



# Instructions for Sveriges Riksbank

## Introduction

**Article 1** The General Council of the Riksbank has adopted Rules of Procedure for the Riksbank. The Rules of Procedure specify the Riksbank's overall organisation and regulate certain managerial and decision-making matters. These Instructions for Sveriges Riksbank contain a more detailed description of the Executive Board's provisions regarding the organisation of the Riksbank.

## The Riksbank's management, governance and organisation

### The Riksbank's internal regulatory framework

**Article 2** The Riksbank has an internal regulatory framework, the aim of which is to ensure that the bank's operations are conducted in an efficient manner and in line with current legislation. The regulatory framework describes approaches, principles and working methods, and distributes responsibility and powers of authority over and above what is stated in these Instructions. It also describes how external regulations shall be applied.

**Article 3** The internal regulatory framework consists of a hierarchy of documents with three levels: policies, regulations and descriptions of routines. A policy expresses principles for courses of action within strategic areas affecting the whole bank. A regulation provides detailed provisions for operational areas affecting the whole bank or for a main task within a department. A description of a routine contains detailed provisions for working tasks within a department or between departments.

**Article 4** A policy is determined by the Executive Board, a regulation is determined by a Head of Department or by the Director of Communications or the Chief Risk Officer within his or her area of responsibility, and a description of a routine is determined by a Head of Department, the Chief Risk Officer or a person to whom responsibility has been delegated. Certain specific regulations are to be determined by the Executive Board in accordance with these instructions.

### The Executive Board

**Article 5** The Executive Board directs the Riksbank's operations, which entails responsibility for the aims, development and efficiency of these operations.

**Article 6** The Executive Board shall decide the following matters:

Decisions on monetary policy:

- decisions of principle that have significance for monetary policy,
- monetary and foreign exchange policy measures, such as the Riksbank's policy rate,
- the Monetary Policy Report,
- written reports on monetary policy to the Riksdag Committee on Finance,
- rules for monetary and exchange rate policy transactions, and
- rules for the management of the Riksbank's asset portfolio in Swedish krona.

Decisions on financial stability:

- important issues of principle regarding the stability and efficiency of the payment system,

- the Financial Stability Report, and
- measures to safeguard the stability of the payment system.

Decisions on asset management:

- important issues of principle regarding the management of the Riksbank's financial assets and liabilities, and
- investment policy.

Decisions on international issues:

- important issues of principle regarding international standpoints, and
- international loans.
- Decisions on general management and aims for the bank's operations:
- the long-term aims, strategy and strategic targets for the Riksbank's operations,
- the annual business plan and budget,
- major investments or other strategic commitments not covered by the business plan or not included in the scope of the budget or which have an effect on the budget for coming years,
- the annual report and annual accounts,
- the appointment of heads of department, advisers to the Executive Board, the General Counsel and the Chief Risk Officer,
- an audit plan for the Internal Auditing Department and, when necessary, measures arising from the observations and recommendations made by the Internal Auditing Department,
- the Riksbank's statutes,
- the Riksbank's policies,
- the Riksbank's investment regulations and regulations for credit risk, market risk and liquidity risk,
- the Riksbank's regulations for bookkeeping and the annual report,
- the Riksbank's ethical regulations,
- reports to the Riksdag and Government within the Executive Board's area of responsibility after consultation with the General Council in accordance with Article 16 of the Riksbank's Rules of Procedure,
- important issues of principle regarding responses to consultation documents, and
- special analyses/studies commissioned by an individual member of the Executive Board and which require substantial resources from the department concerned.

Other matters shall be decided as stated in these Instructions.

In addition, the Executive Board can delegate the preparation of matters or decision-making authority to the Governor, a Deputy Governor or another official of the Riksbank.

A member of the Executive Board is always able to take up a matter for discussion and a decision by the Executive Board.

### **The Governor of the Riksbank**

**Article 7** The Governor of the Riksbank is chairman of the Executive Board.

**Article 8** The Governor of the Riksbank shall exercise managerial responsibility for the heads of department in accordance with Article 25 and put forward proposals for the appointment of the posts decided by the Executive Board in accordance with Article 6.

**Article 9** The Governor of the Riksbank shall

- monitor the Riksbank's operations within the scope of the set budget and business plan,

- check that the work of the departments is being coordinated,
- regularly follow up the measures that may need to be taken as a result of the reports submitted by the Head of the Internal Auditing Department and the Chief Risk Officer and the matters addressed by the General Counsel, and
- regularly inform the Executive Board of important issues or important issues of principle.
- decide on the distribution of the Executive Board's international assignments after consultation with the Executive Board.

**Article 10** The Governor of the Riksbank shall make decisions on measures regarding urgent monetary or exchange rate policy situations if there is not time to await a decision by the Executive Board. The other members of the Executive Board shall be informed of any such decisions as soon as possible.

### **Deputy Governors of the Riksbank**

**Article 11** The First Deputy Governor deputises for the Governor in his or her absence.

### **The Riksbank's Management Group**

**Article 12** The Riksbank shall have a Management Group consisting of all of the heads of department, except for the Head of the Internal Auditing Department, plus the Director of Communications. The Head of the Internal Auditing Department, the General Counsel, the HR manager and the Chief Risk Officer may attend the Management Group's meetings to the extent they consider necessary. The Head of the General Secretariat may also when necessary call parts of the Management Group to meetings in other constellations than those described in this paragraph.

The Management Group shall be headed by the Head of the General Secretariat. The Management Group's main function is to coordinate and monitor the bank's operations. The Management Group's function is specified in more detail in the Appendix to these Instructions.

### **Heads of Department**

**Article 13** The Riksbank is divided into departments as stated in Article 12 of the Riksbank's Rules of Procedure. The division of the main areas of responsibility among the departments is shown in the Appendix to the Instructions. Each department has a head of department.

**Article 14** The Head of Department shall be responsible for drafting matters for the Executive Board that come within the department's area of responsibility. This includes the Head of Department ensuring that all members of the Executive Board receive the same information and that the information on the matter drafted is presented to the whole Executive Board. In addition, the Head of Department is responsible for ensuring that

- an appropriate organisation is established for the department within the scope of the Instructions,
- there are internal regulations and descriptions of routines as well as agreements within the department's area of responsibility,
- consultation takes place with the Chief Compliance Officer before decisions are made on regulations and policies,
- suitable statutes, policies, regulations, descriptions of routines and agreements are observed,

- the department's operations are run and developed within the scope of the business plan and budget approved by the Executive Board,
- target fulfilment in accordance with the business plan is reported,
- a proposal for a business plan and budget for the department's operations is drawn up and presented to the Head of the General Secretariat after consultation within the Management Group,
- risks related to the department's operations are managed,
- the department has appropriate crisis preparedness,
- operations in the department are coordinated with the operations of other departments,
- contacts are maintained with organisations and authorities in Sweden whose operations converge with the department's area of responsibility,
- international issues are prepared that fall within the department's area of responsibility, where necessary in consultation with other departments concerned, and decisions are taken on them in accordance with these Instructions,
- decisions are taken in those matters that fall within the framework of the department's area of responsibility,
- the requisite consultation takes place with other departments when drafting matters that affect these departments' areas of responsibility,
- the necessary background information is compiled for matters that will be referred to the Executive Board or General Council for a decision,
- the Executive Board, the Governor and the Management Group are kept up-to-date on issues of significance to the Riksbank and the members of the Executive Board are given suitable and appropriate insight into the preparation of the matters, and
- consultation documents within the department's area of responsibility are taken care of, including providing the Group on Opinions on Submissions with background information for assessing whether a consultation response should be decided by the Executive Board, putting forward proposals for consultation responses in the cases where the Executive Board shall take a decision and taking a decision on the consultation responses where the Executive Board will not take a decision.

**Article 15** The Head of Department can, after consultation with the Governor, always refer a matter to the Executive Board for a decision.

**Article 16** The Head of Department shall appoint all of the posts within the department unless otherwise stated in Article 6. The appointment of deputy heads of department, the Head of the Research Division, the Director of Communications is carried out in consultation with the Executive Board.

#### **Heads of Department with special assignments**

**Article 17** The Head of the Monetary Policy Department shall put provide background information to the Executive Board in matters according to Article 6 which concern monetary and foreign exchange policy apart from the proposals for regulations which the Head of the Markets Department shall present.

The Head of the Markets Department shall put provide background information to the Executive Board on matters according to Article 6 concerning asset management and proposals for regulations for monetary and exchange rate policy transactions and regulations on the management of the Riksbank's asset portfolio in Swedish krona.

The Head of the Financial Stability Department shall put provide background information to the Executive Board on matters according to Article 6 which concern financial stability.

## Head of the General Secretariat

**Article 18** The Head of the General Secretariat shall under the guidance of the Executive Board

- regularly update the Governor on operations within the Bank and supply the Governor with the background information she or he needs to be able to monitor operations,
- regularly inform the Executive Board about matters discussed in the Management Group,
- be responsible for overall coordination between the departments and for continuously monitoring the Riksbank's operations,
- put forward proposals to the Executive Board regarding the long-term aims, strategy and strategic targets for the Riksbank's operations,
- put forward proposals to the Executive Board regarding the annual business plan, the budget, the annual report and accounts,
- put forward proposals to the Executive Board regarding changes to these Instructions,
- decide which committees shall be established within the Riksbank,
- decide which department shall draft a matter which according to these Instructions could come under the area of responsibility of more than one department,
- decide which Head of Department shall decide on a consultation response if several departments are involved, and
- be responsible for coordinating the crisis management of the Riksbank in connection with an operational crisis.

## Head of Internal Auditing

**Article 19** The Head of the Internal Auditing Department shall regularly inform the Executive Board of his/her observations.

## Deputy Heads of Department

**Article 20** A Deputy Head of Department shall decide on the matters which the Head of Department has delegated to her or him.

## Heads of division

**Article 21** A department may be divided into divisions. A division may also have the title of secretariat. Each division is managed by a Head of Division, who is appointed by the Head of Department. The Head of Division shall decide, or delegate decision-making power, within the division's area of operations in accordance with a decision by the Head of Department.

## General Counsel

**Article 22** The General Counsel shall

- manage the legal work on strategic matters and matters of principle, and can refer a matter to the Executive Board for a decision,
- assist in the appointment of legal counsellors,
- decide, or delegate decision-making power, on matters that according to these Instructions should be referred to the General Counsel and otherwise in accordance with decisions by the Head of the General Secretariat,

- represent the Riksbank and plead its case before a court of law and other authorities, him/herself or by proxy,
- be the legally responsible publisher of the Riksbank's Statute Book, and
- participate in the meetings of the Management Group to the extent required to fulfil the tasks of the General Counsel.

### **Chief Risk Officer**

**Article 23** The Chief Risk Officer shall

- manage the Risk Division and may refer an issue that is significant to the management of the Riksbank's financial and operational risk to the Executive Board for a decision,
- be responsible for independent controls and reporting of the Riksbank's financial risks,
- be responsible for independent reporting of the Riksbank's operational risks,
- put forward proposals to the Executive Board on financial risk policy, investment regulations and regulations for credit risk, market risk and liquidity risk,
- decide on other regulations within his or her area of responsibility,
- take part in the Management Group's meetings to the extent required to perform the tasks of the Chief Risk Officer, and
- regularly inform the Executive Board of her/his observations.

### **Chief Compliance Officer**

**Article 24** The Chief Compliance Officer shall

- head the work on compliance and can refer a compliance issue to the Executive Board for a decision,
- give the Bank's operational departments advice on compliance risks and changes in external regulations,
- be responsible for the structure of the internal regulatory framework and assist the departments in the work on drawing up these documents,
- follow up on compliance-related matters and related incidents,
- regularly report on compliance-related matters to the Chief Risk Officer,
- annually draw up a compliance plan for the Executive Board to adopt, and
- every four months inform the Executive Board of his or her observations.

### **Managers**

**Article 25** Managers shall

- plan, lead and distribute the work within their area of operations so that allocated resources are optimally utilised to achieve objectives, and ensure that the Riksbank's total resources are used cost-efficiently,
- represent the Riksbank as employer in relation to the employees within the department, or according to a delegation decision, the division,
- ensure that employees are familiar with and understand the applicable regulations, both internal and external,
- be responsible for providing internal information to employees,
- work to encourage employees to develop their skills and to ensure that initiative, cooperation and an ability to see the overall picture are encouraged, and
- work to create a good, positive working environment characterised by openness and mutual respect.

## Employees

### Article 26 Employees shall

- be familiar with and observe applicable regulations, both internal and external,
- maintain and develop their knowledge within the Riksbank's area of activity, and
- make managers and others affected aware of any risks they identify in the Riksbank's operations and report incidents.

## Administrative regulations

### Registration

**Article 27** There shall be a central register for the registration of official documents at the Riksbank. All official documents that are not obviously of minor significance to the Riksbank's operations shall be recorded in the central register.

### Handling of matters

**Article 28** Matters will be decided after a presentation of reports. However, with regard to a special decision, it may be permitted that matters determined by an official other than the Governor do not need to be preceded by the presentation of a report.

### Documentation of decisions

**Article 29** Decisions on matters concerning the exercise of public authority, matters where a private person is a party or matters that are otherwise of significance for the Riksbank's activities shall be documented. The relevant background information on which the decision is based shall also be documented. The documentation shall specify the registration number, the date of the decision, the content of the decision, who has taken the decision and, where appropriate, who has presented the matter or who was involved in the final processing of the matter without participating in the decision.

### Documentation of delegation

**Article 30** The Head of Department has the right to delegate matters that come within the department's area of responsibility. Any such delegation shall be in written form, such as via departmental decision-making procedures. Otherwise, the subject areas or tasks to which the delegation refers shall be specified in the written decision to delegate.

### Release of official documents

**Article 31** Matters concerning the release of official documents kept by the Riksbank shall be determined by the official responsible for the document. In doubtful cases, or if the petitioner requests a decision by the Riksbank, the matter shall be examined by the General Counsel, or, after delegation, by another legal counsellor at the Riksbank.

### Archives

**Article 32 I** There shall be an archive function within the Riksbank, with responsibility for ensuring compliance with the Swedish Archives Act (1990:782).



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This version of the Instructions for Sveriges Riksbank enters into force on 1 October 2016.



## Appendix to the Instructions for Sveriges Riksbank

### The departments of the Riksbank

#### Monetary Policy Department (APP)

APP is responsible for

- drafting the Executive Board's monetary and foreign exchange policy decisions,
- compiling and publishing the Riksbank's financial markets statistics, securities statistics and balance of payments statistics, and
- research activities.

Organisation:

- The Department shall contain a Research Division, led by a Head of Research. The Research Division shall have a special budget determined by the Executive Board.

#### Markets Department (AFM)

AFM is responsible for

- drafting the Executive Board's decisions of principle regarding asset management,
- drafting and implementing the management of the Riksbank's financial assets and liabilities in accordance with the Executive Board's regulations and policies and decisions,
- implementing the Executive Board's monetary and foreign exchange policy decisions,
- deciding on the reference rate,
- executing financial transactions as a result of decisions taken by the Executive Board on stability and efficiency in the payment system,
- coordinating the analysis of the Riksbank's balance sheet,
- monitoring the financial markets and reporting relevant market events to the departments concerned,
- drawing up regulations on what collateral the Riksbank should accept for intraday loans in RIX and in monetary policy lending,
- settling the financial transactions the Riksbank carried out by the Riksbank on its own behalf or on behalf of others, and
- holding accounts for other central banks and some international organisations.

Organisation:

- There shall be a separate division within the department that is responsible for calculating and monitoring results and risks. This division shall be independent of the functions responsible for regular asset management. The head of this division shall regularly report to the Chief Risk Officer any circumstances of significance to the control of the financial risks in asset management and monetary and foreign exchange policy transactions.
- There shall be a separate division within the department that is responsible for the administration and settlement of the Riksbank's monetary and foreign exchange policy transactions and other financial transactions executed by the Riksbank on behalf of itself or others.

### **Financial Stability Department (AFS)**

AFS is responsible for

- drafting and executing the Executive Board's decisions on stability and efficiency in the payment system,
- promoting the stability and efficiency of the payment system through oversight, participation in regulatory work and by disseminating information and in other ways acting to prevent risks in the financial system,
- planning and coordinating the Riksbank's preparedness for shocks in the financial system,
- coordinating the Riksbank's handling of shocks in the financial system,
- coordinating the analysis of payment issues,
- coordinating the Bank's international work, and
- deciding on payments and transfers as a result of financial agreements with the International Monetary Fund, IMF.

### **Corporate Services Department (AVS)**

AVS is responsible for

- HR operations,
- the Riksbank's IT operations,
- property management and internal services,
- registers and archives,
- annual accounts, budget and invoice and salary administration,
- personal safety and physical security protection, and
- advice on and promotion of compliance relating to public procurement matters.

Organisation:

- The Department shall contain an HR function led by a Head of HR.
- The Department shall contain a financial function led by a Head of Finance.
- The Department shall contain a Head of Security. The Head of Security has the right, in the case of a serious incident or an emergency, to decide on measures to maintain security protection at the Riksbank.
- The Department shall contain a public procurement function.
- The Department shall contain an IT function led by a Head of IT.

### **Cash & Payments Systems Department (ABK)**

ABK is responsible for

- the Riksbank's cash management operations,
- the Riksbank's system for the transfer of funds in accounts (RIX), and
- coordination of crisis preparedness in the central payment system.

### **Internal Auditing Department (IR)**

IR is responsible for the Riksbank's internal auditing.

## **General Secretariat (STA)**

STA is responsible for

- coordinating the daily operations of the Bank,
- drafting the budget, business plan, annual accounts and annual report and coordinating the Swedish National Audit Office's audit of the Riksbank.
- providing administrative support to the Executive Board and the General Council,
- dealing with communication issues,
- coordinating, supporting, monitoring and organising an independent control of the Riksbank's total financial and operational risks,
- providing legal support to the General Council and Executive Board and to the Riksbank as a whole with regard to strategic issues and matters of principle,
- monitoring compliance-related issues and advising on compliance risks and changes in external regulations, and
- coordinating business continuity with regard to operational crises.

Organisation:

- The Department shall contain a communication function led by a Director of Communications.
- The Department shall contain a General Counsel.
- The Department shall contain a Risk Division led by a Chief Risk Officer.
- The Department shall contain a compliance function led by a Chief Compliance Officer.

## **The Riksbank's Management Group**

The Head of the General Secretariat is the Chairman of this group, whose functions are:

- to coordinate proposals from heads of department and compile reports for decision-making regarding the overall direction of the bank's operations and strategies for decision-making by the Executive Board,
- to coordinate proposals for the Riksbank's total business plan and budget, annual report and annual accounts as well as organisational changes,
- to coordinate the monitoring of operations in relation to set targets and budgets,
- to coordinate daily operations, regulations and joint processes, where required,
- to draft overall organisational issues,
- to consult on important interdepartmental matters of principle and other important issues of principle, and
- to exchange information on operations in the different departments.

If, during the discussion of important interdepartmental matters of principle, there is disagreement within the Management Group, it is the Head of the General Secretariat's duty to report this issue to the Governor.

The formal decision on each issue is made by the respective head of department.

The General Secretariat is responsible for administering the Management Group's meetings.

## **Management in the event of an operational crisis**

In the event of an operational crisis, the Management Group shall, for instance,



- oversee that business continuity plans and contingency routines are followed in accordance with the Riksbank's internal regulations, and
- coordinate both internal and external communication together with the Communications Division.

In the event of an operational crisis, the Executive Board shall decide on important issues. If it is not possible to await the decision of the Executive Board, the Governor of the Riksbank shall take such decisions. If the Governor is unable to make a decision, in the first instance the First Deputy Governor shall make the decision, and in the second instance a Deputy Governor in accordance with Article 11 of the Riksbank's Rules of Procedure shall make the decision. In the third instance, the Head of the General Secretariat shall make the decision in the place of the Governor.

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