

Press Release

10 FEBRUARY 1997 NO. 8

The Riksbank should be constitutionally independent

Sweden's Constitution should be amended so that the grounds for dismissal of the Governor of the Riksbank are specified in The Constitution Act. The same grounds for dismissal should also apply to other members of the Governing Board. This opinion is contained in a submission from the Riksbank's Governing Board to the Ministry of Finance.

The Governing Board accordingly supports the assessment presented earlier by the Under-Secretaries for Legal Affairs in the Cabinet Office, the Ministry of Justice and the Ministry of Finance. In an analysis last September these Under-Secretaries considered the extent to which the constitutional provisions concerning the status and functions of the Riksbank would need to be amended in the event of Sweden's full participation in EMU.

Moreover, the Board supports the proposal in the memorandum that the Constitution also be amended by including in the The Constitution Act a provision to the effect that the Riksbank is independent of the Riksdag (Sweden's parliament) and the Government. The provision should amount to a ban on instructions to the Riksbank except in a statutory form.

The third constitutional amendment proposed in the memorandum - that the Riksbank's exclusive right to issue banknotes and coins be rescinded - will not be relevant until Sweden decides to participate in the euro area. In the opinion of the Governing Board, the provision in The Constitution Act that the Riksbank alone has the right to issue banknotes and coins in Sweden cannot be said to be inconsistent with the requirements of the Maastricht Treaty. It is more a matter of a constitutional amendment being appropriate because otherwise the national law gives an unclear picture of the true state of affairs concerning the right to issue banknotes and coins. The Board therefore considers that an assessment of the appropriateness of this should wait until it is quite clear how the provision in the Maastricht Treaty will be implemented.

Copies of the submission 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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