
Emerging Economies Group meeting

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Topic **IASB Technical Update**

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Overview

This update is prepared as of 20 October 2025

- Highlights since last EEG meeting
- Looking ahead
- Overview of the IASB's work plan
- Q&A session
- Appendix: Description of the projects on the IASB's work plan

Highlights since last EEG meeting

Highlights from May—June 2025

The IFRS Foundation published an [updated version of its educational material](#) to support the consistent application of IFRS Accounting Standards related to going concern assessments

Going concern—
A focus on disclosure

The IFRS Foundation has published its [12th Compilation of Agenda Decisions](#) by the IFRS Interpretations Committee, covering the period from November 2024 to April 2025

Compilation of Agenda
Decisions Volume 12

- The IASB has published a [Request for Information \(RFI\)](#) as part of its Post-implementation Review of IFRS 16 *Leases*
- The RFI is open for comment until 15 October 2025

Post-implementation
Review of IFRS 16
Leases

- The IASB has issued a [revised Practice Statement on management commentary](#) that supports greater global alignment in narrative reports accompanying the financial statements

Management
Commentary

Highlights from July—September 2025

- The IASB published [near-final examples](#) demonstrating how companies can improve the reporting of uncertainties in their financial statements using climate-related examples as practical illustrations

Disclosures about
Uncertainties in the Financial
Statements Illustrated using
Climate-related Examples

- The IASB issued amendments to IFRS 19, completing its planned catch-up work on the Standard
- The newly issued amendments to IFRS 19 help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024

Amendments to IFRS 19
*Subsidiaries without
Public Accountability:
Disclosures*

- The IASB will conduct a concurrent agenda consultation with the ISSB, with plans to publish a Request for Information in 2027
- The Fourth Agenda Consultation is suspended, and the period of the Third Agenda Consultation will be extended until the concurrent agenda consultation concludes in 2028

Agenda Consultation

Looking ahead

Consultations

Forthcoming in 2025

December 2025: Exposure Draft proposing amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures* in relation to Dynamic Risk Management

New Standards, Amendments and Other Publications

Issued in 2025

Third edition of the *IFRS for SMEs Accounting Standard*

Revised Practice Statement *Management Commentary*

Near-final Illustrative Examples: *Disclosures about Uncertainties in the Financial Statements Illustrated using Climate-related Examples*

Amendments to IFRS 19 *Subsidiaries without Public Accountability: Disclosures*

Expected

(subject to the Board's approval)

- ✓ **November 2025:** Translation to a Hyperinflationary presentation currency (IAS 21)
- ✓ **Q2 2026:** Accounting Standard *Regulatory Assets and Regulatory Liabilities*

Agenda Consultation

Objective

An agenda consultation is a five-yearly process to consult stakeholders to determine its technical strategy and work plan.

Status

The IASB will undertake its next agenda consultation at the same time as the ISSB (concurrent agenda consultation)—work is expected to start in late 2026, with plans to consult with stakeholders in 2027.

Benefits of a concurrent agenda consultation include:

- less burdensome for stakeholders to easily consider each board's work plan at the same time
- providing holistic feedback about priorities, both separate and joint

In the meantime, the IASB will continue to progress existing projects and start new projects as capacity becomes available.

What is required when?

1 January 2025

- *Lack of Exchangeability* (Amendments to IAS 21)

1 January 2026

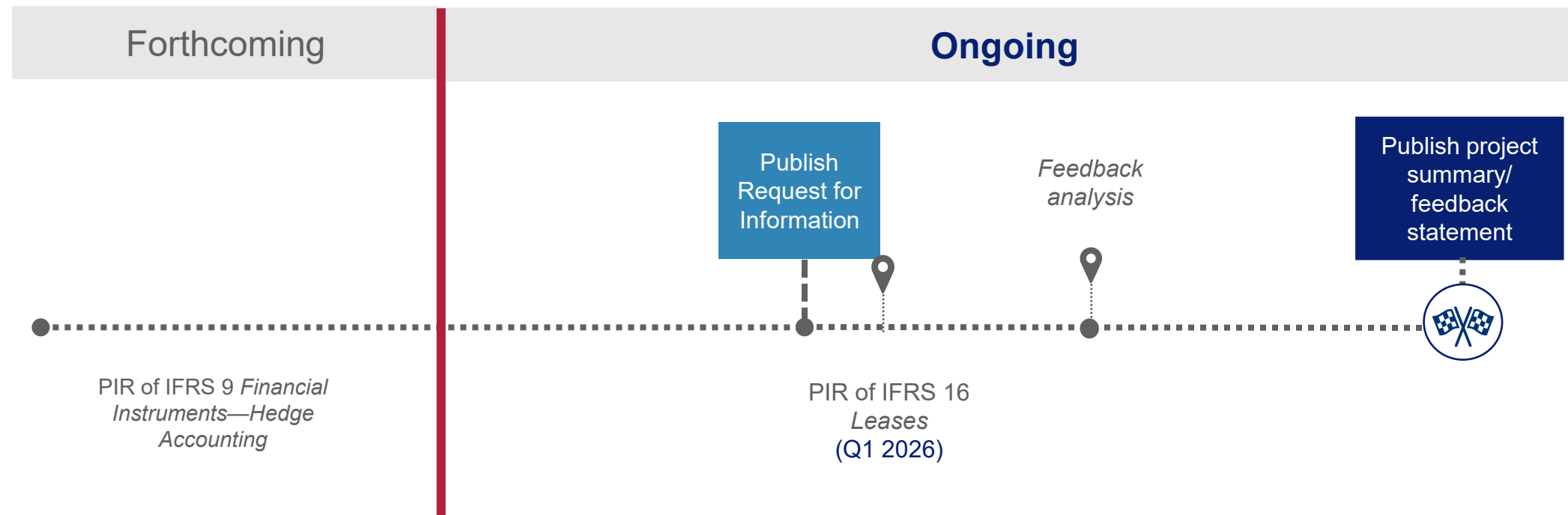
- *Amendments to the Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7)
- Annual Improvements to IFRS Accounting Standards—Volume 11
- *Contracts Referencing Nature-dependent Electricity*—Amendments to IFRS 9 and IFRS 7

1 January 2027

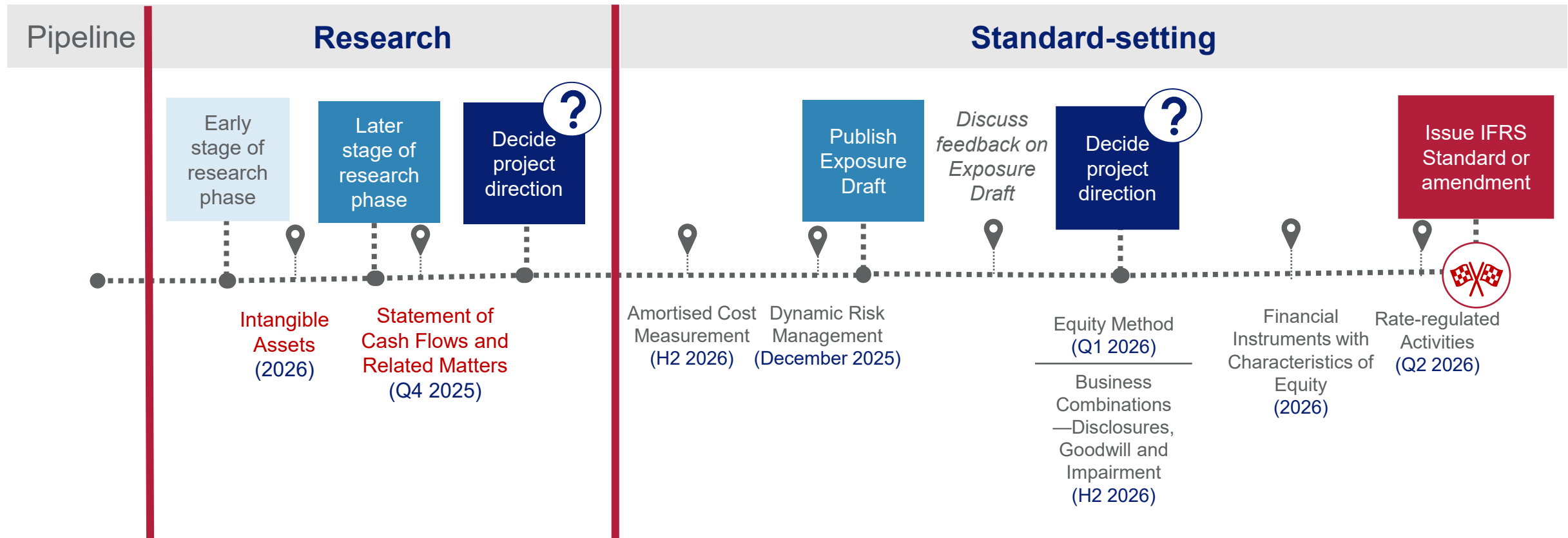
- IFRS 18: *Presentation and Disclosure in Financial Statements*
- IFRS 19: *Subsidiaries without Public Accountability: Disclosures* and amendments
- Third edition of the *IFRS for SMEs Accounting Standard*

Overview of the IASB's work plan

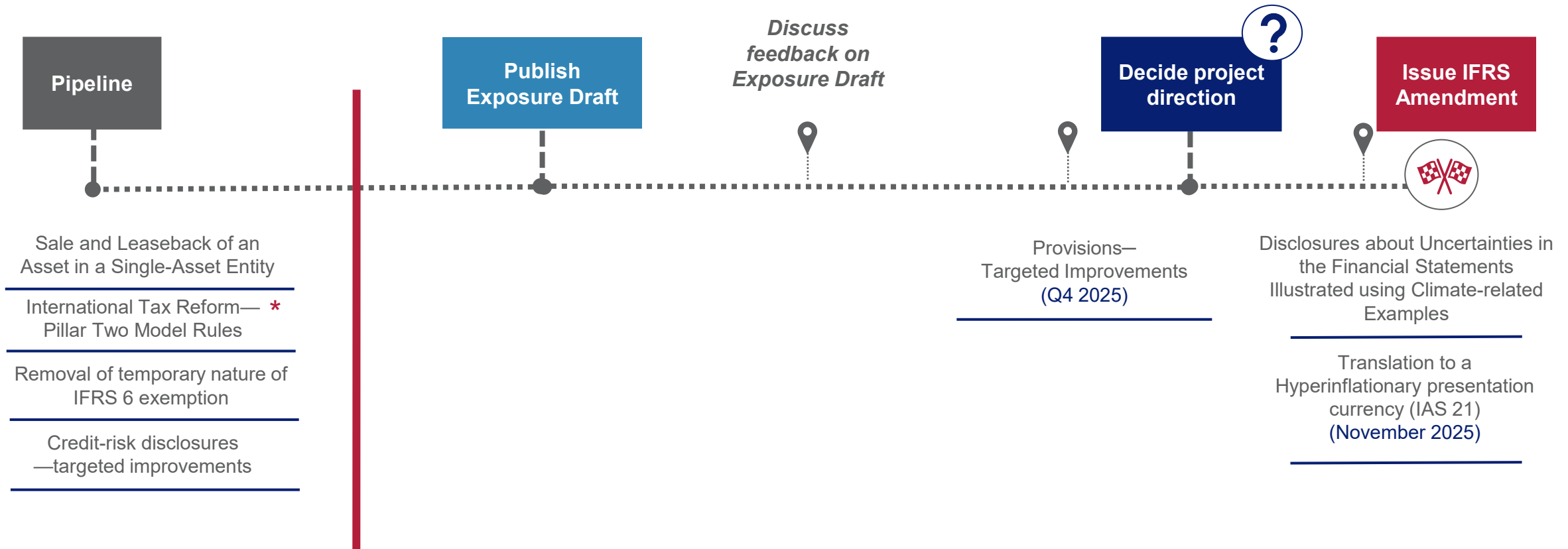
Post-implementation review projects



Research and standard-setting projects - status



Maintenance projects - status



* To determine whether to remove or make permanent the temporary exception

Q&A session

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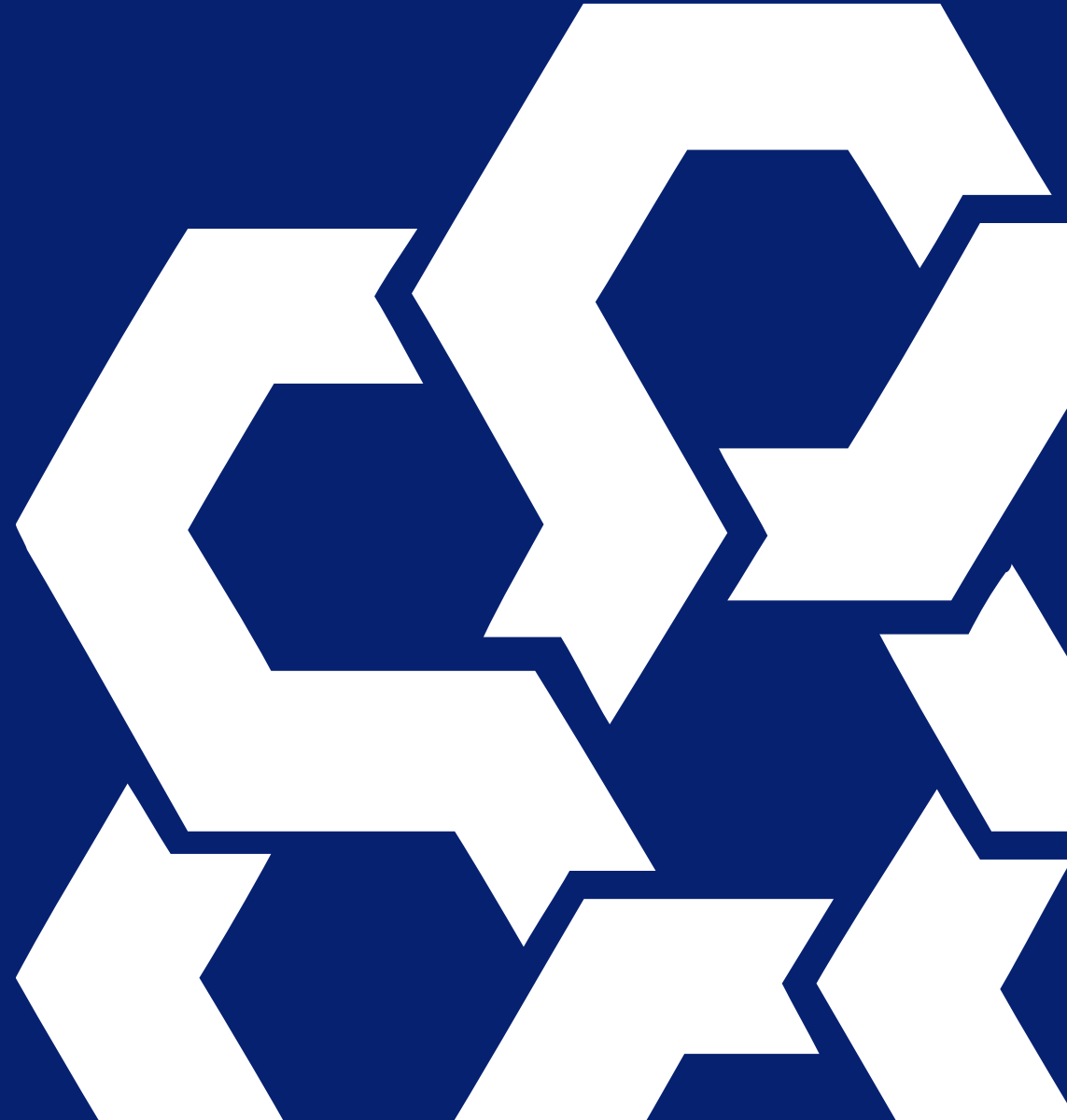
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Appendix

Description of the projects on the IASB work plan



PIR of IFRS 16—*Leases*

Objective

Assess whether the effects of applying IFRS 16 on users of financial statements, preparers, auditors and regulators are as intended when the Standard was issued

Matters to examine in the public consultation

- ☒ Overall assessment of IFRS 16
- ☒ Usefulness of information resulting from lessees' application of judgement in determining lease term, discount rates and which variable lease payments to include in (or exclude from) the measurement of the lease liability
- ☒ Usefulness of information about lessees' lease-related cash flows
- ☒ Ongoing costs of applying the requirements for discount rates and subsequent measurement of the lease liability
- ☒ Potential improvements to future transition requirements
- ☒ Other matters (including the effects of applying IFRS 16 with IFRS 9 and IFRS 15)



Next milestone

Request for information feedback in Q1 2026

Statement of Cash Flows and Related Matters

Objective

Assess potential ways to improve the requirements of IAS 7 *Statement of Cash Flows* in response to feedback on the Third Agenda Consultation and initial project research

Topics the project will explore

- ☒ Disaggregation of cash flow information
- ☒ Reporting of information about non-cash transactions
- ☒ Transparency of information communicated about cash flow measures not specified in IFRS Accounting Standards
- ☒ Consistent application of requirements to classify cash flows as operating, investing or financing
- ☒ Consistent application of the definition of cash equivalents
- ☒ Applicability of the statement of cash flows and any possible improvements for financial institutions



Next milestone

Decide project direction in Q4 2025

Intangible Assets

Objectives

- Improve the usefulness of information entities provide about intangible items in their financial statements
- Update IAS 38, in particular to make it more suitable for newer types of intangible items and new ways of using them

Approach



Starting a comprehensive review in a targeted way



Regular reflection points to assess additional evidence

Topics the project will explore

☒	User information needs	Initial streams
☒	Potential changes to the definition and some recognition requirements (using test cases)	
☒	Intangible assets held for investment	Later streams (subject to change)
☒	Broader review of recognition	
☒	Disclosure requirements	
☒	Comparability of information about acquired and internally generated intangible assets	
☐	Broader intangible items	TBC



Next milestone

Explore initial streams and decide project direction in 2026

Amortised Cost Measurement

Objectives

- to **clarify principles** underlying the amortised cost measurement requirements in IFRS 9, addressing application issues that are widespread and have a material effect on entities' financial statements; and
- to **improve specific information** provided to **users** of financial statements about financial instruments

Approach

- ☒ **Targeted improvements** to amortised cost measurement requirements
- ☐ **Not a fundamental review** of those requirements

Targeted improvements for:



Mechanics of effective interest method



Modification, derecognition, write-off



Interaction with impairment



Next milestone

Exposure Draft is expected in H2 2026

Dynamic Risk Management

Objectives

The DRM method:

- Better reflects the effects of dynamic interest rate risk management activities in an entity's financial statements
- Addresses challenges of current accounting models with respect to transparency, eligible items, dynamic nature and performance management

Proposals

The DRM method aims to:

- better reflect the **risk management** perspective
- enables **designation** of an interest rate **risk exposure**
- aligns to the risk management perspective through the **designation** of additional eligible items (ie a stable portion of demand deposits)
- Achieves transparency through **new accounting requirements**



Next milestone

Exposure Draft is expected in December 2025

Equity Method

Objectives

- Reduce diversity in practice by answering approximately 20 application questions.
- Reorder requirements in IAS 28 *Investments in Associates and Joint Ventures* to improve understandability.

Overview of the feedback on the proposals

Respondents supported most of the proposals, but mixed support on the proposals:

- cost and benefit of proposals for changes in an investor's ownership interest.
- recognition of the investor's share of losses, after the carrying amount of the investment has been reduced to nil.
- removal of 'significant or prolonged decline in fair value' as an impairment indicator.
- proposal to recognise in full the gains and losses from transactions with associates.
- implications of applying the proposals to subsidiaries in separate financial statements.



Next milestone

Redeliberate proposals in the [Exposure Draft](#)

Business Combinations—Disclosures, Goodwill and Impairment

Objective

Improve information entities provide about their acquisitions at a reasonable cost

Proposals

Proposed changes to IFRS 3:

- Disclose information reviewed by key management personnel about the performance of a strategic business combination
- Disclose quantitative information, in the year of acquisition, about expected synergies
- Exempt an entity from disclosing some information in specific circumstances
- Other improvements to IFRS 3 disclosure requirements

Proposed changes to IAS 36:

- Clarify how an entity allocates goodwill to cash-generating units
- Require an entity to disclose in which reportable segment a cash-generating unit containing goodwill is included
- Simplify and improve calculation of value in use



Next milestone

Redeliberate proposals in the Exposure Draft and decide project direction in H2 2026

Financial Instruments with Characteristics of Equity

Objectives

- Improve information entities provide in their financial statements about financial instruments they have issued
- Address challenges with applying IAS 32 *Financial Instruments: Presentation*

Approach

- Clarify IAS 32 classification principles to address practice issues:
 - fixed-for-fixed condition
 - effects of laws or regulations
 - obligations to purchase own equity instruments
 - contingent settlement provisions
 - shareholder discretion
 - reclassification
- Improve presentation and disclosure
- Provide application guidance and illustrative examples



Next milestone

- Redeliberate proposals in the [Exposure Draft](#)
- Final amendments are expected in 2026

Rate-regulated Activities

Objectives

Provide information about the effects of:

- regulatory income,
- regulatory expense,
- regulatory assets, and
- regulatory liabilities

on entities' financial performance and financial position

Proposals

In some cases, rate regulation creates differences in timing that arise when compensation for regulatory goods or services supplied in one period is included in the regulated rate charged in a different period.

The forthcoming Accounting Standard will require the entities:

- to reflect compensation for regulatory goods or services in the period goods or services are supplied;
- to recognise regulatory assets, regulatory liabilities, regulatory income and regulatory expense



Next milestone

IFRS Accounting Standard *Regulatory Assets and Regulatory Liabilities* is expected in Q2 2026

Provisions—Targeted Improvements

Objectives

- Clearer requirements on when to recognise a provision, with earlier recognition of some provisions
- More standardised measures of long-term provisions and greater transparency around inputs to the measures

Proposals

Amend IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*

- Clarify and amend the recognition criteria, applying the *Conceptual Framework*
- Specify the discount rates to use in measuring a long-term provision, and require disclosure of information about rates used
- Clarify the costs to include in measuring obligations to provide goods or services



Next milestone

Discuss a plan for the next stage of the project in Q4 2025

Disclosures about Uncertainties in the Financial Statements Illustrated using Climate-related Examples

Objective

Examples illustrating how an entity applies the requirements in IFRS Accounting Standards to report the effects of uncertainties in its financial statements

Areas of focus

The examples illustrate three main areas:

- making **materiality judgements** and disclosing additional information
- disclosing information about **assumptions**
- **disaggregating** information

The examples use climate-related fact patterns, but the principles and requirements illustrated apply equally to all types of uncertainties



Next milestone

Final Illustrative Examples

Amendments to IAS 21: Use of a Hyperinflationary Presentation Currency by a Non-hyperinflationary Entity

Objective

Improve the usefulness of the financial information reported by entities that present financial statements in a hyperinflationary currency

Proposals

Provide a relevant translation method applicable to entities:

- whose functional currency is the currency of a non-hyperinflationary currency, but
- whose financial statements are presented in a currency of a hyperinflationary economy



Next milestone

Final Amendment is expected in November 2025