

The Sveriges Riksbank  
Act (1988:1385)  
*issued on December 8, 1988  
as amended up to and  
including January 1, 1994*



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# The Constitution Act

## CHAPTER 9

**ART. 12.** Sveriges Riksbank, (the Riksbank), is the central bank of Sweden and is responsible for foreign exchange and credit policies. It shall also promote a safe and efficient payment system. The Riksbank is an authority under the Riksdag. The Riksbank is administered by eight Members of the Governing Board. Seven of the Members are elected by the Riksdag. These Board Members elect an additional Board Member to act also as Governor of the Riksbank for a period of five years. The Members elected by the Riksdag elect a Chairman from among their number. This Chairman may not exercise any other commission or hold any office within the management of the Riksbank. Rules concerning the Riksdag's election of Members of the Governing Board, concerning the management of the Riksbank in other respects, and concerning its operations are laid down in the Riksdag Act and elsewhere in law.

A Board Member from whom the Riksdag does not grant discharge of responsibility is thereby severed from his appointment. The Board Members elected by the Riksdag may remove the Chairman from office and the per-

son who is a Member of the Governing Board and the Governor of the Riksbank from his appointment.

**ART. 13.** The Riksbank alone shall have the right to issue banknotes and coins. Further provisions concerning the monetary and payment systems shall be laid down by law.

# The Riksdag Act

## CHAPTER 8

**ART. 6.** Elections by the Riksdag of Members of the Governing Board of the Riksbank are valid for the electoral period of the Riksdag.

The Governing Board shall elect, from outside their number, not more than two Deputy Governors of the Riksbank to serve for a term of five years. These shall serve, in such mutual order as the Governing Board may determine, as alternates for the Governor of the Riksbank on the Governing Board.

# The Sveriges Riksbank Act (1988:1385)\*

ISSUED ON DECEMBER 8, 1988,  
AS AMENDED UP TO AND  
INCLUDING JANUARY 1, 1994

## *Introductory regulations*

ART. 1. Sveriges Riksbank (the Swedish central bank), the Riksbank, which pursuant to Chapter 9, Art. 12. of the Constitution Act is the country's central bank and an authority under the Riksdag, may only conduct, or participate in, such activities for which it has been authorised in accordance with Swedish law.

ART. 2. The Riksbank shall have capital in an amount of one thousand million kronor, a reserve fund of 500 million honor and a contingency fund.

ART. 3. Banking institutions, as defined within this Act, are commercial banks, savings banks, central cooperative banks and foreign banking companies which pursuant to Chap-

\* Swedish Statute book number

ter 1, Art. 4 or 5 of the Banking Operations Act (1987:617), conduct banking operations from branches registered in Sweden.

Credit institutions, as defined within this Act, are banking institutions, local cooperative banks, credit market companies, securities institutions, the National Pension Insurance Fund, insurance companies with Swedish concessions, rural and urban mortgage institutions, Swedish Ships' Mortgage Bank and foreign companies which, pursuant to the Chapter 2, Arts. 8, 9 or 10 of the Credit Market Companies Act (1992:1610) , conduct operations from a branch registered in Sweden (sFs 1992:1619).

## *Purpose*

ART. 4. Pursuant to Chapter 9, Art. 12. of the Constitution Act, the Riksbank is responsible for foreign exchange and credit policies. In addition, it shall promote a safe and efficient payment system.

## *Payment system*

ART. 5. Pursuant to Chapter 9, Art. 13. of the Constitution Act, the Riksbank has the exclusive right to issue banknotes and coins. The Riksbank shall determine the design of the banknotes and coins issued by the bank.

Banknotes and coins issued by the Riksbank

are legal tender. Sweden's monetary unit is the krona. The krona is divided into one hundred ore. (sFs1991:1504).

**ART. 6.** Banknotes may be issued in denominations of ten, twenty, fifty, one hundred, five hundred, one thousand and ten thousand kronor.

Coins may be issued in denominations of ten ore, fifty ore, one krona, five kronor and ten kronor.

In addition, commemorative and jubilee coins may be issued in other denominations.

**ART. 7.** The Riksbank shall be responsible for the supply of Sweden's banknotes and coins.

**ART. 8.** Banknotes and coins that are damaged or worn may be redeemed by the Riksbank. The Riksbank may pay compensation for banknotes that are completely spoiled.

In special circumstances, the Riksbank may redeem banknotes and coins that have ceased to be legal tender.

### *Foreign Exchange and Credit Policies*

**ART. g.** The Riksbank shall follow developments on the foreign exchange and credit markets and implement necessary monetary policy measures.

**ART. 10.** The Riksbank shall decide the system that shall apply for establishing the value of the krona in relation to foreign currencies and determine the application of this system.

**ART. 11.** In implementing its foreign exchange policy, it is contingent upon the Riksbank to hold assets in foreign currencies, foreign receivables and gold.

**ART. 12.** In pursuance of its foreign exchange policy, the Riksbank may purchase, sell and act as an intermediary in the trading of foreign currencies, foreign Government securities, other liquid foreign currency instruments of debt and gold as well as rights and obligations connected with such assets.

**ART. 13.** In pursuance of its foreign exchange policy, the Riksbank may assume foreign credit and credit denominated in a foreign currency, grant credit to another central bank and to the International Monetary Fund and grant credit within the framework of the Bank for International Settlements.

Following the approval of the Swedish Parliament, the Riksbank may, in pursuance of its foreign exchange policy, grant credit to other international financial organizations of which Sweden is a member and enter into agreements

in respect of long-term international loan undertakings.

Following the approval of the Riksdag, the Riksbank may, in pursuance of its foreign exchange policy, contribute subscribed capital, from its own funds, to international financial organizations of which Sweden is a member.

ART. 14. The Riksbank may acquire the Special Drawing Rights resulting from Sweden's participation in the International Monetary Fund. In addition, it is the responsibility of the Riksbank to fulfil those obligations resulting from Sweden's participation in this system.

ART. 15. The Riksbank may serve as a liaison organ in relation to international finance organizations of which Sweden is a member.

ART. 16. The Riksbank may, with or without interest compensation, receive deposits of currencies or gold from other states, interstate organs and bank institutions. The Riksbank may make such deposits with banks.

The Riksbank may also reach agreements with respect to obligations and rights that are connected with the deposits described in the preceding paragraph.

ART. 17. This section has ceased to apply. (sFs 1990:751).

ART. 18. The Riksbank may, on terms motivated by its monetary policy, grant credit to and receive loans from banking institutions and participate in clearing balances between banks. Interest terms for such lending and borrowing shall be made public.

In exceptional circumstances, the Riksbank may, even on terms that differ from those stipulated in the first paragraph, grant credit to Swedish banking institutions and other Swedish companies that are under the supervision of the Financial Supervisory Authority (sFs 1991:1025).

ART. 19. With the objective of influencing the credit market, the Riksbank may

1. purchase, sell and act as an intermediary in the trading of Swedish Government securities, other liquid instruments of debt and rights and obligations connected with such assets.

2. in special circumstances, issue its own short-term instruments of debt.

ART. 20. In pursuance of its credit policy, the Riksbank may, in individual cases, decide to impose cash reserve requirements on credit institutions.

Cash reserve requirement means that a certain share, not exceeding fifteen percent, of the credit institution's investments or liabilities,

in each case calculated in a manner stipulated by the Riksbank, shall for a specific period be covered by funds of a corresponding value that, with or without interest compensation, shall be deposited in a Riksbank account on behalf of the institution concerned. To an extent determined by the Riksbank in each individual case, the credit institution's cash holdings shall be equal to such funds.

For foreign credit institutions that are entitled to conduct operations from branches registered in Sweden, the cash reserve requirement is estimated on the basis of the investments or obligations of the particular branch (sFs 1992:1619).

ART. 21. This section has ceased to apply. (sFs 1992:1641).

ART. 22. Upon the request of the Riksbank, a credit institution or other company supervised by the Financial Supervisory Authority shall provide the Riksbank with such information as the Riksbank considers necessary to

1. follow developments in foreign exchange and credit markets,
2. supervise the stability of the payment system.

The performer of a currency transaction has an obligation to provide the Riksbank with such information, and to present the Riksbank

with such documents concerning the transaction, as are needed as a foundation for the Riksbank's balance of payments statistics. The same applies to the party for whom the transaction has been performed. Instructions in this matter are issued by the Riksbank. Failure to comply with such an obligation entitles the Riksbank to impose a penalty.

In the event of an obligation to provide information under paragraph 2., the party for which the transaction is performed shall to the party arranging the transaction notify the former's personal identity number or organization number, the purpose of the transaction, the country to or from which the payment is being made and the name of the recipient of the payment abroad. (sFs 1993:6) .

ART. 2 2A. Upon request, the Riksbank shall provide tax authorities with information held by the Riksbank which relates to payments to or from another country, if required for the authorities control of taxes and fees. With respect to information required for taxation purposes, the stipulations contained in Chapter 3, Art. 16. of the Taxation Act (1990:324) shall apply instead.

Upon request, the Riksbank shall provide customs authorities with information held by the Riksbank which relates to payments for the import or export of goods.



In exceptional circumstances, the Riksbank may refrain from providing information in accordance with paragraphs 1. and 2. (SFS 1990:751).

### *Currency Trading*

ART. 22B. With the exceptions specified in the fifth paragraph, currency trading may only be conducted with the support of permission granted by the Riksbank. However, no permission is required for the purchase and sale of travel currency.

Permission to conduct currency trading with the general public (currency trading permission) may be granted to credit institutions and the Post limited company.

When determining applications for such permission, the applicant's competence, solvency and general suitability shall be taken into account.

Currency trading permission may be limited to a certain form of currency trading. Permission may be subject to conditions regarding

1. limitations on the applicant's holdings of assets and liabilities in foreign currencies and, with respect to assets and liabilities against alien individuals and corporations, in Swedish kronor, and
2. any reporting that the Riksbank considers necessary.

Permission pursuant to this Article is not required for: 1

. a foreign banking company conducting operations pursuant to Chapter 1, Art. 5. of the Banking Operations Act (1987:617), if the permission granted to conduct banking operations in the home country includes the right to conduct currency trading.

2. a foreign credit institution which conducts operations pursuant to Chapter 2, Art. 9 of the Credit Market Companies Act (1992:161o), if the permission granted in the home country to conduct financing operations includes the right to conduct currency trading.

3. a foreign company which conducts operations pursuant to Chapter 2. Art. 10 of the Credit Market Companies Act, if currency trading is permitted by the company's Bye-laws or Articles of Association and it or the foreign credit institutions that own the company or its Parent Company are, pursuant to Points 1 or 2, entitled to conduct such operations.

In the case of companies covered by the fifth paragraph, the Riksbank is entitled to stipulate conditions and reporting responsibilities referred to in the fourth paragraph.

Those entitled to conduct currency trading with the public are referred to as authorized currency traders. (sFs 1992:1619) .

### *Other duties*

ART. 23. The Riksbank shall receive payments to and make payments from the Government.

To cover the Government's short-term fund requirements, the Riksbank may also grant the Government overdraft facilities.

ART. 24. Within the framework of the Riksbank's duties as a central bank, the Riksbank may purchase stock, shares in incorporated societies and similar rights and assume the obligations connected with such rights.

ART. 25. The Riksbank, itself or through a company owned by the Riksbank, may conduct printing operations, paper manufacture and the production of banknotes as well as the manufacture of coins, medals and similar objects.

ART. 26. The Riksbank may acquire properties and equipment intended for operations conducted by the Bank or in which it holds an ownership interest.

To protect a claim, the Riksbank may acquire all types of property. Such property shall be sold as soon as is appropriate and not later than a date at which this may occur without incurring a loss.

ART. 27. The Riksbank may conduct services, against payment, connected with its operations as a central bank.

ART. 28. The Riksbank may, following individual reviews, agree to a composition and make decisions concerning the write-off, writedown or forgiving of its claim.

ART. 29. If the Riksbank's operations give rise to a question of statutory amendment or any other governmental measure, the Governing Board may make a proposal concerning the matter to the Riksdag or the Government.

ART. 30. In the planning and implementation of its peacetime operations, the Riksbank must adhere to the demands made by national defence requirements.

The Riksbank is obliged to assume responsibility for the emergency planning within the field of the banking and payment system. Accordingly, the Riksbank, to the extent required, shall consult with authorities, credit institutions and other companies concerned. The National Board of Civil Emergency Preparedness shall be informed of the Riksbank's emergency planning.

### *Organisation, etc.*

ART. 31. Pursuant to Chapter 9, Art. 12. of the Instrument of Government, the Riksbank is administered by a Governing Board made up of eight Board Members, seven of whom are elected by the Riksbank and one, the Governor, by the other Board Members. The Board Members also elect a Chairman among themselves.

One or more vice Chairmen are appointed by the Board Members among themselves. The Governor may not be appointed Vice Chairman.

ART. 32. Pursuant to Chapter 8, Art. 6. of the Riksdag Act, the Governing Board appoints, from outside its own members, not more than two Deputy Governors and also decides in what order of precedence they shall deputize for the Governor at a meeting of the Governing Board.

In addition, the Deputy Governor exercises all other duties of the Governor, when the latter is indisposed. Following a decision by the Governor, a Deputy Governor may also deputize for the Governor on other occasions with respect to the management of certain matters or groups of such matters.

ART. 33. A member of the Governing Board may not be a member of the Cabinet or a member or a deputy of a board of directors of a

credit institution. Nor may a Member of the Governing Board be a minor or a declared bankrupt or have a trustee in accordance with Chapter 11, Art. 7. of the Code on Parents and Children. The preceding paragraph also applies to Deputy Governors.

ART. 34. The operations of the Riksbank are conducted at a head office in Stockholm, where the Governing Board is also headquartered. The Riksbank also conducts operations at branch offices and banknote depots, in that number and at those locations determined by the Riksbank. (sFs 1991:1538).

ART. 35. The Head Office contains an Auditing Department and other units determined by the Governing Board.

Below the Governing Board, Riksbank operations are managed by the Governor. Operations of the Auditing Unit, however, are managed by the Governing Board, unless an alternative course of action is stipulated in the Act (1988:46) on the Auditing of Parliamentary Administration, etc.

The distribution of business between different units shall be contained in a working order for the Riksbank.

The Auditing Department at the Riksbank is also responsible for the auditing of the Office of Administration and Services of the Riksdag,

the Parliamentary Ombudsmen, the Office of the Parliamentary Auditors and the Swedish delegation to the Nordic Council, in accordance with auditing plans established by the authority concerned.

ART. 36. The Riksbank is staffed by employees listed in a personnel roster as well as by other personnel as required and subject to the availability of funds in accordance with the current budget.

The Riksbank may engage external personnel for special assignments as required and subject to the availability of funds in accordance with the current budget.

In addition to the stipulations contained in Art. 9. of the Employment Ordinance (1965:601), positions established by the Governing Board may be filled without the necessity of their being announced vacant.

Appointments that are labeled in accordance with Art. 8. of the Employment Ordinance (1965:601) are established by the Riksdag. Appointments as Governor and Vice Governors are for a duration of five years. (sFs 1993: 769).

ART. 37. Pursuant to the conditions contained in Chapter 4, Art. 2., Points 2 and 3 of the Act (1976:600) on Public Sector Employment, the Riksbank may, in special cases decide that posi-

tions or assignments conducted at the Riksbank may only be held by Swedish nationals.

ART. 38. The Riksbank makes decisions concerning the working order and other regulations required for work at the Riksbank.

The members of the Governing Board and such personnel and persons appointed for specific assignments at the Riksbank as determined by the Riksbank, shall submit a written report of their holdings of securities and changes in such holdings as stipulated in Art. 2. of the Insider Act (1990:1342) to the Riksbank.

The Riksbank also makes decisions on an individual basis in matters concerning personnel and persons appointed for specific assignments at the Riksbank, to the extent that such matters are not governed by legislation or decisions of the Riksdag or by the Office of Administration and Services of the Riksdag. (sFs 1990:1347).

ART. 39. Stipulations governing the remuneration to members and deputies of the Governing Board are contained in the Act (1989:185) on fees, etc., for assignments on behalf of the Swedish Parliament, its authorities and organs.

ART. 40. This section has ceased to apply. (sFs 1990:751).

## *Handling of Matter*

ART. 41. The Governing Board makes decisions concerning

. matters concerning regulations relating to individual persons,

2. matters concerning the establishment of working orders and other important issues concerning the Riksbank's organisation and working forms,

3. matters concerning the system for determining the value of the krona in relation to other currencies,

4. matters concerning guidelines for the administration of the assets itemized in Art.

5. matters concerning important international credit agreements,

6. matters concerning the official discount rate and interest terms in connection with the lending and borrowing described in Art. 18. subsection 1. as well as conditions relating to borrowing in accordance with Art. 18. paragraph 2.,

7. matters concerning major recommendations to or agreements with credit institutions,

8. matters concerning cash reserve requirements and special fees when cash reserve requirements are not fulfilled,

g. matters concerning the Governments overdraft facilities,

10. matters concerning purchases of stocks or shares in accordance with Art. 24.,

11. major matters concerning composition, write-off, write-down or forgiving of claim,

12. matters concerning the establishment of employee rosters, decisions covered by Art. 37. and appointments to positions such as Directors, Heads of Department or Heads of regions,

13. matters concerning dismissal, from a position other than for trial periods, or dismissal from assignments or disciplinary measures, notification for prosecution, suspension or medical examination,

14. matters concerning which persons shall be bound by obligation to report pursuant to Art. 38., paragraph 2,

15. other matters which pursuant to this Act or other legislation, shall be determined by the Governing Board, and

16. matters which the Governing Board considers to be of major importance or which are referred to the Governing Board by the Governor.

Matters not to be determined by the Governing Board are determined by the Governor. To the extent that such matters are not of a character that requires scrutiny by the Governor, they may be determined by another official in accordance with the stipulations governing working orders or a special decision.

(sFs 1991:1538).

ART. 42. Prior to the Riksbank making a monetary policy decision of major importance, the Cabinet Minister appointed by the Government, shall be consulted.

If such consultation is not possible and if there is exceptional cause, the Riksbank may make such a decision without consultation.

ART. 42A. In matters of major importance involving activities of the Bank Support Authority or otherwise connected with the stability of the payment system, the Riksbank shall consult with the Financial Supervisory Authority, the National Debt Office and the Bank Support Authority. In the event of such consultation the Riksbank shall provide the authorities concerned with the necessary information.  
(sFs 1993:7).

ART. 43. The Governing Board shall convene at least every two weeks. The business of the meetings shall be recorded in minutes.

The Governing Board has a quorum when not less than six members are present. However, matters that require urgent treatment are subject to a quorum of five members, on condition that at least four of the members support the decision. When voting, each member shall make his opinion known. However, nobody is obliged to vote for more than one proposal.

Stipulations concerning voting on certain

personnel matters are contained in Art. 5. of the Act on determining bodies in disciplinary responsibility, etc. relating to employees at the Riksbank and its authorities (RFS 1980:4) and in Art. 26. of the Employment Act (1965:601). (sFs 1991:1538).

ART. 44. If a matter to be handled by the Governing Board is of minor significance or of a particularly urgent nature, it may be determined through notifications made between members.

ART. 45. The Governing Board may not convene at a location which is occupied by a alien nation.

ART. 46. Notifications issued by the Governing Board to the Riksdag or the Government must include information detailing the members who have participated in the decision-making process and the person who submitted the facts of the matter. If a vote is not unanimous, this shall be indicated in the notification or be evident from an appended extract from the minutes of the meeting.

### *Budget, Accounting and Distribution of Profits*

ART. 47. The calendar year is the Riksbank's fiscal year.

Each year, prior to the end of December, the Governing Board shall draft a budget for the Riksbank's administrative activities during the following fiscal year. The budget shall be submitted to the Riksdag's Finance Committee and the Office of Parliamentary Auditors for their attention.

ART. 48. The Riksbank is obliged to keep accounts and is to fulfil this duty in a manner that provides the information necessary for an assessment to be made of the Riksbank's operations.

Each year, prior to February 15, an Annual Report of the Riksbank's operations during the preceding fiscal year and a proposal concerning the distribution of its profit shall be submitted by the Governing Board to the Riksbank and the Office of the Parliamentary Auditors. The Annual Report shall consist of a Profit and Loss Account, a Balance Sheet, a Report of the Governing Board and an account of foreign exchange and credit policies.

ART. 49. The Riksbank's Profit and Loss Account and Balance Sheet are approved by

the Riksdag, which also determines the distribution of the Riksbank's profit. If the value of the reserve fund has declined to less than SEK 500 million, at least ten percent of the profit for the year shall be allocated to the reserve fund until it has retained a level of this amount.

The Riksdag determines whether the Governing Board shall be discharged from responsibility for its administration of the Riksbank.

### *Concluding regulations*

ART. 50. The Riksbank shall make public statistical data concerning foreign exchange and credit conditions on a continual basis. In addition, the Riksbank shall make public decisions in respect of changes in the official discount rate.

ART. 51. A credit institution that does not fulfil its established cash reserve requirement shall pay a special fee to the state. Matters concerning such special fees are determined by the Riksbank.

ART. 52. The special fee stipulated pursuant to Art. 51. shall correspond to the daily interest on the deficit, amounting to twice the discount rate at each time, unless otherwise stipulated by the second paragraph.

If the Riksbank's accumulated credit, pursu-

ant to Art. 18., first paragraph, to the banking institutions is so large that the corresponding maximum interest rate (marginal interest) exceeds the interest rate stipulated by the first paragraph, less three percentage units, the fee shall correspond to the interest on the deficit for each day that exceeds the marginal interest by three percentage units.

In exceptional cases, the fee may be reduced totally or partly. (sFs 1990:1150).

ART. 53. Any person failing to fulfil an obligation in accordance with Art. 22. to provide information or present documents or who provides incorrect information when the obligation is fulfilled shall be sentenced to a fine, unless the offence is subject to punishment under the Penal Code. If a penalty has been imposed pursuant to Art. 22. paragraph 2., however, punishment may not be exacted for actions covered by the penalty.

Any person conducting currency trading without an authorisation shall be sentenced to a fine or to imprisonment for up to six months.

Minor infringements shall not be penalised. (sFs 1992:1641).

ART. 54. The Riksbank shall, without prejudice from the stipulations contained in Chapter 8, Art. 8. and Chapter g, Art. 4. of the Secrecy Act (1980:100), notify the policy authorities or

the public prosecution authorities if information arises during its activities, as referred to in these stipulations, that gives cause to assume that a crime has been committed.

In exceptional circumstances, the Riksbank may refrain from submitting such information. (sFs 1990:751).

ART. 55. Prosecution of a Deputy Governor for crimes committed during the exercise of duties may be determined only by the Riksdag's Finance Committee or the Riksbank's Governing Board. This does not apply to crimes committed in the exercise of Riksbank decision-making rights in accordance with the Foreign Exchange and Credit Regulation Act (1992:1602). (sFs 1992:1641).

ART. 56. Decisions made by the Riksbank in accordance with this Act may only be appealed to the extent and in the order stipulated in the Act concerning Appeals against administrative decisions made by the Administrative Office of the Riksdag and the Authorities of the Riksdag. (sFs 1989:189).