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IASB 2020 Agenda Consultation

Issues Paper

Objective

- 1 To discuss the projects identified by ASAF members for the IASB's 2020 Agenda Consultation at its 17 December 2019.

Background

- 2 The IASB is required to undertake a public consultation on its work plan every five years. The primary objective of agenda consultation is to seek formal public input on the strategic direction and balance of the IASB work plan.
- 3 In this context, the IASB Staff is consulting ASAF members (including EFRAG) to identify a shortlist of no more than five potential projects. These shortlisted projects will be included in the Request for Information ('RFI') planned for the first half of 2020 to elicit more focussed feedback. The RFI, planned to be issued over the second half of 2020, will continue to provide the vehicle for the IASB's formal, broad-based consultation for all interested stakeholders.
- 4 The IASB staff requested that ASAF members provide a description of no more than five potential projects to include in the shortlist in the RFI.

ASAF Discussion in December

- 5 Agenda Paper 09-02 provides a list of the topics suggested by ASAF members or the staff of members' organisations.
- 6 At the ASAF meeting, members will be asked to help the IASB Staff identify and develop a description of those potential projects. The IASB Staff indicated that it will not be seeking a consensus view from ASAF and has not prepared any additional analysis or suggestions for the topics

EFRAG Board input in response to the IASB's Staff request

- 7 The EFRAG Board met on 13 November to discuss the request made by the IASB Staff to identify priority projects. In doing so, the EFRAG Board considered the input provided by EFRAG TEG, EFRAG CFSS and EFRAG User Panel.
- 8 EFRAG Board members considered the IASB's first priority should be the finalisation of ongoing projects in particular the ones close to standard setting (such as Primary Financial Statements, Rate Regulated Activities and Management

Commentary Practice Statement) or already well advanced (Dynamic Risk Management, Goodwill and Impairment and Financial Instruments with Characteristics of Equity,).

- 9 The IASB should also consider starting on a timely basis the post-implementation review of IFRS Standards. Members noted in particular the importance of the IFRS 5 and IFRS 9 post-implementation reviews but also the need to timely review IFRS 15 and IFRS 16 over the next years¹.
- 10 EFRAG Board members did not assign specific priorities to each of the post-implementation reviews but noted that their significant number and the difficulty to conduct several of them at the same time. In order to make an informed decision, the IASB should consider a number of factors including: the quantification of the time and resources expected to be necessary for each review; the fact that the PiR may itself lead to identifying additional projects on the IASB's agenda which may draw on its resources as well; and the identification of implementation matters reported to the IASB or to the IFRS Interpretations Committee.
- 11 EFRAG Board members discussed a number of possible additional projects suggested by EFRAG TEG and the EFRAG User Panel but did not come up, at this stage, with a short list of topics. Instead EFRAG Board members suggested an approach to the IASB in which for any new projects considered the IASB should ensure that:
 - (a) it will have the necessary resources and competencies to conduct the projects;
 - (b) the matters are expected to still be prevalent in a time horizon of 5/7 years; and
 - (c) the matter would not better be addressed through the IFRS Interpretations Committee.
- 12 The EFRAG Board noted the projects on Better information on Intangibles and Crypto-assets (two topics on the ASAF members' list as well), for which EFRAG ongoing research will result in Discussion Papers in 2020. EFRAG has also initiated a research project on variable and contingent consideration. The IASB would have the possibility to leverage from lessons learnt from those papers and the responses to the consultation.
- 13 Lastly some EFRAG Board members reiterated the recommendation made in EFRAG's comment letter on the Principles of Disclosures Discussion Paper that, across its standard setting and research activities, the IASB should consider the effects of technology and digital reporting.

Questions for EFRAG TEG and EFRAG CFSS

- 14 Do members have suggestions about the description of the potential projects identified by ASAF members contained in agenda paper 09-02?
- 15 Considering the list contained in agenda paper 09-02, do members further identify specific priorities to report to the IASB Staff?
- 16 Does members have any other comments or recommendations that they would like to be conveyed to the December ASAF meeting?

¹ The PiR of IFRS 10/11/12 was not mentioned as it is already included in the IASB's active work plan.

Agenda Papers

- 17 In addition to this cover note, agenda paper 09-02 *ASAF 01 Agenda Consultation* has been provided for the session or, if there are more than two agenda papers.