

# Act of 24 May 1985 relating to Norges Bank and the Monetary System etc.

In force from 9 September 1985. Last amended by Act No. 45 of 20 December 2016 (in force from 1 January 2017).

## **Chapter I. General provisions**

### **Section 1. Purposes and functions of Norges Bank**

Norges Bank is Norway's central bank. The Bank shall be an executive and advisory body for monetary, credit and foreign exchange policy. It shall issue banknotes and coin, promote an efficient payment system domestically as well as vis-à-vis other countries and monitor developments in the money, credit and foreign exchange markets.

The Bank may implement any measures customarily or ordinarily taken by a central bank. To fulfil its purposes, the Bank may engage in any and all types of banking business and banking services.

### **Section 2. Relationship to the government authorities**

The Bank shall conduct its operations in accordance with the economic policy guidelines drawn up by the government authorities and with the country's international commitments.

Before the Bank makes any decision of special importance, the matter shall be submitted to the ministry.

The King in Council may adopt resolutions regarding the operations of the Bank. Such resolutions may take the form of general rules or instructions in individual cases. The Bank shall be given the opportunity to state its opinion before such resolutions are passed. The Storting shall be notified of resolutions as soon as possible.

The Bank is a separate legal entity and is owned by the government. The Office of the Auditor General monitors the Minister's exercise of authority in accordance with the Act relating to the Office of the Auditor General of 7 May 2004 and the instructions issued by the Storting.

*Amended by Act No. 21 of 7 May 2004 (in force from 1 July 2004).*

### **Section 3. Statements by the Bank**

The Bank shall state its opinion on matters that are put before it by the King or the ministry.

The Bank shall inform the ministry when, in the opinion of the Bank, there is a need for measures to be taken by others than the Bank in the field of monetary, credit or foreign exchange policy.

The Bank shall inform the public about the monetary, credit and foreign exchange situation.

The Bank shall inform the public of the assessments on which monetary policy decisions are based.

*Amended by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

## **Section 4. The monetary unit and its international value**

The Norwegian monetary unit is the krone. The krone is divided into 100 øre.

The King makes decisions regarding the exchange rate arrangement for the krone and changes in the exchange rate level of the krone.

Decisions regarding changes in the exchange rate arrangement for the krone and in the exchange rate level of the krone shall be communicated to the Storting.

# **Chapter II. Organisation of the Bank**

## **Section 5. Supreme authority**

Supreme authority in the Bank is vested in an executive board and a supervisory council.

Under this Act, executive and advisory authority is vested in the Executive Board. The Executive Board is in charge of the Bank's operations and manages its resources. The Executive Board shall be responsible for the organisation of the Bank and shall establish satisfactory frameworks, objectives and principles to ensure the sound governance of the Bank. The Executive Board shall ensure that the Bank's operations, including accounting and asset management, are subject to sound governance and control. The Executive Board shall supervise the Bank's administration and other activities.

The Executive Board may decide that activities that are part of the management of the Government Pension Fund Global (GPF), cf. Section 2, second paragraph, of Act No. 123 of 21 December 2005 relating to the Government Pension Fund, shall be performed by companies wholly or partly owned by the Bank. The Executive Board represents the Bank in its capacity as shareholder in these companies.

The Supervisory Council shall supervise the Bank's activities and ensure that the rules governing the Bank's operations are observed. The Supervisory Council shall in this respect supervise the Executive Board to ensure that the Executive Board's management and control of the Bank's administration and operations are satisfactory and that appropriate procedures have been

established so that the Bank's activities are conducted in accordance with legislation, agreements, decisions and other regulatory frameworks. The Executive Board's exercise of discretionary authority under the Act is not subject to the Supervisory Council's supervision. The Supervisory Council has the right of access with respect to all of the Bank's affairs and may conduct any investigations it deems necessary in order to fulfil its responsibilities under the Act. The Supervisory Council shall be served by a Secretariat.

The Supervisory Council shall select one or more auditors and approve the auditors' fees, cf. Section 30 a. The Supervisory Council adopts the annual accounts of the Bank and, on the proposal of the Executive Board, approves the budget. The Supervisory Council issues a statement on the minutes of the meetings of the Executive Board, the supervision of the Bank and matters submitted to it by the Executive Board. In cases of doubt, the Supervisory Council decides whether a matter is of an administrative nature, cf. Section 6, third paragraph, Section 7, sixth paragraph, and Section 11, second paragraph. The Supervisory Council lays down rules for the Bank's loans to employees, cf. Section 23.

The Supervisory Council may, on the proposal of the Executive Board, decide that the production of banknotes and coins or other commercial activities that fall within the scope of this Act shall be performed by companies that are partly or wholly owned by the Bank. The Supervisory Council shall be responsible for supervising such companies and the companies referred to in the third paragraph, and has the right to require the disclosure of information by a company's managing director, its board and the selected auditor as is necessary for such supervision to be conducted. The Supervisory Council can conduct its own inspections of a company as necessary. The Supervisory Council shall be notified before a company's annual general meeting is held and has the right to attend the meeting.

The Governor is in charge of the Bank's administration and the implementation of the decisions.

*Amended by Acts No. 3 of 27 January 1989, No. 95 of 17 December 1999 (in force from 14 April 2000 pursuant to Regulation No. 324 of 13 April 2000), No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003), No. 47 of 19 June 2009 (in force from 1 January 2010 pursuant to Decree No. 1405 of 27 November 2009) and No. 45 of 19 June 2015 (in force from 1 January 2016 pursuant to Decree No. 668 of 19 June 2015).*

## **Section 6. Executive Board**

The Executive Board consists of eight members appointed by the King.

The Governor shall be chair and two Deputy Governors shall be first and second deputy chair of the Executive Board. They are appointed to full-time positions for a term of six years. Re-appointment to the same position may take place for one period of a further six years. The other five members are appointed for four-year terms. If a member retires from the Executive Board before the term expires, a new member may be appointed for the remainder of the term. Every other year, two and three members retire alternately. Those members may be reappointed for a total period of twelve years.

Two members are elected by and from among the employees to supplement the Executive Board when matters of an administrative nature are discussed. The method whereby these members are elected can be agreed on in negotiations with the employees. If agreement is not reached, the Supervisory Council may lay down rules for the election. When matters of an administrative nature are discussed, the Executive Board is supplemented in addition by two of the deputies appointed by the King, cf. Section 9, first paragraph.

The chair of the Executive Board may call meetings of the Executive Board as often as is required, or when at least three members so request. For a decision to be valid, at least more than half of those entitled to vote must vote in favour. In the case of equal votes, the chair has a casting vote. Minutes are kept of the meetings.

The following persons may not serve as members or deputy members of the Executive Board:

1. Government ministers,
2. state secretaries and other political staff of the ministries,
3. ministry officials,
4. persons employed by a ministry or the Office of the Prime Minister,
5. members of the Storting,
6. other political staff of the Storting,
7. committee secretaries of the Storting
8. persons employed by Norges Bank,
9. persons closely associated with the persons listed in 1, 2, 4, 5, 6, 7 and 8.

Persons closely associated with, according to the fifth paragraph, subparagraph 9, include blood relations, spouses, registered partners, cohabitants living in a marriage-like relationship with the person and their children.

The King may issue regulations with regard to the members' relationship to other credit institutions and enterprises.

The remuneration and pension of the Governor and Deputy Governors, and remuneration of the other members, are laid down by the King.

*Amended by Acts No. 60 of 21 November 1986, No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003), No. 47 of 19 June 2009 (in force from 1 July 2009 pursuant to Decree No. 677 of 19 June 2009) and No. 45 of 19 June 2015 (in force from 1 January 2016 pursuant to Decree No. 668 of 19 June 2015).*

## **Section 7. Supervisory Council**

The Supervisory Council consists of fifteen members elected by the Storting for a term of four years. If a member retires before the term expires, the Storting may elect a new member for the remainder of the term.

Every other year, seven and eight members retire alternately. From among the members, the Storting elects the chairman and deputy chairman for a term of two years. Members may be re-elected for a total period of twelve years.

Persons specified in Section 6, fifth and sixth paragraph, may not serve as members or deputy members of the Supervisory Council.

The Supervisory Council may, under special circumstances, delegate decision-making authority to the chair of the Supervisory Council with respect to matters that are within the remit of the Supervisory Council. From among its members, the Supervisory Council may appoint committees to consider matters to be dealt with by the Supervisory Council.

The chair of the Supervisory Council calls a meeting of the Supervisory Council as often as is required, or when at least five of the members or the Executive Board so request. For a decision to be valid, more than half of those entitled to vote must vote in favour. Minutes are kept of the meetings.

Unless otherwise decided by the Supervisory Council in each individual case, the members of the Executive Board are entitled to be present and to state their opinions at meetings of the Supervisory Council. The members of the Executive Board representing the employees are entitled to be present and to state their opinions at meetings of the Supervisory Council when administrative matters are discussed. The Governor and Deputy Governors are obliged to be present unless otherwise decided by the Supervisory Council, or they have valid reasons for being absent.

The remuneration of the members is laid down by the Storting.

*Amended by Acts No. 60 of 21 November 1986, No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003), No. 47 of 19 June 2009 (in force from 1 July 2009 pursuant to Decree No. 677 of 19 June 2009), No. 19 of 4 June 2010 (in force from 1 July 2010 pursuant to Decree No. 762 of 4 June 2010) and No. 45 of 19 June 2015 (in force from 1 January 2016 pursuant to Decree No. 668 of 19 June 2015).*

Section 8a is repealed.

## **Section 9. Deputy members**

The King appoints at least two deputy members to the Executive Board.

The Storting selects two personal deputies for those members of the Supervisory Council that are elected for four years. The Storting may elect a new personal deputy if a member or deputy is unable to serve.

Deputies for the employees' representatives on the Executive Board when administrative matters are discussed are elected by and from among the Bank's employees according to the method agreed on or laid down by the Supervisory Council, cf. Section 6, third paragraph.

The provisions concerning terms of service in Sections 6 and 7 also apply to deputy members.

*Amended by Acts No. 60 of 21 November 1986, No. 1 of 27 January 1989, No. 44 of 20 June 2003 (in force from 1 Jan 2004 pursuant to Decision No. 1600 of 19 December 2003), No. 47 of 19 June 2009 (in force from 1 July 2009) and No. 45 of 19 June 2015 (in force from 1 January 2016 pursuant to Decree No. 668 of 19 June 2015).*

## **Section 10. Delegation of authority and committees**

The Executive Board may give the Governor special authority to decide matters that fall within the scope of authority of the Executive Board.

The Executive Board may also establish committees, which in delimited areas are given authority to consider and decide matters falling within the scope of authority of the Executive Board. The Executive Board may also delegate such authority to the Bank's departments or branches, divisions and employees.

The Executive Board issues further rules concerning the individual committees and concerning the procedures to be followed when authority is exercised by others than the Executive Board.

## **Section 11. Norges Bank's employees**

The Executive Board decides all matters relating to the Bank's employees unless otherwise provided in this Act or in rules issued pursuant to this Act. The Executive Board may decide that the Bank shall participate in an employers' association, which may, within its mandate, make decisions that are binding on the Bank. The Executive Board may authorise special committees to decide matters relating to employees. Such authority may also be delegated to the Bank's departments or branches, divisions and employees.

When a special committee considers administrative matters, the employees shall be represented on the committee.

The Executive Board may issue regulations with regard to the relationship of employees to other credit institutions and enterprises.

The Executive Board may decide that all persons rendering services to, or working for, Norges Bank, or working for a supplier of services to the Bank, shall be required to submit a police certificate of good conduct (Criminal Record Certificate) pursuant to Section 41, subsection 1, of Politiregisterloven (Act relating to police records) if security considerations so indicate. The same applies if security considerations indicate that a police certificate should be submitted due to changes in an employee's position or responsibilities. The King may issue supplementary regulations regarding implementation of the provisions in the first and second sentences, including rules stating which criminal convictions the police certificate shall contain and rules for dealing with police certificates submitted to the Bank.

*Amended by Acts No. 95 of 17 December 1999 (in force from 14 April 2000 pursuant to Regulation No. 324 of 13 April 2000), No. 11 of 16 March 2007 (in force from 16 March 2007 pursuant to Decree No. 272 of 16 March 2007), No. 35 of 22 June 2012 (in force from 1 July 2014 pursuant to Decree No. 566 of 22 June 2012 and Decree No. 1449 of 13 December 2013).*

## **Section 12. Duty of confidentiality**

Any and all persons rendering services to, or working for, the Bank are obliged to prevent others from gaining access to, or knowledge of, any matter that may come to their knowledge in the performance of their duties regarding the business affairs of the Bank or of other parties or the private circumstances of any person. The duty of confidentiality pursuant to the preceding sentence also applies to any person rendering services to, or working for, the ministry, the Council on Ethics for the Government Pension Fund Global or Finanstilsynet (Financial Supervisory Authority of Norway) when the ministry, the Council on Ethics for the Government Pension Fund Global or Finanstilsynet receive information as mentioned in the first sentence.

The duty of confidentiality pursuant to the preceding paragraph and to the provisions of the Public Administration Act does not apply vis-à-vis the ministry, the Council on Ethics for the Government Pension Fund Global, Finanstilsynet, international organisations of which Norges Bank is a member or with which Norges Bank cooperates or the central banks or financial supervisory authorities of other EEA states, including the European Banking Authority, the European Securities and Markets Authority, the European Insurance and Occupational Pensions Authority, the European Systemic Risk Board and the EFTA Surveillance Authority. The disclosure of information subject to a duty of confidentiality to international organisations of which Norway is a member or with which Norges Bank cooperates may only occur if the information is subject to a corresponding duty of confidentiality in the organisation receiving the information. Nor does the duty of confidentiality pursuant to the preceding paragraph apply to the National Authority for Investigation and Prosecution of Economic and Environmental Crime in connection with the forwarding of information pursuant to Section 18 of the Act relating to measures to combat laundering of the proceeds from crime and financing of terror (Money Laundering Act) or in connection with the forwarding of information pursuant to Section 10-5, first paragraph, of the Act relating to the tax administration (Tax Administration Act).

Section 13, second and third paragraphs, and Sections 13 a to 13 e of the Public Administration Act apply.

The duty of confidentiality does not apply to information relating to the Bank's business affairs which the Executive Board or anyone authorised by the Executive Board provides on behalf of the Bank.

The duty of confidentiality pursuant to this provision shall not impede the exchange of information (coordination) as set out in the Act relating to the Register of Reporting Obligations of Enterprises.

*Amended by Acts No. 58 of 17 June 1988, No. 30 of 7 June 1996, (in force from 1 January 1997), No. 35 of 6 June 1997 (in force from 1 November 1997), No. 41 of 20 June 2003 (in force from 1*

*January 2004 pursuant to Decision No. 1470 of 12 December 2003), No. 43 of 10 June 2005 (in force from 1 January 2006 pursuant to Decree No. 1526 of 16 December 2005), No. 11 of 6 March 2009 (in force from 15 April 2009 pursuant to Decree No. 269 of 6 March 2009), No. 48 of 19 June 2009 (in force from 21 December 2009 pursuant to Decree No. 1603 of 18 December 2009) and No. 12 of 11 April 2014 (in force from 1 July 2014 pursuant to Decree No. 547 of 11 April 2014).*

## **Chapter III. Means of payment**

### **Section 13. Banknotes and coin**

The Bank has the sole right to issue Norwegian banknotes and coin.

The Bank determines the denomination and design of the banknotes and coin.

The Bank may decide that other operators may produce banknotes and coin pursuant to an agreement with the Bank.

*Amended by Act No. 95 of 17 December 1999 (in force from 14 April 2000 pursuant to Regulation No. 324 of 13 April 2000).*

### **Section 14. Legal tender**

The Bank's notes and coin are legal tender in Norway. No one is obliged to accept in any one payment more than twenty-five coins of each denomination.

Severely damaged notes and coin are not legal tender. The Bank issues further rules about the replacement of lost, burnt or damaged notes and coin.

Even if an agreement contains a clause specifying repayment of a monetary obligation according to its value in gold, the debtor may honour his obligation by paying in legal tender irrespective of such a clause.

### **Section 15. Withdrawal of currency**

The Bank may issue regulations specifying that notes of a certain series and denomination or certain coin shall be withdrawn from circulation.

Notes and coin that are withdrawn from circulation cease to be legal tender one year after the withdrawal has been announced. The Bank is obliged to redeem notes and coin handed in within ten years of the expiry of this time limit.

### **Section 16. Jubilee and commemorative coins**



The Bank issues jubilee and commemorative coins if the King adopts resolutions to that effect. The King may decide that the difference between the face value of the coins put into circulation and the production costs shall be used for the common good. The King may decide that coins issued pursuant to this Section are to be put into circulation at a price above their face value and may adopt a resolution to the effect that the premium shall be used for the common good. Jubilee and commemorative coins issued pursuant to this Section are legal tender.

*Amended by Act No. 56 of 7 September 1990.*

## **Chapter IV. Role in the credit market**

### **Section 17. Banker to the government**

To the extent the King decides, the Bank shall carry out banking transactions for the government, state banks and public funds and render services in connection with government debt issues and the management of government debt.

### **Section 18. Extension of credit to the government**

The Bank may not extend credit directly to the government. The first sentence shall not impede the Bank's extension of credit to the government that matures within one calendar day.

*Amended by Acts No. 44 of 20 June 2003 (in force from 1 January 2005 pursuant to Decision No. 1600 of 19 December 2003), No. 83 of 17 December 2010 (in force from 1 January 2011).*

### **Section 19. Extension of credit to banks**

The Bank may grant liquidity loans to, make deposits with and extend credit in other forms to commercial banks and savings banks.

The Bank issues rules governing the volume of such credit, the interest rates and the repayment terms, and may establish a discount rate.

When warranted by special circumstances, the Bank may grant credit on special terms.

The requirement for the special consent of the borrower according to Section 45 of the Financial Contracts Act does not apply to the transfer or collateralisation of Norges Bank's claims in connection with support measures or the extension of credit according to this Section.

*Amended by Acts No. 51 of 5 June 1992, No. 59 of 4 November 1994, No. 67 of 22 November 1996, (in force from 1 December 1996), No. 42 of 18 June 1999 (in force from 22 June 1999 pursuant to Decree No. 665 of 18 June 1999), No. 44 of 20 June 2003, (in force from 1 January 2004 pursuant to decision No. 1600 of 19 December 2003), No. 48 of 19 June 2009 (in force from 1 July 2009).*

## **Section 20. Deposits from banks**

The Bank accepts deposits from commercial banks and savings banks on terms laid down by the Bank.

*Amended by Acts No. 51 of 5 June 1992, No. 59 of 4 November 1994, No. 67 of 22 November 1996, (in force from 1 December 1996), No. 42 of 18 June 1999 (in force from 22 June 1999 pursuant to Decree No. 665 of 18 June 1999).*

## **Section 21. Purchase and sale of Norwegian securities**

The Bank may buy and sell debt instruments that are issued or guaranteed by the state and other easily negotiable debt instruments. Notwithstanding the rules in Section 22, the Bank may enter into repurchase agreements and engage in other market operations using such instruments.

The Bank may issue and deal in its own debt instruments.

*Amended by Act No. 95 of 17 December 1999 (in force from 14 April 2000 pursuant to Regulation No. 324 of 13 April 2000).*

## **Section 22. Credit to and deposits from non-banks**

In special circumstances, the Bank may make loans and extend other forms of credit to entities other than banks in the financial sector. The terms attached to such credit are laid down by the Bank.

In special circumstances, deposits from entities other than banks may be accepted. The terms attached to such deposits are laid down by the Bank.

The requirement for the special consent of the borrower according to Section 45 of the Financial Contracts Act does not apply to the transfer or collateralisation of the Bank's claims in connection with support measures or the extension of credit according to this Section.

*Amended by Acts No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to decision No. 1600 of 19 December 2003), No. 48 of 19 June 2009 (in force from 1 July 2009).*

## **Section 23. Credit to elected representatives and employees**

The Bank shall not extend credit to members of the Bank's bodies or its employees. The same applies to credit to companies or associations in which any such member or employee has a major interest. To a limited extent, the Bank may nevertheless make housing loans and small personal loans to the Bank's employees.

# **Chapter V. Role in the foreign exchange market**

## **Section 24. Quotation of exchange rates and management of the official foreign exchange reserves**

The Bank may undertake regular and public quotation of exchange rates pursuant to further rules laid down by the King. The Bank shall invest the official foreign exchange reserves with a view to maintaining the foreign exchange policy that has been established.

*Amended by Act No. 1 of 27 January 1989.*

## **Section 25. Foreign exchange transactions for the government**

The Bank shall administer Norway's rights and fulfil the corresponding obligations ensuing from membership of the International Monetary Fund.

To the extent decided by the King, the Bank shall conduct foreign exchange transactions for the government and state institutions.

## **Section 26. International agreements**

The Bank may enter into agreements on deposit, credit and guarantee arrangements with foreign central banks and other credit institutions as well as with international economic organisations and institutions provided that its claims are satisfactorily secured. Such agreements are subject to the approval of the King.

# **Chapter VI. Duty to disclose information and protective measures**

*Chapter added by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

## **Section 27. Duty to disclose information**

The King may, by means of regulations or individual decisions, decide that undertakings in the financial sector, including banks, insurance companies, finance undertakings, securities firms, stock exchanges, central securities depositories and central counterparties shall disclose information to the Bank concerning their activities, financing, accounts, transactions and holdings on their own and customers' account, and any other information necessary for the Bank to perform its tasks. Parent companies may be instructed to disclose such information for the group. The King may further decide that other institutions, enterprises or private individuals that participate in the securities market, provide payment services or offer services to the financial sector shall be made subject to such a duty to disclose information.

The duty to disclose information pursuant to this Section may only be laid down to safeguard the Bank's statutory tasks, prepare official statistics or support the Bank's or Finanstilsynet's

supervision of financial soundness and stability. The information may only be used for the purposes specified here.

The King may by means of regulations lay down rules concerning the scope and implementation of the duty to disclose information laid down pursuant to this Section.

*Added by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

## **Section 28. Protective measures**

If capital flows to or from other countries may cause substantial balance of payments problems or major disturbances in capital markets, the King may introduce necessary protective measures in the form of monetary, credit or foreign exchange regulation or similar measures. The Bank shall be given the opportunity to state its opinion before such resolutions are passed.

*Added by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

## **Chapter VII. Budget, report and accounts**

*Amended by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003, chapter number changed from VI).*

### **Section 29. Budget**

The Executive Board shall each year prepare a draft budget for the coming financial year. The budget is approved by the Supervisory Council and communicated to the ministry.

*Amended by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003, section number changed from Section 27).*

### **Section 30. Annual report, accounts and the statement of the Supervisory Council**

Each year the Executive Board shall prepare an annual report and accounts for the year. The annual accounts are adopted by the Supervisory Council.

Norges Bank has a statutory obligation to keep accounts in accordance with the Accounting Act and the Bookkeeping Act. The King may lay down regulations specifying rules for the Bank's annual accounts, annual report and bookkeeping that supplement or deviate from the provisions in or pursuant to the Accounting Act or the Bookkeeping Act.

The annual report, the audited annual accounts, the auditor's report and the Supervisory Council's formal adoption of the annual accounts are sent to the ministry for submission to the

King and communication to the Storting. A communication from the ministry to the Storting concerning the Bank's activities shall be made at least once during each Storting session, and more frequently if special circumstances so warrant.

The Supervisory Council shall at least once a year present to the Storting its statement on the minutes of the meetings of the Executive Board and its supervision of the Bank, cf. Section 5, fourth paragraph, fifth sentence. A duplicate of the statement is to be submitted to the ministry. The statement concerning the supervision of the Bank shall, as a minimum requirement, comprise the following:

1. an account of how the supervision of the Bank has been organised,
2. an account of supervisory activities conducted and the Supervisory Council's priorities for its activities ahead,
3. an account of the Supervisory Council's supervision of the Bank's investment management activities,
4. the Supervisory Council's assessment of the Executive Board's management and control of the Bank's administration and operations, cf. Section 5, third paragraph, second sentence,
5. an account of the Supervisory Council's work in connection with its approval of the Bank's budget and adoption of the accounts, cf. Section 5, fourth paragraph, second sentence,
6. any particular remarks arising from supervisory activities.

The King lays down guidelines for provisions and allocations of the Bank's net profit. Decisions regarding transfers from Norges Bank to the government are subject to approval by the Storting.

*Amended by Acts No. 3 of 15 January 1999, (in force from 1 February 1999 pursuant to Decree No. 22 of 15 January 1999), No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003) section number changed from Section 28, No. 19 of 4 June 2010 (in force from 1 January 2011 pursuant to Decree No. 762 of 4 June 2010).*

### **Section 30a. Audit**

The Bank's annual accounts shall be audited by at least one state-authorised or registered public accountant.

The King may lay down regulations specifying rules for the Bank's auditor and audit that supplement or deviate from the provisions in or pursuant to the Auditors Act.

The Bank shall have an internal audit unit that reports to the Executive Board. The internal audit unit shall assess the Bank's internal control, procedures and other conditions that are important to the Bank's operations. The King may lay down regulations concerning the Bank's internal control.

*Added by Act no. 47 of 19 June 2009 (in force from 1 January 2010 pursuant to Decision no. 1405 of 27 November 2009).*

## **Chapter VIII. Coercive fine and penalties**

*Chapter added by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

### **Section 31. Coercive fines**

In order to ensure compliance with the duty to disclose information according to Section 27, the Bank may impose a coercive fine payable to the Treasury on anyone that contravenes the duty to disclose information. A coercive fine is enforceable by execution proceedings. In special cases, a coercive fine that has accrued may be waived in full or in part. The King may lay down more detailed rules concerning coercive fines pursuant to this provision.

*Added by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

### **Section 32. Penalties**

Fines or a term of imprisonment not exceeding one year will be imposed on any person that wilfully or through negligence contravenes the provisions set out in Section 28 or decisions adopted pursuant thereto. Fines will be imposed on any person that wilfully or through negligence contravenes the provisions set out in Section 27 or decisions adopted pursuant thereto.

*Added by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003).*

## **Chapter IX. Entry into force**

*Amended by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003, chapter number changed from VII).*

### **Section 33. Entry into force and implementation**

This Act enters into force on the date decided by the King.

The shares in Norges Bank shall be redeemed in accordance with further rules laid down by the King. This entails no changes in Norges Bank's rights and obligations.

The King issues further rules concerning initial appointment to the bodies of the Bank and may in this connection depart from this Act concerning the appointment of members for a term of years and concerning terms of office.

*Amended by Act No. 44 of 20 June 2003 (in force from 1 January 2004 pursuant to Decision No. 1600 of 19 December 2003, section number changed from Section 29).*