
IFRS Taxonomy Consultative Group (ITCG) meeting

Date	16 March 2026
Project	Digital Financial Reporting
Topic	Digital financial reporting work plan update
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Purpose of this session

- The staff will:
 - provide ITCG members with general update on digital reporting activities;
 - seek feedback on any observations related to the digital reporting of information on hedge accounting that would inform the post-implementation review of IFRS 9—Hedge Accounting; and
 - discuss how changes to the 2027 IFRS Accounting Taxonomy to reflect the transition to IFRS 18 Presentation and Disclosure of Financial Statements will be implemented.

Questions to be discussed



Question 1—Do ITCG members have any questions or comments on the IFRS Taxonomy work plan as it relates to IFRS Taxonomy updates? Specifically, did ITCG members observe any matters in digital reporting of information on hedge accounting that might be useful for:

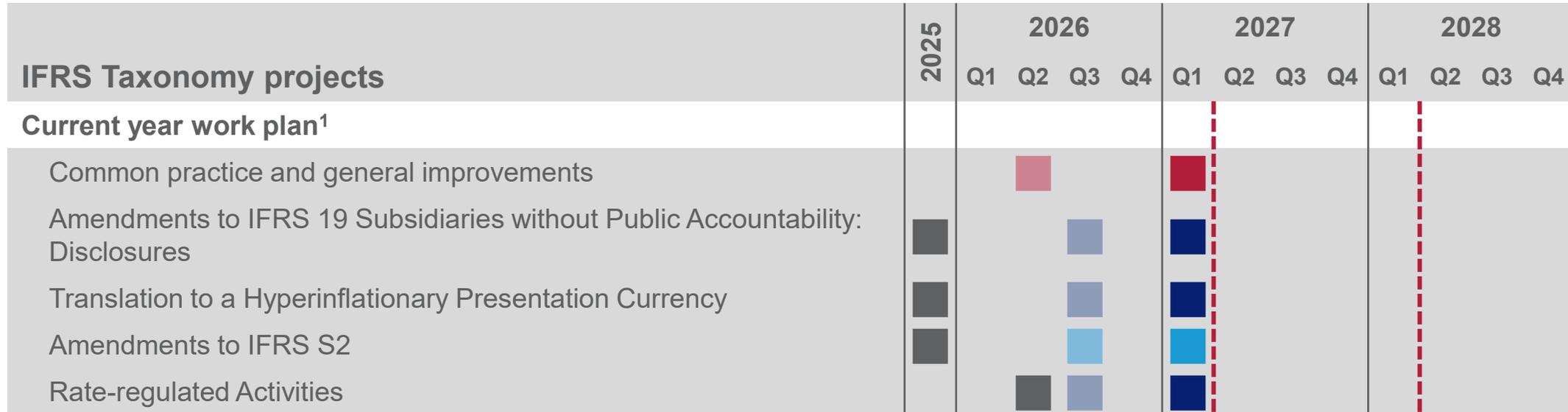
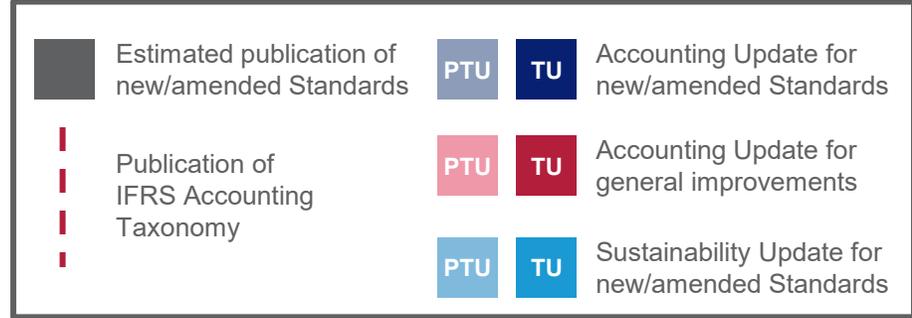
- a. the IASB to explore as part of its RFI; or
- b. the Taxonomy team to focus on during future common practice reviews?

Question 2—Do ITCG members have any questions or comments on the staff's recommendation to remove IAS 1 concepts and related attributes prior to processing updates for the 2027 IFRS Accounting Taxonomy?

Update on digital financial reporting activities



IFRS Taxonomy work plan



¹ These topics will be discussed in more detail later in this ITCG meeting (see AP2, AP3 and AP4) and draft PTU documents will be shared with ITCG members for their comments in Q2-Q3 of 2026.

IFRS Taxonomy work plan—beyond 2027

Standard-setting projects

Expected updates to 2027 IFRS Taxonomies

- Financial Instruments with Characteristics of Equity (slide 14)
- Amortised Cost Measurement (slide 15)
- Equity Method (slide 16)
- Business Combinations—Disclosures, Goodwill and Impairment
- [Amendments to the IFRS S2 Industry-based Guidance](#)
- [Enhancing the SASB Standards](#)

Horizon scanning

- Risk Mitigation Accounting (slide 17)
- Statement of Cash Flows and Related Matters
- [Biodiversity, Ecosystems and Ecosystem Services \(Nature\)](#)

Maintenance projects

- Amendments to the Fair Value Option (IAS 28)² (slide 18)
- Provisions—Targeted Improvements

Research projects

- Post-implementation Review of IFRS 9—Hedge Accounting (slide 7/19)
- Post-implementation Review of IFRS 16 Leases
- Intangible Assets

² *Amendments to the Fair Value Option* might be issued in 2026, however this amendment will not form part of the IFRS Accounting Taxonomy 2027. Instead, we will reflect disclosure requirements in the amendments, if any, in the next iteration of the IFRS Accounting Taxonomy.

PIR of IFRS 9—Hedge accounting

Further information on the IASB's post-implementation reviews (PIR) can be found on our [webpage](#)

Objective

- Assess whether the effects of applying the hedge accounting requirements in IFRS 9 and corresponding disclosure requirements in IFRS 7 on users, preparers, auditors and regulators of financial statements are as intended when the IASB developed those requirements

Areas of focus

- Outreach with the IASB's consultative groups and other stakeholders to help inform a request for information (RFI)
- Review of academic research related to the implementation of the hedge accounting requirements in IFRS 9

Next milestone

- The IASB expects to publish the RFI in H2 2026



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Transition to IFRS 18

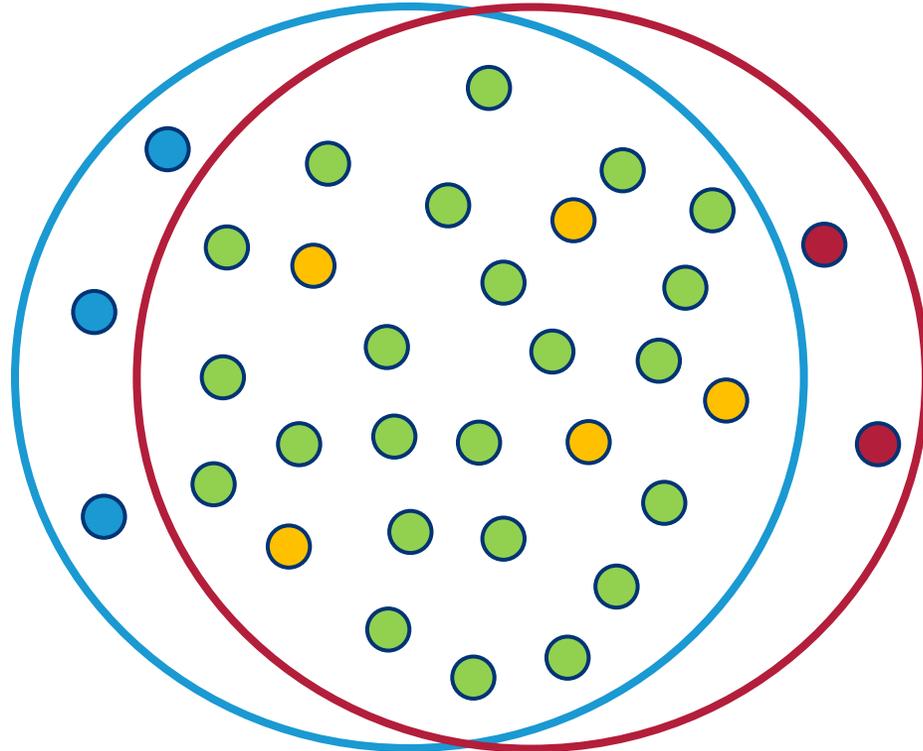
Presentation and Disclosure of Financial Statements



Background

- IFRS 18 is effective for reporting periods beginning on or after **1 January 2027**.
- To accommodate the early application of IFRS 18, the 2025 IFRS Accounting Taxonomy includes **two entry points**:
 - the *Full IFRS Accounting Standards* entry point—for preparers that continue to apply IAS 1 *Presentation of Financial Statements*; and
 - the *Early Application of IFRS 18* entry point—for preparers that choose to apply IFRS 18 before its effective date.
- These entry points leveraged off a **single core schema**, while using different element labels, references and relationships, depending on the entry point used (see next slide).
- For reporting periods beginning on or after 1 January 2027, concepts, element labels, references and relationships relating to IAS 1 will no longer be effective and **will be removed** from the 2027 IFRS Accounting Taxonomy.

Visual representation of entry points



Available entry points:

- Full IFRS including IAS 1 Standard
- Full IFRS including IFRS 18 Standard

-  Concepts and relationships not affected by IAS 1 or IFRS 18
-  IAS 1 concepts and relationships only
-  IFRS 18 concepts and relationships only
-  Concepts and relationships that have slightly different meanings under IAS 1 and IFRS 18

Proposed transition approach

- As it stands, updates to the Taxonomy would need to reflect in both entry points, even though the entry point relating to IAS 1 will be removed in the 2027 IFRS Accounting Taxonomy—resulting in duplicated work that will ultimately be removed in the annual compilation process.
- Therefore, the staff recommend **removing** concepts, element labels, references and relationships relating to IAS 1 **before processing any updates for the 2027 IFRS Accounting Taxonomy**.
- The consequence is that the baseline Taxonomy on which this year’s updates are based would **completely exclude IAS 1 requirements**.
- The benefits of this approach are:
 - **Reducing duplicative work** of adding proposed elements to an entry point that will ultimately be removed
 - Generating versioning reports based on a cleaner baseline Taxonomy that **shows only changes arising from the Taxonomy update documents**.

Question



Question 2—Do ITCG members have any questions or comments on the staff’s recommendation to remove IAS 1 concepts and related attributes prior to processing updates for the 2027 IFRS Accounting Taxonomy?

Appendix—Selected IFRS Taxonomy work plan projects



Financial Instruments with Characteristics of Equity

Objective

- 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:
 - fixed-for-fixed condition
 - effects of laws or regulations
 - obligations to purchase own equity instruments
 - contingent settlement provisions
 - shareholder discretion
 - reclassification
- Improve presentation and disclosure
- Provide application guidance and illustrative examples

Next milestone

- Redeliberate proposals in the Exposure draft.
- **We have had initial discussions with the standard-setting team on the Exposure Draft proposals and will continue to monitor the progress of the project.**
- **The related proposed Taxonomy update is expected to be published in 2027, depending on the progress of the project.**

Amortised Cost Measurement

Objective

- 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—not a fundamental review of—amortised cost measurement requirements
- Targeted improvements for:
 - The mechanics of effective interest method;
 - Modification, derecognition, write-off; and
 - Interaction with impairment

Next milestone

- Exposure Draft is expected in H2 2026

Equity Method

Objective

- Reduce diversity in practice by answering approximately 20 application questions
- Reorder requirements in IAS 28 *Investments in Associates and Joint Ventures* to improve understandability

Proposals

- The Exposure Draft sets out:
 - proposed amendments to IAS 28 to answer application questions about how to apply the equity method of accounting; and
 - proposals to improve the disclosure requirements in IFRS 12 *Disclosure of Interests in Other Entities* and IAS 27 *Separate Financial Statements* to complement the proposed amendments to IAS 28.

Next milestone

- Redeliberate proposals in the Exposure draft.
- **We will monitor the development of the project and will engage with the standard-setting teams on potential changes to presentation and disclosure requirements closer to the finalisation of the project.**

Risk Mitigation Accounting

Objective

- 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

Project plan

- 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.

Next milestone

- Exposure draft feedback expected in H2 2026
- **Some proposals in the Exposure Draft—relating to the presentation of certain line items in the statement of financial position—might be discussed at the October 2026 ITCG meeting**

Amendments to the Fair Value Option (IAS 28)

Objective

- Explore whether the fair value option could be made available to a broader scope of investments in an associate or joint venture held by particular entities

Areas of focus

- 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 paragraphs 18–19 of IAS 28 Investments in Associates and Joint Ventures

Next milestone

- Exposure draft was published in February 2026
- **While this amendment is narrow in scope and unlikely to result in significant changes to the disclosure requirements, we will monitor the progress of the project and its impact on the Taxonomy.**

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Next milestone

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