



ROYAL MINISTRY
OF FOREIGN AFFAIRS

Minister of International Development

Raymond Baker and Tom Cardamone
Global Financial Integrity
Center for International Policy
1717 Massachusetts Ave. N.W., Suite 801
Washington, D.C. 20036

Your ref:
Letter dated May 7, 2007

Our ref:
07/04278

Date:
26 June 2007

Possible World Bank study on illicit financial outflows from developing countries

Dear Sirs,

Having carefully read your 7 May letter, I am pleased to inform you that Norway is eager and willing to ask the World Bank to undertake a much-needed study on illicit financial outflows from developing countries. In principle, we are also prepared to finance such a study, pending agreement with the Bank on the Terms of Reference and budget for such an undertaking.

As my staff in the Multilateral Bank and Finance Section has already informed you, Norway is considering to take the lead in establishing an international task force on combating tax haven abuses and capital flight. A World Bank study would fit hand-in-glove with the work of such a task force, a primary task of which would be to help push this important development finance issue upwards on the international agenda. The way we see it, such a study could become an important input to the "Monterrey+6" Financing for Development Conference in Doha in the fall of 2008.

A Norwegian-lead task force, if established, would be a most fitting supplement to our engagement in the STAR program, the ambition of which is to facilitate the recovery of assets illicitly stacked away in tax havens. For us, these two engagements would be seen as highly complementary.

My staff will make contact with World Bank counterparts on these matters, so as to hopefully agree on the key terms for a study. Alongside NORAD's Eva Joly, they will also take part in the 28 June GFI/CSIS Washington conference on "Illicit Financial Flows – The Missing Link in Development", which I consider a most praiseworthy initiative of yours.

Moreover, if and when the above mentioned task force is established I sincerely hope that we can count on the participation and support of the Center for International Policy and the Global Financial Integrity program, alongside the World Bank, the Tax Justice Network and others. I believe we can do some good and important work together and I'll do everything I can to be helpful along the way.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Erik Solheim". The signature is written in a cursive style with a large initial "E".

Erik Solheim