

Meeting: International Public Sector Accounting Standards Board

Meeting Location: Washington, D.C., USA

Meeting Date: March 18–21, 2025

Agenda Item 8

For:

Approval

Discussion

Information

POST-IMPLEMENTATION REVIEWS

Project summary	The objective of the post-implementation review is to assess whether the effects of applying existing IPSASB pronouncements on the users of financial statements, preparers, auditors, and regulators are as intended when the IPSASB developed those new requirements.	
Project staff lead	<ul style="list-style-type: none"> Edwin Ng, Principal 	
Task Force members	<ul style="list-style-type: none"> N/A 	
Meeting objectives	Topic	Agenda Item
Project management	Post-Implementation Reviews: Project Management Dashboard	8.1.1
	Instructions up to Previous Meeting	8.1.2
	Decisions up to Previous Meeting	8.1.3
	Post-Implementation Reviews: Project Roadmap	8.1.4
Decisions required at this meeting	Post-Implementation Reviews: Proposal to Review IPSAS 18, Segment Reporting	8.2.1
Other supporting items	Post-Implementation Reviews – December 2024 CAG Report Back	8.3.1

Prepared by: Edwin Ng (February 2025)

**POST-IMPLEMENTATION REVIEWS:
 PROJECT MANAGEMENT DASHBOARD**

Topic	Past Meetings	Dec 2024	Mar 2025	June 2025 and on
Overall Project Management				
Introduction of Post-Implementation Reviews (PIR)	✓			
Finalize the Operating Procedures for PIR and the IAP		✓		
Propose Standard(s) for Initial PIR				
Commence PIR Activities				

Legend	
✓	Task Completed
	Planned IPSASB Discussion
	Page-by-page Review

INSTRUCTIONS UP TO PREVIOUS MEETING

Meeting	Instruction	Actioned
December 2024	1. Process the comments provided by members for the operating procedures for post-implementation review process.	1. See paragraph 3 in Agenda Item 8.2.1 .
December 2024	2. Add a 3-year review clause to the post-implementation review operating procedures.	2. See paragraph 3 and in Agenda Item 8.2.1 .

DECISIONS UP TO PREVIOUS MEETING

Meeting	Decision	BC Reference
December 2024	1. Subject to the instructions, the post-implementation review operating procedures are finalized.	1. N/A – Updated operating procedures to be posted on IPSASB website.
December 2024	1. Roll out post-implementation reviews in 2025.	1. N/A – Project management decision only.

**POST-IMPLEMENTATION REVIEWS:
 PROJECT ROADMAP**

Meeting	Completed Actions or Discussions / Planned Actions or Discussions:
September 2024	1. Present key considerations document regarding Post-Implementation Reviews (PIR) to the IPSASB
December 2024	1. Finalize the process documentation for PIR
March 2025	1. Select standard for pilot PIR
June 2025	1. Commence pilot PIR 2. Develop Request for Information (RFI) 3. Approve RFI
September 2025	1. Issue RFI (July 2025) 2. 90-day comment period
December 2025	1. Preliminary analysis of RFI responses
March 2026	1. Detailed analysis of RFI responses 2. Evaluate if further action is needed and propose actions to be taken to the IPSASB
June 2026	1. Approve Report and Feedback Statement
September 2026	2. Issue Report and Feedback Statement (July 2026)

Post-Implementation Reviews: Proposal to Review IPSAS 18, *Segment Reporting*

Question

1. Does the IPSASB agree to select IPSAS 18, *Segment Reporting*, for a post-implementation review?

Recommendation

2. Staff recommend selecting IPSAS 18, *Segment Reporting* as the first post-implementation review.

Background

3. At the December 2024 meeting, staff presented the IPSASB with the operating procedures for the post-implementation review (PIR) process. Based on the feedback from the IPSASB, staff updated the operating procedures as follows:
 - (a) Removed all instances of IPSASB SRS Standards and added a clause to review the operating procedures every three years. As instructed, the review clause specifies that the IPSASB will consider the expansion of the PIR process to include IPSASB SRS Standards as part of the first triennial review;
 - (b) Clarified that the timing for a PIR could be sooner than five years after the effective date of a standard when warranted;
 - (c) Clarified that a PIR could result in additional application guidance or non-authoritative guidance that could be incorporated into a standard through the IPSASB's annual improvements process; and
 - (d) Clarified that a Report and Feedback Statement detailing the outcome of the review will be issued for all PIRs, not just for the reviews resulting in a standard setting project.
4. To ensure the PIR process will operate as intended, staff propose applying the operating procedures to perform a review of an IPSAS Standard on a narrow topic. Applying the PIR process to a narrow topic area will allow staff to carry out the procedures on:
 - (a) The identification of matters to be examined;
 - (b) The development of a Request for Information;
 - (c) The analysis of the feedback received;
 - (d) The evaluation of whether further action is needed; and
 - (e) Reporting the outcome of the review in a Report and Feedback Statement.

Once staff has confirmed that the above processes are operating as intended, the operating procedures will be finalized and posted on the IPSASB website.

5. Staff propose reviewing IPSAS 18, *Segment Reporting*, as the IPSASB's pilot PIR. This paper discusses the reasons for selecting IPSAS 18 as a test run for the PIR process and proposes the timetable for the review.

Analysis

Reasons for Reviewing IPSAS 18, Segment Reporting

Supported by Constituents

6. In the IPSASB Strategy and Work Plan 2019-2023 consultation, constituents responded favorably to the proposal to consider a project to align IPSAS 18 with IFRS 8, *Operating Segments*, to reduce unnecessary differences with IFRS. As a result, staff presented an education session on IPSAS 18 in March 2021, which included a comparison with IFRS 8.
7. In response to the presentation, the IPSASB instructed staff to:
 - (a) Consider the nature of the current problems with IPSAS 18 based on information from members, technical advisors, and observers' national experiences;
 - (b) Consider South Africa's experience with moving from IPSAS 18 to an IFRS 8-based standard; and
 - (c) Consider the work undertaken in relation to conflicts between segment reporting approaches (IFRS 8 and IPSAS 18) and New Zealand's public sector reporting legislation and its reporting of service performance information.
8. Since the March 2021 meeting, staff resources were committed to other projects and unavailable to perform work on the IPSASB's instructions. As of March 2025, segment reporting is the last item on the IPSAS-IFRS Alignment Dashboard where an IPSAS Standard is based on a superseded IFRS Accounting Standard and the new IFRS is not being considered in a current project.
9. By selecting IPSAS 18 as the first PIR, staff will be able to address the IPSASB's instructions from March 2021 and potentially address the existing IPSAS-IFRS differences if the PIR results in a standard setting project.
10. In addition, the support from constituents for a potential project on segment reporting indicates that there could be concerns on the application of IPSAS 18. By selecting IPSAS 18, the IPSASB will provide constituents with the opportunity to provide direct feedback on any application issues.

Contained Review

11. As part of the 2024-2028 Strategy Consultation, the IPSASB highlighted several IPSAS Standards that would be good candidates for a PIR. However, except for IPSAS 18, many present challenges to review at this time:
 - (a) IPSAS 2, *Cash Flow Statements*. As noted in the Strategy Consultation, future work to be considered after the completion of the Presentation of Financial Statements project;
 - (b) IPSAS 20, *Related Party Disclosures*. The current version of IPSAS 20 is largely aligned with the 1994 version of IAS 24, *Related Party Disclosures*, but with adaptations for key management personnel in the context of governments or public sector entities, as well as an expanded discussion of potential related party issues within the public sector. Since the issuance of IPSAS 20, IAS 24 was updated so that entities which are controlled or significantly influenced by a government are partially exempted from the requirement to disclose transactions with all other entities controlled or significantly influenced by the same

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government. This exemption does not appear to be relevant for entities in the public sector, especially in light of the expanded discussion of related party issues in IPSAS 20;

- (c) IPSAS 22, *Disclosure of Financial Information about the General Government Sector*. The IPSASB has an ongoing project considering amendments to IPSAS 22 to highlight accounting policy choices that can enhance alignment between IPSAS Standards and GFSM policies. A PIR should not be considered until the completion of this project;
 - (d) IPSAS 24, *Presentation of Budget Information in Financial Statements*. As noted in the Strategy Consultation, future work to be considered after the completion of the Presentation of Financial Statements project;
 - (e) IPSAS 40, *Public Sector Combinations*. The issues that exist in this pronouncement are complex. The complexity of the issues is not ideal for testing that the PIR process has been established appropriately; and
 - (f) Updates to Recommended Practice Guidelines. The IPSASB considered scoping and research of the RPGs as part of its sustainability reporting work in December 2024. The IPSASB agreed further work should be performed following the completion of IPSASB SRS 1, *Climate-related Disclosures*.
12. IPSAS 18, which was also highlighted by the IPSASB in the Strategy Consultation, is an ideal candidate for the IPSASB's first PIR. IPSAS 18 has relatively contained guidance with only a few links to other standards. As a result, the outcome of the review will likely be narrow in scope and have limited impact on other IPSAS Standards. This will allow the IPSASB to efficiently use a limited amount of resources to test the PIR process.

Proposed Timeline for the PIR on IPSAS 18

13. Pending the IPSASB's agreement on the selection of IPSAS 18, staff proposes the following timeline for the pilot PIR:

Timeframe	Actions to be Performed
Q2 2025	<ul style="list-style-type: none"> • Staff will perform preliminary research to identify potential issues with IPSAS 18 and develop the Request for Information (RFI). The RFI will include question on the identified issues, as well as ask constituents whether they support the alignment with IFRS 8.
June 2025 IPSASB Meeting	<ul style="list-style-type: none"> • Staff will present the draft RFI to the IPSASB for approval. Staff propose a comment period of 90 days to allow constituents time to consider any application issues with the current guidance in IPSAS 18, as well as any foreseen issues with the potential alignment with IFRS 8.
July 2025	<ul style="list-style-type: none"> • Pending IPSASB approval, staff will issue the RFI in July 2025 with a 90-day comment period.
December 2025 IPSASB Meeting	<ul style="list-style-type: none"> • As the comment period is expected to close by the end of October 2025, staff will perform a preliminary analysis of RFI responses and present a summary of responses to the IPSASB.
Q1 2026	<ul style="list-style-type: none"> • Staff will continue with the analysis of RFI responses and evaluate if further action is needed. Based on this evaluation, staff will develop the proposed actions to be taken as a result of the PIR.

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March 2026 IPSASB Meeting	<ul style="list-style-type: none">• Staff will present the analysis of responses and proposals for actions to be taken to the IPSASB for their agreement.
Q2 2026	<ul style="list-style-type: none">• Based on the IPSASB's feedback on the evaluation of responses and proposed actions, staff will begin development of the Report and Feedback Statement.
June 2026 IPSASB Meeting	<ul style="list-style-type: none">• Staff will present the Report and Feedback Statement to the IPSASB for approval.
July 2026	<ul style="list-style-type: none">• Subject to the IPSASB's approval, staff will issue the Report and Feedback Statement. The publication of the Report and Feedback Statement will conclude the pilot PIR, and any further actions such as a standard setting project or the development of educational materials will be considered a separate project to be undertaken by staff.

Decision Required

14. Does the IPSASB agree with the staff's [recommendation](#)?

**Supporting Document 1 – Post-Implementation Reviews – December 2024 CAG
Report Back**

The Consultative Advisory Group discussed the proposed operating procedures for post-implementation reviews at the December 2024 meeting. A summary of the advice provided by CAG members and how the IPSASB has responded to the CAG member comments is posted separated for easier readability.