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DPOC meeting

Date **4 June 2025**

Project **Proposed Amendments to the IFRS Foundation *Due Process Handbook***

Topic **Feedback summary**

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Purpose of this paper

This paper:

- provides a high-level summary of the feedback on the [Exposure Draft Proposed Amendments to the IFRS Foundation Due Process Handbook](#) published in December 2024.
- sets out the staff's preliminary views about how the DPOC responds to that feedback.

We are not asking the DPOC to make any decisions at this meeting but we would welcome your questions and comments. These will help inform our analysis and recommendations for any changes to the proposals in the Exposure Draft that we will present to the DPOC at future decision-making meetings.

Structure of this paper

Respondents' profile

- Respondents by geographical region ([page 6](#))
- Respondents by type ([page 7](#))

Feedback summary¹

- Overview of feedback ([page 9](#))
- Question 1—Reflecting the creation of the ISSB in the *Due Process Handbook* ([page 12](#))
- Question 2—Enhancements and clarifications ([page 22](#))

¹ For each of the topics relating to questions 1 and 2, the staff provides a recap of the proposals, the main feedback and our preliminary views about how the DPOC responds to the feedback

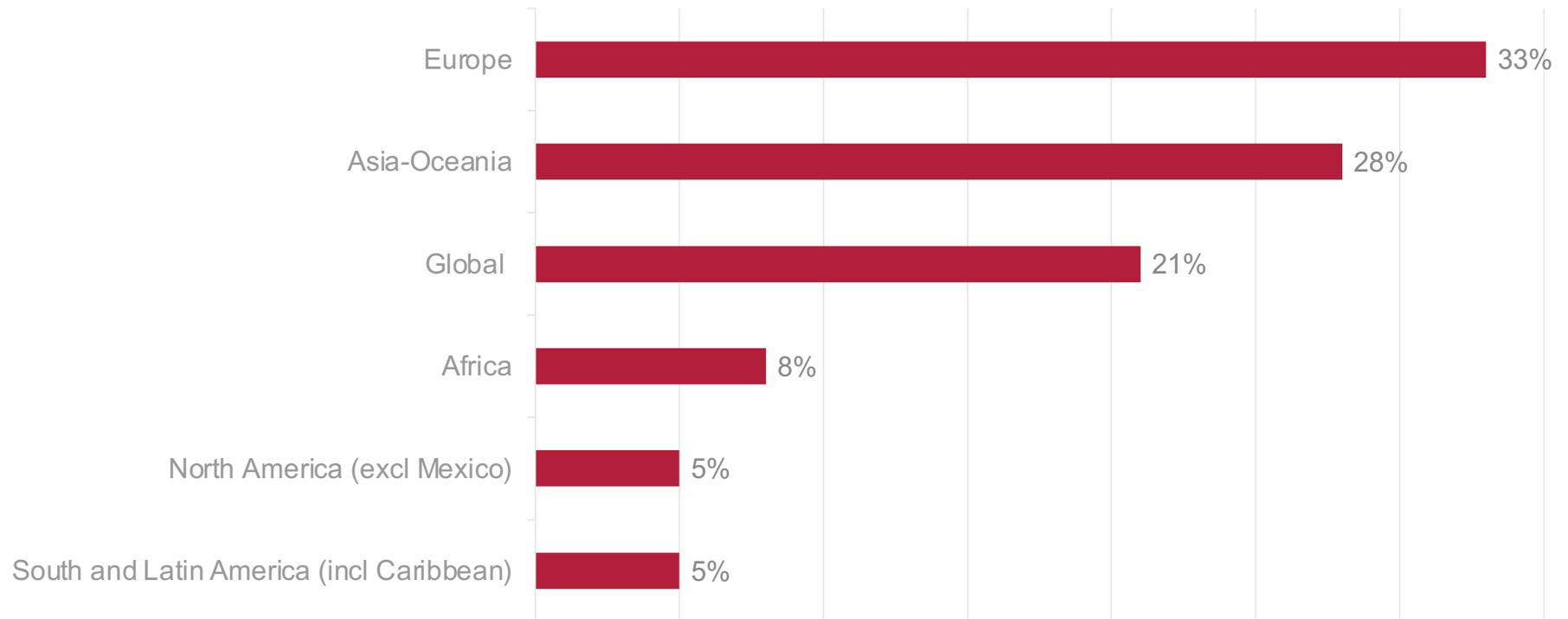
Respondents' profile



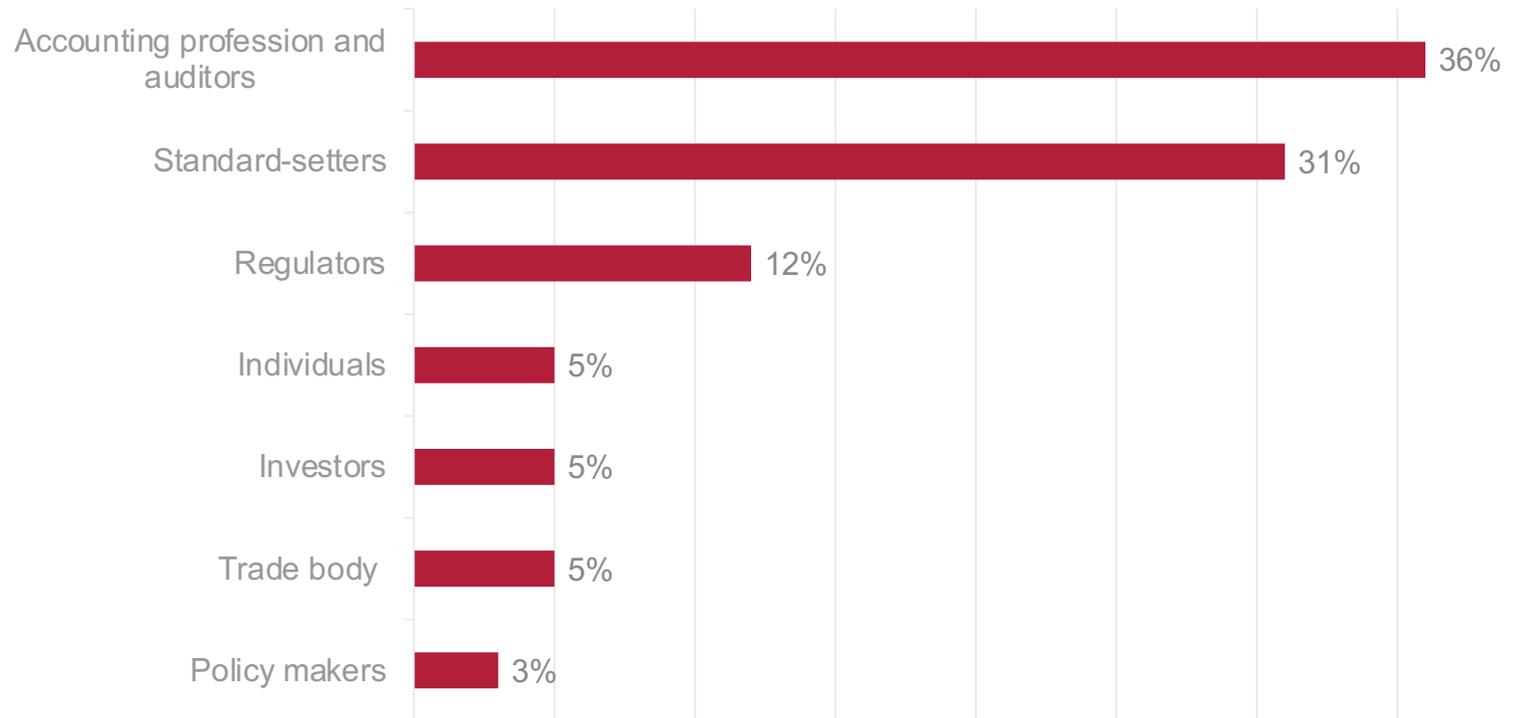
Comment letter responses

- The DPOC received **39 comment letters**, including three letters received after the due date. Feedback from all the comment letters has been incorporated into this paper.
- When the DPOC last updated the *Due Process Handbook* in 2020, it received 53 comment letters. We think the DPOC received more letters in that update because it proposed significant changes relating to Interpretations Committee Agenda Decisions that attracted more feedback from preparers and industry bodies.

Respondents' profile—geographical region



Respondents' profile—respondent type



Feedback summary



Overview of feedback

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Overview of feedback—commentary

Overview

Welcome and support for the DPOC updating the *Due Process Handbook* and for its main objective to **reflect the creation of the ISSB** in it.

Question 1

Agreement with how the DPOC proposes to reflect the creation of, and the due process for, the ISSB in the *Handbook*.

- proposals for **connectivity** are generally welcomed, with some suggestions to further foster connectivity.
- more diverse views on the due process for the **SASB Standards**: a notable minority say this should be the same as for ISSB Standards.
- many observe the ISSB has **no equivalent to the Interpretations Committee** and recommend establishing or considering the need for one.

Question 2

Support for making enhancements and clarifications to the *Handbook*.

- proposals for **minor improvements to IFRS Standards** and **material to support consistent application are** generally supported. For both, some further clarification to the due process suggested, eg definition of *minor*, more clarity about the status of the various materials not part of the mandatory Standards.
 - proposals for **Interpretations Committee's** processes are generally supported. A few suggest other changes to the process for Agenda Decisions, including matters previously considered by the DPOC in the 2020 update of the *Handbook*. Many suggest specifying the due process for maintaining Agenda Decisions.
 - proposals for **post-implementation reviews** attract the most comment. There are mixed views about the proposed clarified objective; some think there should be a greater focus on identifying and addressing practice challenges. The most commonly expressed concern is that the proposed principle-based start date for a PIR creates too much uncertainty.
 - **other proposed targeted amendments** are generally supported, with some suggestions for clarifications or additional processes.
-

Quantifying feedback

This paper uses the following terms to describe the extent of 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

Question 1—Reflecting the
creation of the ISSB in the
Due Process Handbook



1(a) Including the due process for the ISSB in the *Handbook*

Proposals

Specify throughout *Handbook* that the due process requirements apply to the ISSB as well as the IASB, stating explicitly that the **boards apply the same due process**.

Update **language and terminology** to reflect the Foundation’s expanded remit, including using *general purpose financial reports* to cover sustainability-related financial disclosures and financial statements, and using *financial reporting* to refer to both boards’ work.

Include references to the **ISSB’s advisory bodies** (eg SSAF) and mirror the IASB’s required consultation with its bodies.

Main feedback

- All **agree** on (1) formalising the ISSB due process and (2) the ISSB and IASB having the **same due process in principle**.
 - A very small number say there could be **occasional divergences** or more tailoring, given the different maturity of sustainability disclosure standards and accounting standards and, for instance, the need for the ISSB to be more agile.
 - Two comment on the challenge of consultations involving large volumes of industry-based disclosure requirements and ensuring engagement with the relevant specialist knowledge.
-
- Some have **concerns about the proposed revised terminology**, in particular using *financial reporting* to cover both financial statements and sustainability-related financial disclosures. Some think this would be confusing given *financial reporting* has historically been used to refer to financial statements.
 - Suggestion to use (1) a broader term, eg *general purpose reporting* and/or include definitions in the glossary (2) a joint board project to update the *Conceptual Framework* to further consider such terminology.
-
- **Support** for specifying the SSAF’s role similarly to the ASAF.
 - One suggests clarifying whether the SSAF is consulted with respect to the ISSB’s work on the SASB Standards.

1(a) Including the due process for the ISSB in the Handbook

Preliminary staff views

- We think the DPOC should **confirm the proposals with some clarifications.**
- The DPOC's view is the boards should have the same due process except where there is a need for a difference and any differences should be clearly identified and the rationale explained. To date, the DPOC has not identified the need for any difference and there are no specific suggestions in the feedback. We note the due process already allows for some agility, as evidenced by some past IASB projects and more recently by ISSB's work to amend IFRS S2.
- That said, we note there is little feedback on the different nature of the ISSB Standards with their significant industry-specific and metric-heavy content. We may receive more input on this matter through the ISSB's forthcoming consultation on the SASB Standards. We will keep this under review and consider further, particularly in relation to how the ISSB consults on industry-specific materials.
- We acknowledge the terminology is unfamiliar to some but it is drawn from the *Conceptual Framework* and IFRS Standards and used by the boards. We think it would be confusing to introduce different terminology. However, we can consider adding definitions to the *Handbook*.

1(b) Due process for the SASB Standards and SASB Standards Taxonomy

Proposals

Include the previously approved due process for SASB Standards and Taxonomy in a **new appendix**. *[Appendix B]*

- This requires proposed amendments to be **exposed** for comment by the ISSB with a basis for conclusions for the **usual 120 days**, as for any amendment to an IFRS Standard.
- The difference with the usual due process is that detailed work is undertaken by the staff working with the SASB Standards Board Adviser Group and then presented to the ISSB for ratification.
- Ratification requires the **same amount of ISSB support** as for an ISSB Standard.

1(b) Due process for the SASB Standards and SASB Standards Taxonomy

Main feedback

- A few **agree** with the due process or say it is acceptable given the **status and role of the SASB Standards** in IFRS S1. Many do not comment or express either explicit agreement or disagreement.
 - A minority, albeit larger, **express concerns** with the due process, considering it a **lower-level due process** or not meeting the required minimum standard. They suggest the SASB Standards have the same due process as ISSB Standards given they view the SASB Standards as ‘integral to’/‘critical in’ applying S1 and entities are required to ‘refer to and consider’ them. Disagreement focuses on:
 - Board Adviser Group meets in private and papers for the meeting are not public.
 - Ratification process by the ISSB is considered ‘opaque’ and does not provide the same level of transparency as for the development of amendments to ISSB Standards.
 - The SASB’s original due process was focused on the use of the SASB Standards in the US and they have not been subject to due process on the basis of use in international capital markets.
 - Two say the current due process may hinder endorsement of the ISSB Standards.
 - Some not necessarily disagreeing, also express concern about the **size of Board Adviser Group** given range of industries and highlight the need for geographical diversity in its membership.
 - Some seek greater clarity about the **status** of, or the ISSB’s **intentions** for, the SASB Standards (eg whether/when to be incorporated into ISSB Standards). One disagrees with including the due process in the *Handbook* because it suggests the SASB Standards will continue to exist in parallel with ISSB Standards indefinitely.
 - A few suggest clarifying that the usual full due process would apply if the SASB Standards become requirements.
-

1(b) Due process for the SASB Standards and SASB Standards Taxonomy

Preliminary staff views

We think the DPOC should **confirm including the current due process with some clarifications and enhancements.**

- The **SASB Standards are not ISSB Standards** and are not requirements: they are in effect **illustrative materials**. Therefore, we continue to think the previously agreed SASB Standards due process—which has been and is being used—remains appropriate. Indeed, we view this due process to be essentially the same as for IFRS Standards—in particular, the publication of an exposure draft and the consultation process is the **same** as for an IFRS Standard amendment. It is therefore a **comprehensive due process** for these materials. Although many stakeholders have focused on the Board Adviser Group, the full ISSB retains responsibility for exposure drafts and final amendments.
- We also emphasise the requirement to ‘refer to and consider’ the SASB Standards in IFRS S1 was subject to the regular due process (2022 ED of IFRS S1).

However, we think it would helpful to:

- explicitly confirm that the due process for ISSB Standards will be applied if the ISSB decides to change the status/role of the SASB Standards.
- emphasise the similarities with the due process for the ISSB Standards.
- consider explaining further the role of the full ISSB in the process, eg to explain how it is briefed on the key matters throughout the process to fulfil its responsibilities.
- consider specifying for the Board Adviser Group that (1) its size is the maximum permitted under paragraph 3.43 for board adviser groups, ie 5 at present, and (2) there should be geographical diversity in its membership.

1(c) Reflecting connectivity

Proposals

Reflect the aim for the two boards' Standards to **work well together** and to provide a **comprehensive package of information** for users.

- Include the **objective** from the *Constitution* of 'complementary sets of IFRS Standards'.
- Reflect aspects of **newly established processes** (eg joint board meetings) and considering connection opportunities in agenda setting.
- Propose a **new due process step**: before finalising a Standard, a board considers steps taken to develop Standards that are compatible and avoid inconsistencies and conflicts with the other board's. [¶6.25(b)]

Main feedback

- Proposals **generally welcomed**. An investor said they would 'enhance overall effectiveness and alignment of the global financial reporting system'.
- Some make suggestions to **further foster connectivity**, including (each made by one or two respondents):
 - More focus on the boards developing Standards that 'connect' rather than Standards that are 'complementary and avoid inconsistencies and conflicts', including specifying this as an objective.
 - More consideration of connectivity in agenda-setting (including agenda consultations) and at the start of projects.
 - Specify the minimum frequency of joint board meetings.
 - Establish a board adviser group drawn from both boards and an oversight body.
 - Specify a process for dealing with cross-cutting matters requiring the joint involvement of the boards (a suggestion to use the Interpretations Committee in the meantime).
 - Specify the process to resolve potential conflicts between the boards' Standards.
- A few suggest that the *Handbook* clarify that complementary does not mean one set of Standards is incomplete without the other and that each set of Standards can be applied in combination with non-IFRS standards ('GAAP agnostic'). One also suggests clarifying how the due process supports the development of *independent* rather than *interdependent* Standards and that a board is not impeded from making decisions that differ from the other board.

1(c) Reflecting connectivity

Preliminary staff views

- We think the DPOC should **confirm the proposals with some clarifications and enhancements**.
- We think it would be helpful to clarify that although the two sets of IFRS Standards are intended to be complementary, each set is also intended to be able to be applied with non-IFRS standards.
- We will consider the suggestions on connectivity, particularly those relating to agenda setting. However, we think the objective for now should remain aligned with the *Constitution* (ie 'complementary'). We also note that there is nothing to prevent the boards establishing a board adviser group and that oversight of connectivity is provided by the DPOC and Trustees.
- Overall we remain mindful that the boards' processes are **continuing to evolve** as they accumulate more experience under the oversight of the DPOC and Trustees. Connectivity is part of the **new 'Joint Technical Function'** reporting to the two boards' Vice-Chairs. We therefore continue to be cautious about overly specifying the due process at this stage.

Other areas relating to the ISSB for which no substantive changes proposed

Proposals

Conceptual Framework

Propose amendments to the section specifying the due process for maintaining the *Conceptual Framework* to avoid suggesting that future amendments would be developed by the IASB alone. [¶4.21–4.24]

IFRS Interpretations Committee

The proposed amendments reflect that the formal remit of the Interpretations Committee in the *Constitution* relates to the Accounting Standards.

Main feedback

- Some express **concern** the amendments inappropriately imply the *Conceptual Framework* **extends to the ISSB Standards**, or are unclear whether it does so and how it will now be maintained given ISSB Standards. Some of these say the existing *Framework* does not address many of the concepts required for sustainability disclosure reporting.
- A few recommend the development of a conceptual framework dedicated to sustainability disclosure reporting and a few recommend a joint project to update the *Conceptual Framework*.
- Many comment that there is **no equivalent body to the Interpretations Committee** for ISSB Standards. Some recommend establishing such a body; a smaller number do not see an immediate need but recommend the Trustees keep the matter under review or confirm whether such a body will be established and, if so, how it would work. One specifically expresses concern about a single committee serving both sets of Standards.

Other areas relating to the ISSB for which no substantive change proposed

Preliminary staff views

We think **no substantive changes are required** to the proposed *Handbook*.

Conceptual Framework

- We will review the wording of the *Conceptual Framework* section to clarify it addresses only the process for **maintaining** the *Framework*. We think it is not the *Handbook's* role to address the future strategy of the *Framework* or whether or how the ISSB will have a conceptual framework. The role of the *Handbook* is to specify the process required if a board/s decides to amend/develop a conceptual framework.

Interpretations Committee

- We think the role of this project is not to determine whether to create a body to support the ISSB in addressing questions about its Standards. As a reminder, the existing Interpretations Committee is a constitutional body of the Foundation. If the Trustees decided to create a similar body for the ISSB, a separate consultation would be required.
- Despite some of the comments, the Transition Implementation Group on IFRS S1 & S2 has not been established in place of an Interpretations Committee and the Trustees have not decided against establishing such a Committee. In revising the *Constitution* in 2021, the Trustees acknowledged there might be a need for a body similar to the Interpretations Committee and that they would continue to monitor the need in conjunction with the ISSB.
- Given the feedback, the DPOC might decide to initiate separate discussions about the ISSB's longer-term strategy for supporting its Standards and whether some additional body is required or will be in the future.

Question 2—Enhancements and clarifications



2(a) Post-implementation reviews

Proposals – objective

Clarify the **objective** of a PIR, emphasising it is **not a standard-setting project**

- objective is to assess whether the effects of applying the requirements are **as intended** when they were developed
- basis for assessment is the effects analysis.
[¶6.50]

Clarify the **possible outcomes** of a PIR.
[¶6.56]

Main feedback

- A few explicitly welcome clarifying the objective.
- A few suggest the objective convey more that a PIR assesses whether the Standard is achieving its objective **at the time of the PIR**, working well and still **relevant** in the **current environment**.
- A few express more significant concern that the focus is on identifying fatal flaws, rather than identifying **all the challenges** and unintended consequences in applying and using the Standard, with a view to addressing those and improving financial reporting.
- A few say the basis for assessment should be the Standard’s stated objective, saying the effects analysis is not an authoritative document.
- Some acknowledge there are **other mechanisms to address application questions**. However, a few comments imply a perception a board waits until the PIR to address such questions. A few say a board should be **more active after issuing a Standard** to identify and address application questions, given it is more disruptive and costly to address them once practice is established, using tools such as the Interpretations Committee, Transition Resource Groups and narrow-scope standard-setting. A few suggest:
 - Clarifying in the PIR section that application questions are considered by the Interpretations Committee or a TRG or how the various mechanisms interact.
 - Additional processes, eg to manage issues outside a PIR, a process to allow a board to improve a standard in a timely manner, or a process to manage matters from the PIR not being considered.

2(a) Post-implementation reviews

Proposals – other	Main feedback
<p>Specify the start date for a PIR as a principle—when sufficient information is available to assess the effects of the new requirements—instead of after two years of application. [¶6.55]</p>	<ul style="list-style-type: none"> • Many express concern about the changes to the start date and view it as creating too much uncertainty and inconsistency, even if they support the proposed principle-based approach. Some also think delaying reduces a PIR’s effectiveness. Suggestions include: <ul style="list-style-type: none"> ◦ Specify criteria for when sufficient information would be assumed to be available. ◦ Retain the requirement to start a PIR after 2 years of application or extend to after 3 or 4 years. ◦ Retain the proposal, but provide an indication of by when a PIR is expected to start or add a (rebuttable) backstop by when it should start (eg after 5 years). • A few say information about the benefits of a new Standard is available later than the costs and that costs should also be assessed when a Standard is used and as application questions arise. (This links to comment about being more active after issuing a Standard.)
<p>Clarify process to decide whether matters arising from a PIR warrant further action and, if so, how prioritised. [¶6.62–6.63]</p>	<ul style="list-style-type: none"> • A few comment on the considerations for when to take action and the prioritisation of matters. Comments include these need to be compatible with prioritising projects after an agenda consultation and the IASB’s prioritisation framework (which one says could be more helpful) or consistent with the criteria used by the Interpretations Committee. One perceives these considerations set a high bar and are designed to avoid standard-setting. • A few encourage more transparency (eg in Feedback Statement) to help stakeholders better understand how a board has determined a Standard should, or should not, be amended.

2(a) Post-implementation reviews

Proposals – process

No changes proposed to the main features of the due process (ie undertake for each new Standard/major amendment; public consultation; DPOC review of project summary & feedback statement).

Main feedback

- A few highlight the **significant effort** in a PIR by stakeholders and a board that is perceived not to be reflected in the outcomes. They suggest a PIR could be performed selectively rather than for all new Standards, one saying it might not be needed if a TRG is a mandatory requirement.
 - Two refer to a '**self-review threat**' (ie a board assesses a Standard against its effects analysis), and suggest a PIR be undertaken by another body (eg Interpretations Committee, a Trustee committee). Another suggests the feedback statement be published by the DPOC.
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2(a) Post-implementation reviews

Preliminary staff views

- We think the DPOC should **confirm the proposals with some *important* clarifications**.
- We continue to view a PIR as an **opportunity to review whether a Standard is working as intended** following a period of application, with the benefits to users not significantly lower than expected and the costs of applying, auditing and enforcing not significantly greater than expected.
- We think **identifying** and **addressing application questions is not the objective of a PIR**. There are other processes for such questions: the Interpretations Committee, TRGs/TIG, narrow-scope standard setting. The boards do *not* wait until a PIR to address such questions: they have been active in recent years after issuing new Standards to support their application using the various existing processes, including making amendments before a Standard becomes effective. That said, application questions might also be identified in a PIR and a board can decide whether and what action to take.
- Accordingly, we think there is a need to:
 - further **refine the explanation of the objective of a PIR**. For instance, some of the proposed wording in paragraph 6.52 is potentially confusing as it links application questions to the objective of a PIR. In conducting a PIR, the board needs to ensure its Request for Information appropriately sets expectations for stakeholders.
 - clarify that the objective is to assess whether the Standard *continues* to works as intended in the *current environment*.
 - link the basis of assessment for a PIR to the *objective* of the Standard as well as its effects analysis.
 - better explain the relationship of a PIR with other processes to address application questions.
 - provide greater clarity about when a PIR is expected to be undertaken.
 - reconsider the proposed considerations in paragraphs 6.62–6.63 about whether to take actions and their prioritisation.
 - consider whether sufficient information is provided to stakeholders for them to understand the board’s rationale for its conclusions in the PIR and provide clarity about any actions to be taken.

2(b) Minor improvements to IFRS Standards

Proposals

Amend the former ‘annual improvements’ process to allow the inclusion of a minor or narrow-scope amendment that **updates** a requirement or updates material accompanying an IFRS Standard.

Explicitly specify that any amendment in this process **cannot propose a new principle or change an existing principle**.

Retire the term *annual improvements* and instead refer to **packages of minor improvements to the Standards** that are part of a board’s regular maintenance of its Standards.

[¶6.11–6.17]

Main feedback

- Proposals **generally supported** (and this topic received the fewest comments). A few said it enables more efficiency whilst still ensuring a robust due process.
 - A few say some matters potentially in scope might be so pervasive or contentious that they would benefit from **separate consultation** instead of as part of the minor improvements package. One questioned whether updating a metric in an ISSB Standard is narrow scope. A few suggest defining *minor*. One suggests specifying an additional criterion to help determine whether a separate consultation is necessary.
 - A few express concerns about the existing **90-day comment period** for amendments in this process, noting the expanded scope of items that can be included in a package and that a proposal may have a significant effect on preparers and users. They suggest the usual 120-day comment period for Exposure Drafts unless the DPOC approves a shorter period.
 - A few note changes to the materials accompanying a Standard can affect entities. They suggest entities be entitled to sufficient time to apply amendments to such materials similarly to Agenda Decisions.
-

2(b) Minor improvements to IFRS Standards

Preliminary staff views

- We think the DPOC should **confirm the proposals with some clarifications** to address comments of an editorial nature.
- The due process already requires a board to use its judgement to determine whether a matter should be included in the package or dealt with separately, assessing it against the guidance. We think it is unnecessary to attempt to provide more guidance or define *minor*.
- The comment period of 90 days rather than the usual minimum of 120 days has proved to be a useful feature of this process. It provides some agility to the process and appropriately reflects the narrow-scope nature of the amendments on which a board is consulting.

2(c) Interpretations Committee

Proposals

Clarify the term **widespread effect** in the criteria the Interpretations Committee uses to consider the need for a standard-setting project to address a submitted question; the proposed clarification is to state that ‘widespread effect’ means the circumstance or transaction is *prevalent* and there is *diversity in application*.

[¶5.17(a)]

Delete paragraph 8.2(d) which states that after considering comments on a tentative agenda decision, the Committee could refer the matter to the IASB. The proposed changes to paragraph 8.2(c) make this paragraph redundant.

Main feedback

- Proposals **generally supported**.
 - Some suggest further enhancements to clarify widespread effect (eg defining prevalence; separating the criterion to consider prevalence and diversity separately; providing more transparency about how the Committee assesses widespread effect) and requiring the Committee to consider *expected*, as well as current, diversity.
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- Very few comment.
 - One said deleting paragraph 8.2(d) would restrict the Committee’s ability to ask the IASB to consider standard-setting.
-

2(c) Interpretations Committee

Proposals

No other substantive changes proposed given the significance of the 2020 amendments.

Main feedback

A few express views on matters for which no changes are proposed, including:

- Concern about the clarity of the Committee's role when it concludes that the Standards provide an adequate basis to determine the required accounting but that accounting is not considered to provide useful information.
- Concern that the threshold for standard-setting seems to be very high.
- Restating suggestions made in the 2019 consultation, eg specifying effective dates and transitional provisions for agenda decisions and providing more clarity about an entity being entitled to 'sufficient time' to implement a policy change resulting from an agenda decision.
- Suggesting to reduce the amount of the initial research and analysis undertaken by staff on matters that are not pervasive or material.

In light of IFRS 18 superseding IAS 1 which is referenced in many agenda decisions, many suggest specifying the due process for the **maintenance of agenda decisions**, particularly their withdrawal, when there are changes to the underlying Standards, including consideration of whether exposure of any changes is required.

2(c) Interpretations Committee

Preliminary staff views

- We think the DPOC should **confirm the proposals with some clarifications and enhancements**.
- With respect to the proposed changes, we will consider the suggestions to **further clarify widespread effect**, eg clarifying the Committee also considers diversity in *expected* application. However, we are cautious about being overly prescriptive about how the Committee assesses widespread effect, which will necessarily vary depending on specific facts and circumstances.
- We think most of the respondents' other suggestions would involve more significant changes to the Committee's process and go beyond the scope of the proposed amendments. We note each suggestion is made by a small number of respondents and we are cautious about considering changes to the process without wider engagement about the changes.
- However, we will consider adding wording:
 - to codify existing practice that when the Committee presents a final agenda decision to the IASB, it has an opportunity to report additional information about the topic to the IASB. [¶5.20]
 - to section 8, to codify the IASB's process for maintaining agenda decisions when it issues new Standards. [section 8]

2(d) Other material to support application of IFRS Standards

Proposals

Change the description of material from ‘educational material’ to ‘material to support application of IFRS Standards’.

Clarify that Foundation materials **cannot add or change requirements** in the Standards.

Clarify that the specified **number** of board members required for review for each type of published material is a **minimum**.

Specify the due process for materials developed with third parties.

Require third-party materials on the Foundation website to be clearly distinguished from Foundation materials.

[¶8.8–8.16]

Main feedback

- Proposals **generally supported**, including changing the description of the material.
- A few express concerns about some of the educational materials previously published and whether educational material was the appropriate tool, eg material that is viewed as indicating different application to practice (‘more interpretative than educational’ in nature). Some of these respondents suggest a specific review process for such material (one suggests public consultation). One respondent notes a ‘heavy reliance’ on non-authoritative materials and encourages the development of authoritative materials.
- Some request clarifying the differences, including status, between this material, the non-mandatory materials accompanying a Standard, and Agenda Decisions. One suggests explaining that material accompanying a Standard derives its authority from the Standard, similarly to an Agenda Decision, and that other materials supporting application should be described as ‘non-authoritative’.
- A few suggest additional due process for or explanations relating to **third-party materials**, including:
 - Describing the process to decide whether third-party materials should be made available on the Foundation website. One suggests third-party materials be reviewed and endorsed.
 - Explaining why materials are made available and how they could be used.
 - Explaining how materials from the Partnership Framework for Capacity Building fit into the due process.

2(d) Other material to support application of IFRS Standards

Preliminary staff views

- We think the DPOC should **confirm the proposals with some clarifications**.
- We think the boards should continue to use their judgement about the appropriate mechanism for supporting consistent application. The proposed amendments clarify that these materials to support **application cannot add or change requirements** in the Standards—if new or changed requirements are necessary then the standard-setting due process applies.
- We think describing these materials as *non-authoritative* would not be helpful and might imply the materials can be ignored—anything published by the Foundation has some authority.¹ The *Handbook* should describe the nature of the various non-mandatory materials and not try to distinguish their status or suggest different levels of status. We will review the wording in paragraph 8.8 with a view to avoiding any confusion with the material accompanying a Standard described in paragraph 6.34.
- With respect to third-party materials, we think further due process is unnecessary. There are processes in place to manage the Foundation’s reputational risk but specifying these processes risks perceptions that the Foundation is providing some degree of assurance. We continue to think the key point is ensuring it is clearly understood that such materials are not the Foundation’s materials.

¹ For that reason, we moved away from using the terms *authoritative* and *non-authoritative* in favour of the clearer distinction of mandatory (as in required to assert compliance and non-mandatory)

2(e) Other targeted amendments

The DPOC proposed targeted amendments relating to 12 topics listed on pages 10–12 of the Invitation to Comment. The amendments are generally supported. The topics on which a few more comments/concerns were expressed are:

Surveys

General agreement with the proposal to formalise the use of surveys. Some say they should generally be used/only used to supplement rather than replace comment letters, saying their use would reduce the ‘nuance’ and ‘quality’ of feedback.

Work plan consultation

No disagreement with the proposal to allow more flexibility in its timing (*at least* every five years). A few encourage coordination of the boards’ consultations. A few suggest a process for a board to regularly assess its work plan in light of changes in the reporting environment. One suggests an annual review of progress on major projects if more than 12 months passed since last milestone. One respondent notes the considerations for adding a project to the work plan, which are also proposed to be considered in discontinuing projects, focuses on projects individually and does not explicitly address prioritisation or considering the work plan holistically.

Process to end a project

No disagreement with the proposed clarification of the due process. A few suggest enhancing the process, eg by requiring consultation with the Advisory Council and/or ASAF/SSAF before ending a project; requiring a supermajority rather than simple majority vote.

Building on work of other bodies

No disagreement with the proposed clarification explaining the boards may build on others’ work subject to applying due process. A few suggest adding further due process, eg to address process for updating other standards/frameworks referenced in IFRS Standards (eg GHG Protocol).

Re-exposure criteria

One respondent disagrees with the proposal to delete the requirement to give more weight to recognition and measurement than disclosure for Accounting Standards, although agrees with the deletion for Sustainability Disclosure Standards. A few others suggest emphasising the complexity of changes made during redeliberation or requiring consultation on whether to re-expose.