

STAFF PAPER

December 2014

Project	Emissions Trading Schemes		
Paper topic	Cover memo		
CONTACT(S)	Natasha Dara	ndara@ifrs.org	+44 (0)20 7246 6919
	Jane Pike	jpike@ifrs.org	+44 (0)20 7246 6925

This paper has been prepared by staff of the IFRS Foundation. The views expressed in this paper reflect the individual views of the author[s] and not those of the IASB or the IFRS Foundation. Comments on the application of IFRSs do not purport to set out acceptable or unacceptable application of IFRSs.

Introduction

- 1 Staff were allocated to start a research project on Emissions Trading Schemes during 2014 and have been conducting research on the topic. This research has shown that there are diverse accounting approaches in use today.
- 2 The staff prepared two background papers to present to the IASB in an Education Session. The papers provide background about how emissions trading schemes operate and the accounting issues that relate to them. The papers are reproduced as:
 - (a) Agenda Paper 4B, which provides background information on two common types of emissions reduction schemes: ‘cap and trade’ and ‘baseline and credit’; and
 - (b) Agenda Paper 4C, which discusses some accounting issues identified to date.
- 3 The staff are seeking input from ASAF members on the types of Emissions Trading Schemes in operation in their jurisdictions and how such schemes are

being accounted for. To assist us, staff prepared a short questionnaire that was sent to ASAF members and is referred to as Agenda Paper 4A.

- 4 In addition, we are seeking preliminary input about the potential scope of the project before developing a project plan.