

**DET KONGELIGE
FINANSDEPARTEMENT**

Royal Ministry of Finance

Ministry of Finance
Ms. Tiina Hansson
Tax policy Department
1 Suur Ameerika
15006 Tallin

Your ref

Our ref

12/4394 SL MT/KR

Date

11.09.2014

Mutual agreement according to Article 11 paragraph 3 litra a of the Double Taxation Agreement between Norway and Estonia

Reference is made to Article 11, paragraph 3 litra a which provides that interest arising in Estonia shall be taxable only in Norway if the interest is paid to the State of Norway, the Central Bank of Norway, the Norwegian Guarantee Institute for Export Credits, A/S Eksportfinans or any other institution similar to the mentioned institutions, as may be agreed from time to time between the competent authorities of the Contracting States.

At the time the DTA between Norway and Estonia was negotiated, loan applications for export financing were managed by A/S Eksportfinans. As from 2012 all new loan applications for export financing are managed by Export Credit Norway (ECN), and ECN has taken over all rights and obligations regarding the new loans. Based on this ECN has asked the Norwegian competent authority to seek to enter into a mutual agreement with the Estonian competent authority according to Article 11 paragraph 3 litra a subdivision (v).

ECN is organized as a private liability company where the Norwegian State is the owner of all issued shares. The establishment of ECN was resolved by the Norwegian parliament in the Act of 22 June 2012 no 57. Funding of the loans from ECN is provided by the Norwegian State and is subject to the Norwegian Parliament's allocations in each year's fiscal budget. The loan portfolio will be booked on the balance sheet of the State and remain outside the balance sheet of ECN.

From July 1 2012 all new loan applications for export financing are managed by ECN. The loans are offered to Norwegian and foreign companies when they select to buy

Revised document

13-09-2014

Postal address
P.O Box 8008 Dep
NO-0030 Oslo, Norway
postmottak@fin.dep.no

Office address
Akersg. 40

Telephone
+47 22 24 90 90
Org. no
972 417 807

Tax Law Department
Telephone +47 22 24 44 31/33
Telefax +47 22 24 95 11

5-1/11611

capital goods and services from Norwegian exporters. Buyers from all over the world purchase a wide range of goods and services from Norwegian exporters, from ships, drilling packages and underwater technology, to solar panels and water turbines.

ECN arranges the entire lending process, including sales and marketing, application processing, issuing of loan offers, disbursement and administration. All borrowers that meet the loan requirements will receive an offer. The relevant loan requirements are determined by the OECD's Arrangement on Officially Supported Export Credits and national authorities.

Further information about ECN can be found on their website:

<http://www.eksportkreditt.no/en-GB/>

Based on the above we kindly request your consideration and confirmation to add Export Credit Norway to the list in Article 11 paragraph 3 litra a. If you can agree, we propose that this letter and your confirmation should constitute a mutual agreement according to paragraph 3 litra a subdivision (v) of Article 11.

Yours sincerely,

Stig Sollund
Director General

Marius Tryland
Adviser

This document has been signed electronically and it is therefore not signed by hand.