

MINUTES OF THE EXECUTIVE BOARD MEETING OF 3 MAY 2017

Present:

- Executive Board: Øystein Olsen, Jon Nicolaisen, Egil Matsen, Hilde Myrberg, Kjetil Storesletten, Karen Helene Ulltveit-Moe and Steinar Juel
- Deputy members: Arne Hyttnes and Kristine Landmark
- Apologies: Kathryn M. Baker
- Employee representatives: Mona H. Sørensen and Nina Larsson Midthjell (items 114-119)
- Supervisory Council: Jan Frode Jakobsen (items 111 and 117-118)

Management: Ida Wolden Bache (items 108-110), Torbjørn Hægeland (items 108-111), Per Espen Lilleås (items 108-110), Ingrid Solberg (items 108-110), Olav Bø (items 108-110), Henrik Borchgrevink (items 108-110), Kristin Gulbrandsen (items 108-110), Runar Malkenes (items 108-111), Andreas Andersen (items 108-109), Geir Arne Dahl (item 111), Anna Grinaker (item 111), Harald Bøhn (items 117-118), Lars Hammersbøen (item 117), Thomas Håve (item 117), Trond Grande (items 113 og 116), Jannecke Ebbesen (items 117-118), Carl Axel Hagen (item 118), Anders Grønli (item 118), Birger Vikøren (items 109-116), Bjarne Gulbrandsen (items 108-119), Olav Mundal (items 108-114 and 116-117)

The following were distributed for information together with the discussion documents:

- National report from the regional network – Phone survey 2017/1
Memo from Monetary Policy of 27 April 2017
- Market Focus 2-2017
Memo from Markets and Banking Services/Market Operations and Analysis of 28 April 2017

108/2017 The current monetary policy situation

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| Discussion documents | <ul style="list-style-type: none">- Norges Bank's key policy rate - Executive Board meeting of 3 May 2017
HIGHLY CONFIDENTIAL memo from Monetary Policy of 2 May 2017- Executive Board's assessment and updated outlook
HIGHLY CONFIDENTIAL memo from Monetary Policy of 28 April 2017- Report from the meeting between Norges Bank and the Ministry of Finance of 10 March 2017- Presentations from Monetary Policy |
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[REDACTED]

[REDACTED]
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[REDACTED]
[REDACTED]

109/2017 Number of rate-setting meetings

Discussion Memo from Monetary Policy of 27 April 2017
document:

Ida Wolden Bache presented the topic.

The Executive Board had an exchange of views and decided to increase the number of rate-setting meetings from six to eight per year from 2018 – four meetings with a monetary policy report and four without. Following the meetings with a monetary policy report, a press conference will be held in line with current practice. Following the interim rate-setting meetings, the interest rate decision will be announced by publishing the Executive Board's assessment, including the content of the minutes of the rate-setting meeting, on Norges Bank's website. This change will become effective from the rate-setting meeting on 25 October 2017.

110/2017 Publication of the minutes of rate-setting meetings

Discussion Memo from Monetary Policy of 27 April 2017
document:

Ida Wolden Bache presented the topic and referred among other things to the strategy for Norges Bank 2017-2019. Publication of the minutes of the Executive Board's monetary policy discussion, including the voting, will be a step towards greater monetary policy transparency. The voting and the trade-offs should be included in the Executive Board's assessment and in the press release.

The Executive Board had an exchange of views. Following an overall assessment, the Executive Board decided to publish the minutes of rate-setting meetings on a continual basis, in line with the other minutes of Executive Board meetings, from the rate-setting meeting of 21 June 2017. The voting and reasoning behind any dissenting votes are to appear in the minutes and to be included in the Executive Board's assessment. It will still be the Governor who speaks on behalf of the Executive Board about the monetary policy decision.

With regard to the countercyclical capital buffer, the voting and any dissents will be included in the letter to the Ministry of Finance on the countercyclical capital buffer.

The Executive Board's Rules of Procedure are to be updated in line with this decision.

111/2017 Draft of the 2017 financial infrastructure report

Discussion documents: Memo from Financial Stability of 26 April 2017

Torbjørn Hægeland and Geir Arne Dahl presented the main elements of the report.

The Executive Board approved the proposed "Executive Board's Assessment".

The Central Bank Governor was authorised to finalise the report on the basis of the Executive Board's discussions.

The report will be published on 18 May 2017.

112/2017 Briefing on current issues in Central Banking Operations

The Governor gave a briefing on current issues in Central Banking Operations.

113/2017 Recommendation to the Ministry of Finance – members of the Council on Ethics

Discussion documents: Memo from the General Secretariat of 2 May 2017

Reference is made to item 71/2017 and a letter to the Ministry of Finance of 3 April 2017.

Egil Matsen presented the proposed nominations.

The Executive Board resolved to submit nominations for membership of the Council on Ethics to the Ministry of Finance in line with management's guidance.

114/2017 Minutes of the Executive Board meeting of 26 April 2017

The Executive Board approved the minutes of its meeting of 26 April 2017.

115/2017 Executive Board's duties and working processes

Discussion documents: Memo from the General Secretariat of 28 April 2017

The Executive Board discussed its own duties and work processes on the basis of the discussion document.

The Executive Board approved the proposed meeting and seminar schedule for 2018.

116/2017 Follow-up of the supervisory review – control structure

Discussion documents: Memo from the General Secretariat of 28 April 2017

Birger Vikøren presented the topic and the draft response to the Supervisory Council.

The Executive Board decided that the attached letter should be sent to the Supervisory Council. The Governor was authorised to finalise the letter based on the Executive Board's remarks.

117/2017 Annual accounts for Norges Bank's pension fund - 2016

Discussion Memo from Corporate and Shared Services of 27 April 2017 documents:

Harald Bøhn, chairman of the board of the pension fund, presented the main elements of the annual accounts for 2016.

The Executive Board exchanged views and took note of the annual report and accounts for Norges Bank's pension fund for 2016. The annual report and annual accounts will be sent to the Supervisory Council.

118/2017 Status of the physical security of Norges Bank's head office

Jannecke Ebbesen introduced the topic. Carl Axel Hagen and Anders Grønli reported on the security measures implemented and the status of the physical security of Norges Bank's head office.

The Executive Board took note of the report.

119/2017 Any other business

There was no other business.

Executive Board members:

Executive Board alternates:

Employee representatives in respect of items 114-119: