

## Agenda Item 12: Employee Benefits

João Fonseca, Technical Manager

IPSASB Meeting

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# Objective of Session & Material Presented (Cover Memo para 1)

- **Objective**
  - **Review** an Issues Paper on Employee Benefits; and,
  - **Provide directions** for further development of the project
- **Material Presented**

Agenda Item 12.1      Issues Paper, *Employee Benefits*

## Introduction

(Issues Paper paras 1-6)

**March 2015** – Approval of limited-scope project to revise the current IPSAS 25, *Employee Benefits*, drawn from IAS 19, *Employee Benefits* (2004)

**IAS 19 Revisions** – 2011, 2013, Other IAS/IFRS consequential changes

**Aim of the Project** – Convergence with IAS 19, where appropriate

**Government Finance Statistics** – Considered in each section of the Issues Paper

# Significant Issues (Issues Paper paras 6-7)

- 1) IAS 19 (2011 revision)
- 2) Shared risk plans (including revisions in 2011 and 2013 and IASB research project)
- 3) Composite Social Security Programs
- 4) Constructive obligation versus legal liability
- 5) Public sector specific reasons to depart from IAS 19
- 6) Terminology update

## Issue (1) – IAS 19 (2011 revision) (Issues Paper para 11)

- (a) Recognition of changes in the net defined benefit liability (asset);
- (b) Plan amendments, curtailments and settlements;
- (c) Disclosures;
- (d) Accounting for termination benefits;
- (e) Classification of employee benefits;
- (f) Current estimates of mortality rates; and
- (g) Tax and administration costs.

# Issue (1) – IAS 19 (2011 revision) (Issues Paper para 11)

- (a) Recognition of changes in the net defined benefit liability (asset)
  - (A) Immediate recognition of defined benefit cost
  - (B) Disaggregation of defined benefit cost into components
    - (i) Service cost
    - (ii) Net interest approach
    - (iii) Remeasurements
    - (iv) Recognition of defined benefit cost components

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 13-24)

## (A) Immediate recognition of defined benefit cost

- IAS 19 **eliminated** the “corridor” option:
  - Actuarial gains and losses unrecognized if they are within a “corridor”<sup>1</sup>; and,
  - Defer the recognition of actuarial gains and losses outside the corridor.

<sup>1</sup> The greater of 10 per cent of plan assets and 10 per cent of plan liabilities.

# Issue (1) – IAS 19 (2011 revision)

## (Issues Paper paras 13-24)

### (A) Immediate recognition of defined benefit cost

(UA'000)		Scenario 1	Scenario 2
Fair value plan assets	1	10.000	8.000
Defined benefit obligation	2	8.000	10.000
Cumulative unrecognized actuarial gains (losses)	3	1.250	-1.250
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Net balance sheet defined benefit asset (liability)			
Current IPSAS 25	1-(2+3)	750	-750
Revised IPSAS 25	1-2	2.000	-2.000
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*Note: assumes no unrecognised past service costs on transition and ignores the impact of any asset ceiling limits.*

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 13-24)

## (A) Immediate recognition of defined benefit cost

### IPSAS/IFRS Convergence Assessment

- Staff's proposal to eliminate the corridor option meets:
  - The objectives of public sector financial reporting;
  - The qualitative characteristics of public sector financial reporting
- No foreseen undue cost or effort
- Staff did not identify any public sector specific reason that warrant departure from IAS 19
  - Nevertheless, staff acknowledges that extent of the consequential amendments that are required in IPSAS 25 is considerable

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 13-24)

## (A) Immediate recognition of defined benefit cost

### Government Finance Statistics

- Does not have the corridor approach
- Actuarial gains or losses are fully recognized in the financial statements
- No deferral of recognition of actuarial gains or losses
- Pension entitlements of government sponsored **unfunded** employment-related defined benefit schemes:
  - ✓ ESA 2010 – recorded only in supplementary accounts and not in the core accounts;
  - ✓ GFSM 2014 – included in pension entitlements.

## Matter for Consideration 1

- **Indicate** whether IPSASB agrees with the staff recommendation to eliminate the corridor approach in IPSAS 25 or provide alternative directions.

## Issue (1) – IAS 19 (2011 revision)

### (Issues Paper paras 25-26)

## **(B) Disaggregation of defined benefit cost into components**

### **(i) Service cost**

- Excludes changes in the defined benefit obligation that result from changes in demographic assumptions from the service cost component;
- IASB' views:
  - Different predictive values;
  - Relevance for assessing an entity's continuous operational costs if it does not include changes in past estimates of service cost.

## **Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 27-31)**

### **(B) Disaggregation of defined benefit cost into components (ii) Net interest approach**

- Reflects the passage of time;
- One single discount rate (the same discount rate used to measure the defined benefit obligation); and,
- One single recognition of the net interest.

# Issue (1) – IAS 19 (2011 revision)

## (Issues Paper paras 27-31)

### (B) Disaggregation of defined benefit cost into components

#### (ii) Net interest approach (example)

		(UA'000)
		Assumptions at beginning of the annual period
Plan assets		
Fair value		2.000
Expected return		4%
Defined benefit		
Obligation		1.250
Discount rate		5%
<b>Net defined benefit asset</b>		<b>750</b>
Current IPSAS 25		
Expected return	[2.000*4%]	80
Defined benefit interest costs		62.5
<b>Net</b>		<b>17.5</b>
IPSAS 25 Revised		
<b>Net interest income</b>	<b>[750*5%]</b>	<b>37.5</b>

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 27-31)

## **(B) Disaggregation of defined benefit cost into components (ii) Net interest approach**

IASB's view:

- Provides more understandable information;
- An entity recognizes interest income when the plan has a surplus, and interest cost when the plan has a deficit.

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 32-34)

### **(B) Disaggregation of defined benefit cost into components (iii) Remeasurements**

Include:

- Actuarial gains and losses on the defined benefit obligation;
- Return on plan assets, excluding amounts included in net interest on the defined benefit liability (asset); and,
- Any change in the effect of the asset ceiling, excluding amounts included in net interest on the defined liability (asset).

# Issue (1) – IAS 19 (2011 revision)

## (Issues Paper paras 35-40)

### (B) Disaggregation of defined benefit cost into components

#### (iv) Recognition of defined benefit cost components

Component	IPSAS 25		IAS 19
	Actual	Proposal	
<b>Service cost</b>	Surplus or deficit		Profit or loss
<b>Finance cost</b>	Surplus or deficit	Finance costs item in the statement of financial performance	Finance costs item in the statement of profit and loss and other comprehensive income
<b>Remeasurements</b>	Surplus or deficit	Net assets	Other comprehensive income

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 41-42)

## (B) Disaggregation of defined benefit cost into components

### IPSAS/IFRS Convergence Assessment

- IAS 19 changes meets:
  - The objectives of public sector financial reporting;
  - The qualitative characteristics of public sector financial reporting;
- No foreseen undue cost or effort
- Staff did not identify any public sector specific reason that warrant departure from IAS 19

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 43-49)

## (B) Disaggregation of defined benefit cost into components

### Government Finance Statistics

- Records the increase in liability/asset for benefit entitlements due to the passage of time in *property expense/income for investment income disbursements*;
- Statement of Other Economic Flows:
  - Changes that are due to price escalation clause;
  - Changes in the formula used to determine benefits;
  - The impact of promotions, merit increases, and other real salary increases on entitlements
  - Demographic assumptions.
- Discount rate: No specific requirements

## Matter for Consideration 2

- **Indicate** whether IPSASB agrees with the staff recommendation to:
  - (a) Exclude changes in demographic assumptions from the service cost component;
  - (b) Adopt the net interest approach;
  - (c) Recognise the finance cost component in finance costs;
  - (d) Recognise remeasurements in net assets/equity; and,
  - (e) Consider referring the net interest approach to the statistical community; or **provide** alternative directions.

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 51-68)

## (b) Plan amendments, curtailments and settlements

Component	IPSAS 25		IAS 19
	Actual	Proposal	
<i>Unvested</i> past service costs	Recognized on a straight-line basis over the average period until the benefits become vested	Recognised immediately	
<i>Vested</i> past service costs	Recognized immediately		

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 51-68)

### (b) Plan amendments, curtailments and settlements

- IASB decided to recognize immediately the ***unvested past service costs*** because it is more consistent with the recognition of ***unvested current service cost*** that IAS 19 treats as an obligation in paragraph 72 (similar in IPSAS 25)

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 51-68)

### (b) Plan amendments, curtailments and settlements

- Consequential changes to the curtailment definition;
- Introduction of new definitions:
  - *Settlement*;
  - *Service cost*.

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 51-68)

(b) Plan amendments, curtailments and settlements

### **IPSAS/IFRS Convergence Assessment**

- IAS 19 changes meets:
  - The objectives of public sector financial reporting
  - The qualitative characteristics of public sector financial reporting
- No foreseen undue cost or effort
- Staff did not identify any public sector specific reason that warrant departure from IAS 19

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 51-68)

### (b) Plan amendments, curtailments and settlements

#### **Government Finance Statistics**

- Not explicit about the accounting treatment of vested and unvested past service cost, curtailments and settlements;
- If the employer makes a unilateral structural change in pension entitlements, i.e., imposed without negotiation, it is recorded as other changes in the volume of assets;
- If the change is negotiated it is considered as a capital transfer and, therefore, affects net lending/net borrowing.

## Matter for Consideration 3

- **Indicate** whether IPSASB agrees with the staff recommendation to:
  - (a) Recognize unvested past service cost in the period of the plan amendment that gives rise to the past service cost;
  - (b) Adopt a new definition of service cost, curtailment and settlement; and,
  - (c) Consider referring the issues of the accounting treatment of vested and unvested past service cost, curtailments and settlements to the statistical community; or **provide** alternative directions.

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 51-68)

### (c) Disclosures

- Disclosure objectives;
- The characteristics of the defined benefit plan and the amounts in the financial statements resulting from those plans;
- The amount, timing and uncertainty of the entity's future cash flows;
- Multi-employer defined benefit plan.

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 69-78)

## (c) Disclosures

- State plan and group plan;
- Defined benefits plans:
  - Disclosure objectives;
  - The characteristics of the defined benefit plan and the amounts in the financial statements resulting from those plans;
  - The amount, timing and uncertainty of the entity's future cash flows;
  - Multi-employer defined benefit plan.

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 70)

### (c) Disclosures – State plan and group plan

- IAS 19 now requires “entities that participate in state plans or defined benefit plans that share risks between various entities under common control, to be consistent with the disclosure requirements for multi-employer plans and defined benefit plans” with a permission to insert a cross-reference to required disclosures in another group entity’s financial statements, if specified conditions are met.

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 71-78)

## (c) Disclosures – Defined benefits plans

- Disclosure objectives

IPSAS 25		IAS 19
Actual	Proposal	
Information that enables users of financial statements to evaluate the nature of its defined benefit plans		The characteristics of its defined benefit plans and risks associated with them
Financial effects of changes in those plans during the period		The amounts in its financial statements arising from its defined benefit plans
		How the defined benefit plans may affect the amount, timing and uncertainty of the entity's future cash flows

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 71-78)

### (c) Disclosures – Defined benefits plans

- Disclosure objectives

### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 71-78)

### (c) Disclosures – Defined benefits plans

- Disclosure objectives

### **Government Finance Statistics**

- GFSM 2014 does not require disclosures about employee benefits, which probably reflects the different objectives of both accounting systems;
- Nevertheless, SNA 2008 and ESA 2010 have a supplementary table (Table 17.10 and 17.5, respectively) for showing the extent of pension schemes included and excluded from the sequence of accounts (“core accounts”).

## Matter for Consideration 4

- **Indicate** whether IPSASB agrees with the staff recommendation to:
  - (a) To adopt disclosures about state plan and group plan consistent with multi-employer plans and defined benefit plans;
  - (b) To adopt the disclosure objectives of IAS 19; and,
  - (c) To consider referral to statistical community for consideration of a possible change to GFS on disclosures about employee benefits; or **provide** alternative directions.

## Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 79-80)

### (c) Disclosures – Defined benefit plans

- The characteristics of the defined benefit plan and the amounts in the financial statements resulting from those plans;
- The amount, timing and uncertainty of the entity's future cash flows;
- Multi-employer defined benefit plan.

## **Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 79-80)**

### (c) Disclosures – Defined benefit plans

#### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

## Matter for Consideration 5

- **Indicate** whether IPSASB agrees with the staff recommendation to adopt the disclosures of IAS 19 about characteristics of defined benefit plans, the amounts in the financial statements resulting from plan objectives and multi-employer plans, or **provide** alternative directions

# Issue (1) – IAS 19 (2011 revision)

## (Issues Paper paras 81-91)

### (d) Accounting for termination benefits

IPSAS 25		IAS 19
Actual	Proposal	
<b>Recognition</b>		
A liability and an expense when, and only when, the entity is <b>demonstrably committed</b> to provide those benefits	Present obligation after it has <b>communicated</b> its plan of termination to each of the affected employees	
<b>Measurement</b>		
Does not have measurement guidance on termination benefits (except for discount rate)	Consistent with the measurement requirements for the nature of the underlying benefits	

## **Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 81-91)**

### (d) Accounting for termination benefits

#### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

#### **Government Finance Statistics**

- Not explicit about recognition and measurement of termination benefits.

## Matter for Consideration 6

- **Indicate** whether IPSASB agrees with the staff recommendation to amend IPSAS 25 in order to:
  - a) Recognize a present obligation to provide termination benefits when it has communicated its plan of termination to each of the affected employees;
  - b) Add measurement guidance on termination benefits consistent with the measurement requirements for the nature of the underlying benefits; and,
  - c) Consider a referral to statistical community for consideration of a possible GFS change; or **provide** alternative directions

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 92-97)

## (e) Classification of short-term employee benefits

IPSAS 25		IAS 19
Actual	Proposal	
Are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the <b>period in which the employees</b> render the related service.	Are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the <b>annual reporting period</b> in which the employees render the related service.	

## **Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 92-97)**

### (e) Classification of short-term employee benefits

#### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

#### **Government Finance Statistics**

- Not explicit about the classification of short-term employee benefits.

## Matter for Consideration 7

- **Indicate** whether IPSASB agrees with the staff recommendation to:
  - a) To clarify that employee benefits are short-term if it is expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services; and
  - b) Consider a referral to statistical community for consideration of a possible GFS change; or **provide** alternative directions.

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 98-101)

## (f) Current estimates of mortality rates

IPSAS 25		IAS 19
Actual	Proposal	
Mortality, both during and after employment	Mortality assumptions used to determine the defined benefit obligation are current estimates of the <b>expected mortality rates of plan members</b> , both during and after employment.	

IASB's view:

“[...] current mortality tables might need to be adjusted for expected changes in mortality (such as expected mortality improvement) to provide the best estimate of the amount that reflects the ultimate cost of settling the defined benefit obligation”.

## **Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 98-101)**

(e) Current estimates of mortality rates

### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

### **Government Finance Statistics**

- Not explicit about the mortality rates.

## Matter for Consideration 8

- **Indicate** whether IPSASB agrees with the staff recommendation to:
  - a) Make an explicit requirement in the revision of IPSAS 25 about including the expected mortality improvement when estimating the ultimate cost of the benefit; and
  - b) Consider referral to the statistical community for consideration of a possible GFS change about the clarification on mortality rates; or **provide** alternative directions

# Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 102-107)

## (g) Tax and administration costs

IPSAS 25		IAS 19
Actual	Proposal	
<b>Tax</b>		
<b>Return of plan assets</b> Less of any tax payable by the plan itself	<b>Related to service:</b> Included in the estimate of present value of defined benefit obligation  <b>Other taxes:</b> Reduction to the return on plan assets	
<b>Administration costs</b>		
<b>Return on plan assets</b> Deducts administration costs (other than those included in the actuarial assumptions used to measure the defined benefit obligation)	<b>Management of Plan Assets:</b> Deducted from the return on plan assets  <b>Administering benefit payments:</b> Included in the present value of the defined benefit obligation	

## **Issue (1) – IAS 19 (2011 revision) (Issues Paper paras 102-107)**

### **(g) Tax and administration costs**

#### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

#### **Government Finance Statistics**

- Not explicit about the treatment of tax and the distinction between administration costs and management of plan assets.
- Cost of operating the scheme to be added to the pension entitlement and is included in the employers' imputed pension contributions.

## Matter for Consideration 9

- **Indicate** whether IPSASB agrees with the staff recommendation to clarify that:
  - a) Taxes on contributions related to service before the reporting date, or are imposed on benefits resulting from that service, should be included in the present value of defined benefit obligation;
  - b) Only costs of managing plan assets should be deducted in determining the return on plan assets; and,
  - c) Consider referral to the statistical community for consideration of a possible GFS change to clarify the treatment of tax and the distinction between administration costs and management of plan assets; or **provide** alternative directions.

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (a) Introduction

### (b) IAS 19 (rev. 2011 and rev. 2013)

- i. Effect of employee and third-party contributions
- ii. Benefits to be attributed to periods of service
- iii. Conditional indexation
- iv. Limits on the legal or constructive obligation to pay additional contributions

### (c) IAS 19 future revision

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (a) Introduction

- March 2015 – the IPSASB decided not to include shared risk plans within the scope of this project;
- Shared risk plans have been emerging in the public sector and private sector of several countries;
- The IASB has made limited amendments to IAS 19 on certain features of risk sharing. However, the subject of shared-risk plans is not yet fully addressed in IAS 19.

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (b) IAS 19 (rev. 2011 and rev. 2013)

#### i. Effect of employee and third-party contributions

The IASB added paragraphs to address the effect of employee and third-party contributions on the measurement of defined benefit obligations in the section of *Actuarial assumptions: salaries, benefits and medical costs*.

(see para 120 of Issues Paper for details)

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (b) IAS 19 (2011 revision and 2013 revision)

#### ii. Benefits to be attributed to periods of service

Revised paragraphs 93 and 94 of IAS 19 in the section, *Actuarial assumptions: salaries, benefits and medical costs*, clarify the impact of linked service contributions from employees or third parties on service cost.

(see para 122 of Issues Paper for details)

IASB's view:

“[...] contributions from employees can be viewed as a negative benefit” and, therefore, they can reduce service cost (if they are linked to service), or affect remeasurements of the net defined benefit liability (asset) (if they are not linked to service).”

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (b) IAS 19 (2011 revision and 2013 revision)

#### iii. Conditional indexation

The IASB added a new requirement to para. 88 of IAS 19 (para 98 of IPSAS 25).

(see para 126 of Issues Paper for details)

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (b) IAS 19 (2011 revision and 2013 revision)

#### iii. Conditional indexation

IASB's view:

“an entity should estimate the likely conditional indexation of benefits based on the current funding status of the plan, consistently with how financial assumptions are determined in accordance with paragraph 80 [of IAS 19]”

“projecting the benefit on the basis of current assumptions of future investment performance (or other criteria to which the benefits are indexed) is consistent with estimating the ultimate cost of the benefit, which is the objective of the measurement of the defined benefit obligation, as stated in paragraph 76 [of IAS 19]”

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (b) IAS 19 (2011 revision and 2013 revision)

- iv. Limits on the legal or constructive obligation to pay additional contributions

The IASB added a new requirement to para. 87 of IAS 19 (para 96 of IPSAS 25).

87 An entity shall measure its defined benefit obligations on a basis that reflects:

...

(d) contributions from employees or third parties that reduce the ultimate cost to the entity of those benefits;

## **Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)**

(b) IAS 19 (2011 revision and 2013 revision)

### **IPSAS/IFRS Convergence Assessment**

- Staff did not identify any public sector specific reason that warrant departure from IAS 19.

### **Government Finance Statistics**

- Shared risk plans (“hybrid schemes”) are grouped with defined benefit pension schemes;
- Not explicit about the effect of employee and third-party contributions, the benefits to be attributed to periods of service, conditional indexation and limits on the legal and constructive obligation to pay additional contributions.

## Matter for Consideration 10

- **Indicate** whether it agrees with the staff recommendation to include in the scope of IPSAS 25 revision the IASB amendments in the following issues:
  - (a) The effect of employee and third-party contributions;
  - (b) The benefits to be attributed to periods of service;
  - (c) Conditional indexation;
  - (d) Limits on the legal or constructive obligation to pay additional contributions; and
  - (e) Consider a referral to statistical community for consideration of a possible GFS change; or **provide** alternative directions.

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (c) IAS 19 future revision

- Amendments to IAS 19 are not sufficient;
- IASB has a research project on post-employment benefits on its work plan;
- IASB does not plan to issue a discussion or research document within the next three years.

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (c) IAS 19 future revision

#### View of IASB staff:

- “the measurement in IAS 19 does not properly reflect differences of risks among plans, because the present value of the defined benefit obligation does not fully reflect the value of risk relating to future cash flows from the defined benefit obligation. In contrast, the fair value of the plan assets reflects the value of risk relating to future cash flows from the plan assets, as market prices.”
- a revision of IAS 19 “could involve fundamental reviews of measurement, or classification or both in IAS 19”.

## Issue (2) – Shared Risk Plans (Issues Paper paras 108-131)

### (c) IAS 19 future revision

#### View of IPSASB staff:

- Shared risk plans exist in both public and private sectors;
- Convergence project;
- Not to include in the scope of this project;
- Defer until the IASB publishes revisions to IAS 19 on shared risk plans.

## Matter for Consideration 11

- **Confirm** IPSASB's previous decision not to address the subject of shared risk plans in this project and wait until IASB publishes a revised IAS 19 or **provide** alternative directions

## Issue (3) – Composite social security programs (Issues Paper para 138)

- Limited feed-back that section on composite social security programs considered not very useful by stakeholders;
- Staff seeks views from the IPSASB on how to improve the section on *Composite Social Security Programs*.

## Matter for Consideration 12

- **Indicate** views on how to improve the section on *Composite Social Security Programs* of IPSAS 25



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