

THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY SWEDEN

ARTICLE 9, PARAGRAPHS 2 AND 3 UNCAC

MANAGEMENT OF PUBLIC FINANCES

SWEDEN (SIXTH MEETING)

Measures to promote transparency and accountability in the management of public finances (art. 9.2)

Swedish central government administration has a detailed system of norms for financial management and accounting. Worth mentioning here is the Ordinance on central government agencies' Payments and Funds Management (2006:1097), which regulates government agencies' financial flows, and the Ordinance on Annual Reports and Budget Documentation (2000:605), which regulates financial reporting to the Government.

The Swedish National Financial Management Authority, ESV, is an agency under the Government tasked with developing and overseeing the financial management of central government activities. The agency is responsible for ensuring efficient and effective financial management and its tasks include responsibility for central government accounting and development of generally accepted accounting practice for the central government sector. The agency may issue regulations concerning central government accounting, financing and results-based management. It publishes norms for financial management and conducts training, support and consulting activities directed towards central government agencies. See more information from ESV in Annex 1.

Rules on financial management for local government are contained in the Local Government Act (1991:900), including requirements concerning current accounts and preparation of annual and interim reports. The Act also states that annual reports are to be made available to the general public. More detailed provisions on accounting standards in municipalities and county councils are contained in the Local Government Accounting Act (1997:614).

The Local Government Act also contains rules on local government auditing. The auditors annually review all activities in the committees' areas of activity required under generally accepted auditing practice. Municipal enterprises are also reviewed. The auditors determine whether activities have been carried out in an appropriate and financially satisfactory way, whether the accounts are true and fair and whether the internal checks carried out in the committees are sufficient. Interim report results are also reviewed. The auditors must annually submit to the local government assembly their audit statement and a report on the outcome of the audit. The auditors may direct remarks at committees and elected representatives, for instance. Reasons for such remarks are to be specified in the audit statement. The auditors are to especially state whether or not they recommend discharge from liability.

All central government agencies are to work actively on risk management within their areas of activity. This obligation follows from the Ordinance on Risk Management by Government Agencies (1995:1300). Under Section 3, each government agency is to identify and take appropriate measures to limit risks in their activities and to prevent damage or loss. One of the things to take into account is the risk of being exposed to crime. Furthermore, disciplinary liability may be enforced on officials who commit errors in managing public funds.

Regarding transparency in procedures, see also the answer below concerning the principle of public access to official documents and public meetings of decision making assemblies.

Measures to preserve the integrity of accounting books, records, financial statements or other documents related to public expenditure (art. 9.3)

The Swedish Freedom of the Press Act (1949:105) contains fundamental rules on the public nature of official documents, the right to access official documents and the obligation of public authorities to register official documents, etc. Chapter 2, Article 18 of the Act states that basic rules concerning the storage, culling and other disposal of official documents must be laid down in law. The Archives Act (1990:782) and the Archives Ordinance (1991:446) contain general provisions concerning the filing and storage of official documents. In general, all official documents, including electronic documents (such as official documents consisting of accounting books, records, financial statements, etc.), are to be archived and stored in accordance with the Archives Act. In addition to adhering to the Archives Act and the Archives Ordinance, the National Archives can adopt specific provisions on for instance technical requirements for the preservation and storage of electronic official documents (RA-FS and RA-MS). The National Archives is responsible for the supervision of central government agencies' public records stored in archives. Regional archives are responsible for the supervision of records generated by regional and local authorities.

The underlying principle is that public documents are to be stored for a period of time proportionate to the importance of the document. Documents may be culled when the storage period has expired or if another rule permits culling. Under Section 12 of the Archives Act, a central government agency may only dispose of documents in two ways, besides through culling. The first is by returning or handing over a document in accordance with laws or regulations. The second is through a special decision by the Government. Similar rules apply for local government under Section 15.

If accounting documents deriving from activities not subject to the Accounting Act (such as central and local government), are destroyed, rendered unserviceable or removed, liability for the suppression of a document may be raised if the act jeopardises proof (Chapter 14, Section 4 of the Swedish Penal Code). The penalty for suppression of a document is imprisonment for at most two years, or if the offence is minor, a fine or

imprisonment for at most six months. For a gross offence, the penalty is imprisonment for at least six months and at most four years.