

Activities of the Nordic Council of Ministers

Annual Report 2016

Activities of the Nordic Council of Ministers

Annual Report 2016

ANP 2017:758

Activities of the Nordic Council of Ministers

Annual Report 2016

ANP 2017:758

ISBN 978-92-893-5141-6 (PRINT)

ISBN 978-92-893-5142-3 (PDF)

ISBN 978-92-893-5143-0 (EPUB)

<http://dx.doi.org/10.6027/ANP2017-758>

© Nordic Council of Ministers 2017

Layout: Cecilie Ravik

Nordic co-operation

Nordic co-operation is one of the world's most extensive forms of regional collaboration, involving Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland, and Åland.

Nordic co-operation has firm traditions in politics, the economy, and culture. It plays an important role in European and international collaboration, and aims at creating a strong Nordic community in a strong Europe.

Nordic co-operation seeks to safeguard Nordic and regional interests and principles in the global community. Shared Nordic values help the region solidify its position as one of the world's most innovative and competitive.

Nordic Council of Ministers

Nordens Hus

Ved Stranden 18

1061 Copenhagen K

www.norden.org

Download other Nordic publications at www.norden.org/nordpub

Contents

Foreword.....	5
Management's status report.....	7
Freedom of movement.....	7
International engagement.....	8
Innovation.....	11
Visibility.....	12
Finances.....	14
Budget 2016 – follow-up of the budget compromise with the Nordic Council.....	16
Main figures and key figures.....	25

Foreword

The Nordic Region's time is now

In many ways, 2016 was a difficult year. War, terror, and conflict dominated the news for much of the year. No part of the world escaped the impact of global events.

The largest influx of refugees since the Second World War strained freedom of movement between the Nordic countries, but it also served as the basis for a Nordic exchange of experience on the integration of refugees and immigrants.

Although developments in Russia complicated co-operation between the Nordic Council of Ministers and Northwest Russia, co-operation between the Nordic Region and the Baltic countries is now much more active. This co-operation celebrated its 25th anniversary in 2016.

The EU is in the midst of a severe crisis of legitimacy. At the same time, the Nordic Model and Nordic co-operation are arousing ever greater interest, not only in our own region but around the world.

Thanks to an active process of renewal within the Nordic Council of Ministers, in recent years co-operation has become more flexible and dynamic. Our ability to react more quickly was demonstrated in connection with the Nordic co-operation programme on integration, for instance. The Ministers for Nordic Co-operation initiated the programme in April 2016. Before the year came to an end, the programme had been funded and work had started.

The strategic review of the health sector in the Nordic Region conducted in 2014 gave rise to several concrete co-operation projects in 2016. A similar review of the labour market was conducted in 2016 by former Danish Minister of Energy and later Minister for Development Cooperation of Denmark, Poul Nielson. The results of his report had a major impact both in the Nordic Region and internationally. Particularly noteworthy is the proposal for mandatory adult education.

The Nordic Region had international exposure in other sectors as well. For the second consecutive year, the Nordic Council of Ministers hosted a major joint Nordic venture in connection with UN climate negotiations. The Nordic pavilion at COP22 in Morocco was attended by more than 6,000 people during the two weeks of negotiations, with Nordic climate and energy solutions arousing considerable interest.

We live in a world which, for many reasons, is perceived as being increasingly insecure and unpredictable. I'd like to remind you of the shared values on which Nordic co-operation and our joint political ventures are based: openness, trust, creativity, a belief in human equality, and sustainable societal solutions. There is a lot to suggest that these values and our co-operation are now more important than ever.

Copenhagen, 15 June 2017

A handwritten signature in black ink, appearing to read 'Dagfinn Høybråten'.

Dagfinn Høybråten

Secretary General

Nordic Council of Ministers

Management's status report

Freedom of movement

Nordic co-operation on integration a priority

The refugee situation and its consequences continued to be a major topic of debate at the start of 2016, not least in light of the introduction of border controls at a number of particularly strained border crossings in the Nordic Region. Following the huge influx of refugees in the autumn of 2015, the Nordic ministers identified a need to prioritise integration issues during 2016.

At a meeting in Oslo in April, the Ministers for Nordic Co-operation decided to redouble their efforts towards facilitating the integration of refugees and immigrants in the Nordic Region. Integration efforts became a top priority in 2016 and, in accordance with the ministers' decision, the Nordic Council of Ministers' budgets for 2016 and 2017 were adjusted with the objective of channelling more resources for integration. This was done, for instance, by ending the Nordic Council of Ministers' commitment to the university-in-exile European Humanities University (EHU) and the Trust Fund that the Nordic Council of Ministers has maintained and administered for many years. The decision to end the commitment to the EHU was a result of political developments among the EHU's donors. This enabled the freeing up of the necessary budgetary resources for integration efforts in 2016 and 2017.

During the year, the Ministers for Nordic Co-operation also launched an integration programme under the auspices of the Nordic Council of Ministers. The programme centres on the exchange of experience and the development of new knowledge. The programme is structured around four key areas. Activities in all four areas got under way during the year.

One area of the programme consists of a clearing centre which actively disseminates knowledge and provides a platform for the exchange of practical experience between the many stakeholders involved in integration in the Nordic Region. The clearing centre is now in operation under the name "Nordic co-operation on integration".

Another area of the programme consists of research activities. These will culminate in a report on existing knowledge and research on integration. Also within the framework of the programme, funds have been allocated for the co-financing of national projects and a dedicated webpage for integration work has been set up at norden.org.

Of special note is the conference on the role of culture and civil society as arenas for integration that was held in Helsinki in December with the support of the co-operation programme.

The venture permeates the Nordic Council of Ministers, almost all of whose sectors have embarked on projects concerning integration.

Furthermore, the Norwegian presidency in 2017 is prioritising integration and planning a ministerial meeting for the ministers responsible for integration.

Reykjavik Declaration is a step towards better integration

In today's globalised world where work and workers know no borders, it is more important than ever to quickly and efficiently implement a system that recognises people's degrees and diplomas, regardless of whether they come from the Nordic Region or other countries. This will help to accelerate integration and improve job matching in the Nordic labour markets.

The decision of the Nordic Council of Ministers for Education and Research to sign the revised Reykjavik Declaration in conjunction with the Session of the Nordic Council in Copenhagen in November was therefore a very important step. This time the declaration was also signed by the Faroe Islands, Greenland, and Åland.

In the little more than a decade since the original declaration was signed in 2004, the declaration has helped to guide the countries in their efforts towards the mutual recognition of higher education diplomas for those already living in as well as those moving to the Nordic Region. During this time, the organisations responsible for efforts to recognise each other's education programmes have developed a similar practice for evaluating the programmes.

Efforts will now be further streamlined and the Nordic Region now has the opportunity to become a pioneer in the EU with regard to the automatic recognition of education programmes, which will make the process easier and shorten citizens' waiting times.

Finland, which held the presidency of the Nordic Council of Ministers in 2016, prioritised the policy areas of mobility in the Nordic countries and the integration of new arrivals. The Reykjavik Declaration provided political support for these efforts since a prerequisite to freedom of movement is the recognition of people's skills, degrees, and grades.

Norway will follow up these efforts during its presidency in 2017.

International engagement

Nordic climate solutions in the thick of COP22 in Morocco

The Nordic Council of Ministers co-ordinated the Nordic presence at the UN climate summit COP22 in Marrakech that took place from 7 to 18 November. Under the guidance of the Nordic Council of Ministers, the Nordic countries' offices were located immediately adjacent to the Nordic pavilion for the very first time, under the New Nordic Climate Solutions umbrella. The pavilion, which was the venue for

the climate-related events of several Nordic stakeholders, was visited by a total of 6,000 COP participants from around the world.

The global climate negotiations during COP22 focused on the implementation of the Paris Agreement. The Nordic pavilion responded to this with a total of 54 events consisting of various theme days on Nordic climate solutions and the knock-on effect of cross-border co-operation on climate efforts. The Nordic Council of Ministers focused on holistic and scalable low-emission solutions, sustainable construction, and sustainable urban planning. At the Nordic theme day on green growth, the audience got a taste of the new prime ministerial initiative: Nordic Solutions to Global Challenges.

With a room for events and a public lounge for networking, the Nordic pavilion served as a venue for many meetings in connection with events, the pavilion's unofficial "morning talks", and various receptions.

A total of 2,200 people took part in the Nordic events at the pavilion, while many more watched the events online. All of the events were streamed live. In a subsequent evaluation, 95 percent of visitors were satisfied or very satisfied with the Nordic pavilion, 97 percent thought that the Nordic activities were relevant or highly relevant, and 93 percent thought that the quality of the activities was high or very high.

In addition, the Nordic Council of Ministers initiated and supported the Nordic business pavilion in the green innovation zone at COP22. Outside the UN area, the Nordic Council of Ministers organised the New Nordic Food goes Moroccan event, which highlighted the importance of food and sustainable food production to the climate. Nordic delegation members, embassies, and other stakeholders were invited to a dinner of locally produced Moroccan ingredients prepared according to Nordic principles.

Considerable interest in the continuation of the Russia programme

Following the registration of the Nordic Council of Ministers' offices in Northwest Russia as a "foreign agent", the Ministers for Nordic Co-operation took it upon themselves to find new ways of supporting Nordic-Russian co-operation projects. The offices no longer run projects and now only carry out internal tasks for the Secretariat to the Nordic Council of Ministers, as well as formal reporting tasks in Russia. Co-operation between the Nordic Council of Ministers (NCM) and Northwest Russia nevertheless endures in several sectors.

In 2016, co-operation continued between Nordic and Russian journalists via the Nordic Journalist Centre (NJC). In addition, exchanges between Nordic and Russian politicians continued through the Secretariat to the Nordic Council, as did Nordic-Russian co-operation on research and education through Nordforsk and the Norwegian Centre for International Co-operation in Education, SIU in Norway.

Furthermore, throughout 2016 the Nordic countries' general consulates in Northwest Russia and the Icelandic embassy in Moscow held a number of Nordic events in several cities. These events were headed by the Finnish presidency of the Nordic Council of Ministers. The biggest was "Nordic Weeks in St Petersburg".

At a major meeting in September 2016 in St Petersburg, NCM informed the Russian authorities and partners that the co-operation programme would continue. The meeting showed that there was considerable interest from the Russian side in continuing co-operation. At the meeting a new environmental co-operation programme was announced with a view to combating infectious diseases and providing an open programme for applications.

The first round of applications for this open programme was held in October 2016 and attracted considerable interest. A total of 73 applications were made. Of these, 13 projects were selected to share funding totalling DKK 6 million. The projects that were granted funding deal with NGOs, social issues, the environment, media, and indigenous populations among other things.

NCM wishes to continue Nordic-Russian co-operation projects. Co-operation builds and develops networks and provides the opportunity for the exchange of information and experience between neighbouring countries. NCM believes that co-operation is vital, especially at a time when relations and contacts have otherwise been put on the backburner. At this preliminary stage, the experience of 2016 offers hope that it will be possible to maintain co-operation projects in this manner until, hopefully, the offices in Russia can be reopened.

One health works to combat antimicrobial resistance

Back in the autumn of 2015, the Nordic Council of Ministers for Health and Social Affairs and the Nordic Council of Ministers for Fisheries and Aquaculture, Agriculture, Food and Forestry declared their intention to strengthen Nordic co-operation in combating antimicrobial resistance. The initiative was undertaken as a result of the alarming global development of resistance brought to light in *The Future Nordic Co-operation on Health* report published for the Nordic Council of Ministers in 2014 by former Swedish minister Bo Könberg.

The report was the result of Könberg's strategic analysis of Nordic co-operation on health.

The development of antimicrobial resistance means we risk a future without effective antibiotics. Continued effective treatment for humans and animals requires that antibiotics be used responsibly. In addition, a low level of resistance must be maintained in several sectors.

Consequently in 2016 the Nordic Council of Ministers appointed a cross-sectoral One Health strategy group consisting of officials from both the human and veterinary health sectors responsible for antibiotic issues in the Nordic countries. The aim is to ensure the efficient use of Nordic resources in efforts to combat antimicrobial resistance and the use of antimicrobial agents.

In the global context the Nordic Region uses fewer antibiotics than many countries, which puts the region in the position of being able to share the experience of its efforts to promote a low level of resistance and the responsible use of antibiotics.

Co-operation in 2016 focused on the lessons to be learned from one another's efforts in establishing and monitoring national action plans to combat antimicrobial resistance. In addition, the countries discussed how they can co-ordinate their input and views going forwards within the EU and the WHO/FAO/OIE collaboration on issues related to antibiotics.

Innovation

Pioneering statistical analysis of Nordic exports

In 2016 the Nordic Council of Ministers funded a project on statistics for goods and services exported from the Nordic countries. All of the Nordic Region's statistics agencies worked together with the OECD, led by Statistics Denmark. Statistics experts described the analysis that the project resulted in as "pioneering".

Now that businesses increasingly operate across national border, globalisation is demanding more and more from statistical analysis as existing statistical indicators are becoming increasingly difficult to interpret. Similarly, the need is arising for indicators that can explain new circumstances such as the increasing global fragmentation of the production chain.

In the report *Services and Goods Exports from the Nordics – Strongholds and profiles of exporting enterprises*, the Nordic statistics agencies used new methods of analysing statistical data to show how big a role is being played in a country's exports by small and medium-sized businesses as well as by multinationals.

The report shows that exports from the Nordic countries depend largely on how well a country has managed to attract foreign multinationals. Furthermore, the report shows that new companies which invest in exports from the outset have a much better chance of succeeding than other companies, and that the export of services is becoming increasingly important to the Nordic countries.

The results of the analysis could play a key role when it comes to decision-making at a time when the global economy is evolving rapidly and when politicians and others in leading positions need reliable information in order to make important decisions.

Strong presence at the Forum for the EU Strategy for the Baltic Sea Region

The Nordic Council of Ministers was one of the main organisers of the Seventh Forum for the EU Strategy for the Baltic Sea Region (EUSBSR) in Stockholm on 8 and 9 November. NCM took care of a significant share of the arrangements, hosting six different seminars and workshops in sectors including the bioeconomy, innovation, and digital development.

NCM's events provided great visibility for the council of ministers' efforts. This was undoubtedly the case for one of the highlights – a fashion show whose theme was the bioeconomy and which was attended by the Finnish and Swedish prime ministers. The overall message of the forum was the potential and the need for co-operation in

the bioeconomy and the digital economy. Against this backdrop NCM made a valuable contribution to the topic.

Since 2009, NCM has actively contributed to efforts to develop the EU Strategy for the Baltic Sea Region as part of the council of ministers' broader commitment to co-operation aimed at making the Nordic Region more sustainable, more cohesive, and more prosperous. The 2016 forum was especially interesting in light of the Nordic Council of Ministers and the Baltic countries celebrating 25 years of co-operation.

The EUSBSR forum brings together all major stakeholders from around the Baltic Sea. NCM's active presence and position as a co-organiser helped to highlight the council of ministers' key role in Baltic Sea issues as well as the Nordic advantage in efforts to develop the Baltic Sea region. The involvement at a number of different levels in NCM's events was particularly positive, with input coming from decision-makers at the EU level right down to the municipality level, as well as from businesses both big and small and from universities, research institutions, and civil society.

This time NCM made a concerted effort to have a youth perspective in the forum, the aim being to create a model for similar youth initiatives in the future. All of the plenary panels included a representative from a national youth organisation.

Visibility

The Nordic Region shall be the best place in the world for children and young people

In February 2016 the Ministers for Nordic Co-operation adopted a new strategy to support the efforts of the various councils of ministers in relation to children and young people. *Children and Young People in the Nordic Region: a cross-sectoral strategy for the Nordic Council of Ministers 2016–2022* outlines the direction of efforts towards achieving the vision of making the Nordic Region the best place in the world for children and young people.

Six councils of ministers have been given special responsibility for setting focus areas and measurable targets based on the new strategy, which was launched in conjunction with the sillat | bridges | broar youth conference in September 2016.

The efforts of the council of ministers to work according to a children's rights and youth perspective and sector-specific objectives will be followed up every two years starting in 2017. The overall objectives of the strategy are:

- for the council of ministers as a whole to further integrate a children's rights and youth perspective into its work; and
- for NCM to focus on the following three strategic focus areas:
 - enhanced support and inclusion for disadvantaged children and young people;
 - continued collaboration with and support of civil society; and
 - improved knowledge-sharing and efforts to enhance skills.

An implementation plan for the strategy has been developed in order to realise its objectives. The aim is for the strategy to make an impact in practice. Consequently, the plan includes a description of the activities that should be carried out, who is responsible for these activities, how they should be implemented, and their target group, as well as a timetable and plan for follow-ups.

The strategy will ensure that going forwards the Nordic Council of Ministers always maintains a children's rights and youth perspective when the council formulates its policies and makes decisions. The strategy will be evaluated in 2021.

Nordic Region takes an active role in the global dialogue on gender equality in the workplace

For decades, the Nordic Region has provided other countries with an inspiring example of gender equality and has consistently been at the top of global rankings. Consequently, the Nordic Council of Ministers has begun co-operating with the International Labour Organization (ILO). The idea is to emphasise the international exchange of experience of best practice and models for gender equality in the labour market.

A global discussion on gender equality and the labour market took place in Finland in November 2016. Here Nordic ministers, experts, and international stakeholders discussed how parental leave, gender quotas, flexible working, and good childcare opportunities have promoted gender equality in the Nordic Region, and how this has resulted in increased levels of employment and increased the number of women pursuing a career and in senior positions.

According to the latest analysis from the World Economic Forum, if current global trends persist, it will be 170 years before women earn the same as men. Unequal pay, unpaid work in the home, and providing social care, as well as a gender-segregated labour market, all pose major challenges and hamper growth both in the Nordic Region and worldwide.

The UN 2030 agenda is currently in the spotlight – its 17 goals for sustainable development will be very difficult to achieve if women and men are not given equal opportunities in the workplace. The Nordic Region has much to offer in this area and much knowledge to gather.

The Nordic Region is continuing to assume responsibility internationally and in 2017 is pursuing these issues further by way of the Nordic prime ministers' new initiatives on Nordic solutions to global societal challenges.

Labour market review becomes internationally renowned

The challenges in the Nordic labour market grow as the world becomes increasingly globalised. The Nordic Council of Ministers commissioned former Danish minister and EU commissioner Poul Nielson to conduct a strategic review of the labour market in the Nordic Region.

The review, titled *Working life in the Nordic Region: Challenges and proposals*, was presented to Finnish minister and chair of the council of ministers for labour Jari Lindström in June 2016. In his report, Nielson presents 14 specific proposals for how the challenges to the Nordic labour market should be tackled over the next five to ten years. The proposals relate to a number of different topics and areas, including the sharing economy, the need for work-based training, the psychological work environment, and the Nordic Region's involvement in the EU, ILO, and OECD.

The report attracted a good deal of attention. Its proposal for mandatory adult education in particular aroused international interest. The media in Spain, the US, Canada, and Australia reported on Nielson's adult education proposal, with interest coming from EU media as well.

During the summer of 2016, Nielson toured the Nordic summer political meetings before taking part in a number of seminars in the autumn, both within the Nordic Region and further afield. He also took part in the Session of the Nordic Council in Copenhagen.

In late November, the Nordic ministers for the labour market had their first opportunity to discuss the report at a meeting in Helsinki. The ministers decided to start work on the proposals on the ILO and integration. Proposals on the work environment, mandatory adult education, and the sharing economy also saw a "soft start". Nielson's report will also be included in the input for the new co-operation programme that the sector will draft in the spring of 2017 for the 2018–2021 period.

Finances

The Nordic Council of Ministers carries out its activities through eleven councils of ministers. Each council of ministers interprets Nordic co-operation according to its own strategies and programmes, for which funds are budgeted and allocated. The Nordic budget is therefore divided among the different councils of ministers, and the annual report presents the sum of the councils of ministers' activities.

The total net expenditure of the Nordic Council of Ministers in 2016 totalled DKK 927.5 million, with income totalling DKK 937.7 million. The net surplus for the year is therefore DKK 10.2 million (DKK 19.4 million in 2015). This surplus consists primarily of obsolete project funding that was not used within the three years stipulated by the finance regulations.

Liquidity came under some strain in 2016, partly due to the early start to project activities as a result of modernisation initiatives aimed at project activities.

When funds that are budgeted and allocated are not used during the budget year, these funds are considered to be non-appropriated. Non-appropriated funds for the year amounted to DKK 11.2 million, which equates to 1.2% of the year's budget (in 2015 non-appropriated funds amounted to DKK 17.6 million, DKK 4.5 million of which derived from the conclusion of projects in Russia due to the political situation at the time).

The annual report for 2016 is hereby submitted.

Copenhagen, 15 June 2017



Secretary General
Dagfinn Høybråten



Head of Department
Kari Metliaas

Budget 2016 – follow-up of the budget compromise with the Nordic Council

Political negotiations between the Nordic Council and the Nordic Council of Ministers on the council of ministers' proposed budget took place in the autumn of 2015, resulting in the following amendments and clarifications to the budget for 2016:

NCM to initiate a mapping of the environmental labels used at tourist destinations nationally and, based on the results, to propose continued efforts to promote Nordic tourist destinations

The report on the mapping of environmental labelling at tourist destinations in the Nordic Region has been published. The environmental labelling of tourist destinations was a topic in a political dialogue on 2 November 2016 between MR-M and the Nordic Council's Committee for a Sustainable Nordic Region. A roundtable involving stakeholders on the certification of tourist destinations is planned for the spring of 2017.

NCM to prioritise and follow up policy recommendations in "Climate change and primary industries" within the framework of the adopted budget

MR-FJLS has funded two back-to-back workshops in conjunction with the council of ministers' summer meeting in Turku in June 2016. One was titled "Nordic Agriculture Facing Climate Change" and the other, "Sustainable Criteria for Solid Biomass". In addition, both Nordic Forest Research (SNS) and the Nordic Joint Committee for Agricultural and Food Research (NKJ) have supported several research networks that focus on following up policy recommendations. Finally, it can be mentioned that the FJLS team at NCMS has played an active role in shaping the EU Strategy for the Baltic Sea Region, launching several of the recommendations. In addition to these specific activities, 2016 saw MR-FJLS's approval of a new co-operation programme for 2017–2020. Great importance is attached to the strategic efforts that follow up the recommendations of the report *Climate change and primary industries*.

NCM to set aside DKK 0.9 million for activities in New Nordic Food in the budget for 2016 (budget item 5-6420 New Nordic Food). Moreover, food is part of branding efforts for the Nordic Region in 2016

The steering group for New Nordic Food initiated three projects in early 2016: the Nordic Food Award was developed by the Central Council of the Nordic Farmers' Associations and was held for the first time in August 2017 in Copenhagen. "New Nordic food in the public sector" is developing models for the sustainable sharing of experience for stakeholders in e.g. school food and hospital food in the Nordic Region. The project will be debriefed in April 2017. Further efforts are planned for 2017 for "Branding the Nordic Region as a tourist destination through food" – a partnership with the Nordic "Visit" organisations in London. The ultimate aim is for New Nordic Food to be an integral part of Nordic co-operation, such as by way of the branding initiative, which has chosen to support several food-related events, and through the development of a toolkit for how to communicate the Nordic brand to ensure that food has a prominent role in this respect, especially since Nordic food is a hot topic that attracts a great deal of attention internationally.

Nordic co-operation to focus on combating food waste using resources from the Green Growth and NordBio programme, with a total of DKK 2.5 million being made available in 2016

The Nordic project to limit food waste is progressing as planned – participation in the project's activities has been satisfactory and the project's three sub-projects pertaining to date labelling, food banks, and waste in primary production are expected to be complete no later than during the first quarter of 2017. Several recommendations from the sub-projects have already been adopted by the Nordic Council. A comprehensive catalogue of policy recommendations is expected to be ready in the first half of 2017.

Nordic co-operation on regional development to continue to prioritise its efforts relating to sustainable economic development in rural areas

Sustainable economic development in rural areas is a priority in the regional sector. The new co-operation programme for regional development and planning for the period 2017–2020 is one of the thematic groups that has been adapted for sustainable local development. In addition, the border committees are receiving fixed funding for their efforts to promote sustainable urban development throughout the Nordic Region.

To allocate DKK 3.16 million to Nordjobb in 2016. Nordjobb is to be evaluated in 2016

According to budget item 9-4120 Nordjobb, the budget for 2016 totals DKK 3.214 million. In January 2016, Oxford Research was commissioned to evaluate Nordjobb. Oxford Research submitted its evaluation in March 2016, and EK-A addressed this at its meeting in April 2016. The evaluation has served as the basis for drafting a mandate for Nordjobb for the period 2017–2019. The evaluation can be read in Swedish here: <http://urn.kb.se/resolve?urn=urn:nbn:se:norden.org:diva-4421>

Nordic co-operation within the business sector to focus on innovative digital solutions in 2016 as a basis for production in the Nordic Region

In 2016 the business sector continued its efforts relating to the Danish presidency's Production in the Nordic Region project and drafted the report *Digitalisation and automation in the Nordic manufacturing sector – Status, potentials and barriers*. The report deals with common obstacles to digitalisation and automation in the Nordic countries for small and medium-sized production companies. The project has seen the preparation of 15 case studies using examples of how digitalisation and automation can be implemented successfully in small manufacturing companies in the Nordic countries. Additionally, the project has identified concrete proposals for joint Nordic initiatives that can break down the obstacles noted in the above report.

In 2017 the Nordic Council of Ministers for Business, Energy & Regional Policy (ministers for business) is expected to approve the new co-operation programme for Nordic business and innovation policy for the period 2018–2021. In conjunction with this, the results of the Production in the Nordic Region project will be included in the new co-operation programme.

To allocate DKK 1 million to NJC in the 2016 budget specifically for strategic efforts relating to quality journalism in the Nordic Region and for increasing the Nordic Region's visibility. In addition, NJC requires economic funding for activities relating to Russia and the Baltic countries

The Nordic Journalist Centre has used funds from the budget of the ministers for culture to carry out activities and hold courses with participants from across the Nordic Region, including journalists and editors, in order to increase the visibility of articles in the press and other media about Nordic issues and Nordic co-operation. Thanks to funding from the Ministers for Nordic Co-operation, courses and activities have been arranged for journalists and editors from Northwest Russia to share their experience with their Nordic colleagues.

By June 2016, to draft a knowledge base for NCM on biobanks, register research, and clinical multi-centre studies and their implications for policy-making in order to prioritise better methods of leveraging medical research

NordForsk delivered a knowledge base titled *Nordic biobanks and registers – A basis for innovative research on health and welfare* to NCM in June 2016. The knowledge base was presented to EK-U and EK-S in March 2016. A further consideration of the report's proposals is scheduled to take place within EK-U in January 2017.

In addition, the Norwegian presidency has planned a three-year prioritisation project (2017–2019) on Nordic co-operation on health data and clinical research. The project is based largely on Bo Könberg's fourth proposal in his report *The future of Nordic co-operation on health*.

Furthermore it should be mentioned that NordForsk is the administrative body of a project within the Nordic Council of Ministers' sustainable Nordic welfare programme that deals with biobanks, health registers, and social registers. The project started on 1 April 2014 and runs until the end of 2017.

To not impose savings on the labour market sector in 2016. A pilot study is under way on the accommodation of young people's (under the age of 30) language comprehension in work-related situations

Savings have not been included in MR-A's budget for 2016, which amounts to DKK 13,839 thousand. In 2015 the Danish presidency of the Nordic Council of Ministers for Culture took the initiative to study language comprehension in Danish, Norwegian, and Swedish, as well as Nordic language experiences among young people living in the Nordic Region. It was a small, qualitative pilot study with 31 informants. The young people in the study were under 30 years of age and had at least six months of experience studying or working in one of the contiguous Scandinavian countries (Denmark, Norway, or Sweden). The young people came from across the Nordic Region. The ministers for culture have asked Nordic Language Co-ordination to provide proposals on how the findings of the study can be used. Read the study (in Danish) here: <http://sprogkoordinationen.org/media/1337/man-skal-bare-kaste-sig-ud-i-det.pdf>

To implement the Outdoor Recreation in the Nordic Region project with a total budgetary limit of DKK 500,000. The project will promote the involvement of children and young people in outdoor activities and nature. This will contribute to increased levels of activity and thus to better health among children and young people

The aim of the Outdoor Recreation in the Nordic Region project is to develop a set of recommendations to promote outdoor recreation. The project is progressing satisfactorily and being positively received by the many different stakeholders in the Nordic outdoor recreation sphere. So far the project has been implemented by way of workshops in Norway and Finland. A further two workshops are being held in Denmark and Sweden in the first half of 2017, with recommendations expected to be ready during the second half of 2017.

To transfer organisational and budgetary responsibility for the Nordic Summer University from MR-U to MR-SAM and to transfer the corresponding appropriation for 2015 to further development and future activities. This requires the Nordic Summer University to follow up the critique and proposals as part of its future work

As of 2016, organisational and budgetary responsibility for the Nordic Summer University was transferred from MR-U to MR-SAM. In accordance with the budget compromise, the appropriation for 2016 should correspond to the appropriation for 2015. The newly created budget item under MR-SAM – budget item 1-2534 Contribution to Nordic Summer University (NSU) – states that the appropriation for 2016 is DKK 1,203,000. NCM has followed up the critique and proposals of the evaluation with NSU.

To allocate DKK 3,758,000 to the Saami Council and the Saami Artist Council for Saami cultural co-operation and communication of the same in order to promote a joint cultural policy in the Nordic Region and Northwest Russia

A total of DKK 3,822,000 was set aside in the 2016 budget for Saami co-operation (budget item 4-2234). The aim is to support Saami cultural co-operation and to both make visible and communicate Saami art and culture both within and beyond Saami society, as well as to promote a joint Saami cultural policy in the Nordic Region and Northwest Russia through organisational support to both the Saami Council and the Saami Artist Council.

To allocate an appropriate amount to strengthen Nordic culture in schools in the broadest sense. This is achieved through e.g. activities relating to children's and young people's literature by way of e.g. author visits and the online distribution of short films and docufilms, as well as through the democracy, inclusion, and security programme

Within the framework of the Nordic ministers for culture's efforts relating to children's and young people's literature, in 2016 the Confederation of Nordic Associations conducted a project providing Nordic children's and young people's literature to Nordic school pupils aged between 10 and 16. All the Nordic countries as well as the Faroe Islands, Greenland, and Åland took part in 2016. Visiting authors were primarily current and former nominees of the Nordic Council Children and Young People's Literature Prize.

Online distribution of short films and docufilms: The Confederation of Nordic Associations (FNF) owns the Nordic Region at School education portal (www.nordeniskolen.org) and is the administrative body for Nordic language co-ordination. In order to strengthen Nordic solidarity and language comprehension, FNF was commissioned to study the ways in which short films and docufilms can be integrated pedagogically into the portal and conducted over a five-year period.

The project budget amounted to DKK 1.2 million from the culture and education sectors. This included funds earmarked for information and communication activities in order to reach out to relevant target groups. The project was completed in accordance with the commission.

Democracy, inclusion, and security: During the World Press Freedom Days in Helsinki, an international conference on freedom of speech and journalism was held, with DKK 300,000 of funding from the Ministers for Nordic Co-operation. The conference was organised via the Nordic Journalist Centre administrative body.

NCM to effect the fight against resistant bacteria through the strategy group for a holistic approach, called One Health, on a cross-sectoral basis

The Nordic One Health strategy group was set up in the autumn of 2016. The group's first meeting took place in December 2016, and information from the group about this meeting, future efforts, and recommended initiatives on anti-microbial resistance are expected to be discussed in the council of ministers during the first quarter of 2017. The group will report on its work to the council of ministers through EK-S and EK-FJLS on an annual basis.

NCM to prioritise efforts to reduce chemicals and endocrine-disrupting agents in daily life by raising awareness of their effects on humans and nature. NCM shall pursue an active policy in various international fora in order to reduce the number of chemicals and endocrine-disrupting agents in daily life. In addition, during the year NCM will boost efforts to inform consumers in the Nordic Region

In 2016, Nordic co-operation on chemicals included an assessment of environmental and health effects, exposure, risk assessment, management, monitoring, and supervision, all of which are key components in the reduction of harmful chemicals in everyday life. The information about harmful chemicals that has been developed as part of Nordic co-operation is known for being thorough and to result in the strict regulation and control of chemicals. This is reflected today in its not insignificant contribution and influence in the field both within the EU and internationally.

In 2016, contributions were made to EU efforts relating to information about screening the effects of chemicals on retinoid systems in living organisms, to the development of test methods for endocrine-disrupting agents under the auspices of the OECD, and to the implementation and ratification of the UN convention on mercury. In addition, the Nordic ministers for the environment have submitted a joint letter to the European Commission as input to the forthcoming EU strategy for a non-toxic environment.

In 2016, the environmental sector helped to increase the quantity and quality of consumer information, such as by way of a project on perfluorinated and polyfluorinated substances in consumer products, by supporting the implementation of the global SAICM programme regarding information on chemicals in consumer products (CiP), and by way of an information site for school children called "Hannas Hus".

To strengthen the joint Nordic effort by way of a broad cross-sectoral programme for combating all forms of human trafficking

The Nordic Council of Ministers has launched a programme against human trafficking with eight specific projects to be implemented between 2015 and 2018. Through specific initiatives, the aim is to help to prevent human trafficking, to prosecute traffickers, and to support and protect victims. The Nordic Council of Ministers' programme to combat human trafficking is cross-sectoral, with participation from the areas of labour (A), gender equality (JÄM), legislative affairs (LAG), health and social affairs (S), and the Ministers for Nordic Co-operation (SAM) and the Nordic Committee for Children and Young People (NORDBUK), all of which have provided funding. The Nordic Council of Ministers is providing a total of DKK 5.179 million in funding for the programme.

To take into account the need to strengthen the perspective of children and young people in Nordic co-operation in the implementation of the new strategy for children and young people in the Nordic Region

The new strategy for children and young people in the Nordic Region involves bolstering the perspective of children and young people, and several initiatives are under way to reinforce this perspective within Nordic co-operation. NORDBUK, for instance, has adopted an implementation plan that requires six sectors to adopt sector-specific objectives for the integration of the perspective of children and young people. Three sectors (MR-S, MR-K, and MR-A) have so far adopted objectives. In addition, supporting material in the form of the following publications has been provided: *Do Rights!* and *Are you wearing the right glasses?* The first is to inspire and provide good examples of how to work with the perspective of children and young people. The second provides knowledge and practical tools for integrating the perspective of children and young people into NCM's processes and activities.

All sectors within NCM to take the integration of gender equality into account in all their activities. This means that all sectors, not just the council of ministers for gender equality, must integrate gender equality into all policy decisions

The integration of a gender equality perspective in all sectors and providing examples of how this can bolster the council of ministers' work are crucial. During the year the regional sector will seek to clarify how this can be effected within regional policy activities.

NCM to prioritise funding for new ventures relating to preventative efforts and public health following the closure of the Nordic School of Public Health (NHV)

In April 2016, the Nordic Council of Ministers for Health and Social Affairs (MR-S) approved a declaration on the intensification of public health efforts. MR-S agrees to strengthen Nordic co-operation on public health and co-operation to achieve equality in health by:

- establishing a Nordic arena for co-operation in the field of public health;
- making the Nordic Centre for Welfare and Social Issues serve as the secretariat for this arena; and
- establishing a cross-sectoral approach within the arena that will also co-operate with existing working groups, networks, institutions, etc. within the field of public health at the Nordic level.

MR-S agrees to utilise Nordic co-operation as a means to prioritise the exchange of experience and the joint development of effective preventative measures and initiatives that promote good health in order to:

- support the sharing of knowledge and development projects that can contribute to supporting the development of strategies and the implementation of initiatives that ensure good and equal public health in the Nordic countries; and
- initially co-operate in particular in the fields of (i) inequalities in health, (ii) alcohol, narcotics, and tobacco, and (iii) mental health.

The Nordic School of Public Health (NHV) closed on 1 January 2015. According to the school's articles of association, its property goes to the Nordic Council of Ministers. In 2015, MR-S and MR-SAM decided that the remaining equity of approximately DKK 11.5 million would be used for public health efforts, including those based on the budget compromise with the Nordic Council regarding the 2016 budget. MR-S has the right of disposition of the funds and in 2016 appropriated DKK 4.3 million as follows:

- DKK 1.1 million per year between 2016 and 2018 for the Nordic Welfare Centre (NVC) to finance the institution's role as the Secretariat for a Nordic public health arena.
- DKK 1.0 million for the period 2016 to 2017 for NVC to start a project on tobacco.

NCM to take measures to prioritise efforts on the branding of the Nordic Region in neighbouring countries and border regions, including looking positively at opportunities to support multi-year projects through the information office in Flensburg and the Nordic embassies in Berlin, as well as considering the proposal for an additional Nordic House, including the use of the term

On 1 June 2016 a one-off sum of DKK 800,000 was granted to the information office in the Flensburg project "Nordspor på sporet af Nordens ungdomskultur" for use from 2016 to 2018. The Nordic Council of Ministers has also provided funding totalling DKK 250,000 for a project at the Nordic embassies in Berlin on sustainability and ethical consumption in the Nordic Region, as well as for a seminar on the Nordic experience in the field of integration.

Furthermore it has been concluded that there is no legal obstacle to the use of the name "Nordic House". A Nordic House does not equate to a Nordic institution. Consequently, there is no specific legal requirement for a Nordic entity that wishes to call itself "Nordic House".

NCM to report on the implications of the cessation of the Nordic Council of Ministers' activities in Russia for the Baltic offices

In 2016 the Ministers for Nordic Co-operation decided to continue the Nordic Council of Ministers' co-operation programme in Northwest Russia. Project co-operation is now conducted via selected administrative bodies, each of which has expertise and experience of co-operation in Russia, in order to implement programmes and projects on behalf of the Nordic Council of Ministers without the help of the council of ministers' offices in Russia. The savings in funding in conjunction with the cuts to staff and office facilities in Northwest Russia are included in MR-SAM's budget from 2016 in connection with general savings.

In 2015 and 2016, NCM's offices in Estonia, Latvia, and Lithuania were allocated additional funds for project activities within the existing NCM infrastructure in these countries. In addition, MR-SAM decided to assess co-funding from Estonia, Latvia, and Lithuania on a project-by-project basis so as to ensure the continued appropriate degree of co-funding. The provision of more funds and the new and more flexible terms of co-operation mean that the offices in the Baltic countries have been able to embark upon Nordic-Baltic co-operation projects on e.g. Russian-language media, combating human trafficking, innovation, the bioeconomy, integration, and the prevention of alcoholism. In addition, in 2016 the Baltic offices received special appropriations in connection with the 25th anniversary of the establishment of the offices in the then newly independent countries in order to implement a major information campaign on the Baltic countries and Nordic, and Nordic-Baltic co-operation.

Finally it should be mentioned that in 2016 each office had a pot at its disposal that enabled the offices to decide themselves whether to support smaller projects and activities in Estonia, Latvia, and Lithuania that fall within a specific framework. In general, it can be said that project activity in the Baltic offices in 2015 and 2016 witnessed a sharp increase – a trend that is expected to be consolidated over the next few years.

Main figures and key figures

Selected main and key figures of the Nordic Council of Ministers for the last four years:

	2016	2015	2014	2013
Expenditure				
Annual budget (DKK thousand)	927,546	931,782	955,215	986,726
Income: (DKK thousand)				
– Denmark	177,441	183,636	197,844	217,319
– Finland	143,599	142,318	153,565	169,568
– Iceland	7,317	6,427	6,595	6,822
– Norway	295,431	289,227	288,287	285,536
– Sweden	290,857	296,573	295,824	295,281
– Cost of salaries, interest, and other income	23,099	32,958	38,644	20,692
Total	937,744	951,139	980,759	995,218
Net surplus for the year				
Income less expenditure	10,199	19,357	25,544	8,492
National contributions – by country				
– Denmark	19.4 %	20.0 %	21.0 %	22.3 %
– Finland	15.7 %	15.5 %	16.3 %	17.4 %
– Iceland	0.8 %	0.7 %	0.7 %	0.7 %
– Norway	32.3 %	31.5 %	30.6 %	29.3 %
– Sweden	31.8 %	32.3 %	31.4 %	30.3 %
Surplus as at 31 December				
Non-appropriated funds	11,182	17,623	16,405	32,772
Cash and cash equivalents	186,871	182,655	124,971	204,587
Equity	-109,801	-100,643	-94,456	-111,508
Miscellaneous				
Non-appropriated funds as a % of the annual budget	1.2%	1.9%	1.7%	3.3%
Operation of the Secretariat as a % of the annual budget	8.4%	8.3%	7.9%	7.6%
Number of institutions	12	13	14	15
Number of people employed under Nordic conditions	93	97	95	101
– of whom women	56	57	60	64
– of whom men	37	40	35	37



Nordic Council of Ministers
Nordens Hus
Ved Stranden 18
1061 Copenhagen
www.norden.org

ANP 2017:758
ISBN 978-92-893-5141-6 (PRINT)
ISBN 9978-92-893-5142-3 (PDF)
ISBN 978-92-893-5143-0 (EPUB)