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## Emerging Economies Group meeting

Date **June 2026**

Topic **IASB Technical Update**

Contacts **Elena Kostina** ([elena.kostina@ifrs.org](mailto:elena.kostina@ifrs.org))

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# Overview

This update is prepared as of 8 May 2026

- 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

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## Highlights since last EEG meeting

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## Highlights from November—December 2025

- In November the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* that clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one
- The amendments to IAS 21 are effective for annual periods beginning on or after 1 January 2027. Companies can choose to apply them earlier

Translation to a  
Hyperinflationary  
Presentation Currency  
(IAS 21)

- In November the IASB issued illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements. The examples use climate-related scenarios as practical illustrations, but the underlying principles apply more broadly to all uncertainties
- These illustrative examples do not have an effective date. However, companies would be expected to implement any change in their reporting on a timely basis

Disclosures about  
Uncertainties in the  
Financial Statements

- In December the IASB proposed a new accounting model to better reflect how financial institutions manage interest rate risk throughout their portfolios
- The IASB's consultation on the Risk Mitigation Accounting model is open for comment until **31 July 2026**

Risk Mitigation  
Accounting

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## Highlights from January—April 2026

- In February the IASB has published a consultation proposing targeted amendments to clarify which investments a company is eligible to measure using the fair value option in IAS 28 Investments in Associates and Joint Ventures
- The IASB's consultation was open **until 20 April 2026**

Amendments to the  
Fair Value Option  
(IAS 28)

- In March the IASB added to its work plan a narrow-scope standard-setting project to introduce into the IFRS for SMEs Accounting Standard a consolidation exemption for intermediate parents with a parent (or ultimate parent) that is an investment entity and that does not prepare consolidated financial statements
- An Exposure Draft proposing narrow-scope amendments is expected **in May 2026**

IFRS for SMEs  
Consolidation  
Exception

- In April the IFRS Foundation marked its **25th anniversary** of serving the public interest through the development of reporting standards aimed at providing investors with the information they need to make informed investment and capital allocation decisions

IFRS Foundation's  
Anniversary



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## Looking ahead



## Consultations

Published since November 2025

- Risk Mitigation Accounting (previously Dynamic Risk Management)
- Amendments to the Fair Value Option (IAS 28)

Open until  
31/07/26

Closed on  
20/04/26

Forthcoming in 2026

New projects

- May 2026: Exposure Draft proposing narrow-scope amendments to the *IFRS for SMEs Accounting Standard*
- H2 2026: Post-implementation Review of IFRS 9—Hedge Accounting
- H2 2026: *Amortised Cost Measurement* – proposed amendments to IFRS 9 *Financial Instruments*

# New Standards, Amendments and Other Publications

## Issued in 2025

Third edition of the *IFRS for SMEs Accounting Standard*

Revised Practice Statement *Management Commentary*

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

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*

*Disclosures about Uncertainties in the Financial Statements—Illustrative examples*

## Expected in 2026

✓ **May 2026:** Accounting Standard *Regulatory Assets and Regulatory Liabilities*

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# What is required when?

## 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

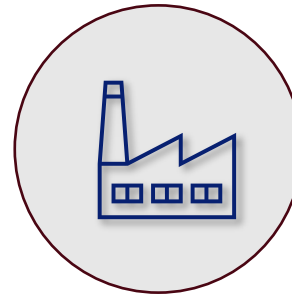
## 1 January 2027

- 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*
- *Translation to a Hyperinflationary Presentation Currency* (Amendments to IAS 21)

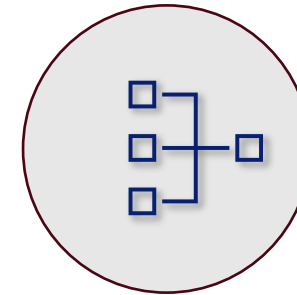
## What's next? Possible projects\*

### Reserve list\*\* from the Third Agenda Consultation

*\*\*High-priority projects that could be added to the work plan if additional capacity becomes available*

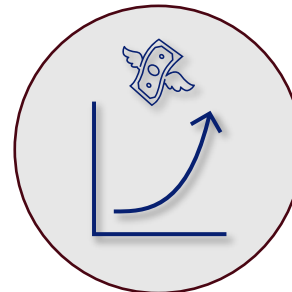


**Pollutant Pricing Mechanisms**

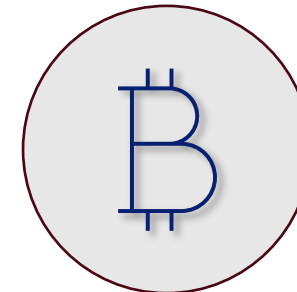


**Operating Segments**

### Topics flagged for our attention during the current agenda cycle



**Hyperinflation**



**Crypto Assets**








\* The IASB will consider adding new projects to work plan as capacity becomes available

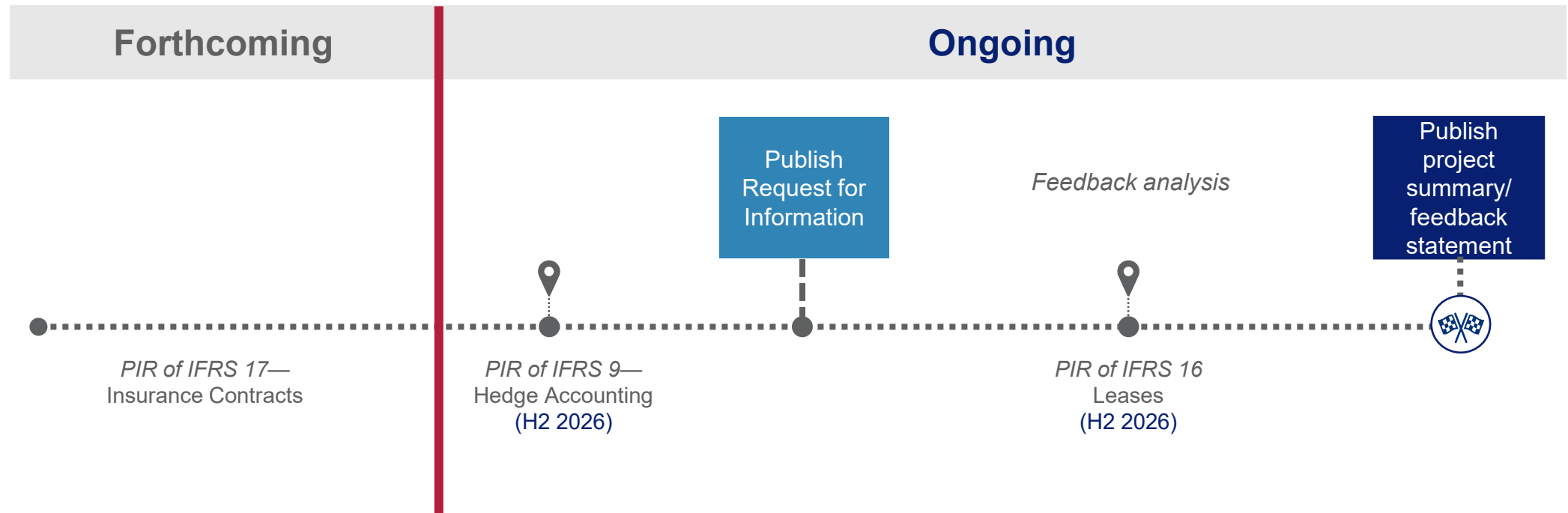
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## Overview of the IASB's work plan

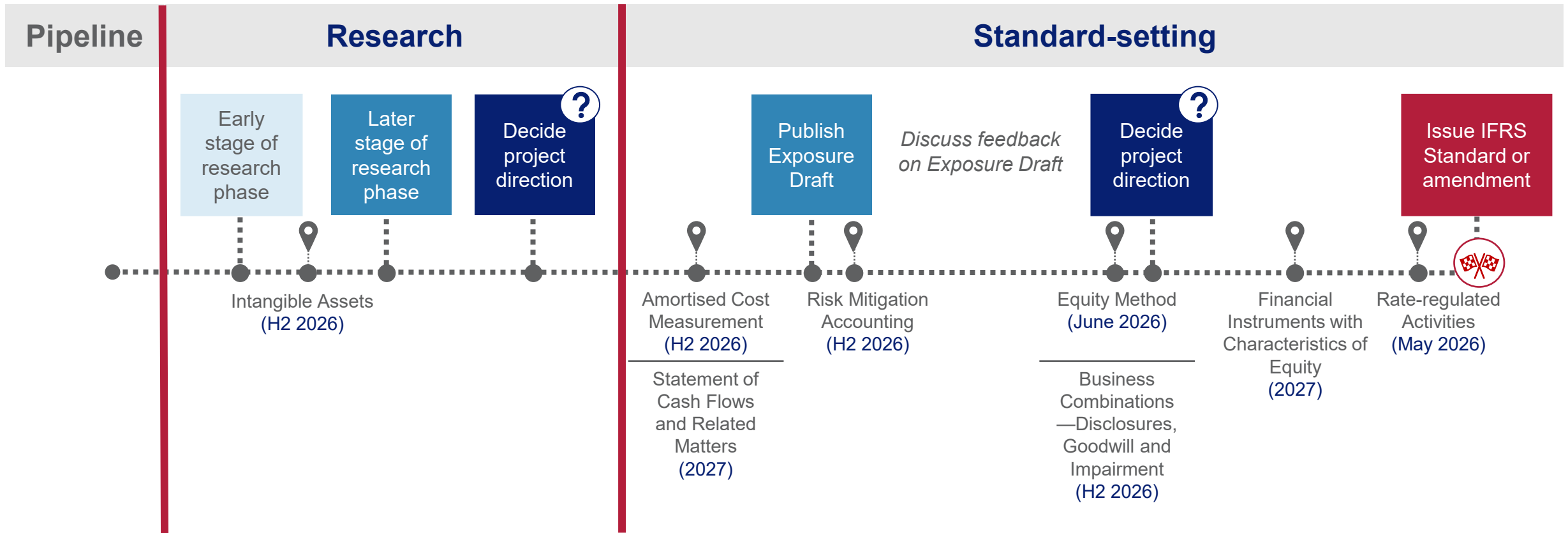
# IASB work plan: overview

Type of project	As of 08/05/2026
Post-implementation reviews 	2
Research projects 	1
Standard-setting projects 	7
Maintenance projects 	3
<b>Total projects</b>	<b>13</b>
Application questions (IFRS IC) 	<b>10</b>

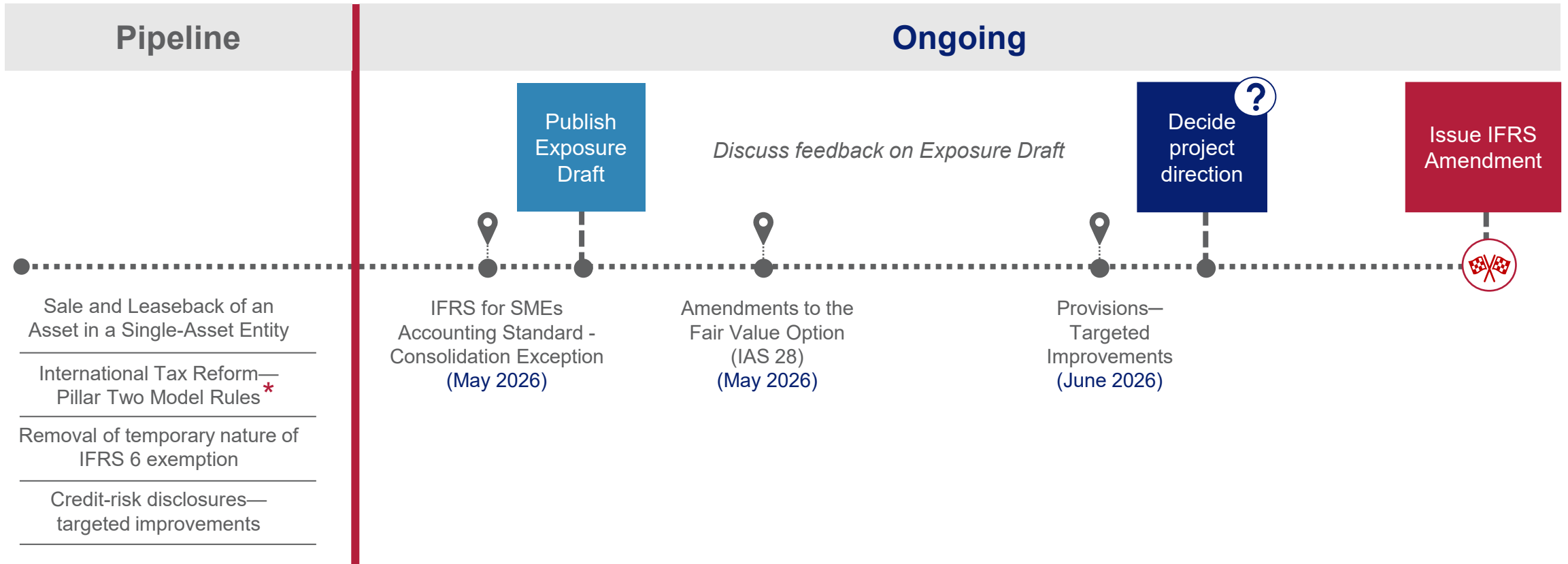
# Post-implementation review projects



# Research and standard-setting projects - status



# Maintenance projects - status

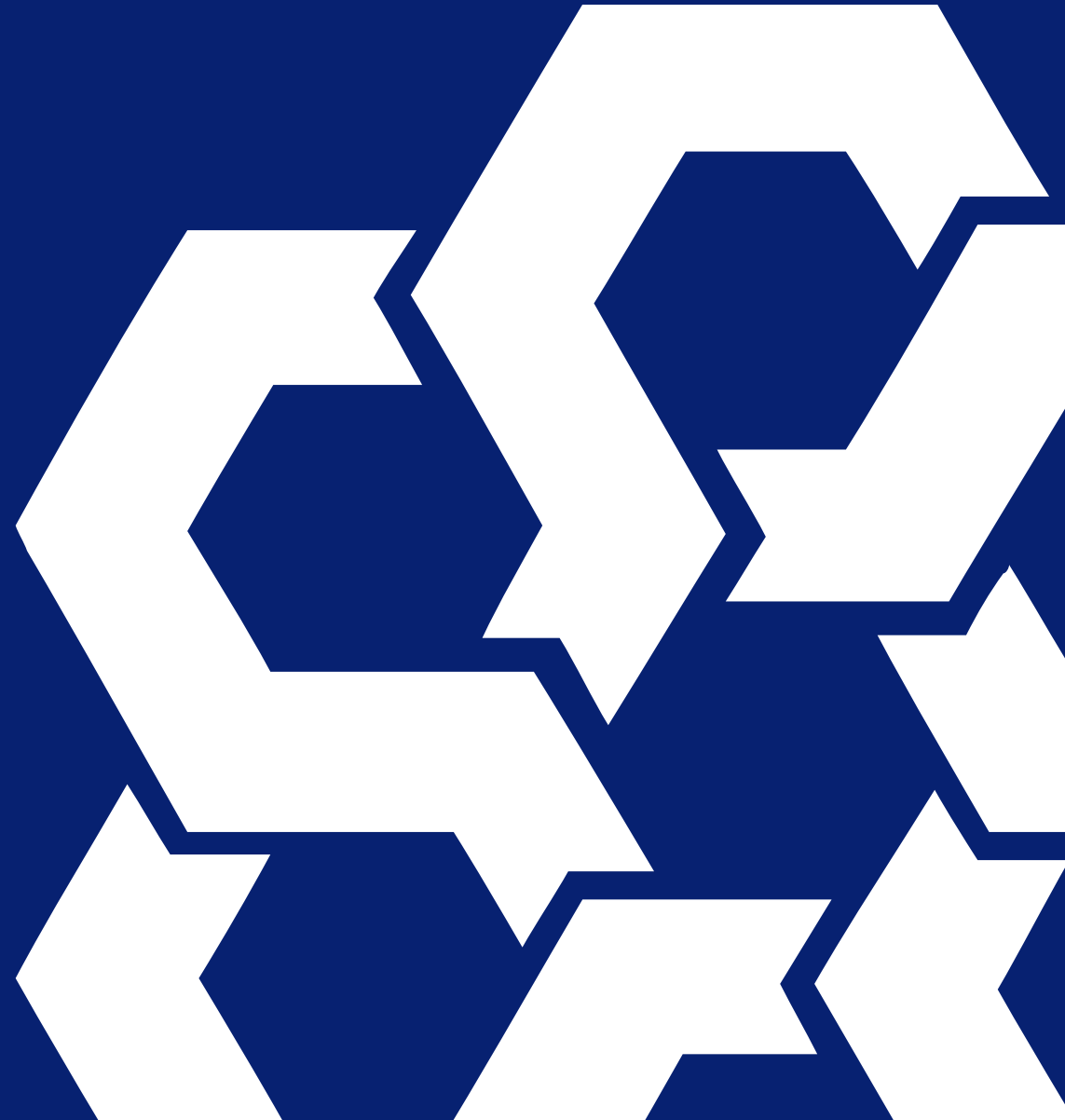


\* To determine whether to remove or make permanent the temporary exception

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## IASB Work Plan

### Rate-regulated Activities



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# Rate-regulated Activities

## Challenge

Rate regulation might create 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

When differences in timing arise, the information arising from IFRS 15 is not complete

## Proposals

The forthcoming Accounting Standard:

- will require entities to account for differences in timing as regulatory assets, regulatory liabilities, regulatory income and regulatory expense. By doing so, entities will reflect compensation for regulatory goods or services in the period goods or services are supplied
- will include some recognition exceptions for when there is no direct relationship between an entity's regulatory capital base and its property, plant and equipment



### Next milestone

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

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# IFRS 20 *Regulatory Assets and Regulatory Liabilities*



- Expected to be issued in May 2026
  - Effective date: 1 January 2029, with early application permitted
  - Replaces IFRS 14 *Regulatory Deferral Accounts*
- 



- IFRS 20 requires companies to provide information about their regulatory assets, regulatory liabilities, regulatory income and regulatory expense. This information will help investors to understand the effects of differences in timing on companies' financial performance and financial position
  - The requirements are based on the principle that a company recognises the total allowed compensation for regulatory goods or services supplied in the same reporting period that it supplies those regulatory goods or services
- 



- IFRS 20 is expected to mainly affect companies in industries such as utilities, energy and transportation

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## Resources available<sup>(\*)</sup>



- Final Standard: IFRS 20 *Regulatory Assets and Regulatory Liabilities*
- Basis for Conclusions: IFRS 20 *Regulatory Assets and Regulatory Liabilities*
- Illustrative Examples: IFRS 20 *Regulatory Assets and Regulatory Liabilities*
- Effects Analysis: IFRS 20 *Regulatory Assets and Regulatory Liabilities*
- Project Summary: IFRS 20 *Regulatory Assets and Regulatory Liabilities*
- Feedback Statement: IFRS 20 *Regulatory Assets and Regulatory Liabilities*
- IFRS 20 on one page
- Webcast: [Overview of the forthcoming IFRS Accounting Standard—IFRS 20](#)

<sup>(\*)</sup> Resources can be found in the 'Published documents' and 'Supporting material' tabs on the Rate-regulated Activities project website.

## What's next?—Implementation support activities

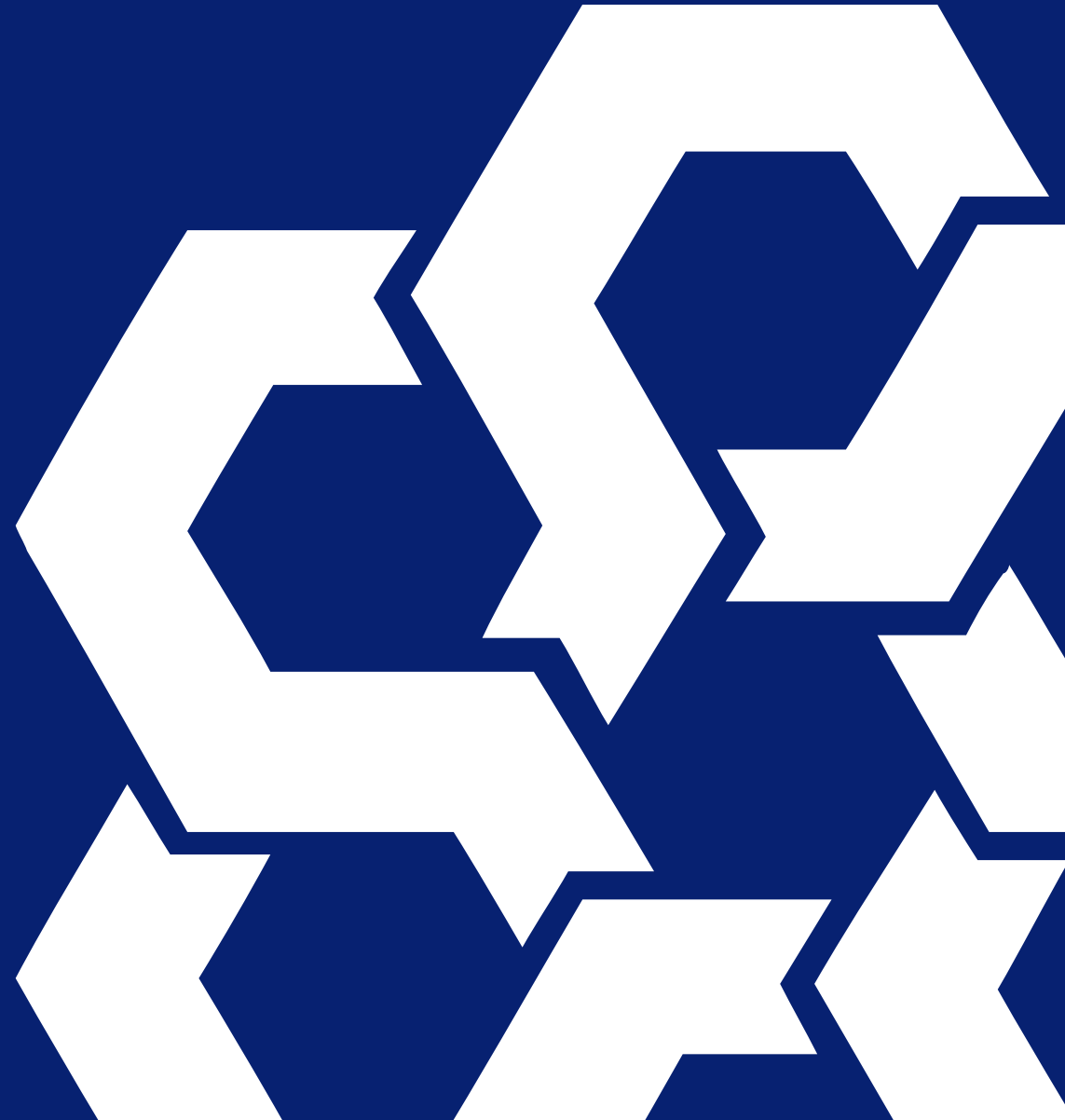
<b>Planned implementation support activities<sup>(*)</sup></b>	
<b>Conferences</b>	<ul style="list-style-type: none"><li>• IFRS Conference (June 2026)</li><li>• World standard-setters Conference (September 2026)</li></ul>
<b>Outreach events</b>	<ul style="list-style-type: none"><li>• Targeted outreach events with stakeholders including:<ul style="list-style-type: none"><li>• National standard-setters</li><li>• Accounting firms</li></ul></li></ul>
<b>Webcasts</b>	<ul style="list-style-type: none"><li>• Focused on specific sections of the Standard</li></ul>

<sup>(\*)</sup> Excludes activities closer to effective date—for example, investor education on changes to financial statements.

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## IASB Work Plan

Business Combinations—Disclosures,  
Goodwill and Impairment



# 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

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## BCDGI—Status update

- The IASB will discuss the IFRS 3 package of performance and expected synergy information in its May 2026 meeting. Papers are available on [the meeting page](#).
- Slide 24 summarises the staff views of what the IFRS 3 package should include. The staff view is that the benefits of the IFRS 3 package would, on balance, justify the costs for both performance and expected synergy information.
- Our suggested next steps are deciding on the specific requirements for the IFRS 3 package, including the staff views in the May 2026 meeting and some detailed areas on which we had not yet completed our analysis.
- Verbal update to be provided.

# BCDGI—Staff suggested IFRS 3 package

## At acquisition

- ✓ Key objectives for a subset S E
- ✓ Targets for a subset S E
  - + Only currency unit targets
  - + How performance information is measured
- ✓ Expected synergies for all material BCs E
- ~~X Aggregated expected synergies for individually immaterial BCs~~ E
- + Statements that targets / expected synergies are management's expectation

### Subset for performance information:

- ✓ 10% of revenue
- ~~X 10% of operating profit~~
- ✓ 10% of total assets
- ~~x Qualitative thresholds~~

## Subsequently

- ✓ Actual performance S 3
  - + Only performance against currency unit targets
  - + How performance information is measured
- X Qualitative statement E

### Exemption

- ✓ If disclosure seriously prejudices any of the acquisition's KOTs; or
- + If disclosure breaches legal / regulatory requirements.

### Key

- ✓ Retain from Exposure Draft
  - ~~X Remove from Exposure Draft~~
  - + Add since Exposure Draft
- S Only required for a Subset  
E Exemption can be applied

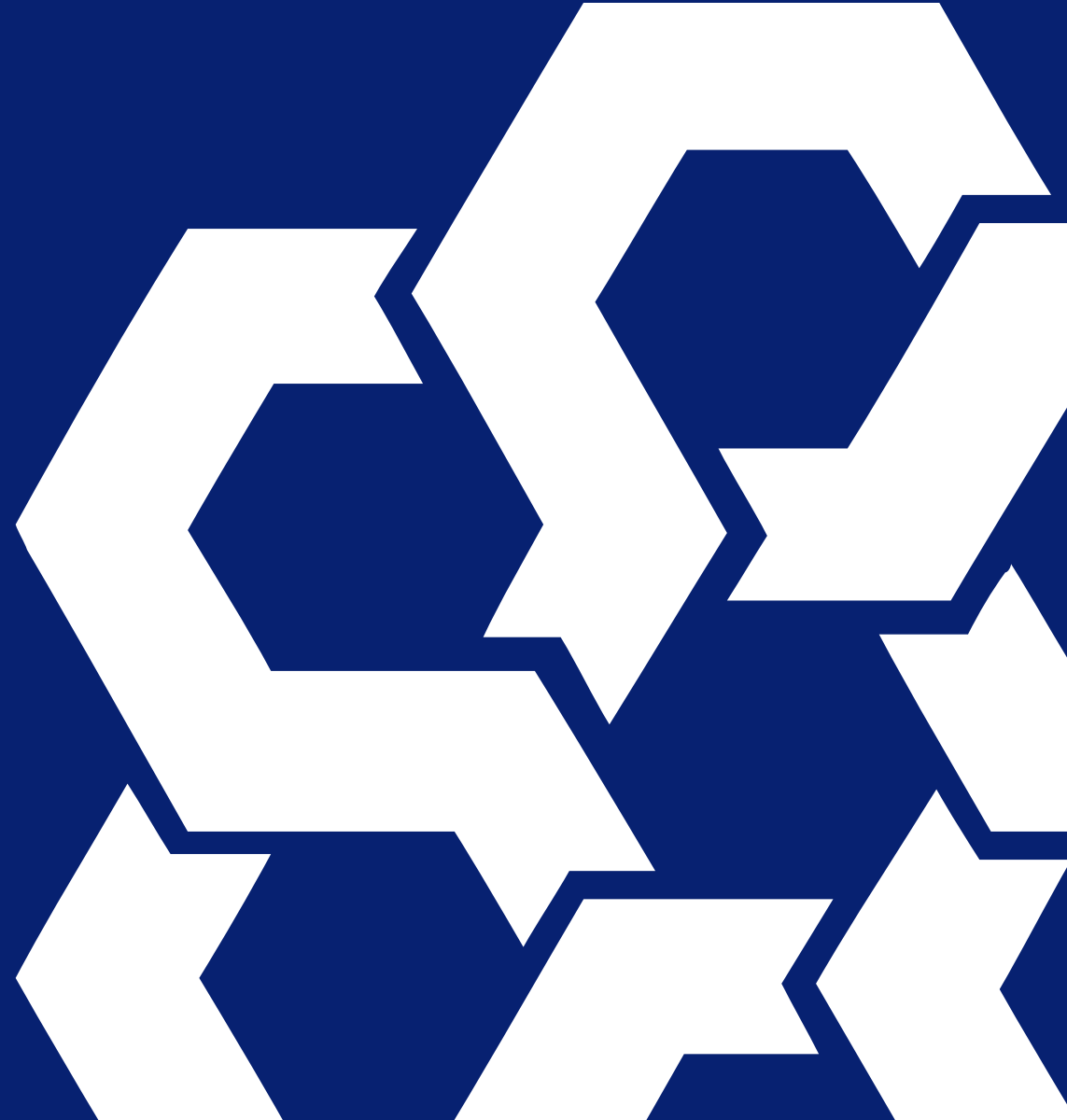
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## Q&A session

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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

### Request for Information feedback

- Most stakeholders' overall assessment of IFRS 16 has been positive
- Most stakeholders also raised various concerns (some more significant than others) related to:
  - usefulness of information resulting from application of judgement in determining the lease term or incremental borrowing rate;
  - high ongoing costs (with many saying that they are significantly higher than expected); and
  - usefulness of information about lessees' lease-related cash flows.
- Despite some concerns, only a few stakeholders expressed appetite for major changes



### Next milestone

Project Summary and Feedback Statement in H2 2026

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## PIR of IFRS 9—Hedge Accounting

### Objective

Assess whether the effects of applying the hedge accounting requirements in IFRS 9 on users of financial statements, preparers, auditors and regulators are as intended when the Standard was issued

Refer to the next slide featuring  
*Risk Mitigation Accounting* project

### Project plan

- Outreach with the IASB's consultative groups and other stakeholders to help inform a request for information
- Review of academic research and other materials (e.g., financial statements)
- Consideration of market developments since IFRS 9 was issued



**Next milestone**

Request for Information in H2 2026

# Risk Mitigation Accounting

## Objectives

The proposed RMA model aims to:

- better represents the economic effect of risk management activities when entity manages repricing risk on a net basis
- addresses challenges of current accounting models with respect to transparency, eligible items, dynamic nature and performance management

Refer to previous slide featuring  
*PIR of IFRS 9—Hedge Accounting* project

## Open for comment:

- The Exposure Draft *Risk Mitigation Accounting* is [open for comment](#) until 31 July 2026
- The IASB is seeking feedback on the proposed withdrawal of IAS 39 *Financial Instruments: Recognition and Measurement*
- In addition, the IASB also invites companies that manage repricing risk on a net basis to carry out fieldwork during the comment period, based on their risk management practices. Access the request for fieldwork [here](#)



## Next milestone

Exposure Draft feedback expected in H2 2026

# Intangible Assets

## Objectives

- Improve the usefulness of information companies 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

## Targeted start of a comprehensive review\*

### User information needs



Build on the input received to date



Explore—by sector and type of intangible asset:

- what information about intangible assets users are trying to understand
- what users are doing with that information
- where users are getting that information today

### Potential changes to some aspects of the definition of an intangible asset and recognition requirements



Based on test cases—cloud computing arrangements and agile software development—to identify aspects of IAS 38 to improve



Develop principles-based solutions



Test on a broader population of intangible assets

\* This includes initial streams and for the later streams see [AP4 from the November 2025 IFRS Advisory Council meeting](#)



## Next milestone





Explore initial streams and decide project direction in H2 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

## Targeted improvements for:

-  strengthening the link between the statement of cash flows and other parts of the financial statements
-  specifying the content and location of information about non-cash transactions and about non-cash changes in specified assets and liabilities
-  extending the management-defined performance measure requirements in IFRS 18 to also include cash flow measures
-  improving the consistent application of requirements to classify cash flows as operating, investing or financing and of the definition of cash equivalents



The IASB is also considering the applicability of the statement of cash flows and any possible improvements for financial institutions



## Next milestone

Exposure Draft expected in 2027

# Equity Method

## Objectives

- **Reduce diversity** in practice by answering application questions
- **Improve understandability** by reordering requirements in *IAS 28 Investments in Associates and Joint Ventures*

Exposure Draft proposals	Tentative decision	Status
Measurement of cost at initial recognition	Proposal confirmed Expense acquisition costs	Complete
Changes in an investor’s ownership interest	Provide relief from use of fair value	Complete
Transactions between an investor and its associates	None	May 2026
Impairment indicators	Proposal confirmed	Complete
Use of the equity method in separate financial statements	None	June 2026

**NB:** Objective was **not to clarify the nature** of the equity method!



### Next milestone

Decide project direction in June 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

# 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
- Improve presentation and disclosure
- Provide application guidance and illustrative examples

## Progress update

- From October 2024–February 2026 the IASB redeliberated and made decisions on presentation, some disclosures and classification (effects of laws or regulations, shareholder discretion, reclassification and the fixed-for-fixed condition)
- The IASB will continue redeliberating classification (obligations to purchase own equity instruments and contingent settlement provisions), other disclosures and transition










## Next milestone

Final amendments are expected in 2027

# Provisions—Targeted Improvements

**Objective:** Improvements to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*

Exposure Draft proposals	Feedback	Our response
<p><b>Recognition:</b></p> <ul style="list-style-type: none"> <li>step-by-step approach for deciding when to recognise a provision, developed using the <i>Conceptual Framework</i></li> <li>earlier recognition of some levies</li> </ul>	<ul style="list-style-type: none"> <li> General support</li> <li> Concerns about outcomes for some levies</li> <li> Suggestions for refinements</li> </ul>	<ul style="list-style-type: none"> <li>Application requirements developed for levies—simple requirements we can add to avoid unwelcome outcomes</li> <li>Refinements approved</li> </ul>
<p><b>Measurement:</b> clarification of how to measure obligations for goods or services</p>	<ul style="list-style-type: none"> <li> Widespread support</li> <li> Requests to clarify scope</li> </ul>	<ul style="list-style-type: none"> <li>Decision taken on how to clarify scope</li> </ul>
<p><b>Measurement:</b> standardisation of discount rates, to improve comparability</p>	<ul style="list-style-type: none"> <li> Widespread support</li> </ul>	



## Next milestone

Decide project direction June 2026

# Amendments to the Fair Value Option (IAS 28)

## Objective

Explore narrow-scope amendments to clarify which investments in associates and joint ventures an entity is eligible to measure using the fair value option in IAS 28

*Investments in Associates and Joint Ventures*

## Proposals

### Amend paragraphs 18–19 of IAS 28

- Clarify that an entity that has a main business activity of investing in particular types of assets is eligible to elect the fair value option in IAS 28
- Particular types of assets are those set out in paragraph 49(a) of IFRS 18 *Presentation and Disclosure in Financial Statements*\*



### Next milestone

Exposure Draft feedback expected in May 2026

\* Includes investments in associates, joint ventures and unconsolidated subsidiaries; cash and cash equivalents; and other assets if they generate a return individually and largely independently of the entity's other resources.

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## *IFRS for SMEs* Accounting Standard - Consolidation Exemption

### Objective

Align the *IFRS for SMEs* Accounting Standard with IFRS 10 by adding a comparable exemption from preparing consolidated financial statements

### Proposals

- Introduce a new consolidation exemption so that an SME that is an intermediate parent does not have to prepare consolidated financial statements if its own parent prepares financial statements in which subsidiaries are measured at fair value
- This expands the consolidation exemption already in the Standard for an intermediate parent whose own parent prepares consolidated financial statements



### Next milestone

Exposure Draft expected in May 2026

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## Get involved

### Learn more

- Access [IFRS Accounting Standards](#)
- Explore materials for the [consistent application](#) of Standards
- Respond to [consultations](#)

### Track progress

- Watch [IASB meetings](#)
- Listen to [podcasts](#)
- Register for [news alerts](#)