

EVALUATION DEPARTMENT

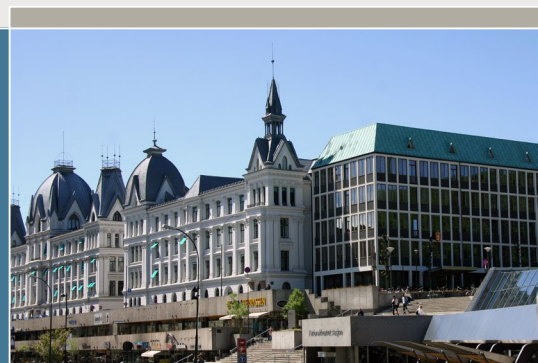


Photo: Petter Foss, Utnekkildebygningen

Guide to Norwegian Aid Management

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Abbreviations

EEA	European Economic Area
ESA	EFTA Surveillance Authority
EU	European Union
Norec	Norwegian Agency for Exchange Cooperation (Formerly Norwegian Peace Corps - FK Norway)
FY	Financial Year
KLD	Ministry of Climate and Environment
MFA	Ministry of Foreign Affairs
NICFI	Norway's International Climate and Forest Initiative
Norad	The Norwegian Agency for Development Cooperation
NOU	Official Norwegian Reports (<i>Norges offentlige utredninger</i>)
Norfund	The Norwegian Investment Fund for Developing Countries
OAG	The Norwegian Office of the Auditor General
ODA	Official Development Assistance
Prop. L	Legislative resolutions and bills
Prop. S	Non-legislative resolutions and bills
St.prp.	Parliamentary Bill (<i>Stortingsproposisjon</i>)
St.mld.	White Paper (<i>Stortingsmelding</i>)
Innst. XL	Parliamentary position paper legislative cases
Innst. XS	Parliamentary position paper on budget issues and ordinary cases
VP	Annual Activity Plan (<i>Virksomhetsplan</i>)

Introduction

This guide has been developed primarily for evaluators contracted by The Evaluation Department to undertake evaluations of Norwegian Development Cooperation. It is also intended to be used by other staff contracted by Norad, the Ministry of Foreign Affairs and the embassies.

The purpose of this guide is to provide information about Norwegian development aid structures, management and procedures, and to provide easy access to further information and documentation available on public websites. Be aware that the information in this guide may have changed since the last update, and please verify from other sources.

The guide is divided into four sections:

1. Norwegian governance structures: This section provides an overview of the structures of the Norwegian government and the roles of the Norwegian Cabinet, the Parliament and the Judiciary, particularly highlighting aspects relevant to aid management.
2. Norwegian aid management - roles and organisational structures: This section provides an overview of the roles and mandates of the MFA, the embassies, Norad, Norec and Norfund, and the organisational structures of the MFA and Norad.
3. Budget structures and procedures: This section provides an overview of national budget structures and procedures, an overview of budget documents, a presentation of development aid appropriations in the Norwegian budget, a presentation of the budget structure of the MFA budget including the delegated budgets to subordinate agencies and embassies, and an overview of the budget process for these agencies and the embassies.
4. Aid management procedures: The section provides an overview of institutional responsibilities, an introduction to the regulatory framework for Norwegian public management, a presentation of the operational guidelines and procedures for Norwegian aid management, and an overview of the planning and archival systems.

Norwegian Governance structures

The Government structures

- Norway is a parliamentary democracy with the King as the head of state and the prime minister as the head of government. The constitution of 1814 prescribes a classic separation of powers between the legislative (Parliament – *Storting*), the executive (the government) and the judiciary branches of the state. In day to day policy-making the government and the Storting are the primary actors.
- The Cabinet of Norway is headed by the prime minister and consists of the prime minister and 15-20 cabinet ministers.
 - o [A full list of cabinet ministers and area of responsibility can be found online.](#)
- Most ministries are headed by one minister. The Ministry of Foreign Affairs (MFA) currently has two ministers with separate areas of responsibilities: The Minister of Foreign Affairs and the Minister of International Development.
- Most ministries are supported by subordinate directorates, agencies and / or inspectorates. The Norwegian Agency for Development Cooperation (Norad) and the Norwegian Agency for Exchange Cooperation (*Norec*) are agencies under the MFA. In addition, the MFA has constitutional responsibility for the Norwegian Investment Fund for Developing Countries (*Norfund*) which is a Development Finance Institution owned by the Norwegian state.
 - o [About the MFA in English](#)

The Government's role

- The government is responsible for preparing the legal and budgetary bills for parliamentary approval. All bills and proposals are prepared by the ministries, and presented by the respective minister to the cabinet for collective agreement.
- Cabinet proposals that require legislative decisions are presented to the Storting as Parliamentary Bills (*Stortingsproposisjon, St.prp.*).
 - o [Legislation](#)
- Other non-legislative resolutions and bills that require a decision by the Storting are labelled Prop. S (*Proposisjon til Stortinget med forslag om stortingsvedtak*). This includes the annual State Budget (*Statsbudsjettet, Prop. 1 S*), which proposes government revenues and expenditures in separate volumes by ministry, and is then broken down by program areas (*programområder*), program categories (*programkategorier*), budget chapters and posts. In the MFA budget, program area [03 Development Aid](#), makes up the main share of the appropriations.
 - o [Search for Draft resolutions and bills](#)
 - o [The annual state budget 2020 sorted by Ministries](#) (Not available in English)
- Other government proposals such as new development policies are presented as White Papers (*Stortingsmelding, St.meld.*). The national budget (*Nasjonalt budsjettet, Meld. St. 1*),

where the government presents an overview of the national economy and explains its budget priorities, is also presented as a White Paper.

- [Search for White Papers](#)
 - [Information in English about Norway's National Budget for 2020](#)
 - [About Norwegian development policy from Norad, and an overview of relevant White Papers](#) (Only available in Norwegian)
- When bills or proposals have broad implications, the cabinet often appoints an expert committee or commission, which is given a mandate to examine the issue prior to the bill or proposal being submitted to the Storting. The expert committee or commission delivers a report to the government that is normally published in the Norwegian Official Reports series (*Norges Offentlige Utredninger*, NOU).
 - [Search in Official Norwegian Reports](#)
 - The government also publishes a series of reports to the Storting covering a variety of topics. Example of reports includes Norway's follow up of Agenda 2030 and the Sustainable Development Goals, and a Report on policy coherence for development.
 - [Search in Reports, plans and strategies](#)
 - Based on existing laws and practices, the government has the authority to *issue new regulations (Forskrifter)*¹. It is also responsible for issuing guidelines and circular letters that explain and clarify how laws and regulations are to be understood and carried out by the ministries and the subordinated agencies.

The Parliament's role

- The Storting is responsible for 1) passing new legislation, and changing or repealing existing laws, 2) approving the state budget, and 3) exercising oversight and control over the government and the public administration.
- New laws or amendments to laws are presented by the government to the Storting as legislative bills, named Prop. L (*Proposisjon til Stortinget med lovvedtak*). These propositions are first reviewed by the Storting's Standing Committees relevant to the proposition. The committees present their position and recommendations in a parliamentary position paper (*Storting Innstilling*, Innst X L). The position paper is then submitted to the Storting for the first reading of the bill. If the bill is not passed by a majority vote after the first reading, it is returned to the government for redrafting.
 - [Search in Bills and Publications](#) (Only available in Norwegian)

¹ The most central laws and regulations are:

- [Forvaltningsloven](#) (Act relating to procedure in cases concerning the public administration [Public Administration Act])
- [Offentlighetsloven](#) (Act relating to public access to documents in the public administration [Freedom of Information Act])
- [Ansvarlighetsloven](#) (Act no 1 of 5 February 1932 relating to punishment for offences indicted before the Court of Impeachment)
- [Bevilgningsreglementet](#) (Funding Regulations)

- The Storting is the highest authority in matters concerning state finances. In addition to approving government spending proposals, the Storting has the authority to order expenditures.
- The budget process follows the Storting's budget appropriation regulations (*Bevilgningsreglementet*). The government's budget proposal is reviewed by the Standing Committees, and the Standing Committees presents their recommendations to the Storting in parliamentary position papers, *Innstilling X S* (See section 3 for further details).
 - o [The Budget Appropriation regulations](#) (Only available in Norwegian)
- The third role of the Storting is to exercise oversight and control over government and the public administration. The parliamentary control is exercised through the plenary debates in the Storting, which normally are open to the public. In addition, there are committee hearings and open hearings where external stakeholders may be invited.
- The Standing Committee on Scrutiny and Constitutional Affairs is entitled to perform any inquiry into the public administration and can act on its own initiative. Other Standing Committees can act on matters referred to them by the Storting. For example, the Standing Committee on Foreign Affairs and Defence reviews the annual report on treaties and agreements with foreign powers.
- The parliamentary scrutiny is based on different information sources. Particularly important are reports from the Auditor General's office, reports from the Parliamentary Ombudsman whose role it is to ensure that individuals do not suffer injustice, and media reports.
 - o [The Auditor General's website](#)
 - o [The Parliamentary Ombudsman's website](#)

The Judiciary's role

- The judiciary is responsible for ensuring that government agencies are enforcing the laws within their jurisdiction and adjudicates disputes between the state and non-state actors.
- The independence of the Courts is protected by the Constitution. Article 88 ensures that the Supreme Court's decisions cannot be overruled by any other authority, not by the Storting, nor by the government.
- The court system rarely intervenes in matters dealing with development cooperation, but at the end of 2015 a Norwegian court held one of Norway's largest NGOs responsible for the safety of one of its contracted staff. He had been captured and held hostage whilst working for the NGO in a refugee camp in Africa, and sued the NGO for their security negligence, and won. This has set a precedent for both the understanding of duty of care for Norwegian NGOs, as well as being noted internationally as setting a standard for duty of care that civil society organisations need to take into consideration when working in conflict and fragile circumstances.
 - o [Article from The New humanitarian \(formerly IRIN News\): NRC kidnap ruling is 'wake-up' call for aid industry](#)

- The EU has a strong influence on the Norwegian legal system. Due to the Agreement on the European Economic Area (EEA agreement), Norway is obliged to implement EU-legislation. The EFTA Surveillance Authority (ESA) monitors Norway to ensure compliance with the EEA commitments, and the EFTA Court has the authority to decide in matters pertaining these commitments.
 - o [An overview of the Norwegian court system](#)

Norwegian Aid Management - Roles and Organisational Structures

Roles of the MFA

- Norway's foreign policy and development policy are closely intertwined and considered a joint policy area. The overall task of the MFA is to work for Norway's interests internationally.
- On behalf of the government, the MFA prepares the government's foreign policy, development aid policy and the budget to the Storting. Based on decisions made by the Storting, the MFA is responsible for developing policy strategies for bilateral, multilateral and humanitarian aid.
- The MFA is currently administering all humanitarian aid. Most of Norway's multilateral aid is also administered by the MFA. The administration related to some budget chapter posts are, however, delegated to Norad.
- A large share of the administration of bilateral aid is delegated from the MFA to the embassies. Per 2018 the amount allocated to the embassies represents about 15% of the total aid budget.
- The management of grants to civil society organizations, research, higher education and the private sector is delegated to Norad, and as of 2017 the health and education and climate and environment allocations are also managed there. In addition, Norfund and Norec manages bilateral aid.
- The MFA has the responsibility to oversee the management and implementation of policies and grants delegated to the three subordinate bodies that administer Norwegian Official Development Assistance (ODA): Norad, Norec and Norfund.

Roles of the embassies

- The embassies are an integrated part of the MFA. Whereas the MFA is responsible for the overall policy, the embassies are responsible for the dialogue with the authorities, local civil society, multilateral organizations in the country, and other international representatives.
- Once funds are allocated to the embassies through so-called allocation letters, the embassies have financial and programming authority. They are then responsible for the administration of the funds, including fiduciary, performance and reporting requirements.
- The embassies are to submit annual activity plans (VPs) for approval by the MFA. The VPs include all activities foreseen for monitoring and quality assuring.
 - Afghanistan Palestine, Ethiopia, Malawi, Somalia, and Tanzania were among the largest recipients of bilateral aid in 2018, excluding Norway's International Climate and Forest Initiative. Including NICFI, Brazil was the largest recipient of Norwegian bilateral aid.

Roles and mandate of Norad

- Norad is a directorate under the MFA, and is an integral part of Norway's aid management system.
- On issues concerning Norway's International Climate and Forest Initiative (NICFI) Norad is accountable to the Norwegian Ministry for Climate and Environment.
- Norad has five main tasks that are clarified in Government Instructions:
 - To provide technical advice to the aid administration – the MFA and embassies.
 - To assist the aid administration quality-assure Norway's aid. Quality assurance is mandatory on legal issues. On non-legal issues quality assurance is not mandatory, and generally it is up to the program managers in the MFA and / or the embassies if quality assurance is requested.
 - To initiate and implement independent evaluations of Norway's development co-operation activities.
 - To provide information to the public about Norwegian aid and results achievements.
 - To manage the funds in accordance with the annual appropriations letter from the MFA. These letters contain the financial allocations and responsibilities, policy priorities to follow, performance targets and reporting requirements.
- [Norad's mandate](#) (Only available in Norwegian)
- [Allocation letters and annual reports for Norad and Norec](#) (Only available in Norwegian)
- As mentioned above, Norad manages both bilateral and multilateral funds, allocated from the MFA's budget in the appropriation letters. In addition, Norad manages NICFI funds, appropriated over the Ministry of Climate and Environment's budget.
- On issues related to NICFI, Norad's tasks are to provide technical advice, quality assurance, evaluations, communication and administration with the aim to achieve the goals presented in [St. Prop. 1 S from KLD](#) (in Norwegian).
- There is close management dialogue between the MFA and Norad, and KLD and Norad, with regular agency management meetings.
 - [Norads strategy towards 2020](#) (Only available in Norwegian)

Roles and mandates of Norec and Norfund

- Norec's responsibility is to foster organizational and individual partnerships between Norway and developing countries. Policy guidelines have been provided in the instructions for Norec, issued by a Royal Decree in 2010:
 - [Norec's governing documents](#)

- Norfund's role is to contribute to sustainable commercial businesses in developing countries through providing equity and loans for private sector investments in selected countries and sectors.
 - o [The Norfund Act](#) (Opens PDF)

MFA organisational structures

- The MFA is the largest ministry in the Norwegian government administration. Per January 2019 MFA has nine departments and 100 foreign service missions, including 81 embassies, 8 permanent delegations to multilateral organisations, 9 consulate generals and two other delegations. The Foreign Service has more than 2000 employees, of whom only 830 are Ministry employees. The three departments with responsibilities for development cooperation are:
 - The Department of Regional Affairs is responsible for ensuring that Norwegian international development policy is designed to promote the achievement of the UN Millennium Development Goals and is in keeping with the Norwegian Government's priorities. It is also responsible for following up Norwegian interests in regions outside Europe and North America and for developing a more coherent Norwegian foreign policy in these regions.
 - The Department for UN and Humanitarian Affairs has the overall responsibility for the follow-up of UN-policy as well as several UN and international organisations. The Department also deals with issues related to human rights, gender equality and humanitarian assistance.
 - The Department for Economic Relations and Development is responsible for a forward-looking development policy, multilateral development financing, the Ministry's economic diplomacy work, promoting Norway's energy interests, and work relating to climate change and the environment. The Department safeguards Norway's interests in the WTO and the OECD, and works to promote fairer world trade. Economic analysis is an important part of the Department's work.
- [The link provides an overview of organisational structures and an organisational chart of the MFA.](#)

Norad organisational structures

- Norad is organized into a Director General's Office, nine departments and 21 sections, excluding the Department for Human Resource and Administration. Norad has 245 employees (2018).
- [The link provides an overview of Norad's current organisational chart.](#)

Budget Structures and Procedures

National budget structures and procedures

- The legal framework for the budget process is based on the budget regulations adopted by Parliament. In addition, there are budgetary rules decided by the administration within the legal framework of the budget regulations. The budget regulations in force today were adopted in 2006.
 - o [Budget regulations](#) (Only available in Norwegian)
- Compared to most OECD countries the role of the MFA and other line ministries are relatively strong. Based on a Ministry of Finance (MoF) Circular, the MFA and the other line ministries make expenditure proposals for the next four-year period, based on baseline projections and proposals for new policies. The line ministries are also requested to make proposals for budget cuts. These proposals are submitted to the MoF in February.
- The cabinet's first budget conference takes place in March. Total spending and revenue limits are agreed, and spending limits for each ministry are decided. All decisions are made collectively by the cabinet, voting does not take place.
- The second budget conference takes place in August. New policy initiatives and spending cuts are then decided. The budget proposal is submitted to the Storting early in October, where the budget proceedings are coordinated by the Standing Committee on Finance and Economic Affairs (finance committee).
- By the 20th of November the Finance Committee presents its recommendations on the National and Fiscal budgets. The Finance Committee's recommendations are debated by the Storting in the Budget debate and is concluded by a vote.
 - o [Committee recommendations from the Storting](#) (Only available in Norwegian)
- Following the budget debate, the 12 different standing committees of the Storting submit their recommendations concerning appropriations within the expenditure areas relevant to their committees. The standing committees can only propose reallocations within the limits that have been decided, and any increments in expenditure must be matched by equivalent reduction in expenditure. Plenary sessions on each standing committee's recommendations are concluded by a vote.
- Two standing committees are particularly important in terms of development cooperation. The Standing Committee on Foreign Affairs and Defence makes recommendations on the budget under the Ministry of Foreign Affairs, whereas the Standing Committee on Energy and Environment makes recommendations on the budget under the Ministry of Climate and Environment.
 - o [Recommendations from the Standing Committee on Foreign Affairs and Defence](#)
 - o [Recommendations and questions on the topic of Climate and Environment](#)
- The government's proposal and the Storting's resolution normally differs by less than one percent. The reallocations are presented in a proposition from the Storting, Innst. 2 S (*Innstilling fra Stortinget 2 S*). Based on the Storting's decisions, the government presents reallocations to the budget in a new proposition, Prop. 1S Tillegg 5 (*Saldering*).

Budget documents

- The government presents several budget documents to the Storting, and the Storting publishes approved budgets:
 - The budget proposal, *Prop. 1 S*, called the Yellow Book, presents revenues and expenditures by chapters and posts.
 - The budget proposal on taxes is presented in Prop 1 LS.
 - There is one budget document per ministry, which are annexes to the Yellow Book. The national budget as a White Paper where the government presents an overview of the national economy and explains its budget priorities (*Meld. St. 1*).
 - After the Storting has passed the budget, the approved budget is presented in the Blue Book, "*Blå bok Saldert budsjett*", published by the Storting. The Storting also publishes a separate budget note that presents the amendments from the government's proposal (St. prp 1S), by budget chapters and posts.
 - By 15 May the government presents its in-year budget amendments. A proposition, Prop. 122 S, a White Paper, Meld. St 2 (RNB), and a Revised Tax Bill, Prop. 121 LS, are submitted to the Storting. The amendments are debated and the appropriations are passed by the Storting in June.
 - In December, before the end of the Financial Year (FY), final adjustments are made in the budget (*Nysaldert budsjett*). Amendments are presented in Government Proposition 33 S.
 - The government accounts are presented to the Storting as White Paper in Meld.St. 3.
 - [Search for proposals to the Storting](#) (Only available in Norwegian)
 - [Search for White Papers presented to the Storting](#). (Only available in Norwegian)
 - [Budgets documents for 2020](#) (Only available in Norwegian)
 - [Budgets approved by the Storting](#) (Only available in Norwegian)
 - [Revised budget for 2019](#) (Only available in Norwegian)
 - [Norwegian Government Agency for Financial Management \(DFØ\)'s overview of the governments financial accounts](#) (Only available in Norwegian)
 - [All budget documents, some with English summaries, are available on the government website for the budget](#)

Development aid appropriations

- The main share of Norwegian ODA is appropriated under the MFA budget, program area 03 Development aid.
 - [Search for: Prop. 1 S Utgiftskapitler: 100–179 Inntektskapitler: 3100 Utenriksdepartementet via this link](#)

- ODA also includes Norway's International Climate and Forest Initiative (NICFI), program category 12.70, International Climate Work, budget chapter 1482, International Climate and Development Initiatives.
 - o [Search for: Prop. 1 S Utgiftskapittel: 1400–1482 Inntektskapittel: 4400–4481 og 5578 Klima- og miljødepartementet via this link](#)
- In addition, ODA is appropriated by the Office of the Auditor General (OAG), related to the OAG's international development initiatives, and over the Ministry of Finance's budget related to VAT compensation. In 2017, these appropriations constitute less than 0,3 % of total Norwegian ODA.

Budget structure – MFA budget

- The MFA budget is classified into two program areas (Programområder):
 - *Program area 02: Foreign Service Administration (Utenriksforvaltning)*
 - *Program area 03: Development Aid (Internasjonal bistand)*
- The MFA budget classification into program areas and program categories is illustrated in the table below:

Program areas	Program categories
02 Foreign Service Administration	02.00 Administration of the Foreign Service
	02.10 Foreign Purposes
03 Development Aid	03.00 Management of Foreign Aid
	03.10 Development Cooperation

- Program area 03 Development aid is categorized into two different program categories:
 - Program category 03.00: Management of foreign aid
 - Program category 03.10: Development Cooperation
- Each program category is further divided into budget chapters (*budsjettkapitler*). Each chapter refers to one purpose or an administrative unit (for example Civil Society, Norad or multilateral aid to UN).
- Each budget chapter follows specific scheme regulations (*ordningsregelverk*) that sets out the procedures for budget allocations.
- The program area 03 Development aid is separated into budget chapters. Each budget chapter is given a functional name. They are a mix of administrative and thematic budget allocations.

- Budget chapters 140 – 144 under program category 03.00 are administrative, with allocations to the MFA, Norad and Norec.
- Budget chapters 150, 160 – 163 refers to the five thematic priorities the government wants to concentrate on
- Budget chapters 170 – 172 are for aid through partner organisations, civil society, multilateral aid, allocations to the UN, multilateral finance institutions and debt relief.

The structure of the program categories and budget chapters in the MFA's budget is illustrated in the table below. The table is using the program categories and budget chapter names from the MFA's budget for 2019:

Program categories	Budget chapter (Kap.) /Functional name
03.00 Management of foreign aid	140 Ministry of Foreign Affairs
	141 Norwegian Agency for Development Cooperation (Norad)
	144 Norwegian Agency for Exchange Cooperation (Norec)
03.10 Development cooperation	150 Humanitarian aid
	151 Peace, security and global cooperation
	152 Human rights
	159 Regional allocations
	160 Health
	161 Education, research og technical cooperation
	162 Private sector development, agriculture and renewable energy
	163 Climate change, environment and oceans
	164 Equality
	170 Civil society
	171 UN development work
172 Multilateral financial institutions and debt relief	
179 Refugee initiatives in Norway	

- Each budget chapter is further divided into budget posts (01-99) that specify the types of expenditure: administration, investment or transfer. For example, budget chapter 160, *Health*, is separated into posts 70 *Health*, Post 71 *World Health Organisation (WHO)* and Post 72 *UNAIDS, The UNs AIDS-program*.
- Under each budget chapter post it is specified if unspent funds, at year's-end, can be transferred to the next budget year. Appropriations that can be transferred is labeled with "*kan overføres*". If funds are not transferrable, allocations must be spent within the budget

year for which they have been appropriated, with savings reverting to the Treasury at year's-end.

Delegated budgets to embassies and subordinated agencies

- The MFA allocate budgets and provides appropriate directives to its subordinated agencies and to the embassies. Administrative budget allocations are however appropriated under chapters 140 (MFA), 141 (Norad) and 144 (Norec).²
- Over the last decade, the appropriation to bilateral aid has been considerably reduced. This reflects the increased priority of global funds and multilaterals in Norwegian development aid.
- The subordinated agencies mostly manage grant allocations on behalf of the MFA from program category 3.10. Norad also manages a budget allocation from the Ministry of Climate and Environment related to the Climate and Forest Initiative.
- Allocations to Norfund are made in a separate allocation under Chapter 162, Private sector development, agriculture and renewable energy. Allocations to Norec are made under Chapter 144.

Budget process for embassies and subordinated agencies

- The MFA's first step in formulating the budgets for the embassies and the subordinated agencies is the assessment of the annual results reports submitted by the embassies and agencies to the MFA in April. The results reported for the previous financial year are used by the MFA in the preparation of the government's budget proposal (St. prop. 1 S).
- After the government presents its budget proposal, the MFA requests the embassies to submit annual activity plans for the coming FY. These activity plans are submitted to the MFA early November. The MFA then has telephone conferences with all the embassies to discuss priorities and allocations, before the activity plans are approved.
- Based on the activity plans and dialogue between the MFA and the embassies, the MFA develops budget distribution notes (*fordelingsnotater*) for all budget chapters and posts.
- Based on the approved budget distribution notes, MFA submits allocation letters to the embassies and appropriation letters to the subordinated agencies, specifying priorities, performance requirements and budget allocations according to the budget chapters and posts.
- Once the funds are allocated from the MFA, the agencies and embassies have financial and programming authority. However, all embassy allocations above NOK 10 million have to be approved by the minister.

² In 2018, the embassies managed 15% of the MFA's development aid budget, Norad approximately 30%, Norfund approximately 5% and Norec less than 1%.

- During the financial year, the MFA maintains close dialogue with the agencies and the embassies. There may be budget reallocations throughout the FY, but the regular reallocation process is based on spending reports from the agencies and embassies and is undertaken in August / September. This reallocation process includes budget allocations transferred from the previous FY.
- There is a final reallocation process in December (*Nysaldering*). Normally only minor budgetary adjustments are done. However, in 2015 budget appropriations had to be withdrawn from a number of budget chapter / posts to cover extraordinary expenditures on budget chapter 167, Refugees in Norway.
- The allocation letters to embassies are not publicly available. Appropriation letters to Norad and Norec are published on the agencies websites.

Aid Management Procedures

Regulatory framework for Norwegian public management

- Aid management is, as all Norwegian public management, governed by specific laws and regulations. The two most important acts are:
 - [The Public Administration Act \(*Forvaltningsloven*\) that prescribes general regulations and specific demands to public administration's decision making processes.](#)
 - [The Freedom of Information Act \(*Offentlighetsloven*\) that regulates access to public documentation and ensures that citizens have insight into decision making processes and can exercise control.](#)
 - [The website Lovdata.no provides access to a collection of online legal resources](#)
- In Norwegian public sector management, extensive authority is delegated to the public administration. The Public Administration Act and the Freedom of Information act are therefore essential to allow insight into decision making processes and their outcomes and to ensure fair and uniform public management (*saksbehandling*).
- In addition to these acts the regulations on Public Financial Management is central to public sector management. These regulations provide a set of instructions to all ministries and their subordinated agencies. The regulations and provisions were issued in 2003, and the latest revision was made in 2019.
 - [More on Governmental financial management](#)
- [Based on the regulations and provisions, the Ministry of Finance has also issued a set of government circulars and guidelines that set out operational procedures for the ministries and the subordinated agencies.](#)

Operational guidelines and procedures for Norwegian aid management

- The Grant Management Assistant (GMA) is a digital tool that sets out the grant management procedures for the MFA and Norad and has replaced the paper-based Grant Management Manual. The purpose is to ensure that the MFA's and Norad's grant management complies with legal requirements, that the risk associated with grant management is reduced, and that there is similar practice and harmonized follow-up of grant management by all units in the MFA and Norad.
- The Grant Management Assistant describes four grant management regimes that apply to different kinds of support:
 - **Grant management regime I** applies to grants to a specific project or programme. Examples of "projects" that may be supported under grant management regime I include: Specific, standalone projects, programmes consisting of several separate projects, support to certain types of trust funds and financing mechanisms
 - **Grant management regime II** applies to non-earmarked support to the grant recipient's general operations, based on its strategic plans and periodic budgets.
 - **Grant management regime III** applies to projects or activities of limited scope and short duration.
 - **Grant management regime IV** covers non-earmarked contributions to multilateral organisations where the recipient and amount are specified in the annual budget proposal (Prop 1 S).
- Grant scheme rules are a set of rules describing how the annual government budget proposal (Prop 1 S) should be operationalized in connection with allocation of funds to grant recipients. Some of the rules apply to MFA only, some to Norad only and some to both institutions, and they are linked to budget chapters/posts. The grant scheme rules describe general information about the specific grant scheme, announcement / notification of the grant, the objectives of the grant scheme, the target groups of the grant scheme, the criteria for goal achievement, grant allocation criteria, cross-cutting issues, relevance to the EEA (EØS) agreement's regulations on governmental support, grant rewarding, rejection and evaluation.
 - The Grant Management Assistant also includes description of the grant management cycle, guidelines for financial, results and risk management and a template collection.

Planning and archiving systems

- The MFA, the embassies and Norad share a common platform for financial management, PTA, which is an electronic tool for the management and follow-up of individual grants, and for overall financial planning and management. All grants must be registered as agreements in PTA, and all disbursements are planned and effectuated in PTA. PTA is also a tool for the MFA/Norad's official OECD/DAC statistical reporting.
- Reports on e.g. expenditure in relation to budgets and allocations, or to specific political priorities, geographical areas, target groups and sectors may be generated from PTA.
- PTA data are linked to a data archiving system, STATSYS, which is operated by Norad's statistical section. The STATSYS also receives information from other institutions, including

Norfund and Norec. STATSYS data feeds information to Norad's web-based databases that produces statistical information on Norwegian ODA:

- Norwegian Aid Statistics is a statistical portal that is open to the public on Norad's web site. The statistical portal, which contain data from 1960 until today, provides access to all official development assistance statistics. The portal is operated by Norad's statistical section.
 - [Norads Aid Statistics Portal](#)
- The MFA has a separate web portal that provides information on all grants disbursed from MFA and Norad. It also includes planned disbursements.
 - [Norwegian Ministry of Foreign Affairs Grant Portal](#)
- Up to 2017 Norad presented results from Norwegian aid on an annual basis. These reports can be found at Norad's home page.
 - [Results from Norwegian aid at Norads homepage](#)
- The MFA, Norad and the embassies do not have a common platform for archiving. Norad uses an electronic archive system called P-360, whereas the MFA uses another IT-based system called UD-SAK. It is not possible for employees in Norad to access the MFA archive system, and vice versa.
- Many embassies have manual archive systems, and do not have access neither to MFA's nor Norad's archive systems. Around 40 embassies, mostly in Europe, have electronic archives integrated with the MFA archive.
- To access the Norad archive, contractors needs to sign a confidentiality declaration, and each consultant must sign an "Access to archives"-form. For documents previous to 2007, the archive must be contacted in advance for retrieval of physical documents. For contractors to access the MFA archive, Norad needs to submit a specific request to the MFA archive that includes a description of the project, specific needs and search criteria. For access to the embassies archives requests have to be sent directly to the embassies.