

IASB® meeting

Date	January 2026
Project	Post-implementation Review of IFRS 16 Leases
Topic	Cover paper
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Purpose of this paper

1. This cover note provides:
 - (a) background information (paragraphs 2–4);
 - (b) summary of papers for this meeting (paragraphs 5–7);
 - (c) overview of the comment letters and outreach that the International Accounting Standards Board (IASB) members and the staff undertook during the comment period for the [Request for Information Post-implementation Review of IFRS 16 Leases](#) (RFI) (paragraphs 8–16); and
 - (d) update on the FASB's Post-implementation Review of Topic 842, Leases (paragraphs 17–21).

Background information

2. The objective of the Post-implementation Review (PIR) of IFRS 16 is to assess whether the effects of applying the new requirements on users of financial statements (users), preparers, auditors and regulators are as intended when the new requirements were developed.

3. A PIR involves assessing whether the new requirements are overall working as intended, with the benefits to users of the information arising from applying the new requirements *not significantly* lower than was expected and the costs of applying the requirements and auditing and enforcing their application *not significantly* greater than was expected.
4. On 17 June 2025 the IASB published the RFI. It was open for comment for 120 days until 15 October 2025.

Papers for this meeting

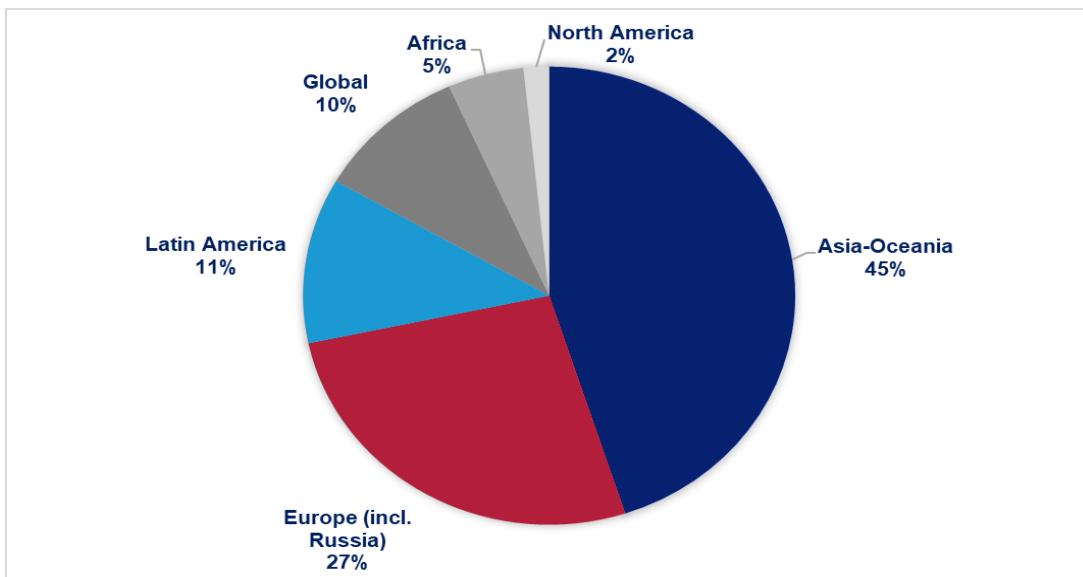
5. At this meeting the IASB will discuss the summary of the feedback to the RFI and a plan for the next phase of the project. The IASB is not asked to make any decisions.
6. Agenda Papers for this meeting include:
 - (a) Agenda Paper 7A *Feedback summary—overall assessment of IFRS 16*, which summarises the feedback to Question 1 in the RFI;
 - (b) Agenda Paper 7B *Feedback summary—usefulness of information resulting from lessees' application of judgement*, which summarises the feedback to Question 2 in the RFI;
 - (c) Agenda Paper 7C *Feedback summary—usefulness of information about lessees' lease-related cash flows*, which summarises the feedback to Question 3 in the RFI;
 - (d) Agenda Paper 7D *Feedback summary—ongoing costs for lessees*, which summarises the feedback to Question 4 in the RFI;
 - (e) Agenda Paper 7E *Feedback summary—users of financial statements*, which summarises the feedback from users; and
 - (f) Agenda Paper 7F *Plan for PIR of IFRS 16 phase 2*, which sets out the next steps for the project.
7. At a future IASB meeting, we will present a summary of:

- (a) feedback to Question 5 in the RFI, which sought suggestions for improvements to future transition requirements;
- (b) feedback to Questions 6.1–6.4 in the RFI, which asked about other information relevant to the PIR of IFRS 16, including its relationships with the requirements in other IFRS Accounting Standards; and
- (c) additional academic literature relevant to this PIR, identified since our [initial review](#) discussed at the March 2025 IASB meeting.

Feedback overview

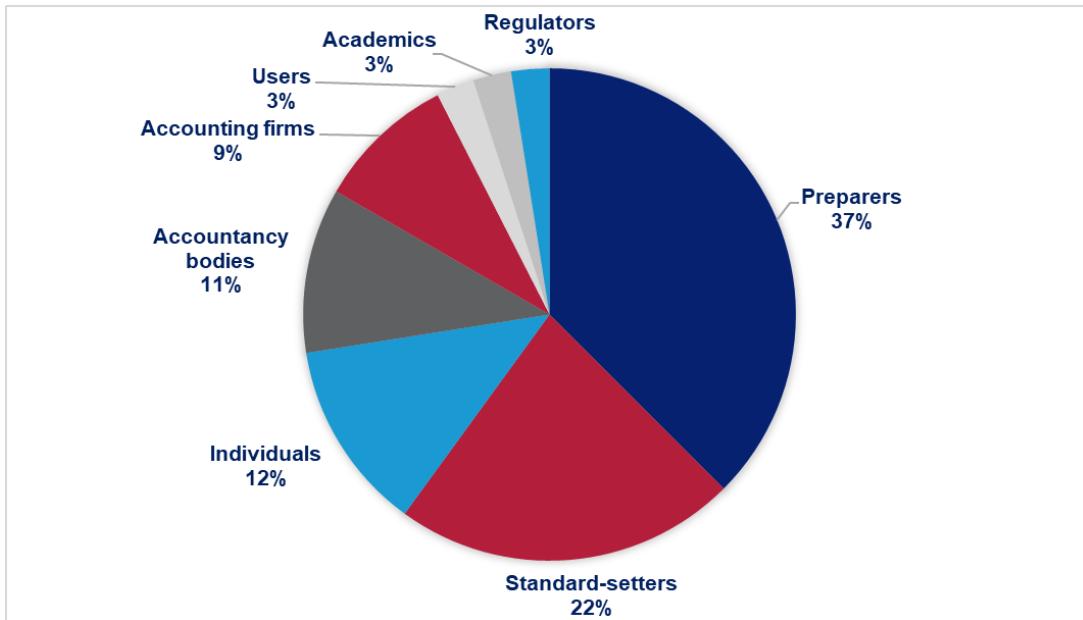
Comment letters

- 8. The IASB received 122 comment letters on the RFI.¹ All comment letters are available on the IFRS Foundation [website](#). In addition, we received written comments from some members of the user advisory committee of a national standard-setter from North America.
- 9. The following chart analyses the comment letters by region:



¹ This number includes two late comment letters. Although not included in the charts, we have included them in our summary of feedback throughout Agenda Papers 7A–7E.

10. The following chart analyses the comment letters by respondent type:



Outreach

11. Following the publication of the RFI in June 2025, IASB members and the staff held or participated in 35 events with users, preparers, auditors, regulators and national standard-setters from Africa, Asia-Oceania, Europe, Latin America and North America.

12. To raise awareness of the consultation, we also:

- (a) sent an email to IFASS participants, encouraging them and stakeholders in their jurisdictions to provide feedback on the RFI; and
- (b) published an article in the newsletter to CFO Forum East Africa.

How we quantified feedback

13. The IASB received feedback on the RFI from comment letters and outreach. In this and other agenda papers for this meeting, we use the term:

(a) ‘respondents’ to report views received from 122 comment letters and a written summary of comments from some members of the user advisory committee of a national standard-setter from North America.

(b) ‘stakeholders’ to report views from both written responses described in (a) and outreach meetings. This includes feedback from stakeholders who participated in outreach meetings that did not send a comment letter and, in particular, includes feedback from 11 meetings with users (that is, individual users or groups of users, organisations representing users’ interests and credit rating agencies).

14. Throughout Agenda Papers 7A–7E for this meeting the staff use the following terms to quantify the feedback:

Term	Extent of response among respondents
Almost all	All except a very small minority
Most	A large majority, with more than a few exceptions
Many	A small majority or large minority
Some	A small minority, but more than a few
A few	A very small minority

15. The IASB received feedback on all aspects of the RFI. However, stakeholders did not always comment on all the questions in the RFI. So, we have used the terms listed in paragraph 14 to describe the proportion of stakeholders that commented on a particular question. This is not necessarily a proportion of all responses to the RFI.

16. Throughout Agenda Papers 7A–7E, we have identified areas for which we received different messages from individual stakeholder groups or from specific regions. Where we have not identified any trends among stakeholder groups or regions, this means we received similar feedback from all respondents.

Update on the FASB's Post-implementation Review of Topic 842

17. In November 2025 the Financial Accounting Standards Board (FASB) published the [Report on Post-Implementation Review: Leases \(Topic 842\)](#).
18. The report observes that:
 - (a) overall, Topic 842 achieves the objective of providing investors and other financial statement users with more useful information about a lessee's leasing activities. However, the initial costs to implement the lessee requirements along with the ongoing costs to apply those requirements were significantly higher than the FASB expected at issuance, primarily because entities' existing systems and processes were often not able to account for operating leases on the balance sheet.
 - (b) investors are generally satisfied with the information provided under the lessor accounting requirements. Most lessor entities did not incur significant costs to either initially implement the lessor accounting requirements or apply the requirements on an ongoing basis.²
19. Upon concluding the PIR process of Topic 842, the FASB staff has not identified any matters that warrant immediate standard-setting action on Topic 842. The FASB staff will:
 - (a) continue to support the application of Topic 842 primarily through the Technical Inquiry Service;
 - (b) assess any need for targeted improvements to Topic 842 arising from stakeholder feedback, future agenda requests, or recommendations of the Private Company Council (PCC); and
 - (c) as part of the general standard-setting process, monitor for emerging practice issues or application issues related to the leases standard that should be considered by the FASB.

² See the cover letter authored by the FASB Chair and the FASB Technical Director.

20. The FASB will monitor feedback from stakeholders on the costs of applying the leases standard and will consider future opportunities to reduce the ongoing costs of the leases standard where appropriate, including through the PCC.³
21. In addition, the FASB and the FASB staff will continue to incorporate the feedback obtained from the PIR process to improve future standard-setting activities.

³ The PCC met on 11 December 2025 to discuss its current research project on lease accounting simplifications. PCC members discussed the key takeaways from the December 2025 leases working group meeting and recent stakeholder feedback. PCC members provided input on the following areas: (a) an optional single lease classification accounting model; (b) a scope exception for low value leases; (c) lease modifications; (d) embedded leases; (e) lease classification criteria; (f) weighted-average lease disclosures; and (g) related party lease disclosures. PCC members encouraged the working group to continue to research certain areas for private company simplification and expressed the need to conduct further outreach with private company financial statement users and other private company stakeholders. PCC members also received a summary of the FASB's report on Post-Implementation Review: Leases (Topic 842), which was issued in November 2025.