

POLICY

DECISION DATE: 08 November 2022
DECISION BY: The Executive Board
Position: Head of Department
RESPONSIBLE DEPARTMENT: Payments Department (AFB)
RESPONSIBLE MANAGER: Christina Wejshammar
DNR: 2022-00734
DOCUMENT CLASSIFICATION: RB PUBLIC

Policy

Policy for governance and follow-up of RIX

Content and purpose

This policy is aimed at establishing a framework for the management and follow-up of RIX at the Riksbank.

Target group

The policy is aimed at all employees and contractors working with RIX as financial infrastructure.

Table of contents

Policy	1
Content and purpose	1
Target group	1
1 Introduction	2
1.1 Underlying regulatory framework	3
2 Roles and responsibilities	3
3 Target for RIX	4
4 Risk management	4
5 Reporting to the Executive Board	4
6 RIX Management group	4
7 Compliance	5
8 Entry into force and transitional provisions	5
8.1 Versions	5

1 Introduction

The Riksbank's system for settlement of payments in SEK, RIX, plays a central role in the Swedish financial sector and is Sweden's most important payment system. Participants in the RIX system are credit institutions, investment firms, clearing organisations, securities depositories, central counterparties and the Swedish National Debt Office. Most payments in Sweden are settled in RIX¹. As of May 2022, the Riksbank has two parallel settlement services within the RIX framework: RIX-RTGS for the settlement of large-value payments and RIX-INST for the settlement of instant payments.

For payment of securities transactions, the Riksbank has outsourced RIX accounts with Euroclear Sweden AB. The conditions for participation in RIX, both as regards RIX-RTGS and RIX-INST, are regulated in the Terms and Conditions for RIX and Monetary Policy Instruments².

RIX availability and efficiency are prerequisites for the Riksbank to promote a safe and efficient payment system. This is also a prerequisite for the Riksbank to be able to implement the monetary policy decisions that are made. Because of the

1. With the exception of the so-called real-time payments (today through the Swish service) which are settled at Bankgirot at the time this policy was decided. In June 2019, the Riksbank decided to provide a settlement service for real-time payments as of 2021 (ref.no. 2018-00960).

2. For the current version, see the Riksbank's website.

3. Principles for Financial Market Infrastructures, see www.bis.org

importance of RIX in society, a disturbance in the system can have extensive consequences that can spread in a short time to other parts of the financial system, which could damage confidence in the Riksbank.

1.1 Underlying regulatory framework

CPMI/IOSCO has drawn up principles for financial infrastructures (PFMI)³ that are international standards. These principles are not legally binding. The purpose of these principles is to strengthen financial infrastructures and thereby safeguard financial stability. They place demands both on the systems in the financial infrastructures and on the organisations providing the systems, as well as the authorities conducting supervision and oversight of the systems in the financial infrastructure.

The principles are a support in ensuring that the objectives of RIX can be achieved and that principles are met.

2 Roles and responsibilities

In the Riksbank's Instructions, the Executive Board has delegated tasks related to control and follow-up to the department heads. Each head of department reports to the Executive Board in his or her area, including issues related to RIX.

The Head of the Payments Department is responsible for the management and follow-up of RIX and for reporting to the Executive Board. This includes deciding on the necessary cross-departmental regulations on governance and follow-up of RIX. The Head of the Payments Department shall inform the Executive Board of their assessment of whether the activities concerning RIX are provided with sufficient resources and support in other respects, and that decisions of major importance at the Riksbank have included scope for RIX as a financial infrastructure.

The Heads of the other departments concerned shall contribute to the management and follow-up of RIX as described below.

The Head of the Corporate Services Department shall contribute to the management and follow-up of RIX by working with security issues.

The Head of the IT and Digitalisation Department shall contribute to the work on managing and following-up RIX through IT support.

The Head of the Markets Department shall contribute to the management and follow-up of RIX through the implementation of monetary policy and policy for overnight credit collateral.

The Financial Stability Department oversees RIX.

The Risk Division is responsible for coordination, support, follow-up and independent control of the Riksbank's overall operational and financial risks. This work includes the risks related to RIX.

The Internal Audit Department will review RIX every year.

3 Target for RIX

The services offered by the Riksbank through RIX shall mean that systemically important payments can be settled in the account at the Riksbank.

RIX shall have very high availability, shall provide accurate information and shall maintain confidentiality of information in the system.

The services in RIX shall be developed in line with the needs of the market and society.

4 Risk management

The risk of events that may affect availability or accuracy or confidentiality in RIX shall be low. RIX shall have a high resilience to events that affect this. There will be an overall analysis of the activities of the departments relating to RIX. The risks involved must be identified, assessed, limited and addressed continuously and in a structured manner, which falls within the responsibility of each department manager to manage.

5 Reporting to the Executive Board

The Executive Board shall receive a report on RIX once every four months target attainment, compliance with international principles, risk management, incidents and outcomes in relation to the RIX business plan and budget. The Head of the RIX Division is responsible for ensuring the Executive Board received the Tertiary reports.

6 RIX Management group

There is a separate management group for RIX which includes the relevant departments. The Head of the Payments Department chairs and convenes the management group. The Head of the Payments Department has decided that the Head of the IT and Digitalisation Department, the Head of the Markets Department and the Head of the RIX Unit, or the person appointed by each

manager to take their place, shall be a member of the RIX Management Group. The management group's objective is to ensure compliance with this policy and to support the Head of the Payments Department. The management group has no decision-making mandate. The Chief Risk Officer, the compliance function and the Head of the Internal Audit Department may attend the meetings of the management group.

7 Compliance

The Head of the Payments Department is responsible for an annual review of the policy and for monitoring and reporting to the Executive Board. The Department Head is also responsible for compliance with the policy.

The Head of the Payments Department may delegate to the Head of the RIX Division to carry out the policy follow-up.

8 Entry into force and transitional provisions

This Policy enters into force on 15 November 2022. The policy repeals the policy adopted on 9 December 2021 with the reference number 2021-01134.

8.1 Versions

Last reviewed	Version	Comments on changes
2021-10-20	1.0	New template
2022-05-30	2.0	Clarifications
date	version.	Click here to enter text.