Rural Development Policies and Results, Norway

Presentation to the Scottish Parliament Cross Party Group on Rural Policy,
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Outline

• Policy framework
• Results
• Political tensions and future issues
• A few examples of new initiatives
Norway’s Territorial Policies

- Decentralised framework
  - Municipalities (430)
  - Counties (19)
- Central government presence
  - County Governors offices
    - With representation of ministries
- Strong/ universal welfare state
- Broad and narrow territorial policies
‘Vox populi’- Local Government scale and representation

<table>
<thead>
<tr>
<th></th>
<th>Population in mill.</th>
<th>Number of municipalities</th>
<th>Number of regions</th>
<th>Average pop per municipality</th>
<th>Candidates in all local elections</th>
<th>Elected councillors*</th>
<th>% female councillors*</th>
<th>Pop per elected councillor</th>
<th>Proportion of population standing as candidate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>5</td>
<td>433</td>
<td>19</td>
<td>11,600</td>
<td>59,505</td>
<td>10,785</td>
<td>38</td>
<td>445</td>
<td>1 in 81</td>
</tr>
<tr>
<td>Sweden</td>
<td>9</td>
<td>290</td>
<td>21</td>
<td>31,000</td>
<td>64,810</td>
<td>12,696</td>
<td>43</td>
<td>694</td>
<td>1 in 145</td>
</tr>
<tr>
<td>Finland</td>
<td>5</td>
<td>432</td>
<td>19</td>
<td>15,500</td>
<td>38,509</td>
<td>9,674</td>
<td>36</td>
<td>548</td>
<td>1 in 140</td>
</tr>
<tr>
<td>Denmark</td>
<td>6</td>
<td>271</td>
<td>14 - 5**</td>
<td>56,000</td>
<td>2,468</td>
<td>32</td>
<td></td>
<td>2,229</td>
<td></td>
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<tr>
<td>Iceland</td>
<td></td>
<td>101</td>
<td>78</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>4,173</td>
<td></td>
</tr>
<tr>
<td>Scotland</td>
<td>5</td>
<td>32</td>
<td>-</td>
<td>160,000</td>
<td>1,222</td>
<td>22</td>
<td></td>
<td>4,173</td>
<td></td>
</tr>
</tbody>
</table>

* Councillor data from (DK 2009, SE 2010, FI 2012, NO 20122)

** 2007

Plus the County Governor offices with representation of the Ministries in Norway
Regions and municipalities in the Nordic region in 2017
By 1 January 2017

National boundary
Regional boundary – NUTS 1
Regional boundary – NUTS 2
Regional boundary – NUTS 3
Statistical/Sýsla boundary (IS/FO)
Municipality boundary
Norway’s broad and narrow regional policy

• Goal: Regional balance, through economic growth, good living conditions and sustainable regions

• Broad policy measures (40 bill NOK/year)
  o Regionally differentiated labour tax
  o Extra financing of municipalities and regions
  o Agriculture: less favoured areas
  o Communications (air connections, roads, ferries, broadband)
  o etc.

  o Narrow policy measures (1.7 bill NOK/year)
    o Local development
    o Innovation measures
    o Investment grants to companies
"Sustainable cities and strong districts"

- Policies for development of "districts" as well as regions
- Resilience and innovation
- The relationship between cities/towns and the surrounding regions
- More powerful spatial planning at regional level
- More concentrated development of urban core areas
Policy Outcomes

• Population
  – Different Urban and Rural experience
• Activity rates
  – Norway’s success in territorial balance
• Employment dynamics
  – Not just the big centres
2010-2014: Population growth almost everywhere
Population development 2010-2015 (pct)

Six categories of labour market regions and four growth components

- Hovedstadsregionen: 9.2%
- Øvrige storbyregioner: 8.3%
- Mellomstore byregioner: 5.5%
- Småbyregioner: 3.4%
- Småsenterregioner: 1.5%
- Spredtbygde områder: -0.8%

4 city regions
16 intermediate
31 town regions

258 municipalities in urban regions
170 municipalities in rural regions

*NIF = Netto innenlandsk flytting
** Inkl. norskfødte med
Growth in private sector jobs, local labour markets, 2009-2014

Source: Norwegian Ministry of Local Government and Modernisation
Employment Rates in the Nordic Countries
Future challenges

• Job decrease in oil and gas sector
• Weaker currency altering the regional balance

• Population ageing and dependency rates
• Only immigration provides new labour
• More refugees and less labour migration

• Structural changes and need for innovation
• Election 2017: Political changes?
Outcomes

- Annual turnover £10 billion
- Production of high-value products
- Using fish trimmings (oils (omega-3) & proteins (e.g. fishmeal or liquid concentrate))
- Cooperation between industry, research & education, innovation and other authorities
- High-value marine products to the next level
- Towards 100% utilisation of the harvested marine biomass
- Campus Aalesund: Power centre for Blue Ocean Industries (Universities, 20 businesses, highschool, technical schoo) – 3000 students & 1500 employees
CASE 2 MOELVEN LIMTRE AS

• Advanced wooden laminates for construction, based in Moelve, near Hamar in Hadeland.
• Used for large spans – e.g. in roof supports for Gardemoen airport, in wooden bridges, in tall wooden buildings etc.
• High value products using local raw materials, advanced technologies, materials and skills.
Case 3: The Silver Economy

• Elverum at Eastern Norway – a forested remote region

• Challenges
  – Small businesses
  – Small and dispersed professional environments
  – Low Research and Education activity
  – Low innovation
  – Low enterprise creation
Kompetansekløyninge for folkehelse

Terningen
nettverk
The Cube Network

Competence – Research – Innovation for better Folk Health
The project areas

Work and folk health  
E-health and welfare technology  
Holistic post trauma follow-up

Innovation and enterprise creation  
Physical activity for all  
Food and meal happiness
Terningen Innovation Park

InnoPark

Samlokalisering av innovative kompetansebedrifter og høgskole
Local outcomes

• A cooperation for professional development and innovation – co-location of many different but related businesses, idea exchange, knowledge sharing & cooperation
• 30 businesses +
• Investments about NOK 850m
• About 3000 students employees and visitors go through the doors of the 30 businesses every day
• Positive local economic impacts - turning the negative aspects of ageing population into an opportunity