
IASB's Fourth Agenda Consultation

Due Process Oversight Committee
June 2025

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4.5 ...the Board **consults with the Trustees** regarding the work plan and, **through the DPOC, keeps the Trustees informed** of its process in respect of its five-yearly consultation, including how it expects to respond to the input it has received.

Objective and questions

The IASB is preparing its consultation document (Request for Information). The objective of today's meeting is to seek your views on the **contents of the Request for Information**:

1. The staff's recommendation on how to **incorporate the ISSB** into the IASB's Fourth Agenda Consultation
 - Timing (slide 7)
 - Content (slide 8)
 - Prioritisation of joint IASB-ISSB projects (slide 20)
2. The **three components** of the IASB's Fourth Agenda Consultation
 - Articulation of the IASB's strategic direction and balance (slides 12-13)
 - Proposed criteria for assessing projects to be added (slides 14-15)
 - Approach to helping stakeholders share their priority technical projects (slides 16-21), including potential joint IASB-ISSB projects (slide 20)
3. Information about **capacity constraints** (slide 21)

Background to the IASB's Fourth Agenda Consultation



Background to agenda consultations

- The **IASB determines its technical strategy and work plan** through consultation with stakeholders by publishing a Request for Information. This process is called an agenda consultation.
 - ❶ Individual projects may still be added to the IASB's work plan in between agenda consultations if time-sensitive matters arise
- IASB's Third Agenda Consultation concluded in July 2022, covering the period 2022–2026
- IASB's **Fourth Agenda Consultation is starting now**, covering the period beginning in 2027
- The requirements for conducting an agenda consultation are set out in the IFRS Foundation Constitution and the IFRS Foundation Due Process Handbook *

* The Due Process Oversight Committee of the IFRS Foundation Trustees proposed revisions to the *Due Process Handbook* in December 2024. The staff will monitor finalisation of these proposals and consider their implications on the IASB's Fourth Agenda Consultation.

Requirements for an agenda consultation

	Requirements in the <i>Constitution</i>	Requirements in the <i>Due Process Handbook</i>
What		4.3 ...The primary objective of the review is to seek formal public input on the strategic direction and balance of the Board's work plan, including the criteria for assessing projects that may be added to the Board's work plan. The review could also seek views on financial reporting matters that respondents think should be given priority by the Board, together with any proposals to withdraw from the Board's work plan any projects that have not proceeded as planned or for which the prospects for progress are limited.
When	[37(d)(ii)] The IASB shall...[carry] out a public consultation every five years from the date of the most recent public agenda consultation.	4.5 ...The next consultation should commence at the latest five years after the current consultation has been completed.
How	[37(d)(i)] The IASB shall...have full discretion in developing and pursuing its technical agenda, subject to consulting the Trustees (consistently with section 16(d)) and the Advisory Council (consistently with section 61).	<p>4.3 The Board undertakes a public consultation on the work plan every five years by way of a public request for information. The Board normally allows a minimum of 120 days for comment on a work plan (agenda) consultation request for information...The Board's discussion of potential projects to be added to or withdrawn from the work plan takes place in public Board meetings.</p> <p>4.4 As part of this public consultation, the Board consults the Advisory Council.</p> <p>4.5 ...the Board consults with the Trustees regarding the work plan and, through the DPOC, keeps the Trustees informed of its process in respect of its five-yearly consultation, including how it expects to respond to the input it has received.</p>

Consideration of the ISSB – time period (1/2)

IASB and ISSB leadership intend to **align time periods** and content in the **medium-term**

- The Fourth Agenda Consultation will cover the IASB's technical strategy and work plan for the period 2027–2031, consistent with the five-yearly cadence set out by the *Due Process Handbook*.
- However, the IASB would consult again before the end of the five-year period (as permitted by the *Due Process Handbook*) if the ISSB starts an agenda consultation during this period*.
 - In doing so, the two boards would align the time periods for each board's agenda consultation. The aligned time periods would enable:
 - stakeholders to easily consider each board's work plan at the same time
 - both boards to receive feedback about the **nature** of connected work that should be undertaken
 - both boards to receive feedback about the **priority** of connected work in relation to each board's independent work plan at the same time, thereby supporting prioritisation decisions related to connected work
 - If the IASB were to start its Fifth Agenda Consultation earlier than normal, any pipeline projects** at that time could be included in that agenda consultation to re-establish priorities.

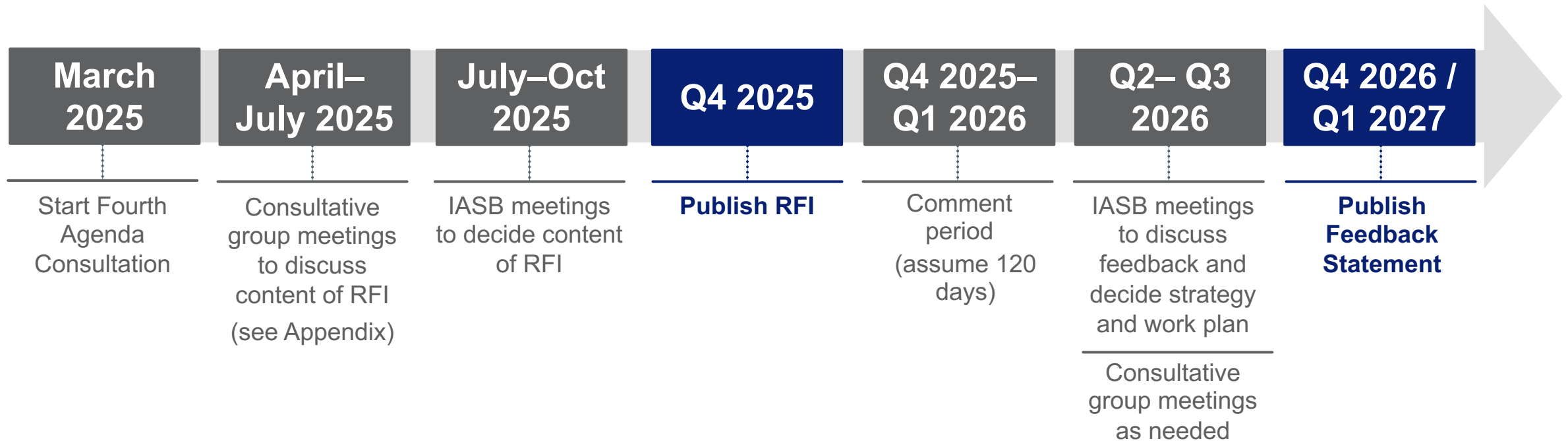
* The ISSB completed its Consultation on Agenda Priorities in June 2024 and, therefore, will not start another one now.

** Pipeline projects are projects that are not yet active but that the IASB has committed to starting before the next agenda consultation.

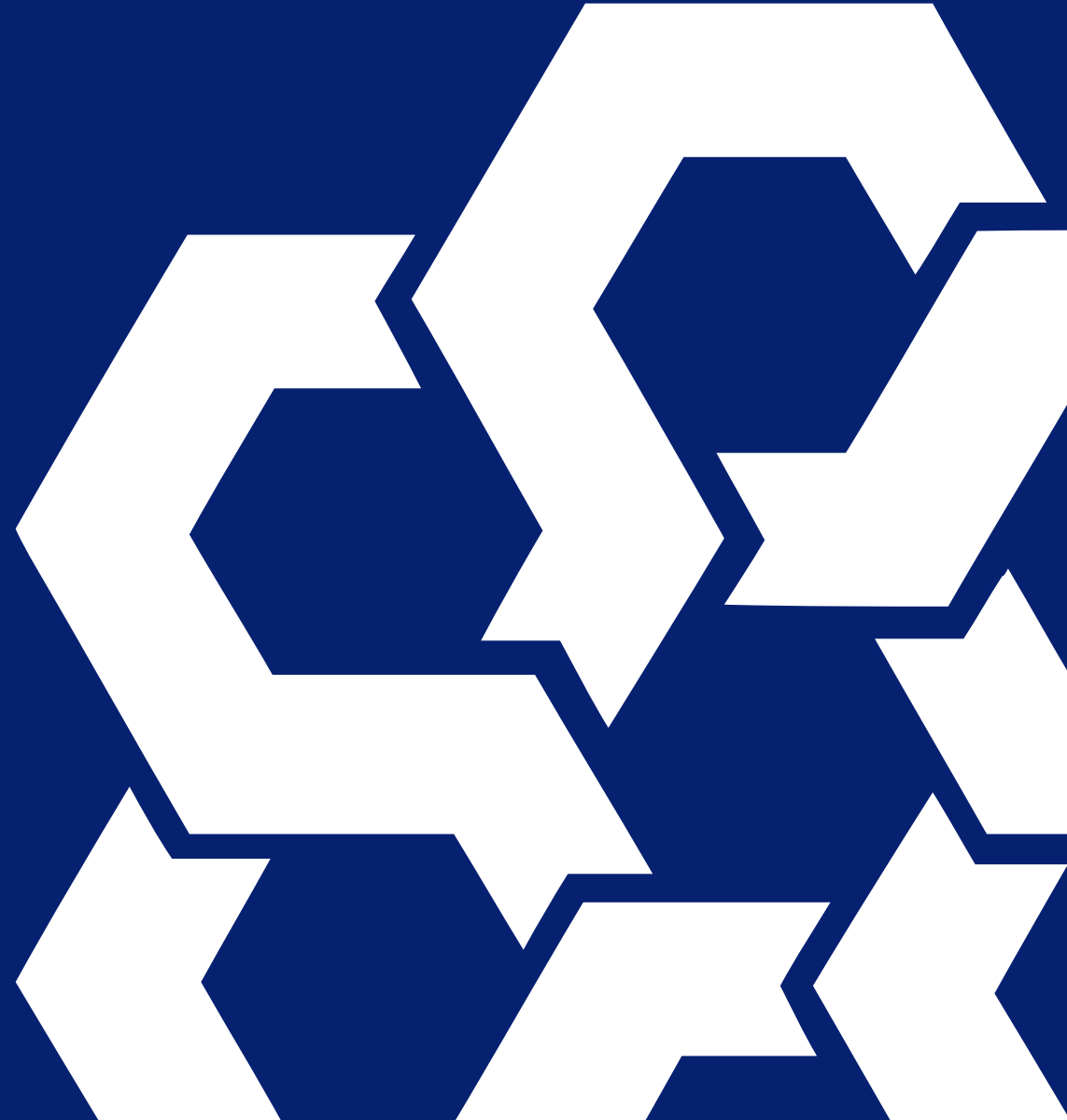
Consideration of the ISSB – content in the RFI (2/2)

- The staff proposes to describe connectivity between the IASB and ISSB, distinguishing between:
 - core connectivity work (slide 13)
 - potential joint projects (developed by both boards) (slide 20).
- We will get input from the ISSB in drafting the Request for Information, aiming to obtain feedback that can inform both boards.

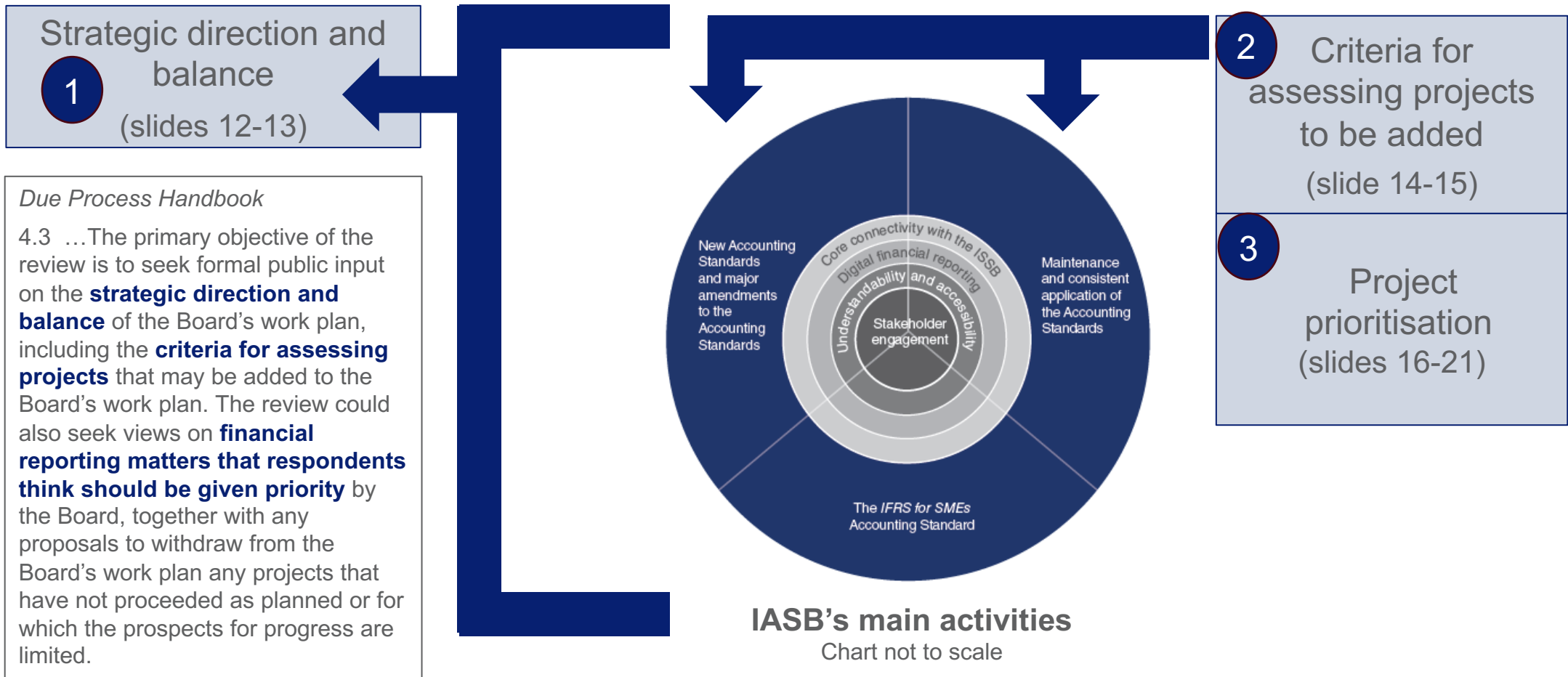
Project plan



Staff's proposed approach to the IASB's Fourth Agenda Consultation

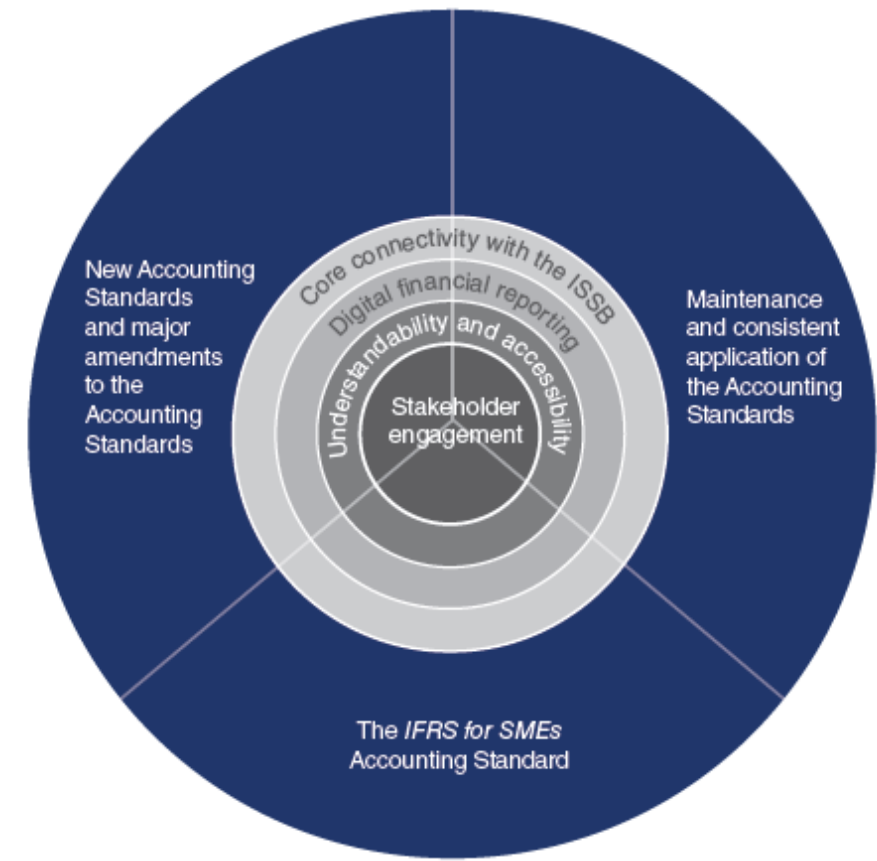


Content



1 Strategic direction and balance (1/2)

- The Request for Information will seek feedback on the **strategic direction and balance** of the IASB's work plan.
- Feedback will help determine the balance of the activities shaded in **dark blue** in the chart. These activities require a trade-off with each other.
 - The staff proposes to provide estimates of the current level of focus on the activities shaded in **dark blue** to help stakeholders respond.
- The activities in the **grey circles** in the chart are cross-cutting, supporting all of the activities shaded in **dark blue**.
- Determining the balance of activities can never be a science; rather, feedback will provide directional information about whether to make substantial changes to the proportion of one activity relative to another.



IASB's main activities

Chart not to scale

1 Strategic direction and balance (2/2)

Descriptions of activities

- **New Accounting Standards and major amendments** consist of the development of new IFRS Accounting Standards and major amendments to the IFRS Accounting Standards and conducting post-implementation reviews.
- **Maintenance and consistent application** consists of narrow-scope projects for the purposes of maintenance and consistent application of IFRS Accounting Standards and typically comprise matters that can be resolved efficiently (in two to three years). These activities include the work of the IFRS Interpretations Committee.
- **The IFRS for SMEs Accounting Standard** consists of setting requirements and developing educational materials for companies without public accountability.
- **Core connectivity with the ISSB.** The IASB and the ISSB coordinate their work and establish processes to enable connected reporting, ensuring that the IASB's and ISSB's respective requirements are compatible and avoid potential inconsistencies and conflicts. This work includes collaboration with the ISSB on an IASB project (or vice versa), but not joint IASB-ISSB projects.
- **Digital financial reporting** supports the digital consumption of financial information, including by developing and maintaining the IFRS Accounting Taxonomy. It includes consideration of how AI affects user needs.
- **Understandability and accessibility** of IFRS Accounting Standards. Understandability includes, for example, drafting clear IFRS Accounting Standards and developing supporting materials such as snapshots and project summaries. Accessibility includes, for example, using technology to help stakeholders identify applicable principles and requirements.
- **Stakeholder engagement** involves obtaining views from stakeholders to support the development of its high-quality requirements and to promote acceptance of the IFRS Accounting Standards.

2 Criteria for assessing projects to be added (1/2)

- The IASB will need to **prioritise** the financial reporting matters identified by stakeholders in their feedback on the Request for Information.
- To do so, the IASB will use **criteria to assess the projects to be added**.
- The range and subjectivity of any criteria means that prioritising matters on the work plan can never be an exact science. Application of the criteria requires judgement.
- Nonetheless, the Request for Information will seek to:
 - obtain information to help the IASB assess each potential project against the criteria
 - obtain feedback regarding whether there are other criteria the IASB should consider.



In developing the Request for Information, the staff proposes to leverage the IASB's prioritisation framework, discussed with the DPOC in June 2024 and March 2025. The prioritisation framework is based on criteria consulted on and used during the Third Agenda Consultation and considers connectivity with the ISSB.

2 Summary of proposed prioritisation criteria (2/2)

- **Technical considerations**

- **Pervasiveness**—a large number of entities are affected or expected to be affected by the matter. Included are considerations about jurisdictions, entities and industries affected to help ensure appropriate balance of those affected by the board's priorities
- **Effects** (expected financial reporting benefits exceed costs)—importance primarily based on investor needs, while also considering preparer costs
- **Feasibility** of standard-setting, given standard-setting investment required
- **Strategic priority**—such as maintaining the principles-based nature of IFRS Accounting Standards, facilitating connectivity with the ISSB, maintaining convergence with US GAAP, facilitating digital reporting or improving understandability of IFRS Accounting Standards

- **Operational considerations**

- **Time-sensitivity**
- **Synergies** with other projects, including relevant research being performed by other standard-setters
- **Capacity** (internal and stakeholder), including the balance between (1) new IFRS Accounting Standards and major amendments to IFRS accounting standards and (2) maintenance and consistent application.

3 Priority of projects – active (1/6)

The RFI will seek feedback to enable the IASB to **prioritise projects** on its work plan—that is, to determine which projects to work on from 2027

Due Process Handbook: the agenda consultation ‘**could also seek views** on...any proposal **to withdraw** from the Board’s work programme any projects that have not proceeded as planned and for which the prospects for progress are limited’

- The staff proposes that **no active projects be considered for withdrawal** as part of the agenda consultation process because:
 - active projects were determined to be priorities in previous agenda consultations
 - many projects are in advanced stages and will have recently completed consultations to inform project direction. All active projects are proceeding as planned
 - reconsideration of projects underway at each agenda consultation could lead to inefficient starts and stops, as the life cycle of a major project may be longer than the agenda consultation period (historically, five years)
- The staff proposes to ask for any **general comments** on the IASB’s work plan. Feedback about whether to proceed with individual active projects will be considered as part of deliberations on those individual projects as part of their **normal life cycle**. This is to avoid situations in which stakeholders may argue that a project is not a priority because they disagree with the IASB’s technical direction

3 Project prioritisation – pipeline (2/6)

The IASB has five maintenance and consistent application projects in its pipeline.

- Sale and Leaseback of an Asset in a Single-Asset Entity (IFRS 10 and IFRS 16)

- The project was referred to the IASB by the IFRS Interpretations Committee, but the IASB has not decided whether to add it to its work plan.
- The IASB tentatively decided not to ask a question about this matter in the Request for Information of the Post-implementation Review of IFRS 16 *Leases*.
- The staff proposes to **include** this project as a potential project on corporate wrappers (slide 19).
- The project could be a small project on its own but could be large if all other corporate wrapper matters are included.

- International Tax Reform—Pillar Two Model Rules (IAS 12)
- International Tax Reform—Pillar Two Model Rules (Amendments to the *IFRS for SMEs* Accounting Standard)
- Removal of the temporary nature of the exemption in IFRS 6 from the application of paragraphs 11-12 of IAS 8
- Credit risk disclosures—Targeted improvements

- The staff proposes **not to ask about reprioritising** these projects. This is because:
 - the IASB committed to these projects through other processes (eg post-implementation reviews) and
 - these projects are smaller, maintenance projects that are not expected to require significant capacity.

3 Project prioritisation – new (3/6)

The staff proposes to include in the RFI **descriptions of potential projects**, that would provide a common understanding of the financial reporting matters that could be addressed, helping to elicit more focused feedback

The list of potential projects is not intended to be exhaustive and does not represent a draft work plan for the IASB. The list will cover:

Potential IASB projects, determined based on the following and adjusted per outreach feedback:

- short-listed projects identified through the IASB's Third Agenda Consultation, and those especially raised by investors, that were not added to the work plan
- projects identified through the IASB's horizon-scanning activities
- projects identified through the IASB's post-implementation reviews
- projects outside of scope of active projects for which some level of demand has been expressed in comment letters

Potential joint IASB-ISSB projects, determined based on feedback to recent IASB and ISSB consultations and adjusted per outreach feedback

The IASB will add new projects to its pipeline only if it expects to have capacity to start by 2031 (the end of the Fourth Agenda Consultation period). New projects might not be completed by 2031

3 Project prioritisation – potential IASB projects (4/6)

Source	Tentative list of potential IASB projects*
Third Agenda Consultation	<ul style="list-style-type: none"> • Cryptocurrencies and related transactions • Going concern disclosures • Income tax disclosures (Investor demand) • Operating segments (Investor demand) • Pollutant pricing mechanisms
Horizon-scanning activities	<ul style="list-style-type: none"> • Hyperinflationary accounting
Cross-cutting	<ul style="list-style-type: none"> • Collaborative arrangements (PIR of IFRS 10-12, PIR of IFRS 15) • Corporate wrappers (PIR of IFRS 10-12, PIR of IFRS 15, IFRS IC)
PIR of IFRS 9	<ul style="list-style-type: none"> • Financial guarantee contracts
PIR of IFRS 10, 11 and 12	<ul style="list-style-type: none"> • Accounting for interests in other entities
PIR of IFRS 15	<ul style="list-style-type: none"> • Revenue from contracts with customers • Service concession arrangements

* These projects would involve collaboration with the ISSB as needed as part of core connectivity work.

3 Project prioritisation – potential joint IASB-ISSB projects (5/6)

Potential joint IASB-ISSB projects

Feedback on the IASB Exposure Draft *Climate-related and Other Uncertainties in the Financial Statements*, ISSB Request for Information *Consultation on Agenda Priorities* and IASB Exposure Draft *Management Commentary* identified suggestions for potential joint projects, including:

- A framework, such as a conceptual framework:
 - addressing connected reporting
 - clarifying boundaries between different general purpose financial reports
 - covering sustainability reporting
- Integration in reporting
- Materiality

Any joint project added to the IASB's pipeline will need to be **a priority for both** the IASB and the ISSB relative to each board's work plan

- The staff proposes to note this point and to link to the ISSB's work plan to help stakeholders consider priorities **not only** in relation to the IASB's work plan, but also the ISSB's work plan in providing feedback
- Any joint project added to the IASB's pipeline would only start **if the ISSB also decides to start** the project

3 Project prioritisation – capacity (6/6)

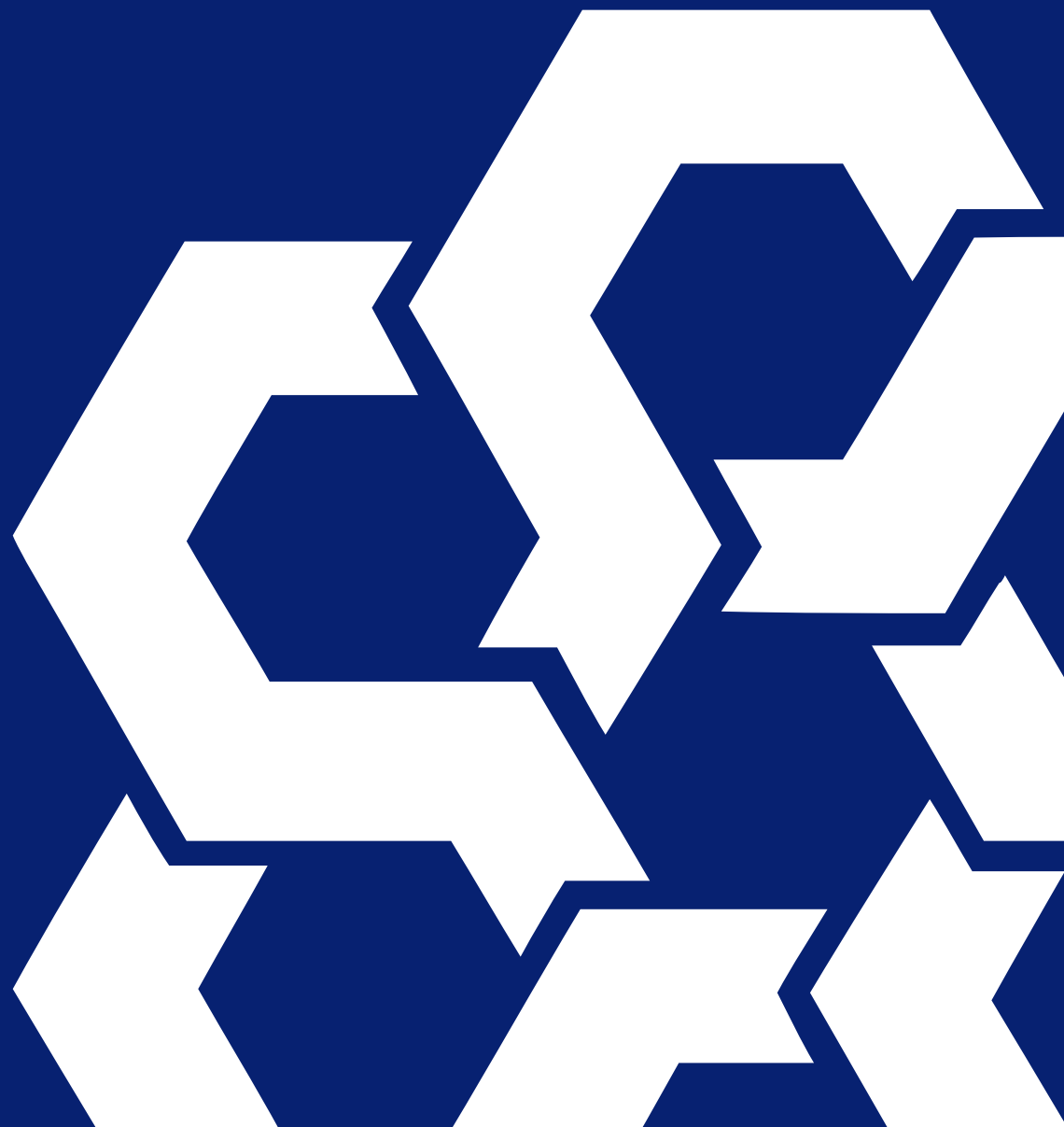
- The staff proposes to include information about the **IASB's expected capacity** to add financial reporting matters to its work plan from 2027-2031 to help stakeholders in responding to the RFI
- The expected capacity noted would be after setting aside capacity to:
 - continue **active projects** already on its work plan
 - conduct required **post-implementation reviews**
 - undertake some **time-sensitive projects** that may arise after this agenda consultation—for example, possible follow-on projects from the required post-implementation reviews, if those projects are determined to be priorities
- IASB's capacity is limited. Staff is in the process of developing the capacity indicators for the RFI:
 - reflecting expected outcomes from the cost-savings programme
 - assuming constant capacity from 2027-2031



For context, in the Third Agenda Consultation, the IASB added **two major** projects (intangible assets and statement of cash flows and related-matters) and **one narrow-scope** project (climate-related risks in the financial statements) to its pipeline

Appendix

Consultative group meetings
(April – July 2025)



Consultative group meetings (April – July 2025)

Consultative groups

- Advisory Council (April)
- EEG (May)
- IOSCO Committee 1 (May)
- Integrated Reporting and Connectivity Council (May)
- CMAC and GPF (June)
- Interpretations Committee (June)
- ASAF (July)

Discussion points

- Provide overview of proposed approach
- Seek feedback to develop descriptions of potential new projects
 - anything to remove or add to list, noting that capacity is limited so potential projects need to rate highly against assessment criteria (slide 15).
 - problem definition
 - why the matter is important
 - potential solutions

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