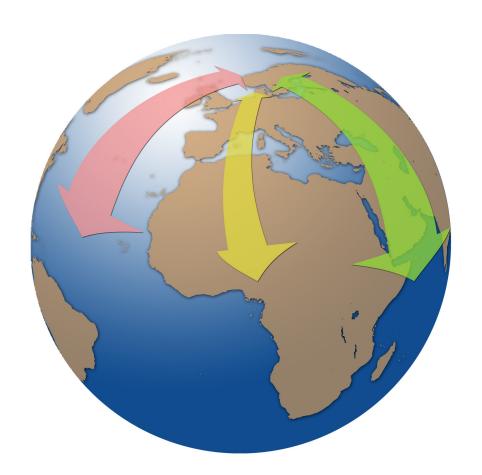


Chapter 12 from the 2012 budget proposal from the Ministry of Foreign Affairs

Report to the Storting (the Norwegian Parliament) on Policy Coherence for Development 2011



# Report to the Storting (the Norwegian Parliament) on Policy Coherence for Development 2011

This is the Norwegian Government's first report to the Storting on the potential positive and negative impacts in developing countries of policies designed primarily to serve domestic Norwegian interests. The report is based on contributions from all government ministries.

Oslo March 2012

Further information on:

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# Policy coherence for development

The primary objective of Norwegian development policy is to assist developing countries to pursue policies that will promote their economic and social development. Norway's policies in other areas are chiefly aimed at promoting interests of importance for our own development. In the interface between these two objectives, conflicts of interests will arise: initiatives that serve Norwegian interests may have adverse effects on developing countries and vice versa.

Norway's direct influence on the global economy is limited. However, the political choices that we make send signals to the international community. Moreover, the principle of "one country, one vote" often applies in international forums, and increases the influence of small countries like Norway. It is therefore important for Norway to make well-considered decisions that take into account the economic and social interests of developing countries in questions that may affect their situation and opportunities.

Most areas of policy have some impact on other countries' opportunities and the constraints they face. Norway's fisheries management. health policy. military operations, reconciliation efforts, framework conditions for investments, trade regime, sharing of scientific information, administration of radio frequencies and Internet addresses, agricultural policy, petroleum operations and greenhouse gas emissions - all have national and international, and sometimes global, effects that we should be aware of and make adjustments for when necessary. Making Norwegian policy more coherent for development means, first of all, acknowledging the problems involved and increasing awareness of conflicts of interest. Secondly, it means striving to ensure that Norwegian and international policies promote development in poor countries, also outside the framework of development cooperation, as long as this does not clash unduly with the interests that Norway's policies are primarily intended to safeguard.

The purpose of this report is to shed light on the impacts of Norway's policies in various areas on developing countries' interests. There are already arenas in place for shaping domestic policy, and this report is

not intended to replace or duplicate these. It has been prepared jointly by the various ministries.

## Background

In a recommendation of the Standing Committee on Foreign Affairs (Recommendation S. No. 269 (2008–2009) to the Storting), the Ministry of Foreign Affairs was requested to prepare annual reports on Norway's work on policy coherence for development. The Storting (Norwegian parliament) determined that the reports are to describe the effect of Norwegian policies on key issues of an international or global nature that have a particular bearing on the development potential of developing countries. These are: access to knowledge and technology, economic growth and social development, climate change and sustainable development, peace and security, global health, and human rights and gender equality. The decision to structure the report on the basis of these key issues rather than the various ministries' areas of responsibility was prompted by the desire to focus on results (the effects in developing countries) rather than on instruments (our policies). Sweden, the UK and the EU publish similar reports.

# The content and structure of the report

International developments are influenced by a great many factors. This report discusses certain pivotal areas under each of the key issues. These have been selected because Norway's policy in these areas is believed to have a substantial impact or to be important in terms of principle.

The following chapters of the report deal with the six key issues. Each chapter begins with a general picture of the situation and a description of important elements. This is followed by a section on each of the selected focus areas.

In this year's report, access to knowledge and technology is discussed in somewhat more detail than the other key issues. The plan is for each annual report to focus on one key issue.

The policy initiatives and measures that are described under each focus area form the core of the report. These give an indication of the

progress being made towards achieving Norwegian coherence. In this first full report, the time frame dates back several years. If the same areas are covered in subsequent reports, it may be appropriate to adopt a shorter time perspective.

The situation in developing countries can rarely be attributed directly to the implementation of Norwegian policy, as most are due to a number of interacting factors. What can be done, and what has been done in this report, is to look at what research results and experience tell us about which measures and initiatives have had positive or negative effects in developing countries, and to take this into consideration when developing and implementing Norwegian policy.

Several of the sections entitled "Overall assessment" at the end of each chapter refer to Norway's ranking in the Commitment to Development Index (CDI) and its sub-indices. The CDI is published annually by the Center for Global Development in Washington DC, and ranks the OECD/DAC countries' policies in a range of areas in terms of their positive and negative effects on developing countries, as well as the contribution made by the countries' direct development cooperation activities. As far as we know, the CDI is the only index of its kind. The comparisons are interesting because the same method is used for all the OECD/DAC countries, and a time series of comparable data is being built up. (The OECD/DAC is the Development Assistance Committee of the Organisation for Economic Co-operation and Development). Norway has not drawn any conclusions regarding the accuracy of the CDI's measurements, but considers the approach interesting. Along with a number of other countries, Norway is providing funding for further development of the index.

# Access to knowledge and technology

The opportunities for a country's population to develop and make use of its capital and other resources depend, among other things, on the way society is organised, the level of education and knowledge, and access to technology and insight into how it is used. The World Bank expresses this as follows:

"Investment in education benefits the individual, society, and the world as a whole. Broad-based education of good quality is among the most powerful instruments known to reduce poverty and inequality. With proven benefits for personal health, it also strengthens nations' economic health by laying the foundation for sustained economic growth. For individuals and nations, it is key to creating, applying, and spreading knowledge—and thus to the development of dynamic, globally competitive economies. And it is fundamental for the construction of democratic societies."

When Tanzania became independent in 1961, only 70 of its inhabitants had a higher education. Twenty of them were teachers. This is indicative of the significant development problems that the country has faced and still faces. The lack of skilled manpower created challenges 50 years ago. Today it is difficult to envisage any society being able to function with such limited access to knowledge.

Globally, knowledge stands out as a particularly vital factor for increasing production and competitiveness. Some 200–300 years ago, Europe's technology and military power paved the way for rapid growth in productivity. Moreover, the increase in production capacity and wealth provided a basis for several major European countries to establish colonies on other continents. This new access to cheap resources from the colonies spurred economic growth in Europe, while the colonised countries lost control of their territories and derived relatively little benefit from this economic progress. Countries that are unable to keep pace with developments on the knowledge front in today's information society are similarly at risk of experiencing weaker economic growth than the rest of the world.

The various stages of knowledge production are closely interlinked. Good day care centres mean better primary schooling, primary education motivates and prepares young people for vocational training and secondary education, and secondary school leavers provide manpower for productive sectors of society or are recruited to higher education. Universities and colleges educate researchers and specialists and develop up-to-date specialist literature and textbooks. A high level of knowledge is also necessary for the creation of new products and services in a diversified private sector, for developing the agricultural sector and raising the general level of knowledge in society. Educating girls and women releases talent and thus extra resources that are sorely needed in many developing countries.

The direct impact that access to knowledge, or the lack of knowledge, has on people's basic living conditions is often more obvious in poor developing countries than in wealthy countries. It can determine whether or not people can make use of new methods of farming and effective medicines and other treatments for disease, diversify production, ensure better, cleaner energy production, and develop and participate in democratic processes. Many countries have limited capacity to invest in education services that span the entire knowledge chain, from primary school to higher education and research. In many countries, moreover, girls and women do not have the same access to knowledge and education as boys and men. Despite the strong international focus on the right to education for all in multilateral forums, research and higher education are consistently given low priority in government budgets in many countries. This often means poor conditions for teachers and researchers. Brain drain becomes a problem, exacerbating the lack of knowledge.

# Research and higher education

All countries need a sound education system and good research communities so that they can both find their own solutions to problems and make use of relevant research findings, treatment methods and advanced technologies developed by others. Developing countries with a weak economy often find it difficult to develop education and research facilities to a sufficiently high level. Norway is involved in a variety of processes aimed at improving this situation.

In international processes of this kind and in relevant organisations, Norway both collaborates and competes with other countries on knowledge management. In some cases, Norwegian ambitions are given priority even though they may have negative effects on weaker knowledge systems. In other contexts, a policy may have unintended consequences and give rise to dilemmas in other areas.

Several ministries play important roles in international knowledge management. The Ministry of Education and Research and the Ministry of Foreign Affairs cooperate closely on shaping and implementing policy on relevant issues in such forums as the Organisation for Economic Co-operation and Development (OECD) and the World Trade Organization (WTO). At the same time, the Ministry of Education and Research has an independent responsibility for activities in relation to international organisations like the UN Educational, Scientific and Cultural Organization (UNESCO) and the European Bologna process.

The Bologna process is a pan-European process comprising 47 European countries. The overarching aim of the process has been to create a framework for European cooperation on higher education, and the European Higher Education Area was established in 2010. The process focuses on developing comparable degree systems, and enhancing student mobility, cooperation on quality assurance and lifelong learning, strengthening the relationship between higher education and research, and highlighting the social and global dimensions of higher education. The European ministers of higher education have decided to continue cooperation within the framework of this process until 2020. In order to prevent developing countries being barred from access to important knowledge resources, and to underscore the importance of the global aspect of higher education, Norway has actively promoted the global dimension of the Bologna process and the cooperation on education and research under the EEA Agreement.

The EU's education and research programmes are the world's largest in their fields and give for example Norwegian education and research institutions unique opportunities to collaborate with partner institutions in other countries. EU cooperation in the education and research sector has helped to enhance international cooperation at Norwegian education and research institutions on a general basis. Many calls for proposals in the EU research programme are also open to countries other than the 40 that are official participants, which means that in practice EU cooperation on research extends to the entire world, including developing countries.

#### Cooperation that does not include developing countries

Norway is engaged in active, successful trilateral cooperation with the US and Canada on research and higher education. One of the aims of this cooperation is to facilitate transatlantic partnerships and exchanges between universities and colleges. The priority given to this cooperation could seem to conflict with our foreign policy goal of promoting the flow of knowledge to developing countries. However, this cooperation not only benefits the participating countries and institutions, it also helps to strengthen the international knowledge base and flows of knowledge in general, thereby benefiting developing countries as well.

Likewise, initiatives to encourage Norwegian students who wish to study abroad to choose high-quality institutions, as advocated in the white paper on internationalisation of education in Norway (Report No. 14 (2008–2009) to the Storting), can increase concentration on well-established universities in rich knowledge economies. However, giving priority to high professional standards helps to improve the global knowledge base, which is also to the advantage of developing countries. Moreover, a number of emerging economies and developing countries have universities that are excellent cooperation partners. The Norwegian Ministry of Education and Research has entered into memorandums of understanding with Argentina, Brazil, Chile, China, India and Russia. South Africa is another key partner in connection with cooperation with universities and colleges.

#### Brain drain

Competence-building efforts in partner countries seek to promote highquality, sustainable institutions that open up career opportunities in both the academic community and the country's key sectors. However, competence-building also gives individuals opportunities to seek work and a better life abroad. In view of the enormous differences in living standards between countries today, it is difficult to influence this process, but linking education programmes to national education institutions, as Norway does, helps to ensure that teaching is relevant to national needs and the national labour market.

#### Foreign students in Norway

By law, no payment may be taken for higher education at state institutions in Norway. This also applies to foreign students. Given the rising fees charged in other countries, the fee-less Norwegian alternative offers students from developing countries unique opportunities. The opportunities for students to develop networks in the various fields are also important, both for developing countries and for Norway.

Norwegian universities and colleges are expected to commercialise research results when possible. This can mean that some free research results may not be immediately available to researchers in developing countries or freely exploitable for commercial purposes. On the other hand, the opportunity to develop and commercialise products can motivate researchers to develop new knowledge to the benefit of all countries. The prospect of securing the rights to commercially valuable research outcomes can be an incentive to make research results known.

# Access to and use of knowledge

As mentioned in Norwegian Official Report NOU 2008: 14 Coherent for development?, access to knowledge can be considered a global public good. However, due to the skewed distribution of resources, including resources for knowledge production and management, individuals and communities in poor countries often do not have the chance to make use of the global knowledge network to promote their personal and national development.

The fact that prestigious scientific journals are often expensive to access and that not all research results are publicly available is one of many obstacles preventing such knowledge from being fully used to promote development in poor countries. The principles of open access to scientific publications, introduced in 2009 and embedded in the international Open Access initiative, which is supported by the Norwegian authorities and Norwegian and international education

establishments, seek to overcome this barrier on a voluntary basis. The initiative facilitates the dissemination of research results, thereby making it possible to commercialise them. Several countries have adopted similar principles. However, even if results are accessible, there may still be barriers in the form of rights and costs. A potential solution is to buy and make freely available research results that may be of vital importance for the world's poor.

Intellectual property law (patent law, plant breeding law, design law, trademark law, copyright law, etc.) gives the rightsholder a monopoly on exploiting an invention, using a trademark, etc, for a specific period. The purpose of the patent system and the systems for the protection of plant varieties, designs and intellectual property is to encourage innovation and creativity. The type of inventions that may be patented and the instruments that are available to enforce rights vary from one country to another. The level of protection is generally higher in developed countries than in developing countries. The WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) establishes minimum levels of protection for intellectual property rights. The least developed countries do not need to implement TRIPS obligations until 2013 (2016 for patents on pharmaceuticals). Several of the poorest countries have no systems whatsoever for the protection of patents or other intellectual property.

The precarious health situation in many developing countries is closely linked to the lack of access to knowledge and technology. The development of medicines is a costly process requiring extensive knowledge and technology. Rich countries are well supplied with medicines to treat common diseases, partly because the patent system helps to ensure earnings that can finance research on and development of new pharmaceutical products. Because people in poor countries cannot pay for such products, the patent system does not provide any incentive to develop medicines against diseases that solely or chiefly affect people in these countries. The development of these types of medicine is therefore largely financed by other means, such as aid and voluntary funds.

To ensure that developing countries that do not have production capacity of their own have access to already existing medicines on reasonable terms, the WTO rules make it possible for countries that do

have production capacity to manufacture medicines for export to countries that *do not*, in spite of patent rights. Norway was an active advocate in the WTO for the establishment of this system.

UNITAID, the international drug purchase facility, was established in 2006 with Norwegian support. Part of its mandate is to help developing countries to take advantage of the flexibility offered by the TRIPS Agreement regarding the purchase of inexpensive medicines. Key drug-producing countries like the UK, Brazil and France have acceded to this principle by becoming partner countries. Within the framework of the patent system, it will be important to continue efforts to develop new forms of collaboration to improve access to medicines, such as UNITAID's Medicines Patent Pool, created in 2010. Through this facility, the technology behind medicines is made available by the rightsholders and placed in a common "pool" to be used, unimpeded by patent rights, by manufacturers in developing countries to produce medicines in return for a fee and a percentage of their earnings from the product.

The development of new plant varieties is important, not least to enable farmers in poor countries to produce more food and adapt production to climate change. The 1991 revision of the Convention for the Protection of New Varieties of Plants (UPOV Convention) gives breeders of new plant varieties a stronger position than they had under the 1978 revision of the Convention, since the 1991 revision limits "farmers' privilege", which permits them to use seed from protected plant varieties harvested on their own farms. This increases the cost of seed and makes it harder for poor farmers in developing countries to use modern, high-yield plant varieties. The 1978 and 1991 revisions of the UPOV Convention are both applicable, but new countries may only accede to the most recent one, adopted in 1991. Norway acceded to the 1978 convention and has advocated that new UPOV member states should be given a choice between accession to the 1978 or to the 1991 convention.

Intellectual property such as literature, music and film is a key element of most countries' culture, and cultural exchanges are considered to play a valuable role in promoting international understanding and peaceful relations. Many countries actively market their culture internationally. Like products protected by patents, intellectual property

can also be copied illegally, which undermines the ability of intellectual property owners to make a proper living from their work. Given the ease of electronic dissemination today, creators of intellectual property are now experiencing a general reduction in the profit margins generated by their works. This affects everyone who earns their livelihood from the sale of their intellectual property. Intellectual property rights are protected by conventions and legislation. Like other developed countries, Norway has long been engaged in systematic efforts to eliminate illegal copying. Efforts in some developing countries, however, have been less intensive, and some countries even receive substantial export revenues from the pirate copying of the works of both their own and foreign musicians, filmmakers and authors.

Under the Convention on Biological Diversity (CBD), access to genetic resources, including their collection, must be in accordance with mutually agreed terms between the contracting parties. However, it is difficult for a country to ensure compliance with such terms outside its national jurisdiction. The Nagova Protocol to the CBD has so far been signed by 41 countries, including Norway in 2011. The protocol will enter into force when it has been ratified by at least 50 parties. Norway aims to ratify the protocol before the next Meeting of the Parties to the CBD in October 2012. The content of the protocol will be taken into account in the drafting of regulations on access to genetic material under the Nature Diversity Act and the Marine Resources Act. The Nagova Protocol, which supplements and implements the CBD's provisions on genetic resources, makes it easier both to obtain information on how genetic resources are used and to enforce rights in other countries. The Protocol also contains principles for the preparation of national legislation on access to genetic resources. Norway played a pivotal role in the negotiations on the Nagoya Protocol and supported many of the demands put forward by developing countries. For example it is in Norway's own interest that value creation based on Norwegian genetic resources also benefits Norway, even when the genetic resources are used in another country. The protocol also contains provisions requiring the prior informed consent of indigenous and local communities to access and use of traditional knowledge associated with genetic resources. This will help to ensure that indigenous and local communities share in the benefits arising from the utilisation of their knowledge.

Norway and several developing countries have been at the forefront of efforts in the World Intellectual Property Organization (WIPO) to establish the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore. In this committee. Norway has advocated introducing a mandatory requirement that all patent applications must provide information on the origin of genetic resources and traditional knowledge on which the invention is based or that it uses. This is one of the key demands made by developing countries. Several other developed countries also support such a disclosure requirement. However, there is considerable disagreement as to exactly how it should be formulated. Norway is also in favour of introducing legally binding international rules on the protection of the traditional knowledge, genetic resources and cultural expressions of indigenous and local communities. This is another key demand that has been put forward by developing countries as well as by representatives of indigenous peoples. There is still considerable disagreement between countries about the details of the rules. Norway has adopted a balanced approach that takes into account a variety of interests, and has accordingly taken positions that lie between those adopted by developed and developing countries on a number of issues.

Norway also works in the WTO to promote systems to support the Convention on Biological Diversity. In 2006, Norway presented a proposal to amend the TRIPS Agreement by inserting a mandatory requirement for patent applications to disclose the origin of genetic resources and traditional knowledge on which inventions are based or which they have made use of. Thus Norway is engaged in efforts in both WIPO and the WTO to gain support for a disclosure requirement of this type.

Technology transfers and the transfer of knowledge through foreign investments have been a key instrument of Norway's petroleum and industry policy. Until the 1990s, Norway had a system that required oil companies to award contracts to Norwegian service providers if they were competitive in terms of price, quality and delivery times. The criteria for the award of contracts were well known and there was full transparency in their application. This attracted serious, long-term

foreign players, and at the same time the system spurred the growth of a high-technology petroleum industry and supply industry in Norway. It is crucial for developing countries to be able to impose similar requirements in order to build up their national expertise and a diversified private sector, rather than remaining exporters of raw materials. This is a key element in Norway's WTO policy.

## A global knowledge infrastructure

The creation of a high-quality, global knowledge infrastructure is contingent on as many countries as possible having well-developed education and research systems at all levels and in all subject areas. Furthermore, the communication of and access to information through the mass media and ICT services are key factors in the economic and social development of modern society. The use of such media is considerably more widespread in rich countries than in developing countries. At the same time, use of mobile telephony and mobile telephone and web-based services is proliferating rapidly in developing countries throughout the world, except where regimes actively curtail access to information. Frequencies in the most desirable frequency areas are becoming a scarcity in many countries, and developed countries have monopolised most of the IP addresses (the numerical codes that uniquely identify all computers and other Internet-related devices) that are available in the current IPv4 system. Since these addresses are crucial for accessing the Internet, efforts should be made to safeguard the interests of developing countries, too, until the newest version, IPv6, which has considerably more capacity, is in place.

TV, mobile telephones and the Internet have brought rich and poor countries closer to one another and dramatically improved global access to knowledge in recent years. Entrepreneurs are finding information on the Internet, and identifying new opportunities for production, bank services, commerce and the dissemination of culture and knowledge; they are sources of inspiration, innovation and act as channels for diffusing knowledge in their countries. Information and communication services are a prerequisite for the development of a viable private sector and for the exchange of information vital to improving standards of living. They are also crucial for the development of democracy. Such services are considerably more

widely developed in rich countries than in developing countries. Norway seeks to ensure that the opportunities afforded by these services can be made the most of, and therefore tries to prevent positions or measures being adopted that put poor countries at the back of the queue for use of the infrastructure. For example, Norway helps to ensure that the lack of IP addresses or access to communications satellites and similar equipment does not prevent people in developing countries from developing their businesses, broadcasting radio or TV programmes or communicating by mobile telephone. This concern must also be taken into account in the framework conditions for the private sector.

Through its political initiatives and positions, Norway seeks to ensure that the interests of developing countries are addressed in forums such as the International Telecommunication Union (ITU), the Internet Corporation for Assigned Names and Numbers (ICANN) and the International Telecommunications Satellite Organization (ITSO). These bodies make decisions on matters such as frequency allocations, IP addresses and satellites, but developing countries are often not well-represented.

Through participation in and funding of international organisations, Norwegian authorities are helping to establish and maintain an equitable distribution of resources that takes into account the needs of developing countries. This benefits developing countries in a number of areas. In the electronic communication sector, Norway's positions and financial support have contributed to ITU's implementation of projects for transferring expertise to developing countries and for the establishment and strengthening of national administrative authorities. ITU also prepares manuals, guidelines, planning materials and software for use by developing countries in their day-to-day efforts to meet ICT challenges.

Norway is committed to promoting effective Internet governance that meets the needs of developing countries and focuses attention on the equitable distribution of resources. This work is primarily carried out through Norway's participation in ICANN and in the follow-up work on the World Summit on the Information Society. Norwegian authorities are also engaged in efforts to ensure that the international community adopts resource allocation plans for radio frequencies that will make it

possible to reduce investment costs and establish appropriate infrastructure in developing countries.

#### Overall assessment

In the Commitment to Development Index (CDI) 2010, Norway was ranked in 9th place in the technology component. This is due to Norway's advantageous framework conditions for research and development and its efforts to limit patent coverage for software programs. On the negative side, the CDI cites the fact that Norway offers "patent-like proprietary rights" to data compilations, including freely available data collected in the public domain.

In addition to the points highlighted by the CDI, Norway also supports international initiatives to ensure open access to research results, and practises this principle itself with respect to publicly funded research. Norway contributed to the negotiations on the Nagova Protocol and, in contexts such as WIPO. TRIPS and the Doha Round (the current round of WTO negotiations aimed at better integrating developing countries into the multilateral trading system), is an active advocate of protecting the rights of indigenous and local communities to the use of traditional knowledge. Norway works to promote balanced copyright protection. Furthermore, Norway seeks to safeguard the interests of developing countries in forums that promote a global infrastructure for mass communication and access to that infrastructure. The Norwegian public sector does not engage in active recruitment of health personnel that might reduce the availability of such personnel in developing countries. Students from developing countries are charged the same low tuition fees that are paid by Norwegian students.

In general, Norway's development policy underpins the policies that Norwegian ministries develop and administer in their respective areas. The Oil for Development programme helps to build expertise on integrated management of petroleum resources. Investments by the Norwegian Investment Fund for Developing Countries (Norfund) bring knowledge and technology to poor countries. Cooperation between Telenor and the Norwegian authorities has improved mobile telephone services in developing countries, a joint effort that has also increased tax revenues in countries such as Bangladesh. Norway is also engaged in significant efforts to raise the general level of knowledge in

developing countries, for instance through the Norwegian Programme for Development, Research and Education, in which Norwegian universities and colleges participate in collaborative projects to promote human resource development in higher education and research.

In many countries and regions, Norwegian embassies are tasked with promoting Norwegian goods and services and administering development cooperation in accordance with the interests of developing countries. The Ministry of Foreign Affairs is aware that this can constitute a dilemma and seeks to avoid any links between marketing and development cooperation. Norway is also aware of the fact that developing countries do not always have the same interests as Norway in international negotiations on the protection of intellectual property.

# 2 Economic growth and social development

In Norway's experience, economic growth, social development and gender equality are interdependent and mutually reinforcing. A policy that promotes a high rate of employment, welfare and good education for all, and reduces disparities paves the way for higher productivity, economic development to the benefit of many people, and broad participation in society. Growth and distribution are key goals both for Norwegian society as a whole and for Norwegian development policy.

Economic growth is important to reduce poverty. At the same time, population growth and increased consumption make it necessary to produce more energy. The chapter on climate change and sustainable environment discusses how Norway's policy can help to address some of the most significant global challenges in this connection.

Norwegian policy that does not have development as a stated objective can nevertheless have an impact on economic and social processes in developing countries. One of the main policy areas that have such impacts is trade policy, which affects goods and services from developing countries that may compete with Norwegian goods and services on the Norwegian or other markets. Policies have been designed to encourage business and industry to make investments that promote development, including a policy to combat international economic crime and tax evasion and measures to ensure that tax havens are not used to deprive developing countries of revenues that they sorely need or to carry out money laundering or illegal international monetary transactions. There are also policies that more directly underpin the protection and financing of various international public goods on which all countries are dependent, but which are often particularly critical for developing countries.

Countless other factors impact on growth and distribution in developing countries. For example, the promotion of gender equality, which is an important aspect of Scandinavian societies, has had positive effects. However, the factors apart from development cooperation that are most often highlighted in this context are trade, investment and access to other global public goods. The following describes

Norwegian activities and political initiatives in these three areas that affect developing countries' opportunities to attain their economic and social goals.

#### Trade

For many developing countries, the sale of raw materials is a primary source of foreign currency for importing capital and consumer goods, intermediate goods, and services. According to the World Trade Organization's trade statistics for 2010, the least developed countries' share of exports of goods in 2009 was a modest 1 %, while their share of exports of services was 0.5 %. Increasing both their share and volume of exports presents a challenge for these countries. They must avoid becoming too dependent on raw material exports. And it is important that the authorities in these countries have the necessary capacity to avoid unfavourable contractual terms that give foreign and national companies such advantageous conditions that the host country and its population obtain few economic, technological or learning benefits. Both the countries concerned and the international community must provide a framework that ensures that revenues from trade are used to develop a wider range of goods and services that can both be sold locally and exported, thus creating more jobs and increasing purchasing power and tax revenues. In order to achieve real long-term gains, it is important that countries have the political will to pursue an active business development and distribution policy, curb corruption and promote more equitable distribution of power and resources. The fact that much needed development in poor countries creates higher greenhouse gas emissions, puts greater pressure on the world's water resources and generates more pollution is also a challenge for the global community. (More information about this issue can be found in the section on investments and in the chapter on climate change.)

Import protection to protect a country's own agricultural production is a key topic in the debate on policy coherence in several developed countries. High tariff barriers to discourage agricultural imports limit developing countries' export opportunities and revenues from trade that could have contributed to development.

Norway's agricultural policy is one of several policy areas that foster a variety of industries and settlements throughout the country. Import protection is one of several instruments used to maintain a dynamic, diversified agricultural sector in Norway. These are goals on which there is a broad political consensus. At the same time, Norway is trying to strike a good balance between the need to protect the agricultural products that Norway wishes to produce and the desire to promote imports, particularly from the poorest developing countries. The Generalized System of Preferences (GSP) is one response to these conflicting objectives. In 2010, Norway imported goods worth a total of NOK 77 billion from developing countries, accounting for around 17 % of all imports. Imports of agricultural goods from developing countries totalled NOK 7.6 billion, or around 22 % of all imports of agricultural goods to Norway. Agricultural imports from developing countries have increased in the past few years.

#### The Generalized System of Preferences (GSP)

Under the Generalized System of Preferences (GSP), goods from certain developing countries are subject to lower tariff rates than goods from other countries. The system differentiates between the poorest and the less poor developing countries. This means, for example, that all goods from a total of 64 countries including the least developed countries and low-income countries with less than 75 million inhabitants enjoy full duty- and quota-free access on all imports to Norway. In spite of this, imports of goods from the poorest countries are still very limited. An extensive study of opportunities for developing countries and the constraints they face with regard to exports to the Norwegian market has therefore been initiated. The study, which is to be completed before the end of 2011, will recommend specific measures to increase imports from developing countries.

#### The Doha Round

A key objective of the ongoing round of negotiations in the World Trade Organization (WTO) is to integrate developing countries more closely into the multilateral trading system and the global economy. In international trade negotiations, Norway will seek to reduce trade barriers, particularly in areas and in markets where the Norwegian private sector has interests. Access to other countries' markets has been and remains crucial to economic growth, employment and welfare

in Norway. However, Norway takes into account the fact that other countries may need protection in areas in which Norway has offensive interests, such as the fisheries sector, just as it expects its need for protection in the agricultural sector to be met with understanding.

In the Doha Round, Norway is a strong advocate of the principle of special treatment for developing countries and of the need to adapt obligations under multilateral trade rules to the different situations of different countries. Norway consistently seeks to ensure protection for the interests of the very poorest countries, for example by setting more lenient requirements for reduced tariff rates in negotiations on both agricultural goods and on non-agricultural market access (NAMA), which includes fish, and by giving them the opportunity to protect sensitive sectors against international competition. For instance, the least developed countries are not expected to reduce their tariff rates at all. Moreover, Norway is engaged in trade-related development cooperation to help poor countries to export their goods. Norway seeks to ensure inclusive processes and transparent negotiations, so that civil society and the general public in the countries concerned can follow and influence them.

#### Decent work

One of the signs of social development is better working conditions. At the same time, differences in production and work processes are important factors in the international division of labour. Many developing countries are concerned that the efforts to promote decent working conditions will deprive them of a competitive advantage and be misused to protect jobs in rich countries. The Government has sought to take this concern into consideration in its strategy to promote decent work at the global level, which sets out that Norway will actively promote decent work in its trade policy. In June 2010, the EFTA countries agreed on a model chapter on sustainable development with binding provisions regarding the environment and workers' rights in free trade agreements. It includes provisions that refer to the eight core conventions of the International Labour Organization (ILO) and provisions that prohibit parties from lowering their environmental or labour standards to attract trade. This text will now be used as a starting point for all parties to current and future treaty negotiations, including Norway's negotiations with other countries on free trade agreements. It has increased awareness and acceptance of the principle that trade must be conducted in a manner that promotes sustainable development.

In order to promote decent work at the global level, it is important to build capacity and institutions to monitor and enforce legislation on labour standards. Norway's development policy, its efforts through the ILO and the cooperation between the Norwegian Labour Inspectorate and labour inspectorates in other countries are important channels for this work. In 2010, the Minister of Labour signed an agreement with Chinese authorities on collaboration between the Norwegian and Chinese labour inspectorates aimed at strengthening inspection and enforcement of the rules governing health, the working environment and safety in China. Work is now in progress on translating this agreement into concrete action.

The Government's strategy to promote decent work at the global level also sets out that Norwegian experience should be drawn on to improve monitoring of the working environment in other countries. The expertise of the National Institute of Occupational Health is therefore being used in this work. In connection with the 100th session of the International Labour Conference in Geneva in 2011, the Norwegian Ministry of Labour, the Institute of Occupational Health and the ILO held an international seminar on monitoring of the working environment. One of the issues examined was how Norwegian research from countries with lower working environment standards than Norway can be used to transfer expertise on working environment monitoring to countries with substantial potential for improvement.

#### Investment

Only a small share of global investment is directed towards developing countries. According to the UNCTAD Handbook of Statistics (UNCTAD is the UN Conference on Trade and Development), foreign direct investment (FDI) flows to low-income countries only accounted for 3.4 % of total global FDI in 2010. Only 1.9 % of total FDI benefited sub-Saharan Africa (not including South Africa). At the same time, capital flight is draining many developing countries of assets that could otherwise have been invested, created jobs and generated spin-off benefits in the national economy.

International investment agreements generally aim to ensure fair and equitable treatment of domestic and foreign investors, and to reduce the risk that foreign investors will be subject to unreasonable measures by state authorities. As an integral part of their policy towards all countries, the International Monetary Fund (IMF), the World Bank and similar organisations have sought to dismantle barriers to trade and investment and promote flexible exchange rates and freer movement of capital. However, developing countries that are largely raw material producers with an undiversified industrial structure face special challenges and need special treatment. They also need time to adapt and build up their capacity to cope with the challenges that restructuring can entail.

Development cooperation is pivotal to building this type of capacity and putting the private sector in developing countries in a better position to address the challenges posed by more open investment and trade regimes. Development cooperation is also a means of ensuring ripple effects in the form of local employment, technology transfers and tax revenues. In these contexts, Norway generally attaches importance to introducing and increasing awareness of the ILO guidelines for decent work.

Political risk, corruption and illicit financial flows, coupled with a lack of political will and unpredictable operating parameters are some of the reasons why there is not more investment in many developing countries. In spite of this, China, India and other emerging economies have increased their investments in Africa in the past few years, especially in the raw materials sector. This has generated financial ripple effects for many developing countries and is generally considered to be an advantage for them. However, some object that foreign labour and imported goods are often used to implement these projects. And the long-term effects due to the fact that resources may no longer be available to national actors are less evident.

Many Norwegian companies and funds are active international investors. Several of them have many years' experience of profitable investment in developing countries. The Norwegian Government encourages Norwegian companies to invest in developing countries, for instance through agreements to avoid double taxation of income and investment guarantees from the Guarantee Institute for Export Credits

(GIEK). Norwegian law prohibits corruption both in Norway and abroad. In addition, Norway supports the Kimberley process (a joint initiative backed by governments, industry and civil society to prevent trade in diamonds that funds conflict). These factors help to reduce corruption and misappropriation of funds in poor countries in which foreign companies invest.

Norway is also an active supporter and host of the Extractive Industries Transparency Initiative (EITI). Norway implemented EITI's transparency criteria in 2007; this was administered by the Ministry of Petroleum and Energy. Our first EITI report was finalised in 2009 and Norway's implementation of the EITI requirements was validated by the EITI International Board in March 2011. Norway's strong commitment, both at home and abroad, to the implementation of EITI has helped to move the process forward internationally, significantly benefiting democracy and development. So far, over 20 countries have produced close to 50 reports on revenue flows in the extractive industries. As a result, more than 400 million people have been able to see government revenues from these industries, making it more difficult to conceal corruption.

## Efforts to prevent illicit financial flows

Norway is at the forefront of international efforts to prevent illicit financial flows, which can undermine development in poor countries. Official Norwegian Report NOU 19:2009. Tax Havens and Development - Report from the Government Commission on Capital Flight from Poor Countries, published in 2009, has influenced the international debate on this issue. The proposals presented in the report have been followed up through the establishment of a research programme on tax and the impact of tax havens on developing countries. This will examine the effects of such issues as tax evasion, tax avoidance, money laundering, secrecy jurisdictions, illicit and unrecorded financial flows and the use of tax havens by international entities. As stated in the Norwegian Government's 2011 action plan for combating economic crime, the Government will consider introducing a system of country-by-country reporting on the activities of multinational companies in the jurisdiction concerned, either in connection with possible new EU rules in this field or on an independent basis. A study is currently being made of the possible added value of a new convention to prevent closed structures likely to cause loss and damage in other jurisdictions.

#### The Financial Action Task Force (FATF)

Technically, the FATF is not a permanent organisation, but a task force comprising 34 member states, in addition to the European Commission and the Gulf Cooperation Council, which are independent members. The FATF develops internationally recognised standards for measures to combat money laundering and financing of terrorism. Secrecy as regards the true beneficial ownership of companies in tax havens makes corruption, money laundering, tax evasion and terrorist financing possible. It severely restricts growth opportunities in developing countries with a large informal sector. The FATF aims to strengthen transparency as regards the true beneficial ownership of companies and trusts. Norway is currently vice president of the FATF and will assume the presidency from July 2012 to June 2013. Norway also supports the expansion of the harmonised list of crimes in the FATF recommendations that constitute money laundering offences. Expanding the list will ensure that tax crimes may also constitute grounds for indictment for money laundering. This is already applicable law in Norway, but is not recognised as an international standard. Work on the FATF recommendations is expected to be completed in the first half of 2012.

#### The Norwegian Government Pension Fund Global

Emerging markets were included in the reference index for shares in the <u>Government Pension Fund Global (GPFG)</u> in 2000. Over time, the GPFG's investments in these markets have grown substantially, and now account for around 10 % of the fund's holdings, or around NOK 200 billion. At the end of 2010, these markets were Brazil, Hungary, Mexico, Poland, South Africa, Taiwan, Argentina, Chile, China, Colombia, the Czech Republic, Egypt, India, Indonesia, Malaysia, Morocco, Pakistan, Peru, Philippines, Russia, Thailand and Turkey.

The GPFG restricts its share investments to shares listed on stock exchanges. Many of the poorest countries have no markets for listed shares at all. Investments in such countries must necessarily be unlisted investments, such as unlisted shares or infrastructure projects. These types of investment entail considerable challenges, but may in

time be permitted in the GPFG. If and when unlisted investments are permitted in the GPFG on a general basis, it would be logical to consider simultaneously or gradually expanding investments to less developed markets.

# Financing global public goods

In the white paper <u>Climate, Conflict and Capital: Norwegian development policy adapting to change</u> (Report No. 13 (2008 – 2009) to the Storting), the Government pointed out that global public goods essential to the development of poor countries are inadequately financed. Most of the key issues discussed in this report are linked to the lack of priority given to these global public goods. At the same time, the report also shows how Norway and other countries can improve access to such goods, especially for developing countries.

Active efforts are being made both in Norway and internationally to develop and improve mechanisms for financing public goods. A tax on international financial transactions, air ticket taxes and carbon offset markets are examples of financing schemes that have been implemented to some extent. The management of revenues from such schemes is also a subject of debate, one issue being whether these revenues should be collected and distributed by national governments, UN-monitored funds or market mechanisms. The "free rider" problem. i.e. when some people pay while others who are capable of paying do not do so, is another dilemma that must be addressed and that is being discussed. Norway is a member of the international Leading Group on Innovative Financing, where many of these issues are taken up. Norway is in favour of continuing to pursue international efforts to impose a tax on financial transactions for the benefit of global public goods. If a tax on financial transactions is to be introduced, it must have broad international support and be endorsed by influential countries.

Norway seeks to play a part in securing global public goods in several ways. Development assistance is a crucial component of most current initiatives and a catalyst for mobilising private and other funding. However, public goods are best protected through the introduction and enforcement of regulatory frameworks and direct and indirect tax schemes in the countries concerned. Discussions on aid can cloud the message that every country must implement national measures.

At present, attention is primarily focused on climate change and the global financial market problems. At the same time, there is an obvious lack of financing to address the other key issues covered in this report.

A stable climate is crucial for adequate food production and thus for economic and social development worldwide. Much of the discussion concerning the financing of global public goods has therefore revolved around climate change, and the magnitude of the problems indicates a huge need for financing. Substantial government funding is provided directly for projects such as the <u>Government of Norway's International Climate and Forest Initiative</u>. New financing mechanisms that have been proposed include auctioning emission allowances, introducing carbon taxes, redeployment of fossil fuel subsidies and the pricing of emissions from international transport. On a global basis, this could mobilise tens of billions of dollars every year that could be ploughed back into measures to reduce greenhouse gas emissions and increase the ability of ecosystems and society to deal with and adapt to climate change. The funds could conceivably also be used for disaster risk reduction.

Various initiatives aimed at addressing climate change are described in further detail under the chapter on climate change and sustainable development.

The main instruments of Norway's climate policy are indirect taxes and its emissions trading scheme, which is an integral part of the EU scheme. The UN Intergovernmental Panel on Climate Change (IPCC) estimates that in order to limit global warming to no more than two degrees Celsius, global emissions must be reduced by 50-85 % from the 1990 level by 2050, and that emissions must peak by 2015. It is estimated that emissions must be cut by as much as 80–95 % (compared to 1990 levels) in developed countries. By 2020, Norway aims to reduce global emissions by the equivalent of 30 % of its own 1990 emissions. In the climate change negotiations, Norway has indicated its readiness to increase this obligation to a reduction of 40 % as part of a global climate agreement whereby major emitting countries also undertake to reduce their emissions. According to the 2008 agreement on climate policy between the main political parties, Norway aims to reduce national emissions by 15–17 million tonnes of CO<sub>2</sub> equivalents by 2020, which means that around two-thirds of the 30 % cut in emissions would be made in Norway. This target is in line with the conclusions reached by the IPCC, which show that if the goal of two degrees is to be achieved, developed countries must cut their emissions by 25–40 % of their 1990 emissions by 2020. Furthermore, emissions growth in developing countries must be 15–30 % lower than projected in a business-as-usual scenario.

Financial market stability is often cited as a global or international public good of great importance for economic growth and social development. The protracted international financial crisis has demonstrated the vulnerability of the international financial system and the detrimental effects that such crises can have on the real economy in many countries. The tightly integrated global economy, which in good times facilitates global growth and increased prosperity, has also allowed negative impacts on economic growth and social development to spread to both developed and developing countries. This highlights the need for effective mechanisms to ensure stable financial markets. Norway participates actively in a number of forums to strengthen the capacity and mandate of institutions working on preventive and stabilising measures in this context.

#### Overall assessment

The Commitment to Development Index (CDI) ranks Norway in first place in the investment component for making investments in developing countries attractive; but in second last place, 21st out of 22, as regards stimulating economic and social development through trade. Norway's poor ranking in the trade component is due to the way the CDI assesses import protection and subsidies in the agricultural sectors of OECD countries. Moreover, the CDI does not seem to take into account Norway's preferential tariffs and duty-free access for agricultural products from the least developed countries (LDCs). In the investment component, a number of factors are listed that can promote investments in developing countries.

In the Doha Round, Norway has been a strong advocate of protecting the interests of the least developed countries. The Norwegian Generalised System of Preferences (GSP) and Norway's policy of dutyfree access offer potential benefits to a large number of developing countries. The authorities encourage Norwegian companies to invest in developing countries, and the tax system is designed to avoid double taxation. Norfund, which is financed via the aid budget, is an active investor in developing countries, both on its own and in collaboration with commercial and other partners.

Norway takes part in international efforts – for example under the OECD – to increase transparency with regard to assets placed in tax havens. Through a Nordic tax haven project, Norway has signed transparency agreements with more than 30 tax havens. Furthermore, the Global Forum on Transparency and Exchange of Information for Tax Purposes has been established under the OECD to monitor the enforcement of the OECD's transparency standards. Almost 100 countries have now joined the Global Forum. Norway also seeks to promote international standards for reporting by multinational companies and for transparency as regards the true beneficial ownership of companies in order to prevent money laundering. Norway's efforts to support the Extractive Industries Transparency Initiative (EITI) are part of this work.

Norway helps to secure global public goods of importance to economic growth and social development, particularly through measures to address climate change. Norway is also considering taking part in further efforts to introduce global direct and indirect taxes to finance increased access to global public goods for the poorest countries.

Among the challenges Norway faces in its work to promote economic growth and social development in poor countries, in addition to those pointed out by the CDI in relation to trade, is the fact that Norway's  $CO_2$  emissions are contributing to the world's climate change problems, which may have consequences for economic growth and social development in poor countries.

# 3 Climate change and sustainable development

Global warming is a long-term threat to sustainable development throughout the world. The largest greenhouse gas emissions are generated by the use of fossil energy carriers. Growing prosperity entails increasing production of goods, more transport, and rising energy use. The world economy has grown sixfold since 1960, and the atmospheric concentration of greenhouse gases is now about 50 % above the pre-industrial level. This rise is largely attributable to economic activity in the developed countries, but strong economic growth in emerging economies and developing countries means that they now account for more than 60 % of total global emissions. And the emerging economies and developing countries are expected to be responsible for almost all the growth in greenhouse gas emissions in the years ahead. However, per capita emissions are much higher in rich than in poor countries.

The poorest countries will be hardest hit by climate change. Climate change brought about by global warming may reduce food security, threatening the livelihoods of large population groups and triggering mass migration. Climate change and natural disasters affect women and children differently from men, and the effects are often more serious. All this makes it clear how important adaptation to climate change and disaster risk reduction will be. Maintaining food security is likely to become even more challenging than it is today. In many regions, climate change will result in more unpredictable weather and more frequent extreme weather events, and drought will be a growing problem in vulnerable areas. This will make it very difficult to ensure predictable levels of food production.

Continued economic growth in poor countries is vital to the success of efforts to combat poverty. The main challenge will be to ensure that poor countries enjoy welfare improvements and sustainable economic growth combined with effective use of resources and the lowest possible greenhouse gas emissions. Under the Framework Convention on Climate Change, the developed countries have undertaken to provide funding for reducing greenhouse gas emissions.

Projections by the UN suggest that the world population will reach nine billion in around 2050. In order to meet people's needs and provide for the welfare of a far larger population than today, while at the same time avoiding any increase in greenhouse gas emissions and in the long term reducing emissions, we must achieve economic growth and improvements in welfare without accompanying increases in greenhouse gas emissions. Internationally, negotiations are in progress both on a new commitment period for the developed countries under the Kyoto Protocol, involving deeper emissions cuts than in the first period, and on a broader agreement to include all countries. The rich countries must lead the way by reducing their own emissions in accordance with their commitments under the Climate Change Convention and the Kyoto Protocol, and the world needs to agree on a new instrument that will also provide incentives for emissions reductions in developing countries.

In the Cancun agreements, the developed countries have made a pledge to mobilise jointly USD 100 billion per year by 2020 for adaptation and mitigation work in developing countries. Energy production based on renewable sources is a core element of this scenario. Under the Kyoto Protocol, parties may make use of the Kyoto mechanisms as a supplement to national measures to fulfil their emission commitments. One of these mechanisms, the Clean Development Mechanism (CDM), targets developing countries, and all project activities are required to contribute to sustainable development in the host country. Technology and financial resources are being transferred to developing countries through the CDM. Norway is focusing on the development of clean renewable energy and will promote a low-emission development path by seeking to ensure that developing countries have access to clean energy.

# Greenhouse gas emissions

Limiting global warming to two degrees above the pre-industrial level will require deep emissions cuts, a reduction in fossil fuel consumption in all countries except the poorest developing countries, and a transition to a more climate-friendly economy. Estimates by the Intergovernmental Panel on Climate Change (IPCC) indicate that to achieve the two-degree target, per capita emissions for the world as a

whole must be reduced to an average of about 2 tonnes of CO<sub>2</sub> per year in the long term. Per capita emissions in Norway are currently about 11 tonnes per year. Per capita emissions in the poorest developing countries are below 2 tonnes per year at present, and in the negotiations under the Climate Change Convention, it has therefore been recognised that there must be room for a limited rise in emissions from the poorest countries. Limiting emissions from developing countries will require assistance from the developed world.

Norway is seeking to reduce the problems associated with climate change through various initiatives at home and abroad to promote the use of renewable energy and reduce emissions from fossil fuels, for example through carbon capture and storage. The aim of Norway's International Climate and Forest Initiative, which is funded through the aid budget, is to reduce greenhouse gas emissions through projects to prevent and reduce deforestation in developing countries, and Norwegian support for climate change adaptation is intended to put developing countries in a better position to deal with climate change. However, there are limits to what can be achieved through international development aid. It is important to mobilise private funding in addition.

Norway's policies in some areas have implications for greenhouse gas emissions, and global warming has impacts on living conditions in developing countries. Norway is focusing particularly on improvements in the following areas.

#### Norway's greenhouse gas emissions

Under the 1992 Climate Change Convention, developed countries are required to adopt national programmes to reduce greenhouse gas emissions. The Convention includes the aim of reducing emissions from these countries, individually or jointly, to the 1990 level by 2000. In 2010, Norway's aggregate greenhouse gas emissions were 8 % higher than in 1990. According to projections by the Ministry of Finance, Norway's emissions will be about 15 % above the 1990 level by 2020, unless new measures and instruments are introduced.

Norway is taking responsibility for reducing emissions by the equivalent of 30 % of its own 1990 emissions by 2020. An agreement on Norwegian climate policy was adopted by most of the political parties in

the Storting in 2008, after a debate on a white paper on climate policy. This concludes that a realistic target would be to reduce Norwegian emissions by 15–17 million tonnes CO<sub>2</sub> equivalents relative to the reference scenario presented in the National Budget for 2007, when CO<sub>2</sub> uptake by forests is included. This corresponds to about two-thirds of the total reduction required by Norway's national target. In its policy platform and input to the Copenhagen Accord, the Government has said that Norway's targets can be made more ambitious, corresponding to a 40 % cut in emissions from the 1990 level by 2020, if this can contribute to agreement on an ambitious climate regime that includes specific emissions commitments, in accordance with the two-degree target, on the part of the major emitters.

The Government has declared that Norway is to be carbon neutral by 2050. If an ambitious global climate agreement is achieved, in which other developed countries also take on extensive obligations, Norway will undertake to achieve carbon neutrality by 2030 at the latest. This means that Norway will fund emissions reductions abroad corresponding to its remaining domestic greenhouse gas emissions.

The IPCC estimates that to achieve the two-degree target, it will be necessary to cut global emissions by 50–85 % from the 2000 level by 2050 and for emissions to peak by 2015 at the latest. Its calculations indicate that developed countries must cut their emissions by as much as 80–95 % relative to the 2000 level. In 2010, the Norwegian expert group Klimakur 2020 (Climate Cure 2020) published its report, which analysed and reviewed possible emission-reduction measures and recommendations on the emissions reductions to be achieved by different sectors. The main climate policy instruments used in Norway are taxes and the greenhouse gas emissions trading scheme, which is an integral part of the EU's scheme. The forthcoming white paper on Norway's climate policy will deal both with the climate negotiations and other important international issues, and with work at national level.

Improved systems for measurement, reporting and verification of emissions and results are essential so that we have information on anthropogenic emissions and whether countries are meeting their commitments. Until now, only the developed countries have regularly reported on their emissions and mitigation work. At the Cancun conference, it was agreed that developing countries are also to provide regular reports on these matters. The Government regards assistance from developed countries for capacity-building in developing countries as important in this connection.

### Research to improve climate policy

Climate research is a priority area in both Norwegian and international research initiatives. Norway has built up internationally recognised expertise within specific fields of energy and climate research. Research groups in these fields are involved in extensive international cooperation and make important contributions to the work of the IPCC. In recent years, the Research Council of Norway has established several programmes and initiatives on global climate, development and environmental issues. Norwegian research institutes are involved in cooperation with developing countries, as exemplified by the establishment of the Nansen-Zhu International Research Centre in China. There are special bilateral programmes for research cooperation with India and China, and the research programme Norway – A Global Partner includes energy and climate research as a thematic priority area.

### Intensifying efforts in the interface between climate and energy issues

The Research Council has also established eight Centres for Environment-friendly Energy Research (FME Centres), and three FME Centres for Social Science-related Energy Research. The Technology Centre Mongstad, which includes SASOL from South Africa as a partner, is engaged in testing cost-effective technological solutions for carbon capture and storage. Norway has established national strategies for research in several fields, including Energi21 for energy research and Klima21 for climate research. These do not involve developing countries, but they deal with international issues and development.

### The Clean Development Mechanism

Under the Clean Development Mechanism (CDM), developed countries fund emission-reduction projects in developing countries. These earn saleable emission reduction credits, which the developed countries can count towards their Kyoto commitments in their greenhouse gas emission inventories. In addition, the CDM involves transfers of funding and technology to many developing countries.

Projects must also contribute to sustainable development in the host country, and a number of them involve renewable energy. The Government is participating in efforts to ensure the continued operation of the CDM after the first commitment period under the Kyoto Protocol, and its further development so that carbon capture and storage projects can be included after 2012. In addition, the Government is working towards the establishment of new mechanisms that will result in even deeper emissions cuts in developing countries, and generate even more emission reduction credits. These can be credited in developed countries' greenhouse gas inventories.

### Climate change financing

The poorest and most vulnerable countries need technical and financial support for both climate change adaptation and mitigation efforts. Norway has been working intensively on various questions relating to climate change financing in the past few years. At the Copenhagen summit in 2009, the developed countries agreed to a commitment to mobilise USD 100 billion per year by 2020 for adaptation and mitigation action in developing countries. After the summit, the UN Secretary-General established the High-level Advisory Group on Climate Change Financing (AGF) to study potential sources of revenue. The Group was co-chaired by Norwegian Prime Minister Jens Stoltenberg and Ethiopian Prime Minister Meles Zenawi. Its report was submitted to the UN in November 2010, and concluded that it is feasible to achieve the Copenhagen financing target. The Cancun Agreements of December 2010 confirmed the target of financing totalling USD 100 billion per year, decided to establish a Green Climate Fund, and set up a Transitional Committee to design and draw up operational documents for the Fund. Norway is Co-Chair of the Transitional Committee together with South Africa and Mexico. The Government considers strategic links between partner countries' own development plans and international climate change financing to be important, and would also like to see more focus on low-income countries.

The Government will seek to ensure that the development banks play an important part in a transition from the traditional emission-intensive energy forms to new, clean renewable energy sources.

### Combating deforestation and forest degradation

The Government has also been working on financial mechanisms in connection with its International Climate and Forest Initiative. The combination of financial support and policy development means that in addition to having mitigation effects, projects can contribute to sustainable development to the benefit of the local population and help to maintain biodiversity. During the Cancun summit, agreement was reached on the establishment of a financial mechanism for REDD+ under the Climate Change Convention. (UN-REDD is the UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries.) REDD+ also includes conservation, sustainable management of forests and enhancement of forest carbon stocks

Norway is cooperating with Brazil, Indonesia, Guyana and Tanzania on various financial mechanisms for REDD+. Through cooperation with the World Bank, the UN and the African Development Bank, it is now possible for many new countries to implement REDD+ activities. Norway has been actively seeking to ensure that these institutions make use of their special expertise and capacity and work together to ensure the best possible use of resources. The Government is working towards a global REDD+ mechanism under which performance-based support ensures predictable payments for actual reductions in emissions. The forest countries, on their part, will have to establish mechanisms for equitable distribution of the revenue from REDD+ activities so that they also benefit the local population.

## The Global Environment Facility

Before the Earth Summit in Rio in 1992, the world community agreed to establish a fund to cover the additional costs for poor countries of taking steps to protect global public goods. The result was the Global Environment Facility, or GEF, which was established as the financial mechanism for the Convention on Climate Change and the Convention on Biological Diversity, and to provide grants for projects dealing with international waters and to phase out substances that deplete the ozone layer in Eastern Europe that were not eligible for support from the Multilateral Fund under the Montreal Protocol. Its scope has since been expanded to include projects related to persistent organic pollutants, land degradation and deforestation. GEF is the world's

largest environmental fund and seeks to address environmental problems from a global perspective rather than individually. Our contribution to GEF is provided through the aid budget.

### The Global Framework for Climate Services

The development of the Global Framework for Climate Services under the World Meteorological Organization will promote closer cooperation on research and development to find solutions and share and exchange climate information. The framework is intended to improve forecasting of extreme weather events and disaster risk reduction, and will thus be an important tool in climate change adaptation, particularly in developing countries.

### Renewable energy

According to the US Energy Information Administration, about 86 % of world energy production in 2007 was based on fossil fuels, and the energy sector accounts for about 60 % of global greenhouse gas emissions. About 1.4 billion people lack access to electricity, and 2.7 billion people use biomass for cooking and heating. For people in developing countries, better access to electricity and other modern energy services will have a range of positive effects – for example in the form of improved health, better opportunities for schooling and commercial activities, and greater gender equality. The potential for reduction of energy-related emissions in developing countries corresponds to about 9 % of the total global potential.

### Sharing experience

Norway can offer considerable expertise in hydropower and power supply systems, and also small solar power plants. Norway has also been active in the international hydropower sector for many years, both commercially and through development cooperation, and is internationally recognised as a leading hydropower nation. The courses run by the International Centre for Hydropower in Trondheim are one forum for sharing knowledge in this field with professionals from developing countries. The Centre's members are drawn from the Norwegian public administration, consultancy firms, suppliers and power companies.

Norwegian Renewable Energy Partners (INTPOW) was established in 2009 on the initiative of the Ministry of Petroleum and Energy and key actors in the Norwegian renewable energy industry. It is based on cooperation between the authorities (the Ministries of Petroleum and Energy, Foreign Affairs, and Trade and Industry) and the energy industry. It is intended to promote the internationalisation of the Norwegian renewable energy industry. Norway's experience, particularly in the fields of hydropower and power supply systems, is much in demand in many developing countries. The industry can make an important contribution to building expertise in these countries.

### The Government's international energy and climate initiative

Norway is seeking to establish an international energy and climate initiative to increase access to energy services and limit greenhouse gas emissions from the energy sector in developing countries. Aid funding will be used to attract commercial investments in energy efficiency measures and renewable energy in developing countries. Thus, total investments in the energy sector will be far higher than aid funding alone. Funding will be based on the performance of the energy sector as a whole in terms of both improved access to energy services and reductions in greenhouse gas emissions compared with a scenario without a focus on energy efficiency and renewable energy sources. The initiative is intended as a follow-up to the UN "Sustainable Energy for All" initiative, and will make a valuable contribution to efforts to reduce global greenhouse gas emissions.

## Sustainable resource management and biodiversity

Biological resources provide us with food, clothing, shelter and medicines and are found not only in natural ecosystems but also in man-made ecosystems such as cultivated areas, parks and gardens, gene banks, botanical gardens and zoos.

One of the targets of Millennium Development Goal 7 is to reduce biodiversity loss. At present, biodiversity is being lost rapidly, for example because habitats are being destroyed or fragmented, because of pollution and because of undesirable introductions of alien species. Many species and ecosystems are under threat today, and we need to take action to protect them and maintain the ecosystem services people will be dependent on in the face of a changing climate. Maintaining a high level of genetic diversity is for example important for the resilience of food plants to climate change.

### Illegal, unreported and unregulated fishing

There is large-scale illegal, unreported and unregulated fishing (IUU fishing) in all parts of the world. This makes it difficult to achieve sustainable fisheries management and is a threat to marine biodiversity and people's livelihoods. Developing countries without the necessary resources to control fisheries in their own waters are in a particularly difficult position. Norway has been playing a leading role in efforts to combat IUU fishing, and took part in the preparation of the 2001 UN Food and Agriculture Organization (FAO) action plan. Since then, Norway has promoted measures to combat IUU fishing, including the implementation of satellite monitoring of fishing vessels at national and regional level, stricter reporting rules, and limits on transhipment of catches at sea, both in regional fisheries management organisations and in its development cooperation.

Norway has also been instrumental in making blacklisting an important tool that regional fisheries organisations with management responsibilities in areas outside national jurisdiction can use to combat IUU fishing. Vessels that are blacklisted by a regional fisheries management organisation are effectively banned from entering ports. Depending on the decisions taken by the various organisations, this can result in a *de facto* global blacklist. Long-term Norwegian efforts and Norwegian funding were instrumental in the adoption of a global, binding agreement on port state measures for fishing vessels by FAO in 2009. Implementation of port state measures is difficult for many developing countries, and FAO has therefore been organising regional training programmes, for which Norway provides support.

### Promoting global food security

Sustainable resource management is a vital basis for improving global food security, and both Norway and other countries therefore give high priority to ensuring sufficient domestic food production. Improving food security will also require adaptation of food production to a changing climate, particularly in poor countries. They will be hardest hit and at the same time are least equipped to adapt to new growing

conditions. At the same time, better resource management can bring about considerable reductions in greenhouse gas emissions. Norway is promoting climate-smart and climate-resilient agriculture globally, for example in the climate negotiations and in the Global Research Alliance. In the climate negotiations, Norway will work towards an integrated approach to the inclusion of greenhouse gas emissions and removals from land use and land-use change in the next commitment period under the Kyoto Protocol, and to the inclusion of greenhouse gas emissions and removals from deforestation, forest degradation and land-use change in developing countries, that in the long term also includes agriculture. Climate-smart agriculture also plays a key role in Norwegian development policy.

### Strengthening FAO efforts to improve food security

The crisis triggered by the dramatic rise in food prices in 2008 raised awareness of problems related to food security globally and mobilised a concerted response. The UN High-Level Task Force on the Global Food Security Crisis was established in the same year to promote a unified UN response. Norway will increase its support for work on food security and agricultural development in developing countries, and will focus particularly on climate-resilient agriculture in Africa.

Norway is playing an active role in efforts to strengthen FAO's work on food security by expanding aquaculture. Global catches in the world capture fisheries, about 80 million tonnes a year, are near the maximum harvest level, and any increase in food production from marine and inland waters will have to come from aquaculture. Norway is also working in this field in various UN committees under the Convention on the Law of the Sea.

## The Nagoya Protocol and new Norwegian regulations

Genetic material obtained from the natural environment is a common resource which in Norway belongs to society as a whole and is managed by the state, as set out in the Nature Diversity Act. The Act also requires genetic material to be utilised to the greatest possible benefit of the environment and human beings in both a national and an international context. In addition, importance must be attached to appropriate measures for sharing the benefits arising out of the utilisation of genetic material, and this must be done in a way that

safeguards the interests of indigenous peoples and local communities. The Ministry of Fisheries and Coastal Affairs and the Ministry of the Environment are working together to draw up regulations on access to and the use of Norwegian genetic resources. The Nagoya Protocol will provide a framework for regulating these matters under the Nature Diversity Act and the Marine Resources Act.

### The Svalbard Global Seed Vault

The Svalbard Global Seed Vault was established in 2008. Through the Seed Vault, Norway is providing an extra layer of security for seed collections that are part of the Global System on Plant Genetic Resources for Food and Agriculture. Duplicate seed samples from seed banks all over the world are being deposited in the vault, which by June 2011 contained more than 650000 different seed samples. The establishment of the Seed Vault has also helped to raise awareness of the need to safeguard the world's plant diversity and the importance of global cooperation.

### Multilateral System of Access and Benefit-sharing

Countries and regions are dependent on each other to ensure access to the genetic variation in food plants and their wild relatives. It is essential to maintain and provide access to genetic variation so that new crop varieties can be developed that for example are adapted to local production conditions or are resilient to climate change or disease pressure. A Multilateral System of Access and Benefit-sharing has been established under the International Treaty on Plant Genetic Resources for Food and Agriculture. This provides all countries with equal access to plant genetic resources for agriculture.

Norway makes an annual voluntary contribution to the Multilateral System corresponding to  $0.1\,\%$  of the value of national seed sales. Norway is also seeking to increase support for the system by calling on countries and commercial companies to contribute funding and make seed collections available through the system.

### Overall assessment

Norway is pursuing an ambitious climate policy in a number of areas. Emissions of CO<sub>2</sub> have been taxed ever since 1991, and today more

than 70% of Norwegian greenhouse gas emissions are subject to economic instruments such as the carbon tax and emissions trading. Norway's use of policy instruments has been relatively effective seen in an international context. This has limited the rise in greenhouse gas emissions, and emission intensity (greenhouse gas emissions relative to GDP) has dropped more and is lower in Norway than in most other developed countries. Considerable resources are being devoted to developing technology for carbon capture and storage. A white paper reviewing Norwegian climate policy is being prepared.

Norway's oil and gas production on the continental shelf is one reason why it ranks as low as number 17 among the OECD/DAC countries on the environmental section of the Commitment to Development Index (CDI) for 2010 (high fishing subsidies are another reason). Norway's International Climate and Forest Initiative and its contributions to the Clean Development Mechanism and to REDD+ activities are examples of how Norwegian development cooperation is being used to reduce greenhouse gas emissions globally and help developing countries to meet their commitments. Many of these activities play a key role in the UN climate negotiations.

Norway is playing an active part in addressing climate change through research and development in the climate and energy fields. Norwegian companies and energy authorities have considerable expertise in the field of renewable energy. This is being shared with developing countries through international cooperation, both on commercial terms and as part of development cooperation, for example through the INTPOW energy cooperation.

The objective of Norwegian fisheries management is to maintain stocks at a sustainable level in Norwegian waters, and in other waters through participation in international forums, where Norway is playing an active part in combating IUU fishing. Norway also provides advisory services for developing countries, which help to improve management of fisheries resources and of other resources in continental shelf areas.

Norway is working in multilateral forums towards agreements to safeguard world food supplies. Agricultural development, research on climate-resilient crops and cultivation methods, and sharing Norwegian aquaculture expertise are some key areas where Norway is involved in promoting food security. Others are the conservation of seed reserves and efforts to safeguard the rights of local communities and indigenous peoples.

Norwegian climate and resource management policy is largely in line with recognised goals for development in poor countries. The main climate-related challenge for Norway is to tackle rising Norwegian  $\rm CO_2$  emissions.

# 4 Peace and security

Peace and security are essential to development. Conditions in countries with weak governance are not conducive to development, and few fragile states, for instance, are anywhere close to achieving the UN Millennium Development goals. Peace and security are closely related both to people's immediate living conditions and to their opportunities to change them. Moreover, countries that lack peace and security can become breeding grounds for terrorism and criminal activity, thereby presenting a challenge to the global community.

Afghanistan is an example of a country with a low peace and security score and the difficult political and security political situation make it harder to achieve development results than in many other countries. Somalia is an example of a country where the absence of central governance structures has created a hotbed of lawlessness and international crime, and has resulted in a shortage of food. The history and current situation of fragile states such as these illustrate the range of challenges that first have to be met in order to improve the population's standard of living.

Norway has a long tradition of providing both civilian and military resources for efforts to bring about and maintain security and peace and lay the groundwork for development in various countries and regions. Norway's contributions have ranged from the provision of personnel for peacemaking and peacekeeping operations to mediation to find common ground for conflict resolution and reconciliation. The implementation of <a href="UN Security Council resolution 1325">UN Security Council resolution 1325</a> on women, peace and security, which concerns both the protection and the empowerment of women, is a key component of Norway's peace efforts.

Assistance for demining operations, reconstruction of infrastructure and restoration of institutions that can consolidate peace and security and promote democracy and development are often integral elements of Norway's efforts in conflict areas. Norway has also drawn attention to the needs of the victims of conflicts, emphasising that it is not enough just to provide health care and medical rehabilitation, but that it is also important to promote social, economic and political inclusion. Broad efforts have helped to foster peace and security in many areas, from

Lebanon to the Balkans, Cambodia, the Israeli-Palestinian conflict and Sri Lanka.

### Norway's contributions to peace and conflict resolution

Norway's efforts to promote peace and reconciliation reflect a broad-based engagement, in both geographical and thematic terms. The tools used are numerous, including facilitating negotiations and dialogue processes, humanitarian assistance, promoting human rights, democracy measures, development cooperation, research, and contributions to peace operations headed by the UN, NATO and the EU.

### Collaboration with other actors

As a rule, Norway engages in conflict resolution in close collaboration with other actors, especially the UN. For Norway, the UN is the primary forum for international security issues. Norway has also attached importance to developing strategic partnerships with other international and Norwegian organisations and research institutions, and to focusing international attention on protracted conflicts. Norway seldom acts alone, and the success of our efforts has largely depended on our ability to influence others and take responsibility jointly with others.

For historical, geographical and economic reasons, Norway has often had no explicit vested interests in the areas in which violent conflicts have arisen. Over the years, Norway has built up networks and collaborative relationships with a number of key actors in various regions, and has gained experience and won recognition as a successful conflict resolution facilitator.

## Clear differentiation between military efforts and development assistance

Norway's policy is to draw a clear distinction between military activities and civilian development efforts, so that the civilian population does not perceive development assistance as a part of military operations – which is of course difficult in a conflict situation – and to ensure the technical quality and sustainability of the assistance provided. It is the Government's view that Norway has been more successful in this respect than many other countries.

Peace operations are defined as organised efforts to restore and/or maintain peace after conflict in or between states and to pave the way for stability and development. The scope of the mandate varies from one operation to another. NATO has traditionally had a relatively narrow military focus. The UN normally adopts a broader, more integrated approach, which includes supporting peace processes, providing humanitarian efforts and facilitating development.

Norway's engagement must be grounded in the UN Charter and have a clearly defined UN mandate. The Government gives priority to participation in international operations that are led by the UN. The UN is the only international body that can legitimise the use of force.

In 2011, Norway provided military personnel and/or police and/or other civilian personnel for operations under the UN/NATO in Afghanistan, under NATO in Bosnia-Herzegovina, Libya and the Bay of Aden (from September to December 2011), under the UN in the Middle East, Haiti, DR Congo, Liberia and Sudan, under EU leadership in Afghanistan, in the Multinational Force of Observers (MFO) in Egypt, and in the independent Norwegian-led Temporary International Presence in Hebron (TIPH) on the West Bank. In Kosovo, Norway is participating in operations under the auspices of NATO, the UN and the EU.

Afghanistan represents a new trend in the use of military personnel in international operations, in the sense that the personnel have increasingly been assigned a training and advisory function. This is one of the main components of NATO's strategy for transferring responsibility to the host country authorities and for winding up the operation. In UN and EU contexts, the corresponding use of police personnel is standard procedure.

### Efforts to increase regional engagement in peace operations

Norway also supports the efforts of regional and sub-regional organisations to contribute effectively to and carry out peace operations in their neighbouring areas. Local ownership is considered to improve the prospects of lasting peace. Norway's support for the African Union's establishment of an African stand-by force is our most important contribution in this connection. In addition to providing support for the African Union at central level, Norway also contributes to police and

maritime capacity-building in the East African Stand-by Force. Part of this support is channelled through the Training for Peace capacitybuilding programme.

### Integrated approach to conflict resolution and conflict management

As part of its integrated approach to conflict management, Norway is engaged in a range of other measures that are more or less directly associated with peace operations. The Ministry of Justice assists countries in developing legislation and legal systems, and in post-conflict judicial processes. The Ministry of Defence has established a system to help ensure that a country's military forces are brought under the control of legitimate civilian authorities. Moreover, various emergency response programmes are operated by organisations such as the Norwegian Refugee Council and the Norwegian Centre for Human Rights, which make relevant civilian personnel available for peacekeeping and peacebuilding efforts.

### Sexual violence

Norway and like-minded countries have played an active role in addressing and preventing sexual violence in conflict areas, with a particular focus on protecting women and children. This can be extremely difficult in the absence of a functioning system of legal protection. The Norwegian Ministry of Foreign Affairs has established a project to strengthen efforts to combat sexual violence in DR Congo and the Great Lakes region, where such violence is particularly widespread. Norway provides transitional support for medical, psychosocial and practical follow-up of survivors, for steps to increase the legal system's capacity for dealing with cases of abuse, and for preventive measures and awareness-raising activities. Norway actively supports the implementation of UN Security Council resolution 1882 on children and armed conflict, and advocated the adoption of a resolution in the UN General Assembly on children's right to education in crisis situations.

Norway is engaged in ongoing efforts to increase the impact of the measures implemented in all the above-mentioned areas, with a particular focus on initiatives to strengthen the capacity of national authorities and international organisations to maintain peace. The aim is to reinforce a local sense of responsibility and ownership and thereby improve the prospects of achieving lasting peace.

Peace operations entail a massive international presence in countries that often have weak structures and where the civilian population is particularly vulnerable. Potential negative effects include the creation of an artificial economy, adverse environmental impacts, for instance as a result of over-use of limited water resources, corruption, disturbance or cementation of the local balance of power, monopolisation of highly trained host country personnel, sexual exploitation, abuse and prostitution. There is also a risk that local authorities will find it difficult to maintain full control, for instance because of the large number of personnel involved, particular problems, or the scope of the mandate, with the result that they do not assume the responsibility necessary for building lasting peace. Growing awareness of these challenges, both in the various organisations that head peace operations and in the participating countries, offers a hope that they will in time be addressed more effectively. In this connection, it must be emphasised that the negative effects are hardly of such a magnitude as to warrant not establishing peace operations.

The use of military force in peace operations poses moral and political dilemmas. Even in the case of peace operations mandated by the UN to protect civilians, the use of military force will usually be regarded as illegitimate by some parties and population groups in the conflict area. The possibility of military losses on both sides and of civilian losses in the conflict area can never be ruled out. Moreover, international military engagement will also give rise to a risk of increased flows of refugees and internally displaced persons, which in itself can sow the seeds of future conflicts.

### Norwegian exports of military equipment

Armed violence and conflict constitute a significant humanitarian and security risk. Norway is engaged in international efforts, through the UN and other channels, to regulate the international arms trade with a view to increasing transparency, reducing armed violence and preventing further loss of civilian life and injury to civilians. Norway manufactures and exports a substantial volume of military equipment. Some 90% of exports go to other NATO countries. No arms or ammunition are sold to areas where there is war or a threat of war,

where there is civil war, or where there is a risk of the equipment being used for internal repression, human rights violations or armed violence against a country's own population or that of another country. Before granting an export licence, the Ministry of Foreign Affairs assesses the situation in the country concerned with regard to respect for fundamental human rights, including democratic rights. Norway's annual white papers on its exports of military equipment and components are a signal to the international community of Norway's commitment to transparency and accountability in this context. It is the Government's policy to maintain and further develop a strong regulatory framework for Norwegian arms exports. The Government would also like to see a requirement for all countries to provide enduser declarations, and we are advocating that this becomes the norm in NATO. The Government will also take steps to improve marking and tracking mechanisms for Norwegian weapons and ammunition, and will work towards the development of similar systems internationally.

## Norway's contributions to global security

Civilians are at risk in situations of military conflict and in the wake of conflicts. They are also at risk in societies where institutions and security have deteriorated for other reasons. The risk entails both loss of life and failure to respect human rights. Moreover, such situations can create a favourable environment for organised gang crime and terrorist organisations that may threaten the stability of countries, entire regions and even the global community. A wide range of measures have been designed to counteract such trends and to increase civilian safety.

## Police activity

Norwegian civilian police officers have participated in international peace operations since the establishment of the UN Transition Assistance Group (UNTAG) in Namibia in 1989. At present, more than 60 Norwegian police advisers are taking part in eight different operations.

### The Norwegian Crisis Response Pool

In 2004, the Norwegian Ministry of Justice established the Norwegian Crisis Response Pool (Styrkebrønnen (in Norwegian)), which consists of judges, defence lawyers, public prosecutors, police lawyers, military prosecutors and personnel from the prison and probation services, totalling around 100 members. Participants are usually sent out in teams as part of a joint project, or as part of a larger international operation headed by the UN, the EU or the Organization for Security and Cooperation in Europe (OSCE) to assist in building democracy and the rule of law in countries emerging from war or internal conflicts, countries in transition from a totalitarian regime or countries with weak democracies. Assistance in developing independent courts and prosecuting authorities and in the use of international human rights instruments at all levels of the legal system is an important contribution to the development of the rule of law and democracy.

### Organised crime

Organised crime appears to be on the rise and is of a highly mobile, transnational nature. Operations are often well planned and carried out by closed groups and networks with substantial resources and the ability to adapt quickly to changing social conditions, legislation and countermeasures.

In many countries, organised crime also finances other forms of crime, insurgent groups and terrorism. The UN Office on Drugs and Crime (UNODC) estimates the value of the European heroin and cocaine market (excluding Turkey and Russia) at USD 46 billion in 2009.

The bulk of the heroin that is seized in Norway is produced in Afghanistan. There is a close connection between opium production and stability in Afghanistan. Measures to promote stability in Afghanistan therefore have an impact on anti-drug efforts in Norway, but by the same token Norwegian demand for Afghan opium undermines the nation-building process in Afghanistan. Any action taken by the Norwegian authorities to combat the drug market here in Norway will therefore also benefit Afghanistan.

Organised crime in other parts of the world also affects Norway. West Africa increasingly serves as a transit region for smuggling cocaine from South America to Europe. The majority of human trafficking victims who come to Norway are from Nigeria, and pirates from the Horn of Africa attack Norwegian ships. Organised criminals seem to be moving their activities to developing countries where poverty, a weak justice sector and weak governance make it easier for them to operate. West Africa appears to be a region where this type of activity is on the rise. Assistance for measures to strengthen the justice sector in developing countries will increase their ability to deal with these challenges, thereby benefiting all parties.

In the past few years, Norway has provided more than NOK 40 million a year through UNODC to help developing countries to tackle organised crime. In addition, development assistance funds have been provided to strengthen good governance and the financial sector. In combination, this assistance provides a basis for dialogue with the authorities in countries where Norway sees a potential for improving efforts to combat international crime. At UN level, the Convention on Transnational Organised Crime, which was adopted in 2000, is a key tool in the fight against organised international crime based in developing countries.

### Human trafficking

Human trafficking tends to arise where there are opportunities for economic gain from exploiting people for work or various services. It constitutes a violation of fundamental human rights, including Article 4 of the European Convention on Human Rights, which prohibits slavery and forced labour. Combating human trafficking is a shared, global responsibility. The primary global instrument against human trafficking is the Palermo protocol on trafficking under the UN Convention against Transnational Organised Crime. In Norway's view, efforts to combat human trafficking will be strengthened by the introduction of a global monitoring mechanism to assist countries in implementing this protocol, and thus making accession to the protocol a more binding commitment.

In a regional context, the Council of Europe Convention on Action against Trafficking in Human Beings, adopted in 2005, is a key instrument. The Council of Europe's Group of Experts on Action against Trafficking in Human Beings (GRETA) is tasked with monitoring states parties' implementation of the Convention. Norway helped to ensure that GRETA is composed of independent experts.

Norway will continue its efforts to support GRETA, with a particular focus on ensuring adequate funding.

The International Labour Organization (ILO) has long been a driving force in the fight against human trafficking and forced labour. The UN and other organisations see a clear need to combat human trafficking and other organised crime, among other things by focusing on investigations of international financial flows. Norway supports this work.

Norway regularly conducts dialogue meetings with various countries with a view to promoting respect for human rights. States' treatment of both the victims and the perpetrators of human trafficking raises key human rights issues, and the agenda of these meetings has therefore included the topic of human trafficking.

### Overall assessment

On the basis of its financial and personnel contributions to internationally sanctioned peacekeeping and humanitarian interventions, Norway is ranked in fourth place in the security component of the Commitment to Development Index (CDI).

Norway's military contributions to peacekeeping efforts, which have often taken place in developing countries, appear to have had substantial regional importance in terms of reducing the risk of conflicts spreading to neighbouring countries and beyond.

Norwegian police and law experts are in demand by international organisations to assist in building and consolidating the rule of law in many countries. This expertise also helps to combat international crime, including human trafficking, which is often based in developing countries with weak governance. Norway plays an active part in the UN and regional bodies in developing standards for combating transnational crime, and provides assistance in implementing these standards.

In some cases, Norway's liaison efforts in conflict resolution have helped to achieve lasting solutions. In other cases, conflicts have flared up again, despite temporary progress. In Norway, as in many other countries, there is political disagreement as to whether military efforts in certain countries and regions have contributed, and are contributing, to greater national, regional and global security. However, it is the Government's opinion that the overall impact of Norway's efforts on security and peace in the world has been positive.

## 5 Global health

Communicable diseases and malnutrition are the two greatest health problems in developing countries. Non-communicable diseases pose a particular challenge to rich countries, but are also a growing problem in poor countries. Higher infection rates and pandemics due to globalisation and migration are among the factors that have increased awareness of and the focus on health as a global public good.

Norway's policy, at both national and international level, is grounded in the principle of the right to health. Prerequisites for good health include access to nutritious food, clean drinking water, adequate sanitation, effective, reasonably priced medicines and treatment by competent health workers. A geographical and administrative approach that takes account of the rights of women and children and ensures their participation is also important, as are global and national policies that actively address the needs of marginalised and vulnerable groups.

This is a large agenda, and the global community has assumed a shared responsibility, among other things by agreeing on the UN Millennium Development Goals (MDGs). Three out of the eight goals, to which Norway is strongly committed, concern health. This shared responsibility was further reinforced and expanded to include the private sector and civil society through the broad-based support for the *Global Strategy for Women's and Children's Health*, launched by the UN Secretary-General in September 2010.

Global health is promoted not only through development cooperation, but also through international health cooperation, political mobilisation and the inclusion of health issues in foreign policy. Nation states cannot ensure good public health and meet every health challenge on their own. Concerted efforts are required in order, for instance, to ensure emergency response systems and access to effective medicines when dangerous diseases break out, and to coordinate activities as effectively as possible.

The World Health Organization (WHO) is responsible for coordination at the global level, and spearheads efforts on international health norms and standards. Norway's work under WHO is delegated to the Ministry of Health and Care Services, and is carried out in close collaboration with the Ministry of Foreign Affairs. This is reflected in the ministries' joint strategy for Norway's term of office as a member of WHO's Executive Board for the period 2010–13.

The lessons learned from global health efforts over the past few decades show that the ability and will to try new forms of cooperation is a key factor for achieving good results. Global health is one of the areas that have seen the most innovation in the past decade. For example, we have seen widespread mobilisation and engagement of non-governmental actors who have taken on greater responsibility in this field, and considerable use of non-aid funding.

Several priority areas have been identified, particularly at the interface between national and international policy-making. The following sections contain examples of how coordination challenges are being resolved in some of these priority areas.

## The global health workforce crisis

National health systems where the authorities take a coherent approach focusing on public health and primary health services are essential to sustainable development.

The world is facing a significant shortage of health workers, and several countries have difficulty meeting their current and forecast health workforce needs. The problems are unquestionably greatest in developing countries. According to *World Health Report 2006*, there is a global shortage of almost 4.3 million health workers, and basic health services in many countries are not sufficient to meet the population's needs. Challenges vary depending on the geographical location and level of development. The situation has reached crisis point in many countries, and the reasons for this are many and complex. Greater understanding of the causes is creating a better basis for international cooperation on national and global solutions.

There is a mismatch between many countries' capacity to train health workers and their current or projected needs. Moreover, many countries, particularly developing countries, are unable to make effective use of the personnel they already have or who are under training. Reasons for this include inadequate planning, a lack of funding, a poor mix of expertise and skills, weak infrastructure and a

shortage of necessary equipment. The result is inefficient, ineffective health services.

At the same time, aging populations and technological advances in developed countries are creating a rising demand for health services and health workers. This is one of the reasons for the increase in health workforce migration, both within and between countries. The active recruitment by developed countries of health workers from developing countries is further undermining these countries' health systems. Yet the right to seek employment in other countries must be respected.

## National policy on health personnel recruitment

The Government does not wish skilled health workers to be recruited to Norway at the expense of poor countries' ability to meet their health care needs, and at present there is no health workforce crisis in Norway. Projections of supply and demand show that, given the current training capacity, Norway could have a surplus of highly qualified health workers in 2020, while there may be a shortage of health workers with lower-level qualifications.

### An active advocate of international guidelines

Through its membership of WHO's Executive Board, and in line with its WHO strategy for the period 2010–13, Norway has promoted international cooperation on addressing the global health workforce crisis and has played an active role for several years in the development of international guidelines for ethical recruitment of health workers. The WHO <u>Global Code of Practice on the International Recruitment of Health Personnel</u> was adopted at the World Health Assembly in 2010 with a view to coordinating national policies through the establishment and promotion of voluntary principles for the ethical recruitment of health workers. These guidelines provide an internationally agreed basis for finding a balance between the rights and obligations of source and destination countries, and for safeguarding the interests of health workers who wish to move to a new location. Since these are guiding principles, it is up to each member state to determine how they are to be implemented.

Norway intends to introduce the Code in its health and care services. At the global level, however, it will be some time before it becomes apparent whether the Code will be widely implemented or whether it will primarily have a normative effect. Nevertheless, it is evident that the process of introducing the Code has already had a positive effect by increasing understanding of the scope of the global health workforce crisis and the need for international cooperation and concrete national efforts.

Several other countries have also initiated processes with a view to implementing the Code. There is considerable uncertainty as regards the willingness and ability of developing countries to implement the Code. In this process, follow-up and assistance from WHO, where relevant with the support of cooperation partners, will play an important role in addition to national leadership and responsibility for implementation. Reporting under the Code will begin in 2012 and Norway will participate in this process.

#### Other measures

Norway has implemented several measures to strengthen the efforts of both WHO and other bodies to improve the availability of health workers. In 2011, Norway proposed a resolution in the World Health Assembly to this end. Until 2011, Norway held a seat on the Global Health Worker Alliance (GHWA), and Norway provides funding for the GHWA secretariat. Norway also participates in EU cooperation on meeting the health workforce challenges in Europe.

Addressing the global health workforce crisis also entails education policy considerations. Norway provides training in certain health subjects for students from developing countries. Some of these students find employment in the Norwegian health sector. The number is not large, but if it increases, adjustments may need to be made to ensure that these training programmes also benefit the students' home countries.

### Communicable diseases

## The International Health Regulations

The International Health Regulations (IHR) were revised by WHO in 2005 in the light of experience gained from new threats to global public

health. The scope of the IHR was also expanded to include all serious events of significance for public health.

Norway has implemented the International Health Regulations in regulations on the notification of and response to public health emergencies of international concern (Norway's IHR regulations). The purpose of these regulations is to prevent and reduce the spread of disease across national borders and to ensure an internationally coordinated response. Norway's IHR regulations apply to biological events, but there is also a need to include chemical and radiological events, which are included in Norway's new Public Health Act. Legislative measures such as these are important for public health in all countries, including developing countries.

The Ministry of Foreign Affairs and the Ministry of Health and Care Services collaborate on promoting Norway's positions on communicable diseases to the international community. Many poor countries will have difficulty implementing the provisions of the 2005 International Health Regulations at the national level, due to a lack of financial and personnel resources. Since it is in everyone's interest to have the best possible notification system in place, Norway is working through WHO to help every country to implement the IHR.

### Global pandemic influenza

In 2011, after four years of intergovernmental negotiations in which Norway played a bridge-building role, the World Health Assembly adopted a historic resolution establishing the Pandemic Influenza Preparedness Framework. Developing countries have emphasised that the framework meets many of their needs, in particular the need to strengthen laboratory and surveillance capacity, and access to vaccines, antiviral drugs and other supplies. The WHO programme for building production capacity in developing countries and transferring technology and knowledge is particularly important for these countries.

Norway recently participated in an expert group that evaluated WHO's response to the swine flu pandemic in 2009–10. The group found that while the IHR helped to improve preparedness, many countries lack the capacity to fulfil IHR requirements. Norway is continuing its efforts through WHO to strengthen global preparedness and ability to deal with pandemics.

### HIV and AIDS

Norway's policy on HIV is enshrined in the 2009 national HIV strategy *Acceptance and Coping*, which is the concerted effort of six Norwegian ministries, and in a 2010 memorandum on Norwegian AIDS policy. Priority is given to basic services for testing, prevention and treatment and to the rights perspective, including gender equality and access to information and services with a view to preventing infection and increasing the quality of life and chances of survival of those who are already infected.

The 2009 Norwegian memorandum <u>Norwegian drug policy in international fora</u> is also relevant to Norway's HIV policy. The position paper affirms that ensuring that anti-drugs legislation helps to reduce people's risk of HIV infection, and protecting the rights of HIV-positive persons, for example by ensuring access to care and treatment, are global objectives. These objectives are also basic elements of Norway's anti-drugs policy in such international forums as the UN Organisation on Drugs and Crime.

Acceptance and Coping is the common platform for Norway's coordination of HIV and AIDS policies. An interministerial steering group and a coordinating group at directorate level have been tasked with ensuring that the strategy is implemented. One of the strategy's eight subsidiary objectives is further development of international cooperation and efforts and follow-up of international commitments.

The Government has appointed a committee to review the provisions of the Penal Code on communicable diseases that are hazardous to public health. The committee is to present its recommendations in 2012, and will consider such questions as whether it is appropriate to use the Penal Code to prosecute persons whose behaviour constitutes a risk of infection.

A national HIV and AIDS council with a broad-based composition and political leadership provides a platform for discussing key topics and challenges related to the epidemic in Norway and abroad.

In the spring of 2010, Norway submitted a report on its implementation of the UN Declaration of Commitment on HIV/AIDS, which is monitored through the Joint United Nations Programme on HIV/AIDS (UNAIDS). The report contains a description of the HIV situation and

HIV prevention strategies and measures in Norway in the period 2007–09. All Member States have undertaken to submit similar national reports as a basis for monitoring and assessing their implementation of the Declaration. In 2011, as part of the commemoration of 30 years of HIV/AIDS prevention, the UN adopted a new declaration, one of the goals of which is to ensure treatment for 15 million people infected with HIV by 2015.

### The MDGs for health

Substantial efforts are being made to achieve the MDGs for health with focus on women and children in poor countries. The Norwegian Prime Minister is strongly committed to this work. Support is primarily provided through global funds like the GAVI Alliance and the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM), as well as through various partnerships. The focus is on results and innovation. As already mentioned, Norway also provides funding for UNITAIDS's procurement of medicines for HIV/AIDS, malaria and tuberculosis.

### Non-communicable diseases

In the past, the greatest global health problems have been related to the spread of communicable diseases. Today, chronic diseases have taken over as the primary threat in many countries, due to increased longevity and the greater number of elderly persons. Use of tobacco, harmful alcohol consumption, unhealthy diets, lack of physical activity, overweight and obesity are also important risk factors for chronic disease.

Norway's national policy for the prevention of non-communicable diseases is governed by its public health policy, where Norway has adopted – and will continue to pursue – a broad-based approach combining a variety of structural, population-oriented and individual-oriented measures. This has enabled Norway to produce good results, in an international context, in terms of prevention.

#### Tobacco

Under the WHO Framework Convention on Tobacco Control, Norway is committed to working to reduce the use of tobacco. Through the EEA Agreement, Norway is bound by two EU directives on tobacco.

There are also two EU Council recommendations urging Member States to exceed the minimum requirements imposed by the directives. The EU is an independent party to the WHO Framework Convention on Tobacco Control. In addition, Article 24 of the UN Convention on the Rights of the Child recognises the right of children to "the enjoyment of the highest attainable standard of health", which is particularly relevant in the context of children and passive smoking.

In the past few years, trade issues have arisen relating to tobacco and the interests of developing countries, particularly in the World Trade Organization. A conflict of interests has developed in that a number of developing countries derive a large share of their export revenues from the production of raw tobacco or tobacco products, and measures to limit tobacco consumption are likely to affect their revenues in the long term. The tobacco industry is a major force behind many trade initiatives by developing countries, and it is obviously in the interest of this industry to emphasise the development policy dimension rather than the health impacts. However, the interests of developing countries are divided, since the populations of many these countries are major consumers of tobacco and suffer from the associated health effects. Efforts are being made to protect the interests of these countries, for example in the further development of the WHO Framework Convention, to which the vast majority (173) of the countries of the world are now parties.

The conflict between the economic interests of tobacco-producing countries and the standard of living of their populations on the one hand, and the global costs of tobacco-related damage and steps to mitigate these effects on the other, poses a dilemma. In the Government's view, the two-pronged strategy of working actively through WHO and in other contexts to limit tobacco consumption, in tandem with making active use of development cooperation to encourage farmers to convert to other products in countries such as Malawi, is a good approach. In the poorest countries, the question of alternative production is a crucial issue and could help to counter any objections that may be raised. The Norwegian Foreign Ministry engages in an ongoing dialogue with relevant ministries in developing countries when such issues arise.

### Nutrition and safe drinking water

While communicable diseases and malnutrition still constitute the greatest burden of disease in the poorest countries, overweight, obesity and chronic diseases are becoming increasingly widespread. Nutrition is an important focus area in Norway's efforts to reduce poverty and achieve the MDGs, and is a key component in such priority areas as improving child health and combating communicable diseases like HIV/AIDS and tuberculosis.

Norway is engaged in international work on nutrition in both WHO and the UN Standing Committee on Nutrition (UNSCN). The goal of UNSCN is a "world free from hunger and malnutrition, where there are no longer impediments to human development". In other words, UNSCN seeks to strengthen and increase the scope of efforts to end malnutrition.

The <u>Codex Alimentarius Commission</u> (CAC) is a joint body created by WHO and the UN Food and Agriculture Organization (FAO) to develop international food standards to promote health and fair trade practices. The CAC also plays a role in the field of nutrition, particularly through its efforts to introduce standards for food labelling and special foods such as breast-milk substitutes. <u>The Norwegian Food Safety Authority</u> is the Norwegian contact point for the CAC.

Access to safe drinking water is a human right and a crucial factor in people's day-to-day lives. This is also a target under UN Millennium Development Goal 7. Norway is chair of the Bureau of the UN Economic Commission for Europe/WHO Regional Office for Europe's Protocol on Water and Health for the period 2010–13. The main aim of the Protocol is to protect health by improving water management, including protection of ecosystems and reduction of water-related diseases. The Norwegian Ministries of Health and Care Services, the Environment, Local Government and Regional Development, Agriculture and Food, Transport and Communications, and the Ministry of Fisheries and Coastal Affairs work closely together to boost support for the Protocol.

#### Overall assessment

Norway helps to improve global public health through its activities in global forums such as the UN system, where WHO is the most central arena, in regional forums such as the EU, in High North cooperation forums, and through bilateral development cooperation.

Norway's health policy harmonises well with global goals such as the MDGs for health.

Norway is engaged in efforts to resolve the global health workforce crisis in poor countries, and is a driving force in promoting the WHO *Global Code of Practice on the International Recruitment of Health Personnel*. Norway intends to implement these guiding principles, and thus will not actively recruit health workers from developing countries. However, no new obstacles will be placed in the path of qualified personnel who wish to apply for work in Norway on their own initiative.

In the context of development cooperation, considerable efforts are being made by several ministries and the Office of the Prime Minister to contribute to the achievement of the MDGs for health and to the development-oriented global health funds.

Norway is pursuing a two-pronged global strategy to combat the adverse effects of tobacco, which combines active international efforts to limit tobacco use with the use of development cooperation to promote conversion to other types of crops in tobacco-producing countries.

At present, Norwegian health policy seem to pose no specific challenges in an international context. At the same time, the global health problems are significant, and Norway wishes to have sufficient emergency preparedness capacity to deal with pandemics and other health-related problems that may arise.

# 6 Human rights and gender equality

The International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, ILO's eight core conventions and the European Convention on Human Rights are binding on states that have ratified them. Norway regards civil and political rights and economic, social and cultural rights alike as inviolable. At the same time, these rights are public goods that are vital drivers of development by virtue of their contribution to social pluralism and diversified economic activity. Equality for women in general and women's role as actors in and contributors to working life, politics and social life are also a primary driver of development. Gender equality has been a key factor in Norway's growing prosperity since the 1970s, and the Norwegian gender equality model arouses interest, in developing countries as well. This is a positive side effect that is emphasised internationally in the context of development.

Norway attaches particular importance to its human rights dialogues with China, Indonesia and Vietnam. Special priority areas include the abolition of capital punishment, torture and discrimination on the basis of gender, ethnicity or sexual orientation, and the promotion of freedom of expression, freedom of religion or belief, the rule of law and economic, social and cultural rights. Workers' rights and labour standards are also an important topic. Some of Norway's dialogue with China on this issue takes place in a working group comprising representatives of the authorities and the social partners from both countries.

Priority groups in Norwegian human rights policy are human rights advocates, children, women, sexual minorities, indigenous peoples and other minorities. Norway is an active advocate of human rights in the UN's numerous agencies, including the UN Human Rights Council, of which Norway is a member, and in the ILO. Norway takes active part in examinations of UN member states' compliance with the UN human rights instruments.

Norway's image as a small country with a major humanitarian commitment is challenged from time to time. For example, it has been alleged that Norway's stricter asylum policy in recent years does not adequately take into account the human rights of some asylum-seekers whose applications are rejected. In the Government's view, however, Norway's asylum policy is formulated and practised in such a way as to protect and strengthen the institution of asylum and ensure that those in need of protection receive it.

Critics of Norway's human rights policy have also claimed that Norway is more cautious in its criticism of human rights violations in countries that it is allied to, or has strong economic ties with, than in the case with human rights violations in developing countries, where relations are based on Norwegian development cooperation. The Government's view is that Norway's commitment to human rights is a matter of principle, and has no connection with other interests. The way in which human rights work is carried out naturally varies from one country to another, depending on what approach will best advance human rights in the country concerned.

The Government is also engaged in an ongoing dialogue with the private sector on companies' responsibility for safeguarding human rights in their own and associated operations. Companies are urged to notify the Norwegian authorities of any human rights violations that may occur in their host countries.

## **Human rights**

Through its membership of the <u>UN Human Rights Council</u>, Norway seeks to strengthen the interplay between development policy and human rights policy. Our strategy of actively promoting human rights in our cooperation with developing countries is helping to strengthen these countries' ability to fulfil their obligations to their people and to the international community.

Norway has been a member of the UN Human Rights Council since 2009, and during this time has promoted a number of issues of relevance for human rights in poor countries. For example, Norway has made recommendations on human rights issues that have come to light in the Council's regular country reviews, and has helped to support follow-up activities in various ways. Norway has also played a key role in efforts to promote economic, social and cultural rights. In 2010, a broad consensus was successfully reached on a resolution on the right

to water, which is a controversial issue. In 2010, Norway also provided political and financial support for the work of the UN Independent Expert on human rights and extreme poverty. Norway's support for the realisation of the right to food should also be highlighted as a contribution to achieving Millennium Development Goal 1 on the reduction of extreme poverty and hunger. Moreover, Norway has played, and continues to play, a leading role in defending the rights of indigenous peoples world-wide. The Norwegian Government has also been an active advocate for the rights of lesbian, gay, bisexual and transgender (LGBT) people.

There is growing recognition of the important role played by the private sector in the field of human rights. Based in part on the white paper *Corporate Social Responsibility in a Global Economy* (Report No. 10 (2008–2009) to the Storting), the Government has pursued an active dialogue with business and industry on strengthening its corporate social responsibility. In 2010, in the UN Human Rights Council, Norway was responsible for and actively followed up the work of the Special Representative of the Secretary-General on human rights and transnational corporations and other business enterprises.

## Gender equality

The lack of equality between women and men, and between girls and boys, is a serious global problem. Women and children, and in particular girls and people with disabilities, are the most marginalised groups worldwide, according to the UN's latest report on the status of the Millennium Development Goals. The lack of equality, equal rights and equal opportunities for both sexes adds to the challenges of reducing poverty and raising global living standards.

Every day, a great many women and girls all over the world face discrimination and oppression. As a result, there are significant disparities between the sexes with respect to access to the world's economic and social goods, as has been highlighted in various international reports by the UN, the World Bank, the IMF, the Council of Europe, the EU and other international actors.

One of the keys to reducing poverty lies in mobilising the half of the world's population consisting of women and girls so that they can participate in society on the same footing as men and boys. This calls for a change in power and social structures that maintain the differential treatment of men and women, girls and boys. At the same time, change is also contingent on raising awareness of the underlying attitudes and actions that lead to oppression of and discrimination against women. If the old, outdated ways of organising society are to be changed, men and boys must also be involved in the promotion of gender equality.

Norway promotes women's rights, including equality between women and men and between girls and boys, and non-discrimination on the basis of gender, ethnicity, disability or sexual orientation, both in its direct cooperation with individual countries and through international organisations. Women's economic empowerment is a priority in Norway's work in such organisations as the ILO and UN Women. Gender equality is promoted in the interface between foreign policy and development policy, and as an integral dimension of our human rights policy. An explicit gender equality perspective in Norway's dialogue with its development cooperation partners and in key international arenas for dialogue and cooperation helps to keep this issue on the political agenda and is a means of supporting agents of change in civil society. Norway seeks to engage in close dialogue with gender equality mechanisms at official level, as well as with women's organisations and other civil society organisations and actors, so as to ensure that Norway's work does not undermine the efforts of local stakeholders to bring about change from within.

Norway is a strong supporter of the UN's gender equality efforts, and has been at the forefront of efforts to follow up the recommendations of the High-level Panel on UN reform (2006) and to establish a single, new gender equality unit. These advocacy efforts were crowned with success in the summer of 2010, when the UN General Assembly adopted the resolution creating UN Women. In its capacity as a major donor, Norway was elected as a member of the Executive Board and will use this position to follow the work of UN Women closely. Norway is engaged in proactive efforts to include girls and women with disabilities in the work of UN Women.

For many years, Norway has been a leading supporter of the United Nations Development Fund for Women (UNIFEM), which is now part of <u>UN Women</u>, and of the thematic UN funds to eliminate gender-based violence and female genital mutilation. In 2011 the Norwegian Minister of Justice was a member of the UN Secretary-General's network of men leaders to end violence against women. Norway is a strong advocate of women's rights in the UN Human Rights Council, and in the summer of 2010 succeeded in winning support for the creation of a new mechanism under the UN High Commissioner for Human Rights to promote non-discriminatory legislation at country level.

Norway has been an international advocate for the rights of vulnerable groups such as LGBTs, people with disabilities and indigenous peoples, for the mobilisation of boys and men in efforts to enhance gender equality and combat gender-based violence, for the right to safe, legal abortions, and for recognition of the concept of sexual rights. An explicit gender perspective is necessary when dealing with sensitive issues such as these. At the same time, these issues must be promoted with insight and sensitivity so as not to defeat the purpose. An international meeting of experts on sexual and reproductive health and rights and gender equality, which was held in Oslo in the autumn of 2009 in cooperation with the other Nordic countries, culminated in a good set of recommendations. These were incorporated into Norway's preparations for that year's summit on the UN Millennium Development Goals (MDGs), where improving the health of women and children is a key objective.

Norway has been a driving force in the efforts to achieve MDG3 on women's empowerment and gender equality in education, politics and the economic sector. For example, the Norwegian Minister of the Environment and International Development has helped to draw attention to the Danish-initiated MDG3 <a href="Champion Torch Campaign">Champion Torch Campaign</a>, which has mobilised global leaders like ILO Director-General Somavia, WTO Director-General Lamy and former UN Secretary-General Annan in the efforts to reach this goal.

### Overall assessment

Overall, Norway's policy is based on humanitarian principles and human rights. Over the years, Norway has contributed to the global promotion of human rights at both bilateral and multilateral level (including membership of the UN Human Rights Council). Norway is engaged in dialogues with other countries on human rights issues and with the private sector on corporate social responsibility, and in extensive national and international efforts to advance women's empowerment.

It has been claimed that Norway's asylum and immigration policy is more restrictive than might be expected in a country with such a strong humanitarian commitment. This is debatable. The Government's policy is to ensure that international rules of asylum are complied with so as to strengthen the institution of asylum and ensure protection for those who need it most.

