



30/03/2011

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom
Sent electronically to www.iasb.org

FASB/IASB Exposure Draft ED/2011/1 Offsetting Financial Assets and Financial Liabilities

Dear Sir/Madam,

The Swedish Bankers' Association appreciates the opportunity to respond to the Financial Accounting Standards Board's (FASB's) and the International Accounting Standards Board's (IASB's) Exposure Draft ED/2011/1 Offsetting Financial Assets and Financial Liabilities (ED). This letter represents the views of the Swedish Bankers' Association (the Association/We).

The Association supports the board's proposal to establish an overarching principle for offsetting financial assets and financial liabilities, based on the existing requirements in the IAS 32 Financial Instruments: Presentation. The proposal would eliminate the differences in offsetting requirements between IFRS and US GAAP.

The Association support the European Financial Reporting Advisory Group's (EFRAG's) position in their draft comment letter to the ED published on 17 February, 2011. We therefore agree with the proposal that the right to set off the financial asset and the financial liability must be unconditional and legally enforceable in all circumstances and we also support the proposal to keep the scope of the offsetting guidance unchanged and require offsetting for both bilateral and multilateral arrangements that meet the offsetting criteria. However, like EFRAG we are concerned that the proposals in the ED would significantly expand the disclosure requirements for financial instruments. Therefore, we urge the boards to ensure that the level of guidance included in the disclosure standard remains consistent and balanced across topics.



SWEDISH BANKERS' ASSOCIATION

Kerstin af Jodnick

Mats Stenhammar

cc: EFRAG.