Meeting note—IFRS® Taxonomy Consultative Group

The IFRS Taxonomy Consultative Group (ITCG) held a conference call on 6 September 2018.

This note, prepared by the staff of the IFRS Foundation, summarises that conference call. Related papers and a recording of the call are available on the meeting page.

ITCG members discussed:

- IFRS Taxonomy implementation notes;

- general improvements to the IFRS Taxonomy 2018;

- progress towards release of a proposed IFRS taxonomy update on the common practice analysis of IFRS 13 *Fair Value Measurement*; and

- other IFRS Taxonomy activities.

IFRS Taxonomy implementation notes

1. ITCG members continued their discussion from the June 2017 and April 2018 ITCG meetings on proposals for introducing implementation notes in the IFRS Taxonomy. At the June 2017 meeting, ITCG members supported using the XBRL reference linkbase specification for the technical syntax of such implementation notes.

2. At this meeting, the staff presented an updated proposal to use an element label for the technical syntax—the XBRL Commentary Guidance label. The main advantage of using an element label over other presented options is that it supports translation of the implementation notes into other languages; the main disadvantage is that an element label provides limited structure and therefore makes searching for information more difficult.

3. ITCG members provided the following comments:

    (a) one member asked how the proposal relates to the IFRS Taxonomy formula linkbase. The staff said that the content of some implementation notes are also reflected in the formula linkbase, specifically relating to negative and positive values. The staff added that additional implementation notes that cannot be represented within a formula, such as narrative explanations, are also being considered for inclusion in the IFRS Taxonomy, for example, through the common reporting practice relating to the disclosure requirements in IFRS 13 *Fair Value Measurement*.

    (b) one member questioned why the options presented on the use of the reference linkbase are not aligned with the XBRL International specification, considering that the reference linkbase is used in US GAAP Taxonomy. John Turner, Chief Executive Officer at XBRL International, said the XBRL specification does not currently support translating the reference linkbase into different languages. He noted that translation was not an issue when the specification was adopted in the US GAAP Taxonomy. Mr. Turner encouraged the staff to send a formal request to XBRL International to address the issues identified regarding the translation of the reference linkbase.

4. Two ITCG members expressed support for the proposal, because translations of the IFRS Taxonomy content should have a higher priority than the additional structure provided by using

reference linkbase, given the range of jurisdictions using the IFRS Taxonomy. One of these members added that the staff should continue to explore a more long-term solution that will also permit structuring the implementation notes into different types.

5.   No ITCG member expressed disagreement with the proposal.

General improvements to the IFRS Taxonomy 2018

6.   ITCG members continued their discussion from the April 2018 ITCG meeting on possible general improvements to the IFRS Taxonomy 2018.

7.   The staff presented a proposal to change the item type from 'decimal' to 'duration' for elements that represent a time period. The staff noted that this proposed approach uses the global ISO standard for formatting values reflecting time-period elements.

8.   ITCG members provided the following comments:

      (a)   one member asked whether a duration item type in the IFRS Taxonomy will always require the use of the duration period type. The staff said that duration period type is currently used by default for all non-numeric IFRS Taxonomy elements; and

      (b)   two members asked whether the proposal implies that the Inline XBRL presentation of the financial statements would also have to be converted into the ISO format. The staff clarified that the proposal would not change the presented values in Inline XBRL; rather, it will require software tools to convert the presented decimal values into the standard ISO format within the XBRL document.

9.   One ITCG member expressed support for this proposal, because the alternative option—retaining the 'decimal' item type and using element labels and implementation notes to define the standard format for values—might not prevent preparers from using custom units.

10. No ITCG member expressed disagreement with the proposal.

Common practice analysis of IFRS 13 *Fair Value Measurement*

11. ITCG members were informed that the IFRS Taxonomy 2018—Proposed Update 1 *Common Practice* (IFRS 13 *Fair Value Measurement*) is expected to be published in mid-September 2018 with a 60-day comment period. A webcast introducing the proposed changes and other supporting material will accompany the release. All published documents and a recording of the webcast are available [here](.).

12. One ITCG member suggested that the staff perform outreach activities with the CFA Institute and Finance Executives International (FEI). He added that the FEI would be a good platform to seek wider preparer views on the proposed changes.

Other IFRS Taxonomy activities

13. Ann Tarca, a Board member, announced that:

      (a)   the November 2018 ITCG face-to-face meeting has been cancelled. The staff will remotely seek ITCG input on multiple documents to be published before the end of the year, including through the October ITCG call; and

(b) at its September 2018 meeting, the Advisory Council discussed possible future strategies relating to the IFRS Taxonomy. The staff will present the comments received, including follow-up discussions at a future ITCG meeting.