IFRS® Accounting

Staff paper

Agenda reference: 7B

IASB® meeting

Date	**July 2026**
Project	**Post-implementation Review of IFRS 16 *Leases***
Topic	**Summary of the IASB's work undertaken and next steps**
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Introduction

1. The International Accounting Standards Board (IASB) began the Post-implementation Review (PIR) of IFRS 16 *Leases* in June 2024 and published the Request for Information *Post-implementation Review of IFRS 16 Leases* (RFI) in June 2025. The comment period on the RFI ended on 15 October 2025.

2. Following the publication of the RFI in June 2025, IASB members and the staff consulted with a wide range of stakeholders from various regions.

3. At its meetings in January and February 2026, the IASB discussed summaries of feedback on the RFI and an updated review of academic literature relevant to this PIR.

4. In March 2026, the IASB began its deliberations by considering responses to the RFI, along with information gathered through other consultative and research activities, to determine whether further action is needed on any of the matters identified.

Purpose and structure of this paper

5. The purpose of this paper is to provide a summary of the IASB's work undertaken in response to the feedback received on the RFI.

6. At this meeting, the IASB will be asked to decide whether to conclude the PIR of IFRS 16.

7. This paper is structured as follows:

   (a) reminder of the due process requirements and assessing feedback raised in a PIR (paragraphs 8–12);

   (b) staff analysis of the work undertaken (paragraphs 13–15);

   (c) next steps (paragraph 16); and

   (d) staff recommendation and question for the IASB (paragraph 17).

Reminder of the due process requirements and assessing feedback raised in a PIR

8. Paragraphs 6.52–6.66 of the IFRS Foundation *Due Process Handbook* (Due Process Handbook) set out the due process requirements for post-implementation reviews. In particular, paragraph 6.63 of the Due Process Handbook states:

> The board considers the feedback from the public consultation along with the information it has gathered from other engagement with stakeholders. The board also considers whether it is necessary to perform any other research activities.

9. Paragraph 6.64 of the Due Process Handbook states:

> The board considers whether to take any action on matters identified in the post-implementation review and how it will prioritise those matters. Actions could include standard-setting, referring a matter to the Interpretations Committee (for IFRS Accounting Standards) or developing material to support consistent application. The board can also conclude that no action is required.

10. Paragraph 6.65 of the Due Process Handbook states:

> When considering whether to take action, the board assesses whether there is evidence that:
>
> (a) the benefits to users of general purpose financial reports of the information arising from applying the new requirements are significantly lower than expected (for example, there is significant diversity in application); or
>
> (b) the costs of applying some or all of the new requirements and auditing and enforcing their application are significantly greater than expected (or a significant market development after the new requirements were issued makes it more costly than expected to apply the new requirements consistently).

11. As explained on the webpage [IASB post-implementation reviews](), the IASB prioritises matters identified in PIRs depending on the extent to which evidence gathered during the PIR indicates that:

    (a) the matter has *substantial consequences* (for example, widespread diversity in practice materially affects users of financial statements' (users') ability to analyse trends and compare entities);

    (b) the matter is *pervasive* (for example, it affects transactions that occur frequently in various industries and jurisdictions);

    (c) the matter arises from a financial reporting issue that *can be addressed* by the IASB or the Committee—that is, a feasible solution is likely to exist; and

    (d) the benefits of any action are expected to *outweigh the costs* (considering the extent of disruption to current practice and operational costs from change in the light of the importance of the matter to users).

12. Paragraph 6.66 of the Due Process Handbook states:

> The board reports regularly to the DPOC during a post-implementation review. The board informs the DPOC when it has

completed its review and provides the DPOC with a draft of a project summary and feedback statement summarising the matters identified, any actions the board plans to take as a result of the post-implementation review and the rationale for the board's conclusions. When the DPOC is satisfied that the board has completed the review satisfactorily, the draft can be finalised and published.

Staff analysis of the work undertaken

13. Following the publication of the RFI, IASB members and the staff:

(a) 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;

(b) raised awareness of the RFI by:

(i) sending an email to the International Forum of Accounting Standard-Setters participants, encouraging them and stakeholders in their jurisdictions to provide feedback on the RFI; and

(ii) publishing an article in the newsletter to CFO Forum East Africa;

(c) reviewed academic literature relevant to this PIR;

(d) summarised feedback from 122 comment letters and written comments from some members of the user advisory committee of a national standard-setter from North America;[1]

(e) reviewed entities' lease-related disclosure practices using an artificial intelligence (AI) model—see Agenda Paper 7C for the March 2026 IASB meeting;

[1] There were six questions in the RFI. Agenda Papers 7A–7E for the January 2026 IASB meeting summarise the feedback to Questions 1–4 in the RFI and the feedback from users of financial statements. Agenda Papers 7A–7B for the February 2026 IASB meeting summarise the feedback to Questions 5–6 in the RFI.

(f) met with the Accounting Standards Advisory Forum in March 2026 and the Emerging Economies Group in June 2026; and

(g) held two educational sessions (in October 2025 and June 2026) with the FASB to share each board's findings in their PIRs of leases standards.

Question in the RFI that did not require decisions by the IASB

14. Question 5 in the RFI asked about potential improvements to future transition requirements. In February 2026, the IASB discussed stakeholders' feedback, including suggestions for improving transition requirements in future standard-setting projects. The IASB was not asked to make any decisions, and no further analysis of the feedback was considered necessary in this PIR.

Questions in the RFI that required decisions by the IASB

15. At its meetings in March, April and June 2026 the IASB made tentative decisions on whether to take action on matters identified by stakeholders in the PIR in response to Questions 2–4 and 6 in the RFI. Agenda Paper 7A for this meeting asks the IASB:

(a) to determine whether overall IFRS 16 is working as intended (Question 1 in the RFI); and

(b) to finalise its decisions on the matters raised in this PIR.

Next steps

16. The staff will prepare a Project Summary and Feedback Statement (the Project Summary) on the PIR which will be reviewed by the IASB. The Due Process Oversight Committee (DPOC) will also be provided with a draft of the Project Summary. Once the DPOC is satisfied that the IASB has completed the review satisfactorily, the Project Summary will be published.

Staff recommendation and question for the IASB

17. Subject to the IASB's decisions on the staff recommendations in Agenda Paper 7A for this meeting, the staff are of the view that sufficient work has been completed to conclude the PIR in accordance with paragraphs 6.52–6.66 of the *Due Process Handbook*.

Question for the IASB
Does the IASB agree that sufficient work has been completed to conclude the PIR and for the staff to prepare the Project Summary and Feedback Statement of this project?