
IFRS Interpretations Committee

Date **September 2024**

Project **Pollutant Pricing Mechanisms**

Topic **Horizon-scanning activities**

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Purpose of this session

To obtain IFRS Interpretations Committee (Committee) members' input on:

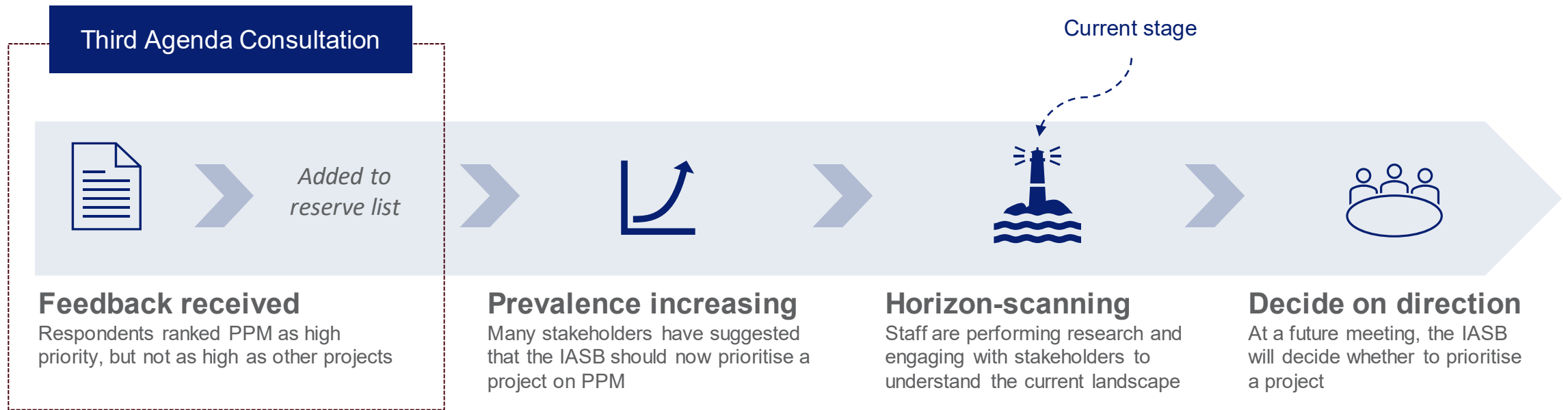
- a) the prevalence and significance of pollutant pricing mechanisms; and
- b) whether Committee members have observed deficiencies in the accounting for these mechanisms.

This information will contribute to the IASB's horizon-scanning activities, helping the IASB make an informed decision on whether to prioritise a project on the topic.

Slides 5–7 set out the questions for discussion



Status on IASB work plan



Background information

Background information on Pollutant Pricing Mechanisms, including the results of the horizon-scanning activities performed to date, are included in the following papers from the June 2024 IASB meeting:

Agenda Paper 10—Cover paper

Agenda Paper 10A—Horizon scanning activities and feedback summary

- This paper provides an overview of horizon scanning activities performed to date and summarises feedback received from outreach with users and regulators.

Agenda Paper 10B—Feedback summary—national standard-setters

- This paper summarises feedback from outreach with national standard-setters, including ASAF member responses to the questionnaire on pollutant pricing mechanisms.

Agenda Paper 10C—Survey and questionnaire

- This contains the survey distributed to users and questionnaire distributed to ASAF members.

Questions for Committee members

1

Prevalence and significance

- In your experience, how prevalent are pollutant pricing mechanisms?
 - Is their prevalence increasing?
 - How significant are the financial effects of these schemes to the financial position, financial performance and cash flows of the entities participating in them?
-

Questions for Committee members

2

Diversity in accounting

- Have you observed diversity in practice or other deficiencies in the accounting for these schemes?
 - Does this diversity exist for both compliance and voluntary schemes?
 - In your experience, does this diversity adversely affect the usefulness of information provided to users of financial statements?
-

Questions for Committee members

3

Scope

If a project on Pollutant Pricing Mechanisms is added to the work plan should the scope of the project:

1. Focus on compliance schemes or also include voluntary schemes?
 2. Concentrate on enhancing transparency through improved disclosures, or also address recognition and measurement?
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