

## STAFF PAPER

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## IASB® meeting

Project	IFRS Taxonomy		
Paper topic	IFRS Taxonomy due process		
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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 of this paper**

1. This paper seeks the Board's permission to shorten the comment period for the Proposed IFRS Taxonomy Update for the amendment *Initial Application of IFRS 17 and IFRS 9—Comparative Information*. The paper also discusses timing of approval of the Proposed IFRS Taxonomy Update.
2. This paper includes relevant paragraphs from the Due Process Handbook in Appendix.

**Comment period for the Proposed IFRS Taxonomy Update**

3. The IFRS Taxonomy due process normally requires a 60-day comment period for public consultation on Proposed IFRS Taxonomy Updates. However, it allows the Board to shorten that period to 30 days if the matter is urgent or narrow in scope (see Appendix for relevant extract from the Due Process Handbook).
4. The Board is planning to publish an urgent and narrow-scope amendment *Initial Application of IFRS 17 and IFRS 9—Comparative Information* (Amendment to IFRS 17) in December 2021. Based on the staff proposals in the October Board Meeting paper for Amendment to IFRS 17 *Insurance Contracts*, this amendment is expected to result in one additional IFRS Taxonomy element.

5. The staff recommends a 30-day comment period for the Proposed IFRS Taxonomy Update for *Initial Application of IFRS 17 and IFRS 9—Comparative Information* because:
- (a) a short comment letter period will enable us to publish the final IFRS Taxonomy Update and incorporate the changes in the IFRS Taxonomy 2022—the annual IFRS Taxonomy reflects the IFRS Standards issued as at 1 January of the relevant year, and is scheduled to be issued around March each year; and
  - (b) the changes are narrow in scope—the Proposed IFRS Taxonomy Update will propose only one additional element to the IFRS Taxonomy that would not require extensive consultation.

### **Approval of the Proposed IFRS Taxonomy Update**

6. The IFRS Taxonomy due process normally requires the approval of a Proposed IFRS Taxonomy Update at the same time as the approval of the ballot of the related final IFRS Standard or amendment. The IFRS Taxonomy content will then reflect new or amended IFRS Standards in a timely manner. This ensures that the IFRS Taxonomy is an accurate reflection of the Standards at any moment in time.
7. Based on the staff proposals in the October Board meeting paper for Amendment to IFRS 17 *Insurance Contracts*, we expect to seek approval of the draft Proposed IFRS Taxonomy Update at the same time as the approval of the ballot of the IFRS amendment. We also expect to publish the Proposed IFRS Taxonomy Update at the same time as the issue of the amendment.
8. However, if the Board decided to make any change in the disclosure requirement in the IFRS amendment, we will seek your approval of the draft Proposed IFRS Taxonomy Update after the approval of the ballot of the IFRS amendment.
9. The Due Process allows the Board to delay the approval of the Proposed IFRS Taxonomy Update for a later time if it risks delaying the publication of the IFRS Standard.

10. In case of delay in approval, we would aim to publish the Proposed IFRS Taxonomy Update shortly after the issue of the amendment.

#### Questions

1. Does the Board agree with the staff recommendation to shorten the comment period to 30 days for the Proposed IFRS Taxonomy Update *Initial Application of IFRS 17 and IFRS 9—Comparative Information*?
2. Does the Board have any questions or comments about the timing of the approval of the Proposed IFRS Taxonomy Update *Initial Application of IFRS 17 and IFRS 9—Comparative Information*?

## Appendix—Relevant paragraph from the Due Process Handbook

### A1. Paragraph A41 states that:

Proposed IFRS Taxonomy Update documents and, when prepared, Proposed IFRS Taxonomy Files are the subject of public consultation. The comment period will normally be at least 60 days. The comment period can be reduced, but not to less than 30 days, if the matter is urgent or narrow in scope:

- (a) for a proposed change that is narrow in scope, a reduced comment period does not need approval from the DPOC. For proposed content changes the Board or when appropriate the IFRS Taxonomy Review Panel can consider a comment period of no less than 30 days. (...)
- (b) for a proposed change that is not narrow in scope but urgent, a reduced comment period needs approval from the DPOC.

### A2. Paragraph A29 states that:

The Board approval of the proposed IFRS Taxonomy update normally takes place concurrently with the approval of the ballot of the related final IFRS Standard. The Board may decide that the approval of the proposed IFRS Taxonomy update should take place at a later time if:

- (a) its concurrent publication with the related Standard risks delaying the publication of the Standard; or
- (b) the proposed amendments to the IFRS Taxonomy are sufficiently narrow in scope and consequently can be combined with future proposed amendments into one proposed IFRS Taxonomy update.

### A3. Paragraph A42 states that:

In the case of a taxonomy update reflecting a new or amended IFRS Standard, the proposed IFRS Taxonomy update is released at the same time or shortly after the final Standard is published, except as described in paragraph A29.