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Technical Work Plan September 2017 – March 2018

Objective

- 1 The objective of this session is for the EFRAG Board to conduct its monthly review of the technical work plan and advise of any necessary changes.

Background

- 2 In the past, the EFRAG Board requested that:
 - (a) an explanation be provided for any IASB implementation projects that are classified as significant; and
 - (b) the work plan be updated and presented for approval at every meeting.
- 3 Attachment 1 to this note contains the reasoning behind classifying IASB implementation projects as significant.
- 4 At its June 2017 meeting, the EFRAG Board agreed that as responses to IASB post-implementation reviews collate European views and do not include an EFRAG position, post-implementation review responses should be finalised by EFRAG TEG. IASB proposed post-implementation reviews have been included in the work plan for the convenience of EFRAG Board members, but no action is expected from the EFRAG Board.
- 5 At its meeting in September 2016, the EFRAG Board agreed that the classification of IASB research projects as significant or for processing by written procedure should be deferred until the significance of each project emerges. The Financial Instruments with Characteristics of Equity Discussion Paper is expected in Q4 2017. Given the potential impact of this project, especially for financial institutions, the EFRAG Secretariat recommends that the draft EFRAG position be considered in a meeting rather than by written procedure.
- 6 Attachment 2 to this note contains the draft technical work plan, based on the IASB's work plan issued in July 2017 and the research work plan. It also identifies the expected timing of written procedures.

Questions for the EFRAG Board

- 7 Does the EFRAG Board agree to approve the EFRAG draft comment letter in a meeting rather than be written procedure?
- 8 Does the EFRAG Board approve the technical work plan?

Attachment 1: Basis for classifying minor projects as significant

IFRS Practice Statement: Application of Materiality to Financial Statements

- 9 In order to assess whether the draft Practice Statement is likely to have the desired impact, the EFRAG Board originally decided to discuss the draft comment letter in public. However, the draft comment letter was finalised by written procedure when the November 2015 meeting of the EFRAG Board was rescheduled as a conference call.

- 10 The EFRAG Board finalised the comment letter to the IASB in the March 2016 meeting. The project was discussed at the July 2016 ASAF meeting and the IASB is now planning to publish the Practice Statement in September 2017. We will bring a summary of the Practice Statement to the October EFRAG Board meeting.

Attachment 2: Work plan September 2017 – March 2018

Legend

Bold = EFRAG Board decision point **DCL** = Draft comment letter
WP = Written procedure **FCL** = Final comment letter
DP = Discussion paper **DEA** = Draft endorsement advice
ED = Exposure draft **FEA** = Final endorsement advice

Project	Most recent status		2017				2018	
			Sept 14	Oct 10	Nov 9	Dec 14	Feb 6	Mar 20
IASB SIGNIFICANT PROJECTS								
Insurance Contracts (IFRS 17 issued May 2017)	ED DCL Aug 2013	ED FCL Dec 2013	Consider issues	Consider issues	Consider issues	Consider issues	Consider issues	Consider issues
Rate-regulated Activities (DP expected H1 2018)	DP DCL Oct 2014	DP FCL Jan 2015						
Disclosure Initiative – Principles of Disclosure (DP issued 30 March 2017. Comments due by 2 October 2017)	DP DCL Jun 2017			DP FCL				
Disclosure Initiative – Materiality Practice Statement (Practice Statement expected September 2017)	ED DCL Nov 2015	ED FCL Mar 2016		Consider issues				

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			Sept 14	Oct 10	Nov 9	Dec 14	Feb 6	Mar 20
Disclosure Initiative – Definition of Material (ED expected September 2017)				ED DCL			ED FCL	
Conceptual Framework (CF expected Q4 2017)	ED DCL July 2015	ED FCL Dec 2015					Consider issues	
Dynamic Risk Management (DP expected H2 2018)	DP DCL July 2014	DP FCL Oct 2014						
Financial Instruments with Characteristics of Equity (DP expected Q4 2017)					Consider issues		DP DCL	
IASB PROJECTS BY WRITTEN PROCEDURE: Implementation								
Accounting policies and accounting estimates (amend IAS 8) (ED expected September 2017)				ED DCL WP			ED FCL WP	
Accounting policy changes resulting from agenda decisions (amend IAS 8) (ED expected H1 2018)								
Availability of a refund (amend IFRIC 14) (IFRS expected H1 2018)								

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Project	Most recent status		2017				2018	
			Sept 14	Oct 10	Nov 9	Dec 14	Feb 6	Mar 20
Classification of liabilities (amend IAS 1) (IFRS expected H1 2018)	ED DCL Mar 2015	ED FCL Jun 2015						
Definition of a business (amend IFRS 3) (IFRS expected H1 2018)	ED DCL July 2016	ED FCL Nov 2016						
Fees in the '10 per cent' test for derecognition (amend IFRS 9)								
Improvements to IFRS 8 (ED feedback Q4 2017)	ED DCL April 2017	ED DCL Aug 2017						
PPE Proceeds before intended use (ED issued June 2017. Comments due by 19 October 2016)	ED DCL July 2017			ED FCL WP				
Plan amendment, curtailment or settlement (amend IAS 19) (IFRS expected H1 2018)	ED DCL July 2015	ED FCL Nov 2015						
Previously held interests in a joint operation (IFRS expected Q4 2017)	ED DCL July 2016	ED FCL Nov 2016					DEA WP	
Prepayment features with negative compensation (amend IFRS 9) (IFRS expected October 2017)	ED DCL May 2017	ED FCL May 2017		DEA WP	FEA WP			

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			Sept 14	Oct 10	Nov 9	Dec 14	Feb 6	Mar 20
Uncertainty over income tax treatments (IFRIC issued June 2017)	DEA Aug 2017	ED FCL Feb 2016			FEA WP			
Annual Improvements 2015-2017	ED DCL Feb 2017	ED FCL April 2017						
AIP 2015-2017: Borrowing costs eligible for capitalisation (amend IAS 23) (IFRS expected Q4 2017)							DEA WP	
AIP 2015-2017: Income tax consequences of payments on equity instruments (amend IAS 12) (IFRS expected Q4 2017)							DEA WP	
AIP 2015-2017: Long-term interests in associates and joint ventures (amend IAS 28) (IFRS expected October 2017)					DEA WP		FEA WP	
IASB PROJECTS: Research								
Business Combinations Under Common Control (DP expected H1 2018)								

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Project	Most recent status		2017				2018	
			Sept 14	Oct 10	Nov 9	Dec 14	Feb 6	Mar 20
Discount Rates (Research summary expected H1 2017)								
Goodwill and Impairment (DP expected H1 2018)								
Primary Financial Statements (DP or ED expected H1 2018)								
Share-based Payment (Research summary expected H1 2018)								
IASB Post-implementation reviews								
IFRS 13 <i>Fair Value Measurement</i> (Request for information May 2017. Comments due 22 September 2017)								
Consolidation package: IFRS 10, IFRS 11, IFRS 12								
IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>								

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		Sept 14	Oct 10	Nov 9	Dec 14	Feb 6	Mar 20
EFRAG RESEARCH PROJECTS							
General update				Update		Update	Update
Goodwill and impairment (Comments due 31 December 2017)	DP issued June 2017						
Discounting with current interest rates							
Equity Instruments: Impairment and Recycling					Update	Approve Phase 1	
Pensions						Update	
Transactions other than exchanges of equal value							