

STAFF PAPER

October 2017

IASB Meeting

Project	IFRS [®] Taxonomy Update IFRS 17 <i>Insurance Contracts</i>		
Paper topic	Finalisation of the changes to the IFRS Taxonomy		
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This paper has been prepared by the staff of the IFRS Foundation for discussion at a public meeting of the IASB and does not represent the views of the IASB or any individual member of the IASB. Comments on the application of IFRSs do not purport to set out acceptable or unacceptable application of IFRSs. Technical decisions are made in public and reported in IASB *Update*.

Purpose of this paper

1. This paper summarises the due process steps undertaken in developing the IFRS Taxonomy Update IFRS 17 *Insurance Contracts* (IFRS Taxonomy Update) and the feedback received on the related Proposed Taxonomy Update (discussed in paragraphs 3-11).
2. Unless the Board has any objections or concerns, the staff plan to circulate a ballot draft of the IFRS Taxonomy Update shortly after this meeting

Summary of due process steps**Background**

3. The *Due Process Handbook* issued in January 2013 and revised in June 2016 specifies the necessary due process steps for the IFRS Taxonomy. The appendix to this paper includes relevant extracts from the [Due Process Handbook](#)¹. The

¹ Due Process document could be viewed on the IFRS website: <http://www.ifrs.org/-/media/feature/about-us/legal-and-governance/constitution-docs/due-process-handbook.pdf>

following section presents the due process steps undertaken in developing the IFRS Taxonomy Update IFRS 17 *Insurance Contracts*.

Due process steps and Feedback received

4. The taxonomy team worked closely with the insurance project team to appropriately reflect the presentation and disclosure requirements of IFRS 17 in the Proposed IFRS Taxonomy Update.
5. We asked the IFRS Taxonomy Consultative Group (ITCG)² to comment on the Proposed IFRS Taxonomy Update at the same time that IFRS 17 was sent for external review in February 2017. In addition, the taxonomy modelling for the presentation and disclosure requirements of IFRS 17 was discussed with ITCG members at a public meeting in February 2017³.
6. The Board approved the Proposed IFRS Taxonomy Update IFRS 17 *Insurance Contracts* at the same time it approved IFRS 17 and published both documents in May 2017. Proposed IFRS Taxonomy Updates are normally exposed for public consultation for 60 days, however due to the complexity of this document, the comment deadline was extended to 120 days.
7. In addition to the Proposed IFRS Taxonomy Update document, we published XBRL Files (syntax to express and deliver IFRS Taxonomy content) and the following supporting materials:
 - (a) xIFRS — html file which provides a view of the electronic IFRS Standards with embedded Taxonomy elements;
 - (b) Versioning information — html file which shows the changes between the Proposed IFRS Taxonomy Update and the IFRS Taxonomy 2017;

² ITCG members have practical experience with XBRL financial reporting. Members include regulators, preparers and users of financial statements, software vendors and consulting companies and as such have expertise in different fields. For more information please refer to IFRS website at <http://www.ifrs.org/groups/ifrs-taxonomy-consultative-group/#about>

³ Recordings of ITCG meetings are available on the IFRS website at www.ifrs.org.

- (c) IFRS Taxonomy Illustrated — html file which presents the structure of the IFRS Taxonomy in PDF and HTML formats that does not require technical XBRL knowledge; and
 - (d) List of documentation labels (definitions) of all IFRS Taxonomy elements in excel file. Documentation labels provide textual description of the accounting meaning of each element.
8. In July 2017, the staff published illustrative tagging for the Illustrative Examples on the presentation and disclosure requirements in IFRS 17. Those examples were tagged in XBRL and iXBRL (Inline XBRL) using the Proposed IFRS Taxonomy Update.
9. The staff did not undertake additional outreach with stakeholders during the comment period because:
- (a) no change was proposed to the IFRS Taxonomy technology and no new XBRL data modelling techniques were applied; and
 - (b) all the proposed changes were reviewed by members of the ITCG.
10. The comment period for the Proposed IFRS Taxonomy Update ended on 18 September 2017. The Board did not receive any comments. Hence we do not expect to make any significant changes in finalising the IFRS Taxonomy Update (and the related IFRS Taxonomy Files). Consequently, we do not plan to ask the ITCG to review the IFRS Taxonomy Update and the IFRS Taxonomy Files prior to issuing them.
11. Once the balloting process has been finalised, we plan to issue the IFRS Taxonomy Update, with all the relevant IFRS Taxonomy Files and supporting materials. We are targeting publication for November 2017.

Questions for the Board

Question

Do you have any questions or comments on the due process steps described above?

Appendix: Relevant extracts from the *Due Process Handbook*

The IFRS Taxonomy due process publications

(...)

IFRS Taxonomy Update documents

- A7. A *Proposed IFRS Taxonomy Update* document is the document used to describe and consult on proposed updates to the content or technology of the IFRS Taxonomy. An *IFRS Taxonomy Update* document is published for the final changes to the IFRS Taxonomy.
- A8. The *IFRS Taxonomy Update* documents describe in a human-readable form:
- (a) the questions on which feedback is sought (this applies only to a *Proposed IFRS Taxonomy Update* document);
 - (b) the proposed (or final) amendments being made; for example, the elements being added or removed from the IFRS Taxonomy; and
 - (c) the reasons behind these changes and, where alternative options exist, the reasoning as to why a specific option is preferred.

(...)

IFRS Taxonomy Files

(...)

- A11. The IFRS Foundation may also publish IFRS Taxonomy supporting and educational materials, such as for example files that provide the IFRS Taxonomy content in human-readable form. These materials do not constitute a formal due process publication.

(...)

Review and approval of the IFRS Taxonomy

Reviews and approval by the Board

- A16. Approval of the *Proposed IFRS Taxonomy Update* documents and the *IFRS Taxonomy Update* documents for IFRS Taxonomy content reflecting new or

amended IFRS Standards (including the accompanying materials to the IFRS Standards) requires the support of a super-majority of the Board, by means of a ballot.

(...)

Initiating a proposal to update the IFRS Taxonomy

(...)

Content changes reflecting new or amended IFRS Standards

A24. The IFRS Taxonomy content should reflect new or amended IFRS Standards in a timely manner. This ensures that the IFRS Taxonomy is an accurate reflection of the IFRS Standards at any moment in time.

A25. The IFRS Standards must be articulated clearly and consistently enough to enable appropriate representation through the IFRS Taxonomy. Consequently, the implications of the IFRS Standards on the IFRS Taxonomy are considered during the development of new or amended IFRS Standards. The staff prepare papers for the Board to consider at public meetings. These papers may incorporate IFRS Taxonomy content-related matters if review or approval by the Board on a specific topic is required.

(...)

A27. The Board approval of the *Proposed IFRS Taxonomy Update* document normally takes place concurrently with the approval of the ballot of the related final IFRS Standard. The Board may decide that the approval of the *Proposed IFRS Taxonomy Update* document should take place at a later time if:

- (a) its concurrent publication with the related IFRS Standard risks delaying the publication of the IFRS Standard; or
- (b) the proposed amendments to the IFRS Taxonomy are sufficiently narrow in scope and consequently can be combined with future proposed amendments into one *Proposed IFRS Taxonomy Update* document.

- A28. *Proposed IFRS Taxonomy Files* for content amendments reflecting new or amended IFRS Standards are prepared if considered appropriate. In assessing whether such files should be prepared, the staff review the scope of the proposed changes and the likely impact of these changes on users of the IFRS Taxonomy.
- A29. The staff normally provide a draft outline of the *Proposed IFRS Taxonomy Update* document and, if they have been prepared, the *Proposed IFRS Taxonomy Files*, for review by members of the ITCG. Members of the ITCG are asked to review whether the proposed changes to the content of the IFRS Taxonomy reflect the amendments to the IFRS Standards accurately and in the most appropriate way.
- (...)

Publication and consultation

- A39. *Proposed IFRS Taxonomy Update* documents and, where prepared, *Proposed IFRS Taxonomy Files* are the subject of public consultation. The comment period will normally be at least 60 days. (...)
- A40. In the case of a taxonomy update reflecting new or amended IFRS Standards, the *Proposed IFRS Taxonomy Update* document is released at the same time or shortly after the final Standard is published, except as described in paragraph A27 above.
- (...)
- A43. When developing a *Proposed IFRS Taxonomy Update* document, the Board and staff will consider whether they need to take additional steps to consult stakeholders on the proposed changes. These additional steps could include, for example, private meetings with regulators and other IFRS Taxonomy users, field testing of proposed technology changes by software vendors or the setting up of a taskforce to test tag proposed content changes. Feedback from this additional consultation is considered and assessed along with public comment letters.

Finalising Updates to the IFRS Taxonomy

Consideration of comments received and consultations

- A44. All public comment letters received on the *Proposed IFRS Taxonomy Update* documents and, where published, the *Proposed IFRS Taxonomy Files* are posted on the IFRS Foundation website. The staff analyse the comments received and evaluate whether to recommend changes to the original proposals and whether any revised proposals should be re-exposed.
- A45. The staff shall discuss the comments received and the changes to the original proposals, including any proposal to re-expose, with:
- (a) the Board at a public meeting (for new or amended IFRS Standards);
 - (b) the IFRS Taxonomy Review Panel, with a public summary of these discussions being prepared by the staff where relevant (for common practice and other taxonomy content not referred to explicitly by the IFRS Standards); and
 - (c) the ITCG at a public meeting (for changes to the technology of the IFRS Taxonomy).
- (...)

Drafting, review and publication

- A47. After comments have been considered and discussed, the staff proceed with the drafting, Board approval (for content amendments reflecting new or amended IFRS Standards) and the publication of the *IFRS Taxonomy Update* document.
- A48. The preparation and publication of the *IFRS Taxonomy Files* is a mandatory step for final updates to both the content and the technology of the IFRS Taxonomy.
- A49. A review by the ITCG of the *IFRS Taxonomy Files* and the *IFRS Taxonomy Update* document is optional. When assessing whether such a review would be useful, the staff consider the substance of any changes made to the final IFRS Taxonomy as a result of comments received during public consultation.