
IASB[®] meeting

Date **February 2026**
Project **Amortised Cost Measurement**
Topic **Project overview and next steps**
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the IASB or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS[®] Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB[®] *Update*.

Purpose of paper

1. The purpose of this paper is:
 - (a) to provide a recap of [IASB's discussions to date](#) on the project;
 - (b) to provide an [overview of the papers for this meeting](#); and
 - (c) to set out the [next steps](#) in the project.
2. This paper has one appendix: [Appendix A—Overview of modification requirements in IFRS 9](#)
3. We do not ask the IASB to make any decisions in this paper.

IASB's discussions to date

4. In [February 2025](#), the IASB finalised the project objectives, approach, scope, and project criteria. The project objectives are:
 - (a) 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
 - (b) to improve specific information provided to users of financial statements about financial instruments

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5. As advised by its consultative groups, the IASB decided to meet with stakeholders—primarily preparers—to identify the root causes of the diversity in practice relating to amortised cost measurement requirements.
 6. During H1 2025, the IASB conducted extensive outreach with stakeholders from various industries and geographical regions. In [June 2025](#), the IASB reviewed the outreach feedback and noted that, based on that feedback, it can clearly distinguish between issues arising from unclear or insufficient requirements in IFRS 9 (which can be resolved through standard-setting), and those stemming from application of judgement to different facts and circumstances (which cannot be effectively resolved through standard-setting)
 7. In H2 2025, the IASB began deliberations of potential solutions for issues in which the diversity in practice arises from unclear or insufficient requirements in IFRS 9. For instance, in [September 2025](#), the IASB discussed the issues that arise in practice when applying IFRS 9 to determine the effective interest rate (EIR) and accounting for subsequent changes to the EIR. The IASB decided to:
 - (a) take no further action relating to the issues that arise in determining the EIR applying IFRS 9. This decision was based on the evidence suggesting that the diversity in application of these requirements is caused by application of judgement to different facts and circumstances, including differing information available, rather than being caused by IFRS 9.
 - (b) continue exploring accounting alternatives that might resolve the issues that arise in accounting for subsequent changes to the EIR. To explore those other alternatives, the IASB decided to also seek input from its consultative groups and investors.
 8. In Q4 2025, the IASB consulted with the [Global Preparers Forum](#) (GPF), the [Accounting Standards Advisory Forum](#) (ASAF), the [Emerging Economies Group](#) (EEG), and the [Financial Instruments Consultative Group](#) (FICG), seeking input that would inform potential improvements to the EIR and modification requirements. In the meantime, the IASB is also meeting with investors to discuss these topics.

Overview of the papers for this meeting

9. At this meeting, the IASB will deliberate potential solutions to issues arising from modification requirements of IFRS 9. Specifically:
 - (a) Agenda Paper 11A of this meeting provides staff analysis and recommendation on whether the IASB should clarify what constitutes a ‘modification’ of a financial instrument, for purposes of applying IFRS 9.
 - (b) Agenda Paper 11B of this meeting provides the staff analysis and recommendation on whether the IASB should clarify how to determine whether a modification of a financial instrument is substantial and hence results in derecognition, applying IFRS 9.
2. [Appendix A](#) to this paper illustrates the modification requirements in IFRS 9, and how those requirements relate to Agenda Papers 11A–11B of this meeting.

Next steps

10. In future IASB meetings, we plan to present:
 - (a) the staff analysis and recommendations on topics previously discussed by the IASB, such as the accounting for subsequent changes to the EIR, applying paragraphs B5.4.5 and B5.4.6 of IFRS 9; and
 - (b) the staff analysis on remaining project topics, such as the relationship between modification, derecognition and impairment.

Appendix A—Overview of modification requirements in IFRS 9

A1. The following diagram illustrates the modification requirements in IFRS 9, and how they relate to Agenda Papers 11A–11B of this meeting.

