STAFF PAPER

May 2012

IASB Meeting

Project	**Request for views—*Agenda Consultation 2011***		
Paper topic	Topics for the feedback statement		
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Purpose

1. This paper summarises the feedback received in response to the Board's request for views *Agenda Consultation 2011* (the RFV) and discusses the Board's responses to that feedback.
2. The agenda consultation process benefited from the following sources of input:
   (a) The RFV was published for public comment in July 2011; the comment period ended on 30 November 2011. The summary analysis of the comment letters received was discussed by the Board in January 2012.
   (b) The Board and staff held over 80 outreach meetings in a range of formats, including discussion forums, conferences, webcasts and individual meetings.
   (c) The Board and staff have consulted with the IFRS Advisory Council throughout this process. The Advisory Council helped develop the RFV; discussed the feedback received on that documents; and reported back to the Trustees in April on this consultation process.
   (d) Investors were particularly targeted by both outreach activities and through an on-line survey that was open for comment during November and December 2011. The results of this consultation are considered with, and given similar weighting to, the comment letters.

(e) The Board held formal round tables as part of their due process at the following locations:

(i) Singapore, 12 January

(ii) Norwalk, 13 March

(iii) Toronto, 14 March

(iv) London, 23 March.

Questions for the Board

3. The analysis presented here will form the basis of the Consultation Summary and Feedback Statement. We are seeking feedback from the Board as to whether:

(a) this paper has identified all of the key messages received from the public consultation on the Board's agenda?

(b) Board members agree with the suggested responses?

(c) Board members have any further comments for inclusion in the response?

Structure of this paper

4. This paper is organised by proposed sections of the feedback statement. For each of the following topics to be addressed in the feedback statement, we have shown in a table the key comments received and the draft responses proposed for each. The topics for discussion by the Board today are:

(a) key messages received;

(b) Conceptual Framework, including a presentation and disclosure framework;

(c) research;

(d) standards-level projects;

(e) post-implementation reviews;

(f) implementation support and maintenance of IFRSs; and

(g) standard-setting methodology.

5. The final section of the paper discusses the next steps in the agenda consultation process.

Key messages received

6. The key messages received through outreach are consistent with the key messages noted in the comment letter analysis that was discussed at the January 2012 Board meeting. Those key messages are shown in the table below:

Messages received about our strategic areas	Messages received about the standard-setting process
Work on the Conceptual Framework is a priority	Complete the four current projects
Re-assess the role of research	Let's have a period of calm
Restrict the number of standards-level projects and address some issues by other means	Work more effectively with the network of standard setters such as members of the International Forum of Accounting Standard Setters (IFASS—formerly the National Standard setters), regional bodies and the IFRS Interpretations Committee
Focus on providing implementation support and maintaining IFRSs	

Conceptual Framework, including a presentation and disclosure framework

7. The key messages received about the Conceptual Framework, including a presentation and disclosure framework, and our suggested responses to each are shown in the table below:

Messages received	**Our suggested responses**
Priority focus Most respondents consider the existence of a sound Conceptual Framework to be fundamental to the success of any principle-based set of standards. They think that in order to provide a faithful presentation of an entity's financial position and performance there needs to be a firm foundation of financial reporting concepts to build upon.	We agree that the Conceptual Framework is a priority. We accept the advice of the Advisory Council to update the Conceptual Framework as a priority, but to ensure that this is done through realistic deliverables and within a realistic time frame.

Messages received	Our suggested responses
Methodology Some respondents have suggested that all standards-level projects should be deferred until the Conceptual Framework has been completed. Other respondents stress the importance of maintaining the Conceptual Framework on an ongoing basis.	We do have a Conceptual Framework that we use in developing IFRSs. We agree that it is important to continue to review that framework and to address areas where the framework is silent. In our view the Conceptual Framework is a living document—it evolves over time. The Conceptual Framework will need to be reviewed from time to time and could change as economies and expectations change. Consequently, it can only ever record our best thinking at a point in time—and only on those areas that have been addressed so far. Any responsive Conceptual Framework will continue to evolve which means it is unlikely to ever be a final document and for this reason important improvements to financial reporting should not be postponed.
Not part of mandatory IFRSs Some noted the Conceptual Framework is not considered relevant by many 'everyday' accountants. These accountants think that they can ignore it because it is not part of mandatory IFRSs. For that reason, it is often not applied by them.	The Conceptual Framework can help those applying IFRSs deal with some transactions not addressed specifically by an IFRS. However, the principles in the framework would be difficult to enforce at the transaction level because they are expressed in very general terms. The main purpose of the Conceptual Framework is to help the IASB when it develops IFRSs.
Role of the framework Respondents think that the Conceptual Framework has two key roles in the standard-setting process. It forms the basis for revising and developing individual standards and helps constituents to apply IFRSs consistently.	
Supporting development The primary role of the Conceptual Framework is supporting the development of IFRSs. The Conceptual Framework underpins greater consistency of accounting treatments across IFRSs both as existing standards are revised and as new standards are created. It acts as a guiding principle and point of reference when developing new standards or revising existing ones.	We agree with those who suggested that we should give priority to those aspects of the Conceptual Framework that need to be addressed before known problems can be solved and thereby focus our work on the Conceptual Framework on areas that exhibit known gaps in guidance.

Messages received	Our suggested responses
Consistent application of the framework The Conceptual Framework provides a tool that stakeholders can use when there is no specific guidance in IFRSs, or when IFRSs are not clear. It guides the preparers when they are confronted by the inevitable gaps in the standards. Some jurisdictions say they are struggling with inconsistencies of approaches in different standards. Some of these respondents suggest a review to ensure that all existing IFRSs are consistent with the Conceptual Framework.	We agree that the framework assists auditors and preparers in applying IFRSs. However, in our view there would be no merit in undertaking a comprehensive review of all standards. Sometimes issues may be dealt with differently in different types of transactions for quite valid reasons and, where that is the case, that disparity should be understood. Specific problems encountered in individual standards should be addressed by the most appropriate means identified as part of our maintenance of IFRSs.
Definition of elements Many think that clarifying the definition of assets and liabilities is a prerequisite for resolving a number of issues. A clear definition of assets would be the starting point for a project on intangibles. Respondents say that such a project would in itself provide insight into developing guidance on rate-regulated industries and extractive activities. Similarly, defining the nature of liabilities would advance the Board's thinking on distinguishing between financial instruments with the characteristics of equity and other liabilities.	We agree that the element definitions are important. If we were to further develop these definitions, we could do that in conjunction with some of the more challenging transactions such as rate-regulated activities and emissions trading schemes. However, although we think the current definitions should be reviewed, we do not think they are causing major difficulties today.
Measurement Many noted that the measurement section of the Conceptual Framework needs updating. Some have suggested that measurement bases in general should be reviewed. Others have targeted the measurement of performance and the place of fair value in financial statements as particular areas for development. Some have suggested that variable consideration should be an urgently-addressed topic because of apparent inconsistencies among IFRSs (between IASs 16, 37 and 2) or a lack of guidance (financial instruments).	We agree that the measurement section of the framework requires work. Many of the more difficult accounting problems are associated with measurement, such as financial instruments and non-financial liabilities. We accept that some measurement issues, such as variable consideration, are cross-cutting issues that will affect a number of topics. In assessing the priorities ascribed to components of the Conceptual Framework, we will give priority to those aspects that will resolve known issues or that apply to a number of different topics.
Performance The concept of profit or loss; the nature of other comprehensive income (OCI); and the conceptual basis for recycling are given a high level of importance by the majority of respondents, across all jurisdictions. This topic is of particular relevance to investors.	Performance, OCI and recycling are important and interlinked topics. The use by many preparers and investors of non-GAAP measures highlights the current inadequacy in dealing with the reporting of performance. These interrelated topics are likely to be added to the research agenda at an early stage.

Messages received	Our suggested responses
Disclosure framework Many respondents think that a disclosure framework is needed to ensure that information disclosed is more relevant to investors and to reduce the burden on preparers.	We agree that a disclosure framework is needed in order to assess in a rational way whether each piece of disclosure is needed. At present disclosure in each standard addresses a particular topic. We think it would be helpful to have a way of assessing how all of the disclosure requirements affect entities cumulatively. We are aware of the work already done by others in this area and will begin our assessment of this research at an early stage.

Research

8. The key messages received about research and our suggested responses to each are shown in the table below:

Messages received	Our suggested responses
The role of research as a basis for robust standard-setting Researching strategic issues for financial reporting, described by some as 'blue-sky' thinking, is not seen as a priority by most respondents. Respondents think that the IASB should focus its scarce resources on researching users' needs and on establishing the need for any changes to IFRSs. The majority of respondents suggested that the Board should target research into the operational application of existing standards, to highlight areas of weakness and to identify amendments that are needed to improve the consistency and clarity of financial reporting. Others think that the purpose of research should be to provide evidence about the need for any changes to financial reporting. This research would identify gaps in IFRSs and consider how those gaps could be filled. Many respondents think that adequate initial research will halt the start/postpone/restart cycle that results from poor initial definition.	We accept that our role is one of standard-setting and not pure research for its own sake. However, as indicated by the comments received, research should be important to our future standard-setting approach. Research will provide us with evidence to help the IASB members assess the problem and to define what needs to be achieved. Research will be used to establish agreed objectives at the outset. A more focused initial project definition will ensure that we work more effectively, without the need to postpone or redefine the project, which will help prevent scope creep. To provide leadership in the field of financial reporting, we should establish, or facilitate the establishment of, a dedicated research capability. This research capability would be shared with the IFASS, academics, and other interested parties. This research capability will be used to support all stages of the standard-setting process.
Evidence-based standard-setting There was a general view that projects should be taken onto the agenda only when there were good reasons to think that capital markets would benefit from changes in accounting or reporting.	We agree with the idea of evidence-based agenda-setting. We also agree with the Advisory Council's recommendation that research is needed to weigh the evidence before and throughout every project to ensure that it is addressing relevant practical issues.

Messages received	Our suggested responses
In accordance with that view, the initial stage of the agenda-setting process should be obtaining documented evidence that there is a problem in financial reporting. Some suggested that feasibility studies should be carried out before a standards-level project is added to the agenda.	This assessment will test that there are feasible solutions within reasonable cost-benefit constraints and that the time frame and resource requirements are appropriate. This evaluation process will recur throughout the life cycle of a project.
Research-based standard-setting reinforces independence Basing the agenda-setting process on research will ensure the Board's independence and help them to avoid the effects of undue lobbying.	We have a broad group of stakeholders and our processes need to be, and be seen to be, independent and objective. Research-led agenda-setting is a good basis for that. This demonstration of independence will be increasingly important as the IFRSs' constituency increases in size and diversity.
Engage with academics It was noted that at present there is a lack of engagement by the IASB with academics. The IASB staff and Board include few academics. The IASB needs to find an effective way of including academic research in its process. It was also noted that academics typically have little experience in the application of financial standards by preparers, auditors or investors. There is a need to strengthen links between practitioners and academics and the IASB has a role to play in this.	We accept that few IASB staff have experience of research methods or of academic research generally. However, this is not a pre-requisite for developing sound analysis. We already have visiting academic fellows at the IASB and the IASB intends to reach out more to academics to ensure their engagement and to facilitate a free exchange of ideas. In addition, in 2011 it was announced that more academics will be appointed to the Advisory Council to ensure their input into that consultative forum. Making academic research more relevant and accessible to the IASB will be one of the goals when we develop a research capability.
Effect on investors Many thought that more weight should be given to research on users' needs than is done at present, in order to establish where improvements were required. Many cited surveys of users, reviews of published financial statements and the results of post-implementation reviews (PIRs) as useful starting points for assessing if change was required. Some respondents, particularly preparers, were concerned at the costs incurred to satisfy investors' needs.	Our constitution states that the IASB will be focused on creating standards aimed at investor protection. That continues to be our objective. We continue to explore ways to engage with investors and to research their needs. We acknowledge that benefits to investors need to be significant to outweigh the costs of change to preparers—and we need to research those costs more fully and at an earlier stage.
Act as a research network co-ordinator, involving other agencies Many think that the IASB should not undertake research itself, but should instead cultivate those organisations that have carried out research and help to co-ordinate necessary research by setting up a liaison group. This liaison group could create a global research network by drawing on research undertaken around the world and by assessing changes in the current economic context. Almost all respondents agreed that the IASB should make more use of outside research than at present.	We are currently reassessing our whole approach to research and to the ways in which we can collaborate with others in the standard-setting process.

Standards–level projects

9. The key messages received about standards-level projects and our suggested responses to each are shown in the table below:

Messages received	**Our suggested responses**
In general, adding new standards-level projects to our agenda was not seen as a priority, with the exception of a few areas where there was a perceived gap in existing guidance. Indicators that existing standards need to be improved include: (a) There are significant deficiencies in IFRSs resulting in divergence in practice. (b) Changes in markets or economies render existing IFRSs irrelevant. (c) The existing IFRS conflicts with other standards or the framework.	We agree that the existing standards are largely complete. We accept, however, that we will need to address those topics that are identified as a gap in current guidance. Some of these topics may be addressed through means other than a standards-level project. Part of our research assessment will be to identify and test the feasibility of a range of possible solutions. This assessment will include a review of local research when specific topics have been developed locally.
Field testing and acceptance Many respondents emphasised the importance of field testing the Board's proposals throughout the development of the standard to ensure that they are operational. Some respondents also think that proposals should be tested for acceptability and that the Board should aim for a consensus of acceptance by constituents at each stage before developing proposals further.	We agree that early input ensures a more efficient development of the Board's proposals as difficulties are identified and resolved at an early stage. Fieldwork is an important part of our outreach due process that we use to ensure that standards are operational—capable of being implemented and enforced consistently across a range of jurisdictions. However, we do not consider standard-setting to be a popularity contest. Our aim is to produce high quality standards. In some cases those improvements to financial reporting may not be equally acceptable to all constituents. Our responsibility is to improve financial reporting for the majority of our constituents.
Transparent process There was a general request for feedback and consultation throughout the agenda-setting process. Some suggested that the IASB should publish its agenda proposals and explain their effect in detail, and expose these proposals for public comment, before finalising its agenda. Reference was also made to assessing these proposals in the light of the UKASB and EFRAG's joint discussion paper *Considering the Effects of Accounting Standards*.	We are committed to using rational and consistent bases for assessing topic priorities, in a way that is transparent to all. We need to demonstrate clearly how our project priorities are set and how the input of the IFRS Advisory Council and that of other consultative bodies was taken into account. This transparency will foster confidence in the IASB's agenda-setting process and reinforce the independence of the IASB.

<table>
<tr><th>Messages received</th><th>Our suggested responses</th></tr>
<tr><td>Selection criteria

Many respondents discussed the notion of ‘urgent and important’ as criteria for prioritising topics for development. Other respondents take a different view and think that the agenda should be set by looking at a balance between the resources required and the effect achieved.

Many noted that in assessing this balance, undue emphasis should not be placed on ‘sunk’ costs. We need to assess any balance based on the resources required to complete part-completed proposals.</td><td>We are committed to making our agenda-setting process as transparent as possible. To ensure that the process is transparent and consistent we are developing a matrix to record a series of potential selection characteristics for use when prioritising each problem identified:<table><tr><td>Broad</td><td>How many entities or jurisdictions are affected?</td></tr><tr><td>Deep</td><td>How deeply are those entities affected?</td></tr><tr><td>Investors</td><td>What is the effect on investors?</td></tr><tr><td>Feasibility</td><td>Can we identify possible solutions?</td></tr><tr><td>Dependencies</td><td>Are solutions dependent on other work such as the Conceptual Framework?</td></tr><tr><td>Time-frame</td><td>Can an effective solution be achieved in a timely manner?</td></tr><tr><td>Cost-benefits</td><td>Will the probable costs exceed the probable benefits?</td></tr></table>We think, following advice from the Advisory Council, that this matrix approach is a useful tool, although agenda-setting can never simply be a box-ticking exercise. Judgement and local factors will always play a part.</td></tr>
<tr><td>Convergence

Many were concerned that convergence was still a main criterion of the Board’s agenda-setting due process. Many thought that convergence was no longer a relevant priority. Many think that convergence is not a primary motive and we should focus instead on issues in IFRSs.

Many think that the further development of global standards needs to be via the adoption by countries of a single set of standards, ie IFRSs, and not by trying to make different sets of standards more similar through convergence.

These views are not held by all respondents. In particular, North American respondents are supporters of retaining convergence as a main criterion when setting the agenda.</td><td>We have achieved much of what was set out in our Memorandum of Understanding with the FASB and we have prioritised the completion of the remaining four joint projects.

Our foremost objective now is to develop, in the public interest, a single set of high-quality, understandable and enforceable global accounting standards. That objective has largely superseded convergence as a significant driver of our agenda-setting process. Accordingly, our revised Due Process Handbook, which is currently out for public consultation, has removed convergence from the list of factors that are influential in setting our agenda. Our aim of developing a single set of global accounting standards will require us to be more inclusive in standard-setting and we are looking at developing a more formal framework for working collaboratively with a range of jurisdictions.</td></tr>
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Post-implementation reviews

10. The key messages received about post-implementation reviews and our suggested responses to each are shown in the table below:

Messages received	Our suggested responses
Scope of the review The Board's due process document refers to post-implementation reviews dealing with those items that were contentious during the standard's development and those that led to unexpected costs. This is interpreted by some as preventing the IASB from undertaking a broader review of a new requirement. Most respondents think that the PIR should answer wider questions such as: was the objective of the IFRS achieved? and does the standard further the objectives of financial reporting? Many think that these reviews should take place in any areas in which stakeholders have concerns. The widely-held view is that a PIR should be initiated whenever significant implementation issues arise or wherever feedback suggests that the standard is not addressing users' concerns.	It is not the purpose of a PIR to revisit all of the decisions made and all of the issues raised when the new IFRS was developed. However, neither we nor the Trustees think that the reviews should be artificially constrained to matters identified as being contentious at the time the IFRS was developed. The goal of improving financial reporting underlies any new IFRS and concerns about the quality of a new IFRS should always be considered as part of the PIR process. The Trustees have proposed that the *Due Process Handbook* should be updated to reflect this revised approach.
Timing of reviews The reviews should be conducted two years after the effective date of the new standard. Some think that this is too late to identify unexpected implementation issues or distinguish them from other effects of change. Others think that this is too early to assess whether the change has improved the quality of financial reporting. Such an analysis will rely on academic studies, which generally require that more data is available than would normally be provided by two years of application of the standard.	The PIR process is not rigid and nor is it the only review process undertaken by us. We have an active review process from the time a new IFRS is issued. Staff and Board members meet with auditors, regulators and preparers after each new requirement is issued. We are aware that two years may be too early to be able to assess the effectiveness of the new standard. If this were the case, the PIR report might recommend that the staff should continue a review of available literature as part of its research programme. The three-yearly review of our work programme will also provide an opportunity to re-assess a topic that was previously the subject of a PIR.
The PIR Process Some have suggested the Board should seek broad input through a comment letter process, with a transparent analysis of feedback and the decisions taken on the basis of that feedback. Most have suggested that the Board should define the methodology in some detail and seek feedback on the proposals before starting the review.	We have consulted widely as we have developed the PIR methodology used for our first PIR of IFRS 8 *Operating Segments*. We have also introduced a public consultation step in the early part of the review process. By issuing a *Request for Information* at an early stage in the process, we think that this will provide a more open and transparent process.

Implementation support and maintenance of IFRSs

11. The key messages received about implementation support and maintenance of IFRSs and our suggested responses to each are shown in the table below:

Messages received	Our suggested responses
Focus on implementation support and maintenance Many respondents note that the Board's resources have not focused on this area in previous years. Respondents stress that the consistent application of the existing standards should form the basis of high quality financial reporting globally. Others note that the quality of any standard is judged by how easily, and consistently, it is implemented. Some respondents noted that a principle-based set of standards can place greater burdens on preparers. For these reasons most respondents agreed that the IASB should focus its attention in this area in the next three years.	Given the widespread and growing use of IFRSs, the Advisory Council is of the view that the focus of our activities should now shift to serving the needs of those who have adopted IFRSs or who plan to adopt IFRSs. We agree with that advice. We think, however, that effective maintenance of IFRSs requires periodic updating of the Conceptual Framework as transactions evolve as well as filling any obvious gaps in IFRSs.
Review of consistent global applications Some think that we should extend our activities to include post-implementation reviews of current practice to ensure global, consistent application. Respondents think that the increasingly wider global application of IFRSs will give rise to the interpretation of the standards across a range of different environments and that this will necessarily lead to a greater diversity of interpretation and inconsistency in application. The wide-ranging conditions against which the Conceptual Framework is tested mean that the Conceptual Framework must be especially robust to support IFRSs.	We agree with the advice from the Advisory Council that we should support activities that help to ensure achieving a high level of consistent interpretation and application of those standards. This is not an area, however, for which we can be primarily responsible. In order to ensure that we provide regulators with as much assistance as possible in this area, we will establish formalised co-operation arrangements with regulators, auditors and other organisations in order to receive feedback on how IFRSs are being implemented and to encourage actions aimed at addressing divergence. We are in the process of agreeing a protocol with the IFASS and other regional and national standard-setters.
Prioritise the needs of IFRS constituents Many respondents think that we should give priority to issues raised by jurisdictions that currently permit or require the use of IFRS or those jurisdictions that have a confirmed road map for the adoption of IFRSs.	The Advisory Council suggests that we should serve the needs of those who have adopted, or are in the process of adopting, IFRSs. In addition, new members of the Monitoring Board will be drawn from jurisdictions that use IFRSs and provide financial contributions to the development of IFRSs.

Messages received	Our suggested responses
First-time adopters Many think that jurisdictions considering adopting IFRSs require particular support. Many believe that special resources should be dedicated to helping individual jurisdictions.	We will continue to be receptive to suggestions about how to improve IFRS 1.
Emerging markets Emerging markets need special help. Some respondents think that we should take more notice of business practice and customs in emerging markets. They think that standard-setting to date has been too centred on Europe and North America.	Emerging markets have their own technical and practical issues. They may, for example, be subject to specific measurement problems where markets are not active. In 2011 we initiated the Emerging Markets Group, chaired by Wayne Upton, International Director, to look at ways in which we can support these jurisdictions.
Role of the Interpretations Committee Many respondents think that the Interpretations Committee has a key role to play in maintaining IFRSs and should take on responsibility for activities in this area, to leave the Board free for standards-level projects. The Interpretations Committee should provide interpretations; amendments through the annual improvement process; and should address worldwide implementation issues through narrow-scope projects. Many suggest that the Board should consider clarifying the work to be undertaken by the Interpretations Committee and also determine what levels of resources should be allocated to this work. It has been suggested that the Interpretations Committee should give top priority to narrow-scope improvements that would produce 'quick win' improvements to IFRS. Many think that there are a number of such initiatives that would not require significant resources but that would significantly improve the quality and consistency of application globally. Some also think the Interpretations Committee should act as a facilitating forum to co-ordinate work done by IFASS.	We share a common view with the Interpretations Committee about the role that they should play. We both see the Interpretations Committee as working in partnership with us to give guidance that responds to the implementation needs of those applying IFRSs. We both also see the importance of achieving a balance between the principle-based approach of IFRSs and providing guidance with sufficient detail to ensure it is useful and practical. We have given the Interpretations Committee standing authority to propose solutions for addressing each implementation issue in the most efficient and effective manner. In doing that, we have tried not to create artificial distinctions between interpretations, annual improvements and stand-alone improvements. We have also reviewed the agenda selection and rejection processes of the Interpretations Committee, which will help to clarify their role.

Standard-setting methodology

12. The key messages received about our standard-setting methodology and our suggested responses to each are shown in the table below:

Messages received	Our suggested responses
Four current projects Many respondents think that the Board should complete the four current projects (financial instruments, insurance, leases and revenue recognition) as a priority.	We are committed to completing the four current projects. We and the FASB continue to give top priority to the timely completion of these projects.
The scope of our standards Some respondents have suggested that the scope of IFRSs should be reviewed. Some respondents suggested that the application of IFRSs to other types of entities, such as public authorities and charities, should be considered.	We think that in the short term our primary focus should remain on developing standards for for-profit corporate entities. We will consider expanding the scope of our standards for other entities and other purposes at a later date.
The timing of agenda-setting consultation Many queried whether this agenda-setting process could be applied to a time period covering only the next three years. These respondents noted that the Board's existing commitments (such as the four main projects, the post-implementation reviews that are planned and the three-yearly review of SMEs) would take up much of the Board's resources over the next few years. Some viewed the current consultation process as more about contributing to an agenda-setting process that would start in 3-5 years. Because of these concerns, many respondents have advised caution about the number of projects taken onto the agenda. Common advice is to restrict the number of standards-level projects on the agenda to 2-4 at any one time. The general view is that the previous agenda set was much too ambitious.	We are aware of the amount of work to which we are already committed. It should be noted, however, that not all phases in the development of a project require significant Board time. In addition, not all solutions will require a standards-level project. Some issues may be resolved through narrow-scope amendments. These factors will allow us to begin our research-led assessment of some current issues in the short term. We realise, however, that agenda-setting is not a one-time exercise. The agenda will develop over time as a series of iterations, with each stage being subject to careful consideration and research by the Board.
Non-core activities Many thought that the Board would use resources most effectively by only keeping a watching brief on areas that are not core to financial reporting, such as XBRL. Some were concerned that XBRL considerations might affect the development of standards.	Our XBRL activities do not affect the standard-setting process, apart from those steps we take to ensure that the final standard can be incorporated easily into the XBRL taxonomy.

Messages received	Our suggested responses
Period of calm The first 10 years of the Board's agenda resulted in a number of changes to IFRSs. The 2004 stable platform, the MOU projects and the financial crisis have all resulted in the Board issuing a number of new standards between 2008 and 2013. There is a very widespread request for a period of calm at this stage. In addition, the number of jurisdictions that are likely to adopt IFRSs in the next few years suggests that a second stable platform is required and that the Board should generally focus its efforts on providing additional attention to both supporting the implementation of new standards and assisting those jurisdictions that are adopting IFRSs for the first time.	We realise how much has changed in IFRSs over the last 10 years. However, we think that the requested period of calm is not one of inactivity. We think that this comment is really a request for predictability. Respondents need to know what they will have to do in 2-3 years' time. We must still do the important things if we are to develop and maintain IFRSs as a set of high quality financial reporting standards. In our view, we should use any period of calm to work on larger issues.
Working effectively with partners Most respondents thought that it was important for the IASB to establish how it could act as a partner with the IFASS. Regional forums and preparer focus groups were also identified by some respondents as providing additional resources. Use of such resources has a number of benefits: • It is important to include all markets and economies in the development of IFRSs. Using regional groups in regions where a topic is pertinent ensures that all local expertise and experiences will be passed to the IASB. • Local groups obtain information from a wide range of members which gives them the potential to identify a greater number of possible solutions. • Use of regional and national research will give greater ownership of the standard-setting process by all stakeholders. • Encouraging regional forums to focus on controversial issues will allow the IASB to maintain a neutral position during development. • Local research could be conducted in the public eye, which encourages comment as individual conclusions are reached.	We are appreciative that a variety of partners are both able and willing to help us in our standard-setting work. The most important thing is that we align our expectations with those of our partners in this process. If we ask a standard-setter to work on a topic, we need to make sure that they understand our objective. We are responsible for IFRSs and so we also need to ensure better project management in order to maintain control over the development process. We are currently formalising our working practices with the IFASS to ensure that we each understand our role in any collaborative project that we undertake. We will use this process as a model for developing formal working practices with other participants.

Messages received	Our suggested responses
Developmental interdependencies Many respondents noted the interdependencies that arose in developing new standards. This is particularly marked where there are cross-cutting issues, such as variable consideration or control, involved.	We realise that the agenda set by the IASB cannot be a collection of standards-level projects, each of which stands in isolation. We need to view agenda-setting as an integrated process, driven and based on a wide foundation of research. We need to take a more coherent and broader view and show how research, the Conceptual Framework and projects interact. Ideas need to be developed in tandem and not serially and in a straight line. Our research activities should form a basis for providing direction to all projects. A strong central research capability should ensure that all standards, and the Conceptual Framework, are developed in a coherent way.

Question

Do you think that we have identified the key messages and do you agree with the suggested responses, or have any further comments, on the following topics for inclusion in the feedback statement:

(a) key messages,

(b) Conceptual Framework,

(c) research,

(d) standards-level projects,

(e) post-implementation reviews,

(f) implementation support and maintenance of IFRSs, and

(g) standard-setting methodology.

Next steps

13. We intend to publish the Consultation Summary and Feedback Statement in June.