EUROPEAN CENTRAL BANK

OPINION OF THE EUROPEAN CENTRAL BANK

of 12 November 2002

at the request of Sveriges Riksbank
on a draft legislative proposal to amend the Sveriges Riksbank Act (1988:1385) with regard to the publication of interest terms

(CON/2002/28)

1. On 23 October 2002, the European Central Bank (ECB) received a request from Sveriges Riksbank for an opinion on a draft proposal to amend the Sveriges Riksbank Act with regard to the publication of interest terms in connection with trading in deposits (the "legislative proposal").

2. The ECB's competence to deliver an opinion is based on Article 105(4) of the Treaty establishing the European Community and the third indent of Article 2(1) of Council Decision 98/415/EC of 29 June 1998 on the consultation of the ECB by national authorities regarding draft legislative provisions[1], as the legislative proposal contains provisions concerning Sveriges Riksbank and the publication by the Riksbank of interest terms. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council of the ECB has adopted this opinion.

3. Some of the amendments to the Sveriges Riksbank Act in the legislative proposal refer to a modification of the data collection system and to a clarification of the reporting requirements for balance-of-payments statistics. Some other amendments are proposed in order to abolish the liquidity requirement for securities that Sveriges Riksbank buys and sells under repurchase transactions for monetary policy purposes as protection against counterparty default. These proposed changes (set out in Sections 1 and 2 of the legislative proposal) have already been the subject of an earlier consultation and the ECB refers to its previous opinion in that matter (CON/2002/21).

4. The draft legislative proposal to amend the Sveriges Riksbank Act now under consideration refers to a change with regard to the publication requirement concerning interest terms in connection with trading in deposits. The explanation for the proposed change is set out in Section 3 of the draft legislative proposal and the proposed wording of the relevant legal

---

1 OJ L 189, 3.7.1998, p. 42.

provision is contained in the second paragraph of Article 5 of Chapter 6 of the proposed draft amendments to the Sveriges Riksbank Act. The explanatory Section 3 of the draft legislative proposal states that Sveriges Riksbank is entitled to operate in the market for deposits, whereby the trading in deposits is based on standardised amounts and durations. The Riksbank's right to grant credit and receive loans for monetary policy purposes also applies to trading in deposits and no legislative amendment is required in this respect. The explanatory part of the legislative proposal also states that the amended legislation should reflect the fact that the publication requirement refers to generally applicable interest terms and not the contractual interest terms agreed with specific institutions. In view of these considerations, the legislative proposal amends the second paragraph of Article 5 of Chapter 6, of the Sveriges Riksbank Act accordingly. The ECB has no objection to this proposed amendment to the Sveriges Riksbank Act and shares the Riksbank's view that the legal provision should clarify that the publication requirement refers to generally applicable interest terms.

5. The ECB confirms that it has no objection to the competent national authorities making this opinion publicly available at their discretion.

Done at Frankfurt am Main on 12 November 2002.

The President of the ECB

[signed]

Willem F. DUISENBERG