

KEY QUESTIONS

the big six

4

Who are the main actors in Norway's development cooperation?

MFA steers strategy and established a Minister of International Development post in 2018; embassies execute bilateral programs

Norway's coalition government is led by Prime Minister (PM) Erna Solberg. The Conservative Party (H) of Solberg and the Progress Party (FrP), both in power since 2013, were re-elected in October 2017. The Liberal Party (V) joined the coalition in January 2018, and the Christian Democratic Party (KrF) joined in January 2019, after a year of cooperation with the government on an ad-hoc basis.

The Ministry for Foreign Affairs (MFA) is responsible for setting the strategic direction of development cooperation. Since October 2017 it has been led by former Minister of Defense Ine Eriksen Søreide (H). In January 2018, the minister of the European Economic Area and EU affairs within the MFA was replaced with a minister of international development, who is a co-minister to the minister of foreign affairs. Dag-Inge Ulstein (KrF) has held this position since January 2019, following the KrF joining the governing coalition. Ulstein is thus in charge of development policy. His state secretary is Aksel Jakobsen (KrF).

The MFA and Norway's embassies administer the majority of development assistance. The MFA has more than 500 staff members working on development cooperation, half of whom are based in Norway's embassies overseas. The minister of international development is responsible for managing relations with the UN system, the World Bank, regional development banks, and other global funds and programs. This minister also oversees Norad and Norfund and is supported by a range of departments within the MFA. The Department for Regional Affairs manages bilateral development cooperation (see below). The Department for Economic Relations and Development is in charge of development policies, climate and the environment, and multilateral development banks. The Department for UN and Humanitarian Affairs is responsible for cooperation with UN agencies, humanitarian affairs, and global initiatives.

Other relevant ministries include the Ministry of Climate and Environment, which manages the budget for the Norwegian International Climate and Forest Initiative (NICFI), the Ministry of Justice, which manages budget lines for costs related to hosting refugees in Norway,

which are partly reported as ODA, and the Ministry of Education and Research.

Norwegian embassies lead programming of bilateral cooperation in partner countries, on the basis of the priorities outlined in the MFA's annual appropriation letters. Leadership and program officers in Norwegian embassies, and regional sections within the MFA's Department for Regional Affairs and Development play a key role in developing these letters. Within these priorities, embassies have ample financial and programming authority. They develop annual work plans and agreements for bilateral programs, which are then reviewed by Norad.

Norad, the Norwegian Agency for Development Cooperation, and Norfund, Norway's development finance institution, play key roles in policy development, priority setting, and implementation. Both agencies operate under the supervision of the MFA.

- Norad is responsible for providing advice and quality assurance to the MFA and embassies. It provides technical advice on the planning and implementation of bilateral programs, conducts evaluations, and manages funds based on the strategic directions outlined in its appropriation letter from the MFA. Norad has a staff count of 230 and is led by Director Jon Lomøy. It has no country offices.
- Norfund is a state-owned investment fund. Established in 1997, it supports private-sector activities in developing countries and focuses on renewable energy, agribusiness, and financial institutions. In 2017, Norfund was managing investments worth over NOK20.4 billion (US\$2.5 billion) with a staff count of 71 employees.

Following the establishment of the post of minister for international development in 2018, the division of roles and responsibilities between Norad and the ministry is being re-evaluated. Three scenarios are currently discussed: 1) an 'integrated model', where the minister's remit is strengthened and Norad's abolished 2) a 'delegated model' where the ministry provides skills and Norad handles the management of ODA, or 3) a new Ministry of Development that is separate from the MFA and includes a lot of the work that Norad does currently.

Parliament: Within the Norwegian Parliament, the

Committee of Foreign Affairs and Defense is in charge of development policy. Its main role is to scrutinize government and prepare recommendations on draft legislation. It comments and votes on the government’s ‘white papers’, which outline strategies regarding development and the MFA’s budget. The Committee on Finance and Economic Affairs is the most relevant to budget development, including for ODA. Usually, Parliament only passes minor amendments to government drafts.

Civil Society: Norwegian CSOs and faith-based organizations play an important role in development policy. Domestically, Norwegian CSOs educate the public about development issues, act as watchdogs by critically assessing development policy, and carry out lobbying activities targeted at Parliament and the government. CSOs also implement development projects, partly with government funds : Norway channels 27% of its ODA through CSOs. In total, 50 CSOs coordinate their advocacy and research work within the umbrella association, Forum for Utvikling og Miljø (Forum for Development and Environment; ForUM).

estically, Norwegian CSOs educate the public about development issues, act as watchdogs by critically assessing development policy, and carry out lobbying activities targeted at Parliament and the government. CSOs also implement development projects, partly with government funds : Norway channels 27% of its ODA through CSOs. In total, 50 CSOs coordinate their advocacy and research work within the umbrella association, Forum for Utvikling og Miljø (Forum for Development and Environment; ForUM).

NORWAY'S DEVELOPMENT COOPERATION SYSTEM

