



Norway needs energy and security policy coherence

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RECOMMENDATIONS

- Prior to 2022, Norwegian policymakers have hardly considered coherence between energy and security, and the few coordinating elements in place are focused on emergency preparedness.
- Keeping policy areas separate and energy de-securitized has helped improve Norway's position in the old energy world. However, both the progressing European energy transition and new geopolitical threats from Russia increasingly challenge this arrangement.
- Lack of policy coherence makes Norwegian governance less effective in dealing both with sudden shocks, like the Nord Stream sabotage, and long-term stress factors, like climatic change.
- Formalized coordination mechanisms between ministries and agencies are necessary and will increase both governance effectiveness and accountability.
- Existing agency level collaboration on emergency preparedness may be a starting point.
- A transition requires significant institutional reorganization which may be difficult to achieve. Old structures and agencies may not support security issues connected to a new kind of energy system.

The energy-security nexus

Energy resources, although sometimes perceived as any other commodity, are strategically important for the functioning of societies and economies. The recent suspected sabotage of the Nord Stream 1 and 2 pipelines connecting Russia and Germany demonstrates that coordination and coherence of energy policy with foreign and security policy, are of critical importance.

Additionally, global challenges, such as climate change, necessitate coordinated efforts between multiple sectors of public administrations, a ‘horizontal’ approach to governance. National as well as European decarbonization strategies have broadened and now cover not only the administrative sectors for energy, transport, and agriculture, but also industrial, innovation, finance, social and educational policies. This is most clearly visible in the European Union’s (EU) European Green Deal, cutting across all sectors.

Meanwhile, these horizontal climate and energy transition strategies need to be able to react to sudden international security shocks, like the war in Ukraine. Yet, the coherence of climate and energy strategies with foreign and security policies remains weak.

In this policy brief, we look at energy and security policy coherence in Norway. The analysis presented here draws from and summarizes research presented in a scientific article by Kivimaa (2022) and builds empirically on document analysis and a series of expert interviews conducted in late 2020 and early 2021. The interviews were conducted during the COVID-19 crisis but before the war in Ukraine.

What is policy coherence?

The concept of policy coherence is used both in the academic field of policy studies and by public organizations in governance practice. For example, the OECD Directorate for Public Governance has for long worked on [policy coherence for sustainable development](#). Similarly, the European Commission has addressed the EU’s and Member States’ policy coherence, for instance, in relation to development.

Policy coherence means consistency, synergies, and the reduction of tensions and conflicts between and within policy areas and between diverse policy objectives. Horizontal coherence occurs between policy domains; it essentially means coordination between different administrative agencies or organizations resulting in more synergies and less conflicts. Vertical coherence addresses links between the supranational (e.g., EU), national and local levels, while internal coherence is the consistency of objectives/instruments within a policy domain.

Policy incoherence means that the effectiveness of specific policies (e.g., climate policies) are decreased by other policy objectives, instruments or processes that give divergent signals to actors. The [reasons for policy incoher-](#)

[ence](#) include ‘the problems of compartmentalization, fragmentation, competing and incoherent objectives, policy under- and overreaction, competing issue-attention, and inconsistent instrument mixes’.

The context: energy, security, and decarbonization

Energy security is a key concern for states and a primary objective for energy policy. Defined by [Cherp and Jewell](#) as “low vulnerability of vital energy systems”, energy security aims for securely and reliably functioning energy systems. This means that while energy security in principle is also a sub-area of national security, it typically does not concern broader security issues connected to energy, such as security of military operations using energy, or climate and environmental security.

Energy transitions and the phase-out of fossil fuels have major repercussions on global geopolitics as well as regional economic viability and employment. These connect to international security and states’ internal security. Energy transitions impact interstate relations and can potentially lead to a reshuffling of the long-established and fossil-fuel based global order, meaning new challenges for foreign policy.

Recent studies, also those [conducted at NUPI](#), have inspected the geopolitics of energy transitions looking at how the expansion of renewables affects geopolitical interconnections, changes power relations between states, and impacts resource requirements and security of supply. Other studies have investigated the potential geopolitical effects of fossil fuel phase out. Some predict that the transition will lessen larger risks while [smaller conflicts will remain](#). New security concerns have arisen from the energy transition, including critical materials supply, [cyber security](#), and [technology and digital sovereignty](#) of states and the EU.

Norway: Links between climate, energy, and security policies

The Norwegian 2021 Climate Plan aims at a reduction of greenhouse gas emissions by 50-55 percent by 2030 and the achievement of a ‘low-emission society’ by 2050. The strategy posits a need for a major transformation process that is aligned with economic development. It also refers to a ‘green transition’ based on renewable energy. Of Norway’s electricity generation, 98% is already produced with renewables. Therefore, the Climate Plan is centered on carbon capture and storage in industrial manufacturing, fossil-free construction, and heating of buildings, as well as the electrification of land and marine transport. The oil and gas industry mentioned only briefly with its climate impacts to be mitigated by an increased carbon tax. A supplementary notice to the Parliament (St. 11 2021-2022) reacted to the current energy crisis by stating Norwegian policy to ensure that the petroleum industry is developed and not discontinued. While needed in the short term to secure European oil and gas deficit, this is in contradiction to the global decarbonization needs and energy transition efforts.

Norway's oil export policy has enabled it to create wealth that safeguards societal prosperity, benefitting the country's economic security. However, this has meant that oil-based energy policy has been incoherent with climate and foreign policies.

In this context, decarbonization may even be perceived as a security threat by some stakeholders and institutions. Petroleum production made Norway a globally influential small country, explaining the distinction drawn between foreign policy and hydrocarbon based economic transactions. Both the progressing energy transition and the current European energy crisis are changing this setting and make energy more politicized. In this context, energy and security questions need streamlining.

The fragmentation and incoherence of Norway's energy, climate, and security policy

One characteristic feature of Norwegian governance is the apparent lack of holistic energy planning. This refers to strong divisions made between (a) the domestic electricity sector and the exporting hydrocarbon sector, and (b) oil-related policy and foreign policy. According to our interviewees, no committees, working groups or agencies advancing coherence between energy transitions and security exist.

These circumstances are made more difficult by partly fragmented government administration. Energy issues are divided between different ministries (Ministry of Climate and Environment, and Ministry of Petroleum and Energy) and agencies (the Norwegian Water Resources and Energy Directorate NVE and Norwegian Petroleum Directorate NPD). Climate and energy agendas have been set apart by the long-standing organizational legacies of the Ministry of Climate and Environment and Ministry of Petroleum and Energy. Also, a certain rivalry can be observed between the Ministry of Foreign Affairs and the Ministry of Defense. There are, thus, four ministries that would need to cohere from the perspective of energy transitions and security.

The Petroleum Safety Authority Agency has responsibility for security in a broader sense but limited to petroleum. Some elements related to emergency preparedness, including new security regulation and guidelines for security inspections are issued by the NVE, while agency-level coordination on emergency preparedness is conducted between NVE, the Norwegian Directorate for Civil Protection (DSB) and the armed forces.

Considerations of how energy and security may cohere were largely absent in Norwegian policymaking in recent years. Norway does not have a cross-governmental process for climate and energy policy. Broader white papers have been delivered on climate change, the Arctic, international affairs, and the future of armed forces. Yet, the experts and policymakers interviewed did not mention these as elements of horizontal or internal coherence.

The research this policy brief draws from shows that the Ministry of Petroleum and Energy has strongly pursued a distinct separation from the Ministries of Defense and of Foreign Affairs, to better enable income generation for Norway, while connections to the Ministry of Climate and Environment are weak. In essence, hydrocarbon energy was depoliticized. Some experts and civil servants saw no need to connect energy and security, because Norway is arguably self-sufficient in its energy needs. Multiple interviewees brought forward the economic and geopolitical power that Norway has from exporting substantial amounts of fuels and electricity. This power has increased in Europe as a result of the current energy crisis.

Conclusions

Coherence between energy transition policy and national security and defense policies has not been considered appropriately before 2022, although the academic and expert communities have increasingly highlighted the geopolitical consequences of renewable energy and critical materials as well as tensions caused by Russia in Ukraine over the years. In Norway, the small size of the administration and seemingly networked governance have created a preference for informal approaches regarding the energy-security nexus. This lack of formal coordination is not unique to Norway. While Denmark sees formal climate and energy coordination, with both under one ministerial roof, it too [lacks coherence of energy policy with foreign and security policy](#). Finland, in turn, displays some elements of such coherence but energy and security policy areas are administratively distinct and often look at the nexus always from one perspective.

Norway boasts a major dissonance between oil as a source of national economic security and the progress of the energy transition when all energy production is included. It has emphasized decarbonized domestic energy while contributing to significant hydrocarbon export elsewhere. Diverging domestic and international paths have been formed, neither of which sufficiently considers connections to foreign and security policy.

In the past, Norway has benefitted from desecuritizing its fossil-fuel-based policy and administrative divisions made to support it. This approach needs to be re-examined, importantly from the perspective of climate change but also due to changes in the European energy sector and new geopolitical threats from Russia.

Norway cannot be fully carbon neutral before it has acted on the cross-border impacts of its oil and gas industry. This needs to go beyond brief statements in the climate plan. Yet, in short to medium term, the European Union is dependent on Norway's fossil and non-fossil energy sources, to alleviate the energy shortfalls caused by sanctions placed on Russian energy sources. The annual Norwegian government petroleum revenues have been estimated to grow three-fold or even five-fold during 2022-

2024 compared to 2021. This is a strong factor disincentivizing any changes to the current governance status quo and requires examining the social justice aspects of this unexpected revenue combined with high electricity and gas prices on different scales from local to global.

Domestically, the expansion of offshore wind power as a possible replacement industry for oil is a key question that interacts with security. Norway did not have to address security of supply questions before 2022. Therefore, many citizens and stakeholders did not see the need to increase renewable energy beyond the established hydropower capacity. The current situation affects this dynamic both due to domestic periodic scarcities of hydropower and supporting broader European energy security.

The strongly locked-in connections of Norwegian oil and gas with economic security, and resistance to wind power are likely to postpone additional energy transition in Norway. This is less important from the perspective of emissions from domestic consumption and energy security, and more relevant for the overall carbon foot-

print of the Norwegian energy sector and progress of the European transition. It may, however, also be of increasing importance for Norwegian energy security that considers climate change. It will also be affected by vertical governance, e.g., whether NATO and EU pressure will hinder or accelerate the Norwegian energy transition.

A transition needs major institutional reorganization which may be difficult to realize. The old structures and agencies need to be rethought with respect to a new kind of Norwegian and European energy system, which will emphasize both sustainability and security. The agency level collaboration on emergency preparedness that already exists could be used as a starting point to improve coherence.

Further reading:

- Kivimaa, P. 2022. Policy and political (in)coherence, security, and Nordic-Baltic energy transitions. [Oxford Open Energy](#).

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