



Beyond the GAAP

Forvis Mazars' monthly newsletter on financial and sustainability reporting



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The drafting of the present issue was completed on 3 April 2026.

Editorial

The IASB continues to update its accounting standards. Following the publication of IFRS 18 – *Presentation and Disclosure in Financial Statements* and IFRS 19 – *Subsidiaries without Public Accountability*, changes are coming for regulated activities with the publication, announced for the second quarter, of IFRS 20 – *Regulatory Assets and Regulatory Liabilities*.

Although the standard has not yet been published, EFRAG is already asking the IASB to postpone its effective date to 1 January 2030.

IFRS Highlights

Post-implementation review of IFRS 16: first IASB redeliberations

At its March meeting, the International Accounting Standards Board (IASB) began to consider how to respond to the stakeholder feedback received as part of the post-implementation review (PiR) of IFRS 16 – *Leases*.

Observing that the ongoing costs of applying the standard were higher than anticipated for lessees, the IASB tentatively decided to explore the feasibility of reducing costs without a significant negative effect on the usefulness of lease-related financial information.

The following areas would be explored for the possibility of reducing costs:

- remeasurements of the lease liability – for example, by:
 - reducing the frequency of remeasurements of the lease liability; and
 - simplifying the requirements for the reassessment of the lease liability to reflect changes in variable lease payments that are linked to an index or a rate; and
- discount rates – for example, by requiring or permitting lessees to use:
 - a simplified discount rate instead of the incremental borrowing rate; and
 - an unchanged discount rate for some remeasurements of the lease liability.

Appointment and reappointment of Trustees at the IFRS Foundation

On 2 March, the IFRS Foundation announced the appointment of Rudolf Bless as a Vice-Chair of the Trustees of the IFRS Foundation, along with the renewal, for a further three-year term, of the terms of office of the following Trustees: Koushik Chatterjee, Steven Maijoor and Isabel de Saint Malo.

The press release is available [here](#).

ISSB consults on proposed amendments to three SASB standards

On 26 March 2026, the International Sustainability Standards Board (ISSB) published an Exposure Draft (ED) seeking stakeholders' feedback on proposed amendments to three Sustainability Accounting Standards Board (SASB) standards: (i) *Agricultural Products*, (ii) *Meat, Poultry & Dairy*, and (iii) *Electric Utilities & Power Generators*. This ED also covers consequential amendments to the industry-based guidance on implementing IFRS S2 climate-related disclosures. The related press release and materials are available [here](#).

These proposals complete the first phase of the ISSB's program to enhance 12 priority SASB standards and are consistent with the approach taken in last year's consultation on the first nine standards.

The amendments aim to align SASB language and concepts more closely with the ISSB standards, improve international applicability and decision-usefulness for investors, and support interoperability with other sustainability reporting frameworks, while maintaining alignment with IFRS S2 and its industry-based guidance.

Through this initiative, the ISSB emphasises the importance of industry-specific disclosures in meeting investor information needs, noting that SASB standards remain a key resource for entities applying ISSB standards. The consultation is open for 120 days, with comments due by 24 July 2026 by completing the [online survey](#).

ISSB's March meeting focused on nature-related disclosures and enhancement of SASB standards

At its March meeting, the ISSB discussed several aspects of its research and standard-setting activities, with a particular focus on nature-related disclosures and the enhancement of the SASB standards. The related ISSB Update is available [here](#).

The Board agreed on the following (tentative) decisions with respect to nature-related disclosures:

- nature-related metrics: the ISSB decided that entities would be required to apply the existing requirements in IFRS S1 when disclosing metrics for nature-related risks and opportunities. This includes the obligation to refer to and consider the applicability of metrics in the SASB standards, while also allowing entities to consider other sources of guidance as already set out in IFRS S1. The Board also agreed to explore whether any cross-industry metrics should be required within the scope of this project, but not to expand work on cross-industry metrics beyond identified information areas at this stage;
- information on nature-related transition: the ISSB decided to develop incremental requirements and guidance on how an entity disclose the effects of nature-related risks and opportunities on its strategy and decision-making. This would include information on an entity's responses and planned actions, regardless of whether these are part of a formal transition plan, and would be incremental to the general requirements already set out in IFRS S1. In this context, the ISSB agreed to provide illustrative drafting of incremental

requirements and guidance for disclosing such information, as a basis for the development of proposals in an exposure draft;

- information on nature-related targets: the ISSB decided to provide incremental guidance on the breadth of what nature-related targets could relate to and the disclosure of location-specific information associated with such targets.

The ISSB also discussed its work on enhancing the SASB standards, which supports entities applying IFRS S1 and IFRS S2 by providing industry-specific guidance, in the course of the aforementioned publication of an Exposure Draft proposing amendments to the final three of the 12 SASB standards identified as initial priorities under the ISSB's 2024–2026 work plan.

European Highlights

EFRAG asks IASB to postpone the effective date of IFRS 20

On 25 March, [EFRAG sent a letter](#) to the IASB requesting that the effective date of IFRS 20 – *Regulatory Assets and Regulatory Liabilities*, which will replace IFRS 14 – *Regulatory Deferral Accounts*, be postponed to 1 January 2030. EFRAG explains this request by pointing out that some preparers, particularly multinational companies, may find it difficult to implement the new standard by 1 January 2029.

According to EFRAG, this deferral is also justified by:

- a revised publication schedule (now announced for the second quarter of 2026), which has brought forward the original timetable for implementation;
- the need for sufficient time to understand the varied and changing national regulatory regimes faced by multinational entities;
- certain key aspects of the standard – including the recognition constraint depending on whether there is a direct relationship between the IFRS assets and the regulatory capital base items – which stakeholders will only be able to understand fully when final wording is published.

EFRAG adopts its 2026 work programme on sustainability reporting

On 25 March 2026, the Sustainability Reporting Board (SRB) unanimously approved EFRAG's work programme for 2026. This programme aims to set out a clear course in terms of (i) priorities, (ii) stakeholder engagement processes and (iii) deliverables relating to EFRAG's work on sustainability reporting (see the draft document discussed by the SRB and available [here](#)).

The implementation of this work programme will, however, depend on the regulatory timelines, in particular the date on which the European Commission adopts the delegated acts on the revised ESRS and on the voluntary sustainability reporting standard. The programme assumes that these delegated acts will be adopted in June 2026, at which point EFRAG would be able to launch its own public consultations.

In this context, EFRAG has set the following priorities for 2026:

- preparation of the technical advice on the sustainability reporting standard applicable to non-EU companies/groups ('N-ESRS') with significant activity in the EU (see the guide published by Forvis Mazars on the impacts of the revised CSRD for these companies/groups, available [here](#)). A public consultation on a draft technical advice is expected to take place between mid-July and mid-October 2026;
- education and skills development, particularly for SMEs (continuing the work begun in 2025). This strand includes the development of guides to support the implementation of the voluntary European sustainability reporting standard;
- developing mechanisms to support the implementation of the revised ESRS;
- digitisation and the enhancement of the interactive platform known as the 'ESRS knowledge hub' (see [Beyond the GAAP no. 204](#) of November 2025). A public consultation on a draft XBRL taxonomy for the revised ESRS, along with a draft list of the revised ESRS requirements in Excel format (previously Implementation Guidance 3, 'IG 3'), is also expected to be launched in mid-July for a period of 60 or 90 days (to be confirmed);

- interoperability with international sustainability reporting frameworks, giving priority to the standards of the ISSB, the SASB and the Global Reporting Initiative (GRI), as well as the GHG Protocol, given that these frameworks are applicable to companies applying the ESRS and in light of the importance of avoiding double reporting for European companies that also wish to comply with ISSB standards. Draft responses to proposed amendments to these other frameworks will also be published by EFRAG, with a consultation period equivalent to half that set by the relevant international bodies.

EFRAG also intends to consult stakeholders on (i) their needs for implementation support in relation to the revised ESRS and the voluntary sustainability reporting standard, and (ii) on how to design an effective mechanism for delivering this material to companies and other users (implementation guidance, Q&As or other mechanisms). EFRAG has already identified anticipated financial effects as a priority topic to be addressed.

In 2026, EFRAG's work on this aspect is therefore expected to focus on defining the guidance process rather than on the immediate publication of content, pending (i) the results of this consultation, expected to take place between July and October 2026, and (ii) the adoption of the relevant delegated acts. In the meantime, EFRAG plans to publish reports on the current state of reporting practices under ESRS and the VSME standard for the 2025 reporting period.

European taxonomy: Commission seeks ESAs' technical advice on the review of the disclosures required under Article 8 delegated act

On 3 March 2026, the European Commission's Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA) requested the [technical advice](#) of the three European Supervisory Authorities (ESAs) to inform the review of the delegated act on disclosure requirements (known as the 'Article 8' delegated act) under the European Taxonomy Regulation.

This advice should mainly focus on the following Key Performance Indicators (KPIs):

- the operational expenditure (OpEx) KPI of non-financial undertakings;
- the Commissions and Fees KPI and Trading Book KPI of credit institutions; and
- the underwriting KPI of insurance/reinsurance undertakings.

DG FISMA also invited the ESAs to advise whether other targeted technical amendments to the Article 8 delegated act are necessary to simplify and enhance the usability of the EU Taxonomy reporting.

The final technical advice is expected from the ESAs by October 2026. The Commission will then take it into account when adopting the amendments to Article 8 delegated act, expected in the first quarter of 2027.

European Taxonomy: Commission seeks feedback from stakeholders on revision of criteria for sustainable economic activities

On 17 March 2026, the Commission launched a four-week [public consultation](#) on proposals to amend the Climate and Environment delegated acts of the European Taxonomy. These amendments are intended to update and simplify the technical screening criteria (TSC), and to clarify how compliance with these criteria should be demonstrated.

The amendments align with the objectives of the 'Omnibus I' package to simplify EU rules and reduce the administrative burden for companies. They therefore aim to boost Taxonomy adoption through easier use, improve access to green finance in the EU, and enhance market transparency through clearer disclosures.

The changes cover most activities under the Climate and Environmental delegated acts in terms of the substantial contribution criteria for each environmental objective, as well as for all appendices related to the generic 'do no significant harm' (DNSH) criteria. They also aim to bring the Taxonomy's criteria into line with the latest European legislation and to take better account of technological advances.

The consultation period runs until 14 April. The amended Climate and Environment delegated acts are expected to be adopted in the second quarter of 2026. At this stage, the draft texts provides for an application to disclosures from 1 January 2027.

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