



UNITED NATIONS

E/NL.1996/60
25 September 1996

ENGLISH ONLY*
ORIGINAL: SWEDISH

LAWS AND REGULATIONS

PROMULGATED TO GIVE EFFECT TO THE PROVISIONS OF
THE INTERNATIONAL TREATIES ON NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES

*In accordance with the relevant articles of the international treaties on narcotic drugs and psychotropic substances,
the Secretary-General has the honour to communicate the following legislative text.*

SWEDEN

Communicated by the Government of Sweden

NOTE BY THE SECRETARIAT

- (a) Some editing of texts may be done by the Secretariat in the interest of clarity. In this connection, words in square brackets [] have been added or changed by the Secretariat.
- (b) Only passages directly relevant to the control of narcotic drugs or psychotropic substances have been reproduced in this document. Non-relevant parts of laws and regulations have been deleted by the Secretariat; such deletions are indicated by [...].

SWEDISH CODE OF STATUTES
SFS 1993: 768 (23 JUNE 1993)

ACT ON MEASURES AGAINST MONEY LAUNDERING

***Note by the Secretariat:** This document is a direct reproduction of the translated text provided to the Secretariat by the Government of Sweden.

SWEDISH CODE OF STATUTES

SFS 1993:768

Published on June 23, 1993

Unofficial translation

Act on Measures against Money Laundering
effective as from January 1, 1994

The following provisions are issued by decision of the Riksdag 1/.

Introductory provisions

§ 1 The provisions of this Act are issued in implementation of Sweden's commitments under the European Economic Space (EES) agreement.

The provisions of this Act are aimed at preventing any measures involving unlawfully acquired property taken with a view to concealing the fact that the property in question derives from crime, or making it possible for the offender to evade legal sanctions, or rendering it more difficult to restore the property to its lawful owner, as well as any measures which involve disposal, acquisition, possession or use of the property (money laundering).

Scope of the present Act

§ 2 The provisions of the present Act are applicable to

1. companies carrying on banking business or business activities consisting in the borrowing of money from the public and advancing loans
2. life insurance companies
3. companies carrying on business activities of the kind referred to in Chapter 1, Section 3 of the Act on Security Trading (1991:981)

1/ Bill 1992/93:207, Report 1992/1993:juU37, Parl. records 1992/1993:375, Cf EES Agreement, Appendix IX, Section II and the Council's Directive 91/308/EEG (EGT nr L 166, 28.6.1991, p. 77)

4. companies carrying on business activities which are subject to supervision by the Finance Inspection Board and which primarily consist in one or more of the activities referred to in Chapter 3, Sections 2 - 12 of the Act on Credit Market Companies (1992:1610).

The present Act applies only to such business activities involving customers referred to in the first paragraph as are carried on from a permanent place of business in Sweden.

Prohibition against taking part in certain transactions

§ 3 Measures referred to in the second paragraph of Section 1 may be punishable under the provisions relating to receiving of stolen goods or petty receiving of stolen goods in Chapter 9, Sections 6 and 7 of the Penal Code.

A company of the kind referred to in Section 2 must not take part in transactions involving funds that may have been acquired through the commission of a serious crime. For the purposes of the present Act, any crime punishable by more than six months imprisonment shall be regarded as a serious crime in this respect.

Identity checks

§ 4 It is incumbent on a company to check the identity of any person wishing to enter into a business relationship with the company.

An identity check must be made also in cases involving persons other than those referred to in the first paragraph, if a transaction involves more than 110.000 Swedish crowns. Even though a transaction may not exceed this limit, an identity check should be made if there is reason to believe that the transaction is connected with another transaction and that the total amount involved will exceed the limit, if the total amount is not known at the time of the transaction, an identity check must be made as soon as the sum total of the transactions exceeds the limit.

Companies carrying on business of the kind referred to in the first paragraph of Section 2 are not required to perform identity checks if they are located in the European Economic Space. This applies also to cases where a transaction involves payment into an account held by someone whose identity has been previously checked under the provisions of the present Act.

§ 5 A life insurance company is not required to make an identity check when concluding an insurance contract, unless the total annual premium exceeds 7.000 or, in the case of a single premium, 18.000 Swedish crowns. Nor is such a company required to make an identity check if payment is made via an account with a company referred to in the first sentence of the third paragraph of Section 4.

§ 6 If there is reason to assume that a person wishing to enter into a business relationship with a company, or make a transaction of the kind

referred to in the second paragraph of Section 4, is not acting on behalf of himself, the company must, in some suitable way, establish the identity of the party on behalf of whom he is acting.

The provisions of the first paragraph do not apply to cases mentioned in the third paragraph of Section 4, nor to cases in which there is special reason to assume that such a check is not necessary.

§ 7 Even though an identity check may not be required under the Sections 4 - 6, a check of the kind referred to in those sections shall be made if there is reason to assume that a transaction involves funds acquired through the commission of a serious crime.

Obligation to file documents

§ 8 Documents or information used in connection with an identity check shall, to the extent decided by the Government or, if the Government so decides, by the Finance Inspection Board, be filed for at least five years after the date on which the business relationship was ended.

Obligations to examine transactions and to submit information on transactions

§ 9 A company must examine all transactions which can be assumed to involve funds acquired through the commission of a serious crime. Having made such an examination, the company is obliged to submit to the National Police Board, or a police authority appointed by the Government, any information on circumstances indicative of money laundering.

§ 10 A company which submits information under the provisions of Section 9 in the belief that it is required to do so, shall not be held responsible for any violation of secrecy regulations. This applies also to members of its board of directors or employees submitting information on behalf of the company.

Prohibition against informing persons subjected to an examination

§ 11 A company, its board of directors or its employees must not disclose to the customer or an outsider that an examination has been made, that information has been submitted under Section 9 or that a matter is being investigated by the police.

The provisions of Chapter 20, Section 3 or the Penal Code shall not apply to a person acting in contravention of the provisions of the first paragraph.

Obligation of the Finance Inspection Board to inform the police

§ 12 Should the Finance Inspection Board, in the course of an inspection of a company or otherwise, learn of transactions involving funds which may have been acquired through the commission of a serious crime, it shall inform the National Police Board thereof, or a police authority appointed by the Government.

Internal routines and training

§ 13 A company shall have routines preventing it from being used for transactions involving proceeds of crime and shall ensure that its employees receive necessary information on and training in such routines.

The Government or, if the Governments so decides, the Finance Inspection Board may issue further provisions regarding what routines should be implemented and what kind of training or information should be provided.

The present Act enters into force on a date decided by the Government (January 1, 1994).

For the Government

Carl Bildt

Bo Lundgren
(Ministry of Finance)