

Sweden's central bank, called the Riksbank, is responsible to parliament. It performs the same function as most central banks in that it develops and implements monetary policy, acts as the bank of the state and as the lender of last resort to the banking system.

Besides the Central Bank, there are basically three types of banks in the Swedish system: commercial, savings and co-operative banks accounting for 62, 31 and 7 per cent respectively, of total bank deposits. Traditionally, the commercial banks have focused their activities around industry and commerce; the savings banks around personal savings and lending in the housing market, to agriculture and small scale industry; and the co-operative banks around credit societies owned by various organizations of individuals. However, after the 1969 banking legislation, the different types of banks are permitted to operate in substantially identical areas. In addition, through mutual service agreements, customers may use not only the 3,700 different bank branches, but also, for certain services, the 2,300 post offices. In general, Sweden is considered to have one of the most sophisticated retail banking systems in the world.

Foreign banks are not permitted in Sweden. Shares in Swedish banks may only be acquired by Swedish citizens, companies and associations. However, a few foreign banks have been granted permission by the government to open representative offices in Sweden.

The following Canadian banks have representative offices in Europe covering Sweden: Royal Bank of Canada, Canadian Imperial Bank of Commerce, Bank of Montreal, Bank of Nova Scotia, Toronto-Dominion Bank.

Method of Payment

Companies usually prefer cash against documents. However, it is always advisable to begin a relationship with letters of credit until sufficient confidence is built up to allow better and improved terms.

Credit Information

Credit information is generally available from a number of agencies in Sweden who perform many of the same functions as Dun & Bradstreet. Also many Canadian banks have correspondents in Sweden who are