

Press Release

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Sweden's financial sector able to manage a changeover to the euro on 1st January 1999

The Riksbank is issuing a report on the preparations that are needed for the eventuality of the euro's introduction in Sweden. The report, *Euron i den svenska finansiella sektorn - en lägesrapport*, also considers the questions that are being discussed and will have to be solved. The purpose of the report is to describe EMU's consequences for the financial sector in Sweden, regardless of whether or not Sweden participates in EMU.

The Riksbank considers that the financial sector can manage a changeover to the euro on 1st January 1999. Participation from a later date may facilitate the preparatory work in some respects and complicate it in others. The worst alternative is a long period of uncertainty; that would entail a costly duplication of systems in a number of fields.

In the event of participation in EMU, the agents in the Swedish securities market - banks, financial institutions, the Securities Register Centre, the Stockholm Stock Exchange, OM and others - unanimously favour a "big-bang" solution, that is, a prompt and complete changeover from kronor to euro at the turn of 1998.

Even if Sweden does not participate from the start in 1999, there will be changes. The submissions and annexes in the report show that adjustments will be substantial regardless of whether Sweden participates in EMU or not. So remaining outside EMU does not amount to status quo. However, it is up to each and every agent to decide whether and, if so, to what extent to make preparations for the single currency.

The report considers seven main fields: monetary and foreign exchange policy; the payment system; legal issues; notes and coins; statistics; information and communications; and accounting. It also presents the opinions of a number of sector organisations, expressed in submissions, on the preparations that will be needed for a changeover to euro.

Copies of the report (in Swedish only) are obtainable at the main entrance of the Riksbank at No. 11 Brunkebergstorg. They can also be ordered from the Information Centre, phone: Int. +46 8 787 01 00; fax: Int. +46 8 787 05 26.

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