

KEY QUESTIONS

the big six

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What are Norway's strategic priorities for development?

Education, humanitarian assistance, and global health are among top priorities

The Norwegian government has closely aligned its development policy with the UN's Sustainable Development Goals, ensuring alignment with global priorities.

This alignment is reflected in its ODA budget, which focuses on vulnerable countries, human rights, democracy, women's rights and gender equality, and fighting corruption. Priorities of Norway's development policy are spelled out in the Ministry of Foreign Affairs (MFA)'s white paper, 'Common responsibility for a common future – the Sustainable Development Goals and Norwegian Development Policy'. They include:

- Education
- Humanitarian assistance
- Global health
- Private sector development
- Climate change inclusive of the, environment, and sustainable energy, which focuses on climate-change adaptation and mitigation.

These priorities are reflected in the 2018 budget (see box).

Since 2013, the successive governments of Prime Minister (PM) Erna Solberg have placed a heavy focus on education, and particularly on girls' education. Between 2013 and 2017, funding to the sector doubled, going from NOK1.7 billion (US\$202 million) to NOK3.4 billion (US\$405 million). A further NOK190 million (US\$24 million) is planned in the 2018 budget, bringing total funding to US\$429 million for 2018. In this context, Norway provides particularly strong support to the Global Partnership for Education (GPE): It committed NOK2.07 billion (US\$246 million) for 2018 to 2020, the second-largest pledge. For more information, see Norway's 'Education Deep Dive'.

Norway's key development priorities:

- **Education:** Norway fulfilled its commitment to double spending between 2013 and 2017, from NOK1.7 billion (US\$211 million) to NOK3.4 billion (US\$422 million); focus is on girls' education
- **Humanitarian assistance:** Norway's funding for humanitarian assistance is steadily increasing. A record NOK5.2 billion (US\$619 million) is budgeted for humanitarian assistance for 2018, a US\$16 million increase compared to 2017.
- **Global Health:** Global health is a long-standing priority of the Norwegian government. Focus is on women's and children's health, as well as on fighting AIDS, tuberculosis, and malaria.
- **Private sector development and job creation:** In 2018, the government's budget proposal allocated NOK2 billion (US\$248 million) for business development, including through Norfund.
- **Climate, environment, and sustainable energy:** Budget for 2018 stands at NOK5.7 billion (US\$679 million), with a focus on the Green Climate Fund and the Global Environment Facility (GEF).

Humanitarian assistance is another focus area for the Norwegian government. The government emphasizes the connection between long-term development assistance and emergency humanitarian activities. Funding for 2018 is set at a record-high NOK5.2 billion (US\$619 million).

Global health is a traditional focus for Norway, continued under the government of Prime Minister Erna Solberg. The bulk of financing to the sector is channeled through multilateral organizations: in 2015 (latest year for which full data is available), Norway channeled 60% of its health ODA as core contributions to multilateral organizations (US\$332 million) and 19% as earmarked funding to multilaterals for health projects. Major partner organizations are the Vaccine Alliance (Gavi) and the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund).

Norway has made a range of international commitments in the sectors it prioritizes; the largest ones target humanitarian assistance, global health, and climate protection. They include, among others, a NOK10 billion (around US\$1.2 billion) allocation for Syria and its neighboring countries for 2016 to 2020, US\$304 million to the Global Fund for 2017 to 2019, and NOK1.6 billion (US\$198 million) to the Green Climate Fund for 2015 to 2018. Norway's priorities are reflected both in its multilateral funding and in its bilateral cooperation

Norway considers funding through multilateral organizations an effective way to pursue its theme-focused agenda, termed 'global schemes'. Norway supports multilateral organizations both through high levels of core contributions (US\$929 million in 2016, or 21% of its total ODA), and through significant amounts channeled through multilateral organizations as earmarked funding (US\$980 million, or 22% of total ODA). This brings the total amount of Norway's multilateral ODA to US\$1.9 billion, or 43% of its total ODA.

The strategic orientations of Norway's ODA are reflected in its bilateral funding. In 2016, the largest share was used to cover the costs of hosting refugees in the country (23% of bilateral ODA; or US\$800 million). In line with Norway's strategic priorities, the second-, third-, and fourth- largest sectors of bilateral ODA were humanitarian aid (US\$447 million, or 13% of bilateral ODA), educa-

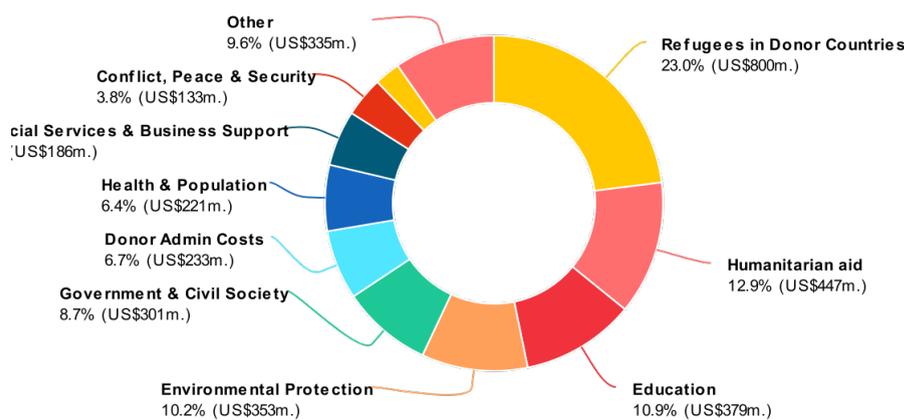
tion (US\$379 million, or 11%), and environmental protection (US\$353, or 11%). Bilateral funding for humanitarian assistance and education has been steadily increasing since 2012.

Programs for environmental protection focus on reducing greenhouse gas emissions resulting from deforestation with selected partner countries. Under Norway's International Climate and Forest Initiative (NICFI), Norway pledged up to NOK3 billion (US\$350 million) annually until 2020 to reduce greenhouse-gas emissions caused by deforestation. Brazil is the main partner country in this initiative, leading it to be the second-largest recipient of Norway's ODA in 2016.

In recent years, private sector development and job creation have gained significant importance. This is reflected in Norway's increasing ODA for financial services and business support (from US\$81 million in 2012 to US\$186 million in 2016, or a 130% increase in real terms). Norway's support to economic development in partner countries also goes through Norfund, a state-owned investment fund supporting private-sector activities in partner countries, whose investments are not ODA-eligible. Budgetary allocations from the MFA to Norfund reached NOK1,685 million in 2018 (US\$201 million), NOK187 of which came from the ODA budget.

NORWAY'S BILATERAL ODA BY SECTOR, 2016

Total: US\$3,474 million



OECD CRS. Gross disbursements. *Includes agriculture, forestry, fishing, and rural development. In 2016 prices.