

This paper provides the technical advice from EFRAG FR TEG to the EFRAG FRB, following EFRAG FR TEG's public discussion. The paper does not represent the official views of EFRAG or any individual member of the EFRAG FRB. This paper is made available to enable the public to follow the EFRAG's due process. Tentative decisions are reported in EFRAG Update. EFRAG positions as approved by the EFRAG FRB are published as comment letters, discussion or position papers or in any other form considered appropriate in the circumstances.

## Technical Work Plan October 2025 - March 2026

### Objective

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

### Background

- 2 In the past, the EFRAG FRB requested that:
  - (a) an explanation be provided for any IASB implementation projects that are classified as significant; and
  - (b) the work plan is to 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 March 2025 meeting, the EFRAG FRB agreed that, contrary to the past, responses to the IASB RFI related to post-implementation reviews will be discussed in EFRAG FRB meetings. Responses to IASB post-implementation reviews collate European views and normally do not include an EFRAG position.
- 5 At its meeting in September 2016, the EFRAG FRB 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.

### Changes to the workplan since the latest EFRAG FRB review of 27 March 2025 (updated as of 18 September 2025)

- 6 The IASB published the following documents:
  - (a) In June 2025 the IASB issued the revised IFRS Practice Statement 1 *Management Commentary (revised Practice Statement)*.

- (b) On 17 June 2025 the IASB issued published a Request for Information as part of its Post-implementation Review of IFRS 16 *Leases* with a comment period end 15 October 2025.
  - (c) In July, the IFRS Foundation has published near-final examples demonstrating how companies can improve the reporting of uncertainties in their financial statements using climate-related examples as practical illustrations. The early publication of near-final examples intends to support timely and informed application.
  - (d) End of August the IASB issued the Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.
- 7 The IASB discussed the feedback received mainly related to the following projects:
- (a) Climate-related and Other Uncertainties in the Financial Statements
  - (b) Business Combinations-Disclosures, Goodwill and Impairment;
  - (c) PIR IFRS 16 *Leases*
  - (d) Provisions – Targeted Improvements
  - (e) Rate -regulated Activities (RRA)
  - (f) Equity Method
  - (g) Intangible Assets
  - (h) Statement of Cash Flows
  - (i) Translation to a Hyperinflationary Presentation Currency (IAS 21)
  - (j) Financial Instruments with Characteristics of Equity (FICE)
  - (k) Amortised Cost Measurement
  - (l) The approach for the Fourth Agenda Consultation was discussed in July 2025.
- 8 The IASB specified the timing for several publications/projects:
- (a) Fourth Agenda Consultation: The project Direction will be decided in September 2025 (The IASB Staff recommendation for the September IASB meeting is to defer the RFI to 2027).
  - (b) For the Amortised Cost project the project direction will be decided in H2 2026 (before H1 2026).
  - (c) Provisions - Targeted Improvements: the Project Direction will be decided in Q4 2025.

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- (d) Use of a Hyperinflationary Presentation Currency by a Non-hyperinflationary Entity (IAS 21) after final publication is expected in November 2025.
  - (e) Equity Method - the Project Direction will be decided in Q1 2026.
  - (f) For BCDGI feedback received and direction discussions will be continued (Decide Project Direction in H2 2026).
  - (g) For the recently started research project Intangible Assets the project direction will be decided in 2026.
  - (h) For the Statement of Cash Flows project the Project Direction will be decided in Q4 2025.
  - (i) For FICE final publication is expected in 2026.
  - (j) For the Climate-related and Other Uncertainties in the Financial Statements the final publication is expected in October 2025.
  - (k) For RRA, IFRS 20's publication has been postponed from late 2025 to Q2 2026 to enhance its drafting based on the numerous stakeholders' comments on the review draft.
- 9 In April 2024, the IASB has established a prioritisation framework for its projects. The framework was discussed again in January 2025 (updated version). Both whether to add/remove a project and when to start a project – will now be supported by the application of the proposed prioritisation framework discussed in [Agenda Paper 8](#) at the IASB's April 2024 meeting. The IASB applies the framework at this time to test and refine it.

**Basis of preparation of the workplan**

*Sessions to Update the EFRAG FRB*

- 10 The overall activity reflects
- (a) the uptake of the KPIs for SMEs project by EFRAG;
  - (b) due process document responses for DRM and PIR on IFRS 9 Hedge Accounting are expected in the coming months. The preparatory work (e.g., the DRM survey) is underway;
  - (c) ongoing influencing and preparatory endorsement work on IFRS 20;
  - (d) the IASB's activation of the intangibles and statements of cash flow projects, for which EFRAG's ongoing outreach efforts coupled with EFRAG's proactive research findings are needed to influence the IASB's work ;

- (e) ongoing active monitoring of the IASB's redeliberations on several high-priority projects (i.e., BCDGI, FICE, IFRS 9 Amortised Cost) and medium-priority projects (i.e., equity method).

*Projects that we expect to add soon to the workplan*

- 11 The IASB added a number of projects in the last 12 months (PIR IFRS 16; the Research Project: Statement of Cash Flows and Related Matters and the Standard Setting Project: Amortised Cost Measurement). On the pipeline projects, the research project, PIR IFRS 9 Hedge Accounting, is expected to be activated in Q1 2026, and the timing for the possible activation of the pipeline maintenance projects (IFRS 16 / IFRS 10 Sale and Lease Back – Subsidiaries, and IAS 12 – International Tax Reform Phase 2) and pipeline research projects (Segment Reporting, and Pollutant Pricing Mechanisms) remains unknown.
- 12 In September 2025, the IASB will decide whether to extend the Third Agenda Consultation period to the end of 2028 and correspondingly suspend the Fourth Agenda Consultation. If such an extension occurs, the IASB will use any available capacity during the additional period for new and existing projects.

*EFRAG proactive agenda*

- 9 In June 2022, following the IASB's decisions following its Third Agenda Consultation and the feedback to the EFRAG's proactive research agenda consultation – the EFRAG FRB added two new EFRAG proactive research projects on the EFRAG's workplan. The initiated active projects are on the connectivity between financial and sustainability reporting, and cash flow reporting. EFRAG FRB also approved the addition to a reserve list, projects on pollutant pricing mechanisms and operating segment reporting. The Cash Flows Reporting Discussion Paper was published in November 2024, and a feedback statement is expected later in 2025. An interim deliverable on the connectivity project was published in June 2024 and a Discussion Paper is expected to be published in H2 2025.
- 10 Subject to certain issues being resolved, EFRAG FRB decided on 10 September 2025 to include a project on key information on SMEs (including start-ups) ('the KPIs for SMEs project') on its proactive agenda following the request of the European Commission. A draft assessment is expected to be issued in Q1/Q2 of 2026 and a final assessment should be submitted to the European Commission by 30 June 2026.
- 11 Due to the resources to be used for the KPIs for SMEs project, EFRAG will not include any other additional proactive projects on its agenda. For that reason, EFRAG's proactive research project agenda consultation will be deferred.

*Attachment 2*

- 13 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. The timing presented in Attachment 2 is an estimate and may change over time.

**Questions for the EFRAG FRB**

- 14 Does the EFRAG FRB have any comments on the technical work plan?

## Attachment 1: Basis for classifying projects as significant

### *Financial Instruments with Characteristics of Equity*

- 15 Given the potential impact of this project, especially for financial institutions, the EFRAG Board decided in 2017 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.

### *Business Combinations – Disclosures, Goodwill and Impairment*

- 16 The EFRAG Board decided in March 2018 to consider this project in a public meeting, given the significant work undertaken by EFRAG in recent years.
- 17 In 2022, the IASB has decided to continue with an impairment only model. The IASB has decided to bring the project to a standard setting level.
- 18 An exposure draft was issued in March 2024. The IASB is currently considering the comments received in response to ED and started to redeliberate.

### *Intangible Assets*

- 19 At its meeting in March 2025, the EFRAG FRB classified the Intangible Assets project of the IASB as a significant project, which means it will be discussed in the EFRAG FRB meetings. The topic received a high level of attention by a wide range of constituents during EFRAG's research phase. The IASB aims to comprehensively review the accounting requirements for intangibles. Currently, research is analysed to define the project's scope and explore how best to stage work on this topic to produce timely improvements to IFRS Accounting Standards. Even targeted improvements are expected to have significant impact on European constituents.

### *Dynamic risk management*

- 20 The IASB has tested in 1H 2021 the core model with selected preparers; EFRAG took part in this field test and focused on European preparers. The topic has a direct relevant impact on European stakeholders as the continuation of the use of IAS 39 (paragraphs related to the macro hedge) is also linked to the use of the carve-out. The EFRAG FRB agreed in the October 2020 meeting to classify the project as being significant.
- 21 In June 2022, the IASB decided to add the project to its standard setting projects and an ED is expected in December 2025.

*Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures*

- 22 As a reaction to the feedback received on the IASB research project on disclosures, the IASB undertook this project in response to the demand for a simplified and less costly approach for subsidiaries that are SMEs. In the meeting on 5 May 2021, EFRAG FRB decided to discuss the key aspects of this project, based on the importance and implications of the project in some European jurisdictions. EFRAG FRB was informed about the project in July 2021 and discussed the scope of the ED in detail. The discussion on the detailed disclosure requirements per IFRS standard was covered by EFRAG TEG. In February 2022 EFRAG submitted its comment letter to the IASB.
- 23 In its June Meeting 2022 the IASB decided to issue an IFRS Accounting Standard. The publication of the final standard was in May 2024. An endorsement advice request was received in September 2024.

*Provisions – Targeted Improvements*

- 24 The IASB has considered the comments received in response to the Exposure Draft issued in November 2024 and started its redeliberations. In its comment letter in response to the ED, EFRAG expressed significant concerns, particularly in relation to the proposals affecting the timing of the recognition of a levy. Due to the broad application of IAS 37, EFRAG FRB in March 2022 decided to be updated on the project to amend IAS 37. In addition, the EFRAG FRB decided at its 11 December 2025 meeting to reclassify the project to ‘high priority’. It was noted that the project could result in changes to the recognition of many liabilities and several other standard setters had also changed their assessment of the importance of the project.

*Rate-regulated Activities*

- 25 The IASB published an Exposure Draft Regulatory Assets and Regulatory Liabilities in January 2021. The ED proposes a supplemental Standard that will replace IFRS 14 *Regulatory Deferral Accounts*, which is an interim Standard that was not endorsed in the EU. Unlike IFRS 14, the proposed Standard is expected to be endorsed and mandatory for IFRS reporting entities within its scope. It will be applicable for sectors where rates/tariffs are determined based on regulatory agreements. It primarily affects the utilities sector, but it could also apply to other sectors. Hence, the potential impact of the Standard spans various EU jurisdictions as was evident from the comment letter responses to EFRAG and the IASB. Furthermore, EFRAG has a Rate-regulated Activities Working Group (EFRAG RRAWG) consisting of EU stakeholders (preparers, auditors, and a user). For this reason, it is assessed as a significant project. The importance has been affirmed by the call to EFRAG

from some stakeholders (German TSOs) for an expedited endorsement approach. EFRAG Secretariat, in collaboration with the TSOs and a selection of national standard setters, has kickstarted the preparatory endorsement work. Relatedly, EFRAG recruited 8 new RRAWG members and extended the group size from 16 to 20 members.

#### *Equity Method*

- 26 Over the years, the IFRS Interpretations Committee has received numerous requests to clarify various aspects of accounting under the equity method in IAS 28 Investments in Associates and Joint Ventures. The IASB has considered these requests and, via an ED in Q3 2024, will aim to propose narrow-scope amendments to IAS 28 with the aim of reducing diversity in practice. The IASB ED was published in September 2024. And based on some significant amendments (e.g., the introduction of a complex layered approach for accounting for acquisition of additional ownership interests while retaining significant influence; introducing requirements for non-exchange changes in ownership while retaining significant influence; the required recognition of full gains or losses for transactions with associates and joint ventures which is a departure from the current restriction in recognition of the investor's own share of gains or losses; and requiring a single equity method to be applied across the consolidated financial statement), on 8 October 2024, the EFRAG FRB agreed to classify the project as significant.

#### *Statement of Cash Flows and Related Matters*

- 27 At its meeting in March 2025, the EFRAG FRB decided that the project is a significant project. At this point in time, the project was still in its initial stage at the IASB, but was already considered as a project of high priority due to the importance of the project for users of financial statements.

#### *Climate-related and Other Uncertainties in the Financial Statements*

- 28 Following the 2021 IASB Third Agenda consultation, the IASB added a project on climate-related risk in financial statements (subsequently renamed climate-related and other uncertainties in the financial statements) to its maintenance workplan. After initiating the project in March 2023, in July 2024, the IASB issued an exposure draft of eight illustrative examples on the application of IFRS general and specific disclosure requirements to disclosure of climate-related matters in the financial statements. EFRAG published its draft

comment letter in September 2024 and final comment letter in November 2024. As it is connectivity-related, this project was considered significant by the EFRAG FRB.

- 29 In 2025, after redeliberating on the feedback, the IASB decided to finalise the project and the issuance of a near final draft of the illustrative examples in July 2025, and the final examples will be published in October 2025. In March 2025, due to the limited scope of the project, EFRAG FRB lowered its priority from high to medium.

*Updating the Subsidiaries without Public Accountability: Disclosures*

- 30 In developing the reduced disclosure requirements in the new IFRS Accounting Standard Subsidiaries without Public Accountability: Disclosures, the IASB considered the disclosure requirements in other IFRS Accounting Standards as at 28 February 2021. The new Standard issued does not contain reduced versions of any disclosure requirements that were added or amended after that date. That include IFRS 18 and Supplier Finance Arrangements. Consequently, the IASB will consult by publishing an exposure draft setting out whether and how to reduce these post-28 February 2021 additions and amendments to disclosure requirements in the new Standard. The exposure draft to update the new IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued shortly after the publication of the new standard with the purpose of amending it before its effective date for all the new or amended disclosure requirements in other IFRS Accounting Standards after 28 February 2021. As the exposure draft cover changes to disclosure requirements on projects that are classified being significant by the EFRAG FRB, the FRB decided to classify the project as being significant in its meeting in January 2024.

*IASB's Fourth Agenda Consultation*

- 31 In its meeting in March 2025 EFRAG FRB classified the IASB's Fourth Agenda Consultation as a significant project, which means it will be discussed in meetings. The selection of topics to the IASB's agenda normally receives considerable attention from EFRAG's stakeholders and could also affect which proactive projects EFRAG would add to its proactive research agenda. At the moment, however, the IASB's consultation is expected to be deferred by a couple of years to simultaneously consult on the work plan of the IASB and ISSB. Accordingly, no updates to the FRB are expected for the coming period.

*KPIs for SMEs*

- 12 At the joint meeting with EFRAG FR TEG on 10 September 2025, EFRAG FRB was asked to approve including the project on the EFRAG work plan. At that meeting, a project work plan was presented. This plan included the involvement of the EFRAG FRB. While concerns were

expressed about including the project in EFRAG's work plan, no objections were presented regarding the proposals related to the FRB discussing the project. The project has therefore been classified as a significant project.

*Technical Work Plan October 2025 - March 2026*

**Attachment 2: Work plan October 2025 - March 2026**

**Legend**

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

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting					
			14 October (Online) (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)	March
Intangible Assets (Decide Project Direction)					Update			
Disclosure Initiative - Subsidiaries without Public Accountability (IFRS Standard 9 May 2024 - none)	DEA May 2025							

Technical Work Plan June 2024 - October 2024

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting					
			14 October (Online) (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)	March
Rate-regulated Activities (IFRS Standard 2026)	ED DCL April 2021	ED FCL Sept 2021			Update- educational session			
Financial Instruments with Characteristics of Equity (Final Amendments 2026)	ED DCL Jan 2024	ED FCL April 2024				Update		
Dynamic Risk Management (ED December 2025)	Summar y report about Core model Outreac h June 2021					<b>TBD DCL</b>	<b>TBD DCL</b>	
Business Combinations - Disclosures,	ED DCL	ED FCL			Update			

Technical Work Plan June 2024 - October 2024

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting					
			14 October (Online) (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)	March
Goodwill and Impairment (ED Feedback continued - Decide Project Direction 2026)	April 2024	July 2024						
Provisions - Targeted Improvements (ED Nov 2024)	DCL Nov 2024	FCL March 2025			Update			
Updating the Subsidiaries without Public Accountability: Disclosures (Final Amendments July 2025)					FEA			
Equity Method (Project direction)	DCL Nov 2024	FCL Jan 2025					Update	

Technical Work Plan June 2024 - October 2024

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting					
			14 October (Online)  (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)	March
decision in Q1 2026)								
Statement of Cash Flows and Related Matters						Update		
Climate-related and Other Uncertainties in the Financial Statements  (Project will be finalised in October 2025 with issuance of illustrative examples)	ED DCL Sep 2024	FCL Nov 2024						
IASB 4th Agenda Consultation								

Technical Work Plan June 2024 - October 2024

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting				
			14 October (Online)  (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)
<b>IASB PROJECTS BY WRITTEN PROCEDURE: Implementation</b>							
Translation to a Hyperinflationar y Presentation Currency (IAS 21) (Amendments November 2025)	ED DCL Sep 2024	FCL Nov 2024				<b>DEA</b> (written procedure)	<b>FEA</b> (written procedure)
Amortised Costs (ED H2 2026)							
<b>IASB Post Implementation Review</b>							
PIR IFRS 16 - Leases (Review of Feedback received Q1 2026)	DCL July 2025		<b>FCL</b>				
<b>EFRAG Research Projects</b>							

Technical Work Plan June 2024 - October 2024

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting					
			14 October (Online)  (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)	March
EFRAG Research Connectivity between financial and sustainability reporting	initial paper June 2024		Update in joint FRB- SRB meeting	<b>Approval of DP</b>				
EFRAG Research Cash Flow Reporting	DP Novem ber 2024							
EFRAG Research Reserve list project Pollutant Pricing Mechanism								
EFRAG research Reserve list project Operating Segment								

Technical Work Plan June 2024 - October 2024

Project (IASB next steps in brackets)	Most recent status EFRAG		Meeting					
			14 October (Online) (partly jointly with FR TEG)	6 November	17 December physical (jointly with TEG)	January (online)	February (Online)	March
EFRAG Research New evidence on the relevance of recycling FVOCI gains and losses								
EFRAG's agenda Research Agenda Consultation								
KPIs for SMEs					Update on initial feedback	Presentation of feedback		Approve draft assessment