Agenda Item 8: Infrastructure

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IPSASB Meeting
Toronto, Canada
June 18–21, 2019
Project added to the IPSASB Work Plan in June 2015 following responses to IPSASB’s Strategy Consultation (March 2014)

- Within scope of IPSAS 17, Property Plant & Equipment
- Revised Project Brief reviewed by:
  - IPSASB – September 2017
  - CAG – December 2017
Main Areas Identified in Project Brief

**Definition:**
- Not defined
- Are the characteristics in IPSAS 17 still appropriate?

**Control:**
- Difficulty in determining control – easements, across jurisdictions

**Recognition:**
- Distinguishing between capital and maintenance expenditure

**Measurement – Initial vs Subsequent:**
- Initial measurement when historical cost is not available
- Concepts of ‘replacement cost’ and ‘optimized replacement cost’
- Measuring remaining service potential
Main Areas Identified in Project Brief continued

Depreciation:
- Same requirements as other assets?
- Aligned with management policies?

Componentization
- Disaggregation of network parts with different useful lives, replacement costs
- What constitutes a component?
- How much disaggregation?

Disclosures
- IPSAS 17 insufficient for infrastructure assets
- For accountability need disclosures on condition assessments, maintenance backlogs
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Next Steps until September 2019 IPSASB meeting

Teleconference Call #1  
(July 2019)  
• Meet members  
• Project Background  
• Discuss Issues

Teleconference Call #2  
(August 2019)  
• Prioritize issues  
• Scope  
• Characteristics of Infrastructure  
• Definition

Teleconference Call #3  
(September 2019)  
• Control  
• Recognition
Any Questions?

Other issues not mentioned?