

IASB[®] meeting

Project	Third Agenda Consultation		
Paper topic	Feedback summary—Overview		
CONTACT(S)	Rafal Markowski	rmarkowski@ifrs.org	+44 (0) 207 246 6930
	Rachel Knubley	rknubley@ifrs.org	+44 (0) 207 246 6904

This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (Board) and does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS[®] Standards do not purport to set out acceptable or unacceptable application of IFRS Standards. Technical decisions are made in public and reported in IASB[®] *Update*.

Purpose and structure of this paper

1. This paper:
 - (a) summarises key messages from the feedback received; and
 - (b) provides an overview of the comment letters received, responses to the online survey and other outreach undertaken during the comment period for the Request for Information [Third Agenda Consultation](#) (Request for Information).
2. This paper includes:
 - (a) background (paragraphs 3–6);
 - (b) summary of key messages (paragraphs 7–19(a)); and
 - (c) sources of feedback (paragraphs 21–34).

Background

3. The International Accounting Standards Board (Board) undertakes a public consultation on its activities and its work plan every five years (agenda consultation). The objective of this agenda consultation is to gather views on:
 - (a) the strategic direction and balance of the Board's activities;

- (b) the criteria for assessing the priority of financial reporting issues that could be added to the work plan; and
 - (c) new financial reporting issues that could be given priority in the Board’s work plan.
4. In March 2021, the Board published the Request for Information, which was open for comments for 180 days; the comment period ended on 27 September 2021.
 5. During the comment period, Board members and staff conducted extensive outreach with a broad range of stakeholders across many jurisdictions. In addition, to garner as much feedback as possible on this consultation, the Board provided an online survey option for stakeholders with limited time and resources to submit a traditional comment letter (such as users of financial statements).
 6. The feedback received will help the Board determine its priorities for 2022 to 2026.

Summary of key messages

How we quantified the feedback

7. In this paper and Agenda Papers 24B–24G for this meeting the staff use the following terms to quantify the feedback:

Term	Extent of response among respondents
Almost all	All except a very small minority
Most	A large majority, with more than a few exceptions
Many	A small majority or large minority
Some	A small minority, but more than a few
A few	A very small minority

8. The Board received feedback on all aspects of the agenda consultation. However, respondents did not always comment on all questions in the Request for Information. Consequently, we have used the terms listed in paragraph 7 to describe the proportion

of the respondents that commented on a particular question. This is not necessarily a proportion of all respondents.

9. Paragraphs 11–19(a) provide a summary of key messages received. In that summary and in Agenda Papers 24B–24G for this meeting, the term ‘respondents’ refers to all stakeholders who provided feedback—through comment letters, online survey or during outreach meetings.
10. Throughout Agenda Papers 24B–24G, we have identified areas for which we received different messages from individual stakeholder groups or from specific regions. Where we have not identified particular stakeholder groups or regions, this means we received similar feedback from all respondents.

Strategic direction and balance of the Board’s activities

11. Most respondents commented on the strategic direction and balance of the Board’s activities and supported the Board’s current strategic direction. Many said the current allocation of resources to the Board’s six main activities is about right and suggested only minor modifications to the level of focus on some of the activities.
12. Many respondents said the Board should be flexible to changes in financial reporting priorities and should set aside capacity to respond to emerging issues in a timely manner. At times, this may require reprioritising some of its activities.
13. Many respondents emphasised the increasing importance of sustainability. Of those respondents, almost all commented on a potential interaction and connectivity between the Board, its technical staff and the International Sustainability Standards Board (ISSB). Many of these respondents said the Board should set aside capacity to support that interaction and connectivity, but said it should not affect the Board’s capacity to deliver timely improvements to financial reporting.
14. Some respondents, mainly standard-setters, said partnering with stakeholders from the broad IFRS community could alleviate some of the Board’s capacity constraints.
15. The following table illustrates the Board’s main activities, including the current level of focus and the summary of feedback received.

Activity	Current level of focus ¹	Feedback
New IFRS Standards and major amendments to IFRS Standards	40%–45%	Mixed—decrease or leave unchanged
Maintenance and consistent application of IFRS Standards	15%–20%	Mixed—increase or leave unchanged
The <i>IFRS for SMEs</i> Standard	5%	Leave unchanged
Digital financial reporting	5%	Increase
Understandability and accessibility of the Standards	5%	Increase
Stakeholder engagement	20%–25%	Leave unchanged

Criteria for assessing the priority of financial reporting issues that could be added to the Board’s work plan

16. Most respondents provided feedback on this aspect of the agenda consultation. Almost all agreed with the criteria proposed by the Board. Many said the criteria are well-balanced and adequate. Some respondents said they would like to better understand how the criteria will be applied to individual projects.
17. Some respondents suggested the Board consider additional criteria in deciding whether to add a potential project to its work plan—for example, the consideration of a cost-benefit analysis.
18. Some respondents said some of the proposed criteria are not included in the *Due Process Handbook (Handbook)*. They suggested the proposed criteria be included in the *Handbook* or the Board clarify the link between the proposed criteria and the criteria included in the *Handbook*.

¹ Based on estimates of resource allocation over the last three years.

Priority of financial reporting issues that could be added to the Board's work plan

19. Appendix B of the Request for Information described potential projects that were suggested to the Board during outreach conducted to help prepare the Request for Information. Of the respondents who commented on those potential projects:²
- (a) most respondents rated potential projects on climate-related risks, cryptocurrencies and related transactions, and intangible assets as high priority.
 - (b) many respondents rated potential projects on going concern, pollutant pricing mechanisms, and the statement of cash flows and related matters as high priority.
 - (c) mixed comments were received on potential projects on discontinued operations and disposal groups, discount rates, income taxes, other comprehensive income, and variable and contingent consideration. Some respondents rated these potential projects as high priority, some rated them as medium priority and some rated them as low priority.
 - (d) many respondents rated potential projects on borrowing costs, commodity transactions, employee benefits, expenses—inventory and cost of sales, foreign currencies, government grants, negative interest rates and separate financial statements as low priority.
 - (e) many respondents, other than users, rated potential project on operating segments as low priority.
 - (f) most respondents rated potential projects on inflation and interim financial statements as low priority.
20. Respondents suggested a wide range of other potential projects that the Board should consider adding to its work plan. In all cases, those potential projects were suggested by one or a few respondents.

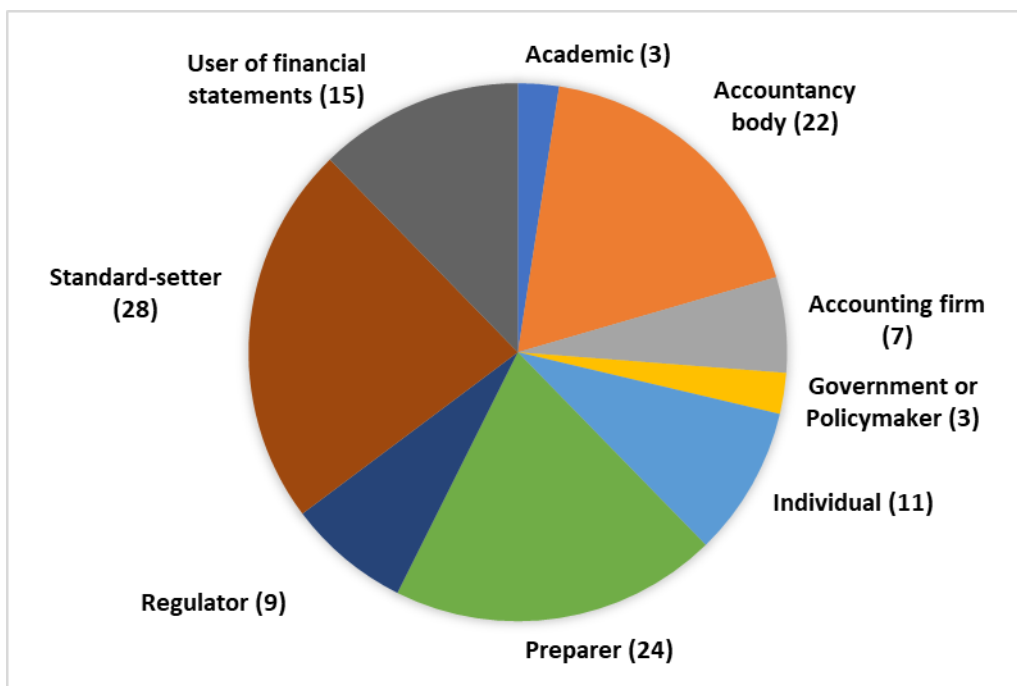
² In paragraphs 19(a)–19(f), the potential projects are listed in alphabetical order.

Sources of feedback

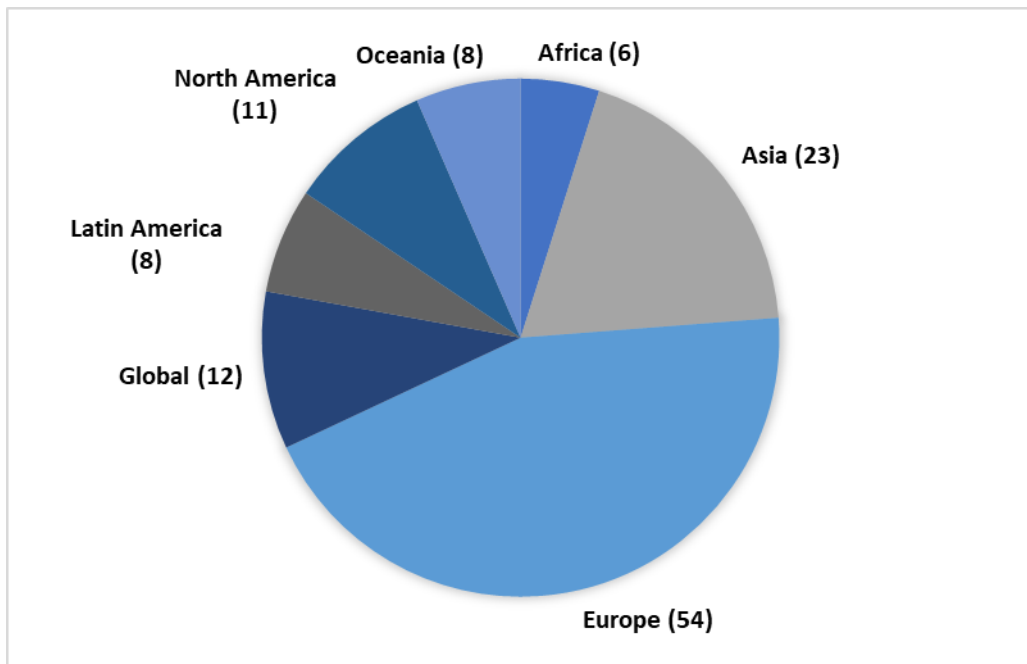
21. The Board received feedback on the agenda consultation from:
- (a) comment letters;
 - (b) responses to the online survey; and
 - (c) outreach.

Comment letters

22. The Board received 122 comment letters on the Request for Information. They are all available on our [website](#).
23. Analysis of comment letters by stakeholder type is as follows:

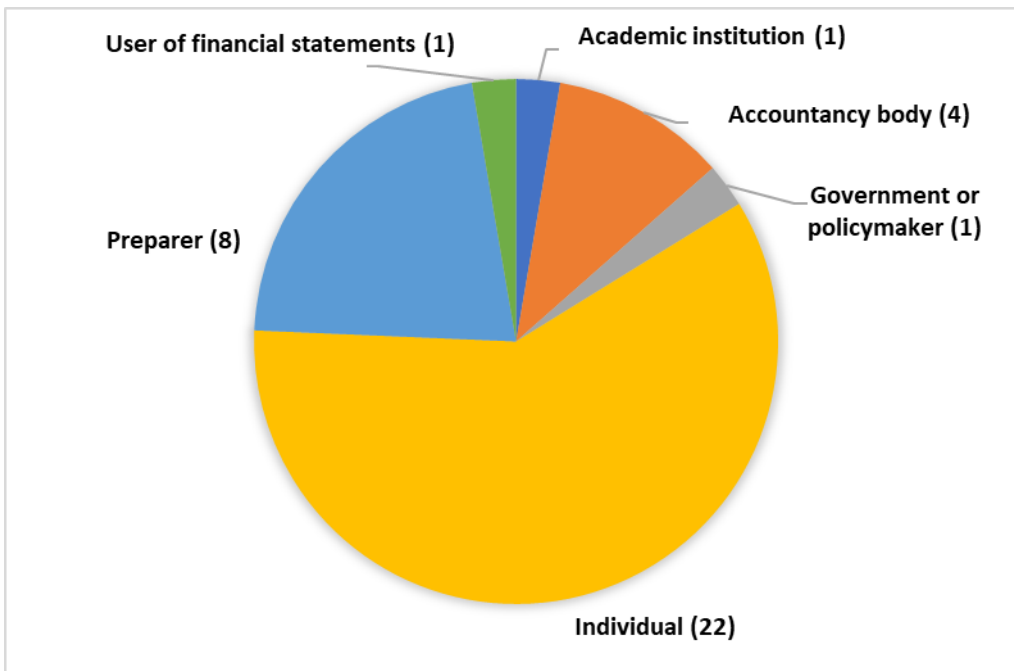


24. Analysis of comment letters by region is as follows:

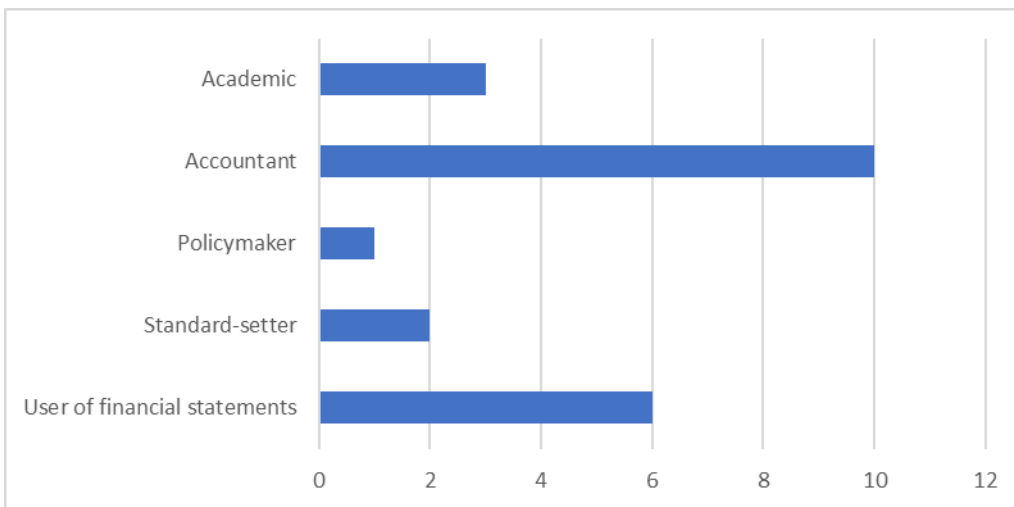


Online survey

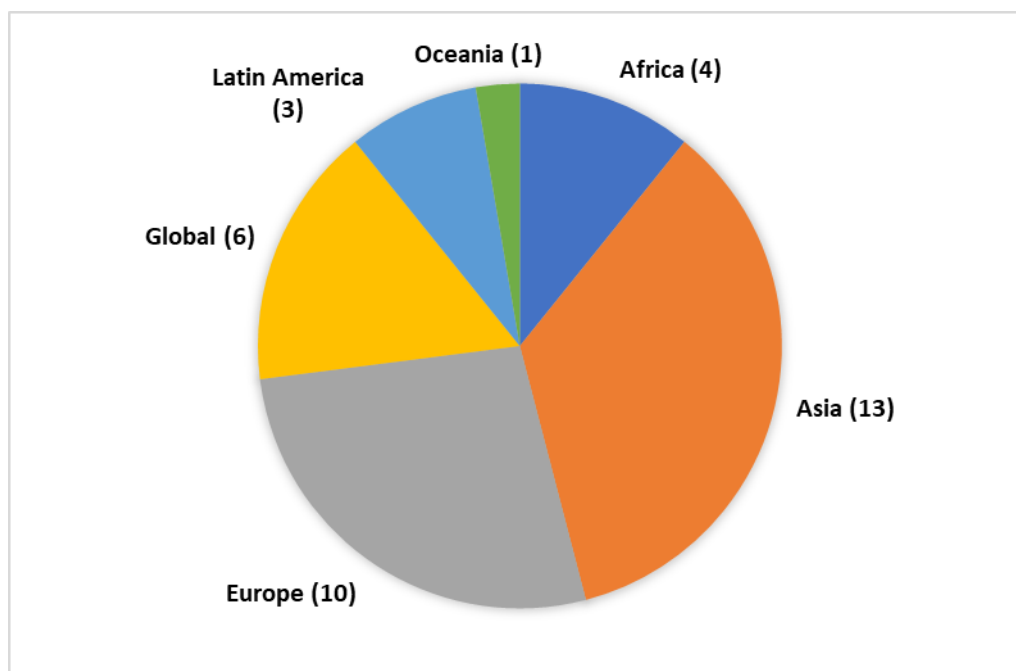
25. When developing the Request for Information the Board recognised that some stakeholders might have had limited time and resources available to develop and submit a traditional comment letter. Consequently, the Board made available an online survey. The online survey contained the same questions as the Request for Information.
26. The Board received 37 responses to the online survey.
27. Analysis of survey responses by stakeholder type is as follows:



28. Analysis of individual survey responses by stakeholder type is as follows:



29. Analysis of survey responses by region is as follows:



Outreach

30. We conducted extensive outreach during the consultation period and met with all major stakeholder groups across all regions. Due to the pandemic, this outreach was conducted online.
31. Overall, in the period between March 2021 and October 2021, Board members and the staff held or participated in 74 events with stakeholders from around 90 jurisdictions. These included:
 - (a) 21 meetings with users and user groups (including some user group meetings convened by national standard-setters);
 - (b) 5 webinars focused on user groups;
 - (c) 19 meetings with national standard-setters;
 - (d) 10 meetings with a mixed audience;
 - (e) 5 meetings and a conference with preparer groups;
 - (f) 7 meetings with accounting firms and accounting bodies;
 - (g) 4 meetings and webinars with academic groups; and
 - (h) 3 meetings with a regulator and regulator groups.

32. We met with the Board’s advisory bodies and standing consultative groups:
- (a) the IFRS Advisory Council;
 - (b) the Emerging Economies Group;
 - (c) the Capital Markets Advisory Committee and the Global Preparers Forum (joint meeting);
 - (d) the Accounting Standards Advisory Forum;
 - (e) the SME Implementation Group; and
 - (f) the IFRS Taxonomy Consultative Group.
33. Additionally, Board members and the staff held two live webinars discussing the Board’s agenda consultation. To reach a wider audience, the Board has also published a webcast in Japanese.
34. The agenda consultation was also discussed at the IFRS Foundation Virtual Conference in June 2021, the joint meeting between the Board and the US Financial Accounting Standards Board (FASB) in July 2021 and the World Standard-setters Conference in September 2021.

Question for the Board

Does the Board have any comments or questions on the feedback discussed in this paper?