



DET KONGELIGE
FINANSDEPARTEMENT

*Royal Ministry of Finance
The Minister of Finance*

Ms. Christine Lagarde
Managing Director
International Monetary Fund
700 19th Street, N. W.
Washington D.C. 20431
U.S.A.

Your ref

Our ref
08/3739 KyS

Date
21.12.2011

Dear Managing Director, *dear Christine;*

We are confronted with a severe economic and financial crisis affecting jobs and livelihoods for millions of people. The global economy is facing significant uncertainty, stemming in particular from risks in Europe.

In this situation, it is important to ensure that the IMF has sufficient lending capacity to meet the borrowing needs of its member countries. Considerable work has already been undertaken to this end, including in IMF bodies and in the G20. I welcome this week's decision by EU countries to make significant funds available for the IMF.

For our part, Norway is prepared to extend a bilateral loan of up to 6 billion SDR, as part of a concerted international effort to boost the IMF's lending capacity. The loan would be extended to the IMF's general resource account, and is conditional on parliamentary approval. The Ministry of Finance and Norges Bank are prepared to engage in a dialogue for setting out the terms of such a loan agreement.

I trust that the IMF, together with national governments, will continue its work to safeguard our economy and the welfare of our citizens.

Yours sincerely,


Sigbjørn Johnsen

CC: Nordic-Baltic Ministers of Finance, Executive Director Benny Andersson