



Mission of Norway
to the European Union

Norway's development policy and priorities

Brussels, 14.02.2023

Context

- Change of government in October 2021 (minority coalition). Large degree of continuity, with an even stronger emphasis on climate change and food security.
- Major changes in global context. COVID-19 and Russia's attack on Ukraine.
- Humanitarian needs increase year by year.
- The current increase in interest rates and inflation; energy prices and economic uncertainty call for action through development cooperation.



Institutional set-up

- As of 2016-17, the Government delegated increased responsibility to Norad. Part of larger reform.
- Clearer division of labour:
MFA: Development of policies and strategies
Norad: executing/administering body
- Norad: Management of funds under resp. of Min. Int. Dev except for those managed by Embassies, Norfund and Norec.
- Funds under resp. of FM largely managed by MFA



Policy changes

- In 2020, Norway made relevant and adjustments within ongoing programmes and projects to respond to the COVID crisis
- New priorities, most notably to increase its support to social protection systems
- ACT-A partnership. Norway and South Africa have co-chaired the Facilitation of the ACT Accelerator, including leading resource mobilization of US\$23.5 billion (2020-2022).



Development aid budget

- In 2023: 44,2 billion NOK (approx. 4,4 billion euros).
- In addition :
 - 75 billion NOK for Ukraine over five years (military and civilian support)
 - 5 billion NOK for the Global South



Priorities (1)

- Unite the climate and development policies and give priority to renewable energy, renewing the Climate and Forest Initiative, and support for climate change adaptation.
- Make food security and the fight against hunger a priority area with an emphasis on promoting sustainable small-scale food production and climate-resilient agriculture.
- Reduce inequality. Sustainable economic growth, job creation, a well-organised labour market and equitable distribution of social and economic goods provide the main path out of poverty.



Priorities (2)

- Strengthen women's right to decide over their own body.
- Ensure closer coordination between humanitarian aid and long-term development assistance (nexus).
- Combat communicable diseases.

Photo: Pixabay



Priorities (3)

- The government has pledged to double climate financing by 2026, compared to the level of 2020. Within this increased funding-level, Norway will at least triple its support to climate adaptation.
- Norway has established instruments to increase investments in renewable energy through the private sector, i.a. at the Climate Investment Fund and strengthening of guarantee instruments. Norfund. Investments in renewable energy (solar and wind) projects. Aligned with energy plans in countries. 10 billion NOK over five years.
- A new programme, “Energy for development,” will focus on renewable energy in development cooperation, where energy access for poverty reduction is a main objective.

Photo: Mission of Norway to the EU



Priorities (4)

- Development finance: Management of tax resources. Norway uses its knowledge to support domestic resource mobilization in low and middle income countries.
- The Norwegian experience has taught us that it not just enough to collect taxes, we also need good systems to ensure that taxes collected are used to promote welfare and reduce inequalities. Such domestic redistribution also supports trust between government and its citizens.
- The other side of the finance discussion is how we deal with “dirty money”: funds that are stolen from welfare and development through tax evasion, corruption, and other illicit financial flows.
- Combat corruption and tax evasion, based on the fundamental values of transparency, accountability, integrity, and inclusion.
- In the lead up to the next Global Conference on Financing for Development in 2025, we will ensure that combatting illicit financial flows, tax evasion and corruption remains at the top of the UN’s and the multilateral development agenda. Our efforts include working with governments both at the country level and at the multilateral level, as well as with civil society and the business sector.



Expert group – financing of SDGs

- The government has appointed an expert group to give recommendations on how to follow up the aim set out in the Government's political platform to spend 1 % of Norway's GNI on international efforts to achieve the SDGs. The report is due in the beginning of May 2023.
- We hope the report can contribute to the international debate on how to secure the funding needed to promote economic development and welfare in developing countries, as well as to deliver global public goods. The group is also charged with providing advice regarding internationally acceptable reporting systems beyond ODA, as well as partners and forums that should be given priority.
- The expert group will make recommendations regarding limited exceptions to ODA rules in the aid budget. Such exceptions will not be limited to ODA-approved countries but must be assessed as having a poverty-reducing effect.
- Our goal is to have recommendations that will enable us to contribute with new ideas in the important meetings coming up, such as the High-Level Political Forum, the SDG Summit and the Summit of the Future.





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