Regional Development Policy in Norway

General policy approach
The 2018 White Paper on Rural and Regional Policy is the latest regional policy framework. The policy objectives have changed compared to previous versions. It emphasises that all citizens in Norway are to have equal living conditions, wherever they live, and contains strategies to provide access to basic services to all citizens, irrespective of where they live. Access to more specialised public services will depend on the location of the services on offer.

Norway considers a well-functioning business community imperative for welfare, living conditions and quality of life in all types of communities, in both urban and rural areas. The government attaches particular importance to the long-term resilience and competitiveness of industry and trade. At the same time, the government recognises that the composition of the population is important for future growth and development. Policies must facilitate development that safeguards resources for future generations, while ensuring minimal differences between regions. This aims at maintaining the main features of the current settlement pattern.

Recent policy changes
• The government has put a greater emphasis on the business sector’s framework conditions for economic growth to create new and economically sustainable jobs by prioritising communications infrastructure, soft infrastructure (e.g. within education), growth-enhancing tax reductions and simplifications in public governance.

• The release of a new White Paper on Rural Policy is planned for 2019. The white paper is expected to address challenges pertaining to ageing and lack of economic restructuring, the territorial impact of migration and the overall demographic distribution across the country, as well as the fight against climate change and the promotion of sustainability. It will cover both regional and urban development.

• The first phase of municipal amalgamations will be completed in 2020, and the process of creating larger and fewer municipalities will continue beyond 2020. The reform of regions has been completed and will enter into force in January 2020. It entails a reduction from 19 to 11 county administrations.

• Comprehensive plans for land use, housing and transportation have been proposed for the whole Oslo area. Other city-regions will follow.
Institutional arrangements to prepare for global megatrends

The Ministry of Finance is in charge of long-term planning, including the development of a 2017 White Paper on Long-Term Perspectives on the Norwegian Economy. The purpose of the white paper is to enable the parliament to take rational and well-informed decisions on legislation, governance and budget surplus in order to meet the challenges for future development. The white paper also considers regional development.

At the national level, the central government sets annual objectives for regional and local planning. They address issues like urban development, competence planning and coherence across policy areas. Moreover, a National Plan for Physical Infrastructure (Nasjonal Transportplan) is submitted to the parliament in the form of a white paper every four years. It includes national and international corridors for transportation within roads, ports, airports and railways, and sets forth the government’s transport goals and strategies in a long-term perspective.

Other initiatives include a manual on smart specialisation for Norwegian regions to increase growth and resilience; agencies like Innovation Norway, Difi or Research Council to promote smart solutions for automation, digitalisation and smart cities; and funding programmes to reduce risk in farmers’ investments in both the uptake and development of new technology.

At the regional level, the Planning and Building Act requires county administrations to produce long-term plans within their areas of responsibility. In addition, country administrations must establish a regional planning strategy, which also contains an analysis of the need to establish a regional plan in other areas. Typically, regional plans address issues like climate change and climate adaptation, energy, natural resources, competence/education, business development, attractive communities, and infrastructure.

OECD Regional Outlook 2019: Leveraging Megatrends for Cities and Rural Areas

The 2019 edition of the OECD Regional Outlook examines the regional dimensions of global megatrends and their implications for the well-being of people living in different places. It discusses how place-based policies, public investment and multi-level governance reforms can respond to these megatrends to revive productivity growth, reduce inequalities, improve quality of life and increase sustainability.

Consult the full publication and the other country profiles online: https://oe.cd/pub/2vq.