

### **Part III. Norway**

#### **C. Industrial development**

Government focal point (s): Ministry of Trade and Industry

Responding ministry: Ministry of Trade and Industry

Information on the Pollution Control Act (permitting system) and Product Control Act is provided in Attachment II.

#### **Strategies, policies, programmes and plans**

The Norwegian Government presented its plan for a comprehensive innovation policy in October 2003. It is intended to encourage more co-ordinated and targeted efforts across various policy areas. The Government's vision is for Norway to be one of the most innovative countries in the world, where resourceful and creative enterprises and people are given opportunities to developing profitable businesses. In addition, Norway is to take the lead internationally in important areas, in terms of knowledge, technology and wealth creation.

The plan focuses on five main target areas:

1. General framework conditions
2. Knowledge and competence
3. Research, development and commercialisation
4. Entrepreneurship
5. Electronic and physical infrastructure

Implementation of the Government's innovation policy will be an important means of achieving sustainable industrial development. Research and innovation efforts in major industrial sectors in Norway are linked to environmental improvement and more environmentally sustainable production.

In 2004, the Norwegian government published a report entitled *The EU Lisbon Strategy - A Norwegian Perspective*. In the Lisbon Strategy, the EU established a number of specific objectives and defined structural indicators for benchmarking Member States' progress. Since Norway is closely integrated with the rest of Europe, the Norwegian Government is actively pursuing most of the policy areas addressed by the Lisbon Strategy. A separate section of the 2004 report deals with structural indicators for environment and sustainable development.

#### **Research and technology**

Research and development is an essential basis for innovation. The Research Council of Norway is the national strategic body and funding agency for research and innovation activities. The Research Council has extensive activities within the area of environment and sustainable development. The Ministry of Trade and Industry funds industrially related research and innovation programmes organised by the Research Council. Current activities include:

- Activities involving the process and biomedical industry, including development of more sustainable and environmentally efficient production processes
- The clean energy (RENERGI) programme, including research on renewable energy and other clean energy production. This research is co-funded by the Ministry of Petroleum and Energy and the Ministry of Trade and Industry
- The pollution (PROFO) programme, which deals with sources of pollution, its spread and effects, and measures to deal with pollution

These programmes include substantial contributions from industry in terms of funding and research effort.

The Norwegian Board of Technology is a public, independent think tank for technology assessment. The Ministry of Trade and Industry provides some funding for the Board's activities. A recent report by the Board of Technology, *Sustainable Innovation and Technology Policy*, discusses challenges related to sustainable development and innovation policy. The report also includes proposals on how interactions between innovation policy and goals related to sustainable development could be further strengthened.

## **Voluntary approaches by industry**

### Greenhouse gases

Norway has implemented a broad set of instruments to reduce greenhouse gas emissions, making use of both command and control (licensing under the Pollution Control Act) and economic instruments (CO<sub>2</sub> tax and an emission trading scheme).

For further information on the CO<sub>2</sub> tax, we refer to Norway's third communication to UNFCCC. For further information on the emission trading scheme we refer to attachment III, A summary of the Proposition to the Odelsting on the Greenhouse Gas Emission Trading Act (2004).

In this report we would like to mention three voluntary arrangements that have been concluded with industry on the reduction of greenhouse gas emissions:

- An arrangement between the Ministry of the Environment and the Federation of Norwegian Process Industries ensures that operators in the process industry who are not at present included in the emissions trading scheme undertake to reduce their greenhouse gas emissions by the end of 2007. The quantitative target in this agreement is an emission ceiling of 13.5 million tonnes for emissions of all the six gases regulated by the Kyoto Protocol, from sources including the aluminium, ferro-alloy, carbon, mineral fertiliser and carbide industries. The ambition is to achieve a 20 per cent reduction of greenhouse gas emissions from the process industry, using 1990 as the base year.
- An agreement with the aluminium industry to reduce emissions of greenhouse gases per tonne aluminium produced by 50 per cent by 2000 and 55 per cent by 2005 compared to 1990 levels.
- An agreement with importers, producers and users of electric appliances to reduce emissions of SF<sub>6</sub> by 13 per cent by 2005 and 30 per cent by 2010 compared to 2000 levels.

### Waste recovery and treatment

We would also like to point out that Norway has several voluntary industry agreements on waste recovery and treatment. One successful voluntary take-back scheme is the scheme for electrical and electronic equipment. This has resulted in a recovery rate of 80 per cent for electrical and electronic waste in Norway. Information about this scheme is available at:

<http://www.elretur.no/EnvironmentalReport.pdf>

### **Co-operation**

Through UNEP, Norway has in recent years contributed substantially to several programmes and projects to promote cleaner industrial production technologies and methods in developing countries. Currently, we are supporting the UNEP Project on Institutionalizing the African Roundtable on Cleaner Production and Sustainable Consumption. In 2004, Norway allocated NOK 1.2 million to this project.