

KEY QUESTION

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How is the Norwegian ODA budget structured?

Most assistance is managed by the MFA, which provides large amounts of funding through 'global schemes' budget envelopes

According to the 2017 budget, ODA is set to stand at NOK34.6 billion (US\$5.5 billion) in 2017. ODA comes from two main sources: the Ministry of Foreign Affairs (MFA) and the Ministry of Climate and Environment.

The MFA provides 92% (NOK32 billion or US\$5 billion) of the ODA budget. The MFA's budget for development assistance is divided into four major envelopes: 1) administrative costs, 2) bilateral spending, 3) 'global schemes', and 4) multilateral spending. The 'bilateral spending' envelope is composed of budget lines for regions (Africa, Asia, Middle East and North Africa, and Latin America). The 'multilateral spending' envelope is divided into budget lines for funding for UN agencies and multilateral financial institutions.

The 'global schemes' envelope receives by far the largest funding by the MFA, amounting to 60% of all Norway's ODA expenditures in 2017: it combines bilateral and multilateral funding for thematic priorities, and also include the costs for hosting refugees within Norway and ODA channeled through civil society organizations (CSOs). 'Global health and education', a thematic budget line since 2015, includes, among others, funding for the Global Fund to Fight Aids, Tuberculosis and Malaria (Global Fund), Gavi, the Vaccine Alliance (Gavi), and the International Finance Facility for Immunization (IFFIm).

In addition, the Ministry of Climate and Environment provides NOK2.8 billion (US\$445 million) in ODA, mainly for Norway's International Climate and Forest Initiative (NICFI). The initiative aims to slow, halt, and eventually reduce greenhouse-gas emissions from deforestation and forest degradation in developing countries.

Overview: the 2017 ODA budget	millions NOK	millions US\$
Ministry of Foreign Affairs	31,677	5,027
Administration costs	1,889	300
Bilateral spending	3,588	569
Africa	2,320	368
Asia	612	97
Middle East and North Africa	556	88
Latin America	100	16
Global Schemes	20,832	3,306
Civil society and democracy	2,239	355
Business development	1,669	265
Transitional assistance	203	32
Emergency aid, humanitarian aid and human rights	4,734	751
Peace, reconciliation and democracy	1,136	180
Research, capacity building and evaluation	604	96
Climate, environment and renewable energy	1,268	201
Costs for refugees in Norway	3,743	594
Women's rights and gender equality	317	50
Global Health and education	4,919	781
Multilateral spending	3,588	569
UN agencies	3,301	524
Multilateral financial institutions	1,797	285
Debt relief	270	43
Ministry of Climate and Environment	2,807	445
Ministry of Finance	42	7
Office of the Auditor General	39	6
Total ODA Budget	34,564	5,485

Source: MFA budget draft 2017, parliamentary and government amendments