

## KEY QUESTIONS

### the big six

# 3

## Who are the main actors in Norwegian development cooperation?

### **MFA steers strategy; embassies execute bilateral programs**

Norway currently has a minority government 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, and in January 2018 the Liberal Party (V) joined the coalition. A cross-party consensus to keep ODA levels at 1% of GNI remains. The government is supported in Parliament by the Christian Democratic Party (KrF), which cooperates with the government on an ad-hoc basis and is supportive of development assistance.

The Ministry for Foreign Affairs (MFA) is responsible for setting the strategic direction of Norway's development cooperation. It is led since October 2017 by former Minister of Defense Ine Eriksen Søreide (H), with support from State Secretary Audun Halvorsen (H), State Secretary Marianne Hagen (H), and political advisor Bård Ludvig Thorheim. In January 2018, the Minister of the European Economic Area and EU Affairs within the MFA was replaced with a Minister of International Development, Nikolai Astrup. The new minister, sitting within the MFA, is in charge of ODA policy. He is supported in his work by State Secretary Jens Frølich Holte (H) and political advisor Jenny Clemet von Tetzschner.

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. Within the MFA, the Department for Regional Affairs manages bilateral development cooperation. 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 multilateral 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, partly reported as ODA, and the Ministry of Education and Research.

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 Norwegian embassies. It provides technical advice to embassies on the planning and implementation of bilateral programs, conducts independent evaluations, and manages funds based on the strategic directions outlined in the appropriation letter from the MFA. Norad has a staff count of 230 and is led by Director Jon Lomøy. It has no country offices. In January 2017, the government transferred responsibility for global health and education policy from the MFA to Norad.
- 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 2016, Norfund was managing investments worth over NOK16.8 billion (US\$2 billion) with a staff count of 69 employees. In 2018, total funding from the government for Norfund amounted to NOK1,685 million (US\$200 million), a NOK187 million increase from 2017 (US\$22 million). Of this funding, NOK319 million (US\$38 million) was sourced from the ODA budget.

**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. Usually, Parliament only passes minor amendments to government drafts.

**Civil Society:** Norwegian civil society organizations (CSOs) and faith-based organizations play an important role in development policy. Domestically, Norwegian CSOs play an important role in educating the public about development issues and act as watchdogs by critically assessing Norway's development policy and carrying out lobbying activities targeted at parliament and other governmental institutions. These organizations also implement development projects. In countries with regimes marked by oppression and discrimination, the

Norwegian government prefers to work with 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; Fo-ruM).

NORWAY'S DEVELOPMENT COOPERATION SYSTEM

