

# Collective insurances

## Foreign companies with business in Sweden

### Foreign companies with business in Sweden exceeding 12 months

As a general rule, employers who are members of the Confederation of Swedish Enterprise through membership of an employers' association are required to take out an insurance for their employees under current collective agreements. Collective insurance is based on collective agreements between the Confederation of Swedish Enterprise and the Swedish Trade Union Confederation (LO), and between the Confederation of Swedish Enterprise and the Council for Negotiation and Cooperation (PTK). Should the company fail to follow the regulations regarding insurance agreements it could result in considerably increased costs.

Please note that the employers themselves must apply for insurance directly from the insurance company concerned. The insurance contract comes into effect retroactively from the starting date of the collective agreement. VVS Företagen or the *Confederation of Swedish Enterprise Insurance Information* (see below) can advise you further if you have any doubts concerning the obligation to take out collective insurance, or regarding any other provisions in the collective agreement.

All companies must take out the following insurances:

- Work Injury Insurance - TFA, which covers both wage earners and salaried employees.
- Career Readjustment Insurance, Group Sickness Insurance- AGS, Group Life Insurance- TGL), SAF-LO Collective Pension or another collectively agreed pension scheme covering **wage earners**.

Insurance cover is taken out through Fora AB, telephone: +46 8 787 40 00, [www.fora.se](http://www.fora.se), from which the necessary forms can be ordered.

Companies with **salaried employees** must also take out insurance for Supplementary pension for the industrial and commercial sectors- ITP and TGL for salaried employees.

The ITP plan is taken out through an agreement with Collectum AB, telephone: +46 8 508 981 00, [www.collectum.se](http://www.collectum.se)

TGL can be taken out with any of the following insurance companies: Alecta, Bliwa, Folksam, Ikano Försäkring, Länsförsäkringar, Movestic, SalusAnsvar, SEB Trygg Liv, SEB Trygg Liv Fond or Skandia Liv.

The affiliation to Collective Agreement Foundation- Trygghetsrådet TRR takes place automatically for members of an employers' association within the Confederation of Swedish Enterprise.

*Confederation of Swedish Enterprise Insurance Information*, telephone: +4687626000 ([www.svensktnaringsliv.se/forsakring](http://www.svensktnaringsliv.se/forsakring)) offers companies that have signed or intend to sign a collective insurance agreement free consultation, information and training pertaining to this insurance. Please contact the *Confederation of Swedish Enterprise Insurance Information* if you have questions about statutory or collective insurance and for all questions regarding signing collective insurance agreements. The consultants are knowledgeable about social, collective and individual insurance.

## Foreign companies with temporary business in Sweden not exceeding 12 months

The agreement between the Confederation of Swedish Enterprise and the LO on one hand and the Confederation and the PTK on the other concerns companies domiciled in the EU/EEA which have temporary business in Sweden and where the company in the collective agreement is legally bound to affiliate to the insurance. Temporary business means that the period the company intends to run the business in Sweden is not expected to exceed 12 months.

The insurance agreements with Fora and Collectum must be taken out at the time of the collective agreement. The starting point is that all the insurances must be taken out, although exceptions are granted as follows:

- TGL and TFA shall always be taken out.
- Career readjustment insurance for wage earners and career readjustment agreements for salaried employees are not taken out.
- AGS group sickness insurance for wage earners and ITP disability pension for salaried employees are not taken out if the employer can show that the employee is covered by the social insurance scheme in another EU/EEA member state.
- If the contributions for the supplementary state pension in the country of origin are still being paid, wage earners may be exempt from the SAF-LO Collective Pension. Further, salaried employees may be exempt from the ITP retirement and family pensions as well as the ITPK.

The exemptions in accordance with the above shall be applied for via Fora AB for wage earners and via Collectum AB for salaried employees.

Companies domiciled outside the EU/EEA that have temporary business in Sweden and where the company in the collective agreement is legally bound to affiliate to the insurance schemes may, after special assessment by the Insurance board at Fora AB and the ITP board at Collectum AB, also be exempt in accordance with the above. Foreign companies that are active in Sweden for longer than 12 months may also, after special assessment, be granted exemption from the insurance policies.