
IASB[®] meeting

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| Date | March 2024 |
| Project | Post-implementation Review of IFRS 9—Impairment |
| Topic | Cover note |
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (IASB). This paper does not represent the views of the IASB or any individual IASB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS[®] Accounting Standards. The IASB's technical decisions are made in public and are reported in the IASB[®] *Update*.

Overview of the session

1. The IASB is continuing its deliberations of the feedback to the [Request for Information Post-implementation Review of IFRS 9—Impairment](#) (the RFI).
2. At this meeting, the IASB will discuss Agenda Paper 27A which sets out the feedback analysis on the main requirements in IFRS 9 for measuring ECL—specifically, incorporation of forward-looking scenarios; use of post-model adjustments or management overlays; and some application questions related to measuring ECL.
3. The feedback on measuring ECL for loan commitments and the effect of credit enhancements such as financial guarantee contracts in the measurement of ECL will be discussed at a future IASB meeting.
4. In Agenda Paper 27A, we use the following terms to broadly indicate the portion of respondents that reported a particular view:
 - (a) almost all—all except a very small minority;
 - (b) most—large majority, with more than a few exceptions;
 - (c) many—small majority or large minority;
 - (d) some—small minority, but more than a few; and
 - (e) a few—a very small minority.

PIR framework

5. The description of [IASB post-implementation reviews](#) sets out a framework for deciding whether and when to take further action in response to the feedback on a post-implementation review (PIR). That framework specifies that:
- (a) the IASB assesses whether the findings from the PIR provide evidence that:
 - (i) there are fundamental questions about the clarity and suitability of the new requirements; or
 - (ii) the benefits to users of financial statements of the information arising from applying the requirements are significantly lower than expected (for example, there is significant diversity in application); or
 - (iii) the costs of applying the new requirements and auditing and enforcing their application are significantly greater than expected.
 - (b) if the findings provide evidence that any of the characteristics described in (a) are present, the IASB determines the prioritisation of the matter as high, medium or low based on the extent to which evidence indicates:
 - (i) the matter has substantial consequences;
 - (ii) the matter is pervasive;
 - (iii) the matter can be addressed by the IASB or the IFRS Interpretations Committee; and
 - (iv) the benefits of an action are expected to outweigh the costs. To determine this, the IASB considers the extent of disruption and operational costs from change and importance of the matter to users.
6. We have considered this framework in developing the staff recommendations in Agenda Paper 27A of this meeting.

Project plan and next steps

| Topics for discussion | Timing 2024 ¹ | IASB tentative decisions |
|---|--------------------------|--|
| 1. General approach to recognition of ECL | February | No standard-setting action |
| 2. Significant increases in credit risk | February | No standard-setting action |
| 3. Measuring ECL | | |
| a. General | March | To be discussed at this meeting |
| b. Loan commitments and financial guarantee contracts | April | |
| 4. Purchased or originated credit-impaired financial assets | April | |
| 5. Interaction between impairment requirements in IFRS 9 and other IFRS Accounting requirements | April | |
| 6. Credit risk disclosures | Q2 | |
| 7. Other matters | Q2 | |

We plan to finalise the staff analysis and recommendations on this PIR by the second quarter of 2024. The IASB will then publish a project report and feedback statement.

¹ The timing of future papers on specific topics may change depending on the staff's further analysis of the feedback.