

Meeting: International Public Sector Accounting Standards Board

Meeting Location: New York, USA

Meeting Date: June 21–24, 2022

Agenda Item 2

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	2.1.1
	Decisions up to Previous Meeting	2.1.2
Decisions required at this meeting	Program Management—IPSASB Work Program Update	2.2.1
Other supporting items	IPSASB Work Program: June 2022	2.3.1
	Summary of 2022 Remaining Planned Meeting Dates	2.3.2

INSTRUCTIONS UP TO MARCH 2022

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

DECISIONS UP TO MARCH 2022

Meeting	Decision	BC Reference
March 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 update related to work program developments highlighted in paragraphs 6–13
 - (b) Agree to review the work program during the June 24th Board session based on progress at the meeting; and
 - (c) Note the activities and information highlighted in paragraphs 14–19.

Background

3. All updates following the March 2022 meeting are reflected in [Agenda Item 2.3.1](#).
4. During the June 24, 2022 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

Ongoing COVID-19 Impacts

6. Unfortunately, COVID continues to persist and impact the operations of the IPSASB. Positively, the IPSASB started to transition back to normal operations with its first hybrid meeting in the IFAC NY offices in March 2022. The June 2022 IPSASB and CAG meetings in the IFAC NY offices continue this shift back to providing an in-person option for quarterly meetings.
7. The current plan for the remainder of the IPSASB 2022 meetings follows:
 - (a) The September 2022 meeting is planned to be hosted in Portugal (followed by the 4th International Public Sector Standards Setters Forum in Cascais, Portugal September 18-19, 2022). See further details on the Forum below in paragraph 17.
 - (b) The December 2022 meeting is planned to occur at the CPA Canada meeting space in Toronto, should this be open for meetings.
8. IPSASB staff are working to ensure that a virtual attendance option is available for each of the remaining 2022 quarterly meeting (September and December). However, the in-person attendance for both of these meetings will not be in the updated IFAC meeting space, which has been optimized for virtual meetings. Therefore, there is a risk that the quality of the virtual meeting experience might be lower when hybrid meetings take place outside of the IFAC meeting space. However, IPSASB staff are working and planning meticulously to ensure each meeting runs smoothly and that in-person and virtual attendees experiences are maximized.
9. Planning and operating in-person meetings with a virtual attendance option is complicated in terms of planning agendas, timings for discussions, and ensuring adequate technology to support such meetings. There are likely to be some challenges encountered during this transition period, however,

members should feel assured that staff are meticulously planning and organizing each meeting to try and ensure the smoothest meeting experience possible whether in-person or virtual. Thank you in advance for your patience and support.

Program Management

10. The IPSASB work program has been updated following the March 2022 meeting for the following:
 - (a) Changes to reflect the approvals of:
 - (i) [IPSAS 44, Non-current Assets Held for Sale and Discontinued Operations](#)
 - (ii) [Consultation Paper, Natural Resources](#)
 - (iii) [Consultation Paper, Advancing Public Sector Sustainability Reporting](#)
 - (iv) [Mid-Period Work Program Consultation Summary](#)
 - (b) The PDF version of the IPSASB 2022 Handbook of International Public Sector Accounting Pronouncements was published in May 2022, and is now available to access and download here: <https://www.ipsasb.org/publications/2022-handbook-international-public-sector-accounting-pronouncements>.

Key Items on Current Agenda (June 2022 Meeting)

11. Although, there are no items up for approval at the June 2022 meeting. Several key projects are at critical points in their development. Staff have been working hard with the various Task Forces and/or Board Member Sponsors to develop papers on several of the key issues that require IPSASB decisions to progress project development. It will be key to sustain momentum that the IPSASB take decisions and provide clear instructions on the particular questions posed in the staff papers on key issues. This is highlighted to emphasize the importance of providing feedback to the questions and recommendations proposed in each paper to ensure work program timelines can be achieved.

New Work Program Initiatives

12. **New 2022 Projects.** In March 2022 the IPSASB agreed start work during 2022 on three new projects on the work program as resources become available. Below is a short update on each of these projects and the planned commencement of work:
 - (a) **Reporting Sustainability Program Information.** Staff and the IPSASB Chair are working with OECD staff to set determine how best to undertake this narrow scope project to add additional non-authoritative guidance to RPG 3, *Reporting Service Performance Information* and RPG 1, *Reporting on the Long-Term Sustainability of an Entity's Finances*. This additional non-authoritative guidance is intended to help in applying the existing reporting models in RPG 3 and RPG 1 in implementing the green budgeting principles being developed by the OECD Paris Collaborative on Green Budgeting, so that the broader financial information can be used for both financial reporting and budget purposes. Further information and potential timelines for this project will be shared with IPSASB at the September 2022 meeting.
 - (b) **Presentation of Financial Statements and Differential Reporting.** Both projects will form an important part of the 4th Public Sector Standard Setters Forum. The plan is to include break-out sessions to allow in-depth discussions, hearing from jurisdictions on their approaches to

these topics in the public sector, to inform ideas on how these projects are taken forward and areas for further research needed to inform the development of the respective project briefs.

13. **Pre-Commitments as Resources Become Available in 2023 and onwards.** As the IPSASB completes a number of major projects on its work program in late 2022 and 2023, board and staff resources will become available to undertake the new projects noted above, and a number of limited scope pieces of work added as pre-commitments for the IPSASB to take forward in 2023 and onwards. Those specific limited scope projects are:
- (a) IPSAS 21, *Impairment of Non-Cash Generating Assets*;
 - (b) IPSAS 31, *Intangible Assets*;
 - (c) IPSAS 33, *First-Time Adoption of Accrual Basis IPSASs*; and
 - (d) Practice Statement, *Making Materiality Judgements*.

Sustainability

14. The International Sustainability Standards Board (ISSB) continues to be established and make progress in taking forward its work. At the end of March 2022 the ISSB issued its first two Exposure Drafts (ED):
- (a) [Exposure Draft IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information](#); and
 - (b) [Exposure Draft IFRS S2 Climate-related Disclosures](#).

Both of the ISSB EDs have comment periods until July 29, 2022.

15. 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.

Theme D and E – Initiatives

16. In addition to the resources put into project work, IPSASB staff and board members engage in the work of others related to a number of initiatives that support the IPSASB strategic Themes D¹ and E², including:

¹ *IPSASB Strategic Theme D: Promoting IPSAS Adoption and Implementation*, relates promotion and encouragement of the adoption and implementation of IPSAS being in the public interest because it better public sector financial reporting enables greater transparency of public sector resources and accountability for their use by decision makers, as well accrual financial information can be used to inform better decision making.

² *IPSASB Strategic Theme E: Advocating the Benefits of Accrual in Strengthening PFM*, reflects the IPSASB's view that the use of accrual information provides the foundation for strong PFM. Accrual based information should be use for as many purposes as possible, not just financial reporting (for example, it can be also be used for policy and budget purposes, and for statistical accounting).

- (a) **International Statistical Standards Update Process.** The IPSASB³ staff continue to be involved in the International Statistical Standards (ISS) update process, which is an important initiative being undertaken by the statistical community to update the *System of National Accounts, 2008* and *Balance of Payments and International Investments Position Manual* by 2025. The IPSAS-ISS Dashboard is available as Agenda item 1.5.
- (b) **Adoption and Implementation.** There are several continuing initiatives related to supporting the adoption and implementation of IPSAS being led by IFAC as well as other organizations, which the IPSASB Chair and staff have been engaging to support. These initiatives have recently included:
- (i) *Pathways to Accrual* was published on February 24, 2022. The new electronic tool can be accessed here: <https://pathways.ifac.org/standards/pathways/2021>. Pathways to Accrual is the update to *Study 14, Transition to the Accrual Basis of Accounting: Guidance for Governments and Government Entities*. It updates and modernizes the presentation and dissemination of the information by providing a web-based platform, and updates the content to ensure it is relevant and easier to navigate and use by those planning and undertaking accrual reforms. It also allows useful resources to be added to the tool to support the guidance in the text, including resources in different languages.
 - (ii) *The International Public Sector Accountability Index 2021 Status Report*. The 2021 Index Status Report captures the status of accrual implementation for 165 jurisdictions as of 2020, the forecast outlook for 2025 and a longer-term projection of the status in 2030.
 - (iii) e/S (electronic International Standards) is an IFAC initiative to provide an electronic platform for the IPSAS, as well as the standards of the other two other independent international standard setting boards⁴ which operate under the auspices of IFAC. The platform was launched by IFAC and can be accessed here: <https://eis.international-standards.org/>. This is the first phase eIS, and now that the platform is live and operating, IFAC will continue to build out its features and functionality. Work is ongoing to develop the IPSASB 2022 eIS handbook.
 - (iv) *Train the Trainer: Introduction to IPSAS* is a comprehensive set of training materials that includes ten modules broken down into stand alone topics, so they can be delivered as individual sessions. Each module consists of a training manual and an accompanying set of slide decks (one slide deck per topic). The materials can be accessed here: <https://www.ifac.org/knowledge-gateway/supporting-international-standards/discussion/train-trainer-introduction-ipsas>. IFAC and IPSASB have had a very positive response to this material. IFAC is currently looking into the feasibility of translating the materials into additional languages.

³ The IPSASB already considers GFS alignment in its projects and develops consistent guidance when appropriate in line with its Government Finance Statistics Alignment Policy. Given the extended intervals between ISS updates, this is an important opportunity to make significant progress in certain key areas of difference.

⁴ The International Auditing and Assurance Standard Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA) also issue international standards and operate under the auspices of IFAC.

Outreach

17. **IPSASB 4th Public Sector Standard Setters Forum.** Members and technical advisors are strongly encouraged to try and attend the Forum on September 19-20, 2022 in Cascais Portugal. The IPSASB's 4th Public Standard Setters Forum will provide a valuable opportunity for public sector accounting standards setters to build dialogue, exchange ideas, and discuss critical issues with other public sector standard setters. The aim of the Forum agenda is to help scope the IPSASB's new guidance projects, to input into the IPSASB next 5-year strategy, and to discuss the future of IPSASB's work in the sustainability space. The IPSASB will discuss the Forum at the meeting on June 24th in Agenda Item 9.

Please note that the following link provides information on the Forum, including a link to register: <https://www.ipsasb.org/events/public-sector-standard-setters-forum>. We encourage members and technical advisors to share the registration link with those in your jurisdiction involved in public sector standard setting, as we would like to ensure that the event is well attended with a large variety of public sector standard setters involved.

18. **Sustainability.** IPSASB staff, the IPSASB Chair and IPSASB members have already started to undertake outreach in support of the IPSASB [CP, Advancing Public Sector Sustainability](#).
- (a) IPSASB staff note that slide decks with speaking notes related to the CP are available for members and technical advisors undertaking any local jurisdiction or regional outreach.
 - (b) IPSASB staff are planning a number of virtual regional webinars to disseminate information on the IPSASB CP. The purpose of the regional webinars is to inform constituents of the ongoing consultation, the proposals in the CP and receive direct feedback on those. These webinars are planned to occur in the next couple of months and staff is in the process of finalizing specific times and dates.
19. **IPSASB Research Forum.** The IPSASB will be holding a 3rd Academic Research Forum (Research Forum), co-hosted by CIGAR on September 23, 2022 in Berlin, Germany. In support of the Research Forum, the IPSASB's Academic Advisory Group (AAG) selected four papers to receive research grants based on a blind review of abstracts. The AAG is currently reviewing the draft papers submitted by the grant recipients related to the following four research topics:
- (a) Topic 1–Climate Change and Public Sector Reporting Related to Sustainability
 - (b) Topic 2–Differential Reporting
 - (c) Topic 3–Discount Rates
 - (d) Topic 5–IPSAS 33, First-Time Adoption of Accrual Basis IPSASs

The AAG's review of the papers submitted by the grant recipients is expected to be completed in early June 2022. Feedback from AAG members will be provided to the various authors for them to incorporate into the development of the final papers. Final papers will be selected for presentation and discussion at the Academic Forum.

Decision Required

20. Does the IPSASB agree with the Staff recommendations in paragraph 2?

IPSASB Work Program: June 2022

IPSASB WORK PROGRAM THRU 2024: JUNE 2022

Project	Meetings										
	Jun 2022 (CAG)	Sep 2022	Dec 2022 (CAG)	Mar 2023	Jun 2023 (CAG)	Sep 2023	Dec 2023 (CAG)	Mar 2024	Jun 2024 (CAG)	Sep 2024	Dec 2024 (CAG)
I. Current Projects											
Revenue¹	DI/IP	DI/IP	[IP]			RR/IP	IP				
Transfer Expenses¹	DI/IP	DI/IP	[IP]			RR/IP	IP				
Conceptual Framework—Limited Scope Update-Measurement	RR/DI CAG	DI/CF	CF								
Conceptual Framework—Limited Scope Update-Next Stage			RR/DI	RR/DI CAG	CF						
Measurement	RR/DI CAG	DI/IP	IP								
Property, Plant, and Equipment ² (i) Infrastructure Assets (additional guidance) (ii) Heritage Assets (additional guidance)	RR/DI CAG	DI/IP	IP								
Non-Current Assets Held for Sale and Discontinued Operations											
Other Lease-Type arrangements [Public sector specific]	RR/ED	RR/ED	ED CAG		RR/DI	RR/DI	RR/IP CAG	IP			
Natural Resources			RR CAG	RR/DI	RR/ED	ED		RR/ED	RR/ED CAG	RR/IP	IP
Retirement Benefit Plans		RR/IP	RR/IP	IP							
Improvements				ED		IP		ED		IP	
Strategy and Work Program 2024—2028			DI CAG	CP			RR/DI	SWP			
Advancing Public Sector Sustainability Reporting			<i>IPSASB Deliberations - To Determine Next Steps</i>								
IPSASB Handbook				Publish				Publish			

¹ Due process requires the IPSASB to consider the need for re-exposure after it approves a new standard. However, because of changes since the Revenue and Transfer Expense exposure drafts, the IPSASB is proceeding under a working assumption that both standards will require re-exposure; which is why the project is shown as ultimately completed in December 2023.

² The amendments arising from Infrastructure Assets and Heritage Assets are included in ED 78, *Property, Plant, and Equipment*, which will replace IPSAS 17, *Property, Plant, and Equipment*.

Project	Meetings										
	Jun 2022 (CAG)	Sep 2022	Dec 2022 (CAG)	Mar 2023	Jun 2023 (CAG)	Sep 2023	Dec 2023 (CAG)	Mar 2024	Jun 2024 (CAG)	Sep 2024	Dec 2024 (CAG)
II. New 2022 Projects³											
Reporting Sustainability Program Information (Theme C)	RS										
Presentation of Financial Statements	RS										
Differential Reporting	RS										

Legend:

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

PB = Approval of Project Brief

RP = Approval of Final Recommended Practice Guidance

CP = Approval of Consultation Paper

RWP = Approval of Revised Work Program

ED = Approval of Exposure Draft

ST = Approval of Strategy and Work Program

IP = Approval of Final Standard or Amendments to IPSAS

PC = Planned Consultation Period

CF = Approval of Amendments to Conceptual Framework

RS = Initial Project Research and Scoping Activities

Project Management—Outputs:

Consultation Papers:

Advancing Public Sector Sustainability Reporting

Natural Resources

Exposure Drafts:

ED 81, *Conceptual Framework Update: Chapter 3, Qualitative Characteristics and Chapter 5, Elements*

ED 82, *Retirement Benefit Plans*

³ 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*.

June 2022

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

Project	Date Issued
<i>IPSAS 44, Non-current Assets Held for Sale and Discontinued Operations</i>	May 2022
<i>IPSAS 43, Leases</i>	January 2022
<i>Improvements to IPSAS, 2019</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
<i>IPSAS 42, Social Benefits</i>	January 2019
<i>Amendments to IPSAS 36, Investments in Associates and Joint Ventures, and IPSAS 41, Financial Instruments</i>	January 2019

Status of Application of Due Process – June 2022

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	December 2022 [December 2023]	
Transfer Expenses	✓	✓	✓	✓	ONGOING	December 2022 [December 2023]	
Conceptual Framework—Limited Scope Update- Measurement	✓	N/A	✓	✓	ONGOING	December 2022	
Conceptual Framework—Limited Scope Update-Next Stage	✓	N/A	✓	ED 81 – PUBLISHED JAN 2022		June 2023	
Measurement	✓	✓	✓	✓	ONGOING	December 2022	
Property, Plant, and Equipment Update - Infrastructure Assets	✓	N/A	✓	✓	ONGOING	December 2022	

Status of Application of Due Process – June 2022

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				
Property, Plant, and Equipment Update - Heritage Assets	✓	✓	✓	✓	ONGOING	December 2022	
Non-Current Assets Held for Sale and Discontinued Operations	✓	N/A	✓	✓	✓	✓	Issued May 2022
Leases [IFRS 16 Alignment]	✓	✓	✓	✓	✓	✓	Issued January 2022
Other Lease-type arrangements [Public sector specific]	✓	✓	✓	✓	ONGOING		December 2023

Status of Application of Due Process – June 2022

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	✓	CP PUBLISHED MAY 2022					June 2024
Retirement Benefit Plans	✓	N/A	✓	ED 82 PUBLISHED APRIL 2022			March 2023
IPSAS 5. Borrowing Costs – Non-Authoritative Guidance	✓	✓	✓	✓	✓	✓	Issued November 2021

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 Remaining 2022 Meeting Dates

1. The below tables summarize the remaining IPSASB quarterly meetings and check-in meetings for 2022.
2. Table 1 summarizes the remaining meeting dates and locations for 2022. Table 2 provides the meeting dates for the 2022 IPSASB virtual check-in meetings. Staff ask members to please hold these dates in their calendars.

Table 1—IPSASB 2022 Meeting Dates/Locations (tentative)

<p>September 2022 <i>Portugal – Hosted by the Portuguese Accounting Institute–OCC</i> IPSASB Meeting: September 12-15, 2022 (Lisbon, Portugal) Hybrid meeting (specific location for in-person attendees in Lisbon still to be determined) Public Sector Standard Setters Forum: September 19-20, 2022 (Cascais, Portugal) – In-person.</p>
<p>December 2022 Toronto, Canada (in-person) CAG Meeting - December 5, 2022 (TBD - Hybrid) IPSASB Meeting - December 6-9, 2022 (Hybrid, in-person meeting in CPA Canada in Toronto)</p>

Table 2—Remaining IPSASB 2022 Virtual Check-In Meeting Dates

July 28 th , 2022
October 27 th , 2022