

Rådet för finansiell rapportering

The Swedish Financial Reporting Board

RFR-rs 2021:11

European Financial Reporting Advisory Group
Square de Meeus 35
B-1000 Brussels

Dear Board President,

The Swedish Financial Reporting Board is answering to your invitation to response on the public consultation.

International sustainability standards

We believe that global rather than European standards are a better and more effective solution to achieve the objective of enhanced quality and comparability in sustainability reporting. European sustainability reporting standards will be of limited support for reporting entities that obtain their funding on international capital markets. We therefore strongly encourage that global harmonization of sustainability reporting is emphasized in the due-process procedure among the objectives of the technical advice.

Standard setting

The CSRD aims to ensure that the reporting requirements for companies are consistent and in line with, amongst others, the taxonomy and its delegated acts. It is essential that these mandatory reporting requirements are fully aligned. The CSRD and the EU Taxonomy have different due processes. We are therefore concerned that this could result in additional reporting requirements, adding to the administrative burden for the reporting entities, thereby challenging the quality of the reporting. It is for that reason important to ensure that the parallel processes do not create an unreasonable reporting burden and ensure that the reporting requirements are not contradictory.

The process

Swedish listed companies have for many years put great effort into providing substantiality information that is needed for effective sustainability reporting and thereby contributing to sustainable development. However, we fear that the ambitious timeline currently in place makes EFRAGS actions difficult to assess, implement and follow, thereby risking both reporting quality and compliance. The timeline can challenge the transparencies that can be crucial for the quality of the standards.

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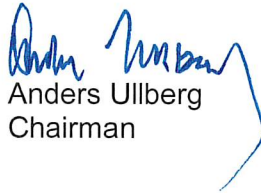
Interpretation Committee

We recommend that the needs for an interpretation group, such as IFRS Interpretation Committee for financial reporting, is considered at this stage. The goal for such a group will be to work for consistent application of the sustainability standards.

If you have any questions concerning our comments, please address our Executive member Carina Edlund by e-mail to: Carina.Edlund@radetforfinansiellrapportering.se.

Stockholm, 14 September 2021

Yours sincerely



Anders Ullberg
Chairman