

Engagement with Emerging Economies

Amaro Gomes, Board Member
Michelle Sansom, Associate Director

IFRS Advisory Council
February 2018

The views expressed in this presentation are those of the presenter, not necessarily those of the International Accounting Standards Board (the Board) or IFRS Foundation.

Copyright © IFRS Foundation. All rights reserved

Objective of the session

2

- Provide the Advisory Council with information of how the Board engages with emerging economies
 - Working with National Standard-Setters (NSS)
 - Emerging Economies Group
 - MOUs with Global organisations
- Comments from the Advisory Council

Independent reputation research

3

Objective: better understanding of stakeholders' attitude to the organisation's work

- Research carried out in May 2017
- Published July 2017 and available on the IFRS Foundation Website
- **Feedback highlighted the importance of engagement with emerging economies**



Working with National Standard-Setters

Working with National Standard-Setters

5



Our goals for working with National Standard-Setters

- Goal 1 Maintain effective relationships and communication with NSS and regional bodies
- Goal 2 Encourage NSS and regional bodies to support implementation
- Goal 3 Work in collaboration with NSS and regional bodies in the Technical Work Programme

Working with National Standard-Setters

7

Annual World Standard-Setters conference

Working with
National
Standard-setters

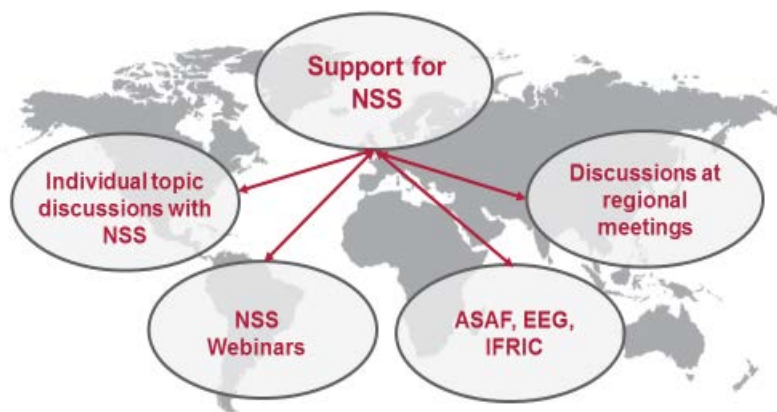
25 September 2017

World Standard-setters
Conference 2017



NSS supporting implementation

8



Activities to support National Standard-Setters

The Emerging Economies Group

- **Key Facts**

- Established in 2011 at the direction of the IFRS Foundation Trustees
- Aims to enhance the participation of emerging economies in the development of IFRS Standards
- Focus on implementation issues from emerging economies
- Secretariat provided by Ministry of Finance from the People's Republic of China

EEG membership

10

- **Chair**

- Amaro Gomes, Board Member

- **Vice-Chair**

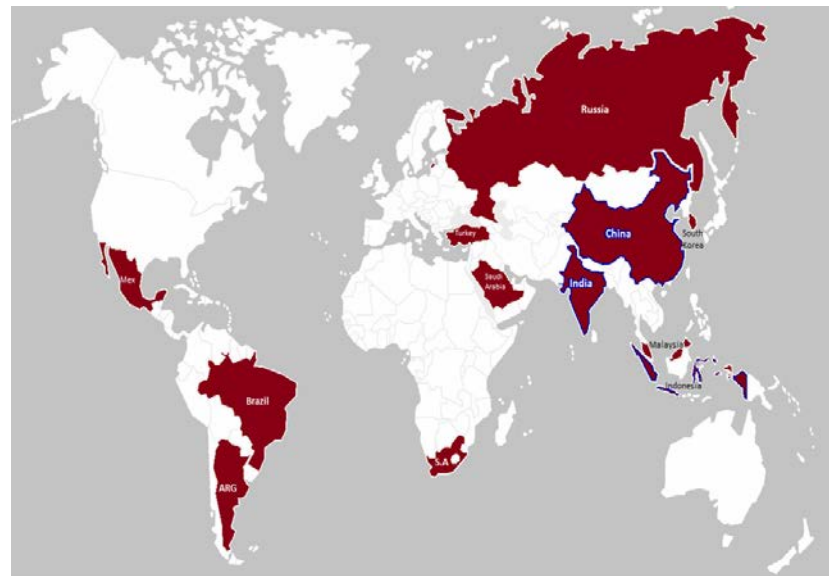
- Yibin Gao, Director-General,
Accounting Regulatory Department,
Ministry of Finance, China

- **Membership**

- 12 national standard-setters
- member countries (Argentina, Brazil, China, India, Indonesia, South Korea, Malaysia, Mexico, Russia, Saudi Arabia, South Africa, Turkey)

- **Meetings**

- Bi-annual



• Objectives of the EEG

- (a) providing a technical platform for emerging economies to communicate and exchange views with the Board
- (b) contributing to the standard-setting agenda through providing;
 - I. input to the Board's agenda setting process, and
 - II. input to the Board's technical agenda
- (c) contributing to the rigorous application of standards through the;
 - I. identification of emerging issues
 - II. sharing of experiences
 - III. discussion of common problems, and where applicable, the solutions to those problems
 - IV. discussion of in-country implementation guidance

The EEG Terms of Reference can be <http://www.ifrs.org/-/media/feature/groups/eeg/eeg-tor.pdf>

- **EEG membership**

- Unchanged membership
- Extend invitations to emerging economy jurisdictions to attend meetings

- **Meetings**

- Extend the length of the meetings from 2 days to 3 days

- **Communication**

- New meeting report published



**Agenda set by
the EEG
members**

Day one - one topic

**Agenda papers
prepared by EEG
members or staff of the
IFRS Foundation**

Recent EEG agenda topics

14

DAY	May 2017 India	December 2017 Brazil	May 2018 (Draft) Malaysia
One	IFRS 15 <i>Revenue from Contracts with Customers</i>	Business Combinations Under Common Control	IFRS 16 <i>Leases</i>
Two	Accounting for micro-entities High-inflation accounting	Accounting for micro-entities IAS 12 <i>Income Taxes</i> Initial recognition of payables	Accounting for micro-entities Accounting for private entities Digital currencies
Three		IFRS 17 <i>Insurance Contracts</i> in emerging economies	IFRS 9 Initial feedback from emerging economies

EEG Report - improving communication

15

- **Communiqué**

A brief outline of the discussions undertaken at each meeting

- <http://www.ifrs.org/-/media/feature/meetings/2017/december/emerging-economies-group/14th-eeeg-meeting-summary.pdf>


- **EEG Report**

A report of the discussions designed to:

- increase awareness of topics discussed among emerging economies
- provide the Board with a more detailed feedback

- <http://www.ifrs.org/-/media/feature/groups/eeeg/eeeg-report-may-2017.pdf>

Report of Emerging Economies Group



May 2017

Emerging Economies Group

The Emerging Economies Group (EEG) was created in 2011 at the direction of the IFRS Foundation Trustees, with the aim of enhancing the participation of emerging economies in the development of IFRS Standards.

This Report of the Emerging Economies Group provides a summary of the 13th EEG meeting held in Mumbai, India on 8-9 May 2017, hosted by the Institute of Chartered Accountants of India.

The EEG meeting was chaired by Darrel Scott, IASB Board Member.

Contact
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Tel: +44 (0)20 7246 6410
Fax: +44 (0)20 7246 6411
Website: www.ifrs.org

13th EEG meeting agenda:

Agenda topics included:

- IFRS 15 Revenue from Contracts with Customers;
- Accounting for micro-entities;
- High-inflation;
- IASB update; and
- Administrative issues, including the Role of EEG, and Arrangements for future meetings.

The agenda papers for the meeting are available on the IFRS Foundation website: <http://www.ifrs.org/Meetings/Pages/eeeg-meeting-may-2017.aspx>

Opening remarks

Mr Shiwaji B. Zaware, Chairman, Accounting Standards Board of the Institute of Chartered Accountants of India (ICAI), opened the meeting. Mr Zaware presented an overview of the history and the activities of the ICAI.

Mr M P Vijay Kumar, Vice Chairman, Accounting Standards Board of the ICAI, outlined the process for convergence of India Accounting Standards with IFRS Standards (the Standards), including how India Accounting Standards are incorporated into law.

[For further information about the Emerging Economies Group click here.](#)

The next Emerging Economies Group meeting will take place 4-5 December 2017, São Paulo, Brazil.

Outreach events in host countries

16

Recent

- **Mumbai, India – May 2017**
 - Outreach event hosted by the Institute of Chartered Accountants India
 - IFRS 15 *Revenue from Contracts with Customers*, IFRS 9 *Financial Instruments* - expected credit losses
- **Sao Paulo, Brazil – December 2017**
 - Outreach event hosted by Comitê de Pronunciamentos Contábeis
 - Application of IFRS 17 *Insurance Contracts* in emerging economies

Upcoming

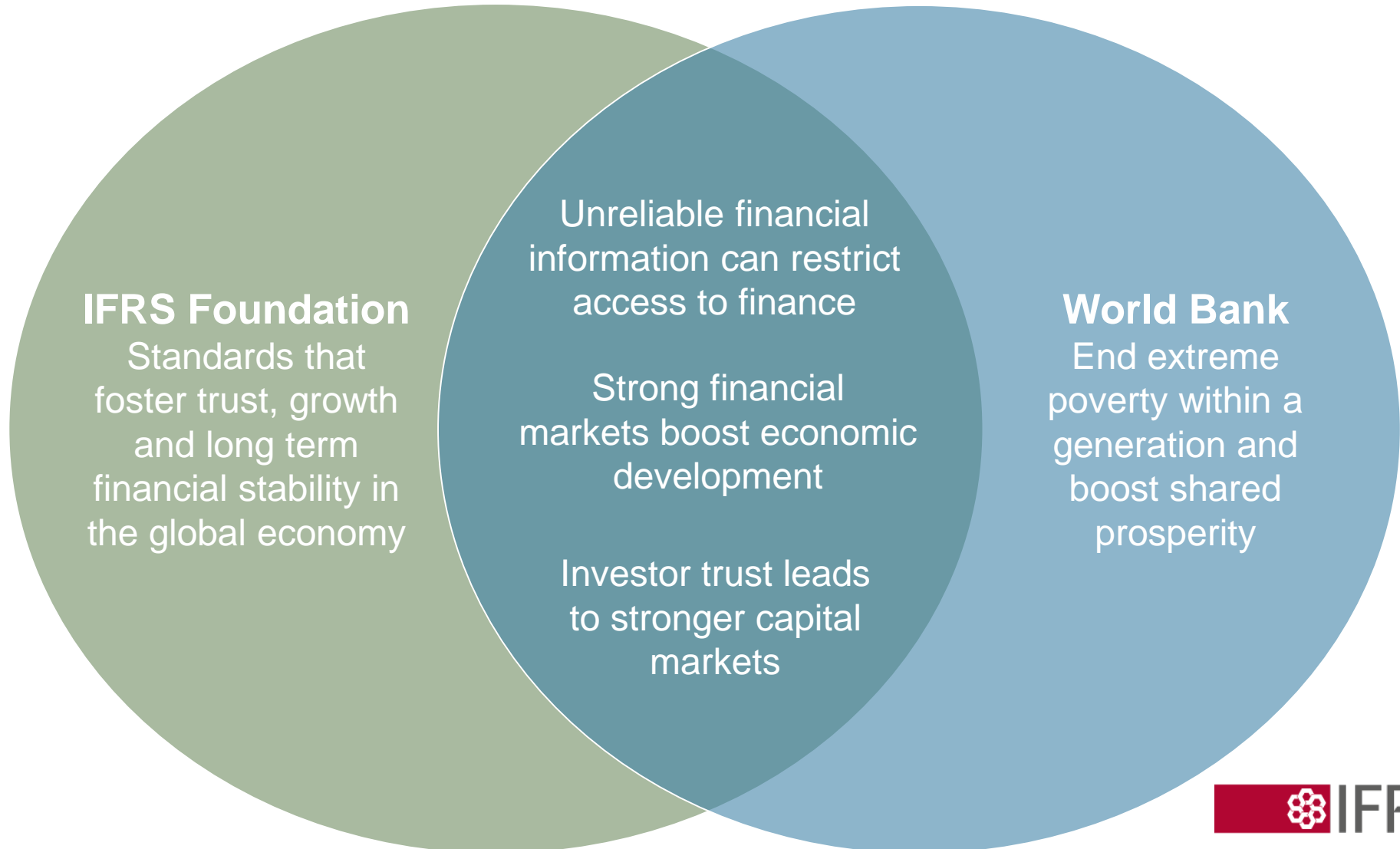
- **Kuala Lumpur, Malaysia – May 2018**
 - Regional conference on IFRS 17 *Insurance Contracts*

Global organisation support

- Our work is supported by many organisations involved in global economic decision making. This includes recent MOU's with global organisations:
 - September 2017 Basel Committee on Banking Supervision
 - May 2017 The World Bank
 - May 2016 International Organization of Securities Commissions

Example: World Bank and IFRS Foundation - overlapping objectives

19



Contact us

20

Keep up to date



@IFRSFoundation



IFRS Foundation



www.ifrs.org



IFRS Foundation

Comment on our work



go.ifrs.org/comment