

Due Process Compliance Statement: IFRS Interpretations Committee – Tentative Agenda Decision: *Climate- related Commitments (IAS 37)*

The IFRS Interpretations Committee (the Committee) published Tentative Agenda Decision *Climate-related Commitments (IAS 37)* in December 2023. The Committee's comment period ended on 5th February 2024.

Influencing process

Project preparation

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|--------------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Added to UKEB technical work plan [Due Process Handbook (Handbook) 4.30] | Mandatory | Project included in the UKEB published technical work plan | Complete: The Committee's Tentative Agenda Decision: <i>Climate-related Commitments (IAS 37)</i> ² was included in the UKEB technical work plan published in January 2024 ³ . Link to document: UKEB Work Plan 30th January 2024 . |

¹ In accordance with the [Due Process Handbook](#).

² Link [IFRS - Tentative Agenda Decision: Climate-related Commitments \(IAS 37\)](#)

³ An update on the Tentative Agenda Decision was presented to the UKEB at its December 2023 meeting, but no decision was made as to whether the UKEB would respond to the Committee's invitation to comment. The project was therefore not added to the work plan at that time.

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|-----------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Initiation Plan (PIP) [Handbook 5.4 to 5.8, A1 to A2 and A12 to A14] | Mandatory | PIP draft with project outline (background, scope, project objective) and approach for influencing (key milestones and timing) | <p>Complete: The PIP was prepared in line with the UKEB’s Due Process, setting out the key milestones and stakeholder outreach envisaged for <i>Influencing IFRS Interpretation Committee’s tentative agenda decisions</i>⁴.</p> <p>The Project Initiation Plan - IFRS Interpretations Committee – Tentative Agenda Decision Climate-related Commitments was approved at the January 2024 Board meeting.</p> |
| | Mandatory | Outreach plan for stakeholders and communication approach outlined | <p>Complete: The PIP (referred to above) included the outreach plan and approach.</p> |
| | Mandatory | Resources allocated | <p>Complete: The Secretariat involved in this project consisted of one Project Director supported by a Project Manager, with oversight provided by one Senior Project Director. Sufficient resources were allowed for in the UKEB plan for 2023-24.</p> |

⁴ [UKEB Due Process Handbook](#) – ‘Influencing tentative agenda decisions’, paragraphs 5.27 – 5.33.

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Initiation Plan (PIP) [Handbook 5.4 to 5.8, A1 to A2 and A12 to A14] (continued) | Mandatory | Assessment of whether to set up an ad-hoc advisory group | Complete: Taking a proportionate approach, and given the consultation for a Committee’s tentative agenda decision is much shorter than for other IASB due process documents, an ad-hoc advisory group was not considered necessary for this project. |
| | Mandatory | Assessment of whether PIP required updating | Complete: No updates to the PIP were required. |
| | Mandatory | UKEB Board public meeting held to approve PIP | Complete: The PIP was approved at the 30 January 2024 Board meeting. |
| Education sessions [Handbook 4.10] | Optional | Board provided with education sessions | Complete: No education session was provided to the Board, however, a brief summary of the IASB staff analysis and the Committee’s discussion held in November was presented to the Board at its 14 December 2023 ⁵ public meeting. |

⁵ UKEB December 2023 meeting, [Agenda Paper 6, IASB General Update, Appendix B.](#)

Desk-based research

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|------------------------------------------------------------|-----------------------------------|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Desk-based research [Handbook 5.9 and A3] | Optional | Review of relevant documentation | <p>Complete: The Secretariat reviewed relevant documentation, including:</p> <ul style="list-style-type: none"> • The Committee’s work on the Tentative Agenda Decision: Climate-related Commitments (IAS 37) (the Tentative Agenda Decision, staff papers); • IFRS Accounting Standards, in particular <i>IAS 37 Provisions, Contingent Liabilities and Contingent Assets</i>; and • Accounting manuals and illustrative examples. |

Outreach

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|------------------------------------------------------------------------|-----------------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Outreach activities [Handbook 5.10 to 5.12 and A4 to A8]</p> | <p>Mandatory</p> | <p>Evidence of consultation</p> | <p>Complete: As per paragraph 5.32 of the UKEB Due Process Handbook, due to the short consultation period on the Committee’s Tentative Agenda Decision – which is much shorter than for other IASB due process documents – the UKEB outreach activities focused on consultation with members of the UKEB’s advisory groups.</p> <p>This approach was approved by the Board in December 2023.</p> <p>The Secretariat engaged with members of the UKEB’s Academic Advisory Group, Accounting Firms and Institutes Advisory Group, Investor Advisory Group, Preparer Advisory Group and Financial Instruments Working Group.</p> |

Draft Comment Letter (DCL)

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DCL published for comment (mandatory unless impracticable) [Handbook paragraphs 5.13 to 5.17 and A4(d)] | Mandatory | Comment period set for responses to DCL | <p>At its January 2024 meeting the UKEB made a decision to submit a response to the Committee's Tentative Agenda Decision: <i>Climate-related Commitments (IAS 37)</i>. The Committee's comment deadline was 5th February 2024.</p> <p>Due to the above timeline, issuing a draft comment letter was not practicable (as per paragraph 5.17 of the UKEB Due Process Handbook).</p> <p>Paragraph 5.32 of the UKEB Due Process Handbook notes that in relation to influencing Committee's tentative agenda decisions, the UKEB is not able to follow all the milestones in paragraph 5.3, however, some outreach activities are undertaken (see sections above). All feedback received was considered in the preparation of the draft Final Comment Letter.</p> |
| | Mandatory | Review and approval at a UKEB public meeting | Not Applicable. See above comment. |
| | Mandatory | DCL published on website for public consultation | Not Applicable. See above comment. |

Project finalisation and project closure

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|---------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Final Comment Letter (FCL) [Handbook paragraph 5.18 and A4(d)] | Mandatory | Public responses to DCL considered and published on website | As noted above, issuing a draft comment letter was not practicable. All stakeholder feedback received was considered in the preparation of the draft FCL, presented for Board approval at the January 2024 meeting. |
| | Mandatory | FCL approved by the UKEB in public meeting | Complete: A draft of the FCL was presented for approval to the Board at its 30 January 2024 public meeting. The Board approved the FCL, subject to amendments. |
| | Mandatory | FCL submitted to the IASB and posted on UKEB website | Complete: The FCL was submitted to the IFRS Interpretations Committee and posted on the UKEB website on 5 th February 2024. |
| Feedback Statement [Handbook 5.19 to 5.22 and A9 to A11] | Mandatory | Feedback Statement approved for publication by the UKEB in a public meeting | <p>A Feedback Statement is generally prepared summarising feedback received from UK stakeholders on UKEB consultation documents.</p> <p>As noted above, no UKEB consultation document (i.e., draft comment letter) was published and all stakeholder feedback received was considered and reflected accordingly in the draft Final Comment Letter approved by the Board at its 30 January 2024 meeting. As a result, at its 30 January 2024 meeting, the Board agreed that no Feedback Statement should be prepared for this project.</p> |

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
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| | Mandatory | Feedback Statement published on the UKEB website | Not Applicable. See above comment. |
| Due Process Compliance Statement (DPCS) [Handbook 5.23 to 5.26 and A12 to A14] | Mandatory | DPCS approved by the UKEB in public meeting | Complete: A draft DPCS was presented for approval to the Board at its 23 February 2024 public meeting. |
| | Mandatory | DPCS published on the UKEB website | Complete: The final DPCS was published on the UKEB website after the February 2024 Board meeting. |

Ongoing communications

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|-------------------------------------------------|-----------------------------------|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Public Board meetings [Handbook 4.10] | Mandatory | UKEB public meetings held to discuss technical project | Complete: A brief summary of the IASB staff analysis and the Committee's discussion held in November was presented to the Board at its 14 December 2023⁶ meeting. The Board approved the Project Initiation Plan and Final Comment Letter at its meeting on 30 January 2024 . |

⁶ UKEB December 2023 meeting, [Agenda Paper 6, IASB General Update, Appendix B](#).

| Step | Mandatory / optional ¹ | Metrics or evidence | UKEB Secretariat comments |
|-------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Secretariat papers [Handbook 4.20] | Mandatory | Board meeting papers posted and publicly available usually no later than 5 working days before a Board meeting. | Complete: The UKEB's meeting papers were published on the UKEB website 5 working days before the public meetings. Meeting minutes and recordings were made publicly available via the UKEB website. |
| Project webpage [Handbook 4.25(b)] | Mandatory | Project webpage contains a project description with up-to-date information on the project. | Complete: The UKEB project webpage contains all relevant project information. |
| Subscriber Alerts [Handbook 4.24] | Optional | Evidence that subscriber alerts have occurred | Complete: Subscribers were alerted via email 5 days before each Board meeting, with links to the agenda, papers and the option to dial in to observe the discussion. |
| News Alerts [Handbook 4.24] | Optional | News Alert to announce publication of key documents | Complete: A News Alert was published on 5 th February 2024 announcing the publication of the UKEB Final Comment Letter in response to the Committee's Tentative Agenda Decision: <i>Climate-related Commitments (IAS 37)</i> . |

Conclusion

This project complies with the applicable due process steps envisaged for influencing IFRS Interpretation Committee's tentative agenda decisions, as set out in the UKEB Due Process Handbook at the time of writing.