Third biennial communication pursuant to Article 9.5 of the Paris Agreement

Submission by Norway

February 2025

1. Introduction

Decision 13/CMA.5 reiterates that developed country Parties shall biennially communicate indicative quantitative and qualitative information related to Article 9, paragraphs 1 and 3, of the Paris Agreement, as applicable, including, as available, projected levels of public financial resources to be provided to developing country Parties. Norway is pleased to submit our third biennial communication in accordance with that decision. We have covered the different elements in the annex to decision 12/CMA.1 and have also taken into account the areas listed in para. 16 of decision 13/CMA.5. For ease of reading and to avoid duplication we have not followed the lists chronologically. In order to give a full picture of our priorities we will also address some of the broader development priorities and programmes of which our climate finance is a substantial part.

Norwegian climate finance consists of publicly provided and mobilised private finance.

Publicly provided climate finance includes earmarked contributions through bilateral and multilateral channels, as well as the estimated climate-specific shares of core support to multilateral organisations. The funding sources are Official Development Finance (ODF), which includes Official Development Assistance (ODA) and Other Official Flows (OOF). OOF activities consist of interventions by Norfund including the Climate Investment Fund, providing equity, loans and guarantees to companies operating in developing countries. Mobilised private climate finance are private investments mobilised by public development interventions. The methodology for measuring, monitoring and reporting Norwegian climate finance is described in detail in Norway's first Biennial Transparency Report (BTR).

Norway welcomes this opportunity to provide ex-ante information on our climate finance and deems this as an important tool to build trust and cooperation between Parties.

1.1 Highlights

- Norway has made a commitment to double our total annual climate finance to NOK (Norwegian Krone) 14 billion by 2026 compared to NOK 7 billion in 2020, and as part of this to at least triple our adaptation finance.
- Norway has launched a strategy for climate change adaptation, disaster risk reduction and the fight against hunger. In 2025, the government increased the support for climate change adaptation by NOK 380 million.
- Renewable Energy is a priority sector in Norwegian development cooperation. The budget for 2025 includes dedicated grant financing, capital to Norfund's development mandate and the Climate Investment Fund.

- The Norwegian Government's Climate Investment Fund was established in 2022. The fund is managed by Norfund and will be capitalised with NOK 2 billion each year in the period 2022-2026.
- The Norwegian parliament decided in 2023 to establish a 5-year pilot unfunded state guarantee facility of approximately NOK 5 billion for renewable energy in developing countries.
- The Norwegian development budget for 2025 represents an increase of NOK 2.3 billion compared to the final development budget for 2024. Norway gave 1.09 % of GNI in Official Development Assistance (ODA) in 2023, the highest percentage of any OECD/DAC country, and is also on track to reach 1 % of GNI in 2024 and 2025.
- The Norwegian International Climate and Forest Initiative (NICFI) is presently the largest single source of funding in Norway's public climate finance. The Government has decided to extend the initiative to 2035. The budget allocation for 2025 to NICFI is NOK 4.25 billion.
- Norway has pledged NOK 3.2 billion in the period 2024- 2027 to The Green Climate Fund (GCF).
- Norway's total commitment to the Global Environment Facility (GEF) is NOK 780 million in the period 2022 – 2025 (GEF 8). In addition, Norway contributed NOK 100 million to the Least Developed Countries Fund / Special Climate Change Fund.

1.2 Challenges and limitations of providing ex ante information

Norwegian climate finance is an integral part of our engagement towards achieving the Sustainable Development Goals (SDGs). The Norwegian development budget for 2025 represents an increase of NOK 2.3 billion compared to 2024. Norway gave 1.09 % of GNI in Official Development Assistance (ODA) in 2023, the highest percentage of any OECD/DAC country, and is also on track to reach 1 % of GNI in 2024 and 2025. The actual percentage for 2024 is not known because the Norwegian GNI for last year has not been calculated yet. But Norway's development budget is above 1 % for both years based on GNI estimates.

In Norway the annual budgets of the Government must be approved by Parliament. All public multiyear programmes and projects, both planned and ongoing, can thus only be secured on an annual basis. Allocations to specific projects or programmes may also be subject to change within the calendar year. Financial information beyond the annual budget allocations for 2025 covers approved plans and programmes. These are usually limited to a 3-5-year time span. In addition, we have a few long-term commitments, such as the Norwegian International Climate and Forest Initiative (NICFI) and contributions for multi-year replenishments in multilateral funds, such as the Green Climate Fund (GCF) and the Global Environment Facility (GEF) and multilateral development banks (MDBs).

2. Policies and priorities

2.1 Types of climate finance support

The thematic distribution of Norwegian public climate finance in 2023 was 21 percent for adaptation only, 68 percent for mitigation only, and 11 percent for cross-cutting initiatives. Given the annual fluctuations, the average distribution over the three-year period 2021–2023 was 16 percent for adaptation only, 72 percent for mitigation only, and 12 percent for cross-cutting initiatives. These figures do not provide a complete picture of the different types of Norwegian climate finance, as they exclude the breakdown of public climate-specific core contributions to multilateral institutions and mobilised private finance.

NICFI started off as a mitigation initiative and its funding is reported as mitigation, with a few exceptions of activities reported as both mitigation and adaptation. However, we recognize that forest management and protection may also have significant positive contributions to climate adaptation. For more information on NICFI, see chapter 3.1. Renewable energy is the other key part of our allocation for climate mitigation, see chapter 3.2. In addition, climate mitigation and adaptation are integral parts of our Ocean initiatives, see chapter 3.4.

Climate adaptation and resilience has high priority in Norwegian ODA and financing for climate adaptation and resilience has steadily increased following Norway's commitment to triple our financing for climate adaptation by 2026 compared to 2020. The strategy "Climate, hunger and vulnerability: Strategy for climate adaptation, prevention of climate-related disasters and fight against hunger" builds on Norway's follow-up of the Paris Agreement and is the foundation for Norwegian efforts to enable climate-vulnerable societies to adapt to a changing climate. It is directed towards countries receiving Norwegian development assistance, with a special focus on Sub-Saharan Africa, and identifies priorities for action and measures to strengthen climate adaptation, including prevention of climate-related disasters and fight against hunger. Addressing climate related loss and damage is also a priority for Norway. Norway has provided a financial contribution of USD 25 million to the newly established Fund for Responding to Loss and Damage (FRLD). We also support the work of the fund through our seat on the board of the FRLD.

The government also has a strategy on food security in Norway's development policy titled: "Combining forces against hunger – a policy to improve food self-sufficiency. Norway's strategy for promoting food security in development policy". Through this strategy we will contribute to increased local and national food security through a focus on small-scale food producers, their value chains and climate resilient development.

2.2 Paris Agreement alignment and greening of ODA

The current government has as a priority to amalgamate climate and development policy and has been working toward achieving this since elected in 2021. In 2022, the Norwegian Agency for Development Cooperation (Norad) was mandated in its main allocation letter from the Ministry of Foreign Affairs to ensure that all climate relevant support is managed in line with the national climate plans of the recipient countries, the goals of the Paris Agreement and long-term low greenhouse gas emission development strategies.

Norad has an environmental action plan and related goals committing the organisation to strengthening the integration of climate and environment across its work. All sections managing grants shall emphasise climate and environment in the cooperation with selected partners, in calls for contributions and within focus areas of their work with a particular potential to enhance contributions to climate adaptation, low emissions development or biodiversity. Norad works to improve data on reduced/avoided emissions resulting from Norwegian development assistance to climate mitigation. Norad also works systematically to reduce its own environmental footprint, having reduced emissions from flights by over 50 per cent compared with 2019. Norad is currently working on developing a more comprehensive carbon accounting system for its operations.

2.3 Regions and Geography

Norwegian ODA has a set of priority countries. Since predictability is deemed important in ODA, efforts are made to maintain the levels of allocations to key development countries over several years. These include partners for long-term cooperation Ethiopia, Ghana, Malawi, Mozambique, Tanzania, Uganda, Indonesia, Myanmar, Nepal and Colombia. The level of climate finance varies in the Norwegian ODA to these countries, but is significant in the programmes for Colombia, Ethiopia and Indonesia, as they in addition are partner countries of NICFI (see chapter 3.1 for more information). At COP27 in November 2022 Norway and Tanzania announced that the two countries will strengthen bilateral climate cooperation. Furthermore, NICFI also has other key partner countries: Brazil, Guyana, Ecuador, Peru, DR Congo, Gabon and Republic of Congo. In the selection of NICFI partner countries emphasis has also been placed on the potential for emission reductions, sustainable land management and the testing of different approaches and involvement of the private sector.

Norway also provides climate financing beyond the countries listed above. Norwegian ODA for climate adaptation and disaster risk reduction supports a wider group of developing countries and regions. The countries in sub-Saharan Africa will continue to be important, but small island development states (SIDS) and other regions, as well as global initiatives are also included. Our allocations to renewable energy will continue to have a specific focus on sub-Saharan Africa. Norwegian ODA channelled through Norwegian and international NGOs also covers a wider group of countries.

2.4 Main beneficiaries

Norwegian climate finance that is financed through ODA must follow the overall objectives, rules and regulations of Norwegian ODA. The overall objective of Norwegian ODA is to fight poverty, save lives and alleviate suffering. Gender, human rights, anti-corruption and climate and environment are cross cutting issues that must be taken into account in all Norwegian ODA. Women and girls, youth, minority groups and indigenous and local communities are given priority.

2.5 Addressing needs and priorities of developing countries

Implementation of the Paris Agreement and support to developing countries' National Determined Contributions (NDC) and development plans are key considerations for Norway's climate finance. Our climate finance aims to support transformative actions.

All Norwegian ODA, including climate finance, shall be demand-driven, addressing the needs and priorities of partner countries. Dialogues with the authorities, as well as with the stakeholders are important. Following a stronger focus on the SDGs, and the need to solve the climate and nature crises together with poverty alleviation, the countries NDCs and National Adaptation Plans (NAPs) must be revisited together with the National Biodiversity Strategies and Action Plans (NBSAPs), development plans and sectoral strategies.

The Government has decided to develop a Climate Strategy for the Norwegian Foreign Service, reflecting the priority given to climate change in our foreign and development policies. The Strategy will be presented later this year.

2.6 Status of projected levels of finance including new and additional finance

There is no internationally agreed definition of what constitutes "new and additional" resources. The volume of the Norwegian ODA budget has steadily increased as the economy has been growing. The strong inter-linkages between climate change and development are emphasised in Norwegian international development policies. In 2023, 15 percent of total earmarked ODA had climate as a main or significant objective.

Norway will continue to focus on the commitment from Glasgow to double our climate finance to NOK 14 billion by 2026 compared to NOK 7 billion in 2020, and as part of this to at least triple our adaptation finance.

3. Specific programmes and budget allocations

3.1 Norwegian International Climate and Forest initiative (NICFI)

The primary goal of NICFI is to contribute to a stable climate, protect biodiversity and promote sustainable development by reducing and reversing the loss of tropical forests. NICFI has bilateral partnerships with tropical forest countries across the major tropical forest regions: The Amazon, the Congo Basin and Indonesia, as well as Ethiopia.

NICFI's efforts include paying for verified emission reductions through REDD+ initiatives in partner countries, funding efforts to build and develop global and national REDD+ frameworks and fostering incentives for deforestation free supply chains. NICFI also invests in infrastructure to provide publicly accesible data on forests and supports civil society and indigenous peoples around the world.

Since NICFI's establishment in 2008 the initiative has primarily focused on bilateral partnerships. Over time, the initiative has broadened its scope to address the global drivers of deforestation. It is improved policies in the tropical forest countries that will reduce deforestation. A major challenge lies in insufficient integration of deforestation-related risks and costs into the operation of global commodity markets and finance institutions. If we manage to turn the market to demand deforestation-free products, it will enable governments to implement more effective land-use policies. Addressing deforestation and forest degradation requires both improvements in land management and a transformation of global food and commodity production systems. The two processes are highly interlinked.

Support for civil society actors is a cornerstone of Norwegian ODA, including for NICFI. Civil society organizations play a vital role as watchdogs, bridges across political divides, and as producers and communicators of critical knowledge. The current period for a dedicated Civil Society Grant Scheme is ending in 2025. The focus is support for indigenous peoples, deforestation-free supply chains and financial markets, efforts to combat forest crime and promote increased transparency, ambitious climate goals and forest-friendly land-use policies. NICFI is working on a call for proposals under the grant scheme for a new period.

Below we outline some of NICFI’s bilateral partnerships.

In 2019 the climate and forest partnership between Colombia, Norway, Germany and the UK was extended until 2025. The donor countries have promised to support Colombia's ambitious goal of halving deforestation nationally by 2025 with up to NOK 3.3 billion in the period 2020 to 2025. Norway's share is up to NOK 400 million annually for reduced climate emissions until 2025 if Colombia succeeds in reducing deforestation nationally. In addition, Norway has promised up to NOK 470 million by 2022 as payment for completed reforms and other measures. So far, NOK 840 million has been paid to Colombia for verified emissions reductions in the period 2013-2016 and the delivery of policy milestones. In 2023, Norway pledged USD 10 million in further support to Colombia. The Norwegian contribution is financing efforts to reduce deforestation, restore forests, strengthen indigenous people’s rights, foster sustainable value chains, and provide alternative livelihoods for farmers through Colombia’s *Visión Amazonia Programme* and the fund *Colombia Sostenible.* In 2022 and 2023 there was an increased focus on integrating environmental considerations in Colombia’s peace processes. At COP16 in Cali in October 2024, Norway pledged NOK 220 million in support for the period 2025-2027 for Colombia’s efforts to protect nature, promote indigenous peoples’ rights and tackle environmental crime.

Norway has pledged NOK 6 billion to REDD+ in Indonesia, of which 1.6 had been disbursed by the end of 2024. Indonesia and Norway entered a new bilateral climate and forest partnership in September 2022. The partnership encompasses a results-based model, where Indonesia sets the strategy and manages the funds, while Norway contributes annual results-based financial contributions for Indonesia’s emission reductions. Norway’s support recognizes Indonesia’s continued efforts to meet its nationally determined contribution (NDC) under the Paris Agreement.

In 2014 Peru, Germany and Norway formed a partnership to support Peru's efforts in reducing greenhouse gas emissions from deforestation and forest degradation in the Peruvian Amazon. In 2021 this collaboration was extended to 2025, with the UK and USAID joining the partnership. Norway has pledged to support Peru's efforts with up to NOK 1.8 billion to 2025, of which NOK 1.5 billion are to be payments for reduced deforestation. This is certified by the third-party standard Architecture for REDD+ Transactions. Results-based payments have yet to be made. By 2023 NOK 215 million had been paid to Peru for the delivery of important policy milestones. These include the strengthening of land rights for indigenous peoples and the creation of national parks, as well as the set-up of a dedicated REDD+ financial mechanism. Additionally, Norway supported Peru's efforts to tackle environmental crimes and foster sustainability and transparency in the timber value chain through two dedicated projects implemented in collaboration with USAID.

Central Africa is home to the Congo Basin Forest, the world's second largest rainforest. Central African Forest Initiative (CAFI) was established in 2015. CAFI's goals are to preserve the forests in the region to secure rainfall and mitigate climate change and biodiversity loss, reduce poverty, and contribute to sustainable development. CAFI is the largest international collaboration initiative to protect the Congo Basin. It consists of six Central African countries (Democratic Republic of Congo (DRC), Republic of Congo, Gabon, Cameroon, Equatorial Guinea and the Central African Republic), eleven donors (Denmark, Belgium, EU, France, Germany, Republic of Korea, Netherlands, Norway, Sweden, UK and US) and international organisations (UN and the World Bank). Brazil and Costa Rica participate as South-South partners. CAFI is a forum of donor coordination, policy dialogue and investments in reforms and field activities that combat deforestation while promoting development. The CAFI donors have signed Letters of intent with partner countries in the region (DRC, Gabon, Republic of Congo and Cameroon) specifying mutual commitments. In 2024, CAFI established a dedicated private sector facility. CAFI is the main channel for Norwegian support to the Congo Basin forests. In the agreement period 2015 – 2024 Norway has channeled NOK 3.7 billion through CAFI, including support to the private sector facility. Norway plans to continue working woth CAFI, with more focus on results-based approaches and private sector mobilization. In addition, Norway supports civil society organisations and multilateral initiatives that operate in the region.

Beyond these countries Norway has contributed to REDD+ efforts in Guyana (NOK 1.5 billion in total, all of which is disbursed) and Ecuador (up to NOK 300 million, all of which is disbursed). All disbursements depend on the size of verified emission reductions.

In 2024 Norway extended the partnership agreement with Ethiopia. Norway will add NOK 273 million to the second phase of the REDD+ Investment Programme. In addition, Norway will guarantee up to 75 million USD in results-based payments for forest carbon credits verified according to the Architecture for REDD+ Transactions (ART). In order to qualify for these credits, Ethiopia will need to reduce deforestation at the national level.

From 2008-2024 Norway paid a total of NOK 9.5 billion for emission reductions from REDD+ in Brazil. The money was disbursed to the Amazon fund and other grant recipients. Funding is only disbursed after deforestation has been reduced. The funds are then used to support measures designed to further reduce deforestation. The Amazon Fund has so far provided support to 114 projects that have contributed to the protection of an overall area twice the size of Germany; protection of more than 100 indigenous territories, benefitting 61 000 indigenous people; enforcement of the law and prevention of fires in nearly 2 000 field operations; enforcement of Brazil's Forest Code on private properties for a total area equal to France and Germany combined; support for sustainable business activities for some 250 000 people; the provision of free, locally produced school meals for 1 million children in the Amazon region. NICFI has also continued to support organizations and indigenous peoples in Brazil that are working to protect the country's rainforest.

The LEAF Coalition (Lowering Emissions by Accelerating Forest finance) is an initiative where Norway, the UK, the US, the Republic of Korea and several private companies including Amazon, Bayer and the H&M group have committed to mobilize over USD 1 billion to support high-quality emission reductions from tropical and subtropical forest countries. LEAF buys carbon credits that are verified according to the Architecture for REDD+ Transactions (ART). ART has developed a new, high integrity standard for REDD+ (TREES), a system for third party verification, and a register of certified credits. The transactions are facilitated by Emergent Forest Finance Accelerator (Emergent). Emergent is a non-profit organization that has been set up to maximize environmental benefits by driving finance towards jurisdictional REDD+. Emergent acts as a middleman to connect private buyers with countries and jurisdictions selling emissions reductions from REDD+ under the TREES standard. To help catalyze a market for forest carbon Norway provides a floor price guarantee for a limited volume of ART-credits through Emergent, acting as a buyer of last resort. Twenty-seven Forest Governments (national and subnational) have submitted eligible proposals to supply forest carbon credits to the LEAF Coalition. As of December 2024, ten governments had signed Letters of Intent with Emergent, and Costa Rica, Ghana and the Brazilian state of Pará became the first jurisdictions to sign binding Emissions Reductions Purchase Agreements (ERPAs).

NICFI also supports the UN-REDD program, which has received a total of NOK 2.3 billion from Norway in the period 2011-2024. Norway plans to continue supporting technical assistance to tropical forest countries through UN-REDD to qualify for payments for emissions reductions, with a specific focus on the ART/TREES standard, provided more donors join in.

In 2020 NIFCI entered into an agreement with Kongsberg Satellite Services (KSAT) and its partners Airbus and Planet to provide universal access to high-resolution satellite monitoring of the tropics in order to support efforts to stop the destruction of the world's rainforests. The contract is worth up to NOK 400 million and runs until January 2025. NICFI is currently developing a new phase of the Satellite Data Program, which is set to launch in 2025.

Moreover, NICFI takes an active part in the public-private partnership Tropical Forest Alliance. In this initiative, supply chain companies, tropical forest countries, investors, development partners and civil society come together to address the gap between commitment and action to halt commodity driven deforestation. To further leverage private investments in deforestation free agriculture, Norway has supported the incorporation and capitalization of the &Green fund. &Green offers risk reduction for co-finance in projects that combines efficient and socially inclusive production with forest protection. Mobilizing private finance is also an important feature of projects and programmes supported by the GCF for both mitigation and adaptation projects. It is also a priority for the Leaf Coalition, the Forest Partnership Facility and BioCarbon fund, to which Norway has contributed.

3.2 Renewable energy

Norway has been supporting renewable energy projects in developing countries for decades. The objective for Norway's cooperation on renewable energy is threefold; increased access to modern, clean energy; reduced, future emissions of CO2 and strengthened governance in partner countries. The funds allocated to renewable energy are designed to be catalytic by reducing invest risk through blended finance mobilising private investments in renewable energy on- and off grid, and through addressing bottlenecks to investments by strengthening local capacity; reforms, legislation, strengthening of institutions and increased capacity in the energy sector. Furthermore, support is provided for building transmission and distribution systems, also aiming at increasing access to electricity. Since 2021, support to guarantee mechanisms for renewable energy investments has been an increasingly important part of Norway's contribution.

The 2025 dedicated budget allocation for renewable energy support is NOK 1.02 billion, of which 375 million is allocated for a loss provision under the Norwegian state guarantee scheme for renewable energy (see below). Sub-Saharan Africa will continue to be the main priority, but support will also be provided to selected countries in Asia. Funding will be channelled through multilateral channels, both multilateral development banks and the UN system, as well as a range of international organisations, partnerships and funds created for the development of renewable energy and energy access in developing countries. Through a dedicated private sector window Norway also grants support for renewable energy project development directly to energy companies (see chapter 4.1).

Norway has established the bilateral country specific renewable energy knowledge programme Energy for Development (EfD). The main objective of the programme is energy access for poverty reduction. Through institutional cooperation the programme aims to strengthen the authorities' competence and capacity for sustainable management of the energy sector in partner countries like Mozambique, Malawi and Nepal. Measures to reduce flaring and methane emissions from the petroleum sector is supported in a transitional phase. Increased knowledge about emissions from the petroleum sector and possible mitigation measures also contributes to strengthening partner countries' overall climate reporting under the Paris Agreement.

Norway has been a longstanding partner and determined contributor to supporting emission reductions through increased access to clean and affordable energy for cooking. In 2024, the government assumed the role of co-chair at the largest global summit on clean cooking in Africa to date, and committed to public funding of approximately 50 million USD. Norway continues to support the promotion of clean cooking solutions as well as policy guidance and strategy work through partners such as Nefco, ESMAP, NORCAP and IEA.

The Norwegian parliament decided in 2023 to establish a 5-year pilot (2025-2029) unfunded state guarantee facility of NOK 5 billion for renewable energy in developing countries. This includes, but is not necessarily limited to, renewable energy production and infrastructure, off-grid power production, and energy efficiency. The guarantee scheme aims to mobilise large-scale private and public capital for renewable energy systems by reducing risks, thereby driving down the cost of capital. The scheme is administered by Norad, with risk assessment supported by Norfund. The objectives of the scheme are development and poverty alleviation through increased renewable energy access, reduction in greenhouse gas emissions and supporting national policy agendas towards increased renewable energy.

The Norwegian Government’s Climate Investment Fund, managed by Norfund, was established in 2022. The fund’s objective is to reduce or avoid GHG emissions by investing in renewable power generation in developing countries with high emissions from fossil fuels, especially from coal. In the period 2022 – 2026 the fund will receive an annual allocation of NOK 1 billion from the state budget, which will be matched by an additional NOK 1 billion from Norfund’s own capital. The investments will be made in select ODA-eligible countries in line with their national climate and energy plans. The Fund has already demonstrated its effectiveness as a powerful tool for combating climate change. In 2023 alone, it invested in projects projected to avoid 8.5 million tons of CO_2 emissions annually – equivalent to one-sixth of Norway’s total annual emissions.

In addition, the Government allocates NOK 1.68 billion as the annual capital increase for 2025 to Norfund’s ordinary mandate. According to Norfund’s bylaws the share of investments in renewable energy should be around 60 percent of allocated capital. Norfund invests in conventional renewable energy sources, such as solar, wind, hydropower, biomass and geothermal, and in both utility-scale, grid-connected power plants and distributed generation. Norfund will continue to increase its portfolio in renewable power generation in its target markets, building on existing investment platforms and partnerships as well as working with new partners.

As mentioned in chapter 3.5, Norway provides substantial core contribution to the World Bank Group, the regional development banks and funds (soft windows of the banks). The banks’ energy interventions are sizeable, both at national and regional level. Norwegian core funding supports these interventions, supplemented by direct Norwegian funding to selected initiatives (i.e. direct support to, the Energy Sector Management Assistance program (ESMAP) and MIGA through the World Bank Group, and the Sustainable Energy Fund for Africa (SEFA), through the African Development Bank).

3.3 Climate Adaptation, including food security

The strategy “Climate change, hunger and vulnerability: Strategy for climate change adaptation, disaster risk reduction and the fight against hunger” directs Norwegian support for climate adaptation. The focus areas of the strategy are: 1. Early warning systems and climate services; 2. Nature-based solutions; 3. Climate-resilient food production; 4. Infrastructure; 5. Innovative financing mechanisms.

The policy guidelines set out in the strategy are reflected in budgets, annual work plans and allocation letters, and in the implementation of the associated activities. Relevant departments and sections in the ministries and other government agencies and in the Norwegian diplomatic missions abroad are responsible for implementing the strategy under their own budgets in their respective areas of responsibility. The strategy also sets the direction for support to civil society efforts and private sector investment.

Funding in 2025 will mainly be allocated through two posts in the Norwegian budget; one post for climate and environment and one for food security. The first post covers support for climate and environmental efforts, including measures that contribute to implementation of the Paris Agreement, the sustainable development goals (SDGs), international environmental agreements and processes, and the Sendai Framework for the prevention of climate and natural disasters. The budget allocation for 2025 is NOK 1.84 billion, an increase of 63 million NOK from 2024. In the allocation of the increase, support to climate adaptation will be prioritised. In addition to the ordinary budget, Norway contributed USD 25 million in 2024 to the newly established Fund for Responding to Loss and Damage.

Furthermore, climate adaptation is a priority for the budget post for food security, fishery and agriculture. The budget for this target area in 2025 is NOK 2.13 billion. The government’s strategy on food security in Norway's development policy is instrumental for the allocation of funds. Not all of this allocation will have climate objectives or be reported ex-post as climate finance. However, the aim is to continue the strong focus on climate resilient development within the food sector.

Norway’s support to promote climate change adaptation and disaster risk reduction and combat hunger is provided through multilateral, regional and bilateral partners, the private sector, the research and development sector, and civil society organisations. Some of this funding goes towards global normative efforts and some of it is allocated to priority regions or countries, vulnerable groups and local communities. Norway plans to maintain this flexibility and the opportunity it provides to target support strategically. At the same time, Norway’s choice of partners will be influenced by the focus on sub-Saharan Africa and SIDS.

In addition to what is reported as adaptation support, Norwegian support on climate adaptation also goes through the global vertical funds such as the Green Climate Fund (GCF), the Global Environmental Facility (GEF) and the Adaptation Fund (AF). The World Food Programme (WFP), the UN Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD), the UN Environment Programme (UNEP), the UN Development Programme (UNDP), the World Meteorological Organization (WMO) and the UN office for Disaster Risk Reduction (UNDRR) are among Norway's most important UN partners in the area. Other important global partners include the World Bank, the African Development Bank Global Centre on Adaptation (GCA) and the Global Facility for Disaster Reduction and Recovery (GFDRR). Norway supports weather observations and early warning systems through the thematic multidonor funds Systematic Observations Financing Facility (SOFF) and Climate Risk and Early Warning Systems (CREWS). Norway is also supporting parametric insurance schemes through the African Risk Capacity Ltd (ARC) and African Disaster Risk Financing (ADRiFi).

3.4 Sustainable oceans

Norway's ocean related development assistance covers measures to follow up government policy for sustainable use and protection of the ocean and marine resources. Only certain parts of this effort will be reported as climate finance ex-post. Clean, healthy and productive oceans is a precondition for the achievement of Agenda 2030 and the SDGs. Protecting the ocean in light of climate change is essential, but the ocean also holds many of the solutions to reducing emissions and increasing resilience of coastal communities and ecosystems. Our efforts in this field will focus on promoting sustainable ocean management based on science and knowledge and developing ocean-based climate solutions such as green shipping, blue forest/blue carbon and aquatic food.

The ocean plays a significant role in climate change mitigation and adaptation. Climate change affects marine life, causing shifts in nutrient availability, water quality, and fisheries resources distribution. The impacts are felt throughout the food web, altering the structure and function of marine ecosystems. Norway supports a variety of efforts through bilateral and multilateral channels as well as NGOs, that aim to reduce emissions from ocean activities and to contribute to adaptation through protecting and regenerating coastal ecosystems and nature-based infrastructure. Our ocean-related development assistance portfolio supports efforts to ensure sustainable climate smart aquaculture, conservation of marine ecosystems to ensure jobs, food and biodiversity for small scale fisheries, protecting marine resources to improve climate resilient coastal zones, development of blue carbon markets and mangrove management. Norwegian support is also focused on the decarbonizing of shipping especially through the IMO-Norway project GreenVoyage2050 that supports developing countries in reducing their emissions from ships and pilot technology projects to reduce biofouling and related emissions. FAO, Blue Action Fund, World Wilde Fund for Nature (WWF), Grid-Arendal, and Problue - the World Bank's Blue Economy Program, are some of Norway's main partners in this area.

In addition, Norway supports the sustainable development of fisheries and aquaculture sector through the knowledge programme Fish for Development. An important objective for the programme is to use knowledge about the marine ecosystem to improve resource management. The EAF-Nansen Programme is dedicated to understanding the impacts of climate change on fisheries resources and the health of the ecosystems. For 50 years, the programme has been collecting data on the distribution, abundance and biodiversity of living marine resources and environmental parameters through surveys conducted by the research vessel Dr. Fridtjof Nansen. This data provides fisheries management in 32 partner countries with tools to mitigate the risks and maximize the opportunities associated with climate change and variability, thus improving food security.

Norway contributed NOK 1.6 billion during the period 2019-2024 on a development programme to combat marine litter and microplastics. This programme has been extended for another four years (2025-2028), with an ambition to provide up to NOK 1 billion in this period. Although the programme does not have climate as its main priority, it includes several measures contributing to reducing climate emissions such as increased recycling of plastic waste and a circular economy approach.

3.5 Multilateral institutions and funds

The most important partners for Norway's multilateral climate finance are the World Bank Group, the African Development Bank, UNDP, GCF and FCPF. UNEP, the Adaptation Fund and also receive support from Norway. The NDC partnership has received Norwegian support from 2021. Part of Norway’s core contribution to UNDP will be used for climate change activities.

Norway provides core contributions to the World Bank Group and regional development banks. A core contribution is the purchase of ownership shares through capital deposits in the bank and grants to the respective bank’s funds for the poorest countries. The MDBs are working together to formulate a common approach for measuring climate results. This collaboration aims to improve climate-related reporting in addition to tracking and reporting climate finance. The MDBs annually track and report climate finance activities in the Joint Report on MDBs Climate Finance. The MDBs are engaging actively with global climate funds, such as the GCF, GEF and the Climate Investment Funds, to mobilise additional climate financing.

The World Bank Group is the largest financier of climate action in developing countries. Norway’s core support to the World Bank Group in 2025 is NOK 1.42 billion, covering our commitments to the International Development Association (IDA), purchase of hybrid capital in the International Bank for Reconstruction and Development (IBRD) and participation in the capital increase of the International Finance Corporation (IFC). The 20th replenishment period of IDA (IDA20) runs from 2023 to 2025. Norway has announced that it will increase support to IDA by 50 percent in IDA21 (2026-2028). IDA is a significant source of finance for climate action, notably to climate adaptation in the most vulnerable countries.

The World Bank’s Climate Change Action Plan for 2021-2025 commits to deploying an average of 35 percent of total World Bank Group financing in support for climate action. In late 2024, the climate finance target was increased from 35 to 45 percent. In fiscal year 2024 (covering July 2023-June 2024), World Bank financing for climate action reached USD 42.6 billion, 44 percent of World Bank Group lending. The World Bank Group is committed to aligning its financing flows with the objectives of the Paris Agreement, aligning all new IDA and IBRD operations since July 2023. For IFC and MIGA, 85 percent of Board-approved real sector operations will be aligned from July 2023, and 100 percent from July 2025. Norway will continue to be a driving force for the World Bank to achieve its climate goals and for its activities to align with the Paris Agreement.

The regional development banks are among the largest and most important sources of development finance and advice to borrower countries. Regional banks are important in the work of achieving the SDGs, deliver on the international climate commitments and to mobilise larger funds from multiple sources to finance development and climate measures. The African Development Bank (AfDB) has committed to allocating 40 percent of its project approvals to climate finance between 2020 and 2025, giving equal weight to adaptation and mitigation. In 2023, the bank achieved above the target, with 55 percent climate finance of which 53 percent was for adaptation and 47 percent for mitigation. In its updated 2021 climate strategic framework, the AfDB committed to align its new operations with the Paris Agreement between 2023 and 2025. The bank has been partnering with the Global Centre for Adaptation, through the Africa Adaptation Acceleration Program (AAAP), launched in 2021, to scale up adaptation in Africa. The bank’s new results measurement framework (RMF) will monitor progress in mitigating greenhouse gas emissions and reflect the bank’s commitment to equitable, low-carbon, and climate resilient development across various infrastructure sectors such as energy, transport and water.

Norway is the 10th largest donor to the African Development Fund in 2023-2025 (ADF16). At least 40 percent of ADF investments in 2023-2025 will be allocated to climate finance, of which at least 50 percent as adaptation finance (targets achieved for 2023 and expected achieved for 2024). Some donor countries have supported the bank in setting up the Climate Action Window in ADF, operational from 2023.

Norway is a shareholder in the Asian Development Bank (ADB) and a donor to the Asian Development Fund (ADF). ADB has placed combating climate change and its consequences at the top of its development agenda. In 2023, the ADB reached its highest-ever annual financing for climate action of USD 9.8 billion, up from USD 6.7 billion in 2022. In 2024 ADB updated its climate target, aiming to deliver more than USD 100 billion in cumulative climate finance (2019–2030), and for climate finance to reach 50% of the total committed financing volume, by 2030.

Norway is a shareholder in The Inter-American Development Bank (IDB). Addressing Climate Change is one of three main objectives in the bank’s Institutional Strategy (adopted in March 2024): Zero deforestation in the Amazon, curbing greenhouse gas emissions consistent with reaching net-zero emissions by 2050 (SDG Indicator 13.2.2), preserving nature and biodiversity, and strengthening countries’ climate resilience and adaptation capabilities (SDG

Indicator 13.1.1), including disaster risk management. IDB's climate financing target for the coming years is 60 percent.

For all the MDBs Norway collaborates closely, both at the board level and in policy dialogues with the bank's management, with the other Nordic countries for further integration of climate change in the operations of the banks as well as ensuring targeted resources to address climate change. Norway is together with Denmark, Finland, Iceland and Sweden members of the Nordic Development Fund (NDF). A recapitalization was agreed upon in 2020. Norway will be contributing NOK 98.5 million per year in the period 2022-2030. NDF focuses on the nexus between climate change and development in lower-income countries and countries in fragile situations. NDF's financing is provided on concessionary terms in the form of grants, loans and equity. NDF engages in both the public and the private sector, and uses financial instruments flexibly, alone or in various combinations, to match the needs of the project.

4. Catalysing additional finance, including by making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development

Reaching the goal of the 2015 Paris Agreement of "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C" requires rapid and far-reaching transformations in all sectors of the economy. This, in turn, is only possible if investments and financing are aligned with this goal. Making finance flows consistent with such temperature goals, as called for in Article 2.1c of the Paris Agreement requires mobilising investments and finance for activities that contribute to climate objectives. It also implies shifting investments and finance away from activities that undermine these objectives. Article 2.1c and article 9 of the Paris Agreement are neither interchangeable nor mutually exclusive but reinforce each other. A range of frameworks are being developed to initiate, implement and monitor actions for climate aligned finance. Below we will highlight some of the approaches taken by Norway.

4.1. Mobilising private finance

Many of the efforts undertaken by Norway in the field of climate change are directed at undertaking reforms, phasing out harmful subsidies (e.g. fossil fuels), strengthening technical and institutional capacity to support private sector and commercial investments, often in cooperation with other donors or through programmes or funds in multilateral development institutions. We will highlight a few examples below.

Under an application-based and competitive grant scheme for enterprise development, Norad supports project development work in the renewable energy sector in developing countries. The aim is to encourage and leverage private sector investments through co-financing project preparation activities, reducing risk prior to investment decisions. Norad also cooperates with the Multilateral Investment Guarantee Agency (MIGA) and Africa Trade Insurance (ATI) that aim to increase the availability and lower the cost of guarantees for commercial investments in renewable energy.

Norad works closely with several blended finance facilities that invest in renewable energy in developing countries, supporting them in building a pipeline of investable projects. With technical assistance grants from Norad these facilities build accounting, reporting, legal and ESG capacity in potential investee companies that helps them attract commercial debt and equity.

In 2024 Norway, together with USAID, launched the financing mechanism FASA - Financing for Agriculture Small-and-Medium Enterprises (agri-SMEs) Fund in Africa. This is a multi-donor fund of funds that will invest catalytic capital (first loss) into investment funds focused on agri-SMEs and crowd-in commercial capital by reducing the risk and/or enhancing the returns for other investors. FASA will help fill the significant financing gap of over USD 65 billion in Sub -Saharan Africa alone for the "missing middle", i.e. agri-SMEs that tend to be too large for microfinance institutions yet too small to be attractive to the formal financial sector. The agriculture sector has, especially in low- and middle-income countries, historically been less attractive for investment compared to other sectors due to its relatively high risks and low returns. It is highly vulnerable to price and supply volatility and climate shocks, making it even more urgent that we drive meaningful investment in this sector. The funds are targeted towards impact investors, which aim to ensure green growth, climate mitigation and adaptation through their activities.

Through Norway's support to the GEF we fund blended finance projects through the Non-Grant Instrument. The GEF is e.g. funding together with the African Development Bank a project to unlock and catalyze private capital to mitigate the negative impacts of the COVID-19 pandemic on the energy access industry in Africa. This is done by deploying concessional funding for blending with commercial capital enabling partners to continue lending to the sector at risk-adjusted rates and keep capital flowing to energy access companies in Africa.

Moreover, Norad supports sustainable innovation and entrepreneurship in Sub-Saharan Africa with close to NOK 590 million. In total 11 incubators, accelerators and financial institutions will receive support within blue economy, food security, renewable energy, climate adaptation and reduced marine litter in Sub-Saharan Africa. The support will be in the form of grants and first-loss capital to stimulate increased innovation and job creation in these sectors to contribute to sustainable and innovative growth and mobilise private finance. For instance, a first loss mechanism with Equity Bank of NOK 50 mill (of which 35 mill in first loss capital and 15 mill in TA) is estimated to reach 500 micro, small and medium size enterprises and catalyze loans of more than 4-times the amount provided. Techbridge Invest works to boost small and medium-sizes (SMEs) enterprises within the blue economy and marine litter sectors in Kenya and Tanzania. Throughout the project they aim to create 9000 jobs and mobilize USD 5 million in investments in the SMEs. Similarly, Village Capital works in five African countries to strengthen community-led Entrepreneur Support

Organizations (ESOs) with the capacity, resources, and experience needed to drive systems change, social and economic resiliency, and sustainable growth of national entrepreneurial ecosystems. At the same time, they are working to cultivate a long-term pipeline of high-growth, investable startups working on solutions to enhance economic growth and resiliency in the blue economy, climate adaptation, food security, and renewable energy.

As another incubator, Renew Capital's programme will seek to channel NOK 120 mill of private and commercial capital into innovative startups and growth-oriented small and medium-size enterprises, in addition to providing technical assistance. Target companies will be offering innovative, scalable and tech-enabled solutions to bolster the blue economy, combat marine litter and facilitate climate change adaptation in Mozambique, Malawi and Ghana. Katapult Accelerators program aim to strengthen a long-lasting ocean and climate entrepreneurship infrastructure on the African continent and that impact ventures within blue economy and climate adaptation scale, attract more capital, create jobs and provide products and services in Sub-Saharan Africa.

In 2023 the Norwegian Parliament decided to establish a 5-year pilot unfunded state guarantee facility for investments in and development of renewable energy in low- and middle-income countries. The scheme aims to mobilise private finance that contributes to this. It is administered by Norad and supported by Norfund (see chapter 3.2 above).

Norfund remains the key private-sector investment instrument of Norway's development policy and, by co-investing with others, Norfund leverages additional capital from industrial partners and ensures the industrial and local knowledge needed for each investment. In addition to the field of renewable energy (see chapter 3.2 above) Norfund invests in climate finance across other investment areas as well, such as waste management and recycling, contributing to decarbonization of important manufacturing sectors, green lines in financial institutions, and forestry.

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4.2 Promoting carbon pricing, fossil fuel subsidy reform and market-based mechanisms

In addition to climate financing, putting a price on emissions that polluters pay is an effective way to reduce such emissions. It creates incentives for green transition and helps achieve the goal of the Paris Agreement. The effectiveness of pricing emissions increases the more countries implement it, and Norway is a driving force in this work. Norway supports the Partnership for Market Implementation, with a commitment of USD 7 million until 2027. This partnership supports several countries with analyzing and implementing different forms of carbon pricing such as carbon taxes and Emission Trading Schemes (ETS). Norway also participates in initiatives such as the Global Carbon Pricing Challenge to share our experience with carbon pricing.

Norway is advancing the development of new market mechanisms under the Paris Agreement through the Norwegian Global Emission Reduction (NOGER) Initiative (www.noger.no). This initiative directly contributes to emission reductions and the green transition in developing countries by leveraging the Paris Agreement's Article 6 framework. NOGER aims to elevate countries' climate ambitions and mobilize substantial private investments in green projects.

The NOGER Initiative has committed USD 80 million to the World Bank's Transformative Carbon Asset Facility (TCAF). TCAF assists countries in raising their climate ambition by implementing economy-wide or sectoral policies and programs that foster conditions for private sector investments in low-emission solutions. To date, one Mitigation Outcome Purchase Agreement (MOPA) has been signed with Uzbekistan to remove fossil fuel subsidies.

Additionally, the NOGER Initiative collaborates with the Global Green Growth Institute (GGGI) to develop policy-based programs in Indonesia, Morocco, and Senegal. These programs adopt a sectoral policy approach, requiring strong government commitment. The Norwegian Ministry of Climate and Environment has also signed bilateral agreements with Benin and Zambia, and a Memorandum of Understanding (MoU) with Jordan to explore cooperation under Article 6. The Ministry has established a separate fund under GGGI to manage program development and eventually sign MOPAs, contributing up to USD 100 million to the Norwegian Article 6 Climate Action (NACA) Fund. Norway also plans to join the Asian Development Bank's Climate Action Catalyst Fund (CACF), which aims to scale up investments in emission-reducing measures through carbon financing.

Norway supports fossil fuel subsidy reform through the Energy Sector Management Assistance Program (ESMAP) and Global Subsidies Initiatives (GSI) managed by the International Institute for International Development (IISD) and is a member of the Friends of Fossil Fuel Subsidy Reform (FFFSR). Set up in June 2010, the FFFSR is an informal group of non-G20 countries working to build political consensus on the importance of fossil fuel subsidy reform. The FFFSR advocate that elimination of fossil-fuel subsidies would make a significant contribution to the goals of the Paris Agreement. By keeping prices to consumers artificially low, fossil fuel subsidies encourage wasteful consumption, disadvantage renewable energy and drain scarce public resources that could be better spent on other sustainable developments goals.

Through our participation in these and other initiatives Norway supports carbon pricing where polluters pay and investments in low-emission technologies are incentivised. Successful policies for setting a price on GHG emissions are part of a suite of measures that ensure equal opportunities for low emission alternatives and interact with a broader set of climate and non-climate policies.

4.3 Sustainable finance

The Norwegian government has voiced support for the overarching objectives of the European Commission's strategy for financing the transition to a sustainable economy. Norway takes part in and supports a number of initiatives on sustainable finance, including the International Platform on Sustainable Finance (IPSF).

The EU Corporate Sustainability Reporting Directive was implemented in Norway in 2024. The new sustainability reporting requirements will apply to large public-interest entities with more than 500 employees, starting in fiscal year 2024. Large undertakings (listed and non-listed) **must** prepare sustainability reporting starting in fiscal year 2025. A simplified reporting regime for listed SMEs will apply from fiscal year 2026. A sustainable finance act which incorporates the EU Sustainable Finance Disclosure **Regulation,** and the EU Taxonomy Regulation in Norwegian law has been in effect since 2023.

The market for green bonds has grown considerably in Norway in the last decade, and green bonds account for a substantial share of total bonds issued. The EU Green Bonds regulation will be implemented in Norwegian law.

Norway also takes part in an initiative launched by Switzerland and the Netherlands in 2019 on Alignment of financial Flows with the Paris Agreement. To gain more knowledge about finance flows alignment with Article 2.1.c of the Paris Agreement, Norway has earlier carried out two studies. The first study, in cooperation with the OECD, looked at real economy investments in the industry sector in Norway and linked these investments to the underlying sources of financing. In the second study, financial institutions were invited to test a tool which measures financial portfolios' alignment with various climate scenarios (Paris Agreement Capital Transition Assessment, PACTA).

5. Lessons learned and future planning

Assessing the effectiveness of Norwegian climate finance is crucial to ensure that these funds achieve their intended impact. It is essential for Norway to ensure the funds are appropriately and verifiably invested to create maximum impact. This is important also for building confidence in international climate action. The Independent Evaluation Department of Norwegian Development Cooperation initiates and conducts independent evaluations and studies around specific topics and themes relevant for Norway's climate finance. The department is governed under a separate mandate and reports directly to the Secretary Generals of the Norwegian Ministry of Foreign Affairs (MFA) and the Norwegian Ministry of Climate and Environment. In addition to the Independent Evaluation Department, units responsible for grants for climate financing undertake monitoring and decentralized reviews of Norwegian investments at the project level. Occasionally, the Office of the Auditor General of Norway has also evaluated Norwegian climate finance.

The Independent Evaluation Department has a total annual budget of around NOK 24 million, jointly financed by MFA and the Ministry of Climate and Environment. The Ministry of Climate and Environment's contribution, NOK 800 000, is mainly used for evaluating NICFI initiatives. The rest comes from MFA, a part of which may finance evaluations of initiatives related to environment and climate, as needed. MFA funds also support partnerships with evaluation units of multilateral organizations receiving Norwegian climate finance, of which the ongoing trust-fund-based partnership with the Independent Evaluation Office of the GEF has been of particular importance. It will end in 2025.

For the period 2022-2024, the following evaluations relevant to climate and environment were undertaken:

- Evaluation of NICFI Support to Civil Society.
- A Mapping and Evidence Synthesis of Process Evaluations of Climate Adaptation in Food Production.
- Review of evaluations of food security interventions.
- Evaluation of Norwegian support under the Nansen cooperation in the fisheries sector.
- Evaluation of Cross-cutting Issues in Norwegian Development Cooperation.
- Evaluation of Norfund's renewable energy operations.
- Evaluation of Norwegian aid engagement in the Sahel - Food Security in Mali.

In addition, other evaluations may have included areas that are relevant for the climate and the environment. The Department's partnership with the GEF has supported evaluations and studies of various GEF initiatives including a comprehensive evaluation of the GEF, an evaluation of GEF support to sustainable forest management, a study of GEF support to innovation, GEF's engagement with the private sector, interventions addressing land degradation, support to fragile states, support to mainstreaming of biodiversity and evaluation of GEF's Global Clean tech Innovation program. The partnership has also invested in the improvement and use of new evaluation methodologies, including the development of an approach to assessing additionality and use of geospatial analysis for assessing the impacts of GEF investments.

NICFI is the backbone of Norwegian climate finance. It is a multifaceted initiative, involving innovative approaches and working with a range of partners seeking to achieve positive outcomes against the backdrop of differing and difficult national circumstances. Several evaluations have found that NICFI's attempt to gain significant support for REDD+ have progressed slowly, with Norway, until recently, being the main donor. However, the landscape has shifted over the last couple of years, marked by increased REDD+ financing. At COP 26 in Glasgow over 140 world leaders signed the Glasgow Leaders' Declaration on Forests and Land Use (GLD) and committed to "halt and reverse forest loss and land degradation by 2030 while delivering sustainable development and promoting an inclusive rural transformation". This was backed by a financial package of USD 19.2 billion from public donors, philanthropy and private investors. The Glasglow Leaders' Declaration was referred to in the main decisions at COP 28 in Dubai. NICFI has also played a significant role in engaging civil society, including indigenous peoples and other forest dependent community organizations in the REDD+ process.

A performance audit of NICFI in 2018 advised NICFI to strengthen its internal risk management strategy and establish targets and indicators to guide future programming, planning implementation and monitoring of its funds and results associated with the different interventions. A follow-up of the audit in 2022 confirmed that the risk management was strengthened, and that the development of a new strategic framework in 2020 does ease monitoring of funds and results. Indicators under the framework are still being developed. A recent evaluation confirms the emerging importance of private sector engagement in the NICFI portfolio. In 2023 a review of the NICFI programme was completed and concluded that the initiative has made important contributions towards the goals set by the Norwegian Parliament. The strategy of the initiative has worked well and will be continued. Some adjustments will be made due to recommendations from the review, including placing more emphasis on the implementation of the Kunming-Montreal Global Biodiversity Framework, better highlighting the broader development impact of the efforts, further developing risk assessments, and strengthening political dialogue and support for the implementation of partnership agreements. There is a need to further mobilize other major donors and to identify solutions where public funds can help trigger increased private capital for forest conservation.

The Office of the Auditor General of Norway will publish a performance audit of assistance for climate change adaptation in 2025. The audit will consider whether MFA and Norad manage assistance for climate adaptation in accordance with the decisions made by the Norwegian Parliament and that the assistance increases adaptive capacity and reduces vulnerability to climate change in developing countries.

Possible future evaluations

The Independent Evaluation Department of Norwegian Development Cooperation has recently been relocated from Norad to Norec, taking effect as of January 1, 2025. The Independent Evaluation Department is currently undergoing a priority mapping to align and refine the evaluation activities planned for the 2025-2027 period. This strategic process will ensure that the planned evaluations are effectively targeted to meet key objectives. For the period 2025-2027, the Evaluation Department will consider and plan for evaluations on climate change adaptation (hereunder agriculture and food security related topics), carbon credit programs, and NICFI.