

Meld. St. 24 (2016–2017) Report to the Storting (white paper)

Common Responsibility for Common Future

The Sustainable Development Goals and Norway's Development Policy





































Meld. St. 24 (2016–2017) Report to the Storting (white paper) English summary

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Contents

1	The Sustainable Development Goals – a concerted global effort to eradicate poverty	5
2	A challenging global situation	7
3	The SDGs and policy coherence	8
4	Development policy in light of the SDGs	9
5	Key priorities	11
6	Geographical priorities	15
7	Fostering partnerships	16
8	A longer-term perspective on humanitarian aid and greater flexibility in long-term development aid	17
9	Defending international rules and universal values	18
10	Greater focus on migration	18
11	Catalytic use of aid to mobilise more funding for development	19
12	Knowledge bank to revitalise technical cooperation	20
13	Making use of the opportunities created by digitisation	21

14	Innovative financing: results-based financing and cash transfers	21	
15	Realism, results, risks and lessons learned	22	
16	Aid management, expertise and resources	22	

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1 The Sustainable Development Goals – a concerted global effort to eradicate poverty

The international community has agreed on a new global agenda for development. The 2030 Agenda and the Sustainable Development Goals (SDGs) have set the stage for a concerted global effort to eradicate poverty, in which no one is to be left behind.

Meeting the SDGs will require a coherent approach to global, regional and national development.

Shifts in the global balance of power and in the relative economic weight of countries and regions are affecting the 2030 Agenda. Dividing the world into developing and developed countries has become less meaningful. Several of the countries previously defined as low-income countries are now middle-income countries and have become significant international actors, investors and donors in poorer countries.

The SDGs are universal and all UN member states are committed to implementing them by 2030. The new agenda represents a final break with the view of development as a process that is primarily dependent on aid.

The SDGs reflect the fact that we are all interdependent, even though we have differing starting points for achieving the goals. Global challenges and the need to safeguard global public goods call for common solutions.

Box 1.1 - The Sustainable Development Goals

- 1. End poverty in all its forms everywhere
- 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- 3. Ensure healthy lives and promote well-being for all at all ages
- 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 5. Achieve gender equality and empower all women and girls
- 6. Ensure availability and sustainable management of water and sanitation for all
- 7. Ensure access to affordable, reliable, sustainable and modern energy for all
- 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- 10. Reduce inequality within and among countries
- 11. Make cities and human settlements inclusive, safe, resilient and sustainable
- 12. Ensure sustainable consumption and production patterns
- 13. Take urgent action to combat climate change and its impacts
- 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

2 A challenging global situation

The road towards the overarching goal of a world free of poverty is not without obstacles. Although living conditions have improved for many people in recent decades, we still face major challenges in the years ahead.

The world order that has been built since the Second World War is being challenged. In some instances, we are seeing the erosion of respect for agreed international rules. Fundamental principles such as freedom of the press, freedom of expression and freedom of assembly are being threatened.

Technological developments, new means of communication and digitisation have made the world smaller. War and conflict, security issues, climate change and pandemics have consequences that extend far beyond national and regional borders. Global security challenges and the impacts of climate change, environmental degradation and unsustainable use of natural resources impede development and keep people in poverty.

Every year millions of young people in Africa and the Middle East will be ready to enter a labour market that is unable to absorb them. Unless the development process gets onto a more positive track, these demographic developments can seriously threaten the achievement of the SDGs.

Urbanisation and the fact that the majority of the world's population now live in towns and cities makes it necessary to take a new approach to development and poverty reduction. These trends also have an impact on our efforts to prevent and respond to humanitarian crises.

Globalisation and international trade have been crucial for the reduction we have seen in poverty. At the same time, not everyone has benefited from these developments. The International Monetary



Figure 2.1 The Sustainable Development Goals projected onto the UN headquarters in New York.

Photo: UN Photo/Cia Pak

Fund (IMF) has pointed out that disparities and tensions could impede further economic growth.

The international community has adopted the SDGs at the global level. Follow-up at country level requires strong political will and commitment, and the ability to deal with socio-cultural factors and conflicts of interests that could potentially hinder implementation.

3 The SDGs and policy coherence

The SDGs have broadened our understanding of what constitutes development-relevant policy. The 2030 Agenda makes it clear that the

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various policy areas must be seen in connection with one another, and shows how efforts in one part of the world can affect the situation in another.

Policy whose primary aim is to safeguard Norwegian interests at home and abroad also has consequences for other countries, either directly or indirectly, for example by affecting global public goods such as climate and global security. Development policy is interlinked with other policy areas.

Since 2010, the Ministry of Foreign Affairs has had a close dialogue with the other ministries on the impact of their policies on low-income countries. This dialogue is summarised once a year in a report to the Storting on the coherence of the Norwegian Government's policy in key areas with a view to promoting development in poor countries.

At the global level, investment and trade are more important for development in poor countries than aid is. The expectations and principles the Norwegian state has set for corporate social responsibility are therefore a key element in the debate on policy coherence.

The 2030 Agenda accentuates the need to coordinate foreign and domestic policy in order to bring about development in all countries and safeguard global public goods. With this in view, we will establish a policy coherence forum to promote development in low-income countries

4 Development policy in light of the SDGs

The SDGs reflect the fact that the framework conditions for international cooperation and aid have changed. The white paper describes how our policy on international development needs to be adjusted accordingly.

The relative importance of aid is falling as other flows of capital increase. Focus must gradually turn towards other development policy

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instruments. Our proactive role in international fora and as a bridgebuilder in conflict situations will become more important. More emphasis will be placed on efforts to maintain international legal order, and on peace and security policy, trade policy, political and economic dialogue, and technical cooperation.

We are moving away from donor-recipient relations to more equal partnerships. In many countries where we have a long history as a major contributor of aid, we are moving towards a new type of cooperation. After more than 50 years of development cooperation, there will be a gradual transition from a bilateral relationship based mainly on aid to a relationship increasingly based on common interests, trade, investment and cooperation on research, culture and multilateral issues.

Low-income and least developed countries will be prioritised. With a few exceptions, Norwegian aid is to be concentrated on countries with a high degree of vulnerability, according to criteria defined by the OECD.

There will be stronger focus on countries affected by conflict. The situation in the world today makes it necessary for Norway to direct more attention to countries and regions that are directly or indirectly affected by war or conflict. This applies in particular to the belt of countries from Mali in the west, via North Africa, the Horn of Africa, and the Middle East, to Afghanistan in the east.

Common challenges require common solutions. In a world that is increasingly integrated, we are becoming more dependent on one another. Climate and environment, global health, and peace and security are the most important global public goods in the context of our development policy. Clean oceans and transparent international financial systems are also crucial. Building alliances and engaging in diplomacy across regions, and our efforts to promote human rights and respect for international law will become increasingly important.

Aid is to be used more as a catalyst. Aid alone is by no means sufficient to finance the SDGs. We must use aid smartly to trigger larger, more significant sources of capital.

The private sector is a driver of development. A well-functioning business sector is decisive for job creation and economic growth.

5 Key priorities

In line with the 2030 Agenda, Norway will have a holistic perspective on our development efforts. However, in order to be effective, we will concentrate our bilateral aid on key thematic and geographical priorities. As a major contributor to multilateral organisations we will continue to provid support for the full spectrum of areas covered by the SDGs.

The following factors are cross-cutting issues for all Norwegian development policy and aid:

- human rights:
- women's rights and gender equality:
- climate change and environment; and
- anti-corruption.

All development efforts are to be assessed on the basis of how they affect or are affected by these cross-cutting issues. All four cross-cutting issues are raised at regular intervals and at various levels, in dialogue with partner countries, in the governing bodies of multilateral bodies, and with other partners. Norway will continue to work to ensure that these issues remain high on the international agenda.

Five thematic areas are given priority in Norwegian development policv:

- education;
- health:
- private sector development and job creation;
- climate, renewable energy and the environment; and
- humanitarian aid.

These five priority areas account for most of the aid budget. In order to ensure that our efforts have a long-term perspective and are pre-



Figure 5.1 Pupils in a school in Njewa just outside Lilongwe, Malawi, concentrating on drawings and numbers on tablets.

Photo: Eva Bratholm/Norad

dictable, we aim to continue a high level of funding for education, health and Norway's International Climate and Forest Initiative for the period leading up to 2030. Agriculture and food security fall under the priority areas 'private sector development' and 'climate'. Food security is also a key issue in our humanitarian efforts.

Education. Funding for education has been doubled under this Government. We will work to improve the quality of education, for example through the recruitment of more and better-qualified teachers and the use of new technology. We will work to ensure that children and young people in situations of crisis and conflict have access to good quality education. We will also work to ensure that the most marginalised groups of children and young people, including those with disabilities, have educational opportunities. We will intensify our



Figure 5.2 Our Fish for Development programme is designed to improve food security and promote sustainable management of fish stocks and profitable business activities.

Photo: Ken Opprann

efforts to ensure that young people have vocational training opportunities.

Health. Epidemics and pandemics are a threat to global health security and to social and economic development. We will build further on Norway's longstanding efforts to improve women's, children's and young people's health, fight the major infectious diseases and strengthen health systems in the poorest countries. Our efforts to promote access to sexual and reproductive health services, particularly in crisis and conflict situations, will be intensified. We will step up our efforts in the areas of non-communicable diseases and air pollution. Antibiotic resistance (AMR) will be an important field in the time ahead. The Coalition for Epidemic Preparedness Innovations (CEPI) is the Government's most important new initiative in the area of global health.

Private sector development and job creation. The private sector plays a key role in securing lasting development and poverty reduc-

tion. Norfund is our most important instrument for fostering private sector development and job creation. Allocations to Norfund will be increased by $50\,\%$.

Renewable energy for job creation and climate change mitigation. Renewable energy is important from both a business development perspective and a climate perspective. Access to energy is essential for business development, job creation, tax revenues, and hence economic and social development. At the same time, the energy sector is the main emitter of greenhouse gases. Through initiatives such as Oil for Development, Norway has helped to improve the management of energy resources in partner countries. This work has included cooperation on legislation, environmental issues, transparency, and transfer of knowledge and experience. Engagement in the energy sector is not only important for growth and development; it is also an effective way of promoting good governance. The Government intends to double its efforts in the field of renewable energy.

Climate and environment. Norway will continue to be at the fore-front of efforts to safeguard climate and environment, and will increase funding for climate measures to achieve the targets set out in the Paris Agreement. We are constantly striving to take a more coherent approach so that measures relating to climate and environment are integrated as far as possible into measures in the fields of health, sound natural resource management and business development. We will promote effective models for public-private cooperation so that aid can be used to trigger private sector investments in renewable energy and climate and environment measures. Climate-smart agriculture will continue to be an important field for us in the years ahead – both from a business perspective and from a climate perspective.

6 Geographical priorities

Norway will concentrate its bilateral aid on 20–25 partner countries. This principle does not apply to humanitarian aid or aid channelled through civil society and Norfund.

The Government has proposed three main categories of partner countries:

- countries for long-term development cooperation, where Norway is particularly well suited to play a role, primarily countries where Norway has a longstanding engagement in development cooperation;
- countries that are directly or indirectly affected by conflict, that
 have vast humanitarian needs, and where conflict could spread
 beyond the region. These are primarily countries in the belt extending from West Africa to Afghanistan; and
- countries where efforts to address common global challenges such as climate change, global health and global security could have a particularly large impact.

Many of our traditional partner countries have a clear aim to become independent of aid. Based on this we will develop strategies to phase out aid in line with the countries' own plans. We will place greater emphasis on transfer of knowledge and normal bilateral relations.

We have to respond to the dire situation in the belt that extends from West Africa via the Sahel, Somalia and South Sudan to Afghanistan. The situation in these countries is causing immense human suffering and impeding development and poverty reduction. Our engagement in the Sahel and the area around Lake Chad will be stepped up.

It is expected that an increasing proportion of international aid will be used to protect global public goods and to address global challenges. Efforts of this kind often have the biggest impact in middleincome countries. One example is Norway's International Climate and Forest Initiative, as middle-income countries such as Brazil and Indonesia have major rain forests. The same may apply to other common challenges, such as global health and security. Development in countries like Egypt and Tunisia is decisive for stability in the whole Maghreb region and further south on the African continent. In the Western Balkans, the poorest region of Europe, internal tensions are growing in several countries. Norway will increase its engagement in these

areas with a view to promoting stability and development.

7 Fostering partnerships

Creating new partnerships and alliances between different actors is perhaps the most important key to achieving the SDGs. The concept of partnership has been broadened by the SDGs; not least, a more prominent role has been given to the private sector and businesses. Through partnerships, a greater impact can be made than if the individual partners had acted alone, and this form of aid can therefore have a catalytic effect.

Civil society plays a central role in the implementation of Norway's development policy. We are also major contributors to the UN and the multilateral development banks. There are many examples of how civil society and business actors are already engaged in cooperation at country level. Several of these partnerships also involve multilateral organisations. We will seek to develop constructive and innovative partnerships with a broad range of actors in all the areas where Norway is engaged.



Figure 7.1 Birth registration is crucial for securing access to welfare services later in life. A cooperation project between Telenor and UNICEF in Pakistan has produced very good results.

Photo: Telenor Pakistan

8 A longer-term perspective on humanitarian aid and greater flexibility in long-term development aid

A new form of humanitarian response is needed in protracted crises. Efforts to meet immediate humanitarian needs must be considered alongside more sustainable and long-term solutions. Vulnerability must be reduced and resilience enhaced. Different instruments must be used in a coordinated manner to address the underlying causes of humanitarian need: conflict, climate change and poverty. More focus

will be placed on these issues in Norway's humanitarian efforts, in line with the Grand Bargain declaration.

Priority will be given to protecting civilians and ensuring access to the most vulnerable groups. Women are particularly vulnerable in humanitarian crisis situations. Norway will intensify its humanitarian efforts to promote reproductive health and combat gender-based violence.

9 Defending international rules and universal values

Multilateral conventions and institutions that promote democracy, human rights and the rule of law are under pressure. Norway will give priority to efforts to maintain the international legal order, which has been built up since the Second World War.

Women's reproductive health and their right to decide over their own bodies is one of the areas under pressure. Norway will continue its efforts in this area, and will shoulder its share of the responsibility to ensure that any reduction in the overall funding available for family planning, contraception and safe abortion is compensated for. Few groups are more vulnerable in wars and conflicts than religious minorities. Norway will strengthen its efforts to support religious minorities that are being discriminated against and persecuted.

10 Greater focus on migration

The movement of people within countries and between countries and continents is likely to increase. War and conflict is one of the reasons. Climate change is another. The huge population growth in Africa and

the Middle East is a challenge. It is particularly difficult for weak and fragile states to deal with a sudden influx of large numbers of people. At worst, this can lead to conflicts or humanitarian crises spreading to new areas.

In addition to the major contributions Norway makes to humanitarian efforts to protect people who have fled their homes, we will also help to strengthen the capacity of host and transit countries to deal with mass migration. This is in line with SDG 10, which includes a target on facilitating orderly, safe, regular and responsible migration. Aid provided in this context will meet the criteria for official development assistance as defined by the OECD.

11 Catalytic use of aid to mobilise more funding for development

Aid cannot prevent war, conflict or migration. Aid alone cannot create growth, secure development or eradicate poverty. And aid cannot solve the huge challenges created by demographic developments in Africa.

It is essential that developing countries mobilise their own resources to support their own development. This requires the development of better tax systems and sound and transparent management of natural resources. National authorities themselves have responsibility for this, but Norway can help to strengthen national institutions through programmes such as Oil for Development and Tax for Development.

Illicit financial flows and corruption lead to the loss of vast sums of money that could have been used for development. Combating illicit financial flows and corruption will therefore continue to be high on Norway's development policy agenda.

Aid provided through the multilateral development banks, primarily the World Bank, is catalytic by its very nature. The influence and

Common Responsibility for Common Future

expertise of these banks and their ability to mobilise efforts and resources put them in a good position to engage the private sector and trigger larger investments in development-related activities. Norway will therefore support capital increases of the multilateral development banks.

12 Knowledge bank to revitalise technical cooperation

In many countries today, there is greater demand for transfer of technology and knowledge than for aid funds. Revitalising and strengthening technical cooperation is therefore an important part of any forward-looking development policy. This is also vital for easing the transition from a relationship based on aid to more normal bilateral ties.

Technical cooperation will be systematised in a knowledge bank. Norway has a long tradition of technical assistance and institutional cooperation, particularly in the energy sector. Public institutions such as the Office of the Auditor General of Norway, the Norwegian Tax Administration, and Statistics Norway have been engaged in development cooperation for a number of years. Programmes like Oil for Development, Fish for Development and Tax for Development are in great demand in many countries. A similar programme, based on this model, is now being developed for gender equality. The knowledge bank will also promote technical cooperation between countries in the South. The knowledge bank will be based in Norad (the Norwegian Agency for Development Cooperation).

13 Making use of the opportunities created by digitisation

The digital revolution is increasing access to information and services in all areas of society, and is creating new opportunities for social development and economic growth. Digital capacity building is therefore essential and should be seen as an integral part of all development efforts. We will promote the use of digital technology and new means of communication both in long-term development cooperation and in humanitarian crises.

14 Innovative financing: results-based financing and cash transfers

Norway will continue to look for innovative ways of providing aid. Results-based financing, where a contract is entered into and funding is not transferred until the terms of the contract have been fulfilled, is a key tool in this respect. Norway has successfully tried out this approach in the field of global health, in particular maternal and child health, and in the International Climate and Forest Initiative.

Cash transfers have proved to be a useful tool both in humanitarian situations and in situations where it would otherwise be difficult to reach those in need. We will increase the use of cash transfers.

15 Realism, results, risks and lessons learned

Development depends on a complex and comprehensive set of factors. It is therefore important to set realistic goals for what we can expect Norwegian aid to achieve in a given context and with the resources available.

Norwegian aid efforts have traditionally focused on the poorest countries with limited institutional capacity and infrastructure. This affects the results we can expect to achieve. Increased focus on countries and regions with a high degree of vulnerability will require an even greater tolerance of risk. We will ensure that we have good systems for planning, implementation and measuring results. We will carry out thorough risk assessments, and adapt our efforts to changing circumstances as necessary. We have established an extensive set of guidelines, systems and rules to ensure good control and prevent irregularities. However, we cannot protect ourselves completely against losses or disappointing results.

We know a lot about what does and does not work. We will strive towards better and more systematic use of the experience and knowledge we have gained.

16 Aid management, expertise and resources

In order to contribute effectively to achieving the SDGs, we have to make optimal use of our resources and manage our aid funds well. Over the last few years, a comprehensive set of rules has been developed for aid management and follow-up.

We will coordinate our bilateral and multilateral efforts more closely, and we will ensure a consistent approach both at bilateral level and in multilateral fora. In line with the changing global landscape, we will promote more dialogue with actors that have not traditionally

been considered development actors.

In countries where we have a presence, we will seek to strengthen our Team Norway profile. The embassies concerned will act as a hub for Norway's overall engagement in the country. This could include the activities of Norfund, Innovation Norway and Norwegian businesses, as well as aid-funded activities in cooperation with multilateral or national partners.

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