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Cc: EFRAG

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IFRS Taxonomy Due Process

Representing preparers' point of view, the Swedish Enterprise Accounting Group (SEAG) welcomes the opportunity to comment on IFRS Taxonomy Due Process. In summary, our main comments are as follows.

SEAG has previously pointed out that we do not believe that technical issues concerning XBRL should be part of IASB's standard setting. Therefore we support the current intention to leave XBRL-related and similar technical issues to others.

Regarding the development of a common IFRS Taxonomy, we recognise that the IFRS Foundation is better suited for taking on the responsibility than for instance national regulators. Nevertheless, we are concerned that considerations that regard the IFRS Taxonomy may have a negative impact on the standard setting process and the principle based approach.

We acknowledge that the Trustees have expressed that Taxonomy considerations should not dictate the standard-setting process. However, we believe this principle should be applied stricter. The ambition should be that Taxonomy deliberations should have as little impact as possible on IASB's work and the standard setting process. Therefore, we believe that all decisions and assessments that regard the Taxonomy should be handled on technical staff level, and not involve the IASB Board or Board Members.

We also think that the drafting of IFRS Taxonomy Updates should fully take place after the finalisation of new or amended Standards, and not simultaneously with the Standard development.

Answers to the specific questions set out in the request for views are provided in the appendix below.

Kind regards

CONFEDERATION OF SWEDISH ENTERPRISE



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The Swedish Enterprise Accounting Group (SEAG) represents more than 40 international industrial and commercial groups, most of them listed. The largest SEAG companies are active through sales or production in more than 100 countries.

Appendix: Comments on the specific questions to the respondents

Q1 The role of the IASB and the IFRS Taxonomy Review Panel within the review and approval of the content of the IFRS Taxonomy is described. Do you agree with the way in which the IASB and the IFRS Taxonomy Review Panel will be engaged and the degree of its involvement? Why or why not? If not, please state the reasons why you do not agree and any alternatives you would like us to consider.

As explained above, we believe that the IFRS Foundation should retain the responsibility for developing and maintaining the IFRS Taxonomy. However, we do not agree with the proposed increased responsibilities for the Members of the IASB, (either the whole board or a Review Panel consisting of a smaller group of Board Members), to formally approve and review updates of the IFRS Taxonomy.

As pointed out in our response to the IFRS Foundation Review of Structure and Effectiveness, IFRS Taxonomy-related issues should be kept separate from the standard setting process as we fear that considerations that regard the Taxonomy may have a negative impact on the principle based approach. In addition, as the IASB acts under budgetary restrictions and tight time constraints, we believe that the Boards priorities are better directed towards more urgent matters and that decisions that regard the IFRS Taxonomy. According to our view, such matters can be handled by senior technical staff with suitable competence.

Q2 The DPOC is proposing to maintain the existing process of public consultation on taxonomy content changes after the release of a final Standard. A Proposed Taxonomy Update will normally be released at the same time (or closely after) a final Standard is published and will normally have a comment period of 60 days. Do you agree with this? Why or why not?

To keep the standard setting process separate from the development of the IFRS Taxonomy, we believe that the drafting of a proposal for a Taxonomy Update should take place after the final Standard is issued. Accordingly, the current practice to undertake the ITCG (IFRS Taxonomy Consultative Group) review of the proposed IFRS Taxonomy content after the finalisation of the new Standard should remain unchanged.

Q3 The DPOC is proposing that the publication of the IFRS Taxonomy Files should be an optional step for proposed content updates. This is a mandatory step under the current process. Publication of the IFRS Taxonomy Files will remain a mandated step for proposed technology updates and for the publication of the final IFRS Taxonomy update. Do you agree with these changes? Why or why not?

We believe that focusing more on the Taxonomy itself and less on technical issues related to XBRL is the right way forward. Therefore, we agree that IFRS Taxonomy Files shall be an optional step for proposed content updates.

Q4 Are there any other matters relating to our proposals for the IFRS Taxonomy due process that you wish to comment on, including matters that are not covered but that you think should be?

We have no further remarks or comments.