
2 OECD, *G20/OECD Principles of Corporate Governance*, (Paris: OECD Publishing, 2015).
3 World Bank (2020), *Global Financial Development Report* (Washington, DC: World Bank, 2020).
4 ASEAN Secretariat, *ASEAN Economic Community Blueprint 2025* (Jakarta: ASEAN Secretariat, 2025).
5 Richard Baldwin et al., *The Economics of European Integration*, 2nd ed. (New York: McGraw-Hill Education, 2015).
6 U.-K. Musicpunth and A. Sriboonroj, "Harmonization of ASEAN Investment Laws: Any Possibility Toward Recognition and Enforcement of Foreign Judgments in ASEAN Member States," *University of Bengkulu Law Journal* 3, no. 2 (2018): 109–116. https://doi.org/10.33369/ubelaj.3.2.109-116.
7 H.-J. Chang, "Regulation of Foreign Investment in Historical Perspective," *UNU-INTECH Discussion Paper No. 2003-12* (2003).

harmonization of asset valuation laws within the ASEAN Economic Community has received increasing academic attention, especially in the context of fostering regional integration and building a transparent, stable investment environment. Existing studies emphasize the critical role of legal harmonization as a foundational mechanism to support mutual recognition of property rights and legal decisions among member states, thereby enhancing competitiveness and investment appeal across the region.[8,9]

Several scholars have pointed out that deep legal system divergences—ranging from civil law and common law to Islamic law traditions—along with disparities in economic development and national policy priorities, pose significant barriers to harmonization. For instance, Jovanka Lingkanaya (2022)[10] underlines how legal diversity complicates the establishment of unified standards for asset valuation. In response, some authors suggest that ASEAN could adopt a non-binding, principle-based framework through voluntary cooperation, in alignment with its long-standing norm of non-interference.

Other studies delve into practical mechanisms such as the recognition and enforcement of foreign judgments as key tools to build legal trust and facilitate asset-related harmonization.[11] The role of regional bodies, particularly the ASEAN Secretariat, is also emphasized as a critical facilitator for cross-border legal dialogue, best practice sharing, and the development of reference legal frameworks.

Nonetheless, there remains a notable research gap concerning the technical aspects of asset valuation harmonization—such as standardization of valuation methodologies, qualification frameworks for valuers, and the alignment of national systems with global benchmarks like the International Valuation Standards (IVS). Asset valuation is a cross-cutting legal and economic process, drawing from both international standards (e.g., IVS) and domestic regulatory frameworks. Literature from international organizations such as the International Valuation Standards Council (IVSC) and World Bank highlights the role of valuation in public asset management, privatization, and financial reporting. At the ASEAN level, legal harmonization efforts have often focused on Mutual Recognition Arrangements (MRAs) and regional professional bodies like the ASEAN Valuers Association (AVA), yet with limited enforceability and scope. This paper fills a critical gap by linking valuation law to ASEAN legal harmonization discourse.

3. Methodology

This study adopts a qualitative research design grounded in a comparative doctrinal legal approach. It operates within a normative legal framework, focusing on the analysis of legal rules, regulatory structures, and their coherence with international standards. The objective is to evaluate the extent of regulatory divergence and the feasibility of legal harmonization in asset valuation across ASEAN

8 Musicpunth and Sriboonroj, "Harmonization of ASEAN Investment Laws," 109–116. https://doi.org/10.33369/ubelaj.3.2.109-116.

9 Jovanka Lingkanaya, "Harmonization of Commercial Transaction Law in the ASEAN Region: The Importance, Possibilities and Challenges," *Law Review* 2, no. 1 (2022): 1–20. https://doi.org/10.19166/lr.v0i2.3823.

10 Lingkanaya, "Harmonization of Commercial Transaction Law," 1–20.

11 Musicpunth and Sriboonroj, "Harmonization of ASEAN Investment Laws," 109–116.

member states.

The research relies on secondary legal data comprising: (i) primary sources, including national statutes, regulations, and official guidelines governing asset valuation; (ii) secondary sources, such as academic literature and policy analyses; and (iii) tertiary materials, including reports from international and regional organizations. In particular, the International Valuation Standards (IVS) are used as a benchmark for assessing convergence, while relevant ASEAN policy documents provide context for regional regulatory coordination.

A comparative case study method is employed, using purposive sampling to select three representative jurisdictions: Singapore, Vietnam, and Indonesia. These countries were chosen based on their diversity in legal traditions, levels of economic development, and degrees of alignment with international valuation standards. This selection enables a structured comparison across different regulatory environments and enhances the analytical depth of the study.

The analytical framework is organized around three key dimensions: (i) valuation standards, (ii) regulatory governance, and (iii) enforcement mechanisms. This framework allows for systematic cross-country comparison and facilitates the identification of both regulatory divergence and emerging convergence trends.

To enhance analytical robustness, the study triangulates legal texts with institutional and policy materials, capturing both formal legal provisions and practical governance dynamics. This approach ensures that the findings are not only doctrinally grounded but also relevant to broader discussions on legal harmonization and regional economic integration within ASEAN.

4. Comparative Overview of Legal Frameworks in ASEAN

The legal landscape governing asset valuation in ASEAN is marked by significant disparity. These inconsistencies manifest in legal recognition of valuation standards, institutional authority, and professional oversight. The table below illustrates the extent to which ASEAN member states have institutionalized their valuation frameworks.

Table 1. Institutional Maturity of Asset Valuation Regulation in ASEAN

Country	*Valuation Law*	*Adoption of IVS*	*Regulatory Body*	*Sanctions Available*	*Mandatory Training/CPD*
Singapore	*V*	*V*	*V*	*V*	*V*
Malaysia	*V*	*V*	*V*	*V*	*V*
Indonesia	*V*	*V*	*V*	*V*	*V*
Vietnam	*V*	*V*	*V*	*V*	*V*
Philippines	*V*	*V*	*V*	*V*	*V*
Thailand	*V*	*V*	*V*	*V*	*V*
Cambodia	*X*	*X*	*X*	*X*	*X*
Laos	*X*	*X*	*X*	*X*	*X*
Myanmar	*X*	*X*	*X*	*X*	*X*
Brunei Darussalam	*X/Limited*	*Partial*	*Limited*	*X*	*X*

Source: Pacharavanich, P. (2022). An Institutional Analysis of Property Valuation in ASEAN. PRPRJ, 28(1), 20–46. https://www.prres.org/uploads/1350/2007/PRPRJ_No_1_2022_Pacharavanich.pdf

Singapore represents one of the most advanced frameworks in the region. Valuation in Singapore is regulated by the Singapore Institute of Surveyors and Valuers (SISV), which adopts the International Valuation Standards (IVS) as its core professional reference. The SISV sets rigorous ethical and technical guidelines, aligning domestic practice closely with global valuation norms.[12]

Malaysia has similarly embedded international standards within its statutory regime. The Valuers, Appraisers, Estate Agents and Property Managers Act 1981 provides the legislative foundation for professional regulation, and explicitly acknowledges IVS as the benchmark for valuation practice. This statutory recognition ensures a high level of compliance with international best practices, particularly in real estate and financial reporting contexts.[13]

Vietnam, by contrast, operates under a more centralized and state-driven regulatory model. The Ministry of Finance is the principal authority overseeing valuation, and it issues national standards through legal instruments such as Circular 28/2015/TT-BTC. While there is partial alignment with IVS—particularly in terminology and methodology—Vietnam's standards often incorporate administrative priorities and diverge from global norms in application.[14]

In Indonesia, Thailand, and the Philippines, formal references to IVS are present within national valuation guidelines, yet implementation varies considerably.

12 Singapore Institute of Surveyors and Valuers (SISV), *Valuation Standards and Practice Guidelines,* accessed April 20, 2026. https://vai.pro.vn/Data/upload/files/singapore-valuation-standard.pdf.

13 Malaysia, *Valuers, Appraisers, Estate Agents and Property Managers Act 1981 (Act 242)*. https://www.commonlii.org/my/legis/consol_act/vaaeaa1981364/.

14 Ministry of Finance Vietnam, *Circular No. 28/2015/TT-BTC - National Asset Valuation Standards* (2015). https://thuvienphapluat.vn/van-ban/EN/Tai-chinh-nha-nuoc/Circular-No-28-2015-TT-BTC-promulgating-Vietnam-s-valuation-standard-No-05-06-and-07/269785/tieng-anh.aspx.

Regulatory enforcement is often fragmented, and the extent to which international standards are applied in practice depends heavily on local professional bodies and institutional capacity.[15]

The least developed legal frameworks in valuation are found in Cambodia, Laos, and Myanmar. These jurisdictions suffer from institutional underdevelopment and outdated or incomplete legal instruments. In many cases, valuation practices rely on informal procedures or colonial-era laws, lacking both standardization and transparency. This absence of a coherent regulatory base not only impedes investor confidence but also complicates cross-border financial transactions. Brunei Darussalam represents a smaller and less developed valuation framework, with limited institutional formalization compared to other ASEAN member states.

To further clarify the comparative differences in regulatory structures and valuation practices, Table 2 provides a simplified overview of key legal and institutional features across selected ASEAN jurisdictions.

Table 2. Comparative Overview of Asset Valuation Frameworks in Selected ASEAN Countries

Country	Legal Framework	Valuation Standard	Regulatory Authority
Singapore	Developed statutory + professional system	International-aligned	Monetary Authority of Singapore
Vietnam	Mixed regulatory framework	Partially harmonized	Ministry of Finance
Indonesia	Fragmented regulatory structure	Developing standards	Financial Services Authority

As shown in Table 2, Singapore demonstrates a highly developed and internationally aligned valuation framework, supported by strong institutional oversight and professional regulation. Vietnam reflects a hybrid model, where partial alignment with international standards coexists with a centralized regulatory approach. Indonesia, in contrast, exhibits a more fragmented system, with varying levels of implementation and regulatory coordination.

These differences highlight the uneven levels of legal and institutional development across ASEAN member states and underscore the challenges of achieving consistent regulatory harmonization in asset valuation.

This regulatory fragmentation across ASEAN not only reflects structural legal differences but also illustrates the critical need for harmonization. A unified approach to asset valuation regulation is essential to foster transparency, promote efficient market operations, and facilitate cross-border investment and financing. The harmonization of valuation standards would also support the broader objectives of the ASEAN Economic Community (AEC), particularly in enhancing regional regulatory coherence and economic competitiveness.

15 ASEAN Valuers Association, *Country Reports 2019*. https://asean-valuers.org/congress_papers.

5. Key Legal and Institutional Challenges

Efforts to harmonize asset valuation laws within the ASEAN framework confront a constellation of interlocking legal, regulatory, and institutional barriers. These challenges do not merely reflect technical inefficiencies; they expose deeper structural and normative divergences among member states. Such divergences have impeded ASEAN's progress toward regulatory convergence and undermined the legal foundations necessary for a cohesive ASEAN Economic Community (AEC). This section identifies five critical areas in which these challenges are most pronounced.

5.1 Methodological Disparities

A major legal obstacle to harmonization is the absence of standardized valuation methodologies across ASEAN. While some jurisdictions—most notably Singapore and Malaysia—favor internationally recognized frameworks such as the market approach and adopt principles from the International Valuation Standards (IVS), other member states continue to rely on cost-based or income-based models, often without clear methodological guidance or definitional precision.[16]

This methodological heterogeneity is further compounded by the lack of uniform terminology. Key concepts such as "market value," "fair value," and "highest and best use" are interpreted differently across jurisdictions, leading to conceptual ambiguity and inconsistent valuation outcomes. The resulting fragmentation undermines the comparability, reliability, and credibility of asset valuations across borders—precisely the attributes required to facilitate cross-border financing, securitization, and investment decision-making.[17]

5.2 Institutional Weaknesses

Institutional weaknesses remain a significant constraint in several ASEAN member states. According to the ASEAN Valuers Association (AVA) Country Reports (2019), regulatory frameworks differ substantially across jurisdictions.

In Vietnam and Indonesia, valuation oversight is primarily embedded within ministries such as the Ministry of Finance, limiting regulatory autonomy and technical specialization.[18]

More pronounced institutional deficiencies are evident in Cambodia, Laos, and Myanmar, where formal valuation professions and regulatory frameworks remain underdeveloped or fragmented.[19] In particular, Laos and Myanmar lack formally established valuation professions, which explains their non-membership status within AVA.

16 International Valuation Standards Council (IVSC), *International Valuation Standards (IVS) 2020* (London: IVSC, 2020).https://www.ivsc.org/standards/.

17 Samuel D. Scoles, *Harmonization of Standards and Mutual Recognition Agreements on Conformity Assessment in Indonesia, Malaysia, Thailand, and Vietnam, ERIA Research Project FY2015 No. 15* (2016). https://www.eria.org/RPR_FY2015_No.15.pdf. https://asean.org/wp-content/uploads/2023/05/ASEAN-Guidelines-for-Harmonisation-of-Standards-2022-Version.pdf.

18 ASEAN Valuers Association (AVA), *Vietnam, Indonesia, and Cambodia Country Reports (2019).*

19 ASEAN Valuers Association (AVA), *Cambodia, Laos, and Myanmar Country Reports (2019).*

Additionally, in Brunei Darussalam and Thailand, institutional weaknesses manifest in the absence of a unified valuation law or centralized regulatory authority, leading to fragmented governance structures and inconsistent application of valuation standards.[20]

These findings highlight the uneven institutional landscape across ASEAN and reinforce the challenges of achieving legal harmonization in asset valuation.

These variations demonstrate that institutional weaknesses in ASEAN are not uniform but exist along a spectrum, ranging from relatively mature regulatory systems to jurisdictions with limited or emerging institutional capacity. Such disparities pose significant challenges to the harmonization of asset valuation laws within the ASEAN Economic Community.

This institutional fragmentation results in uneven licensing procedures, limited enforcement of ethical codes, and inadequate disciplinary frameworks. Consequently, the valuation profession often lacks accountability mechanisms, diminishing public and investor confidence in valuation outputs. Weak institutional capacity also inhibits the integration of international standards into national frameworks.

5.3 Regulatory Fragmentation

Asset valuation in ASEAN is often regulated under multiple, overlapping legal and administrative regimes, depending on the type of asset, sectoral regulation, or governmental jurisdiction. For example, land valuation may be overseen by land ministries, whereas financial or business asset valuation may fall under financial supervisory authorities. These siloed arrangements create regulatory fragmentation, hinder policy coherence, and complicate the uniform interpretation and enforcement of valuation law.[21]

In the absence of centralized coordination, national valuation systems evolve in isolation, making alignment with international practices or regional standards more difficult. This legal compartmentalization obstructs ASEAN's goal of developing a coherent and regionally integrated regulatory environment.

5.4 Lack of Mutual Recognition

One of the most persistent institutional bottlenecks is the absence of mutual recognition mechanisms for valuation professionals. Unlike other regulated professions—such as accountancy or engineering, which benefit from ASEAN Mutual Recognition Agreements (MRAs)—the valuation profession remains nationally bounded, with qualifications and licenses generally non-transferable across borders.[22,23]

20 ASEAN Valuers Association, *Country Reports 2019*.https://asean-valuers.org/congress_papers.

21 P. Pacharavanich, "An Institutional Analysis of Property Valuation in ASEAN," *Pacific Rim Property Research Journal* 28, no. 1 (2022): 20–46. https://www.prres.org/uploads/1350/2007/PRPRJ_No_1_2022_Pacharavanich.pdf.

22 ASEAN Coordinating Committee on Services (CCS), *Mutual Recognition Arrangements Implementation Report* (2022). https://asean.org/our-communities/economic/mutual-recognition-arrangements/.

23 ASEAN Secretariat, *Mutual Recognition Arrangements: Lessons from Accountancy and Engineering* (Jakarta:

This limitation impairs the cross-border mobility of qualified valuers, constrains the operations of multinational valuation firms, and discourages knowledge-sharing and professional collaboration within the region. In the absence of harmonized competency frameworks or standardized certification processes, building a transnational valuation profession remains elusive.

5.5 Political and Legal Autonomy

Underlying many of these challenges is a fundamental concern regarding national sovereignty. Legal harmonization—particularly in domains tied to land, real estate, and financial services—is often perceived as a form of external legal intrusion. For several member states, especially those with strong state control over property regimes or politically sensitive valuation frameworks, there is a reluctance to cede regulatory authority to supranational or even regional bodies.[24,25]

This tension between regional integration and legal autonomy is not unique to asset valuation, but it is especially acute in this context due to the strategic and politically embedded nature of land and capital regulation. As a result, even when economic rationale supports convergence, political and constitutional constraints often limit the scope and speed of harmonization.

6. Prospects and Legal Mechanisms for Harmonization

Despite enduring disparities in legal structures and institutional capacities, the prospects for harmonizing asset valuation laws across ASEAN remain viable and strategically aligned with the region's goals of economic integration, regulatory coherence, and cross-border investment facilitation. As ASEAN transitions toward a more interdependent economic bloc under the ASEAN Economic Community (AEC) framework, legal convergence in valuation standards becomes increasingly imperative. This section explores institutional, normative, and procedural mechanisms that could serve as vehicles for regional harmonization.

6.1. ASEAN Blueprint & Regional Cooperation

The ASEAN Economic Community (AEC) Blueprint 2025 provides the clearest regional mandate for regulatory harmonization, calling explicitly for enhanced coherence in standards across professional services, including finance, accounting, and real estate valuation.[26] The blueprint recognizes that fragmented regulatory systems—particularly in valuation—pose a significant barrier to foreign direct investment (FDI) and the efficient operation of regional financial markets. In this context, asset valuation is not merely a technical activity but a strategic regulatory node in ASEAN's broader legal and economic architecture.

ASEAN Secretariat, 2015).

24 T. V. Nguyen, "Harmonization of Asset Valuation Laws in ASEAN: Issues and Prospects," *Journal of Legal Sciences* 73 (2018): 73–84.

25 Scoles, *Harmonization of Standards.* https://www.eria.org/RPR_FY2015_No.15.pdf. https://asean.org/wp-content/uploads/2023/05/ASEAN-Guidelines-for-Harmonisation-of-Standards-2022-Version.pdf.

26 ASEAN Secretariat, *ASEAN Economic Community Blueprint 2025*. https://asean.org/book/asean-economic-community-blueprint-2025/.

Legal harmonization in this area directly advances Pillar 1 of the AEC Blueprint, which emphasizes the creation of a "highly integrated and cohesive economy." Valuation standardization ensures that assets are assessed with consistency, predictability, and transparency across jurisdictions, thus fostering investor confidence, credit risk comparability, and equitable enforcement of collateral rights in transnational transactions.

Moreover, embedding valuation reform within the AEC framework enables ASEAN to take a phased, consensus-driven approach. Rather than imposing top-down obligations, ASEAN's soft-law approach—guided by policy harmonization, model laws, and mutual recognition frameworks—respects national sovereignty while building legal interoperability incrementally.[27] This makes valuation law an ideal testing ground for ASEAN's adaptive integration model.[28]

6.2. Adoption of International Standards

At the core of harmonization efforts lies the adoption and internalization of the International Valuation Standards (IVS), developed and maintained by the International Valuation Standards Council (IVSC). The IVS serve as a globally recognized benchmark for valuation methodologies, disclosures, ethical obligations, and reporting practices. They provide a neutral, principle-based framework that can be adapted to diverse legal systems while maintaining international comparability.[29,30] Aligning national valuation regimes with IVS offers several tangible benefits for ASEAN countries:

It facilitates cross-border investments by providing a common professional language and methodology, thereby reducing information asymmetry between foreign investors and domestic markets.

It enhances regulatory credibility, particularly in jurisdictions seeking to attract institutional investors or participate in global capital markets.

It fosters regional professional mobility, as shared standards lower the barriers to credential recognition and valuation licensure.

It supports integration with global financial reporting systems, notably under International Financial Reporting Standards (IFRS), where fair value and impairment testing rely heavily on standardized valuation inputs.

Several ASEAN member states have already moved in this direction. For instance, Singapore and Malaysia have integrated IVS principles into national guidelines through professional bodies like the Singapore Institute of Surveyors and Valuers (SISV) and Malaysia's Board of Valuers, Appraisers, Estate Agents and Property Managers (BOVAEP).[31] Their experiences offer

27 Scoles, *Harmonization of Standards*. https://www.eria.org/RPR_FY2015_No.15.pdf. https://asean.org/wp-content/uploads/2023/05/ASEAN-Guidelines-for-Harmonisation-of-Standards-2022-Version.pdf.
28 *ASEAN Economic Community Blueprint 2025*, chap. B. https://asean.org/wp-content/uploads/2021/08/AECBP_2025r_FINAL.pdf.
29 IVSC, *International Valuation Standards (IVS) 2020*. https://www.ivsc.org/standards/.
30 IVSC, *International Valuation Standards (IVS) 2020*. https://www.ivsc.org/standards/.
31 SISV, *Valuation Standards and Practice Guidelines*. https://vai.pro.vn/Data/upload/files/singapore-

valuable lessons in institutionalizing international standards within national regulatory ecosystems.

However, the mere adoption of IVS is insufficient without corresponding reforms in professional training, certification, enforcement, and legal recognition. Harmonization efforts must be accompanied by legislative backing, robust oversight mechanisms, and continuous capacity-building to avoid superficial compliance and ensure meaningful integration.

6.3. ASEAN Valuers Association (AVA)

The ASEAN Valuers Association (AVA) is a regional professional body comprising national valuation organizations from ASEAN member states. While AVA operates at the regional level, it is not a formal institution within the organizational structure of ASEAN, nor does it possess regulatory authority under ASEAN law. Rather, it functions as a non-governmental platform for professional coordination and knowledge exchange among valuation practitioners. [32]

Despite its non-binding institutional status, AVA has the potential to serve as an important catalyst for regulatory convergence in asset valuation. Through its network, member countries may promote joint training programmes, develop shared certification standards, and encourage continuing professional development (CPD) across jurisdictions. These initiatives contribute to enhancing the comparability and portability of professional qualifications within the region.

Furthermore, AVA can facilitate policy dialogue among regulators and support capacity-building initiatives, particularly in jurisdictions with less developed valuation frameworks. It may also contribute to the gradual alignment of national practices with International Valuation Standards (IVS) through the dissemination of best practices and peer-learning mechanisms.

In addition, AVA could play a coordinating role in developing a regional repository of valuation standards, guidelines, and regulatory approaches. Such a repository would enhance transparency and enable regulatory benchmarking, allowing ASEAN member states to assess their relative position and pursue incremental harmonization. However, given its non-binding nature, the effectiveness of AVA ultimately depends on the willingness of national authorities to engage with and implement its initiatives.

Beyond technical standardization, AVA can serve as a forum for legal and policy dialogue, engaging regulatory agencies, ministries, and professional bodies in structured discussions on harmonization strategies. Its semi-autonomous structure allows it to coordinate bottom-up harmonization initiatives that are responsive to local conditions, while still aligned with broader ASEAN integration objectives.

valuation-standard.pdf.

32 ASEAN Valuers Association, *Regional Reports and Professional Framework Initiatives* (2019). https://asean-valuers.org/congress_papers.

This reflects a broader pattern in ASEAN governance, where non-binding, network-based institutions play a complementary role alongside formal intergovernmental mechanisms.

6.4. ASEAN Model Law on Asset Valuation

A promising normative pathway to support legal convergence is the development of an ASEAN Model Law on Asset Valuation, modeled on the successful approach of organizations like UNCITRAL (United Nations Commission on International Trade Law). While non-binding in nature, a model law can serve as a blueprint for domestic legislation, providing clear guidance on legal principles, institutional mandates, procedural safeguards, and valuation methodologies.[33]

Similar efforts in other regions illustrate the potential benefits of a model law approach. For instance, the European Union has implemented harmonized frameworks for valuation in cross-border insolvency contexts, while UNCITRAL's Model Law on Cross-Border Insolvency demonstrates how a flexible, non-binding instrument can facilitate convergence across diverse legal systems. Comparing these examples highlights that the effectiveness of a model law depends not only on the clarity of its provisions but also on its adoption process, stakeholder consultation, and integration with domestic enforcement mechanisms.

The value of a model law lies in its flexibility and normative clarity—it can be tailored to local legal systems (whether common law, civil law, or hybrid) while still promoting regional legal coherence. Its provisions could define core valuation principles, outline licensing and disciplinary frameworks for valuation professionals, and articulate dispute resolution mechanisms applicable to valuation-based claims.

Such a model instrument could be developed under the auspices of AVA, in consultation with national legislatures, finance ministries, and private sector stakeholders. Over time, adoption of the model law—either wholly or in part—by member states would facilitate legal interoperability and serve as a tangible manifestation of ASEAN's commitment to regulatory harmonization. By drawing lessons from comparative examples, ASEAN can anticipate implementation challenges and design mechanisms to enhance compliance and effectiveness.

6.5 Mutual Recognition Agreements (MRAs)

ASEAN's experience with Mutual Recognition Agreements (MRAs) in other regulated professions—such as engineering, accountancy, and architecture—offers a successful precedent for extending such agreements to the asset valuation sector. MRAs facilitate professional mobility, reduce licensing redundancy, and promote labor market integration by establishing shared qualification benchmarks and cross-border recognition protocols.[34]

33 United Nations Commission on International Trade Law (UNCITRAL), *Model Laws and Legislative Guides* (2021).https://uncitral.un.org/en.
34 ASEAN Coordinating Committee on Services, *Mutual Recognition Arrangements Implementation Report.*

An MRA in valuation would require ASEAN to develop and adopt regional qualification standards, define minimum competency frameworks, and establish mutually agreed accreditation and licensing criteria. This would not only allow qualified valuers to operate across jurisdictions but also enhance confidence in the consistency and reliability of valuation outputs region-wide.

Moreover, an MRA would help address current fragmentation in professional standards, enabling regulators to establish reciprocal disciplinary frameworks and coordinated enforcement mechanisms. As valuation increasingly intersects with financial services, taxation, and cross-border lending, ensuring that professional qualifications are transferable across ASEAN would bolster regional capital flows and regulatory trust.

While the implementation of an MRA in valuation may require political negotiation and administrative harmonization, its long-term benefits in terms of regulatory efficiency, professional excellence, and legal integration make it a compelling priority for ASEAN.[35,36]

Such an agreement would enhance regional professional integration and foster trust in valuation outputs across jurisdictions.

7. Policy Recommendations

To effectively advance the harmonization of asset valuation laws in ASEAN, a coordinated, multi-level policy approach is essential. Building on the analysis of legal and institutional challenges as well as regional mechanisms, this paper proposes the following strategic policy recommendations:

7.1 Establishing a Regional Task Force on Valuation Law Harmonization

A dedicated Regional Task Force under the ASEAN Valuers Association (AVA) should be created to lead harmonization efforts. This task force would consist of legal experts, valuation professionals, and policymakers from member states. Its primary mandate would be to conduct comparative legal studies, identify areas of convergence and divergence, and propose a roadmap for alignment. The task force could also act as a liaison body with the ASEAN Secretariat and relevant technical working groups.[37]

7.2 Drafting an ASEAN Model Valuation Law

ASEAN should develop a Model Law on Asset Valuation, drawing upon international instruments such as the International Valuation Standards (IVS) and best practices from within the region. The model law would offer a flexible legislative template for member states to adapt within their national legal systems. It would address definitions, valuation methods, licensing regimes, institutional oversight, and ethical standards—thus providing both uniformity and legal adaptability.[38]

35 ASEAN Coordinating Committee on Services (CCS), *Mutual Recognition Arrangements Implementation Report*. https://asean.org/our-communities/economic/mutual-recognition-arrangements/.
36 ASEAN Coordinating Committee on Services (CCS), *MRA Implementation Reports* (2022).
37 ASEAN Valuers Association (AVA), *Regional Reports and Professional Framework Initiatives.*
38 IVSC, *International Valuation Standards (IVS)* (2020).https://www.ivsc.org/standards/.

7.3 Capacity-Building for Valuation Professionals

Harmonization cannot succeed without investment in human capital and technical expertise. ASEAN should implement region-wide training and certification programs, possibly through AVA, in cooperation with international partners like the IVSC. These programs would aim to enhance the technical skills of valuation practitioners, promote awareness of IVS-compliant practices, and foster a common professional culture.[39]

7.4 Creating Regulatory Benchmarks and Peer Review Mechanisms

To ensure implementation and accountability, ASEAN should introduce regulatory benchmarks for asset valuation systems, allowing each country to measure its progress relative to agreed regional standards. A peer-review system—modeled on OECD practices or ASEAN's own experience in trade facilitation—could further encourage compliance, identify good practices, and foster a culture of continuous improvement.

7.5 Enhancing Legal Dialogue and Cross-Sectoral Coordination

Finally, legal harmonization requires sustained dialogue between national legal and regulatory institutions. ASEAN should convene regular forums that bring together representatives from ministries of law and justice, finance departments, land agencies, and professional valuation bodies. These dialogues would facilitate the exchange of legal knowledge, help resolve jurisdictional conflicts, and foster political consensus around harmonization objectives.[40]

8. Conclusion

This article set out to examine whether the harmonization of asset valuation laws within ASEAN member states is both necessary and practically achievable. In line with this objective, the study analysed differences in legal frameworks, identified key challenges to harmonization, and assessed potential regulatory pathways.

First, the comparative analysis confirms that significant divergence exists among ASEAN member states in terms of valuation standards, regulatory governance, and enforcement mechanisms. These differences—shaped by distinct legal traditions, varying levels of market development, and uneven institutional capacity—result in inconsistent valuation practices that complicate cross-border investment, financial reporting, and dispute resolution.

Second, the study identifies structural challenges to harmonization at both normative and institutional levels. Normatively, the absence of binding regional standards and the uneven adoption of International Valuation Standards (IVS) limit comparability and legal certainty. Institutionally, weak coordination among national regulators, fragmented professional oversight, and the limited authority of regional bodies constrain effective governance. These findings directly address the second

39 ASEAN Secretariat, *AEC Blueprint 2025 – Human Capital Development*. https://asean.org/book/asean-economic-community-blueprint-2025/.

40 Scoles, *Harmonization of Standards*. https://www.eria.org/RPR_FY2015_No.15.pdf. https://asean.org/wp-content/uploads/2023/05/ASEAN-Guidelines-for-Harmonisation-of-Standards-2022-Version.pdf.

research objective concerning the key obstacles to harmonization.

Third, in response to the third research objective, the study proposes a set of structured regulatory approaches. Rather than pursuing full legal unification, a gradual and flexible harmonization model is recommended. This includes: (i) progressive alignment of domestic valuation laws with IVS, (ii) the development of regional soft-law instruments and regulatory guidelines, and (iii) the establishment of mutual recognition arrangements among member states. In parallel, strengthening regional coordination mechanisms and enhancing institutional capacity are essential to ensure consistent implementation.

Overall, the findings suggest that while full harmonization remains constrained by legal and institutional diversity, a hybrid approach combining regional coordination with domestic adaptation is both feasible and strategically necessary. Such an approach would enhance legal certainty, improve cross-border comparability, and contribute to the broader objectives of ASEAN economic integration and sustainable financial governance.

9. Conflict of interest

No potential conflict of interest was reported by the authors.

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