

# Swedish Bankers' Association

## Svenska Bankföreningen

RESPONSE

2005-06-23

CEBS  
Committee of European Banking  
Supervisors

By E-mail to  
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### **CEBS Consultation Paper on Financial Reporting**

(CEBS CP06)

Swedish Bankers' Association supports the idea of harmonising and standardising the financial reporting in Europe. A common reporting implies several advantages like comparability of reported data between banks. In addition, a harmonised financial reporting within Europe would reduce the reporting burden on cross-border banks and promote a level playing field on the European financial market. The supervisory authorities would also benefit by the new possibility of comparing prudential reporting figures between countries.

However, the Swedish Bankers' Association believes that several aspects of the proposed financial reporting framework do not fulfil the goal of a harmonised and standardised reporting framework. The Financial reporting framework

- is not fully consistent with IAS/IFRS,
- is only intended for consolidated financial reporting and could not automatically be applied to bank subsidiaries. Banks must still report according to local reporting requirements,
- allows for country specific reporting in the Common Practice items, which is an obstacle to a harmonised reporting framework,
- is far too detailed when it allows for an all European reporting that goes far beyond what is required by IFRS.

The Swedish Bankers' Association considers that the Financial reporting framework must be taken care of according to the above-mentioned aspects. Otherwise the advantages of a common reporting framework will not be reached.

The Swedish Bankers' Association has gone through the proposed reporting framework, Annex 1 of the CEBS consultation paper from April 2005. However, we have chosen only to comment on a selected number of tables, which are gathered at the end of this document.

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## General comments

The development of a standardised consolidated financial reporting framework aims at being consistent with international accounting standards (IAS/IFRS). The Swedish Bankers' Association finds this a very important goal and it is crucial to be consistent with the international accounting standards if harmonisation should succeed. In the proposed reporting framework, the reporting requirements go beyond IAS/IFRS in several aspects, e.g. by referring to Common Practice. The Swedish Bankers' Association is in favour of a harmonised reporting framework and think it would best be fulfilled by not diverging from IAS/IFRS. Reporting items that go beyond the international accounting standards, like Common Practice, should be removed from the reporting framework.

IAS/IFRS allows for different options or possibilities when reporting balance sheet and income statement. CEBS should not use the Financial Reporting Framework to restrict these opportunities. We see an obvious risk in that the CEBS Financial Reporting Framework will have a prejudicial effect on financial reporting and thereby indirectly impose restrictions on the possibilities by IFRS.

The financial reporting framework is intended for reporting of consolidated financial information and each national supervisor will decide how extensively the framework shall be implemented. The Swedish Bankers' Association considers that the reporting framework, however substantially reduced and IFRS-consistent, must also be extended to subsidiaries of the group. If the financial reporting framework will not be extended to subsidiaries, cross-border banks will still be subject to different local reporting requirements for subsidiaries in the group and the reporting burden will not diminish. The obstacles of financial market integration will then prevail.

The Swedish Bankers' Association also considers the proposed reporting framework too detailed. The proposed financial reporting framework covers large parts of the reporting used in the different European countries, e.g. Common Practice. The goal of a harmonised financial reporting should be to achieve a framework that is IFRS consistent, instead of trying to cover large parts of country specific reporting.

The Swedish Bankers' Association has objections to the immense extent of the reporting framework. The breakdown in too many levels and items would probably overload the supervisory authorities with information and put a considerable burden on the institutions collecting and analysing them. The information overload would mean an obvious risk that certain items and information never or seldom would be analysed.

The Swedish Bankers' Association consider the magnitude of the reporting framework should be limited to figures that can be motivated and actually used in the on-going analyses and supervision. It is indeed important for the supervisory authorities to define the purpose of the required reporting and to adapt the reporting thereafter. Many supervisors have a risk based supervisory policy, which means that their purpose is to find risks in the portfolios or in the behaviour of banks. In that case, the reporting framework is far too comprehensive. The reporting of financial information is a considerable burden for banks and therefore supervisors

should be restricted to require information that goes beyond what is actually used in the ongoing supervision.

## Specific comments on the consultation paper

### Paragraph 5

Flexibility in choosing the level of aggregation in the reporting by each supervisor is a great advantage in several aspects. However, flexibility in choosing country specific reporting items is a considerable obstacle to a harmonised European reporting framework. Therefore, the Swedish Bankers' Association believes that CEBS should be very restrictive when permitting country specific reporting possibilities.

### Paragraph 7

The consultation paper says that the framework is not mandatory and each supervisor will decide on implementing it. The Swedish Bankers' Association agrees that the reporting framework cannot be implemented on the same date in the whole EU. However, if an IFRS consistent Financial Reporting Framework is introduced, it is important not to leave any uncertainty on the implementation of it in the whole EU and therefore a deadline for the implementation should be decided on. To succeed with the harmonisation and integration of the European banking market, it is important to implement a harmonised financial reporting framework (reduced however) in the EU.

However, implementing the financial reporting framework will need considerable resources and should therefore not interfere with the implementing of the Common Reporting Framework for Solvency Reporting. The implementing of the Financial Reporting Framework needs sufficient time and resources to prepare and should be implemented earliest by year 2008. Alternatively, the balance sheet and the income statement of the financial reporting framework could be implemented earlier than 2008, but the specifications from a later date, e.g. 2008 and onwards.

In addition, it is important that the Financial Reporting Framework is to be harmonised on definitions and classifications with the Solvency Reporting Framework.

In the same paragraph, CEBS leaves the decision on reporting frequency to the local supervisory authorities. The Swedish Bankers' Association think that different reporting items should be reported with different frequencies. Balance sheet and income statement should probably be reported more often, semi annually or quarterly. However, many of the specifications would not be analysed as often as the balance sheet and the income statement. As the specifications requires considerable resources to collect, they should in many cases only be collected annually or in some cases only on demand, e.g. by on-site examinations.

There are several considerations regarding the reporting frequency, e.g. annually, semi annually or quarterly. The Swedish Bankers' Association would however stress that a more frequent reporting, like monthly, would not be suitable for this kind of reporting. Supervisory authorities would not be able to analyse monthly reporting and it would cause the banks considerable costs and resources.

In general, we consider that consolidated balance sheet statement and income statement should be reported on a quarterly basis. Detailed tables and notes should however only be reported on a yearly basis. There are no legal claims to report the detailed tables and notes more often and we consider it important not to burden banks with a more frequent reporting on these tables.

### **Paragraph 8c**

CEBS assumes that since the reporting framework is IAS/IFRS-consistent, the data should already be available within the credit institutions' IT systems. The Swedish Bankers' Association do not agree with this assumption. Firstly, the framework goes beyond IAS/IFRS, e.g. Common Practice, and will in those cases require additional reporting resources. Secondly, the framework is not completely IAS/IFRS-consistent, e.g. the disposition of the balance sheet is not prescribed by IAS/IFRS. Thirdly, not all legal entities sort the information in the same way and therefore it will still take considerable resources to collect the information.

### **Paragraph 9**

In the paragraph, CEBS refers to the XBRL taxonomy developed for IFRS by IASC, and presented on IASB's homepage. The Swedish Bankers' Association agrees with CEBS that XBRL is a potential appropriate tool for a standardised reporting system of financial data, and we support early discussions on the subject.

The Swedish Bankers' Association considers it important that the above-mentioned IFRS taxonomy, referred to in the comment paper, should be investigated for use in the Financial Reporting Framework. CEBS should adapt the proposed Financial Reporting Framework to the one generally developed IFRS taxonomy without introducing alternatives.

### **Paragraph 11**

In this paragraph, CEBS invites respondents to comment on specific questions in the consultation paper. Below you will find the Swedish Bankers' Associations comments to the questions.

1. Do respondents agree that the reporting framework is IAS/IFRS consistent? Please indicate where you believe this is not the case.

To achieve the greatest possible degree of consistency, the IFRS disclosure requirements should be used as a benchmark for the standardised financial reporting framework. The re-

porting proposed in the consultation paper far exceeds that required in the context of IFRS disclosure, however. For example: the templates include frequent references to IAS 39.9, which contains no disclosure requirements, but merely definitions of various categories of financial instruments. Similar reservations apply to numerous other references to IFRS, which deal with recognition and measurement rules or with definitions and not reporting requirements (e.g. the IAS/IFRS references in various templates to IAS 39.37; IAS 39.86-89; IAS 39 AG 15; IAS 32.11 and many others).

There are also instances where reference is made to IFRS disclosure requirements, which are not consistent with the information requested in the templates. ED 7.21, for example, envisages that realised gains and losses should be broken down by certain categories of financial instruments and disclosed on a net basis. The template for the income statement, however, requests gains and losses to be divided into groups of financial instruments and reported on a gross basis. This approach reflects neither the requirements of ED 7.21 nor normal banking practice and is therefore inappropriate, in our view. The same applies, for example, to several of the numerous and highly detailed reporting requirements in the templates for the cash flow statement and the statement of changes in equity, which go far beyond the disclosure currently required under IFRS (especially IAS 7.20 and IAS 1.97).

In some templates, the reference column indicates supervisory rules that have not yet been adopted, such as Article 86 of the Capital Requirements Directive. In these cases, the Directive's envisaged rules on exposure grouping are intermingled in the templates with certain product categorisations and accounting rules. This combination creates new reporting requirements which reflect neither accounting nor supervisory disclosure rules and request information which is not available in this form in the banks' IT systems

Another obvious IFRS-inconsistency is the frequent use of Common Practice (CP). CP is used frequently in the reporting framework, where CEBS obviously do not find support in IAS/IFRS. As expressed below, the Swedish Bankers' Association's opinion is that reporting items that have no support in IAS/IFRS should not belong to a harmonised reporting framework.

In the proposed financial reporting framework CEBS has chosen the portfolio approach, instead of product approach, for the reporting of balance sheet and income statement. In IAS/IFRS no specific presentational approach is prescribed. We consider the restriction of approaches not IAS/IFRS consistent. Another example is the treatment of interest income and interest expenses from trading transactions. IFRS allow these to be allocated to either the interest result or the trading result. The template for the income statement, in contrast, requires mandatory reporting under interest result. As a result, prudential reporting requirements will influence how certain accounting options are exercised. It is not, in our view, the task of CEBS to restrict or interpret existing accounting standards. This is the responsibility of accounting standard setters and their interpretation committees.

Presently an entity should structure its Financial Statements with the purpose of presenting fairly the financial position, performance and cash flows of the entity. If there will be allowed for national standard setters to restrict this freedom of choice, there is an obvious risk that the entity will not be able to present the entity in a way within IAS 1 that gives a fair presentation

of its activities during the year and its financial condition at year-end. In the Financial reporting framework a reporting format has been drafted which will force entities to structure the balance sheet according to the measurement categories for financial instruments even though there are several banks who believe that it should be structured based on products instead. The choice of valuation category is just a choice to adjust to solve the problems with the mixed model approach. Instead using product categories - in their belief - present fairly the type of business that the banks have.

2. Do respondents believe that the use of Common Practice (CP) is appropriate? Please indicate where you believe this is not the case.

We do not think that Common Practice is appropriate. We believe the whole concept of referencing "Common Practice" is problematic since a number of the reporting requirements supposedly covered by this term exist only in a few member states and so by no means reflect normal reporting and disclosure practices throughout the EU. Yet harmonisation of financial reporting can only be achieved on the basis of rules that apply equally to all banks in the European Union and require no further interpretation by national supervisory authorities. Only IFRS can provide such a basis since they will become mandatory for all EU-listed companies from 2005 or 2007. Common Practice will be a serious obstacle to a harmonised and standardised financial reporting framework. The Swedish Bankers' Association considers that Common Practice should be removed from the financial reporting framework.

3. Do respondents believe that the data contained in the reporting framework are available within the reporting entity? Please indicate for which data you believe this is not the case.

Theoretically, the data are available within the reporting entity. However, the information is in most cases stored different to the financial reporting framework. It will require considerable resources to collect the data in the way that the framework requires. The disclosure requirements for a full annual report for many first time applicants of IFRS, will first be realised with the annual report of 2005. Therefore, the more detailed analysis of data availability of the detailed requirements of the proposed reporting package is complicated by this date. Yet an example of data, which is not available, is the grossing of the currency exchange result in gross profits and gross losses.

4. What additional steps do respondents think CEBS should take to promote further convergence towards a system of regular supervisory reporting that strikes a proper balance on the degree of detail of the information requested?

To get a proper balance on degree of detail of the information requested the supervisory authorities must ask themselves two questions. First, what is the purpose of the reporting items required? Secondly, what is the actual use of the reporting items by the authorities? The Swedish Bankers' Association consider the magnitude of the reporting framework should be limited to figures that can be motivated and actually used in the on-going analyses and supervision. As described above, many supervisors have a risk based supervisory policy, which

means that their purpose is to find risks in the portfolios or in behaviour of the banks. In that case, the reporting framework is far too comprehensive.

A possible approach to reach a regular supervisory reporting that better strikes a proper balance on the degree of detail of the information requested, could be to separate reporting items into which to be submitted quarterly, which to be submitted ad hoc or yearly, and finally which should be deleted. By starting with this approach, CEBS and supervisors could reach a harmonised financial reporting that is manageable.

5. Do respondents believe that the guidance provided in Annex 2 is appropriate in all respects? We particularly welcome comments on the first chapter of the explanatory guidance.

The Swedish Bankers' Association thinks it is important with an explanatory guidance supporting a European alignment of the IFRS implementation in practice. We think that the guidance is good, but on several aspects it is however not detailed enough, e.g. central government means different things in different countries but there is no guidance on that.

## Specific comments on the templates

The Swedish Bankers' Association has gone through the proposed reporting framework, Annex 1 of the CEBS consultation paper from April 2005. We have chosen a number of tables to comment and these are gathered below. Our comments follow the numbering of the tables in the proposed reporting framework and only those tables that we have commented are included.

References to IAS/IFRS should always be present in the templates. It is important that references to IAS/IFRS are stated for several reasons. First, it is important that the harmonised financial reporting package is IAS/IFRS consistent and therefore IAS/IFRS references should always be able to state. Second, the IAS/IFRS references are important giving guidance on how to interpret the reporting items of the financial reporting package. This will be of great importance to promote the same interpretation of reporting items throughout Europe. Finally, the references to ED 7 should be replaced by "Near final draft IFRS 7" to stress that ED 7 is only a draft version.

To some of the templates we have below suggested different reporting frequencies. Either we suggest that the information should be reported quarterly or annually (or ad hoc). However, for several templates we do not think that the information should be reported regularly in this format or that the information does not belong in the Financial Reporting Format at all, and these templates we suggest should be removed from the framework.

In general, we consider that consolidated balance sheet and income statement should be reported quarterly. Tables and notes should only be reported annually. There are no legal claims that tables and notes should be reported more often and banks should therefore not be burdened with a more frequent reporting.

### **Table 1.1 Consolidated Balance Sheet Statements - Assets**

The table, however reduced, should be reported on a quarterly basis.

In template 1.1 the terms 'loans and receivables' and 'loans and advances' are used with the same meaning. The terms should be made uniform by replacing 'advances' by 'receivables'.

In general, the specification on sector codes is not an IFRS-requirement, and should not be included. As for the category Loans and receivables the more traditional split in MFI and non-MFI could be continued. This would drastically reduce the size of the template 1.1 and 1.2.

In IAS 39 there are four categories besides derivatives. In the template there is a split of financial assets at fair value through profit and loss, which should be removed to follow the IAS 39 categories.

- Financial assets held for trading

In the template is mentioned "Derivatives carried at cost" 39.46, c. That paragraph deals with unquoted equity instruments that do not have a market price. The line should instead be included in "Equity instruments".



- Available-for-sale financial assets

The required specification is quite extensive, as this category seems to be almost not used in practice. One line is enough.

- Loans and receivables (including finance leases)

The word "unquoted" is included in the definition of the IAS category and should be removed. It will otherwise create unnecessary questioning about what is "quoted".

As mentioned above the category could be subdivided into the more traditional MFI and non-MFI, but should not as in the template be broken down in sectors.

- Held-to-maturity investments

In the template, quoted debt instruments are supposed to be reported as Held-to-maturity investments. In IAS 39 it is not a requirement as we see it, to quote these financial instruments in categories like it is done in the table.

It is also confusing to include a line item called "quoted loans and advances" as the template hereby mixes in the terminology within the four categories of financial instruments in IAS 39.

- Derivatives used for hedging

The purpose of the specification of "Derivatives used for hedging" into the different types of hedging should be explained. The derivatives are measured at fair value (NPV of future cash flows) on the asset side and on the liability side. The specification does not give additional information about the extent of hedging and neither of the different risks (market and credit etc.) associated. Therefore the specification is suggested to be deleted.

Also, the notification "Derivatives used for hedging" is not a correct definition and should therefore be replaced by "used for hedge accounting". There is a considerable difference between hedging and hedge accounting, and if the specification is not deleted it should be renamed.

One of the subdivided reporting items is named 'Micro hedge' and IAS 39.71 is referred to as reference. However, the term 'Micro hedge' is not explained in IAS 39.71 and it is not clear what is exactly meant by it. The term 'Micro hedge' should be replaced or explained more thoroughly if not removed from the template.

- Accrued income from financial instruments

Generally, this line is included under "Other assets" as the item is of a more technical nature accruing the income, and it is not of that importance to have it listed separately in the balance sheet. What to be included depends on the product and market practice in question, as for some products everything is included into the fair value measurement, why other types of instruments also measured at fair value have it excluded.

**Table 1.2 Consolidated Balance Sheet Statements – Liabilities**

The table, however reduced, should be reported on a quarterly basis.

- Provisions

Pending legal issues, and Provisions for tax litigations it not seen important enough to specify, and should be deleted.

Compare Provisions in template 2, see comments below.

Liabilities related to financial leases (if any) should be included in the relevant category above (like "Financial liabilities measured at amortised cost"), and not under other liabilities.

**Table 1.3 Consolidated Balance Sheet Statement – Equity and minority interest**

The table, however reduced, should be reported on a quarterly basis.

The detailed specifications related to equity should be given in the notes and reserved for ad hoc / annual reporting.

In general the specifications in the notes should not be reported (even after a reduction) in the regular reporting, but should be reserved for ad hoc / or annual reporting only.

**Table 2. Consolidated Income Statement**

The income statement should be reported on a quarterly basis.

The comments below on the consolidated income statement will imply the same comments on the detailed tables of the income statement, table 26 to 39. We will therefore only comment on the income statement in this table.

- Interest income

The reference on row "interest income" and "interest expenses", ED 7.21 (c) could be completed with the reference ED 7.21 (d).

- Realised gains and losses on financial assets & liabilities not measured at fair value through profit or loss.

According to the references ED 7.21 (a), the gains and losses could be reported net. The notification should be clearer on this matter.

- Gains and losses on financial assets and liabilities held for trading (net)

The reference to ED 7.21 (a) (i) should be completed with the reference ED 7.21 (b). This will make it clearer that net interest income from trading not only can be reported at "Gains and

losses on financial assets and liabilities held for trading (net)", but also at "Interest net income" in the same template.

- Gains and losses on financial assets [and liabilities] designated at fair value through profit or loss

According to the references ED 7.21 (a), the gains and losses could be reported net. The notification should be clearer on this matter.

- Exchange differences revaluations

No references to IAS/IFRS are made to the breakdown in gains and losses of exchange differences revaluations, but instead CEBS refers to Common Practice (CP). Swedish Bankers' Association considers that references can be made to IAS 1 paragraph 35. According to the paragraph gains and losses regarding exchange differences revaluations can be reported net.

- Gains and losses on derecognition of assets other than held for sale

No references are made to IAS/IFRS, but only to CP. Swedish Bankers' Association do not agree on that these items are CP, but instead references can be made to IAS 1 paragraph 34. "Gains and losses on derecognition of assets other than held for sale", can also be reported net according to that paragraph.

- Other operating net income

No references are made to IAS/IFRS, but only to CP. Swedish Bankers' Association do not agree on that these items are CP, but instead references can be made to IAS 1 paragraph 33 to 34. According to the paragraph, other operating net income can be reported net.

- Provisions

It is not clear what is included under the item Provisions. There are also several Provisions items in template 1.2 (Balance sheet statement – liabilities) but it is not clear how the Income statement Provisions should be booked against these.

In most of the cases, it is costs (staff costs for pensions) whereas credit commitments and guaranties should be expensed under loans losses.

The row can be completed with references to IAS 37 paragraph 61 to 62. By this it will be made clearer that Provisions can be reported in other rows of the consolidated income statement. Provisions can be reported at the concerned cost, e.g. personnel costs. If changes of the provision occur, it can be reported at the same cost.

### **Table 3. Financial assets held for trading**

The purpose of the specifications should be explained, as it is listed to be a counterparty breakdown, yet the main listing is on products. In addition, the information required goes beyond or do not refer to IFRS, which is a considerable deficiency.

**Table 4. Derivatives held for trading**

In the template information about derivative is required not only by nature but also by type. Information on derivatives held for trading by type goes beyond the requirements in IFRS and should be removed from the Financial Reporting Framework.

**Table 5. Financial assets designated at fair value through profit or loss**

The purpose of the specifications should be explained, as it is listed to be a counterparty break down, yet the main listing is on products. (Derivatives carried at cost should be Equity instruments). In addition, the information required goes beyond or do not refer to IFRS, which is a considerable deficiency.

**Table 6. Available-for-sale financial assets**

Given the use of the category, the specification could be removed or reduced. Again the notion "Loans and advances" is mixing with the categories. The counterparty breakdown in the template is not appropriate and should be removed from the Financial Reporting Framework.

In addition, the information required goes beyond or do not refer to IFRS, which is a considerable deficiency.

**Table 7. Loans and receivables (including financial leases)**

The information required goes beyond or do not refer to IFRS, which is a considerable deficiency.

The template also requires a counterparty breakdown. We do not consider this appropriate and should be removed from the Financial Reporting Framework.

**Table 8. Held-to-maturity investments**

The information required goes beyond or do not refer to IFRS, which is a considerable deficiency.

The counterparty breakdown in the template is not appropriate and should be removed from the Financial Reporting Framework.

**Table 9. Derivatives used for hedging**

The purpose of specifying by type of hedge should be explained.

In addition, the notification "Derivatives used for hedging" is not a correct definition and should instead be replaced by "used for hedge accounting". There is a considerable difference between hedging and hedge accounting, and it should be renamed.

In the template information about derivative is required not only by nature but also by type. Information on derivatives held for trading by type goes beyond the requirements in IFRS and should be removed from the Financial Reporting Framework.

**Table 9 B. Portfolio hedge of interest rate risk (IAS 39.89A)**

In the template portfolio hedges should be broken down in fair value hedges and cash flow hedges. Portfolio hedges (IAS 39:89A) is not possible to break down in the way required in the template. The template is therefore redundant and should be removed from the Financial Reporting Framework.

**Table 10. Accrued income and expenses from financial instruments**

The specification should be removed, as the information required goes beyond IFRS and does not seem to be useful. If required, then products where the accrued income is a part of the measurement (like derivatives) it is arbitrary to require these amounts deducted from the fair value and specified under this heading.

The notification "Derivatives used for hedging" should be changed to "Derivatives used for hedge accounting".

**Table 11. Property, Plant and Equipment**

The template requires information about the distribution of tangible assets according to types (IAS 16.37). The required distribution in the IAS paragraph is only used as an example and not as a requirement. The required distribution of tangible assets is not IFRS consistent and should be removed from the Financial Reporting Framework.

**Table 13. Goodwill and other intangible assets**

Like in template 11, the template requires information about the distribution of assets according to types. The required distribution in the IAS paragraph is only used as an example and not as a requirement. The required distribution is not IFRS consistent and should be removed from the Financial Reporting Framework.

**Table 14. Investments in associates, subsidiaries and joint ventures**

The template requires information on subsidiaries, associates and joint ventures, which go beyond the requirement in IFRS. As the required distribution is not IFRS consistent it should be removed from the Financial Reporting Framework.

**Table 16. Other assets**

The required information goes beyond the requirements of IFRS and should therefore be removed from the Financial Reporting Framework.

**Table 18. Financial liabilities measured at fair value through profit or loss**

The template requires a counterparty breakdown. We do not consider this appropriate and should be removed from the Financial Reporting Framework.

In addition there is no reference to IFRS, but instead to ECB/2001/13. The information obviously goes beyond the requirements of IFRS.

**Table 19. Deposits from credit institutions**

There is no reference to IFRS, but instead to ECB/2001/13. The information obviously goes beyond the requirements of IFRS and should be removed from the Financial Reporting Framework.

**Table 20. Deposits from non credit institutions**

There is no reference to IFRS, but instead to ECB/2001/13. The information obviously goes beyond the requirements of IFRS and should be removed from the Financial Reporting Framework.

**Table 25. Other liabilities**

The required information goes beyond the requirements of IFRS and should therefore be removed from the Financial Reporting Framework.

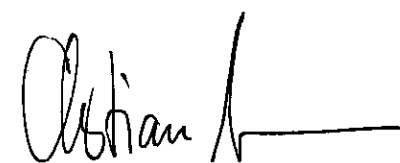
**Table 39. Impairment (for all portfolios not measured at fair value through profit or loss)****Table 40. Maturity breakdown for liquidity risk (pending issue pillar 2 – under consideration by CEBS – Groupe de Contact)****Table 41. Maturity breakdown for interest rate risk (pending issue pillar 2 – under consideration by CEBS – Groupe de Contact)****Table 43. Repurchase agreements, reverse repurchase agreements and related agreements****Table 44. Related party disclosures**

The reporting in the above mentioned tables go far beyond what is required by IFRS. It would take considerable resources for the banks to gather and report the information in the way CEBS has proposed it in the reporting framework. Especially the different time-slots, which go beyond requirement in IFRS and ED 7, would be very burdensome for banks to collect. We consider that the tables are IFRS- or ED 7-consistent or otherwise removed from the framework.

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