

Annual Report

# Focus on Norwegian Development Cooperation

Statement to the Storting on Development Cooperation Policy 2002  
Report on Norwegian Development Cooperation in 2001



UTENRIKSDEPARTEMENTET

Norwegian Ministry of Foreign Affairs

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## PART 1:

# Statement to the Storting on Development Cooperation Policy 2002

The Storting, 30 April 2002



*Minister of International  
Development  
Hilde F. Johnson*

**Fifty years ago, in this chamber, NOK 10 million was allocated to the Aid Fund for Underdeveloped Countries. It was not, perhaps, a large sum, even for those days. But it was still a radical decision for a country that had just emerged from a war, and that was itself receiving assistance. The Storting's first allocation in June 1952 formed the basis for our aid to India. It was the beginning of Norway's strong commitment to assisting developing countries.**

I would like to take this opportunity to thank the many individuals and organizations, and the staff of the Norwegian Agency for Development Cooperation (NORAD), who have made it possible for Norway to demonstrate its solidarity with developing countries in such an outstanding way.

During these 50 years much progress has been made in the poor countries of the world. But the challenges are still formidable. Over 1 billion people still live in the direst poverty. Even more have been deprived of their fundamental rights. And war and violent conflicts continue to undermine the foundation for growth and welfare in many countries.

This past year has also been a difficult one for many developing countries. Economic growth has been weak, weaker than what is needed to keep pace with population growth. The price of raw materials has fallen to an all-time low. Declining demand in the industrialized countries has contributed to this situation. The terrorist attacks on 11 September not only affected the US economy, they also shook the entire global economy. And it is the developing countries that are most vulnerable to rapid fluctuations. It is the poorest that have to pay the bill.

We all have a responsibility for supporting the developing countries in their fight against poverty.

### The Millennium Development Goals

The UN Millennium Declaration marks a milestone in international development cooperation. The world's leaders have committed themselves to principles such as human dignity, equality, and justice. Not only states, but also key global actors such as the World Bank and the International Monetary Fund, have committed themselves to following up the Millennium Development Goals.

The Millennium Development Goals can be verified: the proportion of those living in absolute poverty and hunger is to be halved by 2015. The number of

women who die during pregnancy and in childbirth is to be reduced. The number of children who die before the age of five is to be reduced by two-thirds, the spread of HIV/AIDS is to be reversed and every child, whether boy or girl, is to be able to complete primary school.

The Millennium Development Goals have one thing in common: they reveal the many faces of poverty – they describe the daily lives of over a billion people. They focus on the individual. This must have consequences for the way we deal with development issues.

### Financing for development

The Millennium Development Goals can only be achieved if we intensify our efforts in a number of fields, through foreign investment, trade, debt relief and development cooperation. And of course, above all, if the developing countries themselves improve their policies.

The discussions in Monterrey, Mexico, in March showed that the rich countries have now understood that contributing to the fight against poverty will also contribute to global security. The promises of an increase in development assistance of about 20-25 percent by 2004-06 and better market access are a sign that this is something the rich countries are willing to do.

The conference could mean a reversal of the long-standing decline in the volume of development assistance. We welcome the fact that the USA and the EU have signalled that they have concrete plans for stepping up assistance.

We know that sound development assistance gives results. According to the World Bank, a doubling of international development assistance, which today stands at USD 50 billion, is necessary to achieve the Millennium Development Goals. There is a long way to go. During the process leading up to the Monterrey conference, Norway played a proactive role in promoting a focus on the rich countries' development assistance commitments.

And we are following this up at home as well. The Government's aim is to increase the development assistance budget to 1 percent of GNI by 2005.

### Action Plan for Combating Poverty

However, development assistance alone can never lift a country out of poverty. The whole range of measures must be put in train and the countries themselves must take responsibility.

In March the Government presented its Plan of Action for Combating Poverty in the South. The plan will constitute the basis for development policy in the time to come and will guide our policy on a broad front. The overriding objective of the action plan is crystal clear. Our development cooperation policy is to be dedicated to fighting poverty so that we help to achieve the Millennium Development Goals.

### The administration of development assistance

The Millennium Development Goals are ambitious ones. They call for a concerted global effort. We will do our share, and this is why the action plan is also very ambitious. Implementing it will require a great deal of us. We must therefore make sure that we are as well equipped and as well organized as possible. We are therefore beginning a broad-based evaluation and review of our entire development assistance administration, including the Ministry of Foreign Affairs and NORAD here in Oslo and the embassies in our partner countries.

This is the first time such an evaluation has been conducted in Norway. It will be used as a basis for modernizing our development assistance administration with a view to enhancing Norway's international status as an efficient and result-oriented development actor. We already score high internationally, but without an optimal administration we will not achieve the goals we have set ourselves in the action plan. The modernization process will be carried out within the framework of the Government's programme for modernizing, decentralizing and simplifying the public sector and making it more efficient.

Now I would like to say a few words about some of the main initiatives and perspectives in the action plan.

### Framework conditions and coherence between policy areas

In the action plan we point out that there are a number

A school in Sudan. Education is one of the most important tools for fighting poverty and promoting development.

Photo: Rune Eraker



of factors that affect the economies of the developing countries and the situation of the poor in these countries. Some of them we cannot control. Others can be dealt with.

National and international framework conditions for trade in goods and services, debt and investment have a greater impact on developing countries than development assistance. We must therefore ensure that our policies in these areas actually contribute to the fight against poverty. I will get back to trade and investments. The Government is now following up the expanded debt relief plan that has been dealt with by the Storting. Norwegian policies in such fields as energy, fisheries and agriculture will be reviewed so as to make them as consistent as possible with our development policy goals.

The Government will therefore undertake a review of the various aspects of our policies in order to see how we can improve our efforts to combat poverty in developing countries. We intend to complete the review by the end of the year. On this basis we expect to achieve better coherence.

### More to the poorest countries

According to the action plan, at least 40 percent of our bilateral development assistance is to go to the least developed countries. These are the countries that need it most, since they have few prospects of attract-

ing capital from other sources in the short term. This percent age is considerably higher than the average allocated by other industrial countries to the poorest countries. This should, however, be a realistic goal for us, and should probably be further increased in due course.

We will not, of course, forget the large number of poor people in other developing countries. Here, too, our objective

is clear: our development assistance must benefit the poorest in these countries. In our partner countries, we will be focusing more strongly on the situation of particularly vulnerable groups, including the disabled and indigenous peoples.

### Development cooperation must enhance human rights

The action plan is firmly based on a rights perspective. Fundamental human rights are the overriding goal of development, and at the same time they are essential for achieving development. The rights to education and freedom of expression, for example, are human rights and must be promoted for precisely this reason. At the same time respect for these rights liberates forces that create and stimulate development. Focusing on economic growth is a necessary but far from sufficient way of lifting people out of poverty.

### Education

Education is one of the most important tools for fighting poverty and promoting development. And investment in basic education for girls and women gives the best return. This has been shown in a number of reports. Education results in the birth of fewer children, better health for the family and a higher income for women. Education promotes gender equality. Education liberates creativity and encourages the

The Salvation Army distributing medicines in rural area in Liberia. Investment in health is also investment in development.

Photo: Robert S. Elik /Frelsesarmeen



belief that one can improve one's situation, and it is a human right. It is crucial to building a viable society. This is why education is one of the key Millennium Development Goals. And this is why education is job number one for this government in development policy.

The Government will undertake to increase support for education to 15 percent of total development assistance. We will seek to ensure that there is a greater focus on education in all parts of development cooperation, including humanitarian assistance. This means that free basic education must be offered to all. At my initiative, an education strategy is currently being drawn up for attaining this goal.

This is naturally a question not only of how much money is allocated, but also of what purpose it is allocated for. We must give priority to helping people to complete their education and to improving the quality of education. Thus we must strengthen teacher training and teaching materials as well as institution- and competence-building. This should preferably be done through large-scale sector programmes administered by the authorities themselves.

Norway will be hosting a conference on education and development under the auspices of the Nordic Council of Ministers at the beginning of June. The conference will bring together the international development and education ministers of the Nordic countries for the first time. It will help to ensure optimal use of the technical and financial resources of the Nordic countries in a joint effort to improve education in poor countries.

## Health

Investment in health is also investment in development and is one of the main conditions for achieving the objectives of the action plan. Children, young people and women will be given priority.

Last December the World Health Organization presented a report showing that if the developing countries increased their spending on health by 2 percent of their GDP and if the donor countries increased their health-related development assistance to 0.1 of their GDP, this would yield an economic return of five to six times the investment in 10 to 15 years. And 8 million lives will have been saved every

year.

The link between health and development can most clearly be seen in the fight against HIV/AIDS. Three million people died of AIDS in 2001. It is estimated that in those countries that are hardest hit, GDP could be reduced by over 20 percent by 2020. The Government is taking this seriously. It is therefore continuing with the heavy investment in HIV/AIDS and health. The Government will also seek to ensure that international efforts to combat the genital mutilation of women are intensified.

## Good governance

The action plan states that our bilateral cooperation is to be based on the developing countries' own poverty reduction strategies (PRSPs).

These PRSPs will form a basis for the mobilization of the country's own resources and for the prioritization of tasks between donors. But if these efforts are to succeed, this will require better governance.

The Government is therefore taking a special initiative

to promote good governance in development cooperation. This will include both improving public policies and the public administration and strengthening control functions. We are currently making a systematic survey of the situation in these countries, beginning with our main partner countries.

As regards the public administration, we are examining factors such as the need for public sector reform, financial management, measures to combat corruption and promotion of the rule of law by the strengthening of the justice sector.

As regards control, we are concentrating on state control bodies such as the office of the auditor general, political institutions such as the national assembly, and non-state actors such as political parties, the independent media, civil society organizations and local communities that would benefit from development assistance. These non-state "watchdogs" play a very important role in the efforts to strengthen governance in developing countries.

The Government gives high priority to combating corruption and will intensify the efforts that were begun three years ago in this area.

We cannot expect our partner countries to be perfect. But on the basis of this review we will discuss with the authorities of the respective countries which measures can be implemented in the public administration and for purposes of control. In consultation with other donors and development actors, we will offer concrete financial support and expertise that will build up the capacity for good governance. Here, too, coordination is the key. Our three partners in the Utstein cooperation, the Netherlands, the UK and Germany, will be important actors in these efforts.

## Political parties

Democratic development, with broad popular participation, is extremely important for promoting a greater sense of responsibility both among politicians and in the public administration. A functioning democracy plays a key role in the fight against corruption and poverty. The political parties have a central role to play here.

Some donor countries have had schemes for supporting political parties in developing countries for several

years. As part of its governance initiative, the Government will in the course of the summer establish a centre for support to democracy which will help to strengthen the organization and functioning of political parties. The Government has decided that this is a better arrangement than the previous proposal to link this with the Institute for Human Rights.

In this way Norwegian political parties will be able to contribute to democracy-building in developing countries. The parties will have to apply for funds for concrete projects. The emphasis will be on promoting multiparty systems and the holding of free elections. Training women politicians will be important. Much of the money should go to measures on which several parties are cooperating, both in Norway and in the partner countries. Priority will be given to measures in Norway's main partner countries, but projects in other partner countries should also receive some support.

In devising this scheme, the Government has drawn on British and Dutch experience, and has had consultations with representatives of the Norwegian political parties and associated organizations. The political parties will also be involved in the preparation of guidelines for the new scheme.

## Civil society

Civil society also has an important control function. The Government gives high priority to close cooperation with NGOs. Currently more assistance for development measures and humanitarian efforts is channelled through NGOs than through government-to-government assistance to our partner countries. This shows how much importance is attached to the role of these organizations, and how much responsibility they have.

We want diversity. It is often easier for Norwegian NGOs than for the Norwegian state to contribute to the development of organizations that can serve as "watchdogs" and correctives. But the organizations that provide social and other services must also recognize the necessity of coordinating their efforts in relation to the plans and priorities of the national authorities. Several of our partner countries have indicated that this is very important for their own planning and for enabling them to maintain an overview of available resources.

## Fredskorpset and young people

A number of NGOs now also cooperate within the framework of Fredskorpset, the Norwegian Volunteer Service. The new Fredskorpset supports cooperation between organizations and institutions in Norway and in developing countries and also helps with recruitment and training. During the past year Fredskorpset has got well under way and at the end of last year was active in over 50 countries.

The vision underlying Fredskorpset is the transfer of competence and mutual cooperation to promote development. Another objective is to create agents of change, both at home and abroad, and several volunteers from developing countries are currently in Norway. In this connection young people are a group that deserves to play a greater role and that should be given more opportunities to become involved.

We therefore intend to do two things:

Firstly, the Government will propose setting up a separate youth programme under the leadership of Fredskorpset in the government budget for 2003. This programme will support the many youth exchange programmes that are being run by various NGOs. The youth programme under Fredskorpset will give the young people thorough training before they travel abroad and proper follow-up when they return. We hope these young people will be bearers of the kind of values and commitment that we need to fight poverty.

Secondly, in this anniversary year I want to set up a youth panel to be our own "watchdog". The panel will consist of representatives chosen by the youth organizations themselves. It will have an opportunity to critically assess our development policy and give its views and comments on what we do. I promise to take praise and blame equally seriously.

The next government initiative in our governance efforts will be to propose giving more priority to a wide range of free media. I will return to this later.

## Private sector development

Private sector development and value creation are necessary if we are to achieve the goal of poverty

eradication. The previous Bondevik Government launched a strategy for private sector development in developing countries in 1999. As we indicated in the budget last year, we have now stepped up the efforts to implement the strategy.

I have therefore initiated a systematic review of private sector development in all our main partner countries. We will identify bottlenecks and opportunities. We will also identify areas where Norwegian actors can contribute and where they have comparative advantages. And we will examine the potential for cooperation with other international actors.

I have invited the private sector to take part in these efforts, and our cooperation has been very constructive. Country reviews are being carried out for Bangladesh, Malawi, Mozambique, Sri Lanka, Tanzania and Uganda.

Cooperation and partnership between the authorities and the private sector are important. In order to enhance this cooperation, a separate secretariat with responsibility for development issues will be established in the Norwegian Confederation of Business and Industry before the summer. The secretariat will among other things serve as a resource base for the development assistance authorities and will promote partnership between the private sector, NGOs and the authorities.

The OECD countries are in the process of untying their aid to the least developed countries, which is opening up new markets for Norwegian companies.

Since 1 January all development assistance-funded projects of any size in the least developed countries are to be notified to the OECD. In order to ensure equal conditions of competition and open international competition, the Government is seeking to achieve agreement in the OECD on common procurement procedures. In Norway's view, the tender documents should stipulate environmental and labour standards and should allow for factors such as transfers of competence and maintenance.

Trade is an important precondition for private sector development. As from 1 July all goods from the least developed countries will have duty- and quota-free access to the Norwegian market. We are now actively cooperating with Norwegian importers and other companies to identify products that satisfy our standards of quality and can therefore be sold in the

Tea harvesting in Zimbabwe. Agriculture is a crucial element of private sector development in poor countries.

Photo: Rune Eraker



Norwegian market.

Better market access is also one of the main demands being put forward by the developing countries in the new round of negotiations in the WTO. The Government is giving priority to the efforts to improve market access for goods from countries other than the least developed ones. It is important, however, to maintain the focus on the least developed countries as regards market access and technical assistance in connection with their participation in the WTO negotiations.

Agriculture is a crucial element of private sector development in poor countries. Most of the world's poor live in rural areas. In spite of this, the proportion of Norwegian and international assistance for the development of the agricultural sector has declined in

recent years.

The Government will seek to reverse this trend. An advisory group for assistance to agricultural development has been established and is to submit recommendations for concrete measures by September this year. The Government will revert to this later.

## Review of partner countries

In connection with the supplementary budget proposition the Government announced that it would come back with a review of Norway's partner countries.

The most immediate concern is our cooperation with Zimbabwe. It is important to step up the international pressure against President Mugabe and his government. The aim is to get the authorities to respect human rights and democratic rules, stop the political violence and work for national reconciliation. It has therefore been decided that Norway will join in the international sanctions against President Mugabe and his close supporters.

Cooperation with the authorities in Zimbabwe was suspended in 2001. All the suspended development cooperation agreements will now be terminated. However, development cooperation through non-governmental channels will be maintained. The aim is to promote democratic develop-

ment, enhance respect for human rights, defend freedom of information and the press, promote national reconciliation and alleviate the humanitarian crisis. In order to ensure that there are sufficient resources for such measures, the Government will not propose that Zimbabwe should be deleted from the list of other partner countries.

The Government has signalled that the situation in Zambia will be examined more closely. Even though election observers pointed out serious deficiencies in the elections in December 2001, the new president has managed in a short space of time to distance himself from the government he took over from, despite the fact that he belongs to the same political party. The new government has also sent out positive signals as regards the fight against corruption and

more active efforts to reduce poverty.

The Government now proposes that Zambia should retain its status as a main partner country. However, we must follow the situation in the country very closely to determine whether there is a basis for continuing to give Zambia high priority in our development cooperation.

State-to-state assistance to Ethiopia and Eritrea was suspended in 2000 because of the renewed hostilities between Ethiopia and Eritrea in 1999. Both because of the conflict with Eritrea and because of the internal situation in the country, which is characterized by lack of respect for democracy and human rights, the Storting decided that Ethiopia should lose its status as main partner country.

So far the peace process has gone better than many people expected. We hope the progress that has been made will eventually make it possible to restore Ethiopia's status as main partner country. This is our aim. At this point, however, it is too early to tell. A number of difficult issues have yet to be resolved in the peace process. The border demarcation issue alone, which requires the presence of UN peacekeeping forces, is not expected to be settled until 2004. Ethiopia's relations with Eritrea will also be considered in this context.

For this reason, I cannot recommend that Ethiopia's status should be upgraded to that of main partner country at the present time.

For many years Norway has had an extensive NGO presence in Mali, and we have also provided aid through multilateral organizations. Mali fulfils many of the criteria for being a main partner country, particularly in terms of its willingness to carry out reforms. It is drawing up a strategy for combating poverty, and democratic elections were held in April. We are following these developments with great interest.

The reform process in Mali is, however, still at an early stage. How the ongoing presidential election will affect the situation in the country remains to be seen. If the progress continues, we will come back to the question of whether Mali should be given main partner country status in due course. Until then I would recommend that the broad cooperation between the NGOs, the research communities and the UN system should be continued.

As regards the category other partner countries, the Government has announced that it will take a closer look at the situation in both Madagascar and Rwanda.

Norway has had close ties to Madagascar for more than an century, through both missionary work and development cooperation. If we are to intensify our development cooperation with Madagascar, the country will have to have a government that pursues democratic policies, safeguards human rights and combats corruption.

Unfortunately, Madagascar has not made much progress in this area. The presidential elections in December last year could have remedied this, but so far the outcome is unclear. The country's economy is suffering severely, and there is a growing need for humanitarian assistance from abroad. The agreement recently concluded in Dakar between the presidential candidates was a step in the right direction. The situation is currently very tense after the supreme court of the country after a new counting of the votes declared a winner.

The Government will follow the situation closely. Norway is prepared to support the people of Madagascar in this difficult situation. On this background it is difficult to make a recommendation as to whether Madagascar should be given the status of other partner country.

The situation in Rwanda continues to be difficult. The trials after the genocide in 1994 continue to be a major problem for the country. The plan is that elections will be held once the constitution is in place, sometime towards the end of 2002. The human rights situation is still very poor. The Government for these reasons does not consider that there is a basis for including Rwanda in the category other partner countries.

As regards Niger, Bhutan and Mongolia, nothing has happened that would affect the Government's decision to recommend that these countries should not be included in the category other partner countries.

In the current budget year, we do not have any main partner countries in Central America. There is no reason to change this for the time being, despite the fact that the new governments in Nicaragua and Honduras have given positive signals and show willingness to combat corruption. Several of the countries

Girls in a provisional school in Afghanistan. Afghanistan became the focus of world attention after the terrorist attacks on the USA on 11 September last year.

Photo: Håkon Lislrud/ Norwegian Church Aid



in the region are at a critical stage in the democratization process, and it may be advisable to support those that are making progress. In the light of this, the Government will consider increasing regional assistance to Central America when drawing up next year's budget.

### Peace and development

Yet another dramatic year is behind us. A number of countries have been riven by war and conflict.

Peace and development are inextricably linked. Investment in peace is investment in development and poverty reduction. Through peace-building development assistance measures, we will promote viable political and administrative structures, democracy and respect for human rights. We will contribute to security, reconciliation and the non-violent resolution of conflicts. We will seek to ensure that peace-building is integrated into national poverty-reduction strategies in

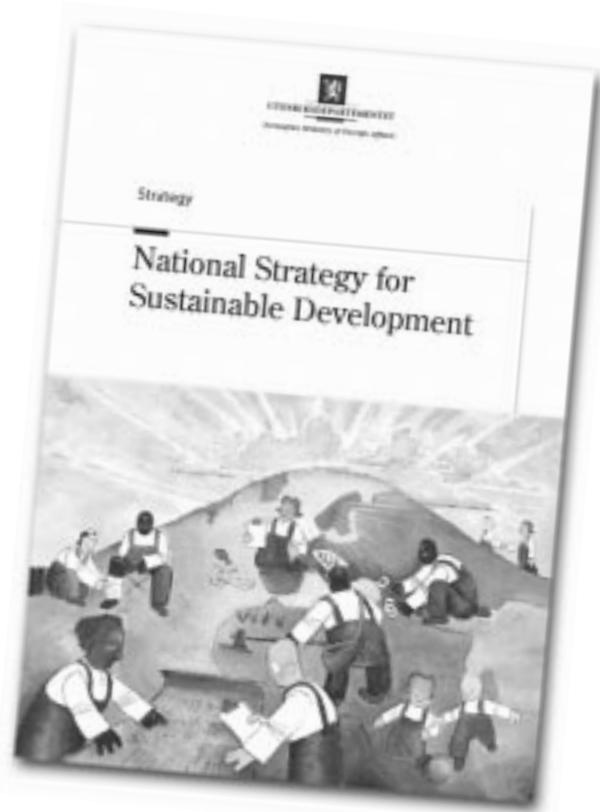
conflict areas.

The responsibility for building peace lies with the parties involved. But the international community can help by prevention and by building competence, capacity and institutions, and by supporting processes that promote conflict resolution. Development cooperation plays a key role in this respect.

We strongly support the UN's conflict-management and peace-building efforts. We will help to develop and strengthen a common international approach to peace-building under the leadership of the UN. But Norwegian support can also be channelled bilaterally or through other organizations.

Norway is still heavily committed in Sudan, the Middle East and Sri Lanka. We have also systematized our peace-building efforts in West Africa and in the Great Lakes region. Moreover, Norway holds the chairmanship of the Afghanistan Support Group this year.

Ten years have passed since the Rio Summit. A new World Summit on Sustainable Development will take place in Johannesburg in summer 2002.



The Government will revert to this matter in the budget proposal for 2003.

Norway's support for peace-building and development will be dealt with in more detail in next year's budget.

### Important international conferences

The Government's Action Plan for Combating Poverty provides a firm basis for a targeted and coherent development cooperation policy and for Norwegian participation in international forums. The Conference on Financing for Development has provided a good basis for the important summit meetings that will soon be held.

The UN held its Special Session on Children at the beginning of May. The Special Session is a milestone in international efforts to enhance children's rights and welfare. For Norway it is important that the Special Session helps to train a clear focus on children's fundamental right to health, education, development, protection and participation in processes and

decisions that affect them.

The World Summit on Sustainable Development will take place in Johannesburg, after the summer's Food Summit in Rome, where Norway will focus on the right to food.

Ten years have passed since the Rio Summit. The main message from Rio was that the world's people – both rich and poor – are inextricably linked together in a single community. But now we need action-oriented, binding results. And the UN's role in efforts to promote sustainable development must be strengthened.

Many of the world's poor are directly dependent on natural resources and ecological systems to meet their needs. It is the poorest who will suffer most from both local and global environmental changes. The consequences of climate change will be greatest for the poorest countries, which have the fewest resources for adapting to these changes. At the same time these countries have only contributed to these problems to a small degree. Norway and other rich countries therefore have a moral responsibility both for reducing their own carbon dioxide emissions and for alleviating the consequences.

When we go to Johannesburg, we will contribute to a new momentum for sustainable development. We will confirm the need for strong international institutions, in both the development and the environmental field, with clear commitments. We will continue to work for good national governance, to encourage other rich countries to be consistent in their policies for combating poverty, and to persuade these countries of the need for increasing assistance to the poorest if we are to achieve our goal.

### Conclusion

A great deal of progress has been made in the 50 years in which Norway has participated in international development cooperation. In the past 20 years alone, the world population has increased by 1.6 billion, but according to World Bank figures, there are fewer people living in absolute poverty today than there were 20 years ago – 200 million fewer to be exact. That is a good result. Nonetheless, at the beginning of a new century the international community is facing formidable challenges.

We must do what we can to promote lasting economic and democratic development. This is essential for strengthening the developing countries in their fight against poverty and for development.

Development cannot be achieved from without. Development is primarily the result of a country's own efforts, based on its own premises. There is broad international agreement on this, among both rich and poor countries. But there is also broad agreement on something else: that we in the rich part of the world also bear the bulk of the responsibility. We must be willing to cancel debt and eliminate barriers to trade. We must provide a considerable share of the financing that is needed if the poor are to have a decent life. Development is about expanding people's freedom, people's choices. Are the poor also to have an opportunity to choose a different life? Or are they always to be constrained by the straitjacket of poverty?

If there is one thing we do not lack in our part of the world, it is choices. But some choices are more important than others. We have a choice between helping to give people in poor countries freedom and choices, or not doing so. We can be part of the problem, or part of the solution. I am confident that this chamber will continue to make the right choice in this vital issue.



# Report on Norwegian Development Cooperation in 2001



## 1. Fifty years of Norwegian development aid

The year 2002 marks the fiftieth anniversary of Norwegian development cooperation. It all began in 1952 with the establishment of an Aid Fund for Underdeveloped Countries, also known as the India Fund, and Norway's cooperation with the United Nations and the Indian authorities on the development of a fishery project in Kerala province.

The Storting (the Norwegian parliament) made a bold decision when it engaged in development cooperation so soon after World War II. Norway was still receiving Marshall Aid and lacked foreign currency.

This new cooperation on development was a consequence of the establishment of the UN in 1945, and also of the internationalism of the early mid-war period. Development cooperation became an integral

part of the UN's activities from 1948 onwards and it was through the UN that the industrialized countries were to continue to provide assistance for poor regions.

### Background

The Americans were the first to contribute resources and ideas to development cooperation. The Marshall Plan had shown that aid made a difference, and this realization must have been an important source of inspiration for President Truman when, in 1949, he presented his Cooperative Programme for Aid in the Development of Economically Underdeveloped Areas. In it, he defined development aid as one of the four cornerstones of US foreign policy. This has later been referred to as the "Point Four Programme".

The Point Four Programme led to a considerable increase in activity in what, from 1952, became the

### Norwegian Development Ministers

Reidun Brusletten (Christian Democratic Party)	1983-86 (from 1984 in the Ministry of Development Cooperation)
Vesla Vetlesen (Labour Party)	1986-88
Kirsti Kolle Grøndahl (Labour Party)	1988-89
Tom Vraalsen (Centre Party)	1989-90
Grete Faremo (Labour Party)	1990-92
Kari Nordheim-Larsen (Labour Party)	1992-97
Hilde Frafjord Johnson (Christian Democratic Party)	1997-2000
Anne Kristin Sydnes (Labour Party)	2000-2001
Hilde Frafjord Johnson (Christian Democratic Party)	2001-



Norwegian development cooperation started in 1952 with support to a fishery project in Kerala province in India.

Photo: NORAD arkiv



former Ambassador Hans Engen (the Engen Committee), published in March 1961, laid the foundations for greater Norwegian involvement in the development arena and led to the establishment of the Norwegian Agency for International Development in 1962, with Trygve Lie, the first Secretary General of the UN, as Chairman of the Executive Board.

The first guidelines for Norwegian development cooperation were published at the beginning

of the 1960s. The Norwegian Volunteer Service (Fredskorpset) was established, Norway's long involvement in what was later to become Tanzania began, and arrangements were put in place for cooperation with non-governmental organizations. In 1965, the Government appointed a committee to draw up guidelines for development cooperation, headed by former cabinet minister Onarheim. On the recommendation of the Onarheim Committee, the Norwegian Agency for International Development became an independent directorate, the Norwegian Agency for Development Cooperation (NORAD), and resident representatives were appointed to Uganda, Kenya and Tanzania. During this period, total aid transfers were still very modest and they did not exceed NOK 200 million until 1969.

UN's Extended Programme of Technical Assistance (EPTA). This new perspective also led to the development of the World Bank into a lending bank for poor countries, and to the introduction of bilateral development programmes in many industrialized countries.

To find explanations of why Norway provided development aid at such an early stage and gradually became so comprehensively involved in the development arena, historians point to several factors. Few countries were more involved in humanitarian assistance than Norway and the Christian missionary concept was stronger than in most other countries. Another important reason was the growing interest in international solidarity and development aid in the Norwegian labour movement.

## The initial years

In the 1950s, in addition to the India Fund, aid was provided for the Scandinavian teaching hospital in South Korea, where many Norwegian doctors and nurses have served over the years. Norway's involvement lasted until 1968. At the multilateral level, Norway also contributed to EPTA.

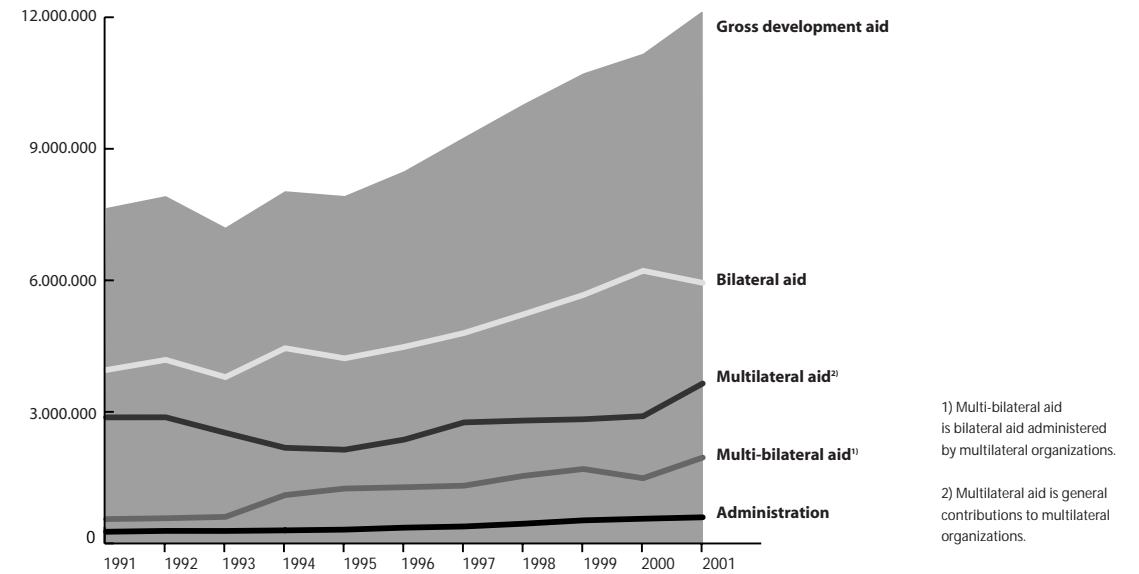
The recommendation of a government-appointed committee headed by

### Directors General of NORAD:

Rudolf K. Andresen	1968-75	(Norwegian Agency for International Development 1962-68)
Arne Arnesen	1975-82	
Borger A. Lenth	1982-84	
Nils Vogt	1984-88	
Per Ø. Grimstad	1988-96	
Tove Strand	1996-	



## 10 years of development assistance by type of aid



## Aid activities increase

The larger, more comprehensive projects gained momentum in the 1970s, when Norway provided significant amounts of technical assistance and resources for infrastructure development. The allocations for the planning of a power station at Stiegler's Gorge in Tanzania from 1973 are one example. Three years later, Norway became strongly involved in rural development programmes, providing a substantial allocation for the Hambantota region in Sri Lanka. This type of assistance was part of a long-term commitment on Norway's part and the term "main partner country" was introduced during this period. In the 1970s, development aid was also used as a foreign policy instrument, for instance to support national liberation movements. The Norwegian authorities provided their first contributions to the ANC in South Africa during this period.

In 1972, the Storting passed a resolution of principle which stated that official Norwegian development assistance was to be increased to the equivalent of one percent of GNI in the course of a five to six-year period. With higher oil prices and increased oil production, the Norwegian economy was expanding, and so was the aid budget. Half a billion Norwegian kroner in 1973 became one billion in 1976 and 2.3 billion in 1980.

In the 1980s there was a transition from individual

projects to more broad-based, integrated programmes with stronger emphasis on the social sector and direct measures to reduce poverty. Central America became a priority region and non-governmental organizations became increasingly important partners. Norway's first Minister of Development Cooperation, Reidun Brusletten (Christian Democrat), was appointed in 1983, and a separate Ministry of Development Cooperation was established the following year. In 1980, Norway's aid transfers exceeded one percent of GNI. NOK 4.7 billion was allocated for development cooperation in 1985 and NOK 7.3 billion in 1990.

## Recent years

In January 1990, the Ministry of Development Cooperation ceased to be a separate entity, while NORAD remained a separate directorate. The incorporation of the Ministry of Development Cooperation into the Ministry of Foreign Affairs was a sign that development policy was to be more strongly integrated with foreign policy. The proportion of the aid budget allocated for humanitarian assistance increased throughout the 1990s. Contributions to peace, reconciliation and democratic development became an increasingly important and visible element of Norwegian development cooperation.

In the 1990s, relatively less assistance was provided for infrastructure and projects targeting the primary industries. At the same time, the proportion of total

## Administrative matters

- 1952: The Storting allocates NOK 10 million for the establishment of an Aid Fund for Underdeveloped Countries
- 1962: The Norwegian Agency for International Development is established with its own supervisory board
- 1963: The Storting approves the establishment of Fredskorpset (the Norwegian Volunteer Service)
- 1968: The Norwegian Agency for International Development becomes the Norwegian Agency for Development Cooperation (NORAD) with its own supervisory board (from 1969)
- 1983: The first Minister of Development Cooperation is appointed
- 1984: The Ministry of Development Cooperation is established and incorporates NORAD
- 1988: NORAD becomes a separate directorate under the Ministry of Development Cooperation (under the Ministry of Foreign Affairs from 1990)
- 1990: The Ministry of Development Cooperation is closed down and its portfolio is incorporated into the Ministry of Foreign Affairs

development assistance going to Norway's main partner countries declined as large new aid allocations were transferred to countries outside the core regions for Norwegian development cooperation. The Balkans and the Palestinian Area in particular became major recipients of Norwegian aid towards the end of the 1990s. The Federal Republic of Yugoslavia (Serbia and Montenegro) has received the most bilateral assistance from Norway for several years in succession.

## Continuity

A great deal of progress has been made in the fifty years in which Norway has participated in international development cooperation. Literacy has increased and infant mortality has declined sharply. Famines are less frequent and less dramatic than they were fifty years ago. On the threshold of the new millennium, the international community is nevertheless facing serious challenges. More than one billion people need help to emerge from extreme poverty and the foundations must be laid for lasting economic growth and democratic development, which in turn will strengthen the developing countries in their efforts to reduce poverty and promote development.

When the political debate on development cooperation began in the 1950s, perspectives and analyses emerged that were very similar to the issues currently being discussed in the international development policy arena. There was strong emphasis on poverty reduction, and it was pointed out that aid was only one of several instruments that were needed to promote

economic growth and development in poor countries. We recognize the same approach in 2002. Now we wish to strengthen the focus on domestic policy in order to ensure that we do not implement measures in Norway or internationally that may hinder efforts to reduce poverty in developing countries.

In the early days of development cooperation, people did not talk about donors and recipients but about cooperation between equal nations. The asymmetry in relationships between poor and rich countries did not arise until later. Today, the concept of partnership is once again a strong foundation for countries' common efforts to meet global challenges. The UN plays an important role in this respect, both in formulating common development goals and in implementing practical development programmes.

When the UN was first established, development was regarded as being an integral part of efforts to promote stability and peace between nations. We recognize the same argument for strong involvement in development today; development and peace are among the main elements of Norway's platform as a member of the UN Security Council in 2001-2002.

To a greater extent than in many other countries, Norway's development cooperation has been based on idealistic motives. This explains much of the strong personal involvement and broad popular support that have typified the past fifty years of Norwegian development cooperation.



## 2. Goals, principles and conditions for Norwegian development cooperation

Poverty is the greatest global challenge of our time. There are still more than one billion people living in extreme poverty. As one of the richest countries in the world, Norway has a duty to take this challenge seriously. The Government has therefore prepared an action plan for poverty reduction in developing countries. This plan, entitled *War on Poverty*, was presented in March 2002.

The overarching goal of Norwegian development cooperation is to contribute to lasting improvements in economic, social and political conditions for the populations of developing countries, with special emphasis on ensuring that assistance benefits the poorest people. This means that poverty reduction is the primary objective of all Norwegian development cooperation. A major proportion of Norwegian aid is expected to go to the least developed countries and other low-income countries, and this determines the choice of priority partner countries. The goal of poverty reduction is reflected in dialogue with partner countries and determines the approach for following up poverty issues in multilateral organizations and in international processes.

Norway has adopted the international development goals formulated by the UN. The international development goals are based on the view that poverty is



Woman in slum area. Comprehensive, sustainable poverty reduction cannot be achieved without improving the situation of women in developing countries.

Photo: Håkon Listerud/ Norwegian Church Aid

more than a lack of income, and they concern many other aspects of people's life situations. The international development goals are often called the Millennium Development Goals because they were a central feature of the declaration of the UN Millennium Assembly in autumn 2000.

The Millennium Development Goals are based on the situation in 1990:

1. To halve the proportion of people living in extreme poverty in developing countries by 2015
2. Universal primary education in all countries by 2015
3. Gender equality in the form of an equal number of girls and boys in primary, secondary and upper secondary education by 2015
4. To reduce the death rates for infants and children by two thirds by 2015
5. To reduce the maternal mortality rate by at least three fourths by 2015
6. To halt the spread of HIV/AIDS, malaria and other diseases that are a threat to mankind by 2015.
7. To implement national strategies for sustainable development by 2005 so that global and national environmental degradation is reversed by 2015.
8. To build a global partnership for development, among other things by developing an open, regulated, predictable and non-discriminatory trade and financing system; to solve the debt problems of developing countries through bilateral and multilateral measures for sustainable debt relief and by giving people in developing countries access to cheap medicines in cooperation with the pharmaceutical industry.

As a member of the OECD, Norway has also committed itself to assisting the developing countries in their efforts to meet the international development goals. The OECD Development Assistance Committee (DAC) took an important step forward when it published its guidelines for member states' contributions to poverty reduction in spring 2001. These guidelines state that poverty reduction is the most important task of foreign policy.

The OECD/DAC has also adopted a checklist for policy coherence which member states are recommended to use in order to ensure that the policies they pursue in areas other than development also contribute towards poverty reduction. Norway and the other OECD member states will be expected to

According to the the Millennium Development Goals the aim is to halve the proportion of people living in extreme poverty in developing countries by 2015.

Photo: Rune Eraker



account for their contributions to poverty reduction during regular examinations of member states' development policies. In accordance with the OECD checklist, there will be focus not only on development policy but also on other aspects of donors' relations with developing countries.

Comprehensive, sustainable poverty reduction cannot be achieved without improving the situation of women in developing countries. Following the UN Conference on Women in Beijing in 1995, both the developing countries and the donor community have an obligation to integrate gender equality considerations into all relevant areas of development cooperation. The OECD/DAC guidelines support this. Norway emphasizes the importance of integrating consideration for women and gender equality into long-term development cooperation.

Improved coordination within a common framework is necessary if development assistance is to be as effective as possible. An increasing number of developing countries are preparing poverty reduction strategy papers, which are also intended to provide a framework for donors. There is a growing recognition that coordination must take place under the leadership of

the developing country concerned. Countries must be responsible for their own development.

Norwegian development cooperation is based on the principle of recipient responsibility. Every sovereign state is responsible for its own development. The principle of recipient responsibility means that it is the developing countries themselves and not the donors who should be responsible for planning, implementing and monitoring programmes and projects. At the same time, however, their capacity to assume this responsibility must be strengthened. Human resource development, capacity building and institutional development are therefore increasingly becoming an integral part of development cooperation.

Recipient responsibility does not mean that Norway, as a donor, abdicates its own responsibility. On the contrary, quality assurance at all stages and improved administrative routines have become increasingly important. This makes considerable demands on the dialogue between Norway and its partners. The principle of recipient responsibility is intended to ensure that the authorities of developing countries are given the opportunity to take responsibility for coordinating their cooperation with donors.



### 3. Strengthening the operating parameters for the development efforts of poor countries in 2001

2001 was a difficult year for many developing countries. On average, their GNI growth was less than three per cent, which is far from sufficient to keep pace with population growth.

World Bank estimates that the global decline in economic growth in 2001 was the strongest since 1974, and this low level of growth particularly affected the developing countries. This difficult situation is partly ascribable to declining demand from the industrialized countries. Developing countries that are dependent upon commodity exports were particularly hard hit, since commodity prices dropped to a historic low. Moreover, the tourist industry, which is important for many poor countries, suffered a sharp decline after the terrorist attacks in the USA on 11 September.

A concerted effort must be made to support the measures that are introduced by developing countries to achieve the international development goals. More aid is essential; it has been calculated that it will be necessary to increase development assistance by between USD 40 and 60 billion a year until 2015 if the Millennium Development Goals are to be achieved.

Improving the international operating parameters for poverty reduction is also a serious challenge. A sustainable burden of debt, investment and access to international markets are important prerequisites. The international community has committed itself to meeting these challenges, not least through its adoption of the eighth and final millennium goal of building a global partnership for development, which represents a new approach to cooperation between North and South.

However, it is primarily the responsibility of the developing countries themselves to implement a targeted poverty reduction policy. Good governance and a development-oriented economic policy with a social profile that will facilitate economic growth are essential. Only in this way will they be able to attract direct foreign investments and make use of the technology and know-how consequent upon such investments.

Success in the war on poverty is also dependent upon peace and stability. Norway therefore contributes to peace and reconciliation efforts in countries that are affected by conflict, and to reconstruction after humanitarian disasters. In other words, both national and international factors

influence the operating parameters for developing countries' efforts to combat poverty. In the following sections, we will look more closely at some of these factors and how they have affected the situation in the past year.

#### Debt

The development process requires substantial investment and it is natural for developing countries to have a certain amount of debt. However, unsustainable debt burdens have become a serious problem. The goal of the Heavily Indebted Poor Countries (HIPC) Initiative, formulated within the framework of the World Bank and the IMF, is to reduce the indebtedness of the poorest countries to a sustainable level. This initiative is expected to provide debt relief totalling USD 55 billion. So far, twenty-six countries have qualified for debt relief under the HIPC Initiative and negotiations on the debts of four of these countries (Bolivia, Mozambique, Tanzania and Uganda) have been completed.

There is broad agreement that debt relief alone will not generate development and that unconditional debt relief will not lead to the desired results. If debt relief is to benefit the poorest part of the population in particular, the debtor country must pursue a policy that does not lead it back into the quagmire of debt that it is being helped out of, and must ensure that the freed-up funds are spent on development. Consequently, HIPC countries must present a coherent Poverty Reduction Strategy Paper (PRSP) before debt relief is provided.

The HIPC Initiative is facing several challenges. Efforts must be made to ensure that poor countries achieve a manageable debt situation by means other than their participation in the HIPC scheme. Consequently, it is necessary to consider whether external factors should justify a further increase in debt relief. Moreover, the financing of the multilateral creditors' participation in the HIPC Initiative is an unsolved problem. Substantial new contributions from bilateral donors will be required if the capacity of these institutions to provide assistance for the poorest countries is not to be reduced as a result of debt relief. The Norwegian authorities are making active efforts to establish a process that will solve this problem and hope to achieve clarification in the course of 2002. In 2001, Norway contributed USD 18 million to the HIPC Trust Fund, which "refunds" parts of the debt relief provided by the multilateral institutions. Norway's contributions to the fund so far total USD 80 million.

Bilateral debt relief for HIPC countries is a central

element of the Norwegian Debt Relief Strategy, which was expanded in 2001 to cover countries emerging from armed conflicts and middle-income countries with a large burden of debt and a high level of poverty. Debt relief is granted in addition to the ordinary development assistance provided by Norway. Norway has been internationally acclaimed for this strategy, which has contributed towards Norway's leading position in international debt relief in recent years.

Eighteen developing countries are indebted to Norway, with debts totalling approximately NOK 4 billion. Most of them are, or may be, included in the HIPC Initiative. The countries that qualify for HIPC treatment have all their debts to Norway cancelled. Seven of the twelve HIPC countries on which Norway has outstanding claims will therefore have their debts written off within the next few years. In the remaining five countries, armed conflicts are in progress and these countries will not qualify for HIPC treatment until peace has been established.

In 2001, two post-conflict countries, Sierra Leone and the Federal Republic of Yugoslavia (which are not included in the HIPC Initiative) were granted debt relief through the Paris Club, which coordinates most bilateral debt relief. The Norwegian authorities have initiated a debate in the Paris Club concerning how debt relief may be provided for post-conflict countries in the most appropriate manner. For middle-income countries, efforts will be made to implement Norwegian debt relief by means of debt swap agreements, whereby debt is cancelled provided that the country allocates resources for development purposes. Norway seeks to persuade other creditors to do the same because multilaterally coordinated debt swap agreements can often be more effective than purely bilateral ones.

Debt crises, particularly in middle-income countries, may threaten international economic stability and also have serious domestic consequences. The International Monetary Fund (IMF) has therefore launched ideas for debt settlement operations similar to bankruptcy proceedings, whereby debtor countries are allowed to halt payments temporarily and creditors have to assume a larger proportion of the losses than they do today. In return, the debtor country must promise to seek help in time and treat all creditors equally. With the proviso that no formal proposal has yet been made, there is every reason to support the IMF's ambition to achieve more organized, rapid and inexpensive debt settlements.

## Trade

The developing countries' participation in international trade has increased significantly in the past decade. This is reflected in Norway's imports from developing countries, which doubled in value from 1995 to 2000.

However, the developing countries are a diverse group and it is the trade of countries in South-East Asia that has increased the most.

With a few exceptions, the least developed countries (LDCs) have experienced negative growth and account for only about 0.5 percent of world trade. The lack of integration of LDCs into world trade is a serious problem upon which particular attention is now being focused. These countries largely base their trade on commodity exports. The commodity markets are unstable and subject to significant price fluctuations. This is also the area of international trade where growth rates are lowest.

Experience has shown that the developing countries that participate most in international trade achieve the strongest economic growth. It is therefore extremely important for developing countries to develop a more diversified private sector and a stable export structure in order to be integrated into international trade and thereby earn their own revenues with which to finance further development.

The developing countries also suffer from various types of trade barriers imposed by other countries. Many industrialized countries have high tariffs on typical products from developing countries, such as textiles and agricultural products. Tariffs for developing countries are generally higher than between industrialized countries because the latter have established regional free trade agreements. Trade between developing countries is also seriously affected by high tariff barriers.

The developing countries have much to gain from increased trade. Through the World Trade Organization (WTO), international regulations have been established for trade between countries. The WTO is also an instrument for dismantling existing trade barriers. A strong, open, regulated international trading system is a prerequisite for the integration of developing countries into the global economy. The regulations contain special provisions for developing countries, and there is emphasis on providing technical assistance in order to enable developing countries to participate in and benefit from these regulations.

At the WTO ministerial meeting in Doha, Qatar, in November 2001, it was agreed that a broad round of negotiations with a strong development profile would be initiated. The developing countries, which now account for almost 80 percent of member states, supported the mandate for the negotiations. Trade-related technical assistance for capacity development is a central theme of the Ministerial Declaration from the Doha meeting.

The fact that the developing countries now agree on important demands strengthens their negotiating position in the new round of negotiations in the WTO. The developing countries primarily demand improved market access, positive discrimination and technical assistance from the industrialized countries. It is particularly necessary to provide assistance for the least developed countries so that they are able to participate actively in the negotiations and in the formulation of regulations.

However, trade alone cannot guarantee economic growth and poverty reduction. Low production capacity, limited expertise, weak public and private institutions, political instability and a poorly developed infrastructure are among the factors that limit a country's potential for integration into the global market. The Government strongly emphasizes that trade-related aid and assistance for private sector development should be better integrated with development cooperation in general, both bilateral and multilateral. Norway allocated NOK 6 million to the WTO Technical Assistance Fund, and this is being followed up with voluntary contributions to other relevant organizations, such as UNCTAD and the International Trade Centre (ITC). Norway also seeks to promote improved coordination of trade and development and a more coherent approach in various organizations under the UN system, the World Bank, the IMF and the WTO, and bilaterally in its most important partner countries.

In addition to negotiations on agriculture, services and immaterial rights, the WTO agenda includes market access for industrial products, WTO regulations, investment, competition and the relationship between trade and the environment.

Imports of traditional goods from developing countries to Norway declined from NOK 31.6 billion in 2000 to NOK 30.2 billion in 2001. Imports from the least developed countries continued to be marginal in 2001. Norway imported goods worth only NOK 2.1 billion

from Africa in 2001, a slight increase from the previous year. Norway's exports of traditional goods to developing countries increased from just under NOK 20 billion in 2000 to NOK 22.5 billion in 2001. Exports to Africa were extremely limited, rising from NOK 2.1 billion in 2000 to NOK 2.3 billion in 2001.

Improved market access is an important prerequisite for increased imports from developing countries to Norway. In March 2001, effective from 1 July 2002, it was decided that quotas and tariffs would be eliminated for all products (except weapons) imported to Norway from the least developed countries (LDCs). The EU and New Zealand have also decided to eliminate quotas and tariffs for products from LDCs.

In practice, however, the least developed countries' export potential depends upon their having products to sell, and upon their products meeting the quality and safety standards required by the market. Consequently, in order to increase exports from LDCs to Norway and other markets, it is essential that these countries, with the help of technical and financial assistance, be enabled to utilize the new market opportunities that are now on offer. Trade-related aid will be a priority area in future cooperation with developing countries, both bilateral and multilateral.

## Investment

Economic growth and private sector development are essential if comprehensive, sustainable poverty reduction is to be achieved. The development of business and industry and a dynamic private sector are dependent on a higher level of domestic and foreign investment. The problem is that little domestic capital is invested in productive activities, and that little foreign capital flows to developing countries. This particularly applies to the poorest countries. In many developing countries, there is a flow of resources out of the country, which is one of the reasons why domestic investments are still at a low level and, in some developing countries, declining.

Despite the fact that global foreign investments increased in the 1990s, only a few of the least developed countries benefited from this rising flow of private capital. According to UNCTAD, the total inflow of direct foreign investments in 2000 amounted to USD 1,300 billion. Almost 80 percent of these investments were in the industrialized countries. In 2000, the developing countries' share of direct foreign investments dropped to 19 per cent, the lowest figure since 1994, when their

share was as high as 41 per cent. Nevertheless, the absolute figures for the developing countries have risen since the beginning of the 1990s, although far less than the global figures. The majority of investments were in middle-income countries, China being the largest recipient. The least developed countries have been further marginalized; their share of total direct foreign investments amounted to just over 0.3 percent in 2000.

Development assistance is therefore the most important source of capital for these countries, and in 1998-99 it accounted for approximately two thirds of the total capital inflow to the least developed countries.

Direct foreign investments in Africa dropped to USD 9.1 billion in 2000, equivalent to less than one percent of total direct foreign investments. Almost USD 5 billion of direct foreign investments in Africa were concentrated in four countries, namely Angola, Egypt, Nigeria and South Africa.

The most important reasons for the low level of private investment are a lack of confidence in the national economy, inadequate legislation, underdeveloped financial institutions, a poorly developed physical infrastructure, complicated bureaucratic procedures, unpredictable tax systems and corruption. Good operating parameters are important, not only to attract investment but also to exploit the potential of investment as well as possible. Although the provision of good operating parameters is primarily the responsibility of the developing countries themselves, the international community must also play a role. Helping to improve the operating parameters is an important element of Norwegian development cooperation.

Other factors also have a negative impact on the investment climate in many developing countries. Wars and conflicts increase risk and thereby lessen willingness to invest. The HIV/AIDS epidemic is making the investment climate less attractive, not least because companies are losing key personnel. It is therefore important for the international community to support the efforts of the developing countries in these areas.

## Corruption

The fight against corruption must be viewed in the context of broad-based efforts to promote good governance in partner countries. In many countries, corruption is a serious social problem. It undermines efficient management and utilization of government resources

and is preventing the investment that is necessary to create economic growth and provide a foundation for poverty reduction. It is often the poorest people who suffer most from corruption because they do not have access to the public services to which they are entitled and because they lack political influence. Corruption undermines fundamental social values by weakening confidence in the role and capacity of public authorities because procedures are not adhered to and resources are misappropriated.

The fight against corruption has high priority in Norwegian development cooperation and corruption is on the agenda both in bilateral dialogue with Norway's partner countries and in multilateral forums such as the World Bank, the UN and the OECD/DAC. Among other things, it has been a high priority topic at meetings of the Utstein Group, which comprises Norway, the UK, the Netherlands and Germany. Work on the preparation of a UN Convention on Corruption began in 2001, and the Norwegian authorities are participating actively in this process.

Norway supports anti-corruption programmes that are introduced by national authorities. In Zambia, Malawi, Uganda and Tanzania, Norway contributes funds for the authorities' anti-corruption agencies and for the follow-up of national anti-corruption strategies. In addition to cooperating with national authorities, Norway focuses on supporting anti-corruption organizations in civil society. In Zambia, Zimbabwe and Bangladesh, such support is provided through Transparency International (TI), which is the leading international NGO in the field of corruption and good governance. Norway also provides assistance for TI at the central level.

One area in the fight against corruption that is receiving an increasing amount of attention is financial management. Corruption in connection with public procurement of goods and services, including bribery during the tender and contract process, can best be fought by strengthening financial management. Norway is currently conferring with other donors and the authorities of recipient countries on the need for reform in this area, and provides assistance for national audit offices.

At the beginning of 2002 it became clear that the Christian Michelsen Institute (CMI) had won the tender competition for a joint virtual resource centre for the Utstein countries relating to anti-corruption activities. The resource centre will systematize, analyze and provide public access to information about the anti-

School boy in Ethiopia. Norway's goal is for 15 percent of Norwegian assistance to be allocated for education.

Photo: Ingvid Hestad/ Save the Children



corruption activities of the four Utstein countries on the Internet. The resource centre is expected to become operational in the second half of 2002.

Since 11 September, the fight against corruption has a gained new dimension. The international community has seen how terrorism has been financed by laundered money and corruption, and this has led to renewed focus on international efforts to combat corruption.

## Human resources

Investment in human resources is essential if we are to generate economic growth and combat poverty. Surveys show that there is a clear connection between human capital indicators, such as improved education and health, and economic development. One of the main problems for developing countries is the low level of education and poor health status of the population. It is fairly true to state that the main factor in determining a country's standard of living is the extent to which it succeeds in improving its people's skills, knowledge and health.

All strategic investments in health and education require long-term financing. Norway makes efforts to ensure that these sectors have high priority in national poverty reduction strategies and that assistance is channelled to these sectors through official and other meas-

ures. Norway's goal is for 15 percent of Norwegian assistance to be allocated for education, and we have already achieved our goal of channelling ten percent of Norwegian development assistance to the health sector.

## Education

Education is not only a fundamental prerequisite if each individual is to be able to realize his or her potential and ambitions and gain insight and influence. Education is also essential if people are to be able to contribute towards social and economic processes of change, and it is a precondition for the promotion of democracy and human rights. From a socio-economic point of view, providing education for girls and women is regarded as being the most effective way of investing for development in poor countries. Increasing the level of education among women reduces maternal and infant mortality and leads to lower birth rates, improved health for families and children, more education for children and higher levels of productivity and income for women.

## Health

The WHO report on macroeconomics and health produced by the Sachs Commission challenges the traditional view that growth leads to improved health. The report, which was published towards the end of 2001, turns everything on its head and states that focused, increased investment in improving health in developing countries will lead to economic growth. The report maintains that by 2007 donor countries should increase their annual aid contributions on health to USD 27 billion. In parallel with this, the low-income countries should spend USD 23 billion for the same purpose. Together, we will then be able to give approximately 2.5 billion people access to the medicines and health services they need. In this way, 8 million human lives will be saved each year and investments in health will yield six times as much in the form of value creation. Norway has followed the work of the Sachs Commission with a great deal of interest, and a conference on globalization and health was arranged in Oslo in February 2002.

Vaccination is one of the most cost-effective investments in the primary health sector. Norway supports the Global Alliance for Vaccines and Immunization (GAVI), which seeks to increase vaccination coverage and intensify research in order to discover new vaccines. The International AIDS Vaccine Initiative (IAVI), which is working to increase research in order to find an HIV vaccine, is another example of a project to which Norway has chosen to contribute. Norway



A performance in Zambia. Drama is an effective tool to teach about AIDS and the dangers of unprotected sex.

Photo: Rune Eraker



### Children

Children's rights and living conditions are one of the main focuses of Norwegian development cooperation. A guideline document on children in development cooperation was completed in 2001. Important priorities in the years ahead will include education, health and nutrition, care and early stimulation of children, registration of births, HIV/AIDS, trafficking in and sexual exploitation of children, and children affected by war and conflict.

In 2001, Norway participated actively in the preparations for

the UN Special Session on Children, which was held in May 2002. The purpose of the Special Session was to sum up the progress that has been made since the Children's Summit in 1990 and formulate goals and strategies for the coming decade. During the preparations, Norway focused particularly on children's fundamental right to health, education and protection, and on the participation of children, especially in the case of particularly vulnerable groups.

Child development and children's right to education of a satisfactory standard have high priority. Since 1996, Norway has been supporting the UN Children's Fund's (UNICEF's) education programme for girls in Africa. In the period 1996-2000, the programme was implemented in 18 countries. It has led to greater awareness among national authorities of the importance of educating girls. Although experience has varied from country to country, the conclusions show that more girls are attending school, policies and curricula are being developed which focus on education for girls, and new partnerships are being established with relevant players. A decision has been made to support this programme for a second phase (2001-2004). In 2001, the programme was expanded to cover 34 countries.

Norway's active support for girls' education, both through UNICEF and through the World Bank, has contributed to these organizations making girls and education a high priority area. At the request of UN Secretary General Kofi Annan, UNICEF is heading the UN initiative for girls' education that was launched at the

World Education Forum in Dakar in 2000. The purpose of this initiative is to strengthen cooperation between the multilateral organizations on education for girls.

### Gender equality

Women's and gender equality issues are an integral consideration in all Norway's development cooperation. One of the main goals of Norwegian development policy is to contribute towards the promotion of equal rights and opportunities for women and men in all areas of society. In 1997, the Ministry of Foreign Affairs adopted a *Strategy for Women and Gender Equality in Development Cooperation*, based on the action plan adopted at the UN Conference on Women in Beijing in 1995.

Women and children are still in a clear majority among poor and marginalized groups. This is the reason why poverty reduction policies cannot be neutral with respect to gender and inequalities between women and men. If the world community is to achieve the Millennium Development Goals, there must be stronger focus on the situation and rights of women. In many countries, and particularly in sub-Saharan Africa, this will require considerable effort.

With the Nordic and other countries, Norway has long been promoting women's rights and gender equality issues in an international context, particularly in its work in the UN and the development banks. Norway is also an important contributor to the UN Development Fund for Women (UNIFEM). The purpose of UNIFEM is to help empower women in both an economic and a political context, and to promote gender equality in general. In 2001, Norway contributed NOK 18 million to UNIFEM.

In 2001, assistance was provided for the UN Labour Organization's (ILO's) efforts to strengthen the position of women in the informal sector, which included projects to give women access to micro health insurance.

An agreement was entered into with the Section of Women's Law at the University of Oslo in 2001 to extend cooperation with this institute for the next three years. The focus of this cooperation is to provide technical assistance for the development of expertise in the field of women's law at universities in developing countries, primarily in Africa.

Norway has for many years supported measures by the UN and the development banks to integrate the gender

equality perspective more strongly into the work of these institutions. In 2001 Norway made a contribution of NOK 4 million to a World Bank fund to strengthen its efforts in this area.

To support partner countries' efforts to meet their commitments under the UN Convention on Women, the Action Plan from the UN Conference on Women in Beijing and its follow-up, Norway, through NORAD, provided assistance for processes in several countries in 2001, including Zambia, Malawi, Bangladesh and Pakistan. Assistance was also provided for women's organizations that have actively promoted women's interests in contacts with the authorities.

A contribution was also made towards the UN's work on following up Security Council Resolution 1325 on women, peace and security.

### Environment and sustainable development

There are close links between environment and sustainable development. Development and the fight against poverty will be central issues at the World Summit on Sustainable Development in Johannesburg in 2002. During 2001, Norway has put a great deal of work into preparations for the World Summit, which will be considering topics including the follow-up to Agenda 21, the multilateral environmental agreements, the new focus on combating poverty, and major environmental problems.

There is broad international agreement that a coherent approach is needed to closely link environment and poverty. Action at project and programme level is important. Even though environmental considerations have been integrated into development cooperation in many countries and in a range of sectors including agriculture, industry, energy and health, the challenges involved in linking environment and poverty eradication still need to be better documented and discussed.

Norway has continued to give priority to implementation of the multilateral environmental agreements in 2001. This is also described as a central task in the Ministry of Foreign Affairs' *Strategy for Environment in Development Cooperation*. The strategy gives priority to the conservation and sustainable use of biological diversity, sustainable production systems, pollution, and protection of the cultural heritage.



## 4. Aid transfers

### Total international aid transfers

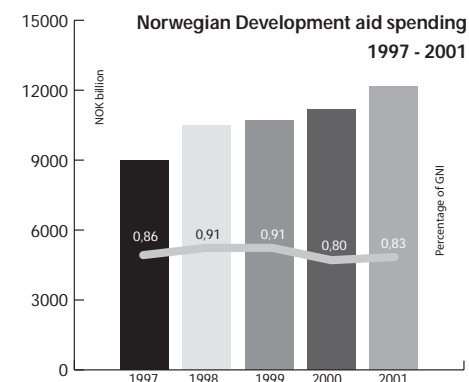
In international comparisons of the sums various countries allocate for development assistance, the amount of development assistance as a percentage of the donor country's gross national income (GNI) is used as a yardstick. The OECD's Development Assistance Committee (DAC) has established rules defining the kinds of aid that are considered to be official development assistance (ODA) and regularly updates the list of countries that may receive such assistance (see list at the back of this report).

For many years, Norway was the OECD country that provided the most development assistance in relation to GNI, but in recent years it has relinquished this place to Denmark. In 2000, Norway was in fourth place among the OECD countries, close behind the Netherlands and Sweden. In addition to Denmark, the Netherlands, Norway and Sweden, in 2000 Luxembourg also met the UN target, which calls for industrialized countries to allocate at least 0.7 percent of GNI for development assistance.

Total annual development assistance provided by the OECD countries has gradually declined. Measured as a percentage of GNI, the decline was particularly dramatic in the 1990s. After increasing for the first time for many years in 1998 and 1999, the total amount of aid from the OECD countries fell again in 2000, to USD 53.1 billion compared with USD 56.4 billion in 1999. Total official international assistance also declined in 2001. Calculated in fixed prices, the level is now 20 percent lower than it was in 1999. Partly as a result of the Financing for Development conference in Mexico in March 2002, there is hope that this negative trend will be reversed in 2002.

Measured as a percentage of total GNI in the OECD countries, development assistance declined from 0.24 percent in 1999 to 0.22 percent in 2000. There is therefore a very long way to go before the OECD as a whole reaches the UN target. Nevertheless, the members of the OECD Development Assistance Committee currently contribute approximately 95 percent of all official development assistance (ODA) in the world. Norwegian development assistance amounted to 2.4 percent of total ODA from the OECD countries in 2000.

In 2001, Norwegian development assistance totalled NOK 12.1 billion, compared with approximately NOK



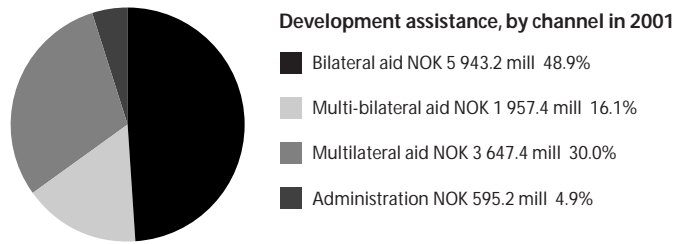
11.2 billion in 2000. In 2000, this was equivalent to 0.8 percent of GNI, while the percentage increased to 0.83 in 2001.

### Aid transfers through bilateral and multilateral channels

The breakdown of Norwegian development assistance between bilateral and multilateral channels has been relatively stable for several years, although the percentage of assistance provided through multilateral channels has declined slightly. In 2001, 48.9 percent of all ODA was contributed through bilateral channels (pure bilateral assistance), while 46.2 percent was contributed through multilateral organizations. In 2000, the corresponding figures were almost 56 percent through bilateral channels and just over 39 percent through multilateral organizations.

In 2001, assistance provided through multilateral organizations amounted to NOK 5.6 billion, compared with just over 4.4 billion in 2000. Of this, general contributions and other assistance classified as multilateral assistance in the OECD guidelines amounted to more than NOK 3.6 billion, or 30.0 percent of total ODA. By comparison, in 2000 multilateral assistance amounted to NOK 2.9 billion, or 26.0 percent of total ODA. Earmarked contributions, known as multi-bilateral assistance, are classified as bilateral assistance. This type of assistance amounted to NOK 2 billion in 2001, equivalent to 16.1 percent of total ODA. By comparison, multi-bilateral assistance amounted to NOK 1.5 billion or 13.3 percent of total ODA in 2000.

Bilateral assistance is provided through a variety of channels, the most important of which are government-to-government assistance for priority partner



countries, assistance provided through non-governmental organizations, and earmarked contributions through multilateral organizations. Measured in terms of amounts, NGOs are the most important channel for Norway's bilateral assistance. Assistance provided through NGOs amounted to NOK 2.4 billion in 2000, approximately 80 percent of which was channelled through Norwegian NGOs. By comparison, assistance provided through NGOs in 2001 amounted to just over NOK 2.7 billion, approximately 83 percent of which was channelled through Norwegian NGOs. This is equivalent to just under 46 percent of pure bilateral assistance. The corresponding figure for 2000 was approximately 40 per cent. In 2001, transfers to priority partner countries amounted to just under NOK 900 million, which is a slight decline compared with 2000.

According to the guidelines of the OECD Development Assistance Committee, expenditure relating to refugees' first year of residence in Norway is approved as official development assistance and defined as bilateral assistance. This expenditure varies considerably from one year to the next. In 2001, expenditure on refugees in Norway amounted to NOK 608 million.

### Aid transfers to countries and regions

The least developed countries (LDCs) are a group comprising 48 of the poorest countries which have been assigned special status by the UN. These countries have the greatest need for long-term development assistance and, as a result of war and conflict, several of them are also recipients of substantial amounts of humanitarian aid. The UN target is for rich countries to contribute at least 0.15 percent of their GNI to LDCs. However, the OECD Development Assistance Committee has calculated that member states' assistance for LDCs amounted to only 0.05 percent of GNI in 1999, a decline from 0.08 percent in the course of a decade.

The OECD has also calculated that the proportion of all Norwegian development assistance (including estimates of the geographical distribution of general contributions to multilateral organizations) that went to LDCs amounted to 0.30 percent of GNI in 1999, a decline from 0.42 percent in the course of a decade.

Of Norway's total bilateral ODA, including earmarked assistance channelled through multilateral organizations (multi-bilateral assistance), which amounted to approximately NOK 1.9 billion in 2000, NOK 2.8 billion, or 35.2 per cent, went to the least developed countries. The goal is for 40 percent of Norwegian bilateral assistance to go to LDCs. The percentage going to LDCs has declined in recent years, largely due to the increase in assistance for countries in South-Eastern Europe, which are not LDCs, assistance for the Middle East and an increase in allocations for humanitarian assistance.

The proportion of Norwegian development assistance that went to Africa in 2001 was 37 percent (NOK 2.9 billion) of bilateral assistance. In 2001, assistance for Asia and Oceania, Europe, Latin America and the Middle East amounted to 20.4 per cent, 11.6 per cent, 9.9 percent and 7.0 percent respectively of total bilateral ODA. Further information is provided in Table 2 of the statistics section.

Norway's long-term government-to-government assistance was limited to eleven priority partner countries (main partner countries from 2002). Most of them are in sub-Saharan Africa and the Horn of Africa: Eritrea, Ethiopia, Malawi, Mozambique, Tanzania, Uganda and Zambia. Zimbabwe's status as a priority partner country was discontinued from the beginning of 2001 as a result of the political situation in that country. In Asia, Bangladesh, Nepal and Sri Lanka had the status of main partner countries, as did Nicaragua in Latin America. In all, the eleven main partner countries received just under NOK 1.8 billion through various channels in 2001, equivalent to 22.9 percent of all bilateral development assistance. By comparison, 24.3 percent of all bilateral development assistance went to main partner countries in 2000.

From 2002, Eritrea, Ethiopia, Nicaragua and Sri Lanka are no longer defined as main partner countries and only seven countries remain in this group.

Norway is also engaged in extensive cooperation with other countries, usually because there is a special need to build or support democratic development and respect for human rights, and because of Norway's desire to contribute towards conflict resolution and the continuation of peace processes. These contributions are often combined with substantial humanitarian aid, including assistance for refugees living in Norway.

Examples of this include Norway's cooperation with Angola and Sudan, assistance for countries in the former Yugoslavia, and Norway's involvement in the Palestinian Area.

In 2001 the largest recipients of Norwegian assistance, including humanitarian aid, were Afghanistan (NOK 357 million), the Palestinian Area (NOK 336 million) and the Federal Republic of Yugoslavia (Serbia, including Kosovo and Montenegro) (NOK 321 million). The main partner countries Tanzania (NOK 314 million) and Mozambique (NOK 293 million) were also significant recipients within the framework of long-term development cooperation.

Table 7 in the statistics section shows total Norwegian development assistance for various countries in the past three years.

### Aid for specific priority areas

On the basis of the overarching goals of Norwegian development cooperation, bilateral assistance has been divided into four priority areas: economic development, social development, peace, human rights and democracy, and humanitarian aid. In 2001 assistance for economic development amounted to NOK 1.8 billion, for social development NOK 2.3 billion, for peace, human rights and democracy NOK 1.4 billion, and for humanitarian assistance NOK 1.6 billion.



### Humanitarian aid

All victims of crisis, war and conflict should have the same right to help and protection, regardless of who or where they are. Norway continued to be a significant contributor to international humanitarian aid operations in 2001. A large proportion of this assistance goes to countries and regions in conflict. This is a continuation of a trend whereby an increasingly large proportion of the development assistance budget is allocated for such purposes.

In 2001, Norway emphasized the importance of proactive efforts to improve international efficiency and coherence. Norway emphasized the vital role of the UN as a coordinator of large-scale international aid efforts.

Norway has given priority to contributing to the prevention of conflicts and the consolidation of fragile peace through strategic efforts to promote peace, reconciliation and conflict resolution. It has stressed the importance of focusing on the causes of conflict and underlining the need for reconciliation efforts as well as providing immediate emergency relief. The link between short-term emergency relief, development and the use of local resources has been emphasized. As conflicts draw to a close, it has often proved difficult to mobilize resources for long-term development. Norway has strengthened its preparedness to meet this challenge in the transition between emergency relief and long-term development cooperation by establishing a special allocation for transitional aid.

Work continued on the international follow-up to the UN Convention on the Prohibition of Anti-personnel Mines and on improving the control of hand guns.

In 2001, Norway's humanitarian assistance outside the OSCE area was NOK 1.6 billion. The funds were mainly channelled through the UN and Norwegian and international NGOs. Within the UN system, the main channels were the UN High Commissioner for Refugees (UNHCR), the UN Children's Fund (UNICEF), the UN Office for the Coordination of Humanitarian Affairs (OCHA) and the World Food Programme (WFP).



## 5. Partners in development cooperation

### Dialogue with partner countries

At the beginning of 2002, Norway's seven main partner countries were Malawi, Mozambique, Tanzania, Uganda and Zambia in Africa, and Bangladesh and Nepal in Asia. In 2001, a decision was made to discontinue Sri Lanka's and Nicaragua's status as main partner countries, while war and conflict made it impossible to continue government-to-government cooperation with Eritrea and Ethiopia. Zimbabwe, was one of the main partner countries at the beginning of 2001, but was also removed from the list of main partner countries due to the intolerable political situation (see page 36 Aid transfers to countries and regions).

Norway has embassies in all its main partner countries, which facilitates close dialogue with the authorities of these countries. Norway also has embassies in many other countries that are recipients of Norwegian development assistance.

The partner countries' own development plans are the main focus of dialogue. In all its main partner countries, Norway emphasizes the importance of pursuing a genuine poverty reduction policy. In recent years, several of these countries have prepared Poverty Reduction Strategy Papers (PRSPs, see page 27). These strategy papers now provide the basis for Norway's bilateral cooperation with these countries and for the bilateral agreements on development cooperation that are entered into.

In dialogue with the authorities, there is emphasis on identifying measures to strengthen the expertise and capacity of recipient countries and thereby support their national strategies. Norway has also been concerned to promote cooperation and coordination with other donors in individual partner countries.

In bilateral dialogue, there is also emphasis on the connections between poverty reduction, good governance, democracy and human rights. Efforts to combat corruption and create a more open, accountable administration play a central role.

One example of this is Norway's cooperation with Malawi, where a new Memorandum of Understanding (MoU) on development cooperation was signed in 2001. Support for democracy and good governance play a vital role here. The latest MoU with another main partner country, Mozambique, was signed

towards the end of 2000. In this cooperation, too, there is emphasis on anti-corruption efforts and human rights. Uganda is a third example of how Norway seeks to support poverty reduction by giving priority to good governance, democracy and human rights. A new MoU for the period up to 2005 was signed with Uganda towards the end of 2001.

Many of Norway's partner countries are in the border zone of regional conflicts, and some of them are involved in, or emerging from, such conflicts. Many countries are also affected by deep internal differences. Dialogue on these issues and measures to help prevent and resolve conflicts are therefore an important part of development cooperation.

Reports on development cooperation with individual countries and regions may be found in Chapter 6.

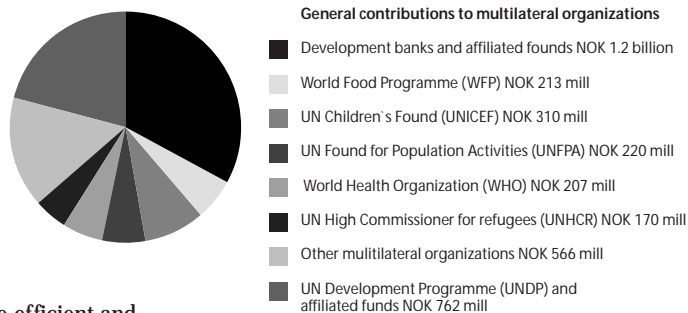
### The multilateral system

Norway strongly emphasizes the importance of cooperation through the multilateral system. The UN is a fundamental pillar in efforts to achieve a safer, more just world. Through the UN, all the countries of the world have agreed on goals and action plans to promote development. In 2001, Secretary-General Kofi Annan presented a more practical plan for how the UN is to follow up efforts to achieve the Millennium Development Goals. This plan states that the UN will closely follow the progress of each developing country and report on it approximately every eighteen months. The UN Development Programme (UNDP) has been given the responsibility for operationalizing the Millennium Development Goals.

The UN agencies, the World Bank and the regional development banks are helping poor countries to achieve the Millennium Development Goals. Norway therefore provides much of its assistance through these organizations.

The multilateral organizations work to prevent and solve conflicts, provide short-term aid when disasters occur and provide assistance for long-term development. For example, the UN is supporting East Timor's path to independence and reconstruction in Afghanistan.

Multilateral organizations are also important in order to ensure that development efforts are coherent and



effective. Through several initiatives, Norway is helping to make the UN more efficient and proactive. Among other things, Norway has supported strategic planning by UN funds and programmes, such as the UNDP and the UN Children's Fund (UNICEF). This entails setting clearer priorities and concentrating on fewer topics.

Many of today's challenges are so comprehensive that they require a joint effort on the part of several countries. Climate change and the HIV/AIDS epidemic are examples of such challenges. In June 2001, the UN General Assembly arranged a special session on HIV and AIDS, where it was established that the battle against this epidemic must be fought on a broad front. In Marrakesh in November 2001, many countries agreed on how reductions in greenhouse gases are to be achieved (known as the Kyoto Protocol). These two examples illustrate the unique role played by the UN as a universal forum with influence that is impossible to achieve in any other way.

The Norwegian authorities have also been proactive in efforts to open the work of the UN to non-governmental organizations. Among other things, Norway provides support for NGOs from developing countries in order to enable them to participate in various UN conferences.

Through its membership of the UN Security Council in 2001 and 2002, Norway has helped to focus the spotlight on the close connection between peace-making and development through a coherent approach to conflict management. Among other things, Norway has used its position in the Security Council to focus on the economic forces behind wars and conflicts.

At the annual substantive session of the UN Economic and Social Council (ECOSOC), the theme of the high level segment was "The UN's role in supporting African countries' efforts to achieve sustainable development". Norway emphasized that the UN has an important role to play and that a stronger partnership with Africa will require a more coherent approach and improved coordination. Norway also welcomed the New Partnership for Africa's Development (NEPAD), which is a joint African development initiative. Norway requested other donor countries to increase their development assistance as a step towards achieving the Millennium Development Goals in Africa.

The 57th session of the UN Commission on Human Rights was characterized by sharp political differences. Unfortunately, the polarization of North and South was clear in 2001. A series of resolutions on macro-economic matters, with little human rights content, contributed to this polarization. At the same time, however, the focus on human rights and development has been increasing in the past couple of years and the right to development was one of the issues debated at this session.

### Cooperation with other donors

There is now widespread agreement that there is a need for cooperation and coordination between the many donor countries and organizations. Donors should achieve a satisfactory division of work so that responsibility is shared and resources are not wasted by overlapping efforts. Donors must also harmonize their policies and monitoring procedures. Being a recipient of aid from a large number of donor countries and an even larger number of organizations is often an extremely demanding process which imposes a heavy administrative burden on the authorities of recipient countries. Donor countries make different demands, which recipient countries are required to adapt to and follow up. The recipient countries maintain that simplification of this situation must have first priority in efforts to rationalize development cooperation. However, representatives of the donor countries point out that weak capacity in the field of financial management and control on the part of the authorities of recipient countries is one of the reasons why many of them are unwilling to relax their demands.

The OECD Development Assistance Committee (DAC) is the central cooperative body for donor countries. Through their work in the DAC, donors are seeking to prepare guidelines for various areas in the field of development policy, and one of the main goals of the overall plan is to improve the coherence and harmonization of the practices of the various donors. The DAC also publishes aid statistics for all member countries.

Coherence at country level is the most serious challenge, although the consultations that take place in

various donor forums are also very important. Within the framework of national poverty reduction strategies, Norway is increasingly providing assistance for national sector programmes in cooperation with other donors, thereby helping to reduce the burden on the administrations of recipient countries. One example of new, more efficient forms of cooperation may be found in Malawi. Sweden is not represented in Malawi, but channels all its aid through the local Norwegian aid administration. On the other hand, Norway has given Sweden the task of following up Norwegian assistance for the health sector in Uganda.

In the DAC, Norway has played an active role in efforts to formulate guidelines for poverty reduction. These guidelines were adopted at the high level meeting in 2001. At the same high level meeting, a recommendation was adopted to untie assistance for LDCs. The question of untied aid has long been a controversial topic and Norway is one of the countries that has fought for a recommendation of this nature (see page 42).

The Nordic countries are among the most important donors. Denmark, Sweden and Norway were among the five countries that met the UN and OECD recommendation of allocating 0.7 of GNI for development assistance. The Nordic countries have largely adopted similar approaches to development cooperation and hold regular meetings at both the administrative and the political level in order to exchange information and discuss areas of cooperation.

In all the multilateral organizations where the Nordic countries are represented,

cooperation has been established in order to coordinate their attitudes and interests in relation to development policy issues. This cooperation is particularly important in the governing bodies of the World Bank and the regional development banks, where the Nordic countries formulate joint instructions on matters that are on the agenda for discussion. The Nordic countries and the Baltic States have a joint representative office in the World Bank.

The Utstein Group, which consists of Germany, the Netherlands, the UK and Norway, has become an important forum for coordinating and rationalizing development cooperation. This group has assumed a proactive role in the international donor community, among other things in order to promote coherence, help ensure that more resources are allocated for development assistance, and strengthen the multilateral system. The Utstein Group has particularly focused on poverty reduction, anti-corruption activities, donor coherence and untying aid. The UK hosted the meeting of the group's development ministers in 2001.

### Cooperation with the private sector

Private sector development in the South contributes towards generating income and employment for poor groups, and towards creating the necessary economic

Industrial worker in Zambia. Private sector development in the South contributes towards generating income and employment for poor groups.

Photo: Rune Eraker



base for countries' own investments in areas such as health and education. A dynamic private sector is therefore essential in efforts to counteract aid dependency and a growing debt burden. This is the basis for the Strategy for Norwegian Support for Private Sector Development in Developing Countries. Companies and organizations in the private sector in partner countries and in Norway are important partners in these efforts.

As partners in cooperation, Norwegian companies possess expertise and experience that make them suitable allies for developing countries in their efforts to develop the private sector. Norwegian companies, the social partners and the agricultural organizations are involved in several of Norway's partner countries. Through financing facilities under the aid budget, Norwegian companies contribute to development cooperation by investing in and exporting goods and services to developing countries. In 2001, the "industrial and commercial facilities" under the state budget were reorganized. This primarily entailed a reorientation from export-related facilities to investment, and a simplification of instruments, including the grant schemes. The introduction of an untied financing facility, administered by NORAD, was part of this reorganization. NORAD is responsible for all measures aimed at improving the operating parameters for private sector development, and for the grant schemes aimed at encouraging Norwegian companies to engage in commercial activities in developing countries.

Promoting investment in developing countries is an important element of work on private sector development in the South. The Government strongly emphasizes the importance of encouraging Norwegian companies to become involved in this effort. The Norwegian Investment Fund for Developing Countries (NORFUND) plays an important role by offering to share risk with Norwegian companies and thereby making it more attractive to invest in developing countries. In the past year, NORFUND has established strategic cooperation with the British Commonwealth Development Corporation (CDC). Through the joint management company, Aureos, a network has been established comprising 115 companies in developing countries. This network offers new, interesting opportunities for Norwegian business and industry as well.

At the end of the year, a systematic review was initiated of efforts to promote private sector development in Norway's main partner countries with a view to

proposing areas for intensified Norwegian efforts. This analysis will identify bottlenecks and potential for private sector development. In this process, it is important to identify areas where Norway and Norwegian players can make a contribution and have comparative advantages. The review will also consider the possibilities for utilizing the expertise and resources of Norwegian business and industry. Norwegian companies are themselves participating in the review.

The Forum for Private Sector Development in the South continued to meet in 2001. It consists of important partners in Norwegian business and industry and is intended to contribute towards increasing the participation of Norwegian companies in development cooperation. Efforts are being made to strengthen and streamline the work of the Forum even further.

The Confederation of Norwegian Business and Industry (NHO) is an important contributor to efforts to promote private sector development in the South. In order to strengthen the capacity of the NHO in the area of development, dialogue was initiated in 2001 with a view to establishing a special secretariat for development affairs within the NHO. The main task of the secretariat will be to work on institutional development of employers' organizations in developing countries. The secretariat will also function as a resource base for the development assistance authorities.

### Cooperation with non-governmental organizations

Non-governmental organizations are an important part of civil society and the war on poverty cannot be fought without their participation. Civil society is necessary in order to promote a democratic culture and values that defend human rights. Assistance for civil society cannot replace government-to-government cooperation, but is a necessary supplement.

Assistance that targets civil society can also create meeting places that give players opportunities for exerting influence. The Norwegian authorities work closely with Norwegian NGOs to strengthen civil society in Norway's partner countries.

A large proportion of Norwegian assistance is channelled through Norwegian NGOs in cooperation with similar partners in developing countries. A large

NGOs are actively involved in the international efforts to combat the HIV/AIDS epidemic.

Photo: Ken Opprann/Norwegian Church Aid



proportion of these allocations is spent on health and education. In future, however, there will be a re-orientation away from pure provision of services, which must largely take place under the leadership of national or local authorities, and towards stronger emphasis on competence- and institution-building, and on measures to strengthen democracy and human rights.

NGOs are expected to meet increasingly stringent requirements as regards documenting the results of their efforts. New guidelines for assistance for NGOs were introduced towards the end of 2001. These guidelines emphasize the importance of basing aid on people's rights as well as on their needs, and focus on the necessity of organizing cooperation with civil society in such a way that it makes an effective contribution towards social change in line with international development objectives, and on activities being relevant to partner countries' national priorities.

After a comprehensive round of consultations, a decision was made to reduce the requirement for NGOs' own contributions from 20 to 10 per cent, which will give individual organizations somewhat greater freedom of action, provided that their own contribution remains at the same level as before.

In 2001, Norwegian NGOs were involved in projects in ninety countries all over the world. They included

humanitarian aid as well as long-term development assistance. Twenty NGOs have programme or framework agreements with NORAD.

Norway also continued to provide direct assistance for NGOs in Norway's main partner countries in 2001.

### The Norwegian Volunteer Service

The Norwegian Volunteer Service (Fredskorpset) has undergone comprehensive changes. From being a programme under NORAD for sending Norwegian experts abroad, it has been converted into an administrative body that arranges technical exchange programmes based on equality and mutual benefit. The year 2001 was the first full year of operations for the new Fredskorpset. The administrative routines are in place and the Fredskorpset has found its form as a facilitator for partnership between organizations in Norway and developing countries, and for the promotion of South-South cooperation. At the end of the year, cooperation agreements had been signed with 22 partners in the North, which in turn cooperate with 42 partners in more than 26 countries in the South. At year-end, 70 volunteers from North and South had completed the preparatory course. Within the framework of the Fredskorpset, Norway also wishes to encourage South-South cooperation. Twenty programmes are currently being formulated.

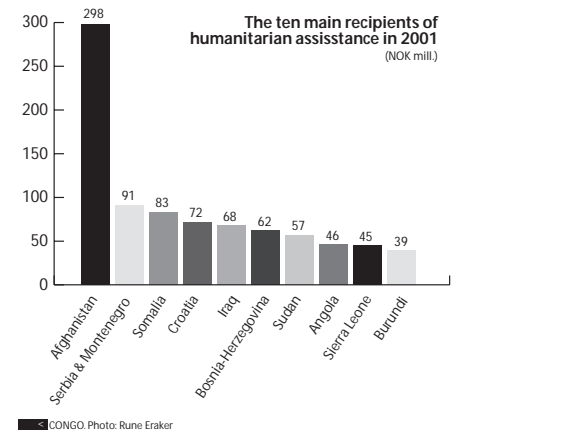
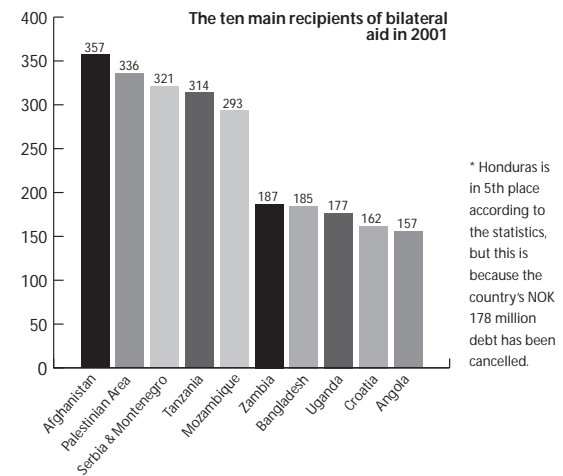
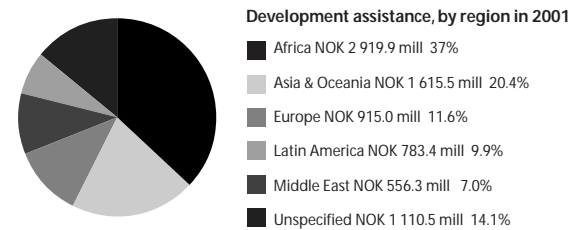
In relation to the other goals that have been set for the Fredskorpset, not least the transfer of expertise and information, the results in 2001 appear to have been satisfactory. The Fredskorpset had just over NOK 27 million at its disposal in 2001.



## 6. Reporting

Norwegian development cooperation is intended to support partner countries' own efforts to combat poverty. When reporting on activities, therefore, the object is not to separate the results achieved through Norwegian contributions from other efforts.

The following section provides a brief account of developments in countries and regions. For further information, see the statistics section at the end of this report.



### Development cooperation in Africa

Many of the major challenges faced by this continent are related to the distribution of natural resources, economic development and conflict management. There is a need to strengthen regional and sub-regional cooperation, because these challenges can only be met effectively by increased regional cooperation.

The African countries took a number of initiatives to strengthen regional cooperation in 2001. At the sub-regional level, the reform process in the Southern African Development Community (SADC) continued and the East African Community was reborn. At the summit meeting of the Organization of African States (OAU) in Lusaka, Zambia, a decision was made to transform the organization into the African Union (AU). The AU is an ambitious project that includes plans to establish a pan-African parliament and common legal, economic, social and cultural institutions. In the light of the current situation on the African continent, these plans seem fairly unrealistic, but the AU has a long-term perspective. It is particularly important to continue to support the AU in its efforts to implement peace-keeping measures and to mediate in conflicts.

An initiative by several African leaders culminated in the establishment of the New Partnership for Africa's Development (NEPAD). This initiative is based on principles of good governance, and a programme of action has been launched that encompasses efforts to promote peace and security and programmes for priority sectors such as infrastructure, financial management, human resource development, health, agriculture and trade. The initiative served as the starting point for a dialogue between the G-8 countries and the African countries on the formulation of a programme of action.

The overriding goal of development cooperation with Africa is poverty reduction. Besides education and health, efforts to combat HIV/AIDS and build peace were important priority areas in 2001.

#### Southern Africa

Norway's main partner countries in southern Africa in 2001 were Mozambique, Malawi and Zambia. Norway was also extensively engaged in cooperation with Zimbabwe, although it now ceased at the government-to-government level. While the region is hampered by poverty and slow economic development, there are a number of bright spots. Some countries have made

considerable progress in implementing extensive economic reforms. Mozambique continues to achieve economic growth and Zambia's economy has improved somewhat following the privatization of the mining industry.

Norway participates actively in efforts to improve the coordination of donor assistance in all its main partner countries and several other partner countries. Dialogues on simplification, task-sharing and better coordination of international assistance are an important element of Norway's cooperation.

*Mozambique's* national poverty reduction strategy paper (PRSP) was completed in 2001, and will serve as the basis for cooperation with international finance institutions and bilateral donors. Mozambique's foreign debt was reduced through the HIPC debt relief initiative in 1999 and 2001. However, this debt relief will be implemented over a period of many years.

Mozambique continues to achieve economic development, and its economy grew 14 percent in 2001. Norwegian assistance for Mozambique aims at supporting the country's own PRSP, and particularly targets the energy, health, rural development and fisheries sectors. Norway also provided budget support in 2001, equivalent to approximately one fifth of total Norwegian development aid for Mozambique that year. Extensive reforms are required to ensure that this positive trend continues, partly because corruption appears to be a significant and growing problem. In June last year, President Chissano launched reforms of the public sector and the financial management system aimed at increasing the efficiency of the public administration at all levels.

In *Zambia*, economic growth was around five percent in 2001. Even though inflation has been curbed in the past few years, it nonetheless remains around 17-18 percent per year. Cooperation with Norway is governed by a Memorandum of Understanding (MoU) which was signed in September 2000. A review of the MoU is planned in the course of 2002, when amendments may be made to take account of changes in political and economic operating parameters, and the modalities and priorities of Zambia's final PRSP, which is expected to be completed in the course of 2002. Eighty-three percent of the rural population and 53 percent of the urban population still live below the UN poverty line. More than 50 percent of the fiscal

budget is financed by international donors. In the period prior to the elections in Zambia in 2001, much of the constructive dialogue between the donor community and the authorities came to a halt. Since the elections, dialogue has gradually been resumed, because the new government's many statements relating to good governance and poverty reduction have been well received internationally.

Norwegian development assistance for Zambia in 2001 particularly targeted the social sector, including education and human rights.

Economic growth in *Malawi* was 2.8 percent in 2001, which provides a weak basis for efforts to combat poverty. Only a few years have elapsed since Malawi established a democratic multi-party system after many years of a virtually autocratic presidency. In Malawi, the international community faces a major task in supporting this impoverished country's difficult transition to democracy, which involves tackling significant changes in political culture and institutions. The promotion of good governance is therefore a core issue in dialogue between Malawi and Norway.

*Zimbabwe* is in the throes of a dramatic economic recession. The country is unable to service its foreign debt, which totals USD 5.3 billion, and GNI fell by 7.5 percent due to the decline in industrial production, agriculture and tourism. Unemployment has risen and the percent age of the population living below the absolute poverty line has increased sharply in the past few years. In 2001, there were also signs of a growing food shortage and a burgeoning humanitarian crisis. Acts of political violence and human rights violations multiplied during the period leading up to the presidential elections. The authorities allowed youth gangs and so-called war veterans to commit violent acts against the opposition and to plunder and occupy property with impunity. A number of persons were murdered. In August 2001, as a result of these developments, Norway decided to freeze all government-to-government cooperation with Zimbabwe.

In the light of the challenges now confronting Zimbabwe, Norway decided in 2001 to focus its development assistance on measures funded through non-governmental channels, for instance efforts to promote human rights and democracy. One of the goals was to help to strengthen civil society through close cooperation with non-governmental organizations. Emphasis was also placed on measures in the

From Ethiopia. Regional cooperation on fresh water resources can be an initiative to create political stability in Africa.

Photo: Olav Saltbødnes/ Norwegian Church Aid



social sector, such as efforts to combat the HIV/AIDS epidemic.

#### East Africa and the Great Lakes region

Norway's main partner countries in East Africa are Tanzania and Uganda, two countries that have played a central role in Norwegian development cooperation since the 1960s.

An important objective in Norway's dialogue with *Tanzania* has been to encourage the central government authorities to seek a solution to the deep-seated political conflicts in Zanzibar. Despite the significant problems relating to Zanzibar, the policy changes that have been made in recent years have given grounds for a certain degree of optimism. Growth for 2001 was 5.5 per cent. However, growth is still too low to achieve a substantial reduction in the number of poor people.

In its dialogue with the Tanzanian authorities, Norway has sought to put in place new guidelines for cooperation in accordance with the country's PRSP. Norway has emphasized the promotion of democracy and respect for human rights as a basis for development cooperation, and the necessity of sound financial

management as a prerequisite for reorienting development assistance towards sector and budget support. Tanzania has finalized its first PRSP progress report and will soon receive HIPC debt relief.

In *Uganda*, the economy underwent a period of strong growth in the 1990s, which peaked temporarily at 7.7 percent in 1998-99. In the last couple of years, growth has been somewhat lower than anticipated, with a real growth rate of around five to six per cent. To achieve its poverty reduction goals, Uganda must have an annual real growth rate of about seven per cent. Uganda has already been granted debt relief through the HIPC Initiative.

Within the framework of the fruitful cooperation between Norway and Uganda, central issues have been regional cooperation, peace, reconciliation and security in the region. Norway's cooperation with Uganda is an integral part of Uganda's efforts to promote economic growth and combat poverty. Uganda is one of the countries in Africa that has been hardest hit by the HIV/AIDS epidemic. However, the Ugandan authorities took a leading role in combating the epidemic and managed to reverse the negative trend, thereby making Uganda an example to other countries in the region.

About one third of Norwegian assistance for East Africa was provided for sector programmes in the health and education sectors, and about one third for economic development and trade. Assistance for the latter included budget support for poverty reduction and infrastructure and support for the productive sector and private sector development. About one fourth was allocated for the development of good governance and the environmental/energy sectors. The AIDS epidemic is a serious problem which poses a challenge to all the countries with which Norway cooperates in Eastern Africa. Three to four percent of development assistance in 2001 was provided for measures to combat AIDS.

The signing of the treaty for the establishment of the East African Community (EAC) in 2000 signals a renewed commitment and will to resume regional integration between Tanzania, Uganda and Kenya. Hopefully, this will lead to increased regional economic and political cooperation, and contribute towards reinforcing peace processes and democratic development in the region, including in the conflict-torn countries of Rwanda and Burundi.

The Great Lakes region is torn by war and conflict and currently populated by millions of refugees and internally displaced persons.

Photo: Rune Eraker



Within the framework of the EAC, the Lake Victoria Initiative was established as a programme for the sustainable exploitation of natural resources. The Lake Victoria Initiative is also linked to the Nile Basin Initiative, which is both a concrete cooperative project and a legal framework for the exploitation of the water resources in the Nile River Basin. The initiative, which was launched in 1999, is a political initiative for poverty reduction and conflict prevention. The initiative was followed up in 2001 with the first consultation meeting between the Nile River Basin countries and the donor countries. Norway attended this meeting and pledged in principle to provide NOK 100 million over a five-year period in support of the initiative, in addition to assuming responsibility for coordinating donor efforts in connection with the project to promote regional energy trading.

The Great Lakes region, i.e. DR Congo, Burundi and Rwanda, is torn by war and conflict and currently populated by millions of refugees and internally displaced persons. This region is potentially the most destabilizing area of conflict in Africa, and developments here may have consequences far beyond the region. The conflicts are also having a negative impact on the situation in Uganda, Tanzania and, to a certain extent, Zambia. Developments in 2001 have demonstrated how closely related the conflicts are and how destabilizing they can be for the entire region. The conflicts in the region are a recurrent item on the agenda of the UN Security Council.

Norway channelled approximately NOK 200 million in humanitarian aid to the region through the UN and Norwegian non-governmental organizations.

#### The Horn of Africa

In the Horn of Africa, several conflicts are currently undermining the region's efforts to achieve economic development and regional cooperation. The combination of drought and armed conflicts contributes towards constantly recurring humanitarian crises. Creating peace and stability in order to provide a solid foundation for economic and social development is the main immediate

challenge faced by the countries in the Horn of Africa. This is a challenge that has had high priority during Norway's membership of the UN Security Council in 2001-2002.

In the near term, the possibilities of normalization in the Horn of Africa are uncertain. The Intergovernmental Authority on Development (IGAD), a regional cooperative organization, has had little success so far in its efforts to resolve the conflicts in the region. The contributions of the international community are vital to regional peace and confidence-building initiatives. In the light of its historic ties with many of the key players in the Horn of Africa, Norway can play an important role in supporting this work.

Hostilities broke out between Ethiopia and Eritrea in May 1998, with both sides suffering heavy losses. In May 2000, as a result of the escalation of the war, the Norwegian Government decided to freeze all government-to-government assistance to the two countries. Substantial humanitarian assistance was, however, provided.

The halt in other types of international aid was a decisive factor in bringing the parties to the negotiating table to settle the border dispute. After prolonged negotiations under the auspices of the OAU, a peace agreement was signed in Algiers in December 2000. Under the agreement, both parties were committed to approve the decision of an independent border commission on where the border between the two countries was to be drawn. The agreement was

published in The Hague on April 2002. Norway has played a pivotal role in connection with management of the peace process, and has been responsible for heading the discussion on the process in the UN Security Council. The UN's peacekeeping forces, the UN Mission in Ethiopia and Eritrea (UNMEE), will continue to play an important part in securing peace between the two countries.

In 2001, economic growth in *Ethiopia* was estimated to be two per cent. Norwegian development assistance for Ethiopia was undergoing considerable restructuring. When the war fundamentally changed the conditions on which development cooperation was based, Norway's involvement was reformulated with a view to promoting peace, reconciliation and stability as well as democracy, human rights and good governance. An ongoing dialogue was conducted with the Ethiopian authorities on these issues, and Norway provided support for a number of measures. In addition to the above-mentioned priorities, targets for Norwegian aid for Ethiopia have been food security, strengthening the role of civil society, support for anti-HIV/AIDS measures and strengthening the capacity and peace-keeping role of the OAU in the region.

*Eritrea* experienced a decline in economic growth (-1 percent) in 2001. The government has demonstrated non-democratic tendencies, manifested in the closedown of the free press, arrests of dissidents and postponement of free elections, which made it considerably more difficult to restructure the development aid portfolio. A careful balance is essential in order to avoid the regime interpreting political dialogue as an attempt to interfere in internal affairs. Norway has wound up most of its government-to-government assistance, and the bulk of development aid was channelled through multilateral and non-governmental organizations in 2001. However, the Norwegian authorities did not make as much progress as desired in restructuring its aid programme in 2001, including phasing out existing agreements. Support for democratic development is one of the measures Norway is considering.

After the cease-fire and peace agreement between Ethiopia and Eritrea, great humanitarian needs remained to be met in both countries related to demining and the repatriation of a large number of refugees and internally displaced persons. In addition to providing pure emergency relief, Norway supported the peace process.

Once again, the food situation in *Somalia* was aggravated by drought. Moreover, the economy suffered considerably in the wake of the terrorist attack in the USA, due to the ban on several institutions that were important for international financial transactions.

In *Sudan*, drought and flooding in large areas of the country, coupled with intensified hostilities, caused the humanitarian situation to deteriorate. Four million Sudanese are in flight in their own country, which is the largest number of internally displaced persons anywhere. In addition, there were 400,000 refugees, mainly from Eritrea, in Sudan.

#### West Africa

Norway has had no main partner countries in this region. Compared with Norwegian development assistance for Southern and East Africa, aid for this region is limited and largely concentrated on two countries, Nigeria and Mali. Highly-populated Nigeria plays an important role in regional cooperation, where the Economic Community of West African States (ECOWAS) is the most important regional organization. There are also several subregional organizations with overlapping interests and goals.

In the last decade this region, too, has been afflicted with unrest and conflicts, mainly internal, following violent changes of power in several countries. ECOWAS has tried to intervene in these conflicts with the help of its regional military peace monitoring group. In the past two years, ECOWAS has been restructured and strengthened with a particular view to conflict prevention and resolution. The Norwegian Ministry of Foreign Affairs is currently considering closer cooperation with ECOWAS and the countries in West Africa.

In 2001 the Ministry of Foreign Affairs drew up a strategy for Norway's efforts to promote peace-building in West Africa, which primarily encompass Sierra Leone, Liberia and Guinea.

A Memorandum of Understanding between Norway and *Nigeria* was signed during Prime Minister Bondevik's visit to Nigeria in February 2000, and in autumn 2001 it was decided to make Nigeria a partner country for Norwegian development assistance. Norwegian aid has focused on the environmental and energy (petroleum) sector, good governance and regional cooperation. A seminar on the flaring off of gas from oil installations in Nigeria was arranged in Oslo in

2001. The Norwegian Human Rights Fund received funding from the Ministry of Foreign Affairs in 2001 to advance its human rights efforts in Nigeria.

Norwegian development cooperation with *Mali* is considered to be well targeted and in line with the country's poverty reduction strategy. The Memorandum of Understanding that was signed in 1998 lays down guiding principles for the organization and content of development assistance, as regards both priority areas and channels. Aid for primary industries, natural resource management and rural development with emphasis on empowering women plays a key role. Support was also provided to promote democratization, with contributions towards institution-building and efforts to follow up the peace process. Basic education and literacy are another central area in which measures particularly target girls and women. Norway also supports PRODEC, a ten-year programme to develop the education sector. Norwegian assistance for Mali in these areas has been channelled through the UN and Norwegian non-governmental organizations.

Mali has been one of the prime movers behind the West African moratorium on hand guns. Support for regional security policy cooperation has been a key element of Norway's cooperation with this country.

The progress made in the peace process in Central Africa gave grounds for a certain amount of optimism. However, the security situation remained very difficult and the humanitarian situation was serious. In addition to measures that helped to relieve the humanitarian situation, emphasis was placed on supporting political solutions to the conflict.

In the past few years, Norway has also become a substantial provider of humanitarian aid for *Sierra Leone*, which is channelled mainly through the UN and Norwegian non-governmental organizations.

The peace process in Sierra Leone led to a certain degree of optimism, and made it possible to reach large areas of the country which are in dire need of humanitarian assistance.

### Cooperation in Asia

Asia has a population of 2.9 billion people, around 600 million of whom live in absolute poverty. Economic

growth is uneven between and within countries, which gives rise to increased social tensions and political challenges. In development cooperation in several countries, therefore, particular importance is now attached to reaching groups who are marginalized due to poverty, gender, caste or ethnicity.

Globalization, new trade regimes, development-related challenges and ongoing conflicts necessitate closer cooperation between countries in the region and at the global level. Most of the countries in the region have democratically elected national assemblies, but corruption is widespread and in many places the human rights situation is weak. Good governance and human rights are therefore key priority areas for development cooperation with most of Norway's partner countries in Asia.

A number of countries in Asia experienced political and military conflicts in 2001, including Afghanistan and to some extent Sri Lanka, Nepal, North Korea and Burma, while others such as East Timor, Cambodia and Laos have resolved their conflicts and will be able to resume efforts to rebuild their societies. Norway attaches importance to facilitating the transition from conflict to reconstruction. In some cases, Norwegian authorities and non-governmental organizations are also directly involved in peace efforts.

Poverty and the lack of good governance often lead to internal tensions and conflicts. Both the Association of South-East Asian Nations (ASEAN) and the South Asian Association for Regional Cooperation (SAARC) are regional organizations that have been afflicted in recent years by national political disputes, economic crises and problems between member countries. Cooperation in SAARC has been practically non-existent in the past few years due to the conflict between India and Pakistan, but ongoing political, cultural and professional contacts between individuals and organizations have continued independently of SAARC. Several of the countries in the region play a pivotal role at the regional and global level and are important partners for Norway in international forums.

The overriding goals of Norwegian development cooperation policy in Asia are to reduce poverty and promote peace, strengthen human rights and establish democratic institutions. Key priority areas are good governance, the environment and energy, economic development and trade. In certain countries, particular priority is given to health, education and the



Bangladesh has developed a global export industry which has created jobs for women.

Photo: Sissel Svendsen/Krigsropet

social and economic development since the country became independent in 1971. Throughout the 1990s, there was steady economic growth and GNI increased by 5 percent per year. In parallel, Bangladesh succeeded in reducing its population growth to just under two per cent. The country has had low inflation rates and food prices have not increased. Bangladesh has developed a global export industry which has created jobs for women. This is significant for the situation of women in the country. Elections were held on 1 October 2001, and the new government announced its intention to draw up a strategy for poverty reduction in the course of 2002.

In 2001, Norway focused primarily on contributing towards the development of a good educational system, and promoting growth in rural areas by supporting small-scale industry. A special review of efforts to promote human rights and democratization was carried out in 2001, culminating in a separate action plan for continued Norwegian support. Thanks to Norwegian development assistance, the proportion of girls who attend school has increased, as has their average age. Among other things, an educational grant programme supported by Norway has contributed towards a marked rise in the number of girls who complete secondary school.

Better coordination of international development assistance was a key focus, and Norway attached particular importance to improving the coordination of support for non-governmental organizations.

In 2001, the Ministry carried out a comprehensive evaluation of development cooperation with Bangladesh during the period from 1995 to 2000. The main conclusions of this evaluation were that cooperation in the three priority areas, education, the productive sector and strengthening democracy and human rights, has contributed towards the formulation of a more poverty-oriented policy. It is recommended that the quality of Norwegian development cooperation be enhanced by concentrating efforts on fewer areas and improving technical and professional expertise. The international evaluation team found the equal status of the development cooperation partners particularly commendable.

Since 1990, economic growth in *Nepal* has averaged 5 percent per year, while the population has grown by an annual 2.3 per cent. Industrial production and services accounted for 75 percent of the growth

fight against HIV/AIDS. Emphasis is also placed on private sector development and providing an enabling environment for cooperation with Norwegian institutions. Norway wishes to contribute towards peace and reconciliation, among other things by supporting regional and subregional initiatives aimed at resolving intergovernmental and internal conflicts.

### South Asia

South Asia has achieved economic and social development in the past few decades, and the percentage of poor people has been reduced. However, the subregion is still home to over half of the world's poorest people. The political unrest, at times considerable, and the conflicts in the subregion have unquestionably hampered development.

South Asia has a central geopolitical position and was one of the first areas in which Norwegian development assistance was concentrated. Initially, development cooperation encompassed India and Pakistan, later also Bangladesh, Sri Lanka and Nepal. The latter three were main partner countries in 2001. Norway also provides assistance to Bhutan. Good governance, the follow-up of national poverty reduction strategies, environment, energy and economic development were all areas on which particular emphasis was placed in the development assistance provided to South Asia in 2001. Considerable importance was attached to donor coordination.

*Bangladesh* has experienced a gradual improvement in

during this period, and exports increased by 37 percent in 2000. The macroeconomic situation has generally been good and the level of foreign debt has been low. Nepal has yet to carry out an ambitious programme of reforms aimed at decentralization and better governance. In 2001, Norway was an active partner for the Nepalese authorities in their reform efforts, and in efforts to achieve better coordination of development assistance and prepare a poverty reduction strategy. Norway emphasized the importance of extensive cooperation with both bilateral and multilateral donors.

Efforts to combat poverty can only bring results if the conflict with the Maoist rebel movement is resolved. It was therefore highly unfortunate that the Maoists broke off the political talks without warning in November 2001 and escalated their acts of violence. Consequently, it is important that Norway continues to contribute towards improving the human rights situation, and to provide assistance for peace-building efforts and civil service reforms. Other priority areas in 2001 were basic education, water supplies and the energy sector. The right to education is a central focus of Norwegian cooperation with Nepal. Norway has provided funding for the national programme to increase the number and quality of primary and lower secondary schools in Nepal. Improving education is an effective means of reducing poverty and social conflicts.

Despite a relatively high level of social and economic development compared with the other countries in the subregion, GNI growth was negative in *Sri Lanka* in 2001, and the country had a 10.5 percent budget deficit. The economic crisis was in part the result of drought, and not least the conflict between the government and the Liberation Tigers of Tamil Ealam (LTTE). The conflict with the LTTE has led to massive destruction in the north and east, a high level of military spending which creates a macroeconomic imbalance, and reduced tourism and investment. The cease-fire agreement signed in February 2002 between the government and the LTTE will probably help to improve the economic situation somewhat in 2002. In 2001 Norway played a central role in efforts to find a political solution to the conflict.

Development cooperation with Sri Lanka has largely supported Norway's role as facilitator for a peace process. Assistance was provided for measures that promote peace and reconciliation and strengthen

human rights and democracy, economic development, rehabilitation and reconstruction. There has been a shift towards channelling more assistance through non-governmental organizations and the private sector.

Due to the situation in the wake of the terrorist attack in the USA, humanitarian assistance for *Afghanistan* was substantially increased towards the end of 2001. The establishment of a transitional government in December 2001 laid the foundation for broad-based efforts to rebuild the country. On 1 January 2002, Norway took over the chairmanship of the Afghanistan Support Group (ASG), which comprises the largest donors of humanitarian assistance to the country.

The acute crisis in Afghanistan in autumn 2001 made great demands in terms of an effective, well-coordinated international response. Norway was quick to offer assistance and pledge extensive support. It was important to ensure that help reached the Afghan population while at the same time maintaining assistance for the refugees in the region.

While economic indicators in *Pakistan* have improved in the last two or three years, economic growth declined after 11 September. The conflict in Afghanistan, coupled with drought, led to a fall in investments and exports, and a consequent increase in unemployment. The decision to freeze development assistance to Pakistan was revoked in 2001. In the light of the situation, human rights and democracy were primary focuses of cooperation with Pakistan. Particular attention was paid to the role of women. In cooperation with the UNDP and the British DFID, Norway provided assistance for a project to mobilize women to run as candidates and to vote in elections. These efforts had positive results in the local elections, and around 30,000 women were elected in 2001.

In *India*, estimated economic growth was adjusted downwards from 7.5 percent to 4 percent for the 2001/2002 financial year. India's economy is primarily driven by domestic demand and exports account for only ten percent of GNI. The human rights challenges in India are complex and specially related to the caste system, child labour and the role of women. Norwegian assistance has therefore focused on strengthening the status and role of girls and women and combating child labour. There is particular emphasis on ensuring that girls obtain an education. In 2002,



East Timor faces enormous political and economic challenges as a new independent state.

Photo: Sipa/SCANPIX

gian assistance has been to help strengthen the regional aspect of cooperation with individual countries.

*Vietnam* has made considerable progress in reducing poverty. Although the country still has a closed economy, after China it has achieved the strongest economic growth in the region. The human rights situation in Vietnam has improved in the past 10-15 years. Although Vietnam is not one of Norway's main partner countries, there has been broad government-to-government cooperation between the two countries. Norwegian development cooperation supports Vietnam's own Comprehensive Poverty Reduction and Growth Strategy (CPRGS), which was drawn up by the country's authorities. In accordance with this strategy, cooperation with Norway in 2001 focused on good governance, economic development through agriculture and fisheries, environment and energy, education for ethnic minorities and efforts to combat HIV/AIDS. Vietnam has shown interest in expanding cooperation on private sector development, and in this connection a Vietnamese business delegation headed by high-ranking political representatives visited Norway in 2001.

*Indonesia's* transition from dictatorship to democracy has been a long and difficult process in which numerous challenges have had to be faced. National unity was under pressure in 2001 and there were several signs of a tendency towards dissolution. The economy was affected by a weakened currency and a growing budget deficit in 2001. Both the IMF and the World Bank lost their confidence in Indonesia, which led to postponements in the IMF's disbursements and reduced loans from the World Bank. Nevertheless, Indonesia succeeded in achieving a certain degree of macroeconomic stability, and economic growth in 2001 was about 3.5 per cent.

There is a need to strengthen the democratization process and get the economy back on its feet. The main goal of Norway's cooperation with Indonesia in 2001 was therefore to help ensure that political and economic reforms continue, and that efforts to promote democracy are consolidated. Assistance for measures targeting the promotion of human rights, good governance and democratic reforms was largely channelled through multilateral agencies. Although the extent of the assistance was relatively limited, Norway is involved in important efforts in the environmental sector, which constitutes one of the main chal-

the foundation was also laid for expanded cooperation in the environmental sector.

### South-East Asia

There are considerable differences between the countries in South-East Asia. Some countries are among the poorest in the world, while others can boast substantial economic growth. Within the various countries, vulnerable groups have become increasingly marginalized, particularly since the economic crisis in 1997-98. In 2001 many countries were undergoing a transition from authoritarian regimes to more democratic forms of government. The northern part of this region forms a border zone between the major powers India and China, while Indonesia, another of the world's most populous countries, lies to the south.

Norway considers it important to maintain broad political and economic cooperation with this subregion. Several of the countries are important partners in the field of private sector cooperation and trade, and in meeting the challenges posed by global concerns such as natural resource management and biological diversity. The main goal of Norwegian development cooperation in this region in 2001 was to contribute towards reducing poverty and assist countries to preserve peace through nation-building and the establishment of democratic institutions. A key objective of Norwe-

allenges in many countries undergoing rapid industrialization.

*East Timor* has been under UN jurisdiction until now, but on 20 May 2002 it will become an independent state. *East Timor* faces enormous challenges and is one of the poorest areas in the world. The goals of Norway's cooperation in 2001 were to help ensure that the country develops into a stable, independent nation based on democratic principles and respect for human rights. Assistance for health and education was an important part of Norwegian support for *East Timor* in 2001. Norway supported efforts to achieve the best possible coordination of international assistance and to channel aid through joint funds. A donor meeting on *East Timor* was held in Oslo in December 2001, at which Norway committed itself to long-term development cooperation with the country. It is important to contribute towards ensuring that the international community supports a new state like *East Timor* during a difficult transitional period.

### East Asia

Most of the countries in East Asia achieved economic growth in 2001 despite the financial crisis five years ago. Through cooperation between countries in East Asia and Norway, relations have been developed in areas of common interest in the political, development and economic sectors. It is particularly important to maintain a constructive dialogue with *China* on foreign policy, development cooperation policy, environmental policy and trade policy issues. The main priority areas of development cooperation with *China* were environment, energy and the promotion of good governance. Cooperation is also an instrument for Norway's political dialogue with other countries in the region on issues relating to the global environment, democracy, human rights and industrial and commercial cooperation.

*China* continues to achieve economic growth. Official statistics show that GNI growth in 2001 was 7.3 percent and *China* is now the world's sixth largest economy. However, this growth is achieved at considerable cost to the environment. There is a clear correlation between unsound management of natural resources and flooding, and between polluting emissions and health. In the field of environmental cooperation, Norway provided assistance to *China* in 2001 in certain niche areas where Norway has highly specialized expertise and where this expertise can be applied in pilot projects and human resource development.

These pilot projects, which are very modest in relation to *China*'s large population and economy, nonetheless serve an important function as catalysts. Improving the environmental situation in *China* will also have beneficial effects on the global environment.

### Cooperation in Latin America

Despite the high level of international development assistance for *Nicaragua* throughout the 1990s, standards of living have only improved to a limited degree. In 2001, per capita GDI was only USD 480, about one tenth that of its neighbour, *Costa Rica*. The lack of openness and transparency in government administration and the politicization of the electoral council, the national audit institution and the Supreme Court have been problems that have undermined both the country's economic development and its democracy. These were some of the factors that led to the proposal in autumn 2001 that *Nicaragua* should no longer have the status of main partner country.

Good governance and transparency have been key words in Norway's dialogue with the *Nicaraguan* authorities, and Norway has, among other things, participated in a joint financing fund to combat corruption. So far, Norway has pledged to contribute just under NOK 2 million to this fund.

A new government took up office in January 2002, and the new president has declared the fight against corruption a top priority. There are great expectations with regard to these efforts, and good governance and the fight against corruption will continue to be priority areas in Norwegian development cooperation with *Nicaragua*.

In 2001 *Nicaragua* drew up its PRSP, which was well received by both the banks and the donor community. As an HIPC country, *Nicaragua* under its new government is expected to be able to utilise the funds that would have been spent on reducing its debt on measures to reduce poverty. However, the country is still highly dependent on development assistance.

A large proportion of aid to *Nicaragua* (about 30 percent) is provided through Norwegian non-governmental organizations, and in 2001 the Ministry of Foreign Affairs carried out a comprehensive evaluation of their activities from 1994 to 1999. While the NGOs were commended for their efforts, they were urged to

Norway has led the way in providing support for projects aimed at strengthening the Mayans' cultural and linguistic identity.

Photo: Håkon Lislørud/ Norwegian Church Aid



support the country's own priorities and plans to a greater degree, and to assist local organizations to become active spokesmen for poverty reduction.

Norwegian development assistance for *Guatemala* since the conclusion of peace in the country has been linked specifically to the implementation and monitoring of the very comprehensive, complex peace accords. During the period immediately following the signing of the peace accords, Norwegian assistance focused on the demobilization and reintegration of government and guerrilla soldiers. This part of the peace accords was implemented successfully. In the past few years, emphasis has mainly been on strengthening the rule of law, the democratization process and the rights of indigenous peoples.

Five years after peace was concluded, a great deal remains to be done to implement the peace accords. While the parts of the accords purely relating to the termination of hostilities posed few problems, the sweeping social and economic reforms and the agreement regarding the rights of indigenous peoples, which were also a part of the peace accords, have been more difficult to carry out. This is partly due to the complexity of the accords, but also to the fact that large sections of the *Guatemalan* population have no real sense of ownership of the accords. Given the country's per capita GNI of USD 1544, it is difficult for the *Guatemalan* authorities to generate the necessary revenues to implement the peace accords. The situation is not made any easier by weak economic growth

of 1.5 percent and low tax revenues.

Norwegian development assistance, combined with contributions from other donor countries, therefore plays an important role in the efforts to meet the expectations of groups like the indigenous population as regards the peace agreement, and in the building of democratic institutions that are necessary in order to ensure a durable peace. Training and education programmes for the *Mayan* population, who are still marginalized, are particularly important. Norway has led the way in providing support for projects aimed at strengthening the *Mayans'* cultural and linguistic identity.

In February 2002, for the first time in nearly four years, a meeting of donor countries was held between the *Guatemalan* authorities and the international community. Both donors and authorities declared the peace accords to be the primary development agenda for *Guatemala*. It was also pointed out that the authorities share responsibility for the failure to implement the peace accords with the opposition, the private sector and civil society. Norway emphasized the need to secure the financial basis for implementing the accords, efforts to combat corruption and the authorities' responsibility for breaking out of the spiral of violence and putting an end to the culture of threats and impunity.

### Cooperation in the Middle East

Norway's extensive political involvement in this region is the main reason why the *Palestinian Area* is one of the single largest recipients of Norwegian development assistance. Since 1994, Norway has provided a total of more than NOK 2 billion in aid to the *Palestinians*, about one third of which was given to the *Palestinian Authority* (PA). Norway has also established a representative office to the *Palestinian Authority* in Al Ram in the West Bank.

The international community agrees that economic and social conditions in the *Palestinian Area* must be improved if a lasting peace is to be achieved in the region. Bilateral cooperation is carried out with the PA. Norway has attached great importance to the establishment of *Palestinian* administrative institutions in its development cooperation with the PA. Institution-building is a particularly important component of cooperation in the energy, water, statistics and physi-

From the refugee camp in Jenin. The economic and social situation in the Palestinian Area has seriously deteriorated as a result of the intifada of the past couple of years.

Photo: Inger Sandberg/ Norwegian Peoples Aid



Almost 50 percent of Palestinians now live below the poverty line and unemployment is over 30 percent in the West Bank and 50 percent in Gaza. The Palestinian authorities are functioning at a minimum level and require substantial international transfers in order to be able to pay the wages of public sector employees and maintain the most important public services. Since spring 2001, therefore, the international community has contributed budget support to the Palestinian authorities.

Even during the current crisis in 2002, an attempt is being made to maintain the measures that have been established, but in many cases development

cal planning sectors. Developing and upgrading the school system, public health services, infrastructure, administration and the private sector are otherwise considered to be effective means of supporting the political process and providing the necessary stability.

In this process, decisive importance is attached to strengthening democratization, promoting respect for human rights and fostering dialogue and understanding between the various population groups in the area. Norway is responsible for coordinating the People-to-People Programme, a project based on the Oslo II Accords to promote grassroots contact between Israelis and Palestinians.

In order to coordinate development assistance, in 1993 the Palestinian authorities and donor countries jointly established a complex structure for donor coordination. This consists, firstly, of collaboration between donors at headquarters level, called the Ad Hoc Liaison Committee (AHLC). Furthermore, there are various local coordinating committees consisting of the donor countries' representatives in the Palestinian Area. Norway holds the chairmanship in this structure at both the headquarters and local levels.

The economic and social situation in the Palestinian Area has seriously deteriorated as a result of the intifada of the past couple of years. Due in part to Israel's internal and external closure of the West Bank and Gaza Strip and its withholding of taxes and revenues collected on behalf of the Palestinian authorities, the Palestinian economy is in a very poor state.

projects have had to be postponed or activities curtailed. In this difficult situation, Norway has actively contributed various forms of emergency relief, primarily for medical equipment, the reconstruction of damaged houses and so-called "labour-intensive" projects, i.e. activities that both maintain employment and build up important infrastructure.

Partly as a result of the growing number of acts of violence, extensive needs arose, particularly in the health sector but also for food and protection. Norway provided assistance in response to these needs, while emphasizing the importance of maintaining support for activities to promote peace, reconciliation and human rights. Norwegian humanitarian aid for the Palestinian Area was substantially increased and totalled NOK 101 million in 2001.

### Cooperation in the Balkans and in Central Asia

The political and security situation in the West Balkan region is changeable and at times unpredictable. There is still potential for conflict in certain countries, although the conflict aspect is abating in the region as a whole. As the danger of conflict diminishes, crime and social unrest are on the rise as a result of political and economic transition processes in several of the countries. Nevertheless, there is reason to emphasize that there are also positive developments in the region. However, this trend is still very fragile. The

involvement of the international community will therefore still be necessary in the region, both military and political and in terms of development assistance.

In 2001, development aid for the *West Balkan* countries primarily targeted measures to promote democratization, measures of a more long-term nature aimed at human resource development and institution-building, and measures to promote private sector development. Assistance focused particularly on activities to support political, social and economic reforms and to underpin peace processes in the region.

This includes the Dayton process in Bosnia Herzegovina, which put an end to hostilities and laid the foundation for the peace process. The Ohrid process in Macedonia is another example, where an agreement was signed between influential parties in Macedonia with the participation of the international community, and a process was established to achieve a political solution to the conflict in that country. The Covic plan is a process aimed at building trust between ethnic Albanians and Serbs that was developed by the authorities in Beograd and is being implemented with international support from Norway and other countries.

The regional dimension was strengthened through projects under the Stability Pact for South East Europe, particularly in connection with Norway's chairmanship of the Stability Pact's III Working Table



The development in the Balkans is fragile. The Post-Pessimist Network consists of a number of youth groups whose goal is to promote democratization and reconciliation between different ethnic groups in the Balkans. The network is coordinated by Norwegian People's Aid.

Photo: Ølvind Fjeldstad

on Security Issues (justice and defence). In 2001, Norwegian non-governmental organizations, in addition to Norwegian government institutions, the UN system and other multilateral players were again the main channels for development assistance for the West Balkan countries.

The economies of the republics in *Central Asia* are unstable, and prolonged drought and ongoing conflicts have generated a need for substantial contributions of humanitarian assistance that has yet to be met.

Humanitarian aid accounted for a major proportion of development assistance for this area in 2001, and increased in the aftermath of 11 September. Norway continued to provide support for the environmental sector in Central Asia and for the social reintegration of former guerrilla soldiers in Tadzjikistan. In the cultural sector, assistance was provided for Kazakhstan and Kirghizistan.



## 7. Evaluation, research, culture, information and administration

### Evaluation

There are several reasons why so much emphasis is placed on evaluation. It is essential to have effective control of, and information on, the use of public funds. Evaluations are also important for assessing ongoing measures and as a basis for designing future measures. The Ministry's evaluations cover the entire foreign service, encompassing the areas of constitutional responsibility of the Minister of Foreign Affairs and the Minister of International Development, NORAD, non-governmental organizations and others who receive allocations from the Ministry of Foreign Affairs. The evaluations are carried out by independent consultants and published in a series of reports that are distributed free of charge and are also available on the ODIN website.

#### The following reports were published in 2001:

- *Evaluation of the Norwegian Human Rights Fund (1/01)*. The Norwegian Human Rights Fund provides funding for human rights organizations in countries where human rights work is particularly difficult. Seventy percent of this support has been financed by the Ministry of Foreign Affairs. As a result of the recommendations in the report, the Ministry has decided that a larger proportion of the allocation may be used for institutional development and capacity-building in the organizations that receive funding.

- *Economic effects for the least developed countries of the elimination of import duties on their products (2/01)*. The report on the impact of zero duty for the least developed countries was a useful tool in the discussion on the elimination of the last Norwegian trade restrictions in respect of LDCs and for the Norwegian delegation to the Third UN Conference on the Least Developed Countries in Brussels in May 2001.

- *Evaluation of support for the activities of Norwegian non-governmental organizations in Nicaragua 1994-1999 (3/01)*. During the period 1994-99, 27 Norwegian non-governmental organizations received NOK 225 million, approximately 40 percent of total Norwegian development assistance for Nicaragua. The report assesses the results as positive, but also proposes strengthening organizational development and capacity building among Norway's partner organizations in Nicaragua, and developing a system for

information exchange between all concerned parties.

- *Cooperation between the International Monetary Fund and the World Bank on poverty reduction (4/01)*. The purpose of this study of the Bretton Woods institutions was to assess whether they had followed up their intentions as regards poverty reduction in their activities. On the whole, the report gives the bank and the fund good marks for constructive cooperation in their efforts to achieve the goal, but the relationship between the Bretton Woods institutions and developing countries must be made more equitable.

- *Evaluation of development cooperation between Bangladesh and Norway, 1995-2000 (5/01)*. This is an evaluation of development cooperation with Bangladesh during the period 1995-2000, when Norwegian bilateral assistance for Bangladesh totalled NOK 1.4 billion. On the basis of the report's recommendations and the consultative comments, several proposals were made as regards the design of future cooperation. It is recommended that cooperation concentrate on fewer activities. The quality of development assistance should be enhanced by upgrading expertise in both Norway and Bangladesh. The embassy's activities should be strengthened through increased contact with different cooperation partners in civil society and among the recipient groups. The evaluation's review and recommendations are one of several factors that form the basis for work on new guidelines for cooperation with Bangladesh.

- *Can democratization prevent conflicts? (6/01)*. The Bergen Seminar on Development 2001 addressed the issue of democratic development in sub-Saharan Africa in the past decade. The purpose was to shed light on the degree to which the development of democratic institutions has contributed towards preventing conflicts. Democratic governance seems to be particularly important for the economic development of ethnically differentiated countries. The absence of sustainable democratic structures may be one of the causes of the slow economic growth in ethnically heterogeneous Africa in the last 30 years. Moreover, there are clear linkages between poverty and conflict. The African continent has been hard hit by war and violent conflict, which has exacerbated poverty and weakened democracy. Development cooperation which provides both resources and ideas may help to promote democracy and peace, as important prerequisites for economic development and prosperity.

Laboratory in the Philippines. Research and educational institutions play an important role in the long-term economic, political, social and cultural development of developing countries.

Photo: Photodisc



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- Evaluation of the Post-Pessimist Network in the Balkans (7/01). The Post-Pessimist Network consists of a number of youth groups whose goal is to promote democratization and reconciliation between different ethnic groups in the Balkans. The network is coordinated by Norwegian People's Aid, and the Norwegian Ministry of Foreign Affairs has allocated about NOK 1 million per year for this purpose. Around 1000 young people have taken part in activities in the past seven years. The report describes the working methods and the results of the network's efforts in very positive terms, and recommends that Norway continue to support the project.

In 2001 the Ministry of Foreign Affairs and NORAD also took part in the OECD's Development Assistance Committee's Working Party on Aid Evaluation. The Working Party is currently reviewing international support for developing countries for the decentralization of public sector activities, the promotion of gender equality and gender-specific measures.

Evaluations are also being carried out to follow up the Utstein Initiative, a framework of cooperation between the Netherlands, Great Britain, Germany and Norway on development issues. Other evaluations are being conducted jointly with relevant developing countries, other OECD countries and international organizations on issues such as international support for basic education and the work of the UN Programme on HIV/AIDS (UNAIDS).

Under a multi-year cooperation agreement, funding was provided in 2001 for the World Bank's evaluation activities in priority areas. This support was provided for evaluation of the bank's activities in the environmental sector, a review of water and sanitation programmes, privatization of the energy sector, and a study of the results of the bank's anti-corruption activities. The purpose of the cooperation agreement is also to support the upgrading of evaluation expertise. In 2001, funding was therefore provided for a training programme in which the target group comprised evaluators and persons responsible for evaluations from developing countries and organizations outside the World Bank.

In 2001, funding was also provided for a programme to build up evaluation expertise in the development cooperation sector through Bistandstorget, a network of non-governmental organizations in Norway, which offers courses and training programmes for non-governmental organizations. Funding was also provided for the Active Learning Network on Accountability and Performance in Humanitarian Assistance (ALNAP). Both non-governmental organizations and national authorities participate in ALNAP.

*The Advisory Committee for Results in Development Cooperation Policy* was established by the Ministry of Foreign Affairs in autumn 2001. The mandate of this committee is to evaluate the results of development cooperation policy and promote broader dialogue on this policy. The goal is to innovate and rationalise Norwegian development cooperation.

## Research and human resource development

Research and educational institutions play an important role in the long-term economic, political, social and cultural development of developing countries. Human resource development and research-based knowledge are essential if developing countries are to be able to take control of their own development. *The Strategy for Strengthening Research and Higher Education in connection with Norway's Relations with Developing Countries* (1999) forms the basis for Norway's

focus on research and the acquisition of expertise in development cooperation.

The main goal of assistance in this area is to strengthen the knowledge base in the South and the ability of developing countries to organize and conduct research, meet national educational needs, increase access to international, research-based knowledge and apply such knowledge in their own development processes. Research is also a key instrument for building up knowledge in Norway of important development issues and the situation in developing countries.

Assistance for research and human resource development encompasses support for research in developing countries, education and training for students from developing countries, debt cancellation for students from developing countries, research and research-oriented cooperation on education and research on development issues in Norway.

In 2001 a new five-year agreement was signed between NORAD and the Norwegian Council for Higher Education regarding the Programme for Development Research and Education, which is the most important instrument in the field of research and research-oriented cooperation on education between institutions in Norway and in developing countries.

In order to contribute towards human resource development in developing countries, researchers must have the opportunity to enter into regional cooperation. In 2001 cooperation with regional research organizations in Africa was expanded to include support for a regional fund for social science research. An agreement on long-term cooperation was also concluded with a regional network organization in Latin America with focus on poverty research. Efforts were also initiated to better coordinate and harmonize the terms of various grant schemes for students from developing countries, primarily NORAD's educational grant scheme and the so-called "quota system" for students from developing countries, which is administered by the State Educational Loan Fund.

Development research in Norway is primarily funded through research programmes administered by the Research Council of Norway. In 2001 over NOK 50 million was disbursed from the development assistance budget for Norwegian development research. In 2001 the research programme Globalization and

Marginalization: Multi- and Interdisciplinary Research on Development Paths in the South was again the main recipient of funding within the framework of cooperation with the Research Council of Norway. When allocating funds in 2001 within this programme, priority was given to research on political processes and on the environment and development. Research on human rights and development was another priority topic.

In 2001 funding was also provided for other research programmes under the Research Council of Norway, including research on the multilateral system in the field of development. The basic allocation from the Ministry of Foreign Affairs to the Chr. Michelsen Institute is administered by the Research Council of Norway, and the Ministry of Foreign Affairs also allocates funds to cover the running costs of the Nordic Africa Institute.

Focus on research also entails systematic cooperation with international organizations and with various specialized ministries and other public bodies in Norway. Norway provides substantial financial support for research programmes under the auspices of international organizations, particularly in the field of agricultural research, medical research and health-related issues. There is also active dialogue and exchange of knowledge with international research institutions and with the research departments of multilateral aid agencies. The Ministry of Foreign Affairs, and NORAD in particular, are engaged in close, formalized technical cooperation with Norwegian educational and research institutions, which play an important role as advisors to the development cooperation administration.

In 2001, the Ministry of Foreign Affairs' work on the Government's Action Plan 2015 for Combating Poverty in the South was the starting point for a dialogue with other parts of the public administration on the link between development cooperation policy and other areas of policy. The Ministry has also engaged in dialogue with the Ministry of Education and Research and other institutions involved in efforts to internationalize Norwegian educational and research institutions.

## Cultural cooperation

In 2001 the Ministry of Foreign Affairs took over the

administration of cultural exchanges with developing countries. NORAD still administers long-term cooperative activities in the cultural field, such as institutional development and educational programmes.

Efforts were made in 2001 to promote close cooperation between players in civil society in Norway and developing countries, for instance through participation in arts and cultural festivals and direct exchanges of artists between institutions. Cultural events were arranged in connection with foreign policy campaigns relating to the fight against HIV/AIDS and other issues, and efforts to facilitate dialogue in peace and reconciliation processes.

Under a framework agreement with the Norwegian Council for Higher Education, NORAD began work on establishing an educational programme in the field of culture and the arts for students from Norway's partner countries. Norwegian and international partners have contributed towards mutual exchanges of expertise and knowledge and the strengthening of international cooperation in the cultural field.

Cooperation with the UN Educational, Scientific and Cultural Organization (UNESCO) continued in 2001. This included support for a comprehensive programme on the international slave trade. This cooperation also encompasses a series of seminars for artists from various countries and a programme for children and young people which aims to enhance their awareness of cultural heritage protection.

### Information activities

In 2001 the Ministry of Foreign Affairs noted an increased interest in development issues in the Norwegian media.

Among the topics addressed, there was strong focus on HIV/AIDS in 2001. An educational grant for journalists was awarded for journalistic coverage of this serious challenge. Support was also provided for TV productions on this topic, including a video film produced in cooperation with Unisjón. The 2001 TV fundraising campaign for Norwegian Church Aid also focused attention on HIV/AIDS. In cooperation with the International Museum of Children's Art, NORAD arranged a touring exhibition of children's drawings relating to the HIV/AIDS disaster.

A literary conference entitled War and Peace was held in Tromsø in September 2001. A number of prominent authors from several continents gave talks related to the centennial anniversary of the Nobel Peace Prize. In addition to members of the Norwegian and European press, journalists from several Latin American countries covered the conference. Norwegian journalists accompanied delegations on visits to East Timor, India, Kenya and Uganda.

A course on international politics entitled Norway in the World was arranged in collaboration with the Oslo University College and the UN Association.

The Ministry published annual reports on development assistance and human rights, and brochures in the KOMpakt series dealing with business and industry, human rights and the social responsibility of companies. A large number of publications and documents were made available to readers on the Internet.

In 2001 the UN Association, which for years has been responsible for a significant amount of the nation-wide dissemination of information on international issues, again received a large proportion of the total budget for information activities. Among other things, the UN Association offers courses and seminars for primary and secondary schools, libraries, organizations and the press. UNICEF Norway and ILO Norway also receive regular support for information activities.

The five big organizations, the Norwegian Red Cross, Redd Barna (Save the Children Norway), Norwegian People's Aid, Norwegian Church Aid and the Norwegian Refugee Council received a joint allocation that was primarily earmarked for joint information campaigns on development cooperation and North-South issues.

A number of other organizations received funding for information activities, including organizations that have a framework agreement with NORAD relating to this type of activity. This information network now has a considerable number of Internet pages containing information on North-South issues. One-time funding for information on North-South issues was provided to around 80 smaller organizations.

The magazine UNG (Young), which is published jointly by several ministries including the Ministry of Foreign Affairs, was discontinued in 2001, but its further publication in an Internet-based format is

A rickshaw from Bangladesh. To mark the occasion of 50 years of Norwegian development assistance, an exhibition was opened in February 2002.

Photo: Per Kr. Lunden/Sarvis



being considered.

The Inter Press Service (IPS), the "news agency of the Third World", has for several years received funding for its Norwegian office. At the end of 2001, this support was reduced and the Ministry announced that it would be phased out, in parallel with the cancellation by several Norwegian newspapers of their subscription to IPS' services.

NORAD and the Ministry of Foreign Affairs have decided to coordinate their information activities, particularly in connection with activities to mark 50 years of Norwegian development cooperation in 2002. Preparations were begun in 2001 and a number of events will be arranged in the course of the year.

A large-scale information campaign has also helped to make NORAD's name and work better known. In 2001 the Directorate noted a considerable increase in the number of inquiries and loans from its library, besides receiving several external requests for speakers. Two regional conferences on development assistance were held. Ten issues of the newspaper Bistandsaktuelt, which has made its mark as a well-informed, useful organ of debate, were published in 2001.

### Organization and administration

Expenses related to the administration of development assistance totalled NOK 588 million in 2001, equivalent to just over 4.9 percent of aid disbursements. NOK 288 million of these administrative costs were related to NORAD and the Ministry of Foreign Affairs in Oslo and NOK 300 million to special Foreign Ministry envoys and locally employed staff.

In 2001, personnel equivalent to 579 man-years were involved in the administration of development cooperation: 183 man-years at the Ministry of Foreign Affairs, 241 at NORAD's head office in Oslo and 95 for NORAD personnel at foreign service missions. In addition, envoys from the Ministry of Foreign Affairs equivalent to 60 man-years are regarded as having responsibilities relating to development assistance.

The NORAD personnel equivalent to 95 man-years at foreign service missions in 2001 were distributed as follows: 56 man-years at foreign service missions in Africa, 25 in Asia, 8 in Central America and 6 in the Palestinian Area. In addition to the above-mentioned man-years, local NORAD employees at the foreign service missions accounted for just over 187 man-years in 2001.

# Tables and maps

Table 1. Development assistance, by type of aid 1999 - 2001

	1999		2000		2001	
	mill NOK	%	mill NOK	%	mill NOK	%
Bilateral aid	5 666.6	52.9	6 217.2	55.7	5 943.2	48.9
Multi-bilateral aid <sup>1)</sup>	1 696.7	15.8	1 486.6	13.3	1 957.4	16.1
Multilateral aid <sup>2)</sup>	2 831.6	26.4	2 901.3	26.0	3 647.4	30.0
<i>Total contributions to multilateral organizations</i>	4 528.2	42.2	4 387.9	39.3	5 604.8	46.2
Administration	525.7	4.9	562.7	5.0	595.2	4.9
<b>Gross development aid</b>	<b>10 720.5</b>	<b>100.0</b>	<b>11 167.9</b>	<b>100.0</b>	<b>12 143.2</b>	<b>100.0</b>
Loan instalments	40.4		52.7		39.5	
<b>Net development aid</b>	<b>10 680.1</b>		<b>11 115.1</b>		<b>12 103.7</b>	
Of which NORFUND	83.4		95.9		61.4	
<b>Net aid as percentage of gross national income</b>		<b>0.91</b>		<b>0.80</b>		<b>0.83</b>

1) Multi-bilateral aid is bilateral aid administered by multilateral organizations.

2) Multilateral aid is general contributions to multilateral organizations.

Table 2. Gross bilateral development aid<sup>1)</sup> by region and income group LDCs (Least Developed Countries) 1999 - 2001

	1999		2000		2001	
	mill NOK	%	mill NOK	%	mill NOK	%
<b>Africa</b>	2 889.8	39.2	2 977.9	38.7	2 919.9	37.0
- Bilateral aid to LDCs	2 068.3	28.1	2 154.4	28.0	1 989.6	25.2
<b>Asia &amp; Oceania</b>	1 226.2	16.7	1 307.2	17.0	1 615.5	20.4
- Bilateral aid to LDCs	502.0	6.8	517.5	6.7	771.1	9.8
<b>Europe</b>	1 273.7	17.3	1 251.3	16.2	915.0	11.6
<b>Latin America</b>	547.5	7.4	522.5	6.8	783.4	9.9
- Bilateral aid to LDCs	9.4	0.1	15.3	0.2	18.7	0.2
<b>Middle East</b>	516.5	7.0	509.3	6.6	556.3	7.0
- Bilateral aid to LDCs	17.5	0.2	1.0	0.0	0.5	0.0
<b>Global unspecified</b>	<b>909.5</b>	<b>12.4</b>	<b>1 135.6</b>	<b>14.7</b>	<b>1 110.5</b>	<b>14.1</b>
<b>Total</b>	<b>7 363.2</b>	<b>100.0</b>	<b>7 703.8</b>	<b>100.0</b>	<b>7 900.6</b>	<b>100.0</b>
- Bilateral aid to LDCs	2 597.0	35.3	2 688.2	34.9	2 779.9	35.2

1) Bilateral aid including multi-bilateral aid.

Table 3. Gross bilateral aid<sup>1)</sup>, by types of aid 1999 - 2001

	1999		2000		2001	
	mill NOK	%	mill NOK	%	mill NOK	%
Investments	714	9.7	684	8.9	532	6.7
Sector-oriented project and programme aid	2 597	35.3	2 827	36.7	3 510	44.4
Non-sector-oriented aid and other commodity aid	2 915	39.6	3 140	40.8	2 444	30.9
Technical assistance incl. institution-building	1 054	14.3	956	12.4	1 352	17.1
NORFUND	83	1.1	96	1.2	61	0.8
<b>Total</b>	<b>7 363</b>	<b>100</b>	<b>7 704</b>	<b>100</b>	<b>7 901</b>	<b>100.0</b>

1) Bilateral aid including multi-bilateral aid.

**Table 4. Aid channelled through multilateral organizations in 2001** (NOK 1000)

	Multilateral aid <sup>1)</sup>	Multi-bilateral aid <sup>2)</sup>	Total
<b>1. UN Development Programme (UNDP) and funds administered by UNDP</b>			
UN Development Programme (UNDP)	713 500	191 238	904 738
UN Capital Development Fund (UNCDF)	30 000		30 000
UN Development Fund for Women (UNIFEM)	18 000		18 000
<b>Total</b>	<b>761 500</b>	<b>191 238</b>	<b>952 738</b>
<b>2. Development banks and affiliated development funds</b>			
International Development Association	555 890	13 000	568 890
African Development Fund (AfDF) - and Bank (AfDB)	311 211	5 314	316 526
Asian Development Fund (AsDF) - and Bank (AsDB)	54 663	7 284	61 947
Inter-American Development Bank (IADB) - and Fund (IADB Sp. Fund)	9 534	30 103	39 637
European Bank for Reconstruction and Development (EBRD)		15 000	15 000
World Bank	4 933	516 560	521 493
International Fund for Agricultural Development (IFAD)	48 395	2 881	51 277
Nordic Development Fund	44 214		44 214
Debt relief through HIPC3)	163 103		163 103
World Trade Organization (WTO)	8 311	1 711	10 022
<b>Total</b>	<b>1 200 253</b>	<b>591 854</b>	<b>1 792 107</b>
<b>3. Organizations for the development of agriculture, fishing and food aid</b>			
World Food Programme (WFP)	212 951	105 344	318 295
Food and Agricultural Organization (FAO)	9 676	73 332	83 009
Consultative Group on International Agricultural Research (CGIAR)	61 000		61 000
<b>Total</b>	<b>283 627</b>	<b>178 676</b>	<b>462 303</b>
<b>4. Organizations for children, population issues and health</b>			
UN Fund for Population Activities (UNFPA)	220 000	37 689	257 689
World Health Organization (WHO) <sup>4)</sup>	206 529	58 185	264 714
UN Children's Fund (UNICEF)	310 000	294 301	604 301
Global Alliance for Vaccines and Immunisation (GAVI)	178 182		178 182
UNAIDS	112 374	4 466	116 840
Pan-American Health Organization (PAHO)		6 181	6 181
<b>Total</b>	<b>1 027 085</b>	<b>400 822</b>	<b>1 427 907</b>
<b>5. Other multilateral organizations</b>			
Aid share of the ordinary contribution to the UN <sup>5)</sup>			
UN Industrial Development Organization (UNIDO)	4 675	13 540	18 215
International Labour Organization (ILO)	1 576	52 905	54 482
UN Educational, Scientific and Cultural Organization (UNESCO)	28 970	28 967	57 937
UN Research Institute for Social Development (UNRISD)	3 000		3 000
UN University	1 000	353	1 353
International Maritime Organization (IMO)		9 500	9 500
UN International Drug Control Programme (UNDCP)		10 000	10 000
UNCTAD/GATT's International Trade Centre (ITC)		6 000	6 000
UN Center for Human Settlement (UNCHS/Habitat)	5 000	525	5 525
Int Centre for Insect Physiology and Ecology (ICIPE)	4 000		4 000
Universal Postal Union (UPU)	1 800		1 800
World Intellectual Property Organization (WIPO)	749		749
World Meteorological Organization (WMO)	59		59
UN Conference on Trade and Development (UNCTAD)		20 542	20 542
Organization of American States (OAS)		12 089	12 089
Organization of African Unity (OAU)		2 300	2 300
UN Observer Corps in Guatemala (MINUGUA)		5 100	5 100
Other <sup>6)</sup>	9 000	27 167	36 167
<b>Total</b>	<b>59 829</b>	<b>188 989</b>	<b>248 818</b>
<b>6. UN environmental funds</b>			
UN Environmental Programme (UNEP) and Multilateral Funds of the Montreal Protocol	8 041	46 151	54 192
Global Environmental Facility (GEF)	37 080		37 080
<b>Total</b>	<b>45 121</b>	<b>46 151</b>	<b>91 272</b>
<b>7. International humanitarian relief work and aid for refugees</b>			
UN High Commissioner for Refugees (UNHCR)	170 000	165 669	335 669
UN Relief and Work Agency for Palestine Refugees in the Near East (UNRWA)	100 000	11 000	111 000
UN Office for Coord. of Humanitarian Aid (UNOCHA)		73 161	73 161
International Organization for Migration (IOM)		42 028	42 028
Other humanitarian relief work <sup>7)</sup>		67 847	67 847
<b>Total</b>	<b>270 000</b>	<b>359 705</b>	<b>629 705</b>
<b>Sum total</b>	<b>3 647 414</b>	<b>1 957 436</b>	<b>5 604 850</b>

1) Multilateral aid is defined as general grants to multilateral organizations.  
 2) Multi-bilateral aid is defined as bilateral aid administered by multilateral organizations.  
 3) HIPC: Heavily Indebted Poor Countries.  
 4) Comprises support for the WHO, Alliance for Health Policy and Global Forum for Health Research.  
 5) Unfortunately, it was not possible to specify the aid share of the regular contribution to the UN for 2001.

6) Comprises support channelled through the Economic Commission for Africa (ECA), UN Centre for Int. Crime Prevention, UN Div. for Ocean Affairs and Law of the Sea, UN Secretariat, UN Institute for Disarmament Research (UNIDIR) and UNDP Office to Combat Desertification and Drought (UNSDO).  
 7) Comprises support channelled through the UNMIR, UN General Trust Fund, UN High Commissioner for Human Rights (UNHCHR), UN Mission to Togo, UN Technical Coop. Act., UNITAR, UNOPS and UN Transitional Administration in East Timor (UNTAET).

**Table 5. General contributions to multilateral organizations 1997 - 2001** (NOK 1000)

	1997	1998	1999	2000	2001
<b>1. UN Development Programme (UNDP) and funds administered by UNDP.</b>					
UN Development Programme (UNDP)	564 000	605 500	596 000	605 000	761 500
UN Capital Development Fund (UNCDF)	30 000	30 000	30 000	14 500	30 000
UN Development Fund for Women (UNIFEM)	10 000	15 500	16 000	16 000	18 000
<b>2. Development banks and affiliated development funds</b>					
International Development Association (IDA)	341 525	361 465	410 000	276 000	555 890
International Finance Corporation (IFC)	11 737				
African Development Fund (AfDF) and Bank (AfDB)	207 146	257 431	195 096	311 858	311 211
Asian Development Fund (AsDF) and Bank (AsDB)	41 573	41 711	41 865	38 978	54 663
Inter-American Development Bank (IADB) and Fund (IADB Sp. Fund)	11 457	12 286	11 089	11 172	9 534
World Bank	63 800			4 000	4 933
PRGF1) in IBRD (formerly International Monetary Fund)	20 000	20 000	10 000	14 075	
International Fund for Agricultural Development (IFAD)	40 000	70 000	38 216	48 395	48 395
Nordic Development Fund	89 771	48 083	76 553	71 440	44 213
World Trade Organization (WTO)					8 311
Debt relief through HIPC2)	161 000	90 000	80 000	175 674	163 103
<b>3. Organizations for the development of agriculture, fishing and food aid</b>					
World Food Programme (WFP)3)	255 522	278 525	265 784	258 716	283 627
Food and Agricultural Organization (FAO)	208 255	209 998	197 087	189 212	212 951
Food and Agricultural Organization (FAO)	6 267	7 527	7 697	8 505	9 676
Consultative Group on International Agricultural Research (CGIAR)	41 000	61 000	61 000	61 000	61 000
<b>4. Programmes for health, mother-child care and family planning</b>					
UN Fund for Population Activities (UNFPA)	640 542	691 730	692 686	707 640	1 027 085
World Health Organization (WHO) <sup>3)</sup>	200 000	210 000	200 000	200 000	220 000
World Health Organization (WHO) <sup>3)</sup>	120 663	141 230	156 186	156 840	206 529
FNs internasjonale barnefond (UNICEF)	271 000	290 000	280 000	280 000	310 000
UNAIDS	48 879	50 500	56 500	70 800	112 374
Global Alliance for Vaccines and Immunisation (GAVI)4)					178 182
<b>5. Other multilateral organizations</b>					
Aid share of the regular contribution to the UN5)	30 332	39 363	51 236	45 240	59 829
UN Industrial Development Organization (UNIDO)	3 874	5 647	5 408	5 871	
International Labour Organization (ILO)	4 405	3 839	4 077	4 662	4 675
UN Committee on the Rights of the Child	1 610	1 477	1 654	1 660	1 576
UN Committee on the Rights of the Child	2 000	2 000			
UN Educational, Scientific and Cultural Organization (UNESCO)	15130	20900	31 326	29 246	28 970
UN Research Institute for Social Development (UNRISD)	2 000	3 000	3 000	3 000	3 000
UN University			771	800	1000
UN International Drug Control Programme (UNDCP)		2 000	5 000		
International Research and Training Institute for the Advancement of Women (INSTRAW)	1 000	500			
Adm. Com. on Coordination/Sub-Com. Nutrition	313				
UN Center for Human Settlement (UNCHS/Habitat)					5 000
Int Centre for Insect Physiology and Ecology (ICIPE)					4 000
Universal Postal Union (UPU) <sup>6)</sup>					1 800
World Intellectual Property Organization (WIPO) <sup>6)</sup>					749
World Meteorological Organization (WMO) <sup>6)</sup>					59
Other UN organizations <sup>7)</sup>					9 000
<b>6. UN environmental funds</b>					
Global Environment Facility (GEF)	46 550	15 408	93 035	63 145	45 121
Multilateral Fund of the Montreal Protocol (UNEP)		15 408	8 008	5 810	8 041
<b>7. International humanitarian relief work and aid to refugees</b>					
UN High Commissioner for Refugees (UNHCR)	235 000	270 000	270 000	270 000	270 000
UN High Commissioner for Refugees (UNHCR)	150 000	170 000	170 000	170 000	170 000
UN Relief and Work Agency for Palestine Refugees in the Near East (UNRWA)	85 000	100 000	100 000	100 000	100 000
<b>Total</b>	<b>2 759 955</b>	<b>2 801 502</b>	<b>2 831 562</b>	<b>2 901 333</b>	<b>3 647 414</b>

1) Contributions to the Enhanced Structural Adjustment Policy (ESAF) in 1997 and 1998 and the Poverty Reduction Growth Facility (PRGF) in 1999. The scheme was placed under the International Monetary Fund until 1999, after which it was taken over by the World Bank.  
 2) HIPC: Heavily Indebted Poor Countries.  
 3) Includes the WHO, Alliance for Health Policy and Global Forum for Health Research. In 2000 the figure also includes NOK 2 million for GAVI.  
 4) In 2000 NOK 2 million was contributed to GAVI. This is included under the WHO.  
 5) Unfortunately, the aid share of the regular contribution to the UN for 2001 could not be specified.  
 6) Prior to 2001, this support was included under UNESCO.  
 7) Includes support for UNTAET (NOK 8 million) and UNHCHR (NOK 1 million).

Table 6. Aid channelled through international NGOs<sup>1)</sup> (NOK 1000)

	2001
International Planned Parenthood Federation (IPPF)	45 000
Worldview Int Foundation (WIF)	27 000
The World Conservation Union	25 590
Woman's World Banking (WWB)	10 000
International Institute for Demo & Elect Assist (IDEA)	6 931
International Union Against Tuberculosis & Lung Disease (IUATLD)	4 000
The Panos Institute	3 500
International Institute for Environment and Development (IIED)	3 100
Legal Resource Foundation	3 055
International Center for Living Aquatic Resources Management (ICLARM)	2 780
Worldview Rights	2 700
International Campaign to Ban Landmines	2 500
International Food Policy Research Institute (IFPRI)	2 000
Plan International	2 000
International Development Law Institute (IDLI)	1 800
YMCA	1 507
International Commission on Missing Persons	1 500
Women for Change (WFC)	1 500
Save the Children	1 200
International Law Institute-ILI	1 100
International Civil Aviation Organization (ICAO)	985
International Work Group for Indigenous Affairs (IWGIA)	900
International Alert	874
International Collective in Support of Fishworkers (ICSF)	800
International Women's Health Coalition (IWHC)	800
World Wide Fund for Nature (WWF)	800
Isis- Women's International Cross Cultural Exchange (Isis-WICCE)	750
Women Living under Muslim Law	750
Human Rights Information and Documentation Systems (HURIDOCs)	700
Isis International	600
Index on Censorship	520
Anti Slavery International	500
PENHA	450
Association of Women's Clubs (AWC)	420
Foundation Corruption Awareness	400
International Society for Health and Human Rights	365
Third World Forum (TWF)	350
Women for Women	300
Anti Corruption Bureau	250
International Service for Human Rights	250
Working Women Organization (WWO)	155
South Luangwa Management Unit (SLAMU/LIRDP)	126
International South Group Network	125
Child in Need Development Association	100
Society for International Development	100
International Romani Union	10
<b>Total</b>	<b>161 143</b>

1) The organizations may have received support both as a general contribution and as an earmarked contribution for specific projects.

Table 7. Net bilateral aid<sup>1)</sup> for countries<sup>2)</sup> and regions 1999-2001 (NOK 1000)

	1999	%	2000	%	2001	%
<b>Africa</b>						
<b>Tanzania</b>	387 688	5.3	309 419	4.0	314 161	4.0
<b>Mozambique</b>	285 903	3.9	336 089	4.4	293 223	3.7
<b>Zambia</b>	213 241	2.9	218 038	2.8	187 113	2.4
<b>Uganda</b>	198 421	2.7	184 716	2.4	177 419	2.3
Angola	153 966	2.1	145 937	1.9	157 116	2.0
South Africa	123 649	1.7	129 573	1.7	152 750	1.9
<b>Ethiopia</b>	186 540	2.5	207 321	2.7	146 105	1.9
Sudan	110 964	1.5	124 728	1.6	117 740	1.5
Somalia	81 149	1.1	176 878	2.3	111 278	1.4
Zimbabwe	103 945	1.4	85 951	1.1	91 770	1.2
<b>Malawi</b>	96 932	1.3	59 827	0.8	86 699	1.1
Sierra Leone	48 144	0.7	77 137	1.0	83 927	1.1
Mali	67 517	0.9	57 916	0.8	60 518	0.8
Burundi	49 824	0.7	46 973	0.6	50 860	0.6
<b>Eritrea</b>	58 005	0.8	56 392	0.7	40 888	0.5
Madagascar	26 565	0.4	39 667	0.5	37 975	0.5
Kenya	15 457	0.2	25 414	0.3	36 319	0.5
Congo (Dem Rep)	17 339	0.2	49 808	0.7	34 764	0.4
Namibia	41 724	0.6	63 006	0.8	33 375	0.4
Botswana	21 245	0.3	23 498	0.3	32 614	0.4
Guinea	461	0.0	0	0.0	27 164	0.3
Niger	13 063	0.2	4 193	0.1	23 651	0.3
Algeria	7 419	0.1	9 232	0.1	18 969	0.2
Rwanda	37 723	0.5	37 600	0.5	18 281	0.2
Senegal	9 513	0.1	14 572	0.2	10 097	0.1
Nigeria	5 620	0.1	4 192	0.1	9 733	0.1
Cameroon	5 716	0.1	6 034	0.1	8 645	0.1
Egypt	9 528	0.1	9 551	0.1	8 238	0.1
Liberia	11 806	0.2	2 588	0.0	5 814	0.1
Mauritius	157	0.0	8 256	0.1	5 623	0.1
Ghana	5 938	0.1	28 303	0.4	4 846	0.1
Mauretania	2 814	0.0	3 317	0.0	3 763	0.0
Congo	11 319	0.2	17 455	0.2	3 015	0.0
Burkina Faso	11 712	0.2	3 864	0.1	2 398	0.0
Lesotho	1 685	0.0	1 707	0.0	2 354	0.0
Gambia	1 146	0.0	1 680	0.0	2 149	0.0
Ivory Coast	706	0.0	1 343	0.0	2 127	0.0
Cape Verde	156	0.0	496	0.0	1 483	0.0
Benin	0	0.0	0	0.0	916	0.0
Swaziland	956	0.0	875	0.0	909	0.0
Chad	1 294	0.0	1 041	0.0	882	0.0
Morocco	335	0.0	1 069	0.0	820	0.0
Equatorial Guinea	254	0.0	306	0.0	360	0.0
Togo	42	0.0	500	0.0	350	0.0
Tunisia	2 029	0.0	1 484	0.0	288	0.0
Guinea-Bissau	160	0.0	61	0.0	160	0.0
Seychelles	0	0.0	0	0.0	120	0.0
Djibouti	0	0.0	2 460	0.0	78	0.0
Sao Tome & Principe	0	0.0	913	0.0	0	0.0
Central African Rep	97	0.0	2 795	0.0	0	0.0
Africa unspecified	452 786	6.2	393 757	5.1	510 067	6.5
<b>Total Africa</b>	<b>2 882 652</b>	<b>39.4</b>	<b>2 977 930</b>	<b>38.9</b>	<b>2 919 912</b>	<b>37.1</b>
<b>Asia &amp; Oceania</b>						
Afghanistan	55 564	0.8	110 547	1.4	357 076	4.5
<b>Bangladesh</b>	266 477	3.6	161 649	2.1	185 066	2.4
<b>Sri Lanka</b>	109 301	1.5	128 117	1.7	136 702	1.7
India	76 780	1.0	70 673	0.9	104 306	1.3
<b>Nepal</b>	57 670	0.8	78 399	1.0	103 320	1.3
China	109 689	1.5	87 087	1.1	86 811	1.1
Vietnam	55 600	0.8	54 292	0.7	51 168	0.7
Mongolia	13 184	0.2	11 979	0.2	51 000	0.6
Cambodia	49 453	0.7	54 090	0.7	50 556	0.6
Pakistan	36 254	0.5	58 658	0.8	49 571	0.6
Laos	51 121	0.7	74 760	1.0	43 280	0.6
East Timor	0	0.0	30 909	0.4	41 685	0.5
Indonesia	66 941	0.9	50 986	0.7	41 563	0.5
North Korea	30 262	0.4	29 275	0.4	31 316	0.4
Georgia	17 852	0.2	18 069	0.2	27 958	0.4
Burma	14 925	0.2	25 295	0.3	25 519	0.3
Azerbaijan	15 573	0.2	19 630	0.3	24 344	0.3
Armenia	18 319	0.3	18 551	0.2	21 876	0.3
Philippines	19 809	0.3	40 203	0.5	15 022	0.2
Thailand	3 849	0.1	3 366	0.0	12 908	0.2
Kazakhstan	8 653	0.1	8 401	0.1	8 497	0.1
Tajikistan	4 855	0.1	9 824	0.1	7 503	0.1
Uzbekistan	0	0.0	1 089	0.0	6 942	0.1

Table 7. Cont'd. Net bilateral aid<sup>1)</sup> for countries<sup>2)</sup> and regions 1999-2001

	1999	%	2000	%	2001	%
Bhutan	5 202	0.1	12 676	0.2	5 971	0.1
Kirghizistan	9 582	0.1	2 539	0.0	4 539	0.1
Malaysia	1 647	0.0	1 702	0.0	4 026	0.1
Papua New Guinea	1 724	0.0	1 633	0.0	1 265	0.0
Turkmenistan	0	0.0	904	0.0	343	0.0
Fiji Islands	155	0.0	912	0.0	174	0.0
Maldives	0	0.0	90	0.0	167	0.0
Kiribati	0	0.0	0	0.0	155	0.0
Asia & Oceania unspecified	109 291	1.5	140 942	1.8	114 919	1.5
<b>Total Asia &amp; Oceania</b>	<b>1 209 731</b>	<b>16.5</b>	<b>1 307 248</b>	<b>17.1</b>	<b>1 615 548</b>	<b>20.6</b>
<b>Europe</b>						
Serbia & Montenegro	749 755	10.2	628 756	8.2	321 852	4.1
Croatia	29 826	0.4	44 140	0.6	162 365	2.1
Bosnia-Herzegovina	246 136	3.4	270 729	3.5	151 719	1.9
Macedonia(Fyrom)	54 495	0.7	8 468	0.1	56 887	0.7
Albania	49 444	0.7	31 187	0.4	27 033	0.3
Turkey	31 570	0.4	15 409	0.2	26 351	0.3
Moldova	0	0.0	5 752	0.1	8 780	0.1
Slovenia	0	0.0	575	0.0	78	0.0
Europe unspecified	112 449	1.5	246 280	3.2	159 936	2.0
<b>Total Europe</b>	<b>1 273 674</b>	<b>17.4</b>	<b>1 251 297</b>	<b>16.4</b>	<b>915 001</b>	<b>11.6</b>
<b>Latin America</b>						
Honduras	28 864	0.4	17 328	0.2	196 299	2.5
<b>Nicaragua</b>	<b>132 175</b>	<b>1.8</b>	<b>116 508</b>	<b>1.5</b>	<b>131 547</b>	<b>1.7</b>
Guatemala	102 801	1.4	71 390	0.9	89 519	1.1
Colombia	51 046	0.7	51 041	0.7	66 349	0.8
Bolivia	27 012	0.4	24 624	0.3	28 944	0.4
Ecuador	15 519	0.2	18 531	0.2	25 338	0.3
El Salvador	12 950	0.2	10 870	0.1	23 120	0.3
Brazil	15 166	0.2	20 316	0.3	21 400	0.3
Peru	12 940	0.2	12 195	0.2	19 337	0.2
Haiti	9 370	0.1	15 295	0.2	18 707	0.2
Cuba	8 937	0.1	7 138	0.1	15 474	0.2
Chile	4 652	0.1	5 739	0.1	6 838	0.1
Paraguay	11 111	0.2	25 387	0.3	5 783	0.1
Dominican Rep	2 698	0.0	1 853	0.0	3 751	0.0
Costa Rica	2 007	0.0	5 059	0.1	3 676	0.0
Mexico	4 953	0.1	3 898	0.1	3 584	0.0
Jamaica	2 832	0.0	3 124	0.0	2 805	0.0
Venezuela	0	0.0	2 945	0.0	958	0.0
Argentina	64	0.0	64	0.0	374	0.0
Belize	0	0.0	1 812	0.0	284	0.0
Uruguay	383	0.0	233	0.0	114	0.0
Barbados	578	0.0	541	0.0	- 67	0.0
Guyana	546	0.0	20 231	0.3	0	0.0
Latin America unspecified	100 870	1.4	86 336	1.1	119 237	1.5
<b>Total Latin America</b>	<b>547 475</b>	<b>7.5</b>	<b>522 456</b>	<b>6.8</b>	<b>783 371</b>	<b>10.0</b>
<b>Middle East</b>						
Palestinian Area	216 833	3.0	245 678	3.2	336 860	4.3
Iraq	172 989	2.4	123 278	1.6	95 873	1.2
Lebanon	30 643	0.4	32 828	0.4	38 490	0.5
Iran	13 718	0.2	45 703	0.6	33 460	0.4
Jordan	23 279	0.3	29 568	0.4	18 332	0.2
Syria	9 899	0.1	15 290	0.2	8 191	0.1
Yemen	17 542	0.2	1 000	0.0	458	0.0
Saudi Arabia	0	0.0	0	0.0	13	0.0
Middle East unspecified	31 635	0.4	15 970	0.2	24 584	0.3
<b>Total Middle East</b>	<b>516 538</b>	<b>7.1</b>	<b>509 315</b>	<b>6.7</b>	<b>556 261</b>	<b>7.1</b>
<b>Global unspecified</b>	<b>892 730</b>	<b>12.2</b>	<b>1 082 862</b>	<b>14.2</b>	<b>1 071 070</b>	<b>13.6</b>
<b>Total priority countries<sup>2)</sup></b>	<b>1 992 352</b>	<b>27.2</b>	<b>1 856 474</b>	<b>24.3</b>	<b>1 802 242</b>	<b>22.9</b>
<b>Total</b>	<b>7 322 801</b>	<b>100.0</b>	<b>7 651 107</b>	<b>100.0</b>	<b>7 861 164</b>	<b>100.0</b>

1) Bilateral aid including multi-bilateral aid minus loan instalments.

2) The countries that were priority countries as of 2001 are shown in bold print in the table for the period 1999-2001.

Table 8. Net bilateral aid<sup>1)</sup>, by country and main channels<sup>2)</sup>. (NOK 1000)

	Norwegian and international NGOs					Other channels			Total
	Norweg. NGOs	Local NGOs <sup>3)</sup>	Regional NGOs	Internat. NGOs	Foundations, research inst.	Multi-bilateral aid	Refugees in Norway <sup>4)</sup>	Other <sup>5)</sup>	
<b>Total priority countries</b>	<b>328 773</b>	<b>97 950</b>	<b>1 133</b>	<b>8 768</b>	<b>2 523</b>	<b>193 871</b>	<b>31 255</b>	<b>1 137 968</b>	<b>1 802 242</b>
Tanzania	22 046	5 425	1 012	46		5 220	33	280 379	314 161
Mozambique	39 869	5 623		800		43 510		203 421	293 223
Zambia	13 090	39 999		3 326	1 785	17 374		111 538	187 113
Bangladesh	8 196	18 691		645		1 133	1 555	154 847	185 066
Uganda	46 197	800		1 100		14 034	577	114 710	177 419
Ethiopia	71 115	902	121	2 000	550	29 061	10 417	31 939	146 105
Sri Lanka	32 173	12 873		600	50	8 566	5 209	77 230	136 702
Nicaragua	51 001	7 947				29 641		42 957	131 547
Nepal	17 632	887			139	27 977	5 831	50 855	103 320
Malawi	3 050	1 624		250		14 104		67 671	86 699
Eritrea	24 404	3 180				3 250	7 634	2 420	40 888
Afghanistan	157 304				532	155 309	37 090	6 841	357 076
Palestinian Area	86 227	6 743			1 151	101 828		140 910	336 860
Serbia & Montenegro	92 423	469				13 565	75 309	140 087	321 852
Croatia	36 194	500				15 000	71 162	39 509	162 365
Angola	61 882	3 500			56	56 117	700	34 862	157 116
South Africa	50 033	3 923		430	9 499	1 000	371	87 493	152 750
Bosnia-Herzegovina	42 101				45	500	57 634	51 440	151 719
Sudan	75 020					34 703	2 565	5 452	117 740
Somalia	22 750					19 220	67 714	1 595	111 278
India	43 187	14 513		2 000	25	9 350	2 161	33 071	104 306
Iraq	32 879					11 460	49 785	1 750	95 873
Zimbabwe	32 178	9 456	462	2 545	600	9 410		37 119	91 770
Guatemala	31 394	7 015			1 363	36 675		13 073	89 519
China	29 352	2 628		1 530	2 293	369	1 011	49 628	86 811
Sierra Leone	38 011					44 522	933	462	83 927
Colombia	38 733	1 800			1 771	7 000	522	16 523	66 349
Mali	36 735			2 790	419	16 321	78	4 176	60 518
Vietnam	7 235	1 000				4 093	622	38 218	51 168
Burundi	47 239					1 955	1 665		50 860
Cambodia	23 305					14 900		12 351	50 556
Pakistan	4 973	15 434		4 416		9 152	11 069	4 527	49 571
Laos	13 797					16 713		12 771	43 280
East Timor	9 103		30			30 270		2 282	41 685
Indonesia	15 101	115		500		11 650	33	14 164	41 563
Lebanon	30 791					68	1 873	5 758	38 490
Madagascar	12 004	1 048				16 600		8 323	37 975
Congo (Dem Rep)	31 050					3 417		297	34 764
Namibia	8 876	781			1 008		233	22 477	33 375
North Korea	14 436			2 700		14 000		180	31 316
Albania	11 391					1 000	10 961	3 681	27 033
Jordan	924				1 960	2 344	678	12 427	18 332
Rwanda	14 873					2 208	933	267	18 281
Philippines	7 721							7 302	15 022
Other countries	305 858	12 238	391	432	4 576	264 799	181 314	158 400	928 007
<b>Unspecified</b>	<b>456 839</b>	<b>7 613</b>	<b>41 676</b>	<b>135 033</b>	<b>53 540</b>	<b>838 050</b>	<b>25</b>	<b>467 038</b>	<b>1 999 814</b>
<b>Total<sup>1)</sup></b>	<b>2 250 691</b>	<b>186 726</b>	<b>43 692</b>	<b>161 144</b>	<b>81 361</b>	<b>1 957 436</b>	<b>607 694</b>	<b>2 572 419</b>	<b>7 861 164</b>
<b>As a percentage</b>	<b>28.6 %</b>	<b>2.4 %</b>	<b>0.6 %</b>	<b>2.0 %</b>	<b>1.0 %</b>	<b>24.9 %</b>	<b>7.7 %</b>	<b>32.7 %</b>	<b>100.0 %</b>

1) Bilateral aid including multi-bilateral aid minus loan instalments.

2) Since private-sector financing facilities comprise both multi-bilateral aid and aid channelled through NGOs in 2001, this category has been removed from this table. For a complete overview of private-sector financing facilities, see table 9.

3) In the recipient country.

4) Includes funds for refugees in Norway during their first year of residence, and write-off of study loans.

5) "Other" comprises all funding that is not channelled through NGOs or multilateral organizations or used to cover refugees' expenses during their first year in Norway.

Table 9. Development aid provided through private-sector financing facilities<sup>1)</sup> in 2001. (NOK 1000)

	Investment schemes	Parallell financing	Mixed credits	Training & adv. services <sup>2)</sup>	NORFUND	Total
<b>Africa</b>						
Angola		349			153	502
Botswana	350					350
Egypt	1 002			66		1 068
Ethiopia		2 300				2 300
Cape Verde	1 416					1 416
Kenya					770	770
Malawi	201	25 000		500		25 701
Mali				1 696		1 696
Mauritius					5 508	5 508
Mozambique	111	126			2 160	2 397
Namibia	478			2 489		2 967
South Africa	2 442			531		2 973
Tanzania	976	34 745		1 500	2 700	39 921
Uganda	242	8 866			135	9 243
Zambia	292	15 789		31	845	16 958
Zimbabwe	101	1 412				1 513
Sub-Saharan Africa unspecified	147	42 836				42 984
Africa unspecified	69	5 000			7 561	12 630
<b>Total Africa</b>	<b>7 828</b>	<b>136 423</b>		<b>6 812</b>	<b>19 832</b>	<b>170 895</b>
<b>Asia</b>						
Azerbaijan	292					292
Bangladesh	290			3 905		4 195
Bhutan	2					2
Philippines	1 226			66		1 292
India	376			366	115	857
Indonesia	149			85		233
Cambodia	220	8 678				8 898
China	5 482			650	9 990	16 122
Laos		12 621		150		12 771
Maldives				89		89
Nepal	6 213	15 511		36		21 760
Sri Lanka	5 811	21 186		8 137	1 080	36 214
Thailand	105			109	10 764	10 978
Turkmenistan				200		200
Vietnam	75			149		224
Asia unspecified	36			207		243
<b>Total Asia</b>	<b>20 277</b>	<b>57 997</b>		<b>14 148</b>	<b>21 949</b>	<b>114 370</b>
<b>Europa</b>						
Albania	135					135
Bosnia Herzegovina	2 133	14 450		84	2 009	18 676
Macedonia	502			780		1 281
Former Yugoslavia unspecified	89				4 500	4 589
<b>Total Europe</b>	<b>2 859</b>	<b>14 450</b>		<b>863</b>	<b>6 509</b>	<b>24 681</b>
<b>Middle East</b>						
Palestinian Area		25 400				25 400
<b>Total Middle East</b>		<b>25 400</b>				<b>25 400</b>
<b>Latin America</b>						
Costa Rica	3					3
Dominican Rep.	421			213		634
Honduras			8 988			8 988
Nicaragua	1 396	18 775			1 495	21 666
Paraguay	713					713
Central America unspecified	990				7 511	8 501
America unspecified		8 872				8 872
<b>Total Latin America</b>	<b>3 523</b>	<b>27 646</b>	<b>8 988</b>	<b>213</b>	<b>9 006</b>	<b>49 377</b>
<b>Total global unspecified</b>	<b>7 179</b>	<b>11 235</b>		<b>8 248</b>	<b>4 117</b>	<b>30 778</b>
<b>Total gross development aid</b>	<b>41 665</b>	<b>273 151</b>	<b>8 988</b>	<b>30 284</b>	<b>61 413</b>	<b>415 502</b>
<b>Loan instalments</b>						<b>- 39 460</b>
<b>Total net development aid</b>						<b>376 042</b>

1) The private-sector financing facilities comprise funds provided from Chapter 0157 and write-backs of loan instalments. Since the private-sector financing facilities were changed from 2000 to 2001, this table differs from the table for 2000.

2) Export-related training and advisory services for product development.

Table 10. Net bilateral aid<sup>1)</sup>, by priority area<sup>2)</sup> and sector, 1999 - 2001 (NOK 1000)

	1999	%	2000	%	2001	%
<b>Social development</b>						
111 Education	167.2	2.3	133.5	1.7	140.0	1.8
112 Primary and lower secondary education	300.3	4.1	290.5	3.8	310.7	4.0
113 Upper secondary education	71.4	1.0	37.3	0.5	63.0	0.8
114 University and college education	152.8	2.1	185.7	2.4	186.6	2.4
121 Health, general	177.6	2.4	176.4	2.3	290.1	3.7
122 Primary health	128.3	1.8	191.9	2.5	194.4	2.5
130 Population prog. & reprod. health	132.0	1.8	181.7	2.4	245.6	3.1
140 Water supplies and sanitation	227.3	3.1	214.2	2.8	173.0	2.2
161 Employment	94.1	1.3	150.5	2.0	127.4	1.6
162 Housing	33.4	0.5	70.1	0.9	18.0	0.2
163 Other social services	392.1	5.4	447.6	5.9	495.5	6.3
430.20 Basic social services (multi-sectoral)	74.9	1.0	88.9	1.2	63.4	0.8
<b>Total</b>	<b>1951.3</b>	<b>26.6</b>	<b>2168.3</b>	<b>28.3</b>	<b>2307.8</b>	<b>29.4</b>
<b>Peace, human rights and democracy</b>						
150 Public admin. & popular participation	992.0	13.5	1235.5	16.1	1407.6	17.9
<b>Total</b>	<b>992.0</b>	<b>13.5</b>	<b>1235.5</b>	<b>16.1</b>	<b>1407.6</b>	<b>17.9</b>
<b>Economic development</b>						
210 Transport and inventory	72.7	1.0	56.8	0.7	65.4	0.8
220 Communication	58.6	0.8	52.0	0.7	46.3	0.6
230 Energy	496.3	6.8	394.4	5.2	426.1	5.4
240 Banking and financial services	106.3	1.5	63.4	0.8	57.0	0.7
250 Private sector and other services	96.1	1.3	131.8	1.7	91.1	1.2
311 Agriculture	194.8	2.7	243.2	3.2	290.7	3.7
312 Forestry	59.4	0.8	69.6	0.9	42.0	0.5
313 Fishing	78.3	1.1	155.0	2.0	130.8	1.7
321 Industry	123.1	1.7	53.8	0.7	60.3	0.8
322 Mineral resources and mining	5.6	0.1	8.4	0.1	14.0	0.2
323 Construction	0.0	0.0	0.0	0.0	1.5	0.0
331 Trade	17.3	0.2	22.8	0.3	25.3	0.3
332 Tourism	0.3	0.0	0.7	0.0	0.9	0.0
430 Multi-sectoral efforts	143.5	2.0	148.9	1.9	196.1	2.5
510 Structural adjustment prog. IBRD/IMF	0.0	0.0	0.0	0.0	0.0	0.0
520 Food aid/food security	0.0	0.0	0.0	0.0	3.5	0.0
530 Other general progr. & commodity aid	85.0	1.2	130.0	1.7	165.5	2.1
600 Debt-related measures	182.7	2.5	81.9	1.1	187.5	2.4
<b>Total</b>	<b>1719.9</b>	<b>23.5</b>	<b>1612.7</b>	<b>21.1</b>	<b>1804.0</b>	<b>22.9</b>
<b>Humanitarian aid</b>						
710 Emergency relief, food	224.2	3.1	152.8	2.0	130.7	1.7
720 Other emerg.relief/crisis assist./refugees	1680.1	22.9	1637.4	21.4	1488.2	18.9
<b>Total</b>	<b>1904.3</b>	<b>26.0</b>	<b>1790.2</b>	<b>23.4</b>	<b>1619.0</b>	<b>20.6</b>
<b>Other</b>						
410 Multi-sectoral environmental efforts	353.0	4.8	331.5	4.3	418.0	5.3
420 Multi-sectoral women & developm. (WID)	73.3	1.0	70.9	0.9	82.9	1.1
998 Unallocated/unspecified	329.0	4.5	442.1	5.8	221.9	2.8
<b>Total</b>	<b>755.3</b>	<b>10.3</b>	<b>844.5</b>	<b>11.0</b>	<b>722.9</b>	<b>9.2</b>
<b>Sum Total</b>	<b>7322.8</b>	<b>100.0</b>	<b>7651.1</b>	<b>100.0</b>	<b>7861.2</b>	<b>100.0</b>

1) Bilateral aid including multi-bilateral aid minus loan instalments.

2) Priority areas were defined in Prop. No. 1 to the Storting for the 2001 budget year.

Table 11. Net bilateral aid<sup>1)</sup>, by priority area and region, 2001

	Social development		Economic development		Peace, democracy & human rights		Humanitarian aid		Other <sup>2)</sup>		Total	Regional %	-of which Women and Gender Equality	-of which Environment and Natural Resource Management		
	%		%		%		%		%							
Africa	986 791	34	816 888	28	391 213	13	528 540	18	196 480	7	2 919 912	37	633 519	22	528 670	18
Asia og Oceania	480 361	30	256 969	16	206 208	13	539 702	33	132 308	8	1 615 548	21	289 013	18	300 919	19
Latin- America	167 036	21	303 156	39	193 201	25	64 667	8	55 311	7	783 371	10	171 776	22	95 685	12
Europe	213 203	27	124 778	14	270 779	30	285 233	31	21 007	2	915 001	12	10 675	1	68 232	7
Middle East	167 883	30	68 744	12	177 953	32	137 023	25	4 658	1	556 261	7	43 731	8	35 767	6
Global																
unspecified	292 475	27	233 495	22	168 212	16	63 786	6	313 104	29	1 071 070	14	82 603	8	294 026	27
<b>Total</b>	<b>2 307 750</b>	<b>29</b>	<b>1 804 030</b>	<b>23</b>	<b>1 407 565</b>	<b>18</b>	<b>1 618 950</b>	<b>21</b>	<b>722 868</b>	<b>9</b>	<b>7 861 164</b>	<b>100</b>	<b>1 231 317</b>	<b>16</b>	<b>1 323 299</b>	<b>17</b>

1) Bilateral aid including multi-bilateral aid minus loan instalments.

2) "Other" includes the main DAC sectors 410 (Environmental Protection), 420 (Women's Projects) og 998 (Other). These are general measures that cannot be assigned to a specific sector.

Table 12. Development aid<sup>1)</sup> targeting good governance, human rights, popular participation or democratization, 2000 - 2001 (NOK 1000)

	2000			2001		
	Main goal	Sub-goal	Total	Main goal	Sub-goal	Total
<b>Afrika</b>						
Mozambique	47 603	13 599	61 202	44 894	15 728	60 622
South Africa	29 506	7 209	36 715	32 952	13 736	46 689
Angola	29 953	17 296	47 249	19 934	26 671	46 605
Uganda	14 409	1 706	16 115	18 106	27 192	45 298
Zimbabwe	17 060	17 608	34 668	28 917	8 538	37 455
Zambia	34 256	7 315	41 571	29 236	4 963	34 199
Ethiopia	21 011	6 406	27 417	17 249	8 228	25 477
Mali	7 154	9 664	16 818	15 383	10 090	25 474
Sudan	10 851	29 645	40 495	11 231	14 138	25 369
Tanzania	10 442	15 048	25 491	4 263	16 429	20 692
Malawi	9 168	422	9 590	7 764	2 243	10 007
Kenya	2 927	5 740	8 667	4 121	5 879	10 000
Congo (Dem Rep)	4 694		4 694	1 336	8 000	9 336
Eritrea	3 683	5 037	8 719	4 282	4 452	8 734
Somalia	2 500		2 500	6 595	2 020	8 615
Other countries	49 732	22 745	72 477	24 288	14 379	38 668
Africa unspecified	42 166	65 808	107 975	49 467	53 274	102 741
<b>Total Afrika</b>	<b>337 114</b>	<b>225 249</b>	<b>562 363</b>	<b>320 019</b>	<b>235 962</b>	<b>555 981</b>
<b>Asia and Oceania</b>						
Bangladesh	17 038	11 383	28 421	18 672	14 643	33 315
Sri Lanka	18 134	4 374	22 508	28 598	3 583	32 181
East Timor	8 193	500	8 693	25 259	1 900	27 159
India	22 578	9 228	31 806	17 117	6 824	23 941
China	16 143	6 823	22 966	15 657	5 045	20 703
Nepal	6 186	7 436	13 622	8 361	12 039	20 400
Pakistan	8 189	3 879	12 068	12 107	6 367	18 474
Indonesia	14 735	1 153	15 888	15 521	1 880	17 402
Cambodia	9 610	6 984	16 594	9 919	7 215	17 134
Burma	10 163	479	10 642	12 792	3 061	15 853
Afghanistan	895	10 500	11 395	11 557	1 950	13 507
Other countries	24 438	17 530	41 967	24 579	11 750	36 328
Asia unspecified	10 361	18 822	29 183	25 486	15 772	41 258
<b>Total Asia and Oceania</b>	<b>166 662</b>	<b>99 091</b>	<b>265 753</b>	<b>225 625</b>	<b>92 029</b>	<b>317 654</b>
<b>Middle East</b>						
Palestinian Area	52 717	45 685	98 402	141 171	9 550	150 721
Other countries	21 002		21 002	7 388	2 781	10 169
Middle East unspecified	6 691	3 080	9 771	17 603	89	17 692
<b>Total Middle East</b>	<b>80 410</b>	<b>48 765</b>	<b>129 175</b>	<b>166 163</b>	<b>12 420</b>	<b>178 583</b>
<b>Latin America</b>						
Guatemala	48 441	6 627	55 068	67 374	6 830	74 203
Nicaragua	20 976	15 460	36 436	29 718	19 123	48 841
Colombia	23 005	11 000	34 005	37 282	982	38 263
Brazil	10 494	8 042	18 536	10 058	10 152	20 210
Other countries	39 376	20 451	59 827	48 566	24 553	73 119
Latin America unspecified	15 898	7 685	23 583	22 655	21 514	44 168
<b>Total Latin America</b>	<b>158 190</b>	<b>69 265</b>	<b>227 455</b>	<b>215 651</b>	<b>83 153</b>	<b>298 804</b>
<b>Europe</b>						
Serbia and Montenegro	59 452	11 049	70 502	66 365		66 365
Former Yugoslavia unspecified	17 817	1 990	19 807	1 429	550	1 979
Other countries & Europe unspecified	191 720	3 333	195 053	189 252	2 010	191 262
<b>Total Europe</b>	<b>268 989</b>	<b>16 373</b>	<b>285 362</b>	<b>257 045</b>	<b>2 560</b>	<b>259 606</b>
<b>Global unspecified</b>	<b>113 959</b>	<b>170 948</b>	<b>284 907</b>	<b>128 431</b>	<b>133 116</b>	<b>261 547</b>
<b>Total bilateral measures</b>	<b>1 125 323</b>	<b>629 692</b>	<b>1 755 014</b>	<b>1 312 934</b>	<b>559 240</b>	<b>1 872 175</b>
<b>Multilateral contributions<sup>2)</sup></b>				<b>1 000</b>		<b>1 000</b>
<b>Sum Total</b>	<b>1 125 323</b>	<b>629 692</b>	<b>1 755 014</b>	<b>1 313 934</b>	<b>559 240</b>	<b>1 873 175</b>

1) The table comprises bilateral aid, multi-bilateral aid and multilateral aid.  
2) Includes general support for the Office of the High Commissioner for Human Rights (UNHCHR).

Table 13. Development aid<sup>1)</sup> targeting women and gender equality<sup>2)</sup>, 2000- 2001 (NOK 1000)

	2000			2001		
	Main goal	Sub-goal	Total	Main goal	Sub-goal	Total
<b>Afrika</b>						
Zambia	2 485	56 486	58 971	18 600	53 765	72 365
Angola	17 910	60 309	78 219	14 985	51 171	66 156
Tanzania	1 901	43 281	45 183	1 649	54 792	56 441
Uganda	1 989	27 109	29 099	1 786	47 243	49 029
South Africa	4 866	40 864	45 730	1 951	43 840	45 792
Ethiopia	5 321	27 430	32 750	6 326	30 838	37 164
Zimbabwe	17 005	23 672	40 678	10 103	26 321	36 424
Mozambique	1 112	23 463	24 575	- 62	32 051	31 989
Mali	28 942	13 201	42 144	16 224	13 630	29 854
Malawi	1 372	16 442	17 814	4 500	23 376	27 876
Sudan	16 777	15 460	32 237	8 119	9 615	17 733
Madagascar		21 548	21 548		16 359	16 359
Kenya	4 860	3 670	8 530	10 031	4 949	14 981
Niger	3 013	168	3 181	3 864	4 936	8 800
Eritrea	1 618	3 947	5 565	811	4 745	5 556
Botswana	2 095	7 781	9 876	259	3 078	3 337
Africa unspecified	53 711	44 893	98 604	35 884	52 603	88 487
Other countries	3 952	13 052	17 003	2 965	22 212	25 177
<b>Total Afrika</b>	<b>168 929</b>	<b>442 778</b>	<b>611 706</b>	<b>137 994</b>	<b>495 525</b>	<b>633 519</b>
<b>Asia and Oceania</b>						
Bangladesh	60 579	11 120	71 699	85 488	16 982	102 469
India	19 007	24 066	43 073	15 659	28 304	43 963
Nepal	6 506	7 868	14 374	11 086	21 176	32 262
Pakistan	5 420	13 088	18 508	9 264	12 645	21 910
Cambodia		13 465	13 465		14 295	14 295
Afghanistan	1 282	667	1 949	1 780	11 221	13 001
Sri Lanka	892	22 805	23 697	1 305	9 267	10 572
Philippines	1 134	4 981	6 115	1 158	4 562	5 720
Indonesia	66	10 391	10 458		5 200	5 200
Laos	2 723	3 410	6 133	1 773	2 568	4 341
Mongolia	679	3 240	3 919	497	3 471	3 968
Bhutan		9 409	9 409			
Other countries	1 278	10 472	11 749	1 016	10 004	11 021
Asia unspecified	22 300	12 299	34 599	13 089	7 202	20 291
<b>Total Asia and Oceania</b>	<b>121 865</b>	<b>147 281</b>	<b>269 146</b>	<b>142 116</b>	<b>146 897</b>	<b>289 013</b>
<b>Middle East</b>						
Palestinian Area	4 514	936	5 450	7 461	30 270	37 731
Other countries	1 000	5 500	6 500	6 000		6 000
<b>Total Middle East</b>	<b>5 514</b>	<b>6 436</b>	<b>11 950</b>	<b>13 461</b>	<b>30 270</b>	<b>43 731</b>
<b>Latin America</b>						
Guatemala	9 343	27 041	36 384	24 282	32 573	56 854
Nicaragua	8 101	17 819	25 920	11 463	23 600	35 064
Bolivia	1 422	10 115	11 537	1 763	9 042	10 805
Other countries	4 291	18 513	22 804	5 136	21 265	26 401
Latin America unspecified	4 796	28 262	33 058	6 006	36 646	42 652
<b>Total Latin America</b>	<b>27 954</b>	<b>101 749</b>	<b>129 703</b>	<b>48 650</b>	<b>123 126</b>	<b>171 776</b>
<b>Europe</b>						
Serbia & Montenegro	3 719	20 474	24 194	1 284	2 500	3 784
Other countries	3 565	4 054	7 619	3 598	453	4 050
Europe unspecified	14 675	13 801	28 476	2 841		2 841
<b>Total Europe</b>	<b>21 960</b>	<b>38 329</b>	<b>60 289</b>	<b>7 723</b>	<b>2 953</b>	<b>10 675</b>
<b>Global unspecified</b>	<b>22 462</b>	<b>44 936</b>	<b>68 398</b>	<b>22 782</b>	<b>59 821</b>	<b>82 603</b>
<b>Total bilateral measures</b>	<b>369 684</b>	<b>781 508</b>	<b>1 151 192</b>	<b>372 726</b>	<b>858 592</b>	<b>1 231 317</b>
<b>Multilateral contributions<sup>3)</sup></b>		<b>16 000</b>	<b>16 000</b>		<b>18 000</b>	<b>18 000</b>
<b>Sum Total</b>	<b>369 684</b>	<b>797 508</b>	<b>1 167 192</b>	<b>372 726</b>	<b>876 592</b>	<b>1 249 317</b>

1) The table comprises bilateral aid, multi-bilateral aid and multilateral aid.  
2) The table shows measures in which women and gender equality are main and sub-goals. These are funded through special allocations for women and other budget items.  
3) General support for UN Development Fund for Women (UNIFEM).

Table 14. Development aid<sup>1)</sup> targeting the environment<sup>2)</sup>, 2000 - 2001 (NOK 1000)

	2000			2001		
	Main goal	Sub-goal	Total	Main goal	Sub-goal	Total
<b>Africa</b>						
Tanzania	45 324	25 783	71 107	48 858	25 678	74 536
Angola	3 899	38 493	42 392	8 623	42 629	51 253
Uganda	1 963	19 149	21 112	2 925	41 509	44 434
South Africa	7 430	22 903	30 333	18 327	23 125	41 453
Ethiopia	25 150	9 520	34 670	25 522	11 418	36 939
Mali	17 991	11 916	29 906	18 260	10 097	28 357
Madagascar	2 299	17 475	19 774	2 133	22 801	24 934
Mozambique	7 352	23 544	30 896	1 675	18 628	20 303
Niger	2 475	379	2 854	18 473	290	18 763
Zimbabwe	10 701	11 238	21 939	11 918	6 178	18 096
Zambia	24 446	1 431	25 877	12 097	2 904	15 001
Botswana	5 080	2 692	7 773	9 535	2 675	12 210
Malawi	1 599	711	2 310	2 896	9 215	12 111
Kenya	1 378	2 371	3 749	2 521	2 071	4 592
Sudan		5 406	5 406		3 651	3 651
Eritrea	5	4 332	4 336	254	2 458	2 712
Other countries	2 682	13 587	16 269	1 872	9 248	11 120
Africa unspecified	32 143	68 865	101 007	31 377	76 830	108 207
<b>Total Africa</b>	<b>191 918</b>	<b>279 795</b>	<b>471 712</b>	<b>217 265</b>	<b>311 406</b>	<b>528 670</b>
<b>Asia and Oceania</b>						
India	23 240	16 589	39 828	27 620	19 229	46 849
Sri Lanka	24 651	7 230	31 881	41 873	1 608	43 481
Nepal	1 709	19 871	21 579	1 553	29 899	31 453
China	43 681	580	44 262	24 431	1 779	26 210
Vietnam	18 255	4 229	22 484	17 623	5 673	23 296
Laos	6 118	17 956	24 074	5 805	12 771	18 576
Pakistan	9 423	4 950	14 373	8 332	3 696	12 027
Indonesia	8 665		8 665	11 364		11 364
Cambodia	6 604		6 604	10 898	83	10 981
Bangladesh	2 851	3 073	5 923	2 275	5 175	7 449
Philippines	2 626	4 759	7 384	2 635	4 573	7 208
Afghanistan		6 493	6 493	5 500	916	6 416
Mongolia	4 500	2 300	6 800	4 500	1 761	6 261
Bhutan		9 514	9 514		4 459	4 459
Other countries	4 021		4 021	5 998	4 000	9 998
Asia unspecified	63 247	1 068	64 314	32 221	2 670	34 891
<b>Total Asia and Oceania</b>	<b>219 591</b>	<b>98 611</b>	<b>318 202</b>	<b>202 629</b>	<b>98 290</b>	<b>300 919</b>
<b>Middle East</b>						
Palestinian Area	340	5 081	5 420	232	24 379	24 611
Other countries	4 160	1 403	5 563	5 956		5 956
Middle East unspecified	4 000	80	4 080	5 200		5 200
<b>Total Middle East</b>	<b>8 500</b>	<b>6 563</b>	<b>15 064</b>	<b>11 388</b>	<b>24 379</b>	<b>35 767</b>
<b>Latin America</b>						
Nicaragua	10 081	3 164	13 244	7 907	3 209	11 116
Bolivia	2 052	8 743	10 795	2 122	8 711	10 833
Brazil	5 037	3 000	8 037	5 022	5 454	10 476
Guatemala	504	6 838	7 342	147	7 597	7 744
Other countries	9 561	19 034	28 595	6 198	10 944	17 141
Latin America unspecified	25 504	7 522	33 026	27 826	10 549	38 375
<b>Total Latin America</b>	<b>52 739</b>	<b>48 301</b>	<b>101 040</b>	<b>49 221</b>	<b>46 464</b>	<b>95 685</b>
<b>Europe</b>						
Serbia & Montenegro	5 292	10 375	15 667	23 058		23 058
Former Yugoslavia unspecified		6 708	6 708		3 078	3 078
Other countries & Europe unspec.	2 609	3 879	6 489	41 961	135	42 096
<b>Total Europe</b>	<b>7 902</b>	<b>20 963</b>	<b>28 864</b>	<b>65 019</b>	<b>3 213</b>	<b>68 232</b>
<b>Global unspecified</b>	<b>118 854</b>	<b>59 516</b>	<b>178 370</b>	<b>186 347</b>	<b>107 680</b>	<b>294 026</b>
<b>Total bilateral measures</b>	<b>599 503</b>	<b>513 748</b>	<b>1113 251</b>	<b>731 868</b>	<b>591 431</b>	<b>1323 299</b>
<b>Multilateral contributions<sup>3)</sup></b>	<b>63 145</b>		<b>63 145</b>	<b>45 121</b>		<b>45 121</b>
<b>Sum Total</b>	<b>662 648</b>	<b>513 748</b>	<b>1176 396</b>	<b>776 989</b>	<b>591 431</b>	<b>1368 420</b>

1) The table comprises bilateral aid, multi-bilateral aid and multilateral aid.

2) The table covers environmental support provided through special allocations for the environment and from other budget chapters.

3) General support for the GEF and the Montreal Protocol.

Table 15. Development aid earmarked for one or more main groups<sup>1)</sup> in 2000 (NOK 1000)

	Children	Refugees	Women	Indigenous Peoples	Persons w/ Disabilities
<b>Africa</b>					
Algeria	1 098	18 969			
Angola	60 448	66 611		52 520	10 000
Benin	5	78			
Botswana			369	2 675	126
Burkina Faso	2 325	78	2 321		
Burundi	4 018	34 265	575		
Djibouti	5	78			
Egypt	23	389	1 038		
Ivory Coast	1 088		1 088		
Eritrea	1 271	11 532	3 193	195	3 443
Ethiopia	47 175	14 813	33 313		2 335
Gambia	9	155			
Ghana	649	78	644		443
Guinea	4 667	19 684			
Cameroon	1 621	2 453	1 736	620	
Kenya	12 236	4 571	15 109		339
Congo	68	1 166			
Congo (Dem Rep)	6 699	10 251	4 314		
Lesotho			1 170		1 202
Liberia	2 983	1 733			
Madagascar	8 976		265		
Malawi	5 809		14 990		659
Mali	540	1 098	19 235		
Morocco	36	752			
Mauretania		642			
Mozambique	27 466	916	30 707		38 598
Namibia	4 385	233	25		158
Niger	1 509	155	9 406		
Nigeria	5 509	1 399	428		
Rwanda	3 358	933	2 455	212	
Senegal		400	400		400
Sierra Leone	13 754	51 338	1 272		500
Somalia	13 190	71 714	3 620		6 467
Sudan	24 170	22 587	3 424		1 396
Swaziland	570		339		
South Africa	32 743	371	26 686	12 027	4 547
Tanzania	6 624	33	21 961		1 202
Chad	30		174		
Tunisia	215	78			
Uganda	23 147	7 114	36 092	932	8 206
Zambia	65 912	339	64 848		100
Zimbabwe	26 771	254	32 562	4 273	2 291
Africa Unspecified	73 473	69 440	53 353	5 704	5 060
<b>Total Africa</b>	<b>484 570</b>	<b>416 701</b>	<b>439 630</b>	<b>26 639</b>	<b>87 471</b>
<b>Asia</b>					
Afghanistan	42 185	192 118	14 233		2 263
Armenia	2 385	11 072			
Azerbaijan	1 147	12 090		828	
Bangladesh	91 007	1 555	104 968	788	4 136
Bhutan	9	155			881
Burma	27	9 061	80	12	
Philippines	4 033	908	4 556		3 173
Georgia	2 339	12 168	280		
India	45 555	5 599	47 079	29 114	1 541
Indonesia	1 000	6 033		1 312	
Cambodia	16 146	8 845	5 800		2 139
Kazakhstan	369	6 505			
China	7 086	1 011	3 187	478	6 410
Kirgizstan	248	4 276			
Laos	5 514		1 932	4 301	
Malaysia		2 350	729	729	
Maldivene	5		78		
Mongolia	10 014	31 174	5 266		
Nepal	40 138	6 221	25 311	13 607	5 524
North Korea					
Pakistan	8 176	12 904	19 343	6 120	863
Sri Lanka	6 418	21 943	2 434	500	1 690
Tadsjikistan	81	1 856			
Thailand					
Turkmenistan	5	143			
Uzbekistan	234	4 608			
Vietnam	10 297	622	4 042	220	73
East Timor	2 181	2 921	2 585		
Asia unspecified	14 617	25 000	8 268	7 304	397
<b>Total Asia</b>	<b>311 215</b>	<b>381 213</b>	<b>250 092</b>	<b>65 313</b>	<b>29 091</b>

Table15. cont'd. Development aid earmarked for one or more main groups in 2000 (NOK 1000)

	Children	Refugees	Women	Indigenous Peoples	Persons w/ Disabilities
<b>Middle East</b>					
Iraq	12 657	49 785			
Iran	1 229	33 040			2 096
Jordan	9	678			
Libanon	275	15 713			
Palestinian Area	33 306	16 166	34 719		5 800
Saudi Arabia	5	13			
Syria	158	5 085			
Yemen	9	155			
Middle East unspecified		83			
<b>Total Middle East</b>	<b>47 647</b>	<b>120 717</b>	<b>34 719</b>		<b>7 897</b>
<b>Latin America</b>					
Argentina	125		125		
Barbados					
Belize					
Bolivia	13 091		12 986	12 648	352
Brazil	7 104	233	6 659	15 884	
Chile	878	101		2 002	
Colombia	1 309	20 380	962	2 800	
Costa Rica				538	
Cuba	170	33	456		348
Dominican Rep.			296		
Ecuador			17 416	12 584	
El Salvador	2 331	47	3 878		339
Guatemala	28 649	19 651	37 029	47 187	1 644
Haiti		2 050	752		
Honduras	3 640		3 550	4 052	
Jamaica			359		903
Mexico	2 229		2 300	324	
Nicaragua	45 495		44 375	5 526	3 876
Paraguay	1 360			3 840	281
Peru	3 911	5 458	5 696	3 976	
Uruguay					114
Venezuela		5		30	
America unspecified	11 534	1 576	28 813	9 901	779
<b>Total Latin Amerika</b>	<b>121 826</b>	<b>49 534</b>	<b>165 650</b>	<b>121 293</b>	<b>8 637</b>
<b>Europe</b>					
Albania	7 135	10 961	1 500		
Bosnia Herzegovina	6 254	77 654	500		850
Croatia	4 065	86 616	750		
Macedonia(Fyrom)	3 028	16 888	2 100		
Moldova	1 822	2 954			
Serbia & Montenegro	36 318	83 529	1 284		
Slovenia	5	78			
Turkey	329	24 766	157		
Europe unspecified	4 700	15 613	5 860		
<b>Total Europe</b>	<b>63 655</b>	<b>319 060</b>	<b>12 152</b>		<b>850</b>
<b>Oceania</b>					
Fiji Islands	174		174		
Kiribati	9	155			
Papua New-Guinea			1 244	1 244	
<b>Total Oceania</b>	<b>183</b>	<b>155</b>	<b>1 418</b>	<b>1 244</b>	
<b>Global unspecified</b>	<b>92 993</b>	<b>28 539</b>	<b>80 224</b>	<b>16 502</b>	<b>41 258</b>
<b>Total bilateral measures</b>	<b>1 122 088</b>	<b>1 315 919</b>	<b>983 884</b>	<b>230 990</b>	<b>175 203</b>
<b>Multilateral contributions</b>	<b>310 000</b>	<b>270 000</b>	<b>18 000</b>		
<b>Total</b>	<b>1 432 088</b>	<b>1 585 919</b>	<b>1 001 884</b>	<b>230 990</b>	<b>175 203</b>

1) Development aid may be earmarked for one or more main groups. Therefore the columns cannot be added up since a measure may appear in several columns.

Table 16. Overview of Norwegian personnel posted in developing countries, 1999 - 2001<sup>1)</sup>

	1999		2000		2001	
	Total Man-years	Man-years Women	Total Man-years	Man-years Women	Total Man-years	Man-years Women
<b>Experts<sup>2)</sup></b>	<b>12</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>4</b>	<b>0</b>
- Africa	12	1	6	0	4	0
- Asia	1	0	0	0	0	0
<b>Norw. Volunteer Service personnel<sup>3)</sup></b>	<b>26</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>70</b>	<b>31</b>
<b>Junior experts and UN experts<sup>4)</sup></b>	<b>67</b>	<b>45</b>	<b>55</b>	<b>39</b>	<b>50</b>	<b>37</b>
- Africa	20	13	14	10	13	9
- Asia & Oceania	16	8	12	6	10	6
- Middle East	1	0	2	1	2	1
- Latin America	8	6	7	5	6	5
- Europe	1	1	1	1	2	2
- Global unspecified	22	17	20	17	17	14
<b>Total</b>	<b>105</b>	<b>53</b>	<b>61</b>	<b>39</b>	<b>124</b>	<b>68</b>

1) Does not include employees in the foreign service.

2) Experts administered by NORAD.

3) Since the Norwegian Volunteer Service has been restructured, the figures for 1999 and 2001 are not entirely comparable.

4) Experts administered by the Ministry of Foreign Affairs.

## Selected abbreviations

<b>AHLC</b>	Ad Hoc Liaison Committee for Development Assistance to the Palestinian Area
<b>ALNAP</b>	Active Learning Network on Accountability and Performance in Humanitarian Assistance
<b>ASEAN</b>	Association of South-East Asian Nations
<b>ASG</b>	Afghanistan Support Group
<b>AU</b>	African Union
<b>CDC</b>	Commonwealth Development Corporation
<b>CMI</b>	Chr. Michelsens Institute
<b>DAC</b>	OECD's Development Assistance Committee
<b>DFID</b>	Department for International Development (UK)
<b>EAC</b>	East African Community
<b>ECOSOC</b>	UN Economic and Social Council
<b>ECOWAS</b>	The Economic Community of West African States
<b>GAVI</b>	Global Alliance for Vaccines and Immunization
<b>GFATM</b>	Global Fund to Fight AIDS, Tuberculosis and Malaria
<b>HIPC</b>	Heavily Indebted Poor Country Debt Initiative
<b>IAVI</b>	International AIDS Vaccine Initiative
<b>IGAD</b>	Intergovernmental Authority on Development
<b>ILO</b>	International Labour Organization
<b>IMF</b>	International Monetary Fund
<b>IPS</b>	International Press Service
<b>ITC</b>	International Trade Centre
<b>LDC</b>	Least Developed Country
<b>LO</b>	Norwegian Confederation of Trade Unions
<b>LTTE</b>	The Liberation Tigers of Tamil Eelam (Sri Lanka)
<b>NEPAD</b>	The New Partnership for Africa's Development
<b>NHO</b>	Confederation of Norwegian Business and Industry

<b>NORAD</b>	Norwegian Agency for Development Cooperation
<b>NORFUND</b>	Norwegian Investment Fund for Developing Countries
<b>NUFU</b>	Norwegian Council of Universities' Committee for Development Research and Education
<b>OAU</b>	Organization of African States
<b>OCHA</b>	UN Office for the Coordination of Humanitarian Assistance
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>OSCE</b>	Organization for Security and Cooperation in Europe
<b>PA</b>	Palestinian Authority
<b>PRSP</b>	Poverty Reduction Strategy Papers
<b>SADC</b>	Southern African Development Community
<b>SAARC</b>	South Asian Association for Regional Cooperation
<b>TI</b>	Transparency International
<b>UNAIDS</b>	UN's AIDS programme
<b>UNCTAD</b>	UN Conference on Trade and Development
<b>UNDP</b>	UN Development Programme
<b>UNEP</b>	UN Environment Programme
<b>UNESCO</b>	UN Educational, Scientific and Cultural Organization
<b>UNHCHR</b>	UN High Commissioner for Human Rights
<b>UNHCR</b>	UN High Commissioner for Refugees
<b>UNICEF</b>	UN Children's Fund
<b>UNIFEM</b>	UN Development Fund for Women
<b>UNMEE</b>	UN Mission in Ethiopia and Eritrea
<b>WFP</b>	World Food Programme
<b>WHO</b>	World Health Organization
<b>WTO</b>	World Trade Organization

1:

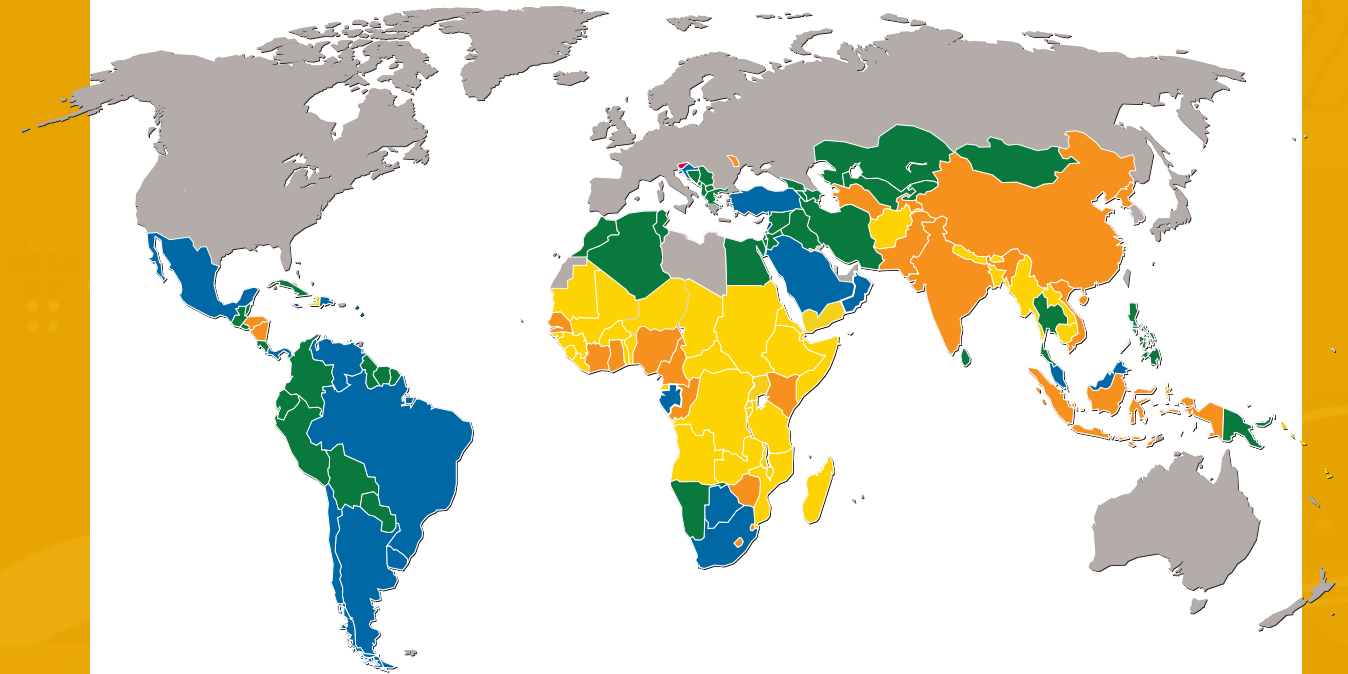
2:

3:

Tables and maps 2001

# Countries and territories that are eligible for development assistance

This list has been approved by the OECD/DAC and applies from 1 January 2000 to 31 December 2002.



## High-income countries

2 countries

Malta  
Slovenia

## Upper middle-income countries

32 countries

Botswana  
Brazil  
Chile  
Cook Islands  
Croatia  
Gabon  
Grenada  
Lebanon  
Malaysia  
Mauritius  
Mayotte  
Mexico  
Nauru  
Palau Islands  
Panama  
St. Helena  
Trinidad and Tobago  
Turkey  
Uruguay  
Venezuela

Threshold for World Bank loan eligibility - USD 5280 in 1995

Anguilla  
Antigua and Barbuda  
Argentina  
Bahrain  
Barbados  
Montserrat  
Oman  
St. Kitts-Nevis  
Saudi Arabia  
Seychelles  
Turks and Caicos Islands

## Lower middle-income countries

46 countries

Albania  
Algerie  
Belize  
Bolivia  
Bosnia Hercegovina  
Costa Rica  
Colombia  
Cuba  
Dominica  
Dominican Republic  
Ecuador  
Egypt  
El Salvador  
Fiji  
Former Yugoslavia  
Georgia  
Guatemala  
Guyana  
Iran  
Iraq  
Jamaica  
Jordan  
Kazakhstan  
Macedonia  
Marshall Islands  
Micronesia, Federated States of  
Morocco  
Namibia  
Niue  
Palestinian Area  
Papua New Guinea  
Paraguay  
Peru  
Philippines  
South Africa  
St. Vincent and Grenadine  
Sri Lanka  
Surinam  
Swaziland  
Syria  
Thailand  
Tokelau  
Tonga  
Tunisia  
Uzbekistan  
Wallis and Futuna

## Low-income countries

71 countries

### Least Developed Countries 48 countries

Afghanistan  
Angola  
Bangladesh  
Benin  
Bhutan  
Burkina Faso  
Burma  
Burundi  
Cambodia  
Cape Verde  
Central African Republic  
Chad  
Comoros  
Democratic Republic of Congo  
Djibouti  
Equatorial Guinea  
Eritrea  
Ethiopia  
Gambia  
Guinea  
Guinea-Bissau  
Haiti  
Kiribati  
Laos  
Lesotho  
Liberia  
Madagascar  
Malawi  
Maldives  
Mali  
Mauretania  
Mozambique  
Nepal  
Niger  
Rwanda  
Sao Tomé and Principe  
Sierra Leone  
Solomon Islands  
Somalia  
Sudan  
Tanzania  
Togo  
Tuvalu  
Uganda  
Vanuatu  
West Samoa  
Yemen  
Zambia

## Other low-income countries

24 countries

Armenia  
Azerbaijan  
Cameroon  
China  
Congo, Republic of  
East Timor  
Ghana  
Honduras  
India  
Indonesia  
Ivory Coast  
Kenya  
Kyrgyz Republic  
Moldova  
Mongolia  
Nicaragua  
Nigeria  
North Korea  
Pakistan  
Senegal  
Tajikistan  
Turkmenistan  
Vietnam  
Zimbabwe

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2:

3:

Tables and maps 2001



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