

Rådet för finansiell rapportering

The Swedish Financial Reporting Board

Sir David Tweedie
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Sir David,

Re: Current deliberations on the Exposure Draft, *Discount Rate for Employee Benefits*

We are surprised and extremely disappointed that the staff proposes not to continue a project that would resolve a serious inconsistency in IAS 19. In our letter of the 20th of April we described our big concerns regarding the current wording in IAS 19 regarding which discount rate to use. Thereafter we have followed the developments of the IASB's work on the proposals in the Exposure Draft, *Discount Rate for Employee Benefits* with great interest.

Furthermore, we are surprised by the IASB staff conclusion that the ED does not have strong support. From our read through of several of the comment letters we believe that the exposure draft has strong support around the globe. In Sweden, the proposal has been widely discussed and welcomed by the constituents as a necessary change to IAS 19.

We believe that the current situation is unacceptable, and will not enhance the quality and usefulness of financial information provided to the primary users of the consolidated financial statements. Thinking ahead two or three years from now, we are also very concerned about the consequences that will arise from the tentative conclusion by the Board to require immediate recognition of all changes in the value of the defined benefit obligations in the income statement. If the measurement of the defined benefit obligations contains systematic errors that cause pension obligations in Sweden to significantly exceed comparative pension obligations in neighboring countries then such measurement methods are not robust enough to be used as a basis for recognizing changes in those obligations directly in the profit or loss.

If the IASB does not proceed with the proposed amendment of IAS 19, comparability will not be achieved in the pension accounting area and financial statements of companies in countries that do not have a deep market in high quality corporate bonds will not show a true and fair view of the financial position and performance of these entities.

Accordingly, we strongly encourage the Board to proceed with the proposed amendment that will remove the requirement to use market yields on governments bonds when there is no deep market in high quality corporate bonds.

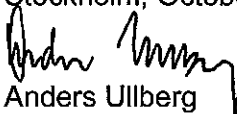


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We would welcome the opportunity to discuss these views with you in further detail. If you have any questions regarding our comments, please address our Executive member Carl-Eric Bohlin by email to carl-eric.bohlin@radetforfinansiellrapportering.se.

Yours sincerely,

Stockholm, October 19, 2009



Anders Ullberg
Chairman