

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of the EFRAG Board. The paper does not represent the official views of EFRAG or any individual member of the EFRAG Board or EFRAG TEG. The paper is made available to enable the public to follow the discussions in the meeting. Tentative decisions are made in public and reported in EFRAG Update. EFRAG positions as approved by the EFRAG Board are published as comment letters, discussion or position papers or in any other form considered appropriate in the circumstances.

## **Technical Work Plan June – December 2019**

### **Objective**

- 1 The objective of this session is for the EFRAG Board to conduct its regular review of the technical work plan and advise of any necessary changes.

### **Background**

- 2 In the past, the EFRAG Board requested that:
  - (a) an explanation be provided for any IASB implementation projects that are classified as significant; and
  - (b) the work plan be updated and presented for approval at every meeting.
- 3 Attachment 1 to this note contains the reasoning behind classifying IASB projects as significant.
- 4 At its June 2017 meeting, the EFRAG Board agreed that, as responses to IASB post-implementation reviews collate European views and do not include an EFRAG position, post-implementation review responses should be finalised by EFRAG TEG. IASB proposed post-implementation reviews have been included in the work plan for the convenience of EFRAG Board members, but no action is expected from the EFRAG Board.
- 5 At its meeting in September 2016, the EFRAG Board agreed that the classification of IASB research projects as significant or for processing by written procedure should be deferred until the significance of each project emerges.
- 6 Attachment 2 to this note contains the draft technical work plan, based on the IASB's work plan at the time of preparing this paper (excluding the IFRS Taxonomy and the *IFRS for SMEs* projects) and the EFRAG research work plan. It also identifies the expected timing of written procedures.

### **Questions for the EFRAG Board**

- 7 Does the EFRAG Board approve the technical work plan?

**Attachment 1: Basis for classifying research projects or minor projects as significant**

*Financial Instruments with Characteristics of Equity*

- 8 Given the potential impact of this project, especially for financial institutions, the EFRAG Board decided that the EFRAG position on the IASB's Discussion Paper *Financial Instruments with Characteristics of Equity* should be considered in a public meeting rather than by written procedure. The Discussion Paper was issued in June 2018 and the EFRAG Board approved the final comment letter at its meeting in January 2019.

*Primary Financial Statements*

- 9 At its meeting in April 2017, the EFRAG Board decided that the EFRAG comment letter on the IASB's *Primary Financial Statements* project should be considered in a public meeting. The *Primary Financial Statements* project is likely to lead to significant changes to the presentation of financial performance.
- 10 The EFRAG Board was updated on the development of the IASB project at its meeting in December 2018 jointly with EFRAG TEG.

*Goodwill and Impairment*

- 11 The EFRAG Board decided to consider this project in public meeting, given the significant work undertaken by EFRAG in recent years.
- 12 The EFRAG Board was provided with an update on the development of the IASB's project at its meeting in December 2018 jointly with EFRAG TEG.

*IBOR Reform and its Effects on Financial Reporting*

- 13 The EFRAG Board noted the potentially significant impact on financial markets of the regulatory activities reforming the various IBORs currently in use. Consequently, the EFRAG Board decided that this project should be considered in a public meeting.
- 14 The Exposure Draft for the first phase of the project was issued in May 2019 with a 45 day comment period. The EFRAG Board approved the draft comment letter through written procedure, given the short comment period.

*IFRS Foundation Due Process Handbook*

- 15 The EFRAG Board expressed a preference for approval of the comment letter at a public EFRAG Board meeting given the importance of the Due Process handbook in developing high quality IFRS Standards. The timing of release of the Due Process Handbook Exposure Draft enabled discussion of the draft comment letter at a public meeting although the final comment letter will need to be approved by written procedure.

**Attachment 2: Work plan June -- December 2019**

**Legend**

**Bold** = EFRAG Board decision point      **DCL** = Draft comment letter  
**WP** = Written procedure                      **FCL** = Final comment letter  
**DP** = Discussion paper                        **DEA** = Draft endorsement advice  
**ED** = Exposure draft                            **FEA** = Final endorsement advice

Project (IASB next steps in brackets)	Most recent status		2019					
			June 4 (joint)	July 9	Sept 10	Oct 8	Nov 13	Dec 18
<b>IASB SIGNIFICANT PROJECTS</b>								
Insurance Contracts (ED expected Q2 2019)	ED DCL Aug 2013	ED FCL Dec 2013	Consider forthcoming ED	<b>Approve DCL</b>	Project update	<b>Approve FCL</b>	Project update	Project update
Rate-regulated Activities (DP or ED expected H2 2019)	DP DCL Oct 2014	DP FCL Jan 2015					Project update	
Disclosure initiative – Targeted Standards-level Review of Disclosures (ED expected)								
Due Process Handbook review (ED issued April 2019) Comments to IASB 29 July 2019			<b>ED DCL</b>	<b>ED FCL WP</b>				

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Project (IASB next steps in brackets)	Most recent status		2019					
			June 4 (joint)	July 9	Sept 10	Oct 8	Nov 13	Dec 18
Dynamic Risk Management (Core model expected H2 2019)	DP DCL July 2014	DP FCL Oct 2014						
Financial Instruments with Characteristics of Equity (Decide project direction H2 2019)	DP DCL Aug 2018	DP FCL Feb 2019						
Goodwill and Impairment (DP expected H2 2019)								
IBOR reform and its effects on financial reporting (ED issued May 2019) Comments to IASB 17 June 2019	ED DCL 13 May 2019		ED FCL WP				Approve DEA	Approve FEA
Primary Financial Statements (ED expected H2 2019)								
<b>IASB PROJECTS BY WRITTEN PROCEDURE: Implementation</b>								
Accounting Policies and Accounting Estimates (amend IAS 8) (Decide project direction)	ED DCL Sep 2017	ED FCL Jan 2018						
Accounting Policy Changes (amend IAS 8) (Decide project direction)	ED DCL Apr 2018	ED FCL Aug 2018						

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Project (IASB next steps in brackets)	Most recent status		2019					
			June 4 (joint)	July 9	Sept 10	Oct 8	Nov 13	Dec 18
Availability of a refund (amend IFRIC 14) (IFRS amendment expected)	ED DCL July 2015	ED FCL Nov 2015						
Classification of liabilities (amend IAS 1) (IFRS amendment H2 2019)	ED DCL Mar 2015	ED FCL Jun 2015						
Deferred tax related to assets and liabilities arising from a single transaction (amend IAS 12) (ED expected June 2019)				ED DCL WP		ED FCL WP		
Disclosure initiative – Accounting Policies (ED expected Q3 2019)						ED DCL WP		
Management Commentary (ED expected H1 2020)								
Onerous contracts: Costs of fulfilling a contract (amend IAS 37) (Decide project direction)	ED DCL Jan 2019	ED FCL Apr 2019						
PPE Proceeds before intended use (amend IAS 16) (IFRS amendment)	ED DCL July 2017	ED FCL Nov 2017						

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Provisions (Review research H2 2019)								
Subsidiaries that are SMEs (Review research H2 2019)								
Updating a reference to the Conceptual Framework (amend IFRS 3) (ED expected June 2019)				ED DCL WP		ED FCL WP		
<i>Annual Improvements</i> (ED issued May 2019) Comments to IASB 20 August 2019			ED DCL WP		ED FCL WP			
• Fees in the '10 per cent' test for derecognition (amend IFRS 9)								
• Lease incentives (amend IFRS 16 illustrative examples)								
• Subsidiary as a first-time adopter (Amend IFRS 1)								
• Taxation in fair value measurements (Amend IAS 41)								

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		June 4 (joint)	July 9	Sept 10	Oct 8	Nov 13	Dec 18
<b>IASB PROJECTS: Research</b>							
Business Combinations Under Common Control (DP expected H1 2020)							
Extractive Activities (Review research H2 2019)							
Pension Benefits that Depend on Asset Returns (Review research H2 2019)							
<b>IASB Post-implementation reviews</b>							
Consolidation package: IFRS 10, IFRS 11, IFRS 12							
IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>							
<b>EFRAG RESEARCH PROJECTS</b>							
General update				Update		Update	
Better information on intangible assets							

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			June 4 (joint)	July 9	Sept 10	Oct 8	Nov 13	Dec 18
Crypto assets								
Discounting with current interest rates								
Equity Instruments: Research on Measurement (Comments on questionnaire close 5 July 2019)					Consider results of survey		Approve response to EC	
Non-exchange Transfers (Comments close 14 May 2019)	DP Nov 2018							
Pension plans with an asset-return promise (Comments close 15 Nov 2019)	DP May 2019							
Variable and contingent payments								