

EXECUTIVE BOARD

Ms Gertrude Tumpel-Gugerell
Member of the Executive Board
European Central Bank
Kaisertrasse 29
60311 Frankfurt am Main
Deutschland

Your ref.

Our ref.
VHOslo,
10 September 2009**Regarding Norwegian kroner in TARGET2-Securities**

We refer to your letter of 17 September 2008, regarding the invitation to Central Securities Depositories (CSDs) and central banks outside the euro area to introduce their national currency into TARGET2-Securities (T2S).

Norges Bank and the Norwegian CSD, VPS, have together with participants in the Norwegian Securities Settlement System followed the development of the T2S project. Norges Bank welcomes ECB's initiative to promote the creation of a more integrated and harmonised infrastructure for settlement of securities transactions in Europe. We appreciate that also non-euro area countries may participate in T2S and acknowledge the effort ECB has put into the project and the impressive progress so far.

Norges Bank is prepared to start negotiations with the Eurosystem, aiming at reaching an agreement by which Norges Bank outsources the technical management of Norges Bank's accounts for settlement of securities transactions denominated in Norwegian kroner to the Eurosystem. Issues that Norges Bank will emphasise in these negotiations include system governance, interaction between T2S and the non-euro payment systems, division of responsibilities, crisis management and liability agreements. The outsourcing of Norges Bank's accounts is dependent on demand from the market for settlement of securities transactions denominated in Norwegian kroner in T2S.

Yours sincerely


Svein Gjedrem
Kristin Gulbrandsen