
Emerging Economies Group meeting

Date **November 2026**

Topic **IASB Technical Update**

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Overview

This update is prepared as of 16 October 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

Highlights since last EEG meeting

Highlights from May 2026

- The IASB published IFRS 20 *Regulatory Assets and Regulatory Liabilities*, a new Accounting Standard for companies subject to a specific type of rate regulation. It aims to help investors better understand how that rate regulation affects a company's financial performance, financial position and its prospects for future cash flows
- IFRS 20 is effective for annual reporting periods beginning on or after 1 January 2029. Companies may choose to apply the Standard earlier
- IFRS 20 supplements the information a company provides when applying IFRS 15 *Revenue from Contracts with Customers* and replaces IFRS 14 *Regulatory Deferral Accounts*

IFRS 20
*Regulatory Assets
and Regulatory
Liabilities*

EEG meeting
Day 1

Highlights from May 2026

- The IASB published an [Exposure Draft proposing narrow-scope amendments to the *IFRS for SMEs Accounting Standard*](#) which introduces a consolidation exception for intermediate parents that have a parent or ultimate parent that is an investment entity and that does not produce consolidated financial statements
- The consultation was open for comment until 9 September 2026. If approved, the amendments will be issued in December 2026 and will become effective with the Third edition of the *IFRS for SMEs Accounting Standard* for periods beginning on or after 1 January 2027

*IFRS for SMEs
Accounting
Standard—
Consolidation
Exception*

- The IASB extended the comment period on its [Exposure Draft Risk Mitigation Accounting—Proposed amendments to IFRS 9 and IFRS 7](#) until 30 November 2026
- The extension aligns the deadline for comment letters with the existing deadline for the submission of fieldwork results

*Risk Mitigation
Accounting*

Highlights from June 2026

- The IASB issued targeted amendments to clarify which investments in associates and joint ventures a company is eligible to measure using the fair value option in IAS 28 *Investments in Associates and Joint Ventures*
- The amendments take effect when a company first applies IFRS 18 *Presentation and Disclosure in Financial Statements*

Amendments to the
Fair Value Option
(IAS 28)

Highlights from July 2026

- The IASB completed its discussion of feedback on the PIR of IFRS 16 *Leases*, concluding that the Standard is overall working as intended
- The IASB has decided to undertake a project to explore how the ongoing costs of applying some requirements in IFRS 16 can be reduced without significantly affecting the usefulness of the lease-related financial information
- The IASB expects to publish the Project Summary and Feedback Statement on the PIR in November 2026

Post-implementation Review of IFRS 16 *Leases*

- The IASB agreed to propose amendments to IFRS 18 *Presentation and Disclosure in Financial Statements* so that a tax charge imposed as a direct substitute for an income tax would be classified in the income taxes category of the statement of profit or loss
- This would apply where legislation specifies that a company is required or can elect to pay a specified tax charge instead of an income tax
- The IASB expects to publish an Exposure Draft in December 2026

Presentation of Taxes or Other Charges that Are Not Tax Expense or Tax Income Applying IAS 12 *Income Taxes*

Highlights from September 2026

- The IASB published a [Request for Information](#) to review its hedge accounting requirements
- This review sits across two IFRS Accounting Standards:
 - the hedge accounting requirements in IFRS 9 *Financial Instruments*; and
 - the hedge accounting disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*
- The Request for Information is open for comment until 26 January 2027

Post-implementation
Review of IFRS 9—
Hedge Accounting

- The IASB concluded its technical discussions on the project and expects to issue the revised IAS 28 *Investments in Associates and Joint Ventures* in Q1 of 2027
- The revised IAS 28 will be effective for reporting periods beginning on or after 1 January 2029, with early application permitted

Equity Method

Looking ahead

Consultations

Forthcoming in 2026 

December 2026: Exposure Draft proposing amendments to IFRS 18 *Presentation and Disclosure in Financial Statements* in relation to the project Presentation of Taxes or Other Charges that Are Not Tax Expense or Tax Income Applying IAS 12 *Income Taxes*

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

Issued in 2026

May 2026: IFRS 20 *Regulatory Assets and Regulatory Liabilities*

June 2026: Amendments to the Fair Value Option in IAS 28

Expected in 2026

November 2026: PIR of IFRS 16 *Leases*—Project Summary and Feedback Statement

December 2026: *IFRS for SMEs Accounting Standard—Consolidation Exception Amendments*

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)
- *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures* (Amendments to IAS 28)

1 January 2029

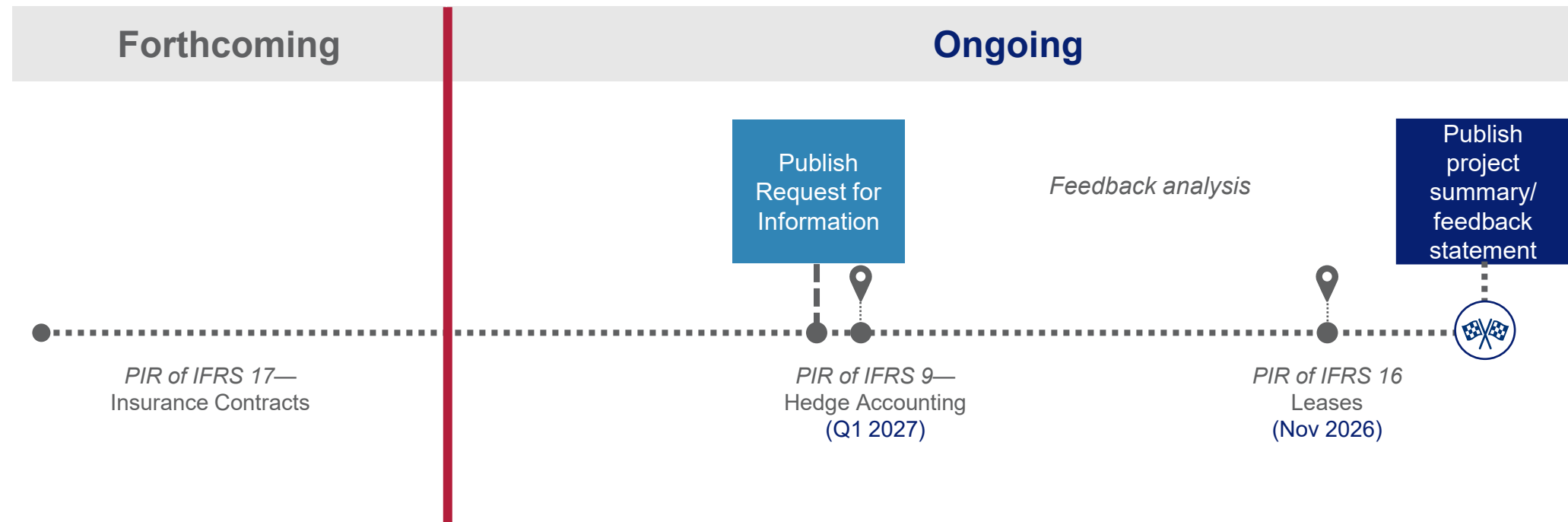
- IFRS 20: *Regulatory Assets and Regulatory Liabilities*

Overview of the IASB's work plan

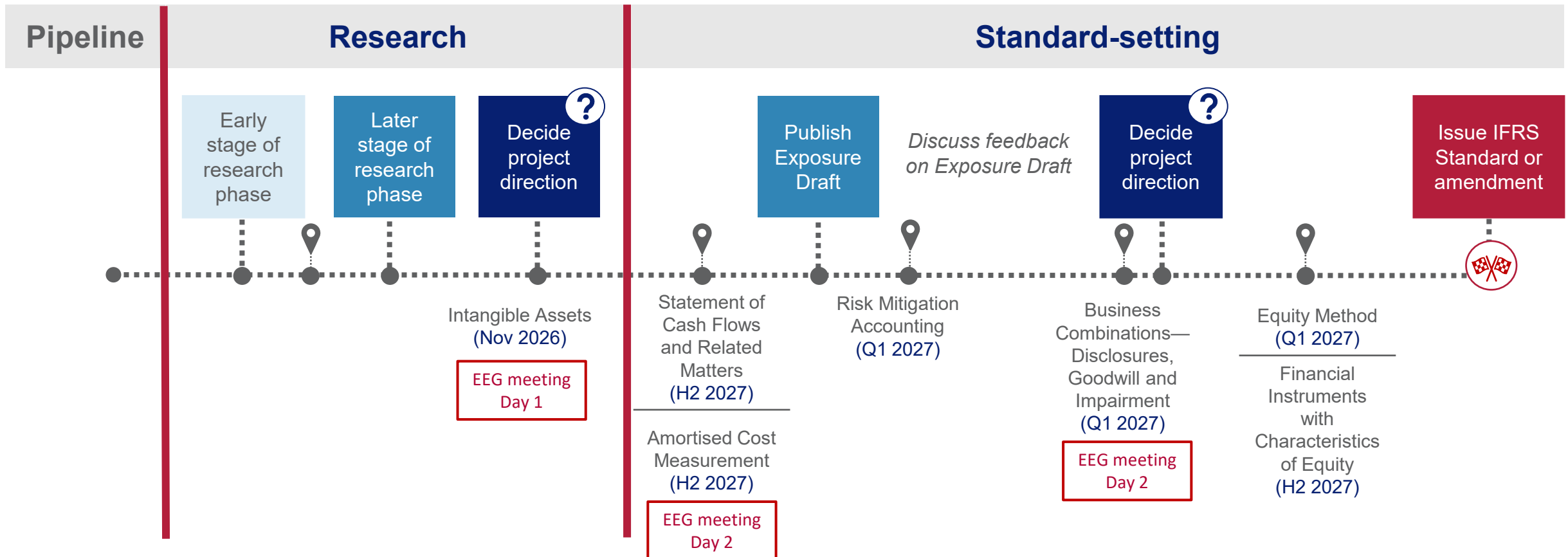
IASB work plan: overview

Type of project		As of 16.10.2026
Post-implementation reviews		2
Research projects		1
Standard-setting projects		6
Maintenance projects		3
Total		12
Application questions (IFRS IC)		13

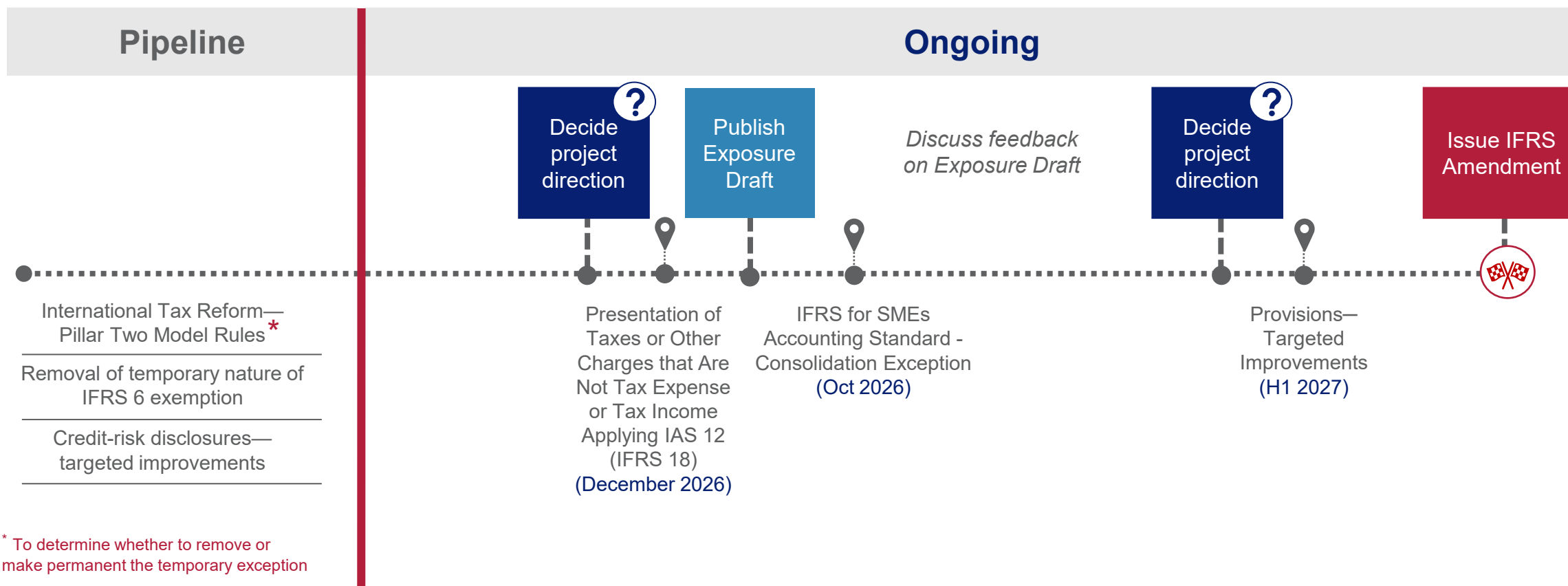
Post-implementation review projects



Research and standard-setting projects - status



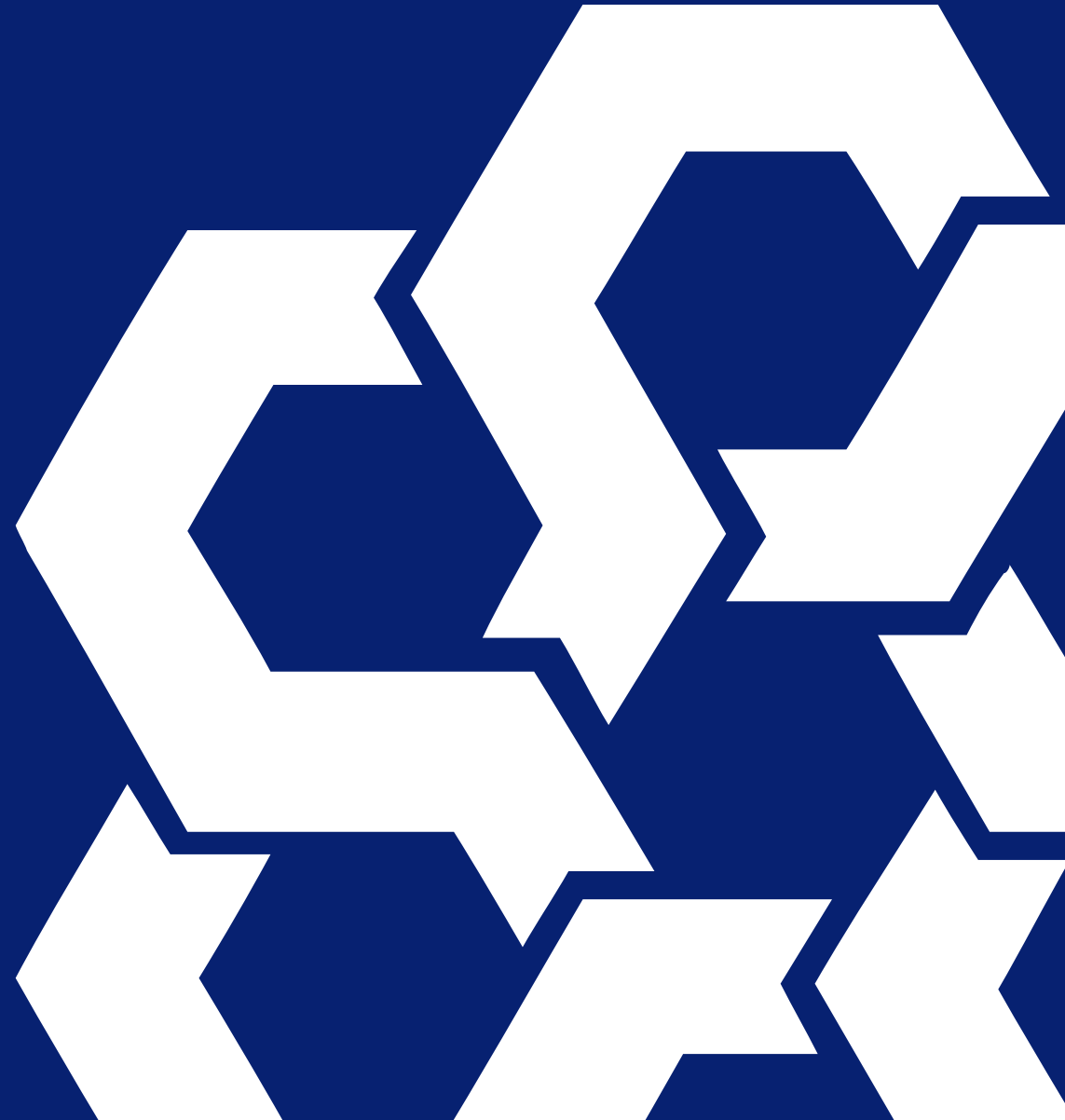
Maintenance projects - status



Q&A session

Appendix

Description of the projects on the IASB work plan



PIR of IFRS 9—Hedge Accounting

Objective

Assess whether the effects of applying the hedge accounting requirements in IFRS 9 and IFRS 7 on users, preparers, auditors and securities regulators of financial statements are as expected by the IASB when IFRS 9 was issued and IFRS 7 was amended

Matters examined in the Request for Information

Request for Information asks high-level questions rather than questions about individual requirements. Areas of focus:

- 1 Initial and ongoing costs of applying, auditing and enforcing the hedge accounting requirements in IFRS 9 and IFRS 7
- 2 Usefulness to users of financial statements of information resulting from the application of the hedge accounting requirements in IFRS 9 and IFRS 7



Next milestone

Request for Information Feedback in Q1 2027

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

Outcome of the PIR

The IASB concluded that IFRS 16 is overall working as intended and decided:

- to explore reducing costs relating to remeasurement of the lease liability and determining discount rates;
- to clarify how a lessee applies the requirements in IFRS 16 and IFRS 9 to account for a particular rent concession;
- to strengthen the requirement to disclose total cash outflow for leases;
- to consider the priority of a particular corporate-wrapper matter together with other corporate-wrapper matters in its next agenda consultation; and
- to take no action on other matters identified by stakeholders.



Next milestone

The IASB expects to publish a Project Summary and Feedback Statement in November 2026

Intangible Assets

Objectives

- Improve the usefulness of information entities 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

Approach



Starting a comprehensive review in a targeted way



Regular reflection points to assess additional evidence

Topics the project will explore

☒ User information needs	In progress
☒ Potential changes to aspects of the definition and recognition requirements (using test cases)	
☒ Intangible assets held for investment	Later streams (subject to change)
☒ Broader review of recognition	
☒ Disclosure requirements	
☒ Comparability of information about acquired and internally generated intangible assets	
☐ ? Broader intangible items	TBC



Next milestone

Explore initial streams and decide project direction in November 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 2027

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 H2 2027

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

Open for comment:

- The Exposure Draft *Risk Mitigation Accounting* is [open for comment](#) until 30 November 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 Q1 2027

Business Combinations—Disclosures, Goodwill and Impairment

Objective

Improve information entities provide about their acquisitions at a reasonable cost

Changes to IFRS 3:

- Disclose the key objectives for a business combination
- Disclose subsequent performance information
- Other improvements to IFRS 3 disclosure requirements

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 Q1 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*

Outcomes

- **Cost of investment**—clarified initial measurement and the recognition of transaction costs
- **Changes in ownership**—introduced requirements when the investor purchases or disposes of an interest and retains significant influence or joint control
- **Transactions with associates**—added a simpler accounting policy choice not to restrict gains and losses
- **Improved disclosures**—to help users of financial statements assess the effect of investor's interest in associates and joint ventures
- **IAS 28 requirements**—reordered by recognition, measurement, presentation and disclosure



Next milestone

IAS 28 (revised 202x) is expected in Q1 2027

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



Next milestone

Final Amendments are expected in H2 2027

Presentation of Taxes or Other Charges that Are Not Tax Expense or Tax Income Applying IAS 12 (IFRS 18)

Objectives

To explore whether entities should present specific tax charges in the income taxes category of the statement of profit or loss

Approach

The IASB has tentatively decided to propose amendments to IFRS 18. The proposals would require entities:

- to classify, in the income taxes category, tax charges imposed by a government as a direct substitute for income taxes
- to disaggregate those tax charges from income taxes and to disclose information about them



Next milestone

Exposure Draft is expected in December 2026

IFRS for SMEs Accounting Standard - Consolidation Exception

Objective

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

Proposed amendments

- The Exposure Draft proposes a new consolidation exception 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 exception already in the Standard for an intermediate parent whose own parent prepares consolidated financial statements
- The comment period on the ED closed on 9 September 2026



Next milestone

Exposure Draft feedback expected in October 2026

Provisions—Targeted Improvements

Objectives

- Clearer requirements on when to recognise a provision, with earlier recognition of some provisions
- More standardised measures of long-term provisions and greater transparency around inputs to the measures

Proposals

Amend IAS 37 Provisions, Contingent Liabilities and Contingent Assets

- Clarify and amend the recognition criteria, applying the *Conceptual Framework*
- Specify the discount rates to use in measuring a long-term provision, and require disclosure of information about rates used
- Clarify the costs to include in measuring obligations to provide goods or services



Next milestone

Final Amendments are expected in H1 2027

Get involved

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