

Meeting: International Public Sector Accounting
Standards Board

Meeting Location: Washington, D.C, USA

Meeting Date: March 14—17, 2023

Agenda Item 3

For:

☐ Approval

☒ Discussion

☐ Information

PROGRAM AND TECHNICAL DIRECTOR'S REPORT

Project summary	The purpose of this session is to receive updates on changes to the work program and approve those changes.	
Meeting objectives Project management	Topic	Agenda Item
	Instructions up to Previous Meeting	3.1.1
	Decisions up to Previous Meeting	3.1.2
Decisions required at this meeting	Program Management—IPSASB Work Program Update	3.2.1
Other supporting items	IPSASB Work Program: March 2023	3.3.1
	Summary of 2023 Meeting Dates	3.3.2

INSTRUCTIONS UP TO DECEMBER 2022

Meeting	Instruction	Actioned
December 2022	1. No unresolved instructions at the end of December 2022.	1. N/A

DECISIONS UP TO DECEMBER 2022

Meeting	Decision	BC Reference
December 2022		1. N/A

Program Management—IPSASB Work Program Update

Purpose

1. To obtain IPSASB agreement on the identified program management items outlined in the report.

Recommendation

2. Staff recommends that the IPSASB:
 - (a) Note the work program related updates and information highlighted in paragraphs 6–9;
 - (b) Agree to review the work program during the Friday March 17th Board session based on progress at the meeting; and
 - (c) Note the activities and information highlighted in paragraphs 10–16.

Background

3. All updates following the December 2022 meeting are reflected in [Agenda Item 2.3.1](#).
4. During the March 17th Board session, a work program update will be provided to the IPSASB, reflecting on progress during the meeting.
5. The analysis below highlights a number of key items relevant to program management and work program delivery for IPSASB consideration and information.

Analysis

March 2023 Approvals

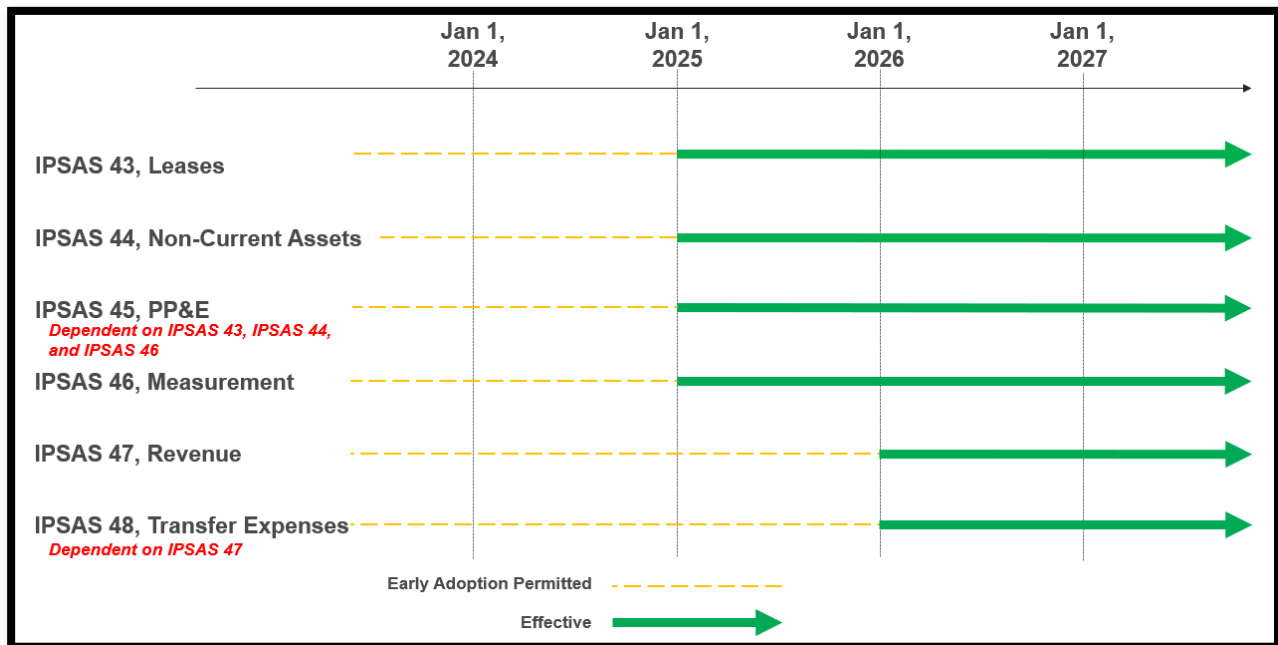
6. During the March 2023 meeting, the IPSASB will be asked to approve five final pronouncements. The process to get these items ready for approval, commenced in H2 2022. For the major items up for approval all significant issues and comments from exposure have been fully considered and debated by the IPSASB in advance of the March 2023 meeting. An overview of the approval items follows:
 - (a) [draft] IPSAS 46, *Measurement*:
 - (i) All substantive comments to ED 77 have been considered;
 - (ii) All issues of principle have been agreed by the IPSASB and resulting drafting reviewed;
 - (iii) All changes since the February 2023 check-in are editorial in nature and have been shown for information in a tracked changes version;
 - (iv) The IPSASB will vote on approval of the final pronouncement; and
 - (v) An editorial group will be established to review final edits following the March 2023 approval.
 - (b) [draft] IPSAS 47, *Revenue*
 - (i) All substantive comments to ED 70 and ED 71 have been considered;
 - (ii) All issues of principle have been agreed by IPSASB and resulting drafting reviewed;
 - (iii) All changes since the February 2023 check-in are editorial in nature;

- (iv) The IPSASB will finalize the pronouncement and vote on its approval;
 - (v) The IPSASB will consider the need for re-exposure – based on a detailed analysis provided in Agenda Item 8; and
 - (vi) An editorial group will be established to review final edits following the March 2023 approval.
- (c) [draft] IPSAS 48, *Transfer Expenses*
- (i) All substantive comments to ED 72 have been considered;
 - (ii) All issues of principle have been agreed by the IPSASB and resulting drafting reviewed;
 - (iii) All changes since the February 2023 check-in are editorial in nature;
 - (iv) The IPSASB will finalize the pronouncement and vote on its approval;
 - (v) The IPSASB will consider the need for re-exposure – based on a detailed analysis provided in Agenda Item 7; and
 - (vi) An editorial group will be established to review final edits following the March 2023 approval.
- (d) [draft] Conceptual Framework Update–*Chapter 5, Elements in Financial Statements*
- (i) All substantive ED 81 comments related to *Chapter 5, Elements in Financial Statements* have been considered;
 - (ii) All issues of principle have been agreed by the IPSASB and resulting drafting reviewed;
 - (iii) All changes since the February 2023 check-in are editorial in nature;
 - (iv) The IPSASB will finalize the pronouncement and vote on its approval; and
 - (v) An editorial group will be established to review final edits following the March 2023 approval.
- (e) [draft] Amendments to Recommended Practice Guidelines–*Reporting Sustainability Program Information–RPGs 1 and 3: Additional Non-Authoritative Guidance*
- (i) The IPSASB will review the ED 83 feedback at the March 2023 meeting. It is proposed that the IPSASB will vote to approve the additional non-authoritative guidance proposed in ED 83 after a first review of responses during the same meeting. This is on the basis that this is a limited scope project to add non-authoritative guidance to RPG 1 and RPG 3. As noted in Agenda Item 9, there were no substantive comments received on the proposed additional;
 - (ii) The IPSASB will agree final amendments and drafting to the additional non-authoritative guidance to RPG 1 and RPG 3;
 - (iii) The IPSASB will finalize the pronouncement and vote on its approval; and
 - (iv) An editorial group will be established to review final edits following the March 2023 approval.

Agenda Item 3.2.1

7. At the February 2023 Check-In, the IPSASB discussed the effective dates across several projects. The IPSASB considered staff's analysis of interdependencies of projects, staggering of effective dates, resource requirements to implement the pronouncement, and the minimum period until a pronouncement should become effective. The IPSASB highlighted IPSAS 45—IPSAS 48 have been in development for an extended period of time and noted this as a key public interest factor to take into account when setting the effective dates, strongly noting an ongoing need from stakeholders for these new pieces of guidance to be finalized and become effective. Based on the IPSASB input from the February 2022 meeting, staff:
- (a) Propose effective dates of January 1, 2025 for IPSAS 45 and IPSAS 46; and
 - (b) Propose effective dates of January 1, 2026 for IPSAS 47 and IPSAS 48, pending discussion and a potential IPSASB vote(s) on whether to re-expose either or both of these new standards.

Table 1: New Guidance – Visual of Proposed Effective Dates



Program Management

8. The IPSASB work program has been updated following the December 2022 meeting. In reviewing the March 2023 approvals and how to continue to manage projects and move items forward effectively, some amendments to the work program have been made, as follows:
 - (a) Conceptual Framework Update. The limited scope update project related to ED 81 has been split into two parts. This change is to make it easier for the Board and for project management purposes, by approving changes by each chapter. This also helps ensure that the updates to the Conceptual Framework relevant for the Revenue and Transfer Expenses projects are approved together with those standards in March 2023. Therefore, the work program has been updated to show separately a project on Chapter 5-Elements in Financial Statements, which is up for final approval in March 2023, and a project on Chapter 3-Qualitative Characteristics which is up for approval in June 2023. These adjustments are reflected on the work program.
 - (b) Reporting Sustainability Program Information. The approval of the non-authoritative amendments RPG 1 and 3 was originally planned for June 2023. After review of the responses received, and the strong support for the proposed non-authoritative amendments, it was decided that a March 2023 approval was feasible and appropriate. This adjustment is reflected on the work program.
 - (c) Improvements. Originally an ED on improvements to IPSAS was planned for March 2023. However, because of the small number of improvements to consider and the lack of availability of agenda time in March 2023, it was determined that the improvements ED review and approval should be put back to June 2023. This adjustment is reflected on the work program.
9. IPSASB staff highlight that progress at the March 2023 meeting will determine the resources available to continue work on other technical projects, including the new major projects related to Differential Reporting, Presentation of Financial Statements, and the new initiative Advancing Public Sector Sustainability Reporting. The work program will be updated following the March 2023 meeting to reflect the progress made across the projects, and as work progresses in Q2 2023 on the new projects and initiatives on the work program and their respective projects plans are further developed.

Sustainability

10. The IPSASB chair, staff, members and technical advisors continue to engage in outreach with a range of stakeholders related to the important ongoing sustainability initiative, as noted in Agenda Item 1.8—IPSASB Representation Liaison Activities. These activities have become increasingly important as a number of new stakeholders begin to take interest in and engage in the IPSASB's work.
11. IPSASB updates related to sustainability are available on the IPSASB [sustainability reporting webpage](#), including links to the IPSASB CP, [Advancing Public Sector Sustainability Reporting](#). This webpage includes useful sustainability related information and updates.
12. During the March 2023 IPSASB meeting a senior member of the GRI technical staff will observe a portion of the meeting. As part of the process to build the Board's sustainability knowledge, the GRI staff member will provide a presentation on GRI standards and guidance and the standard development processes. Members are encouraged to ask questions and make the session interactive. The session is open to all members, technical advisors, observers and staff and will take place on Tuesday March 14th during the collaborative time from 3:20pm–5:00pm.

Task Forces

13. With several significant projects in the initial scoping and research phases, and other projects coming back from consultation, there is a need to re-establish several Task Forces in Q2 2023. IPSASB senior staff, in consultation with the IPSASB Chair and the respective Task Force Chairs will work to establish and commence the work of these groups during Q2 2023. The following projects will have task forces established or re-established:
 - (a) Natural Resources;
 - (b) Differential Reporting;
 - (c) Presentation of Financial Statements; and
 - (d) Measurement – Phase II¹.
14. Members and Technical Advisors with specific skills and experience relevant to the above projects who are interested in supporting a Task Force are asked to make their interest known by emailing the Program and Technical Director, Ross Smith and the IPSASB Director, Dave Warren. Please ensure to note in the email the project you are interested in, along with details of your experience relevant to the topic by the end of the March 2023 meeting. Please note that joining a Task Force requires additional time to attend virtual calls, and prepare and contribute to these meetings. Task Force members are expected to make their best efforts to attend and contribute their knowledge/skills and expertise to each discussion.
15. The project support arrangements for other pre-committed projects will be determined as decisions on next steps are taken.

Remaining COVID-19 Impacts

16. COVID continues to impact the operations of the IPSASB. Positively, it is expected that for the first time since the pandemic all 18 IPSASB members are registered to attend the meeting in-person. Even with full in-person attendance, IPSASB staff plan to continue to make a virtual attendance option available for each quarterly meeting in 2023 and will continue to stream meetings on YouTube. Further, the IPSASB will continue hold virtual meetings for the quarterly 3-hour check-in sessions, when those sessions are needed to advance key items on the IPSASB's work program².

Decision Required

17. Does the IPSASB agree with the Staff recommendations in [paragraph 2](#)?

¹ The Measurement- Phase II project will include the limited scope projects on IPSAS 31, *Intangibles* and IPSAS 21, *Impairment of Non-Cash Generating Assets*.

² When virtual check-in meeting sessions are not needed to keep key items on the work program progressing, they will be cancelled.

IPSASB Work Program: March 2023

IPSASB WORK PROGRAM THRU 2024: MARCH 2023

Project	Meetings							
	Mar 2023	Jun 2023 (CAG)	Sep 2023	Dec 2023 (CAG)	Mar 2024	Jun 2024 (CAG)	Sep 2024	Dec 2024 (CAG)
I. Current Projects								
Revenue¹	[IP]			RR/IP				
Transfer Expenses¹	[IP]			RR/IP				
Conceptual Framework Update—Chapter 5, Elements in Financial Statements	CF							
Conceptual Framework Update—Chapter 3, Qualitative Characteristics	DI	CF						
Measurement—Phase One	IP							
Measurement—Phase Two: Application of Current Operational Value		DI	DI	ED			RR/DI	IP
Other Lease-Type Arrangements [Public sector specific]		RR/DI CAG	RR/DI	RR/IP	IP			
Natural Resources	RR/DI	RR/DI CAG	RR/ED	ED			RR/DI	RR/DI
Retirement Benefit Plans	RR/DI	RR/IP CAG	IP					
Improvements		ED		IP	ED		IP	
Strategy and Work Program 2024—2028	DI	DI/CP	CP			RR/DI CAG	SWP	
Advancing Public Sector Sustainability Reporting	RS	RS						
IPSASB Handbook		Publish			Publish			
II. New 2022 Projects²								
Reporting Sustainability Program Information (Theme C)	RR/DI/RP							
Presentation of Financial Statements	RS	RS						
Differential Reporting	RS	RS						

¹ Due process requires the IPSASB to consider the need for re-exposure after it approves a new standard. Because of changes since the Revenue and Transfer Expense exposure drafts, there is potential that IPSASB may vote to re-expose one or both of the final new pronouncements, and the work program indicates the impact of re-exposure.

² The IPSASB also added four limited-scope projects to its 2023 work program as pre-commitments with project work to commence as resources become available from 2023 onwards. The limited scope projects are: IPSAS 21, *Impairment of Non-Cash Generating Assets*; IPSAS 31, *Intangible Assets*; IPSAS 33, *First-Time Adoption of Accrual Basis IPSASs*; and Practice Statement: *Making Materiality Judgements*.

Legend:

DI = Discussion of Issues; RR = Review Responses; CAG = Discussion of Issue with CAG

PB = Approval of Project Brief

CP = Approval of Consultation Paper

ED = Approval of Exposure Draft

IP = Approval of Final Standard or Amendments to IPSAS

CF = Approval of Amendments to Conceptual Framework

RP = Approval of Final Recommended Practice Guidance

RWP = Approval of Revised Work Program

ST = Approval of Strategy and Work Program

= Planned Consultation Period

RS = Initial Project Research and Scoping Activities

Project Management—Outputs:Upcoming Approvals:

[draft] IPSAS 46, *Measurement*

[draft] IPSAS 47, *Revenue*

[draft] IPSAS 48, *Transfer Expenses*

[draft] Conceptual Framework Update—*Chapter 5, Elements in Financial Statements*

[draft] Amendments to Recommended Practice Guidelines—*Reporting Sustainability Program Information—RPGs 1 and 3: Additional Non-Authoritative Guidance*

Exposure Drafts:

ED 84, *Concessionary Leases and Right-of-Use Assets In-kind* (Amendments to IPSAS 43 and IPSAS 23)

March 2023

PROJECTS COMPLETED AND/OR PUBLISHED DURING 2019-2023 STRATEGY AND WORK PROGRAM PERIOD

Project	Date Issued
IPSAS 45, <i>Property, Plant, and Equipment</i> ³	Expected publication—April/May 2023
Conceptual Framework Update— <i>Chapter 7, Measurement of Assets and Liabilities in Financial Statements</i>	Expected publication—April/May April 2023*
IPSAS 44, <i>Non-current Assets Held for Sale and Discontinued Operations</i>	May 2022
IPSAS 43, <i>Leases</i>	January 2022
<i>Improvements to IPSAS, 2021</i>	January 2022
<i>Amendments to IPSAS 5, Borrowing Costs—Non-Authoritative Guidance</i>	November 2021
<i>Non-Authoritative Amendments to IPSAS 41, Financial Instruments</i>	December 2020
<i>COVID-19: Deferral of Effective Dates</i>	November 2020
<i>Collective and Individual Services, (Amendments to IPSAS 19)</i>	January 2020
<i>Improvements to IPSAS, 2019</i>	January 2020
IPSAS 42, <i>Social Benefits</i>	January 2019
<i>Amendments to IPSAS 36, Investments in Associates and Joint Ventures, and IPSAS 41, Financial Instruments</i>	January 2019

³ IPSAS 45, *Property, Plant, and Equipment* will be published as a package with the measurement related project outputs. These outputs are expected to be published in Q2 2023.

Status of Application of Due Process – March 2023

APPENDIX A

PROJECT	DUE PROCESS ELEMENTS (✓= ELEMENT COMPLETE)						ANTICIPATED FINAL APPROVAL
	A. PROJECT COMMENCEMENT	B. DEVELOPMENT OF STANDARD		C. PUBLIC EXPOSURE	D. EXPOSURE COMMENTS CONSIDERED	E. APPROVAL	
		CP PHASE (IF APPLICABLE)	ED PHASE				
Revenue	✓	✓	✓	✓	✓	ONGOING	March 2023
Transfer Expenses	✓	✓	✓	✓	✓	ONGOING	March 2023
Conceptual Framework Update—Chapter 7, Measurement of Assets and Liabilities in Financial Statements	✓	N/A	✓	✓	✓	✓	December 2022
Conceptual Framework Update—Chapter 5, Elements in Financial Statements	✓	N/A	✓	✓	✓	ONGOING	March 2023
Conceptual Framework Update—Chapter 3, Qualitative Characteristics	✓	N/A	✓	✓	ONGOING		June 2023
Measurement	✓	✓	✓	✓	✓	ONGOING	March 2023
Property, Plant, and Equipment Update - Infrastructure Assets	✓	N/A	✓	✓	✓	✓	December 2022
Property, Plant, and Equipment Update - Heritage Assets	✓	✓	✓	✓	✓	✓	December 2022
Other Lease-type arrangements [Public sector specific]	✓	N/A	✓	ED Published in January 2023			March 2024

Status of Application of Due Process – March 2023

APPENDIX A

PROJECT	DUE PROCESS ELEMENTS (✓= ELEMENT COMPLETE)						ANTICIPATED FINAL APPROVAL
	A. PROJECT COMMENCEMENT	B. DEVELOPMENT OF STANDARD		C. PUBLIC EXPOSURE	D. EXPOSURE COMMENTS CONSIDERED	E. APPROVAL	
		CP PHASE (IF APPLICABLE)	ED PHASE				
Natural Resources	✓	✓	ONGOING				December 2024 or later
Retirement Benefit Plans	✓	N/A	✓	✓	ONGOING		September 2023
Presentation of Financial Statements	ONGOING						To be decided in 2023
Differential Reporting	ONGOING						To be decided in 2023
Advancing Public Sector Sustainability	ONGOING						To be decided in 2023

N/A – Consultation Paper (CP) phase is not a required due process element, IPSASB determines on a project-by-project basis whether a CP is needed.

Overview of Due Process steps:

A. Project Commencement—due process step complete when project proposal (project brief) approved.

B. Development of Standard—due process step complete when exposure draft approved for public exposure.

C. Public Exposure—due process step complete when exposure draft comment period ends and comments received publicly posted on IPSASB website.

D. Consideration of Exposure Comments—due process step complete when significant issues raised on exposure have been deliberated by IPSASB.

E. Approval—due process step complete after board approval of final standard, considered the need for re-exposure, agreed the basis for conclusions and set an effective date for the standard.

Summary of 2023 Meeting Dates

1. The below table summarizes the remaining IPSASB quarterly and check-in meetings for 2023.

Table 1— IPSASB 2023 Meeting Dates

March 2023 <i>Washington D.C. – Hosted by International Monetary Fund</i> IPSASB Meeting: March 14-17, 2023: (Hybrid in-person/virtual) <i>Please note that the IPSASB is planning an outreach event with the IMF on Monday March 13, 2023.</i>
June 2023 <i>Toronto, Canada (Hybrid in-person/virtual) – CPA Canada</i> CAG Meeting – June 12, 2023 (Hybrid in-person/virtual) IPSASB Meeting – June 13-16, 2023 (Hybrid in-person/virtual)
September 2023 <i>Zurich, Switzerland (Hybrid in-person/virtual) – Hosted by The Canton of Zurich</i> IPSASB Meeting – September 12–15, 2023 (Hybrid in-person/virtual)
December 2023 <i>Toronto, Canada (Hybrid in-person/virtual) – CPA Canada</i> CAG Meeting – December 4, 2023 (Hybrid in-person/virtual) IPSASB Meeting – December 5-8, 2023 (Hybrid in-person/virtual)

Table 4—IPSASB 2023 Virtual Check-In Meetings

April 27, 2023
July 27, 2023
October 26, 2023