

Office No. UCG-FOCAL-2021-0001

Mexico City, May 21, 2021.

Subject: Comments from FOCAL member countries to IPSASB Exposure Draft 75 Leases.

Mr.

Ian Carruthers

Chairman of the International Public Sector Accounting Standards Board (IPSASB)

Dear Mr. Carruthers:

Receive a cordial greeting and thanks for the support of the IPSASB in the extension of the deadline for the delivery of comments to the Draft Standard ED 75, Leases, especially to Dr. Kamira Sánchez, who requested it from the Technical Directorate of the IPSASB, the above since Mexico assumed the presidency of the Latin American Government Accounting Forum (FOCAL) in April.

In this regard, FOCAL submitted a consolidated document containing comments from 12 Latin American countries: Ecuador, the Dominican Republic, Chile, El Salvador, the Republic of Panama, Brazil, Guatemala, Peru, Honduras, Paraguay, Uruguay and Mexico; for their consideration. The FOCAL has sought to strengthen joint work with the IPSASB and contribute the experience of each country in the application of standards in Public Sector Accounting.

Yours sincerely,



Juan Torres García

Head of the Government Accounting Unit of Mexico
Ministry of Finance and Public Credit of Mexico
FOCAL President

Annexes:

- Annex No. 1 - Comments to Exposure Draft IPSASB Standards_FOCAL consolidated
 - Annex No. 2 - Request for Information RFI Comments to Exposure Draft IPSASB Standards_FOCAL consolidated
 - Annex No. 3 - Additional comments Standard 75 IPSASB - Mexico
- cc. FOCAL Countries



Annex_1

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Comments to Exposure Draft IPSASB Standards, FOCAL Consolidated

CONSOLIDATED DOCUMENT OF THE MEMBER COUNTRIES OF FOCAL

IPSASB EXPOSURE DRAFT 75, LEASES SPECIFIC MATTERS		
SPECIFIC MATTER - ASUNTO ESPECÍFICO	COMENTARIOS	COMMENTS
<p>Specific Matter for Comment 1:</p> <p>The IPSASB decided to propose an IFRS 16-aligned Standard in ED 75 (see paragraphs BC21–BC36). Do you agree with how the IPSASB has modified IFRS 16 for the public sector (see paragraphs BC37–BC60)? If not, please explain your reasons. If you agree, please provide any additional reasons not already discussed in the Basis for Conclusions.</p> <p>Asunto específico para comentario 1:</p> <p>El IPSASB decidió proponer un Proyecto de Norma ED 75 alineado con la NIIF 16 (véanse los párrafos BC21–BC36).</p> <p>¿Está de acuerdo con la forma en que la IPSASB ha modificado la NIIF 16 para el sector público (véanse los párrafos BC37–BC60)?</p>	<p>ECUADOR</p> <p>Si estamos de acuerdo.</p> <p>Se han incorporado todos los aspectos necesarios para la aplicación contable de Arrendamientos.</p> <p>REPÚBLICA DOMINICANA</p> <p>Si</p> <p>Hemos asentido de manera positiva en cada cuestionamiento, debido a que estas modificaciones especialmente lo que respecta a la fase dos que se ocupa de cuestiones específicas del sector público, como arrendamientos concesionales, derechos de acceso y otros tipos de acuerdos en el sector público.</p> <p>Igualmente lo relacionado con mantener el concepto o definición del valor razonable por los posibles cambios que esto acarrearía en la Contabilidad de las entidades contables especialmente públicas.</p> <p>Es nuestro interés acogernos a las decisiones tomadas por el IPSASB en todas sus partes, siempre en busca de que se presenten informes</p>	<p>ECUADOR</p> <p>Yes, we agree.</p> <p>All the necessary aspects for the accounting application of Leases have been incorporated.</p> <p>DOMINICAN REPUBLIC</p> <p>Yes</p> <p>We have agreed positively in each question, because these modifications especially with regard to phase two that deals with specific public sector issues, such as concessional leases, access rights and other types of agreements in the public sector.</p> <p>Likewise, what is related to maintaining the concept or definition of fair value due to the possible changes that this would entail in the Accounting of especially public accounting entities.</p> <p>It is our interest to abide by the decisions made by the IPSASB in all its parts, always seeking to present financial reports that are consistent with the reality of the economic and financial events that occurred in light of them.</p>



<p>Si no es así, por favor explique sus razones. Si está de acuerdo, por favor proporcione cualquier razón adicional que aún no se haya discutido en la Base de Conclusiones.</p>	<p>financieros apegados a la realidad de los hechos económicos y financieros acontecidos a la luz de los mismos.</p> <p>CHILE</p> <p>Sí, se considera apropiado.</p> <p>Se observa que, en lo sustantivo, el Proyecto de Norma 75 se mantiene alineado con la NIIF 16, ajustando solo algunos conceptos cuando era relevante para el contexto del sector público. Sin embargo, se expresa la preocupación de que se estarán ocupando dos criterios diferentes para la clasificación de los arrendos, dependiendo de si se trata de la contabilidad del arrendador o el arrendatario. Por ejemplo, si ambas partes son del sector público, se tendrá que, en un arriendo operativo, el arrendador no reconocerá un activo financiero por las cuotas futuras, pero el arrendatario sí reconocerá un pasivo financiero por esas cuotas futuras.</p> <p>Sin embargo, se reconoce que ese es un tratamiento contable que fue definido en la NIIF 16, por lo que se debe mantener para que ambos estándares sean consistentes.</p> <p>EL SALVADOR</p> <p>Si, estamos de acuerdo con la forma que contempla el arrendamiento, en esencia se mantienen las mismas condiciones que la NIIF 16 han considerado, la evaluación del reconocimiento y medición con respecto al registro contable la figura es el mismo respecto a las nuevas valoraciones.</p> <p>GUATEMALA</p> <p>No</p> <p>Proponemos mantener la separación del tratamiento contable de los arrendamientos financieros y los operativos en el apartado del arrendatario como se especifica en la NICSP 13.</p>	<p>CHILE</p> <p>Yes, it is considered appropriate.</p> <p>It is observed that, substantively, Exposure Draft 75 remains aligned with IFRS 16, adjusting only some concepts when it was relevant to the public sector context. However, the concern is expressed that two different criteria will be used for the classification of the leases, depending on whether it is the accounting of the lessor or the lessee. For example, if both parties are from the public sector, in an operating lease, the lessor will not recognize a financial asset for future installments, but the lessee will recognize a financial liability for those future installments.</p> <p>However, it is recognized that this is an accounting treatment that was defined in IFRS 16, so it must be maintained for both standards to be consistent.</p> <p>EL SALVADOR</p> <p>Yes, we agree with the form contemplated by the lease, in essence the same conditions that IFRS 16 have considered are maintained, the evaluation of recognition and measurement with respect to the accounting record, the figure is the same with respect to the new valuations.</p> <p>GUATEMALA</p> <p>No</p> <p>We propose to maintain the separation of the accounting treatment of finance and operating leases in the lessee section as specified in IPSAS 13.</p>
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	<p>PERÚ</p> <p>Si. Sin embargo, con relación al apartado referido a las excepciones de reconocimiento, el IPSASB determinó a la materialidad determinada por cada entidad como un indicador para la excepción de la norma referida al “bajo valor”, en este sentido, el IPSASB debería determinar también indicadores para la excepción referida “de corto plazo”, dado que podrían darse interpretaciones inadecuadas.</p> <p>HONDURAS</p> <p>Si</p> <p>Definir un modelo o política para la depreciación de los bienes del que se tiene el derecho del control de este.</p> <p>PARAGUAY</p> <p>No</p> <p>Se analizó y los principales inconvenientes que se tiene en las primeras NICSP aprobadas es que no veíamos a las normas como propias y características del sector público, lo cual por años lo único que creo fue luchas para la adopción de estas de parte de los países.</p> <p>La propia IPSASB ha cambiado con la aprobación de normas especiales por las características que poseen las entidades del sector público. Por lo cual, no estamos de acuerdo en alinearlas de vuelta a la NIIF 16, debido a que en el sector público en especial el lucro o no, no es un fin propio de las administraciones públicas y por lo tanto cambia el sentido de dichas normas ya sea del sector privado o público. Brinda un servicio público gane o pierda, no tenemos el mismo concepto de beneficios o ganancias vs. pérdidas como se ha visto.</p> <p>Hay una variación de tipos de contratos firmados o no bajo esta figura por lo cual es importante recabar la mayor cantidad de modelos posibles que se da en el sector público para poder identificar, cuantificar y registrar en</p>	<p>PERU</p> <p>Yes. However, in relation to the section referring to recognition exceptions, the IPSASB determined the materiality determined by each entity as an indicator for the exception of the standard referring to “low value”, in this sense, the IPSASB should also determine indicators for the exception referred to as “short-term”, since inappropriate interpretations could be given.</p> <p>HONDURAS</p> <p>Yes</p> <p>Define a model or policy for the depreciation of the assets of which you have the right to control it.</p> <p>PARAGUAY</p> <p>No</p> <p>It was analyzed and the main drawbacks of the first IPSASs approved is that we did not see the standards as their own and characteristics of the public sector, which for years the only thing I believe was struggles for the adoption of these by the countries.</p> <p>The IPSASB itself has changed with the approval of special standards due to the characteristics of public sector entities. Therefore, we do not agree to align them back to IFRS 16, because in the public sector, especially profit or not, is not an end inherent to public administrations and therefore changes the meaning of said standards either from the private or public sector. Provide a public service win or lose, we do not have the same concept of benefits or gains vs. losses as seen.</p> <p>There is a variation in the types of contracts signed or not under this figure, so it is important to collect as many models as possible that exist in the public sector to be able to identify, quantify and record in the</p>
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	<p>los estados financieros, en especial entre entidades del estado o en algunos casos con privados, aunque esto no es precisamente la característica.</p> <p>URUGUAY</p> <p>Si.</p> <p>Estamos de acuerdo con la decisión de la IPSASB de adoptar el modelo de “derecho de uso” (right-of-use) contenido en la NIIF 16 para la contabilidad de arrendamientos, al igual que con la decisión de conservar el modelo de riesgos y beneficios para la contabilidad del arrendador. Las razones mencionadas en los párrafos BC21 a BC36 son entendibles, en especial la referida a lo costoso de su aplicación en la práctica. Adicionalmente, consideramos que la decisión de la IPSASB también contribuye a aumentar la coherencia y convergencia entre los modelos de contabilidad del sector público y privado, evitando posibles confusiones en los usuarios de los estados financieros, en especial si se intentara comparar información entre ambos sectores.</p> <p>REPÚBLICA DE PANAMÁ</p> <p>Si</p> <p>Esta Norma afectará los índices financieros más comunes tales como el índice de apalancamiento, posición corriente, rotación de activos, costo de financiamiento, EBITDA, EBIT, utilidad operativa, resultado neto, y flujo de caja operativo. Dichos cambios pudieran afectar igualmente índices de cobertura incluidos en contratos de préstamo, e indicadores de riesgo de crédito. Los cambios en esta Norma pueden hacer que muchas entidades reconsideren las decisiones de “comprar” vs. “arrendar”. Las entidades que tienen arrendados activos de gran tamaño, tales como oficinas, equipos, vehículos, naves, aeronaves, etc., esperamos que tengan impactos significativos. Las entidades que tienen arrendado numerosos activos de poco valor, tales como teléfonos, artículos de oficina, computadores personales, etc., tendrán un impacto menor, ya que el IPSASB incluye excepciones para activos de bajo valor. El costo de</p>	<p>financial statements, especially between state entities or in some cases with private, although this is not exactly the characteristic.</p> <p>URUGUAY</p> <p>Yes.</p> <p>We agree with the IPSASB's decision to adopt the “right-of-use” model contained in IFRS 16 for lease accounting, as well as the decision to retain the risk model and benefits for the lessor's accounting. The reasons mentioned in paragraphs BC21 to BC36 They are understandable, especially the one referring to the cost of their application in practice. Additionally, we consider that the IPSASB's decision also contributes to increasing the coherence and convergence between the public and private sector accounting models, avoiding possible confusion for users of financial statements, especially if an attempt is made to compare information between both sectors.</p> <p>REPUBLIC OF PANAMA</p> <p>Yes</p> <p>This Standard will affect the most common financial ratios such as the leverage ratio, current position, asset turnover, financing cost, EBITDA, EBIT, operating profit, net income, and operating cash flow. Said changes could also affect coverage ratios included in loan contracts, and credit risk indicators. Changes to this Standard may cause many entities to reconsider “buy” vs. “to lease”. Entities that have leased assets of large size, such as offices, equipment, vehicles, ships, aircraft, etc., we expect to have significant impacts. Entities that have leased numerous low-value assets, such as telephones, office supplies, personal computers, etc., will have a low impact, as the IPSASB includes exceptions for low-value assets. The cost of implementing the requirements of this Standard, and having all the required information ready, will be very important in most entities;</p>
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	<p>implementación de los requerimientos de esta Norma, y tener lista toda la información requerida, será muy importante en la mayoría de las entidades; esto pudiera requerir recursos adicionales (materiales y humanos) para completar una implementación exitosa.</p> <p>El IPSASB ha tomado la decisión por un único registro contable para los arrendatarios en el que el arrendamiento se reconoce en el balance de situación. Uno de los conceptos más controversiales de la propuesta es el argumento conceptual del cumplimiento de la definición como activo, solo por el “derecho de uso”.</p> <p>El IPSASB concluye que el derecho de un arrendatario a usar un activo subyacente cumple con la definición de activo, debido a las siguientes razones:</p> <ul style="list-style-type: none"> a) el arrendatario controla el derecho a utilizar el activo subyacente a lo largo de todo el período de duración del arrendamiento, b) el arrendatario tiene la facultad de determinar cómo utilizar el activo subyacente y, en consecuencia, su forma de generar beneficios económicos futuros procedentes de dicho derecho de uso, c) el derecho a controlar y utilizar el activo existe incluso aunque incluya algunas restricciones con respecto de su uso, y d) el control del arrendatario del derecho de uso procede de acontecimientos pasados, no sólo del compromiso en el contrato de arrendamiento sino también de la puesta a disposición del arrendatario del activo subyacente para su uso durante el período no cancelable del arrendamiento. 	<p>this may require additional resources (material and human) to complete a successful implementation.</p> <p>The IPSASB has made the decision for a single accounting record for lessees in which the lease is recognized on the balance sheet. One of the most controversial concepts in the proposal is the conceptual argument of compliance with the definition as an asset, only for the "right of use."</p> <p>The IPSASB concludes that a lessee's right to use an underlying asset meets the definition of an asset, due to the following reasons:</p> <ul style="list-style-type: none"> a) the lessee controls the right to use the underlying asset throughout the entire duration of the lease, b) the lessee has the power to determine how to use the underlying asset and, consequently, its way of generating future economic benefits from said right of use, c) the right to control and use the asset exists even if it includes some restrictions regarding its use, and d) the lessee's control of the right of use comes from past events, not only from the commitment in the lease but also from the provision of the underlying asset to the lessee for use during the non cancellable period of the lease. <p>BRAZIL</p> <p>1. Context and General Comments</p> <p>The Brazilian Federation is composed by central, 26 states, one federal district and 5,569 city governments. These levels of governments are responsible for formulating, implementing and evaluating public policies in cooperative and/or competitive arrangements.</p>
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		<p>The proposed approach requires a “right-of-use” model to leases for lessees. Under this model, lessees would record a right-of-use asset and a lease liability in the statement of financial position. This may cause a significant impact in the governments’ financial position.</p> <p>In this document, we present the contributions for the consultation paper and request for information applicable to our jurisdiction. As detailed in our response to the Specific Matter for Comment 2, we do not agree with the proposition to retain the fair value definition consistent with IFRS 16 and IPSAS 13.</p> <p>GA/CFC agrees with the IPSASB’s proposition to align the IPSAS accounting requirements for leases with IFRS 16.</p> <p>In addition, we have the following comment:</p> <p>ED 75 requires that at commencement date, the lease payments included in the measurement of the lease liability should comprise, among other items: “Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date”.</p> <p>In summary, the projected cash flow used to measure the lease liability should be calculated based on the prevailing index as at the commencement date not including any estimated projection as, for instance, inflation. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee’s incremental borrowing rate.</p> <p>While there is a negligible difference between real interest rates and nominal interest rates in developed economies, with extremely low inflation expectations (sometimes negative), the difference between real and nominal interest rates in non-developed countries with high inflation can be significant and, therefore, inflation expectation may be implicit in the borrowing rate.</p> <p>Based on the above, projecting cash flow not considering an estimation of inflation index and discounting it using the lessee’s incremental</p>
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	<p>MÉXICO</p> <p>En términos muy generales estamos de acuerdo, sin embargo, existen ciertas definiciones o particularidades que se plantean a continuación:</p> <p>Esta disposición no modificaría el esquema aplicado en el Gobierno Mexicano, dado que no considera como actividad prioritaria de ingreso el arrendamiento de bienes; es decir no funge como arrendatario, en los casos en que se pudiera presentar (particularmente en las entidades paraestatales), es considerado como un ingreso propio diverso, el cual está contemplado dentro del Clasificador por Rubros de Ingresos CRI.</p> <p>Se considera acertado que tanto las NIIF como las NICSP se encuentren alineadas, precisando las características específicas que aplican en cada ámbito con el propósito de identificar su incorporación y reflejo en la contabilidad.</p> <p>Es importante precisar que las variables consideradas en cada tipo de arrendamiento deberán precisarse en el contrato, dado que es el documento jurídico que sustenta el registro contable.</p> <p>En México el término “orden del gobierno” señalado en el párrafo BC40 no es aplicable, por lo que no estamos de acuerdo, debido a que los arrendamientos deben:</p> <ul style="list-style-type: none"> Realizarse mediante adjudicación o licitación pública a través de convocatoria pública, con el fin de asegurar las mejores condiciones que permitan administrar con eficiencia, eficacia, economía, transparencia los recursos públicos. 	<p>borrowing rate that usually includes an estimation for inflation may cause distortion in the present value of the lease liability.</p> <p>Therefore, GA/CFC believes that additional guidance should be provided in determining the borrowing rate, specifically mentioning if the borrowing rate should consider the real interest rate (not considering inflation) or nominal interest rate (considering inflation).</p> <p>MEXICO</p> <p>In very general terms we agree, however, there are certain definitions or particularities that are set out below:</p> <p>This provision would not modify the scheme applied in the Mexican Government, since it does not consider the leasing of goods as a priority income activity; In other words, it does not act as a lessor, in the cases in which it could be presented (particularly in parastatal entities), it is considered as a diverse own income, which is contemplated within the Classifier by Income Items CRI.</p> <p>It is considered correct that both IFRS and IPSAS are aligned, specifying the specific characteristics that apply in each area in order to identify their incorporation and reflection in accounting.</p> <p>It is important to specify that the variables considered in each type of lease must be specified in the contract, since it is the legal document that supports the accounting record.</p> <p>In Mexico, the term “government order” indicated in paragraph BC40 is not applicable, so we do not agree, because leases must:</p> <ul style="list-style-type: none"> To be carried out by awarding or public bidding through a public call, in order to ensure the best conditions that allow the efficient, effective, economical and transparent administration of public resources.
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	<ul style="list-style-type: none"> La formalización para el ejercicio de los recursos públicos debe ser de forma escrita, mediante la suscripción de convenios o contratos, donde se establecen de manera expresa los derechos y obligaciones de las partes y los mecanismos para hacer cumplir los compromisos establecidos en un acuerdo vinculante. <p>Actualmente en México se celebran contratos de arrendamientos de inmuebles, equipos hospitalarios, tecnologías de la información para uso de personal, mobiliario y equipo.</p>	<ul style="list-style-type: none"> The formalization for the exercise of public resources must be in writing, through the signing of agreements or contracts, where the rights and obligations of the parties and the mechanisms to enforce the commitments established in a binding agreement are expressly established. <p>Currently in Mexico, leasing contracts for real estate, hospital equipment, and information technologies are signed for the use of personnel, furniture and equipment.</p>
<p>Specific Matter for Comment 2:</p> <p>The IPSASB decided to propose the retention of the fair value definition from IFRS 16 and IPSAS 13, <i>Leases</i>, which differs from the definition proposed in ED 77, <i>Measurement</i> (see paragraphs BC43–BC45). Do you agree with the IPSASB’s decision? If not, please explain your reasons. If you agree, please provide any additional reasons not already discussed in the Basis for Conclusions.</p> <p>Asunto específico para comentario 2:</p> <p>El IPSASB decidió proponer la retención de la definición de valor razonable de la NIIF 16 y la NICSP 13, <i>Arrendamientos</i>, que difiere de la definición propuesta en ED 77, <i>medición</i> (véanse los párrafos BC43–BC45).</p> <p>¿Está de acuerdo con la decisión del IPSASB? Si no es así, por favor explique sus razones.</p> <p>Si está de acuerdo, por favor proporcione cualquier razón adicional que aún no se haya discutido en la Base de Conclusiones.</p>	<p>ECUADOR</p> <p>Si estamos de acuerdo.</p> <p>La definición debe mantenerse bajo la explicación del IPSASB de no requerir cambios en los sistemas de contabilidad.</p> <p>REPÚBLICA DOMINICANA</p> <p>Si</p> <p>CHILE</p> <p>Sí, se considera correcto.</p> <p>Esta decisión está alineada con priorizar la consistencia entre el proyecto de norma y la NIIF 16.</p> <p>EL SALVADOR</p> <p>Se está de acuerdo en que se aplique el valor razonable, debido a que siempre existirá al reconocimiento financiero inicial y posterior de un bien de arrendamiento, y siempre existirá la probabilidad de dos o más momentos que surjan de la transacción de activo en arrendamiento, pueda ser una por venta posterior a manera de ejemplo o evaluar los riesgos de un activo según su uso del arrendatario, actualizando la medida de valuación.</p>	<p>ECUADOR</p> <p>Yes, we agree.</p> <p>The definition should be kept under the IPSASB's explanation of not requiring changes to accounting systems.</p> <p>DOMINICAN REPUBLIC</p> <p>Yes</p> <p>CHILE</p> <p>Yes, it is considered correct.</p> <p>This decision is aligned with prioritizing consistency between the exposure draft and IFRS 16.</p> <p>EL SALVADOR</p> <p>It is agreed that fair value should be applied, because there will always be the initial and subsequent financial recognition of a leased asset, and there will always be the probability of two or more moments arising from the leased asset transaction, it may be one for subsequent sale as an example or assess the risks of an asset according to its use by the lessee, updating the valuation measure.</p>



HACIENDA

SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO



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	<p>GUATEMALA</p> <p>Si</p> <p>La definición del valor razonable es apropiada para el proyecto de norma ED 75, sin embargo, no se tuvo a la vista el proyecto ED 77 para conocer la definición que se propone.</p> <p>PERÚ</p> <p>Sí. Sin embargo, siendo el objetivo del IPSASB actualizar paulatinamente las normas contables del sector público, mejorar ciertos conceptos y emitir nuevos estándares, como es la Medición presentada en el ED 77, es preciso que este proyecto junto con el ED 75 y demás proyectos de norma a futuro sean congruentes entre sí, sobre los fundamentos esenciales que obedecen siendo la medición parte fundamental del marco conceptual de las NICSP y de cada norma en particular, esto con el fin de no doblegar el trabajo de cada país en una adopción y transición diferente.</p> <p>HONDURAS</p> <p>SI</p> <p>Medición del impacto a nivel de sistema.</p> <p>PARAGUAY</p> <p>No</p> <p>Por las mismas razones, expuestas en el asunto específico 1.</p> <p>URUGUAY</p> <p>SI</p> <p>Concordamos en conservar la definición de valor razonable definida en la NIIF 16 y NICSP 13. La definición del ED 77, en que el valor razonable se</p>	<p>GUATEMALA</p> <p>Yes</p> <p>The definition of fair value is appropriate for ED 75, however, Project ED 77 was not in sight to know the proposed definition.</p> <p>PERU</p> <p>Yes. However, since the objective of the IPSASB is to gradually update the accounting standards of the public sector, improve certain concepts and issue new standards, such as the Measurement presented in ED 77, it is necessary that this project together with ED 75 and other projects future standards are congruent with each other, on the essential foundations they obey, measurement being a fundamental part of the conceptual framework of IPSAS and of each standard in particular, this in order not to duplicate the work of each country in a different adoption and transition.</p> <p>HONDURAS</p> <p>YES</p> <p>Measurement of impact at the system level.</p> <p>PARAGUAY</p> <p>No</p> <p>For the same reasons set forth in specific matter 1.</p> <p>URUGUAY</p> <p>YES</p> <p>We agree to retain the definition of fair value defined in IFRS 16 and IPSAS 13. The definition in ED 77, in which fair value is determined by the</p>
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	<p>determina por la transacción a la fecha de medición, podría llevar a una subvaloración del mismo, en comparación con la definición de la NICSP 13. Se sugiere que, al ser un concepto de difícil adopción práctica, se elabore una guía de aplicación extensa sobre el tema para que acompañe la norma.</p> <p>REPÚBLICA DE PANAMÁ</p> <p>Si</p> <p>A efectos de esta Norma, la definición de valor razonable, para la entidad, se entiende que la aplicación por parte del arrendador, de los requerimientos de contabilización de la Norma, el importe por el cual puede ser intercambiado un activo o cancelado un pasivo, entre un comprador y un vendedor interesados y debidamente informados, en condiciones de independencia mutua.</p>	<p>transaction at the measurement date, could lead to an undervaluation of the same, compared to the definition of IPSAS 13. It is suggested that, as it is a concept that is difficult to adopt in practice, an extensive application guide on the subject be prepared to accompany the standard.</p> <p>REPUBLIC OF PANAMA</p> <p>Yes</p> <p>For the purposes of this Standard, the definition of fair value, for the entity, is understood that the lessor's application of the accounting requirements of the Standard, the amount for which an asset can be exchanged or a liability canceled, between a buyer and a seller who are interested and duly informed, in conditions of mutual independence.</p> <p>BRAZIL</p> <p>GA/CFC does not agree with the IPSASB's view to retain the fair value definition consistent with IFRS 16 and IPSAS 13. We believe that the proposed definition of fair value in ED 77 should be used. Our disagreement with the proposition of the IPSASB is due to following:</p> <ul style="list-style-type: none"> ✓ should not be two different definitions of fair value used in IPSASB's literature. ✓ the change in the fair value definition would cause impact only in limited circumstances, mainly in the lease classification for lessors and the timing of recognizing gains or losses for sale and leaseback transactions. We recommend the inclusion of additional implementation guidance related to the use of the new definition of fair value in the context of the lease classification and of the timing of recognizing gains or losses for sale and leaseback transactions. ✓ most countries are still in the process of implementing IPSAS and, therefore, this would not cause significant change for their accounting system.
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HACIENDA

SECRETARÍA DE HACIENDA Y CRÉDITO PÚBLICO



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	<p>MÉXICO</p> <p>En términos muy generales estamos de acuerdo, sin embargo, existen ciertas definiciones o particularidades que se plantean a continuación y que el IPSASB puede considerar:</p> <p>En el Gobierno de México se tiene contemplado el esquema de arrendamiento financiero en su carácter de arrendatario no de arrendador, para lo cual, se apega a las condiciones del contrato establecido en el que se especifica el costo del bien y el monto que se pagará al final para obtener la propiedad del mismo, sobre este tema el Consejo Nacional de Armonización Contable (CONAC) ha emitido dentro de su normatividad las cuentas contables para su registro y dentro de los ejemplos de Guías Contabilizadoras se incluye la Guía IV.2.1 ARRENDAMIENTO FINANCIERO que muestra el registro sobre los importes especificados en el contrato. Esta definición de Valor razonable y su aplicación en el primer momento de registro contable de los arrendamientos presentará dificultades para las áreas contables en México que vienen normalmente aplicando y considerando como base el valor establecido en el contrato para soportar sus registros contables.</p> <p>En el caso de México, se prevé la opción de las entidades públicas de posterior reconocimiento por Valor Razonable de las operaciones que se llevan a cabo, para la revaluación del Activo, pero de forma independiente, no como parte del registro inicial del contrato de arrendamiento.</p> <p>Hasta este momento en México, los contratos de arrendamiento operativo, en su registro únicamente se considera afectando el Gasto, de conformidad con la partida presupuestaria correspondiente.</p> <p>Si el propósito del IPSASB es alinear tanto las NIIF como las NICSP, sería conveniente aplicar la misma terminología en todos los casos, evitando así una interpretación inadecuada de términos, o bien en su caso la integración de un Glosario de Términos que identifique los casos en que hay una variación en la interpretación.</p>	<p>MEXICO</p> <p>In very general terms we agree, however, there are certain definitions or particularities that are set out below and that the IPSASB may consider:</p> <p>The Government of Mexico has contemplated the financial leasing scheme in its character of lessee not lessor, for which, it adheres to the conditions of the contract established in which the cost of the good and the amount that will be paid to the In order to obtain ownership of the same, on this issue the National Council for Accounting Harmonization (CONAC) has issued, within its regulations, the accounting accounts for their registration and within the examples of Accounting Guides, Guide IV.2.1 FINANCIAL LEASE is included. shows the record on the amounts specified in the contract. This definition of fair value and its application in the first moment of accounting record of the leases will present difficulties for the accounting areas in Mexico that are normally applying and considering as a basis the value established in the contract to support their accounting records.</p> <p>In the case of Mexico, the option is provided for the public entities of subsequent recognition by Fair Value of the operations that are carried out, for the revaluation of the Asset, but independently, not as part of the initial registration of the lease contract.</p> <p>Until now, in Mexico, the operating lease contracts, in their registry, are only considered affecting the Expense, in accordance with the corresponding budget item.</p> <p>If the purpose of the IPSASB is to align both IFRS and IPSAS, it would be advisable to apply the same terminology in all cases, thus avoiding an inappropriate interpretation of terms, or, where appropriate, the integration of a Glossary of Terms that identifies the cases in that there is a variation in interpretation.</p>
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<p>Specific Matter for Comment 3:</p> <p>The IPSASB decided to propose to refer to both “economic benefits” and “service potential”, where appropriate, in the application guidance section of ED 75 on identifying a lease (see paragraphs BC46–BC48). Do you agree with the IPSASB’s decision? If not, please explain your reasons. If you agree, please provide any additional reasons not already discussed in the Basis for Conclusions</p> <p>Asunto específico para comentario 3:</p> <p>El IPSASB decidió proponer referirse tanto a los "beneficios económicos" como al "potencial de servicio", en donde sea apropiado, en la sección de guía de aplicación del ED 75 al identificar un contrato de arrendamiento (véanse los párrafos BC46-BC48).</p> <p>¿Está de acuerdo con la decisión del IPSASB? Si no es así, por favor explique sus razones.</p> <p>Si está de acuerdo, por favor proporcione cualquier razón adicional que aún no se haya discutido en la Base de Conclusiones.</p>	<p>ECUADOR</p> <p>Si estamos de acuerdo</p> <p>Es coherente con el Marco Conceptual y se están incluyendo aspectos que se tratan en el sector público, que es beneficios económicos y potencial de servicio.</p> <p>REPÚBLICA DOMINICANA</p> <p>Si</p> <p>CHILE</p> <p>Sí, se considera correcto. Esta es una adecuación necesaria para el sector público.</p> <p>EL SALVADOR</p> <p>Se está de acuerdo en que incluya tanto los beneficios económicos como el potencial de servicio, esto debido que permite abarcar todos los posibles usos que puede llegar a obtener de un activo.</p> <p>GUATEMALA</p> <p>SI</p> <p>Los planteamientos citados en las conclusiones BC 46 – BC 48 son pertinentes con el asunto específico 3.</p> <p>PERÚ</p> <p>Sí, dado que las entidades públicas en esencia tienen por objetivo cumplir con su propósito, el cual es brindar el mejor servicio a la ciudadanía, en este sentido, los beneficios económicos no serían obtenidos por la entidad sino por la ciudadanía a través de la prestación del servicio</p>	<p>ECUADOR</p> <p>Yes, we agree</p> <p>It is consistent with the Conceptual Framework and aspects that are dealt with in the public sector are being included, which is economic benefits and service potential.</p> <p>DOMINICAN REPUBLIC</p> <p>Yes</p> <p>CHILE</p> <p>Yes, it is considered correct. This is a necessary adaptation for the public sector.</p> <p>EL SALVADOR</p> <p>It is agreed that it includes both the economic benefits and the service potential, this because it allows covering all the possible uses that an asset can get.</p> <p>GUATEMALA</p> <p>YES</p> <p>The approaches cited in Conclusions BC 46 - BC 48 are relevant to specific case 3.</p> <p>PERU</p> <p>Yes, since public entities essentially aim to fulfill their purpose, which is to provide the best service to citizens, in this sense, the economic benefits would not be obtained by the entity but by citizens through the provision of the service provided. Likewise, the term economic benefits is</p>
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	<p>brindado. Asimismo, el término beneficios económicos es en esencia lo que obtiene el proveedor del servicio (arrendador). En ese sentido, es aplicable hacer referencia a ambos conceptos.</p> <p>Sin embargo, dado que en su gran mayoría el término aplicable en las NICSP se considera “potencial de servicio”, sería importante que en la sección definiciones se enfatice la descripción de ambos conceptos y sobre las situaciones en que es permisible su aplicación, aclarando con ello su alcance de aplicación e interpretación.</p> <p>HONDURAS</p> <p>Si</p> <p>Es importante la agregación del término, en vista que existen Bienes que no pertenecen a la clasificación de Arrendamientos, por lo que debe de existir de manera clara los criterios para clasificarlos tanto aquellos bienes que proporcionan Beneficio Económico y los que deben estar dentro de los que proporcionan Potencial de Servicio, que tienen como fin beneficiar a la comunidad, ya que en la Norma incluye las definiciones de un Arrendamiento.</p> <p>PARAGUAY</p> <p>Si</p> <p>Justamente la característica propia de una administración pública es el potencial de servicio o prestar un servicio se gane o pierda, por el hecho de prestar un servicio a la comunidad, por lo cual es fundamental no solo agregar cuando sea apropiado sino debe estar inserta en toda la norma, por la característica propia del sector público que no lo tiene el sector privado, se debe profundizar y potenciar esta característica en toda la norma y dejarla de manera explícita para estos casos.</p> <p>URUGUAY</p> <p>Si</p>	<p>essentially what the service provider (lessor) obtains. In that sense, it is applicable to refer to both concepts.</p> <p>However, given that the vast majority of the term applicable in IPSAS is considered "service potential", it would be important that the definitions section emphasize the description of both concepts and the situations in which their application is permissible, clarifying with This is its scope of application and interpretation.</p> <p>HONDURAS</p> <p>Yes</p> <p>It is important to add the term, since there are Assets that do not belong to the Leases classification, so there must be clear criteria to classify them, both those assets that provide Economic Benefit and those that must be within those that provide Service Potential, which are intended to benefit the community, since the Standard includes the definitions of a Lease.</p> <p>PARAGUAY</p> <p>Yes</p> <p>Precisely the characteristic of a public administration is the potential to serve or provide a service, whether it be gained or lost, due to the fact of providing a service to the community, for which it is essential not only to add when appropriate but must be inserted in all Due to the characteristic of the public sector that the private sector does not have, the norm should be deepened and strengthened throughout the norm and leave it explicitly for these cases.</p> <p>URUGUAY</p> <p>Yes</p>
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	<p>Estamos de acuerdo con la referencia al “potencial de servicio” además de los “beneficios económicos”, ya que, como recogen otras NICSP, el sector público tiene la particularidad de que brinda servicios a la comunidad no orientados a la obtención de flujos de efectivo futuros. Esta característica hace que sea adecuado hacer referencia al “potencial de servicio” en las definiciones conceptuales, ya que, de otra forma, se correría el riesgo de dejar elementos fuera del alcance de la definición.</p> <p>REPÚBLICA DE PANAMÁ</p> <p>Si</p> <p>Esta evaluación está implícita dentro de los límites del alcance del contrato. Así, por ejemplo, en el arrendamiento de un automóvil que incluye un límite de kilometraje específico, se contempla que dicho límite es el alcance del contrato, y el cliente deberá evaluar los “beneficios económicos” y el “potencial de servicio” obtenidos dentro de dicho límite.</p> <p>La Norma no incluye una definición de servicios, sin embargo, en los Fundamentos de las Conclusiones aparecen las consideraciones realizadas por el IPSASB para distinguir arrendamientos de servicios. Por ejemplo, se menciona que los arrendamientos otorgan derechos y obligaciones diferentes de aquellos que se derivan de los Contratos de Servicios. En el caso de un arrendamiento, el arrendatario obtiene y controla el derecho de uso del activo en el momento en que el activo subyacente se coloca a disposición de la entidad, mientras que, en el Contrato de Servicio, la entidad no obtiene un activo que controle desde el inicio del contrato.</p>	<p>We agree with the reference to “service potential” in addition to “economic benefits”, since, as other IPSASs collect, the public sector has the particularity that it provides services to the community that are not oriented towards obtaining cash flows. futures. This characteristic makes it appropriate to refer to “service potential” in conceptual definitions, since otherwise there is a risk of leaving elements outside the scope of the definition.</p> <p>REPUBLIC OF PANAMA</p> <p>Yes</p> <p>This evaluation is implicit within the limits of the scope of the contract. For example, in the lease of a car that includes a specific mileage limit, it is contemplated that said limit is the scope of the contract, and the client must evaluate the "economic benefits" and the "service potential" obtained within said limit.</p> <p>The Standard does not include a definition of services, however, the Basis for Conclusions contains the considerations made by the IPSASB to distinguish leases from services. For example, it is mentioned that leases grant rights and obligations different from those derived from Service Contracts. In the case of a lease, the lessee obtains and controls the right to use the asset at the time the underlying asset is made available to the entity, whereas, in the Service Contract, the entity does not obtain an asset that control from the beginning of the contract.</p> <p>BRAZIL</p> <p>GA/CFC agrees with IPSASB proposition to refer to both “economic benefits” and “service potential” in the application guidance.</p> <p>However, we believe that implementation guidance and illustrative examples showing hypothetical situations of how an entity should consider service potential on identifying a lease are necessary.</p>
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	<p>MÉXICO</p> <p>Estamos de acuerdo</p> <p>Se considera adecuado hacer referencia tanto a “beneficios económicos” como a “potencial de servicios” a efecto de identificar un arrendamiento.</p> <p>Es importante aclarar que en México el arrendamiento se formaliza por medio de contratos, los cuales deben de contar con todos los elementos necesarios para poder celebrar este tipo de contratos, mismos que pueden contener cláusulas que limiten el uso o goce temporal de los bienes.</p> <p>De igual manera que lo señalado en la Respuesta al asunto específico 2, se considera conveniente unificar en lo posible la terminología para eventos similares y contar con un Glosario que permita conocer la definición, lo cual sería de gran ayuda, dado que no en todos los países se manejan los mismos significados, aun cuando se trate de términos técnicos contables.</p>	<p>MEXICO</p> <p>We agree</p> <p>It is considered appropriate to refer to both "economic benefits" and "service potential" in order to identify a lease.</p> <p>It is important to clarify that in Mexico the lease is formalized by means of contracts, which must have all the necessary elements to be able to celebrate this type of contract, which may contain clauses that limit the use or temporary enjoyment of the goods.</p> <p>In the same way as that indicated in the Response to specific issue 2, it is considered convenient to unify the terminology for similar events as much as possible and to have a Glossary that allows knowing the definition, which would be of great help, since not in all cases countries use the same meanings, even when it comes to technical accounting terms.</p>
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Annex_2

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Request for Information RFI Comments to Exposure Draft IPSASB Standards_FOCAL consolidated

CONSOLIDATED DOCUMENT OF THE MEMBER COUNTRIES OF FOCAL

IPSASB EXPOSURE DRAFT 75, LEASES Request for Information (RFI) Concessionary Leases and Other Arrangements Similar to Leases		
QUESTION - PREGUNTAS	COMENTARIOS	COMMENTS
<p>Question 1: In your jurisdiction, do you have concessionary leases (or similar arrangements) as described in this RFI? If yes, please: (a) Describe the nature of these leases (or similar arrangements) and their concessionary characteristics; and (b) Describe the accounting treatment applied by both parties to the arrangement to these types of leases (or similar arrangements), including whether the value of the concession is reflected in the financial statements.</p> <p>Pregunta 1: En su jurisdicción, ¿tiene arrendamientos concesionales (o acuerdos similares) como se describe en esta RFI? Si es así, por favor: (a) Describa la naturaleza de estos arrendamientos (o acuerdos similares) y sus características concesionales; y (b) Describa el tratamiento contable aplicado por ambas partes del acuerdo a este tipo de arrendamientos (o acuerdos similares),</p>		<p>BRAZIL</p> <p>Properties of the Union can be granted free of charge or under special conditions (i.e. below at market rates) to States, Federal District, Municipalities and non-profit entities in the areas of education, culture, social assistance or health.</p> <p>These arrangements are common between the Union and States and Municipalities, where the aforementioned entities receive the right to use properties for the provision of certain public services. These arrangements can be free of charge or for a symbolic amount. The aforementioned entities may also assume an obligation to build, renovate or provide engineering services in Union real estate.</p> <p>The accounting guidance is to derecognize the asset by the Union (lessor) and recognize it by the aforementioned entities since the economic or potential benefits services, as well as the costs of maintaining these assets, are transferred to the aforementioned entities.</p> <p>The Union maintains in the Financial Statements the responsibility for the custody of the property transferred, carried out by control accounts (clearing accounts), which are mandatory in the bookkeeping of public sector entities and which must be evidenced in the Balance Sheet by force</p>



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<p>incluyendo si el valor de la concesión se refleja en los estados financieros.</p>	<p>MÉXICO</p> <p>En el Gobierno mexicano si se manejan contratos de concesión, los cuales se otorgan a otros entes públicos o bien a particulares, algunos de ellos son a título gratuito con la condicionante de darle el mantenimiento a los activos y puesta en uso adecuado, como es el caso de tramos carreteros, entre otros.</p> <p>El Consejo Nacional de Armonización Contable (CONAC), tiene consideradas para estos efectos la guía V.1.4 Bienes en Concesión, indica el registro contable de bienes dados en concesión, afectando el activo específico del bien contra una cuenta de activo que representa los bienes dados en concesión propiedad del ente público, asimismo se incluye la Guía V.1.5 Bienes en Comodato que tiene un tratamiento similar, sin perder de vista que están sustentadas con un contrato regulado por las disposiciones jurídicas que aplican en el país.</p>	<p>of art. 105, item VI, combined with its Paragraph 5, of Law No. 4,320, of March 17, 1964.</p> <p>It is also important to emphasize that similar situations occur in different levels of the Federation such as States and Municipalities and the accounting practices describe above may also be applied.</p> <p>MEXICO</p> <p>In the Mexican Government, if concession contracts are handled, which are granted to other public entities or to individuals, some of them are free of charge with the condition of maintaining the assets and putting them into proper use, such as the case of road sections, among others.</p> <p>For these purposes, the National Council for Accounting Harmonization (CONAC) has considered guide V.1.4 Assets in Concession, indicates the accounting record of assets given in concession, affecting the specific asset of the asset against an asset account that represents the assets given. In concession owned by the public entity, Guide V.1.5 Loan Assets is also included, which has a similar treatment, without losing sight of the fact that they are supported by a contract regulated by the legal provisions that apply in the country.</p>
<p>Question 2: In your jurisdiction, do you have leases for zero or nominal consideration as described in this RFI? If yes, please: (a) Describe the nature and characteristics of this type of lease (or similar arrangement); and (b) Describe if and how the value of the concession is reflected in the financial statements of both parties to the arrangement.</p> <p>Pregunta 2: En su jurisdicción, ¿tiene arrendamientos por consideración nula o nominal como se describe en esta RFI? Si es así, por favor:</p>		<p>BRAZIL</p> <p>Properties of the Union can be granted free of charge or under special conditions (i.e. below at market rates) to States, Federal District, Municipalities and non-profit entities in the areas of education, culture, social assistance or health.</p> <p>These arrangements are common between the Union and States and Municipalities, where the aforementioned entities receive the right to use properties for the provision of certain public services. These arrangements can be free of charge or for a symbolic amount. The aforementioned entities may also assume an obligation to build, renovate or provide engineering services in Union real estate.</p>



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<p>(a) Describa la naturaleza y características de este tipo de arrendamiento (o acuerdo similar); y (b) Describa si y cómo se refleja el valor de la concesión en los estados financieros de ambas partes del acuerdo.</p>	<p>MÉXICO</p> <p>De acuerdo con lo señalado en la pregunta anterior y a los términos considerados en el registro contable del CONAC, los contratos de concesión y comodato no generan ingresos, por lo que podrían considerarse nulos.</p>	<p>The accounting guidance is to derecognize the asset by the Union (lessor) and recognize it by the aforementioned entities since the economic or potential benefits services, as well as the costs of maintaining these assets, are transferred to the aforementioned entities.</p> <p>The Union maintains in the Financial Statements the responsibility for the custody of the property transferred, carried out by control accounts (clearing accounts), which are mandatory in the bookkeeping of public sector entities and which must be evidenced in the Balance Sheet by force of art. 105, item VI, combined with its Paragraph 5, of Law No. 4,320, of March 17, 1964.</p> <p>It is also important to emphasize that similar situations occur in different levels of the Federation such as States and Municipalities and the accounting practices describe above may also be applied.</p> <p>Another identified examples of leases for zero consideration are:</p> <ul style="list-style-type: none"> ✓ student accommodations granted by Public Universities where the costs of maintaining the property and related depreciation still been booked by the Universities with no other consideration analyzed or accounting entry recorded. ✓ Housing granted to Public Servants allocated to provide services in location different from the where the Public Servant lives. The housing is granted specifically for the period of when the service is provided and there are circumstances where such period is indeterminable. <p>MEXICO</p> <p>In accordance with the provisions of the previous question and the terms considered in the CONAC accounting record, the concession and loan contracts do not generate income, therefore they could be considered null and void.</p>
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<p>Question 3: Does your jurisdiction have arrangements that provide access rights for a period of time in exchange for consideration? If yes, please describe the nature of these arrangements and how they are reflected in the financial statements of both parties to the arrangement.</p> <p>Pregunta 3: ¿Tiene su jurisdicción acuerdos que otorguen derechos de acceso por un período de tiempo a cambio de una consideración? En caso afirmativo, describa la naturaleza de estos acuerdos y cómo se reflejan en los estados financieros de ambas partes del acuerdo.</p>	<p>MÉXICO</p> <p>Es el caso de México, hay concesiones de bienes de uso común y de bienes muebles e inmuebles propiedad de la Federación o de las entidades.</p> <p>Der acuerdo con la Ley General de Bienes Nacionales, todos los habitantes de la República Mexicana pueden usar los bienes de uso común (parques, espacio aéreo, diques, muelles, bahías, etc.), sin más restricciones que las establecidas por las leyes y reglamentos administrativos. El acceso a las playas marítimas y la zona federal marítimo terrestre contigua a ellas no podrá ser inhibido, restringido, obstaculizado ni condicionado.</p> <p>Los inmuebles federales considerados como monumentos arqueológicos conforme a la ley de la materia, no podrán ser objeto de concesión, permiso o autorización.</p>	<p>BRAZIL</p> <p>The temporary occupation of a private property, where a Hospital operated, for the use in the treatment of patients infected by the coronavirus, was authorized in March 2020 by the Federal Justice. It is important to emphasize that the Hospital was abandoned and not used by the private sector.</p> <p>Refurbishment expenses have been recorded as Improvements in Goods of Third Parties.</p> <p>MEXICO</p> <p>This is the case of Mexico, there are concessions of common use property and of movable and immovable property owned by the Federation or entities.</p> <p>In accordance with the General Law of National Assets, all the inhabitants of the Mexican Republic may use common use assets (parks, airspace, dikes, docks, bays, etc.), without any restrictions other than those established by the laws and administrative regulations. Access to the maritime beaches and the federal maritime terrestrial zone adjacent to them may not be inhibited, restricted, hindered or conditioned.</p> <p>Federal real estate considered as archaeological monuments according to the law of the matter, may not be subject to concession, permission or authorization.</p>
<p>Question 4: In your jurisdiction, do you have arrangements with the same or similar characteristics to the one identified above? If yes, please describe the nature of these arrangements and how they are reflected in the financial statements of both parties to the arrangement.</p>	<p>MÉXICO</p> <p>No se tienen identificados.</p>	<p>BRAZIL</p> <p>No arrangements like this have been identified in our jurisdiction.</p> <p>MEXICO</p> <p>They are not identified.</p>



<p>Pregunta 4: En su jurisdicción, ¿tiene arreglos con características iguales o similares al identificado anteriormente? En caso afirmativo, describa la naturaleza de estos acuerdos y cómo se reflejan en los estados financieros de ambas partes del acuerdo.</p>		
<p>Question 5: In your jurisdiction, do you have arrangements involving social housing with lease-type clauses or other types of lease-like arrangements with no end terms? If yes, please describe the nature of these arrangements and how they are reflected in the financial statements of the social housing provider.</p> <p>Pregunta 5: En su jurisdicción, ¿tiene arreglos que involucren viviendas sociales con cláusulas de tipo arrendamiento u otros tipos de arreglos similares a arrendamiento sin términos finales? En caso afirmativo, describa la naturaleza de estos arreglos y cómo se reflejan en los estados financieros del proveedor de vivienda social.</p>	<p>MÉXICO</p> <p>No se tienen identificados.</p>	<p>BRAZIL</p> <p>No arrangements like this have been identified in our jurisdiction.</p> <p>MEXICO</p> <p>They are not identified.</p>
<p>Question 6: In your jurisdiction, do you have arrangements involving the sharing of properties without a formal lease contract? If yes, please describe the nature of these arrangements and how they are reflected in the financial statements of both parties to the arrangement.</p> <p>Pregunta 6: En su jurisdicción, ¿tiene arreglos que impliquen compartir propiedades sin un contrato de arrendamiento formal? En caso afirmativo, describa la naturaleza de estos acuerdos y cómo se reflejan en los estados financieros de ambas partes del acuerdo.</p>	<p>MÉXICO</p> <p>Efectivamente este esquema se presenta en México, donde en un mismo inmueble se encuentran operando y funcionando dos o más entes públicos. Bajo este esquema no hay arreglo o contrato de por medio ya que, al ser entes públicos del Gobierno, este dispone de los espacios de acuerdo con sus políticas no sólo de austeridad, sino también de eficientar los espacios y de las cadenas productivas de los procesos</p>	<p>BRAZIL</p> <p>In order to make a better use of properties, it is a common practice for the Federal Government to provide it free of charge to different entities that are part of the Government to share the use of it without a formal lease contract. The maintenance expenses related to such properties are split between the occupants.</p> <p>MEXICO</p> <p>Indeed, this scheme occurs in Mexico, where two or more public entities are operating and functioning in the same property. Under this scheme there is no arrangement or contract involved since, being public entities of the Government, it has the spaces in accordance with its policies not only of austerity, but also to make the spaces and the productive chains of the processes more efficient.</p>



<p>Question 7: In your jurisdiction, do you have other types of arrangements similar to leases not mentioned in this RFI? If so, please describe the characteristics of these arrangements and how they are presently being reflected in the financial statements of both parties to the arrangement.</p> <p>Pregunta 7: En su jurisdicción, ¿tiene otros tipos de acuerdos similares a los arrendamientos que no se mencionan en esta RFI? De ser así, describa las características de estos acuerdos y cómo se reflejan actualmente en los estados financieros de ambas partes del acuerdo.</p>	<p>MÉXICO</p> <p>No se tienen identificados.</p>	<p>BRAZIL</p> <p><i>a) Arrangement type 1</i></p> <p>Law No. 6,776/2016 linked the real estate assets of the Secretary of Education from the State of Piauí to the Financial Fund of the Social Security System (“RPPS Funds”) through the Piauí Pension Foundation, attributing it the possibility of collecting rents and the obligation to pass them on to the RPPS Funds.</p> <p>In other words, the Secretary of Education would remain using the real estate paying rentals to the Piauí Pension Foundation that in turn would pass it to the RPPS Funds.</p> <p>There were no accounting records related to transference of the assets to the Piauí Pension Foundation.</p> <p><i>b) Arrangement type 2</i></p> <p>The Union granted a land to a private entity in turn of building a laboratory that would be used by a Foundation attached to the Health Ministry. In turn, the Foundation pays rental to the private entity for the use of the laboratory.</p> <p>MEXICO</p> <p>They are not identified.</p>
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Annex_3

Office No. UCG-FOCAL-2021-0001

Additional comments Standard 75, Leases: Mexico

With respect to Exposure Draft 75 Leases; issued by the International Public Sector Accounting Standards Board (IPSASB), the Government Accounting Unit of the Government of Mexico issues general comments:

- a) Exposure Draft 75 Leases classifies leases according to the following:
- Financial leasing
 - Operating lease

In the regulations issued for Mexico, it does not refer to operating leases, only to financial leasing.

- b) The objective of exposure draft ED 75 is to ensure that lessees and lessors provide relevant information in a way that faithfully represents transactions.

In this sense, the accounting guides only refer to lessees, therefore, there are no accounting guides for lessors.

- c) The lessee in the subsequent measurement applying the cost model will measure the asset at cost less accumulated depreciation. In the chart of accounts, approved for Mexico, there is no depreciation account for Rights to Assets under Financial Leasing Regime.
- d) In the ED 75 project there is the concept of concessional leases, so it is suggested that the aforementioned concept be defined.
- e) Despite considering the alignment sought by Exposure Draft 75 with IFRS 16 Leases, the recognition and measurement of lease transactions must be subject to the entire regulatory framework in force, not only the accounting framework in Mexico.
- The recognition begins in accordance with the provisions of the contract.
 - For the measurement, it adheres to the amounts and value of the commitments agreed in the contract.
 - For the initial measurement of the liability, the draft standard establishes that it will be carried out at present value with a discount rate that is not clear in its definition and that makes implementation difficult; however, in Mexico it will be recognized at the agreed value during the time that has been established in the contract.