

Ministry/Authority: Ministry of Finance V

Title: Act on central government borrowing and debt management (1988:1387)

Issued: 8 December 1988

With amendments: up to and including Swedish Code of Statutes 2007:1448

Section 1

Following special authorisation, which is given for one fiscal year at a time, the Government or, after authorisation by the Government, the National Debt Office, may raise loans for central government in order to

1. finance current deficits in the central government budget and other expenditure based on decisions of the Riksdag.
2. provide the credits and fulfil the guarantees decided on by the Riksdag.
3. amortise, redeem and purchase central government loans.
4. meet the Riksbank's need for currency reserves.

The Riksbanken shall fully reimburse the cost to central government for borrowing to meet the Riksbank's need for currency reserves. The Government may, however, decide otherwise in consultation with the Riksbank, if there are special reasons. Act (1998:659).

Section 2

Following special authorisation, which is given by the Riksdag for one fiscal year at a time, the Government or, by decision of the Government, a public enterprise, may raise loans to central government for the operations of the public enterprise. Act (1998:659).

Section 3

Loans raised by central government under sections 1 and 2 are managed by the Government or, following authorisation by the Government, the National Debt Office or a public enterprise.

If central government raises a loan to meet the Riksbank's need for currency reserves, the funds the Riksbank provides central government in exchange for the funds borrowed may only be used for repayment of the same loan. The Government may, however, decide otherwise in consultation with the Riksbank, if there are special reasons. Act (1998:659).

Section 4

The Swedish Central government is responsible for all loans and guarantees handled by the Government, the National Debt Office or a public enterprise. Act (1998:659).

Section 5

Central government debt, except for the debt managed by the public enterprises under Section 3, shall be managed so that the long-term cost of this debt is minimised, while taking into account the management risk. This debt management shall be conducted within the framework of the demands of monetary policy. Act (1998:659).

Section 6

The Government shall decide no later than 15 November each year on guidelines for management by the National Debt Office of central government debt. The Government shall obtain proposed guidelines from the National Debt Office and shall seek an opinion from the Riksbank on the proposal from the National Debt Office. Act (1998:659).

Section 7

Every second year, starting 2008, the Government shall evaluate the management of central government debt in a written communication to the Riksdag. The written communication shall be submitted to the Riksdag no later than 25 April each year. Act (2007:1448).