



NORWEGIAN MINISTRY OF LOCAL GOVERNMENT
AND REGIONAL DEVELOPMENT

Norwegian Regional Policy

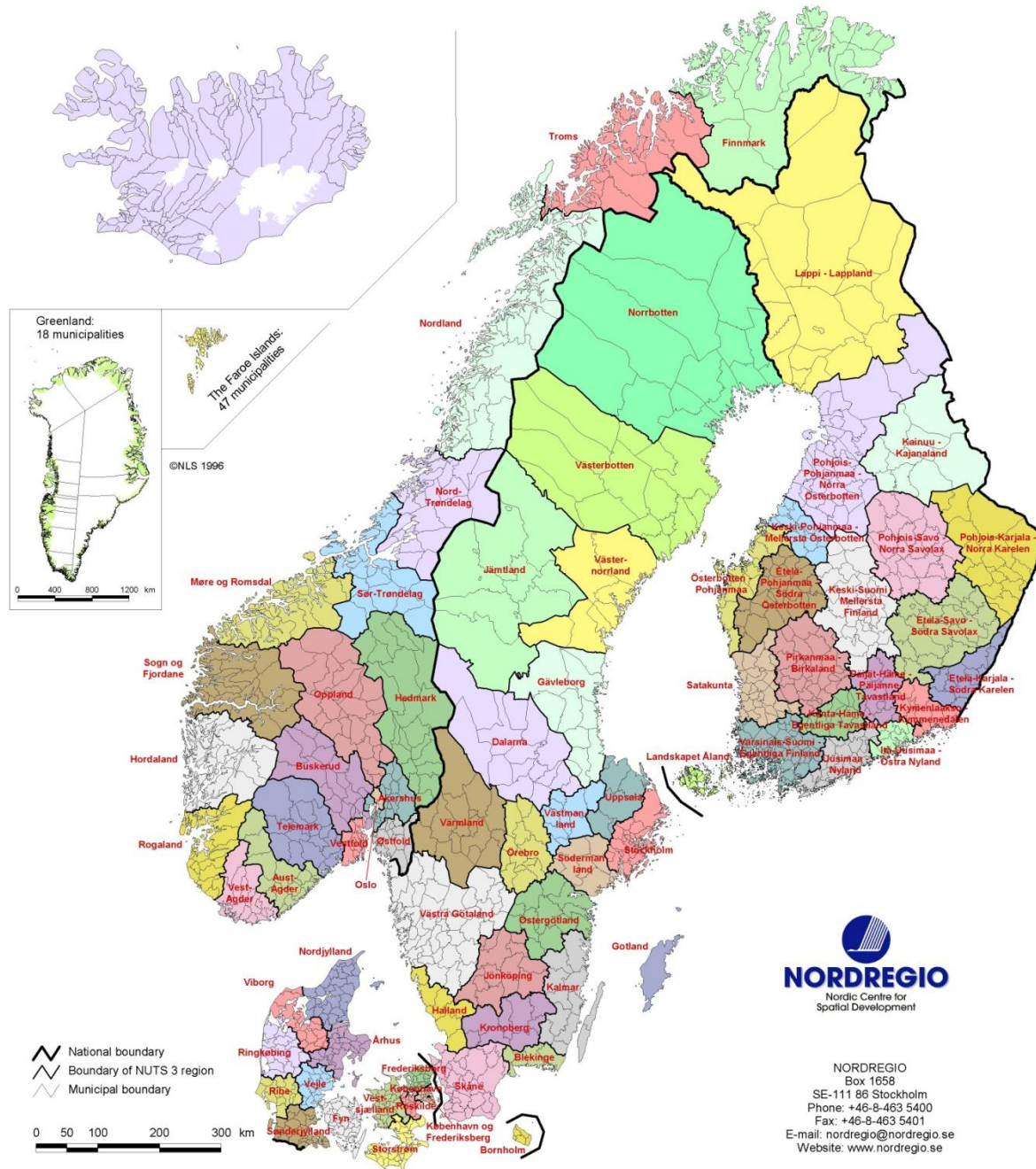
Kristin Nakken

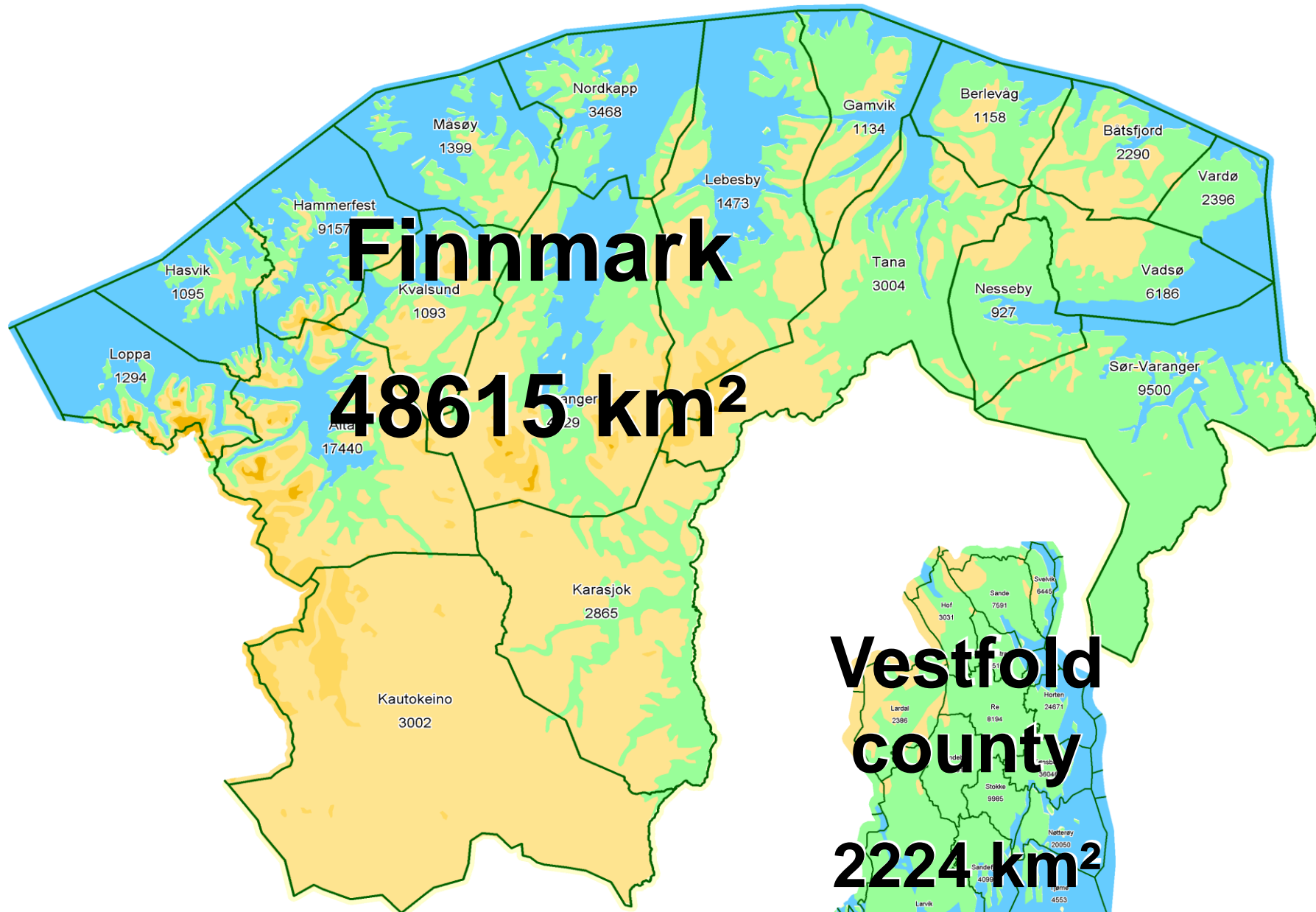
Norwegian Ministry of Local Government and Regional Development

Oslo. 14.March 2012.



Municipalities:
216 (Utsira) –
600 000 (Oslo)
inhabitants

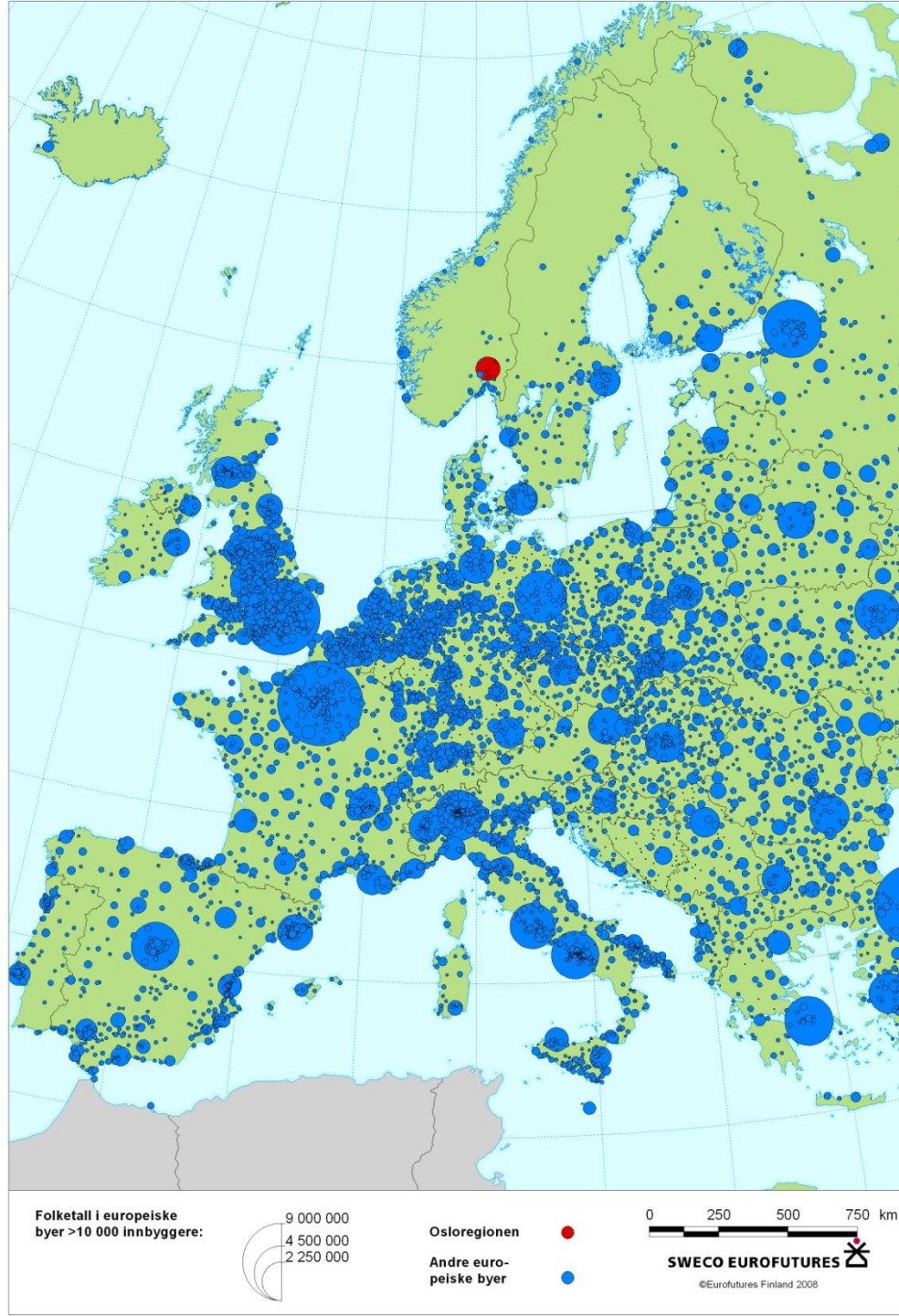




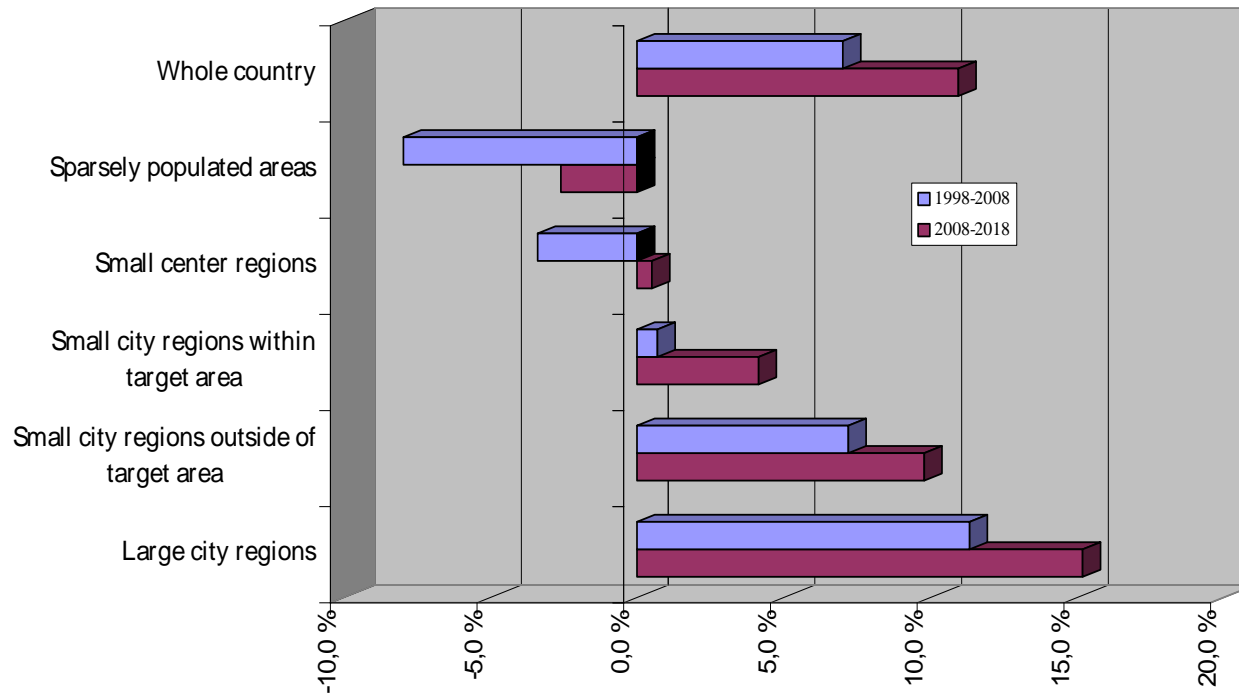
Finnmark
48615 km²

Vestfold
county
2224 km²
(1/4 of Kautokeino
municipality)

Urban
structure:
cities with
more than
10,000
inhabitants



Population development - type of region



Aims of the regional policy

- Sustain the main features of the settlement pattern
- Accessible services and economic growth in all parts of the country
- Freedom of choice as to where to live



St.meld. nr. 25

(2006-2009)

Lokal vekstkraft og framtidstru
Om distrikts- og regionalpolitikken



Regional policy - challenges

- Extensive mountain areas, insular and coastal regions, arctic and sub-arctic climate
- Sparsely populated, weak urban structure, long distances to main markets
- Migration from peripheral to core areas – polarisation of the settlement structure

At the same time:

- only limited differences in education level, employment, income, housing, services....

Regional perspectives in most sectors

- Funding of the municipalities
- Transport and infrastructure
- Higher education and research
- Agriculture and fisheries
- Business development
- Defence

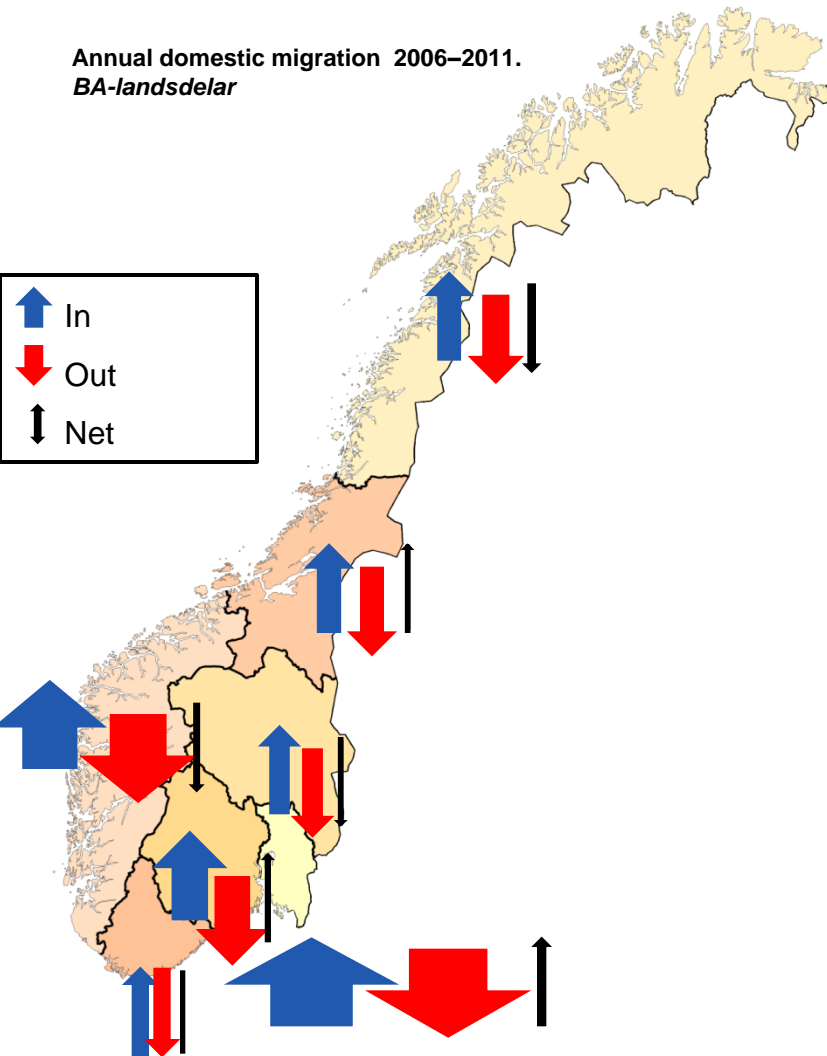
Total annual spending: 36 bill NOK

Particular attention - Sparsely populated areas.

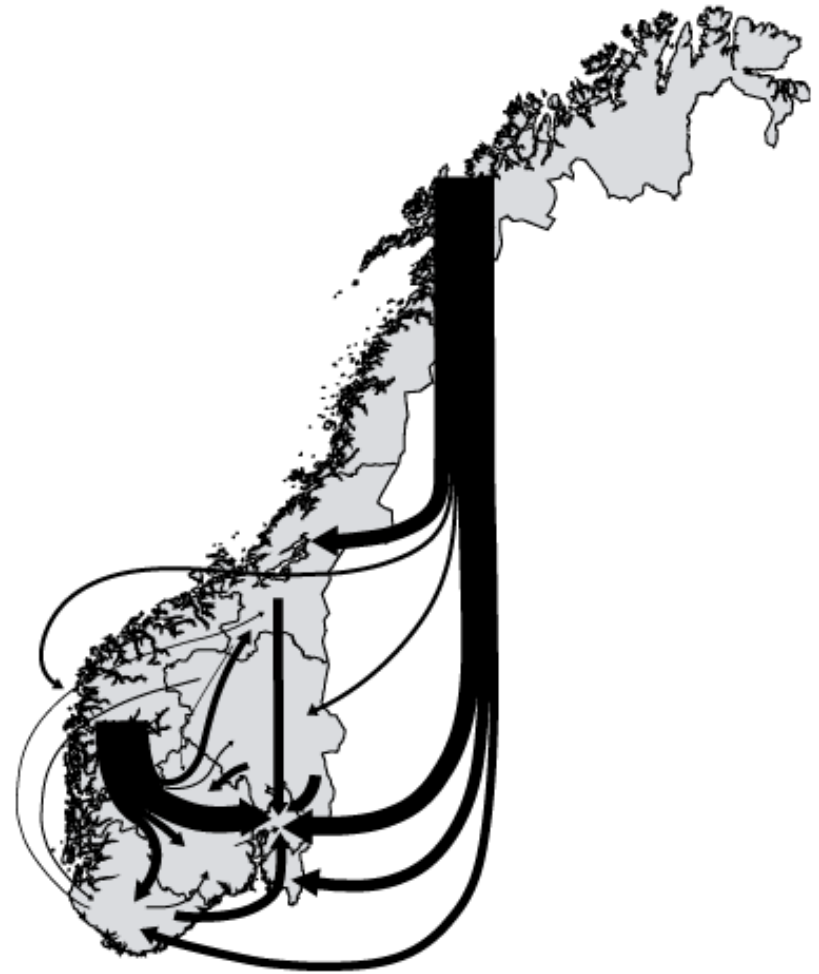
- Core challenges
 - Reaching sufficient number of people within daily commuting range to run public and private services cost-efficiently.
 - Establishing a well-functioning labour market.

Migration – two ways to look at it

Annual domestic migration 2006–2011.
BA-landsdelar



Nettoflytting mellom landsdelene. 2006



Kartgrunnlag: Statens kartverk.

The specific regional policy

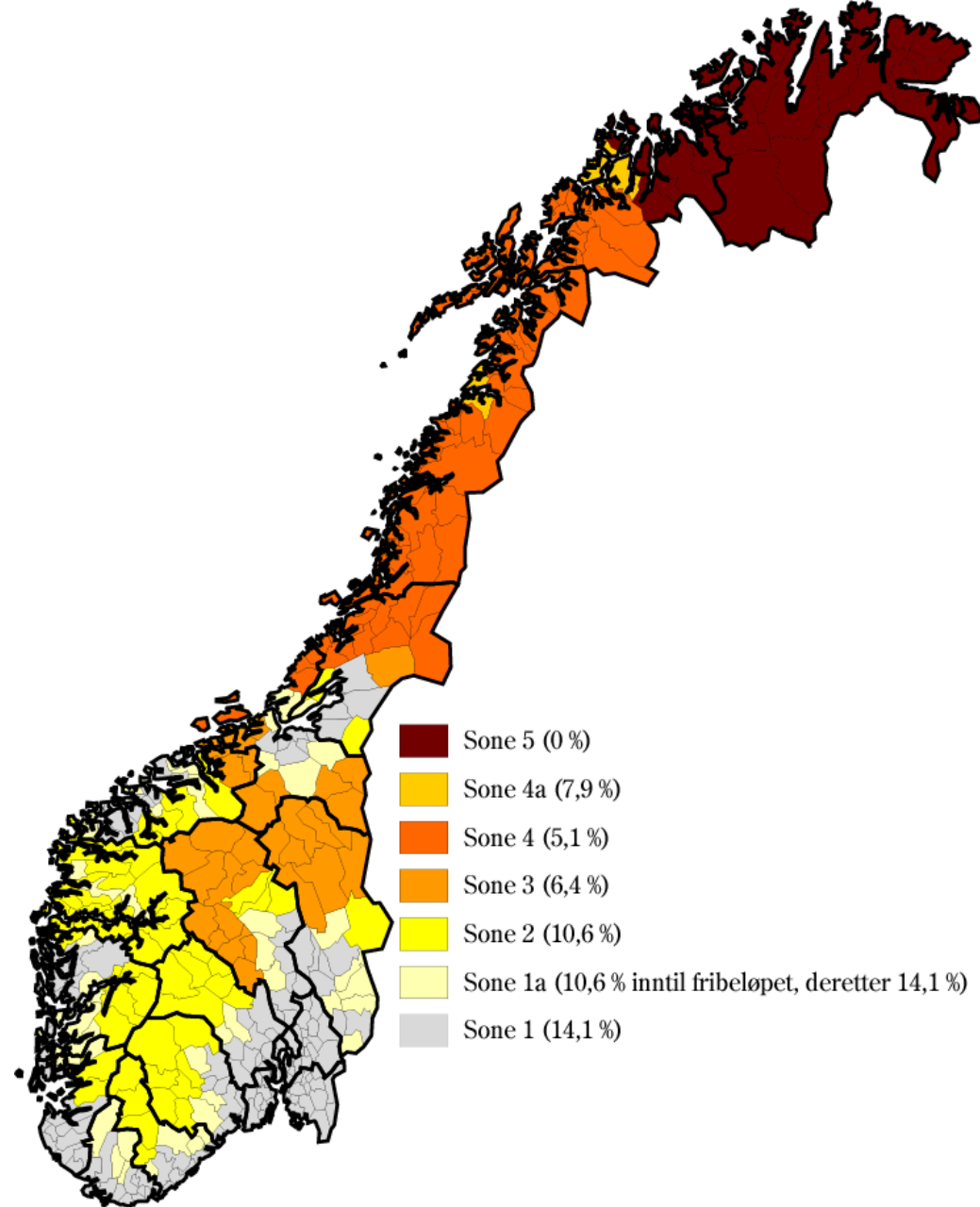
- Business funding – grants and loans
- Start-up grants for entrepreneurs
- Incubators and business “gardens”
- Support for clusters and for innovation
- Local community development

Annual spending: 2.7 bill. NOK

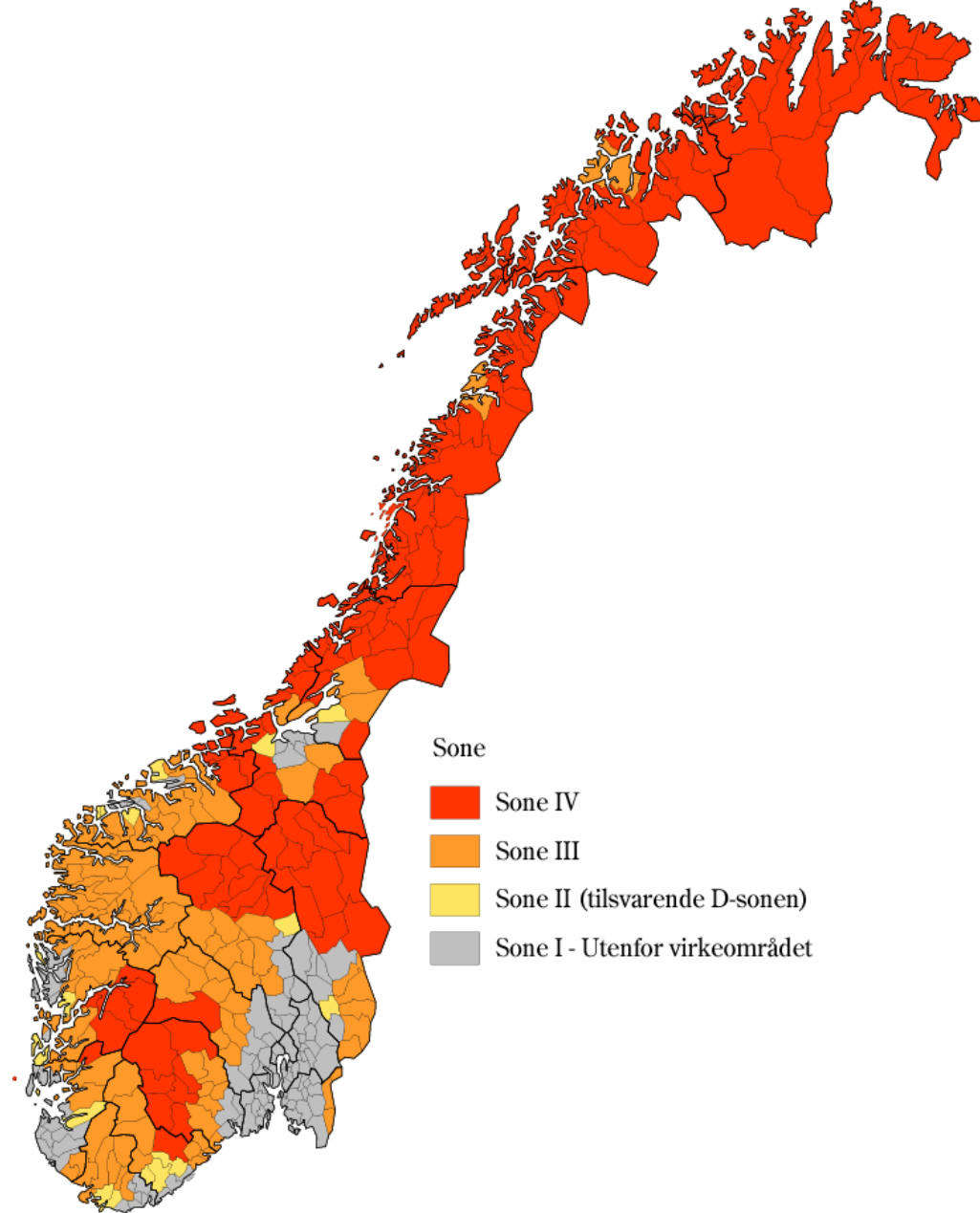
- Geographically differentiated labour tax

Annual costs: ca. 12 bill. NOK

Regionally differentiated social security contributions



Regional aid map



Implementers

- **The county authorities**
- **The municipalities**
- **Innovation Norway**
- **The State Industrial Development Corporation (SIVA)**
- **Norwegian Research Council**

Main measures

- Investment aid or grants
- Loans
- Start-up grants
- Restructuring local communities
- Infrastructural programmes
- Business environment support.
- Special programmes for women and youth.
- Cross-border cooperation
- Regionally differentiated social security contribution.



Some instruments

- NCE – Norwegian centres of expertise
- The VRI programme
- Incubators, business gardens
- Business network
- The ARENA Programme
- Regional research funds
- Young gründerers (and mentoring)
- Action zone for Finnmark and Nord-Troms

Action Zone - North

- No social security tax
- Reduced income tax
- Remission from bank-payment of loan for education
- Higher child benefit
- Reduced electricity charges
- Reduced investment tax for construction

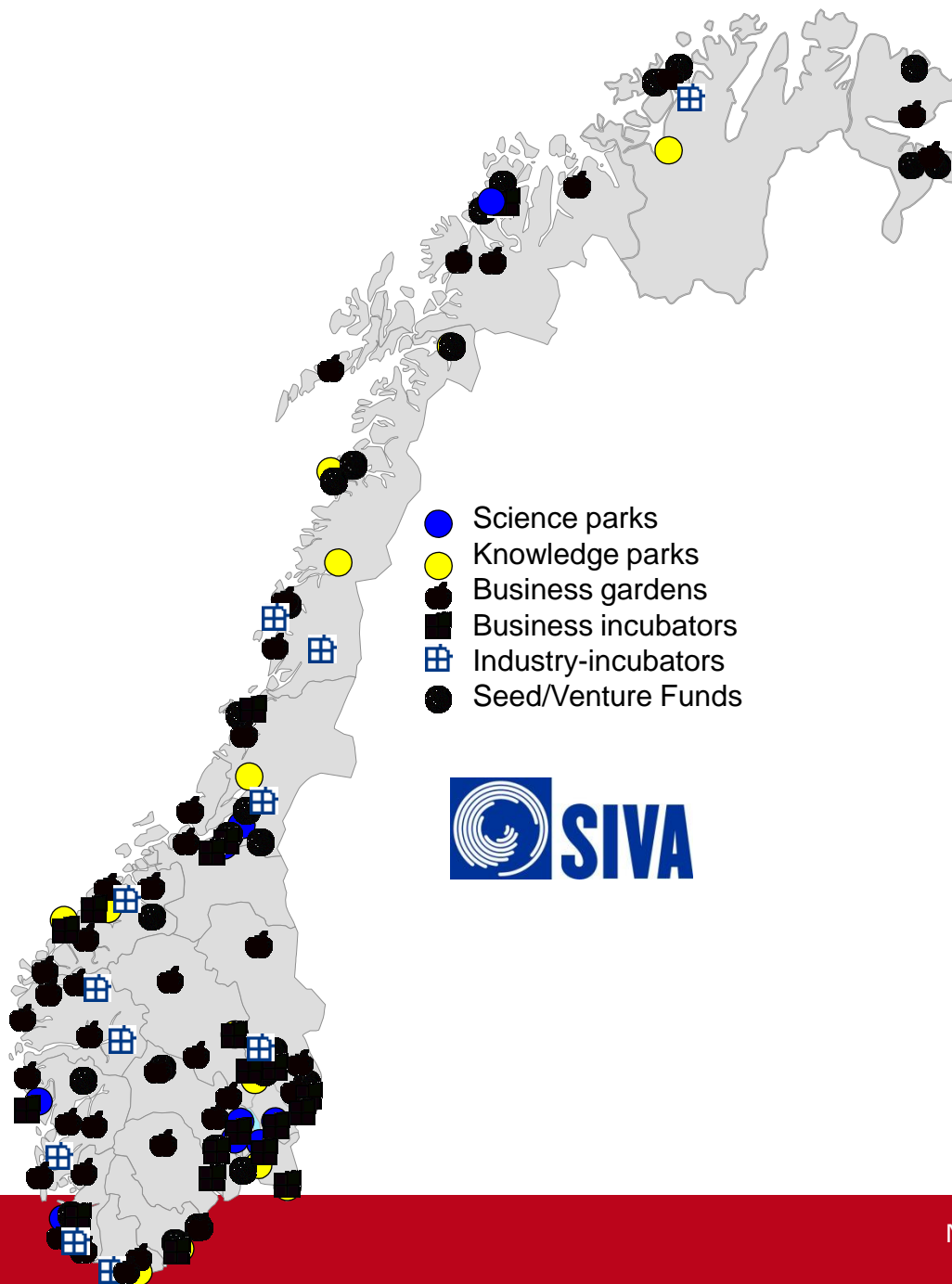
MERKUR

(program for building competence in small grocery stores in rural areas)

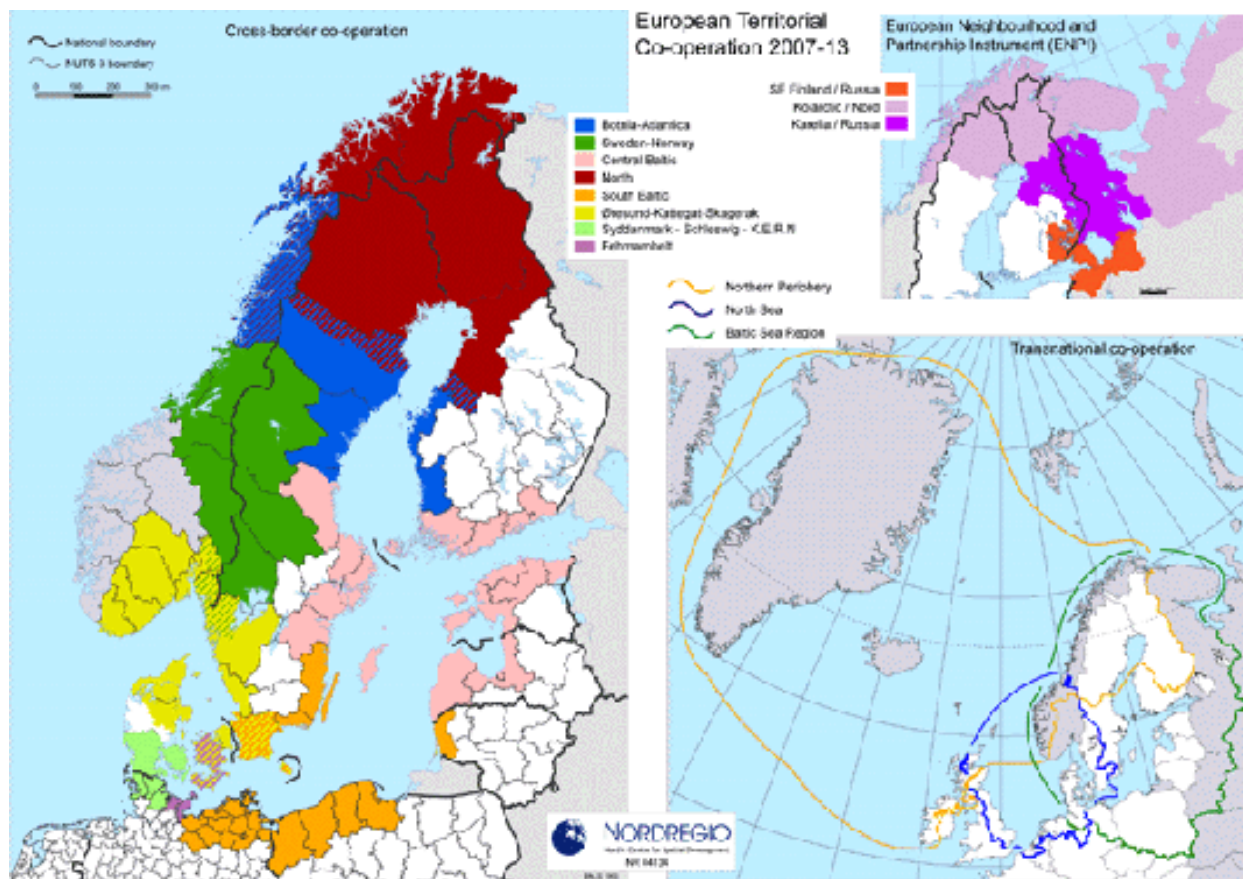
- Secure the deliverance of groceries in rural areas
- Provide good service, both public and private, through the grocery store
- Attractive local communities







Interreg in Norway



Nordic-Baltic Regional Policy Cooperation

- Member of the relevant Interreg A and B programmes like the Interreg IVB Baltic Sea
- Substantial financial contributions towards a more coherent Baltic Sea Region through the EEA financial mechanism about of which 152 mill. € to Poland, Lithuania, Latvia and Estonia on annual bases for the periode 2009 - 2013.
- Member of VASAB
- Member of the Nordic Council of Ministers.
- The general aim is to promote convergence, coherence and competitiveness in the Baltic Sea Region.

Transnational perspectives in Norwegian Regional Policy

- The transnational perspective is threefold:
 - The North Sea Region
 - The Baltic Sea Region
 - The High North
- This reflects our geographical position but also political priorities.