

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of the EFRAG Board. The paper does not represent the official views of EFRAG or any individual member of the EFRAG Board or EFRAG TEG. The paper is made available to enable the public to follow the discussions in the meeting. Tentative decisions are made in public and reported in EFRAG Update. EFRAG positions as approved by the EFRAG Board are published as comment letters, discussion or position papers or in any other form considered appropriate in the circumstances.

Technical Work Plan October 2019 – March 2020

Objective

- 1 The objective of this session is for the EFRAG Board to conduct its regular 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 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.
- 6 Attachment 2 to this note contains the draft technical work plan, based on the IASB's work plan at the time of preparing this paper (excluding the IFRS Taxonomy and the *IFRS for SMEs* projects) and the EFRAG research work plan. It also identifies the expected timing of written procedures.

Questions for the EFRAG Board

- 7 Does the EFRAG Board approve the technical work plan?

Attachment 1: Basis for classifying research projects or minor projects as significant

Financial Instruments with Characteristics of Equity

- 8 Given the potential impact of this project, especially for financial institutions, the EFRAG Board decided that the EFRAG position on the IASB's Discussion Paper *Financial Instruments with Characteristics of Equity* should be considered in a public meeting rather than by written procedure. The Discussion Paper was issued in June 2018 and the EFRAG Board approved the final comment letter at its meeting in January 2019.

Primary Financial Statements

- 9 At its meeting in April 2017, the EFRAG Board decided that the EFRAG comment letter on the IASB's *Primary Financial Statements* project should be considered in a public meeting. The *Primary Financial Statements* project is likely to lead to significant changes to the presentation of financial performance.
- 10 The EFRAG Board was updated on the development of the IASB project at its meeting in December 2018 jointly with EFRAG TEG. The Exposure Draft is expected in Q4 2019.

Goodwill and Impairment

- 11 The EFRAG Board decided to consider this project in public meeting, given the significant work undertaken by EFRAG in recent years.
- 12 The EFRAG Board was provided with an update on the development of the IASB's project at its meeting in December 2018 jointly with EFRAG TEG. A Discussion Paper is expected in Q4 2019.

IBOR Reform and its Effects on Financial Reporting

- 13 The EFRAG Board noted the potentially significant impact on financial markets of the regulatory activities reforming the various IBORs currently in use. Although the EFRAG Board originally decided that this project should be considered in a public meeting, the EFRAG Board agreed that in view of the urgency it would approve the draft and final endorsement advices by written procedure.
- 14 The amendments to IFRS 9 *Financial Instruments* and IAS 39 *Financial Instruments: Recognition and Measurement* were issued on 26 September 2019.

Attachment 2: Work plan October 2019 – March 2020

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 (IASB next steps in brackets)	Most recent status	2019			2020			
		Oct 8	Nov 13	Dec 18	Jan 14	Feb 18	Mar 17	
IASB SIGNIFICANT PROJECTS								
Insurance Contracts (ED issued June 2019)	ED DCL July 2019	ED FCL Sept 2019	Consider issues	Project update	Project update	Project update	Project update	Project update
Rate-regulated Activities (ED expected H1 2020)	DP DCL Oct 2014	DP FCL Jan 2015				Project update		
Disclosure initiative – Targeted Standards-level Review of Disclosures (ED expected)								
Dynamic Risk Management (Core model expected Q4 2019)	DP DCL July 2014	DP FCL Oct 2014			Project update			

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Project (IASB next steps in brackets)	Most recent status		2019			2020		
			Oct 8	Nov 13	Dec 18	Jan 14	Feb 18	Mar 17
Financial Instruments with Characteristics of Equity (Decide project direction Q4 2019)	DP DCL Aug 2018	DP FCL Feb 2019						
Goodwill and Impairment (DP expected Q4 2019)					Project update			
IBOR reform and its effects on financial reporting Phase 1 (IFRS expected September 2019)	DEA Sept 20019	ED FCL June 2019	Approve FEA WP					
IBOR reform and its effects on financial reporting Phase 2 (ED expected)								
Primary financial statements (ED expected Q4 2019)					Project update		ED DCL	
2020 Agenda consultation (Request for information expected H2 2020)								
IASB PROJECTS BY WRITTEN PROCEDURE: Implementation								
Accounting policies and accounting estimates (amend IAS 8) (Decide project direction Q4 2019)	ED DCL Sep 2017	ED FCL Jan 2018						

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Project (IASB next steps in brackets)	Most recent status		2019			2020		
			Oct 8	Nov 13	Dec 18	Jan 14	Feb 18	Mar 17
Accounting policy changes (amend IAS 8) (Decide project direction)	ED DCL Apr 2018	ED FCL Aug 2018						
Availability of a refund (amend IFRIC 14) (IFRS amendment expected)	ED DCL July 2015	ED FCL Nov 2015						
Classification of liabilities as current or non-current (amend IAS 1) (IFRS amendment Q4 2019)	ED DCL Mar 2015	ED FCL Jun 2015						
Deferred tax related to assets and liabilities arising from a single transaction (amend IAS 12) (ED issued July 2019)	ED DCL Sept 2019			ED FCL WP				
Disclosure initiative – Accounting policies (ED issued August 2019)			ED DCL WP	ED FCL WP				
Management Commentary Practice Statement (ED expected H2 2020)								
Onerous contracts - Costs of fulfilling a contract (amend IAS 37) (Decide project direction Sept 2019)	ED DCL Jan 2019	ED FCL Apr 2019						

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Project (IASB next steps in brackets)	Most recent status		2019			2020		
			Oct 8	Nov 13	Dec 18	Jan 14	Feb 18	Mar 17
PPE Proceeds before Intended Use (amend IAS 16) (IFRS amendment Q1 2020)	ED DCL July 2017	ED FCL Nov 2017						
Provisions (Review research Q4 2019)								
Subsidiaries that are SMEs (Review research Q4 2019)								
Updating a reference to the Conceptual Framework (amend IFRS 3) (ED expected June 2019)	ED DCL June 2019	ED FCL Sept 2019						
Annual Improvements 2018-2020 Cycle (ED feedback Q4 2019)	ED DCL June 2019	ED FCL August 2019						
<ul style="list-style-type: none"> Fees in the '10 per cent' Test for Derecognition of Financial Liabilities (amend IFRS 9) 								
<ul style="list-style-type: none"> Lease Incentives (amend to illustrative example 13 accompanying IFRS 16) 								

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<ul style="list-style-type: none"> Subsidiary as a First-time Adopter (Amend IFRS 1) 								
<ul style="list-style-type: none"> Taxation in Fair Value Measurements (Amend IAS 41) 								
IASB PROJECTS: Research								
Business Combinations Under Common Control (DP expected H1 2020)								
Extractive activities (Review research Q4 2019)								
Pension Benefits that Depend on Asset Returns (Review research Q4 2019)								
IASB Post-implementation reviews								
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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		Oct 8	Nov 13	Dec 18	Jan 14	Feb 18	Mar 17
EFRAG RESEARCH PROJECTS							
General update				Update			Update
Better Information on Intangible Assets					Consider literature review		
Crypto-assets							
Discounting with Current Interest Rates							
Equity Instruments: Research on Measurement (Comments on questionnaire close 5 July 2019)			Consider results of survey	Consider response to EC	Approve response to EC		
Accounting for Pension Plans with an Asset-return Promise (Comments close 15 Nov 2019)	DP May 2019					Consider feedback statement	
EFRAG Research Variable and Contingent Consideration							