



Riksrevisjonen

Office of the Auditor General
of Norway

The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation

Document 3:13 (2012–2013)



23 257 -3 918 240 1 255 712 474 320 120 3 924 22 781

This document is available at www.riksrevisjonen.no

Public offices can order this document from
Government Administration Services
Phone: + 47 22 24 20 00
E-mail: publikasjonsbestilling@dss.dep.no
www.publikasjoner.dep.no

Others can order this document from
Bestillinger offentlige publikasjoner
Phone: + 47 55 38 66 00
Fax: + 47 55 38 66 01
E-mail: offpub@fagbokforlaget.no

Fagbokforlaget AS
Postboks 6050 Postterminalen
NO-5892 Bergen

Isbn 978-82-8229-251-1

Illustration: 07 Media



The Office of the Auditor
General's investigation of grants
for biodiversity and outdoor
recreation

Document 3:13 (2012–2013)

To the Storting

The Office of the Auditor General hereby submits Document 3:13 (2012–2013)
The Office of the Auditor General's audit of grants for biodiversity and outdoor recreation.

The Office of the Auditor General, 11 June 2013

For the Board of Auditors General

Jørgen Kosmo
Auditor General

Contents

1	Key Findings	7
2	The Office of the Auditor General's comments	8
3	The Office of the Auditor General's recommendations	10
4	The Ministry's follow-up	10
5	The Office of the Auditor General's closing comments	11
Appendix 1: The Office of the Auditor General's letter to the Minister		11
Appendix 2: The Minister's reply		14
Appendix 3: The report		21
1	Introduction	29
2	Methodical approach and implementation	31
3	Audit criteria	36
4	To what extent is the Ministry of the Environment's management of the grant schemes designed to ensure goal achievement?	45
5	To what extent are the grant schemes managed in line with the Storting's decisions and intentions?	49
6	To what extent do the grant schemes contribute to goal achievement?	55
7	Considerations	70
8	References	73
9	Appendices	76

Fold-out: Background and objective of the audit. Findings and recommendations

The Ministry of the Environment

The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation

Safeguarding biodiversity is one of the biggest global environmental challenges of our time.¹ Active outdoor recreation is of great significance for health and wellbeing, and is a precondition for making people fond of nature and gaining an understanding for environmental protection² and ecologically sustainable development. Grants are an important instrument for achieving the national goals in relation to biodiversity and outdoor recreation. Volunteers, including individuals and associations, clubs and organisations are key players in outdoor recreation and preserving biodiversity. Grants to secure areas for outdoor recreation and for outdoor recreation measures aim to provide people with access to outdoor recreation areas and strengthen the public's interest in outdoor recreation. As regards game and fish resources, grants are used for activities and strengthening nature management expertise. Grants shall ensure stewardship and management of priority species and selected habitats. The grant schemes covered by the audit amounted to NOK 252 million in 2012 and NOK 168 million in 2013, cf. Proposition 1 S (2012–2013) for the Ministry of the Environment.

The purpose of the audit has been to consider to what extent grants for biodiversity and outdoor recreation contribute to goal achievement and are managed in line with the Storting's decisions and intentions. The audit covers the period 2009–2012.

The Ministry of the Environment has the overall responsibility for policy in relation to outdoor recreation and to ensure biodiversity. The Directorate for Nature Management has the executive responsibility. In addition, both the county governors and the county authorities have key roles in managing allocations for biodiversity and outdoor recreation.

The report was presented to the Ministry of the Environment in a letter dated 20 February 2013. The Ministry commented on the report in a letter dated 20 March 2013. The comments have largely been incorporated in the report and this document.

The report, the Board of the Auditors General's accompanying letter to the Ministry dated 23 April 2013 and the reply from the Minister dated 8 May 2013 are enclosed as printed appendices.

1 Key Findings

- Weaknesses in reporting and lack of evaluation result in insufficient information regarding regards goal achievement.
- The grants management complies with the principles for sound administration principles only to a limited extent.
- The grant schemes generate increased activity and added value.

1) Recommendation O No. 100 (2008–2009), Odelsting Proposition No. 52 (2008–2009) *relating to the Act relating to the management of biological, geological and landscape diversity (the Nature Diversity Act)*.

2) Recommendation S No. 114 (2001–2002) to Storting Report No.39 (2000–2001) *Outdoor recreation. A gateway to higher quality of life*.

2 The Office of the Auditor General's comments

2.1 Weaknesses in reporting and lack of evaluation result in insufficient information regarding goal achievement

According to the Regulations on Financial Management in Central Government, management by objective and results is an overall management principle. The Ministry shall follow up the Storting's decisions and intentions in the annual allocation letter. The Ministry shall furthermore ensure that the management of grant schemes is organised in an efficient and suitable manner.

Grants are one of several instruments for achieving national goals. Each individual grant scheme can be directed at multiple goals. In 2013, grants amounted to about 30 per cent of the total allocations for biodiversity and outdoor recreation. It does not emerge from the allocation letter from the Ministry of the Environment to the Directorate for Nature Management how grants as policy instruments will contribute to achieving national goals.

In the budget proposition, the Ministry has only to a limited extent reported how the grant schemes contribute to goal achievement. The 2013 budget proposition reported the resources spent on the schemes. A review of the management documentation shows that the Ministry does not obtain information about goal achievement. Correspondingly, the reporting obtained by the Directorate for Nature Management from county governors and county authorities is only to a limited extent used to analyse the goal achievement of the various grant schemes.

The quality of the reporting from the county governors and county authorities varies. There are also weaknesses in the Directorate's supervision of whether grant funding is used as intended.

The grant scheme for priority species and selected habitats was established in 2010 and has not been evaluated. The other grant schemes in the audit have only been evaluated to a limited extent. The consequence of weaknesses in the reporting of goal achievement and lack of evaluation is that the Ministry does not have any information about whether the grant schemes are goal-oriented and effective. The Ministry therefore lacks a comprehensive basis for evaluating how the schemes contribute to achieving national goals.

In the opinion of the Office of the Auditor General the Ministry of the Environment should acquire information about whether the grant schemes are designed to be goal-oriented and effective, and whether the funding is used as intended. The Office of the Auditor General furthermore assumes that the Directorate for Nature Management ensures trustworthy reporting from the county governors and county authorities regarding the results of the measures that receive grants, and uses the reporting to assess the degree of goal achievement.

2.2 The administration of the grants only complies with the principles for sound management practices to a limited extent

It follows from the Public Administration Act and non-statutory legal administration principles that case processing shall be factual and objective, and ensure equal treatment. Grants shall, in accordance with the Provisions on Financial Management in Central Government, be announced so that the entire target group is reached.

All grant schemes in the environment policy area are announced on the Ministry's website. Grants for outdoor recreation and environmental management are also

announced on the Directorate for Nature Management's website. In addition, county governors and county authorities communicate the grant schemes in various ways.

Grants for outdoor recreation measures shall be used to promote outdoor recreation as the basis for sound health habits and environmental attitudes, primarily directed at children, young people, people with disabilities and ethnic minorities. The audit shows that about one-third of the funding for 2011 went to measures for children and young people. The two other priority groups for outdoor recreation grants – people with disabilities and ethnic minorities – have only been reached by the grants to a limited extent. In total, 12 per cent of the funding was granted for targeted measures aimed at these groups. This shows that even if the grants are announced as required by the regulations, the public administration has not managed to reach the priority groups. The Office of the Auditor General emphasises that it may require extra effort to reach the groups that the Storting has given priority.

Recipients of grants whose applications are rejected or who do not receive as much funding as they applied for, must be told why. The Public Administration Act provides such applicants with the right of appeal. The investigation shows that the administration of the grants only complies with the principles for sound management practices to a limited extent. This applies in particular to case processing, grounds for decisions and information about the right of appeal.

Applicants to the grant schemes rarely receive a reply within the set deadline. In 2011, only 1 per cent of those who applied to the county governors for grants for game-related purposes received a reply within the deadline. The corresponding percentage for applicants to the county authorities was 22. 69 per cent of applicants received a reply five weeks or more after the deadline. This makes the process unpredictable for the applicants and can result in measures not being implemented as planned. County governors and county authorities state late disbursement of funding from the Directorate and capacity concerns as important reasons for why the deadline is not complied with.

In many cases, grounds are not given for refusals or disbursement of less than the applied-for amount. Of the applicants who received less than the applied-for amount for game-related purposes, three out of four were given no grounds. 44 per cent of the applicants for game-related grants who had their applications rejected or received less than they applied for the, were not informed of the right of appeal. The Directorate also fails to inform applicants about the right of appeal if applications are rejected or the applied-for amount reduced.

The Office of the Auditor General considers that the Ministry of the Environment and the Directorate for Nature Management have not sufficiently ensured that the administration of grants complies with sound public administration principles.

2.3 The grant schemes generate increased activity and added value

Grant funding generates considerable activity and triggers voluntary work efforts. The awarded funding has a mobilising effect and is often a precondition for the implementation of the measures. In many cases, small grants trigger a lot of activity.

The UN's convention on biodiversity requires management to be knowledge-based. Mapping of priority species and selected habitats is a precondition for considering which areas to prioritise when awarding grants. About one-third of the county governors state that they are unable to carry out mapping where required. This creates

a risk of valuable areas not being awarded grants due to lack of knowledge of their importance for biodiversity.

The grant for selected habitats makes it possible for grant recipients to manage relevant areas in a manner which safeguards biodiversity. As for other grants, stewardship of selected habitats, such as hay fields and coastal heather moors, depends on the existence of grant recipients who want to implement measures. Unlike other grants, goal achievement depends on measures being implemented where mapping has identified a need for measures. Grants for priority species and selected habitats are therefore a vulnerable policy instrument.

The Office of the Auditor General is positive to the increased activity and added value which the grant funding generates, but due to insufficient mapping of the need for measures, there is a risk of grants for priority species and selected habitats not having a good goal achievement rate.

3 The Office of the Auditor General's recommendations

The Office of the Auditor General recommends that the Ministry of the Environment

- strengthens the management information relating to the grant schemes to provide the Starting with information about goal achievement through evaluation and improved result reporting
- ensures better quality in the processing of the grants, regardless of whether they are awarded by the Directorate for Nature management, the county governors or the county authorities

4 The Ministry's follow-up

The Minister is pleased that the Office of the Auditor General's audit shows that the grant schemes generate increased activity and added value.

The Minister considers evaluation to be a clear improvement item and will implement measures to ensure that the environmental protection management carries out evaluations much more frequently than today, and in accordance with the guidelines in the Financial Provisions. This will be useful in obtaining more correct information about goal achievement and results. The Minister will consider including guidelines for which grant schemes to evaluate in the allocation letter to the environmental agencies for 2014.

The Minister points out that reporting for individual grant schemes was introduced with Prop 1. S (2012–2013) and states that the Ministry will continue working to improve reporting. The Minister acknowledges that the reporting from the counties, to the Directorate for Nature Management and up to the Ministry could be better structured and made more systematic.

As regards how the individual grant schemes contribute to achievement of the national environmental goals, the Minister states that they will continue to work on this. He emphasises that it is demanding to measure the exact contribution from an individual scheme against long-term, national goals in one budget year, particularly as there are some factors that influence the results that the Ministry does not control.

The Minister emphasises that the Ministry will work to better identify the instruments' contribution to the national goals than is currently the case. In its work, the Ministry will look more closely at how other ministries have approached this, and if their experiences can be used in the environmental public administration.

The Minister takes the Office of the Auditor General's criticism of the case processing of the grants seriously. The allocation letters to the Environment Agency for 2014 will contain specifications requiring the procedures to comply with sound public administration principles and describe what this entails in practice. The Ministry will also ask the environmental agencies to emphasise these standards vis-a-vis the county governors and county authorities.

The Ministry has also started a review of the rules for grant schemes relating to nature management and outdoor recreation, with the aim of implementing new rules from 1 January 2014.

The Minister refers to the fact that the Office of the Auditor General's audit indicates that some prioritised target groups for outdoor recreation funding have not been reached in spite of the announcement practice complying with the regulations. The Minister states that the Ministry will look into the possibilities of improving the announcement process to reach special target groups.

5 The Office of the Auditor General's closing comments

The Office of the Auditor General has no additional comments on this matter.

The case has been submitted to the Storting.

Adopted at the meeting of the Office of the Auditor General, 22 May 2013

Jørgen Kosmo

Arve Lønnum

Martin Engeset

Per Jordal

Synnøve Brenden

Björg Selås

Appendix 1

**The Office of the Auditor
General's letter to the Minister**



Executive officer
Hilde Solli, +47 22 24 14 77

Our date Our reference
23.04.2013 2012/00401-443

Your reference
12/5368

Statsråd Bård Vegar Solhjell
MILJØVERNDEPARTEMENTET
Postboks 8013 DEP
0030 OSLO

The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation

Enclosed you will find the draft for Document 3:X (2012-2013) *The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation*.

The document is based on a report submitted to the Ministry of the Environment in our letter dated 20 February 2013, and on the Ministry's reply dated 20 March 2013.

The OAG requests the Minister's account for how the Ministry will follow up on the Office of the Auditor General's comments and recommendations, and whether the Ministry disagrees with the Office of the Auditor General.

The Ministry's follow-up will be summarised in the final document submitted to the Storting. The Minister's reply will be enclosed in its entirety with the document.

For the Board of Auditors General
Jørgen Kosmo
Auditor General

Enclosure:
Draft Document 3:X (2012–2013) *The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation*.

The original letter in Norwegian has been translated into English.

Appendix 2

The Minister's reply



The Royal Ministry of the Environment
The Minister

The Office of the Auditor General
Auditor General Jørgen Kosmo
P.O. Box 8130 Dep
0032 OSLO

Deferred public access, cf. Section 5.2

Your ref.
2012/00401-443

Our ref.
12/5368

Date
8 May 2013

The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation

I refer to the letter from Auditor General Jørgen Kosmo dated 23 April 2013. Enclosed with the letter was a draft for Document 3:X (2012–2013) *The Office of the Auditor General's investigation of grants for biodiversity and outdoor recreation*. The document is based on a report from the Office of the Auditor General (OAG) bearing the same name, submitted to my ministry on 20 February 2013. The Ministry commented on the letter in a letter dated 20 March 2013.

The Auditor General asks me to account for how the Ministry will follow up the comments and recommendations made by the OAG, and whether the Ministry agrees with the OAG.

In Document 3:X, The OAG states that the comments made by my ministry in the letter dated 20 March 2013 have mostly been incorporated in the final report and Document 3:X.

The OAG emphasises three main findings in Document 3:X. They are:

- Weaknesses in the reporting and lack of evaluation results in lack of information as regards goal achievement.
- The management of the grants does only comply with the principles for sound public administration to a small extent.
- The grant schemes generate increased activity and added value.

To respond to the last first, I must say I am pleased that the OAG's investigation shows that the grant schemes generate increased activity and added value.

The original letter in Norwegian has been translated into English.

I consider lack of evaluation to be a clear improvement area, and will implement measures to ensure that the environmental public administration carries out evaluations far more frequently than is currently the case. I believe this will be useful to obtain more certain information as regards effectiveness, goal achievement and results achieved through the schemes. The Ministry will apply the Financial Provisions' guidelines, which state that the frequency and scope of evaluations must be contingent upon nature, risk and materiality. I will consider including recommendations for which grant schemes to evaluate in the 2014 award letter to the environment agencies.

As regards reporting, I would like to point out, as the Ministry did in the letter dated 20 March 2013, that reporting for the individual grant scheme was introduced as of Prop. 1 S (2012–2013). The proposition covers reporting of resource use and goal achievement for the individual scheme in 2011. My ministry will continue its work to improve reporting. I realise that the structure and systems for reporting of use of grant funding from the counties to the Directorate for Nature Management and onward to the Ministry can be improved upon.

The OAG also wants to see reporting on how the individual grant scheme contributes to achievement of national environment goals. The Ministry will continue the work on this, but would like to, as in the letter dated 20 March 2013, emphasise that measuring the exact contribution made by the individual scheme towards national goals in a fiscal year is demanding. There are many factors influencing the goal achievement, some of which the Ministry does not have control over. Of the factors which the Ministry does have control over, there are many instruments influencing goal achievement in addition to the budgetary instruments. It is also challenging to isolate effects of the resource use in one single fiscal year, due to the long-term nature of the goals and the difficulty of identifying specific effects in a one-year perspective. I would, however, like to emphasise that the Ministry is working towards a system which will better identify the effects of the instruments in relation to national goals. The Ministry will look closer at how other ministries have solved this problem, and whether their experiences can be used in the environmental public administration.

As regards the OAG's findings of deficiencies in the case processing of the grants, the Ministry refers to the fact that they are in relation to grant schemes for local game-related measures. I take this criticism seriously. The 2014 award letters to the Norwegian Environment Agency will specify that the routines must comply with sound public administration principles and describe what this means in practice. The Ministry will also ask the environment agencies to emphasise these standards in their communication with county governors and county authorities that process grant applications.

The Ministry has already started the review of the rules for the grant schemes in the nature management and outdoor recreation area, aiming to implement new rules from 1 January 2014. This work will review all grant management routines, and the implementation of the new rules will place greater emphasis on the requirements to be applied in grant processing, in particular the aspects mentioned above. As regards announcement of grants, the OAG emphasises that an extra effort should be made to reach all target groups, as their investigation into outdoor recreation funds indicate that this has not been the case for some priority groups. I would here like to point out that whether the grant funds have been announced or not is not the issue, as they have been announced in specific circular letters on the Ministry's website in addition to letters about the grant schemes having been distributed to all municipalities, county authorities and a number of NGOs. I will, however, look into the opportunities for

improving the announcement methods in cases where there is reason to believe that an extra effort must be made to reach the target groups.

Sincerely

Bård Vegar Solhjell (sign.)

Bård Vegar Solhjell

Copy: Directorate for Nature Management

Appendix 3

**Report: The Office of the
Auditor General's investigation
of grants for biodiversity and
outdoor recreation**

The audit has been conducted in accordance with the Office of the Auditor General's statutes and instructions, and with the guidelines for performance audits that are consistent with and based on ISSAI 300, INTOSAI's international standards for performance audits.

Contents

1	Introduction	29
1.1	Target area biodiversity and outdoor recreation	29
1.2	Goals and lines of enquiry	30
1.2.1	The purpose of the audit	30
1.2.2	Lines of enquiry	30
1.2.3	Scope of the audit	30
2	Methodical approach and implementation	31
2.1	Chosen approach to the lines of enquiry	31
2.2	Selected methods in detail	31
2.2.1	Questionnaire survey	31
2.2.2	In-depth study	32
2.2.3	Review of awarded grants	34
2.2.4	Case file review	34
2.2.5	Interviews	35
2.2.6	Document analysis	35
3	Audit criteria	36
3.1	National goals	36
3.1.1	Biodiversity	37
3.1.2	Game and freshwater fish	38
3.1.3	Outdoor recreation	40
3.2	Public administration	42
3.2.1	The Ministry of the Environment's overall responsibility	42
3.2.2	Internal control	43
3.2.3	Administration of grant schemes	43
4	To what extent is the Ministry of the Environment's management of the grant schemes designed to ensure goal achievement?	45
4.1	Supervision dialogue	45
4.1.1	Allocation letter from the Ministry of the Environment to the Directorate for Nature Management	47
4.1.2	Supervision and guidance of the county governors and county authorities	47
4.2	Cooperation and distribution of tasks between the agencies	48
5	To what extent are the grant schemes managed in line with the Storting's decisions and intentions?	49
5.1	Announcement of the grant schemes	49
5.2	Requirements relating to the content of applications	50
5.3	Application processing	51
5.3.1	Verifiability and transparency	52
5.4	Information about the right of appeal	52

5.5	Application processing times	53
5.6	Internal control for the grant administrators	54
6	To what extent do the grant schemes contribute to goal achievement?	55
6.1	Goal achievement – national goals	55
6.1.1	Evaluation of grant schemes	55
6.2	Goal achievement for the individual grant scheme	56
6.2.1	Grants for fish and game-related measures	57
6.2.2	Grants for outdoor recreation measures	61
6.2.3	Grants for priority species and selected habitats	65
7	Considerations	70
7.1	Weaknesses in management and follow-up	70
7.2	Deficient management practice	71
7.3	The grant schemes generate increased activity and added value	72
8	References	73
9	Appendices	76
9.1	Appendix 1 – budgetary distribution of funding over the items	76
9.2	Appendix 2 – Review of allocation letters in the administration of Item 71.3 in 2011	78

Tables

Table 1	Requirements relating to scientific description of the project in applications for grants for local game-related measures in 2011	50
Table 2	Total cost, total grants applied for and grants approved for the three grant schemes in 2011	51
Table 3	Allocated funding for 2011 and 2012, changes for 2013	77
Table 4	Grants for game-related purposes	78
Table 5	Requirements relating to content in allocation letters*	79

Figures

Figure 1	Management dialogue and meeting venues	46
Figure 2	Management responsibility for grant schemes	46
Figure 3	How effective is the division of tasks between the county authorities and the county governor as regards grants management to game-related purposes?	48
Figure 4	The grant scheme is sufficiently known to attract a sufficient number of relevant applications. The county governors' and county authorities' responses	49
Figure 5	Responses from county governors and county authorities to applications under the Item Grants for game-related purposes, sub-Item 3 Local game-related purposes etc. (as a percentage)	53
Figure 6	The county authorities' and county governors' perception of the grants' contribution to goal achievement	56
Figure 7	The county authorities' and county governors' perception of whether other instruments are more important to goal achievement than grants	57

Figure 8	Allocation of game-related grants in 2011, sub-Item 3 Local game-related measures, etc.	58
Figure 9	Grants for outdoor recreation measures for 2011 by measure category	62
Figure 10	The county governor can map the areas that need to be mapped	66

Fact boxes

Fact box 1	In-depth study	33
Fact box 2	In-depth studies of grants for local game-related measures	60
Fact box 3	In-depth studies of grants for outdoor recreation measures	63
Fact box 4	Grants for priority species and selected habitats	65
Fact box 5	In-depth studies of grants for selected habitats – hay fields	67
Fact box 6	In-depth studies of grants for selected habitats – coastal heather moors	68

1 Introduction

1.1 Target area biodiversity and outdoor recreation

Safeguarding biodiversity is one of the biggest global environmental challenges of our time. Norway has signed several international agreements which aim to ensure better conservation of species and/or their habitats, including the UN biodiversity convention.¹ The Nature Diversity Act² provides management objectives for habitats and species. Plants and animals that exist naturally shall be safeguarded in the long-term and secured in viable populations, and the diversity of habitats shall be safeguarded. Priority species and selected habitats are policy instruments intended to safeguard biodiversity outside of protected areas.

Active outdoor recreation is of great significance for health and wellbeing, and is a precondition for making people fond of nature and gaining an understanding for environmental protection and ecologically sustainable development.³ In recent years, attention has been directed towards getting children, young people, people with disabilities and ethnic minorities to participate in outdoor activities. Contributing to active use of the great outdoors through facilitating hunting and fishing is also an objective. Fishing and game management must have an ecosystem-based perspective and contribute to a sustainably harvestable surplus.

Volunteers, including individuals and associations, clubs and organisations are key players in outdoor recreation and preserving biodiversity. In the discussion of the Storting report concerning voluntary work, a majority of the Storting's Standing Committee on Family and Culture pointed out that voluntary organisations in many cases contribute to achieving important socio-political goals.⁴

The audit looks at use of grants as a policy instrument in the areas of biodiversity and outdoor recreation. Grants shall ensure stewardship and management of priority species and selected habitats. As regards game and fish resources, grants are used for activities and strengthening nature management expertise. Grants to secure outdoor recreation areas and for outdoor recreation measures shall provide people with access to nature and strengthen the general public's interest in outdoor recreation.

The Ministry of the Environment has the overall responsibility for policy in relation to outdoor recreation and to ensure biodiversity. The Directorate for Nature Management has the executive responsibility. In addition, both the county governors and the county authorities have key roles in managing allocations for biodiversity and outdoor recreation.

Grants make up slightly less than 30 per cent of the Ministry of the Environment's budget and are a significant policy instrument within the areas of biodiversity and outdoor recreation. For the 2013 budget year, grants amounted to about 30 per cent of the programme category biodiversity and outdoor recreation.⁵

- 1) Norway endorsed the agreement in 1993, cf. Recommendation S No. 168 (1992–93) and Storting Proposition No. 56 (1992–1993) *relating to consent to ratification of a convention on biological diversity of 22 May 1992*.
- 2) Act relating to the management of biological, geological and landscape diversity of 3 April 2009.
- 3) Recommendation S No. 114 (2001–2002) to Storting Report No. 39 (2000–2001) *A gateway to higher quality of life*.
- 4) Recommendation S No. 104 (2007–2008), cf. Storting Report No. 39 (2006–2007) *voluntary activities for all??*.
- 5) Proposition 1 S (2012–2013) for the Ministry of the Environment.

1.2 Goals and lines of enquiry

1.2.1 The purpose of the audit

The purpose of the audit is to consider to what extent grants for biodiversity and outdoor recreation contribute to goal achievement and are managed in line with the Storting's decisions and intentions.

1.2.2 Lines of enquiry

The audit is based on three lines of enquiry:

- 1 To what extent is the Ministry of the Environment's management of the grant schemes designed to ensure goal achievement?
- 2 To what extent are the grant schemes managed in line with the Storting's decisions and intentions?
- 3 To what extent do the grant schemes contribute to goal achievement?

1.2.3 Scope of the audit

The audit includes grant items where it is assumed that larger parts of the grants will be awarded to users, organisations, associations and clubs following application for funding for specific measures. The grant schemes covered by the audit amounted to NOK 252 million in 2012 and NOK 168 million in 2013. The reduction in funding from 2012 to 2013 is mainly due to reorganisation in the Ministry of the Environment's budget for 2013 compared with 2012, see Appendix 1. In addition, including both old and relatively new grant schemes has been emphasised. The following six grant schemes are covered by the audit:

Game and fishing-related measures:

- Item 1425.70 *Grants for fishing-related purposes*
- Item 1425.71 *Grants for game-related purposes*
- Item 1427.70 *Grants for water environment measures, sub-Item 1*⁶

Outdoor recreation:

- Item 1427.30 *State acquisitions and protection of outdoor recreation areas*⁷
- Item 1427.74 *Grants for outdoor recreation measures*

Priority species and selected habitats:

- Item 1427.82 *Grants for priority species and selected habitats*⁸

In the audit, the items are referred to by the name of the item as given in the list above.

The audit covers the period 2009 to 2012.

6) The item was previously called *Grants for liming and local fish-related purposes* and was only directed at liming. As of the 2013 national budget Item 70 will consist of three sub-items.

7) Item 1427.31 was originally included in the study, but was removed due to a change in the 2013 national budget. See Appendix 1.

8) Grants for priority species and selected habitats were new in 2010.

2 Methodical approach and implementation

2.1 Chosen approach to the lines of enquiry

Each line of enquiry has been pursued using a combination of methodological approaches:

Line of enquiry 1

The line of enquiry relating to the Ministry of the Environment's management of grant schemes has mainly been pursued by reviewing key government documents and through interviews with the Ministry and the Directorate for Nature Management. Furthermore, we have studied how the Directorate for Nature Management designs its grant work to ensure goal achievement, and how the Directorate has followed up the schemes. We have also reviewed how the public administration requests information through reporting and evaluations.

Line of enquiry 2

The line of enquiry concerning the administration of the grant schemes has primarily been pursued through an extensive review of case files. Case files were obtained for all awarded grants under *Grants for game-related purposes*, sub-Item 3 concerning local game-related measures, for the 2011 application year. The application, case processing, letter to the grant recipient and reports from the recipient have been evaluated for each case. Furthermore, the line of enquiry has been pursued through responses to questionnaire surveys concerning each of the grant schemes. The questionnaire surveys were sent to all county governors and county authorities.

Line of enquiry 3

The line of enquiry of the grant schemes' contribution to goal achievement has mainly been pursued through an in-depth study of three projects which received grants through the three grant schemes *Grants for game-related purposes*, *Grants for outdoor recreation measures* and *Grants for priority species and selected habitats*. The in-depth study is based on observation of what the projects have been able to achieve with the funding, and interviews. The line of enquiry has been pursued further through a review of grants awarded through the same three grant schemes for the years 2009–2011. For example, it was studied who the recipients were, what measures the fund applications were for, and which measures received grants. This has been done to study whether the distribution of funding to different target groups is in line with the Storting's decisions and intentions, and whether the measures that receive grants contribute to goal achievement.

2.2 Selected methods in detail

2.2.1 Questionnaire survey

The purpose of the questionnaire survey was to study the verifiability and transparency of case processing, supervision and goal achievement. The audit has been used to pursue all these lines of enquiry. The questionnaire survey was sent to the county governors and county authorities and was prepared on the basis of the case file review, the in-depth studies and interviews with the Directorate for Nature Management.

Questions were asked about how the Directorate for Nature Management follows up the county authorities and county governors. Furthermore, questions were asked about the announcement practices, applicants, case processing, internal control, evaluations and goal achievement.

Different questionnaire surveys were distributed for each grant scheme. Of the county authorities, 15 out of 19 replied to the questionnaire relating to game-related purposes, and 17 out of 19 replied to the questionnaire relating to outdoor recreation measures. Of the county governors, all 18 replied to the questionnaire relating to game-related purposes, while 15 replied to the questionnaire relating to fishing-related purposes. Furthermore, 17 out of 18 replied to the questionnaire relating to selected habitats and priority species and 11 out of 14 replied to the questionnaire relating to liming. (Questions relating to liming were only relevant for 14 counties.)

2.2.2 In-depth study

In-depth studies were conducted for five individual projects under the grant schemes:

- *Grants for game-related purposes*
- *Grants for outdoor recreation measures*
- *Grants for priority species and selected habitats*

These schemes were chosen as they represent the main groups of grant schemes under the Directorate for Nature Management, and because they are managed by the Directorate, county governor and county authorities together.

The purpose of the in-depth study was to look into the grants' contribution to goal achievement. The selection criteria were that the grants were allocated over multiple items, that the measures had varying scopes, and that there were varying sizes as regards the grants. In addition, variables such as geography, administration level and type of recipient were assessed. The studies were conducted with the aid of field excursions where civil servants, recipients and, if relevant, users were interviewed.

The review of the game-related grants in the counties shows that about a quarter of the game grants for huntable species are allocated to the local and county chapters of the Norwegian Association of Hunters and Anglers. One of the projects subject to an in-depth study involved a grant for a reindeer hunting course for women organised by the Aust-Agder county Association of Hunters and Anglers.

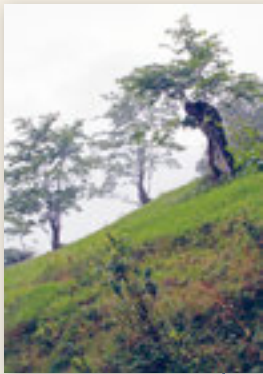
The second project subject to an in-depth study was the "Fri i fjæra" (free shores) project with the activity "Barnas kystdag" (children's coast day) organised by 4H. In 2011, NOK 13.5 million out of the item's total of NOK 23 million was awarded to the FRIFO for distribution to projects in the member organisations, such as 4H.

In order to choose the in-depth study subject for funding awarded over Item 1427.82 *Grants for priority species and selected habitats*, data for applied-for and awarded funding was reviewed for all counties. Emphasis was placed on finding three relatively typical projects that had received grants. Emphasis was placed on county governors who had a large influx of applications for funding under this item. The in-depth studies cover both coastal heather moors and hay fields. They cover both private recipients and recipients who represent a combination of municipal and private players.

Fact box 1 In-depth study



Children's coast day, Bodo



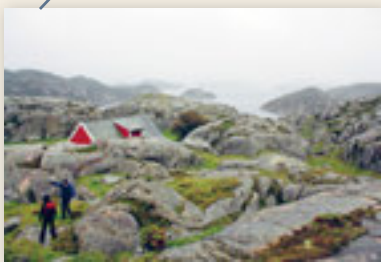
Hayfields, Ulvund



Hayfields, Flatekval



Hunting course for women, Bjæen



Coastal heather moors, Hanøy



Sources: On the ground on maps from the Norwegian Mapping Authority. Photo, The Office of the Auditor General

2.2.3 Review of awarded grants

The purpose of the review of awarded grants was to obtain knowledge about applicants and projects to study goal achievement and case processing. The following was studied for the years 2009–2011:

- who the grant recipients were
- the measures for which funding was applied
- which measures received grants, for example information in the applications relating to total cost and any other financing, amount applied for and amount awarded

The analysis was conducted for the same three grant schemes as the in-depth study for the years 2009, 2010 and 2011.⁹

Data was collected from the Directorate for Nature Management, county authorities and county governors. The Norwegian Joint Organisation for Outdoor Activities (FRIFO) also reviews individual applications following framework allocations from the Directorate. The organisation has supplied comparable data. However, the Directorate has not supplied an overview of the total number of applicants for 2009 and 2010 for local game-related measures and outdoor recreation measures.

2.2.4 Case file review

The purpose of the case file review was to ascertain whether the awarding of grants is in compliance with the principles for sound public administration and requirements relating to prudent case processing.

A case file review has been conducted of the grant scheme *Grants for game-related purposes, sub-Item 3 Local game-related measures etc.*. The County Governor, county authorities and the Directorate for Nature Management are responsible for the administration of the grant scheme. The county authorities consider applications associated with local game-related measures when the applications relate to species from which harvesting can take place, and the County Governor considers applications relating to endangered or vulnerable species or species from which harvesting cannot take place. The Directorate is responsible for applications from research institutions and central bodies in nationwide organisations.

All county governors and county authorities supplied documentation of all awarded grants for game-related purposes, sub-Item 3 concerning local game-related measures, for the 2011 application year. Furthermore, everyone provided documentation of one rejected case, which was randomly selected on the basis of data acquired about awarded grants. The Directorate for Nature Management submitted 21 cases under the item and five rejected cases. The following documentation was requested for each case:

- application including appendices
- case processing, i.e. internal documentation, resolutions etc.
- letters to grant recipients – allocation letters/rejection letter and other correspondence
- reports from grant recipients

The case files were analysed using a standardised analysis form. Some case files were incomplete or could not be included in the study for other reasons. In total, 349 case files were analysed, including 32 rejections. Only five of the 21 cases from the Directorate for Nature Management could be included in the analysis form as most of the cases were not comparable to the cases from the county governors and county authorities.

9) The responsibility for management of outdoor recreation measures at the county level was changed as of 2010 as a result of the administrative reform. The data for *Grants for outdoor recreation measures* were obtained from the county governors for 2009 and from the county authorities for 2010 and 2011. Correspondingly, the management responsibility for local game-related measures was split from 2010 onwards, whereas the county governor bore the sole responsibility in 2009. The analysis of grants for game-related measures was made on the basis of sub-Item 3 *Local game-related measures, etc.*. Grants for priority species and selected habitats were new in 2010.

2.2.5 Interviews

A total of four interviews were conducted with the Directorate for Nature Management. Moreover, a meeting was held to clarify lines of enquiry relating to the management of *Grants for game-related purposes*, sub-Item 3 regarding local game-related measures. In addition, a description of the case processing in the Directorate has been received as well as a description of the supervision dialogue.

The purpose of the interviews with the Directorate was to ascertain

- whether the reporting is used to assess goal achievement and application of the grant
- the grant schemes' contribution to goal achievement
- how the Directorate is followed up by the Ministry
- how the Directorate follows up county governors and county authorities and their work with the grant recipients

The Ministry of the Environment was interviewed to shed light on how the Ministry views the grant scheme's contribution to goal achievement. The Ministry was also interviewed to shed light on the Ministry's management and follow-up, including whether and, if so, how the Ministry makes use of the result information in its management.

Two group interviews were conducted with representatives from voluntary organisations where grants for outdoor recreation and biodiversity were discussed. The purpose was to illustrate how the organisations perceive the grant schemes. In addition, the Norwegian Institute for Nature Research was interviewed as they receive a significant share of the funding under Item 1425.71 *Grants for game-related purposes*.

2.2.6 Document analysis

The purpose of the document analysis was to examine the Ministry of the Environment's supervision dialogue and the Directorate's management and guidance provided to county governors and county authorities.

An analysis was made of key management documents:

- Proposition 1 S for the period 2009–2013
- The Ministry of the Environment's grant scheme circular
- regulations relating to the grant schemes
- allocation letters to the Directorate for Nature Management, official mission documents for the County Governor and letters of expectations to the county authorities for the years 2009–2012
- annual reports from the Directorate for Nature Management for the years 2009–2011
- reports from the county governors and county authorities to the Directorate for Nature Management for the years 2009–2011
- minutes from agency management meetings, meetings between the Directorate for Nature Management and county governors and meetings between the Directorate for Nature Management and county authorities for the years 2009–2011
- written guidelines from the Ministry of the Environment and the Directorate for Nature Management
- relevant action plans and other material relating to the grants

Documentation from the Office of the Auditor General's annual financial audits including information regarding the Directorate's guidelines for impartiality, ethics and procedures for notification of any suspected irregularities were used to illustrate systems for internal control. The case file review was also used to examine internal control.

3 Audit criteria

3.1 National goals

In its deliberations on Odelsting Proposition No. 52 (2008–2009) *Concerning the Act relating to the management of biological, geological and landscape diversity* (the Nature Diversity Act), cf. Recommendation O No. 100 (2008–2009), the Standing Committee on Energy and the Environment pointed out that safeguarding biodiversity is one of the biggest global environmental challenges of our time. In this connection, the Committee emphasised our duty to protect earth and its resources so that we hand the planet over to our children in a better condition than it was when we inherited it. Nature must therefore be conserved with respect, based on its intrinsic value and importance to people. The Committee saw the Nature Diversity Act in the context of Section 110b of the Norwegian Constitution, which states that "Every person has a right to an environment that is conducive to health and to a natural environment whose productivity and diversity are maintained. Natural resources should be managed on the basis of comprehensive long-term considerations whereby this right will be safeguarded for future generations as well."

The UN biodiversity convention was negotiated in 1992, and 192 countries and the EU have now signed the agreement¹⁰. Norway endorsed the convention in 1993, cf. the deliberations on Storting Proposition No. 56 (1992–1993) *Relating to consent to ratification of a convention on biological diversity of 22 May 1992*, Recommendation S No. 168 (1992–1993). The convention has three equally important goals:

- preserving biological diversity
- sustainable use of biological resources
- a reasonable and equal distribution of the benefits that follow from utilisation of genetic resources

As a follow-up of the convention, the management system must be knowledge-based, cf. Storting Report No. 42 (2000–2001) *Biodiversity* Recommendation S No. 206 (2001–2002). Legal and financial instruments must be designed to protect these assets. Information, research and expertise are instruments which are to assure quality and develop the system in a practical manner for all parts of the central and local management.

In Proposition 1 S (2011–2012), the Ministry of the Environment reorganised the target structure for the policy area. The reorganisation consisted of dividing the former performance area biodiversity and outdoor recreation into seven new performance areas. The first six performance areas are sectioned on the basis of the main ecosystems: living seas and coast, vibrant rivers and lakes, vigorous wetlands, diverse forests, magnificent mountain landscapes and valuable cultural artefacts and cultivated landscapes. In addition, outdoor recreation has become a separate performance area: active outdoor recreation.

The performance areas are related to national goals with indicators. National goals will to the extent possible be quantifiable and show which results should be aimed for on the national level in the longer term. The indicators relating to the national goals

10) <http://www.miljostatus.no/Tema/Naturmangfold/Internasjonale-konvensjoner/Konvensjonen-om-biologisk-mangfold/>



Several selected habitats are related to cultural environment.

Photo: The Office of the Auditor General

must be used in the result follow-up to indicate the status of and development in environmental condition. It must be possible to compare indicators from year to year and, where relevant, with other countries.¹¹

3.1.1 Biodiversity

Overall goals

In the deliberations on the Nature Diversity Act, the Storting established, cf. Odelsting Resolution No. 105 (2008–2009), that priority species and selected habitats should be defined. The King in Council can, through regulations, identify individual species as priority species and habitats as selected, to enable threatened species and habitats and other species or habitats in need of special protection in order to ensure continued existence in Norwegian nature, and over time achieve a satisfactory development, cf. Section 23 and 52 of the Nature Diversity Act. The national goals that “the most threatened habitats shall have the status of selected habitats” and “the most threatened species shall have the status of priority species”, are a recurring theme in all the ecosystem-based performance areas, cf. Proposition 1 S (2011–2012).

The Standing Committee on Energy and the Environment was satisfied that a species can be prioritised when threatened, when it is a species which Norway has a special responsibility for, or when there are international obligations associated with the species, cf. Recommendation O No. 100 (2008–2009). In its recommendation, the Committee agreed that selected habitats must be considered an arrangement for sustainable use, but to be an intermediate solution between area protection and general principles for sustainable use as regards restriction level.

Grants

The deliberations on the Nature Diversity Act resulted in the establishment of two grant schemes for priority species and selected habitats, cf. Recommendation O No. 100 (2008–2009) and Resolution O No. 105 (2008–2009). As regards the grant

11) Proposition 1 S (2011–2012) for the Ministry of the Environment.

scheme established with the instrument of selected habitats, the Standing Committee on Energy and the Environment stated that “If the intentions of the legislation are to be achieved, a financing scheme must be created with sufficient resources for stewardship and management of selected habitats. The Committee believes that it is important to maintain an overview of what happens in selected habitats, and that there must be full transparency as regards measures that become permitted in such areas.” It emerges from Odelsting Proposition No. 52 (2008–2009) *Concerning the Act relating to the management of biological, geological and landscape diversity (the Nature Diversity Act)* that grant funding must be seen in the context of the affected sectors’ own financial instruments. Also as regards priority species, the Committee was very positive to a grant scheme for active measures associated with the prioritised species, and stated that this would ensure that the intention of the legislation was implemented in this field, cf. Recommendation O No. 100 (2008–2009).

The grants for measures in connection with selected habitats and measures in connection with priority species are awarded over two sub-Items under Chapter 1427.82, cf. Proposition 1 S (2011–2012). For priority species, the purpose of the grant scheme is to safeguard plant and animal species designated as priority species. It is also a goal to safeguard the habitats of the prioritised species. The award criteria is that the funding will be used for measures that safeguard priority species, and for active stewardship or other types of measures which contribute to safeguarding or restoring ecological function areas for priority species. Goal achievement is assessed on the basis of the number of measures.

As regards selected habitats, the purpose of the grant scheme is to safeguard selected habitats. The award criteria is that the funding must go to active stewardship or other types of measures that contribute to safeguarding examples of selected habitats, and goal achievement will be assessed on the basis of the number of measures.

3.1.2 Game and freshwater fish

Overall goals

During the deliberations on the Nature Diversity Act, cf. Recommendation O No. 100 (2008–2009) and Resolution O No. 105 (2008–2009), the Storting endorsed the view that it is practical to gather the rules relating to the legal basis and terms for harvesting species on land (including in lakes and river systems) in the Nature Diversity Act, while gathering the rules relating to harvesting and other use of marine organisms in the Marine Resources Act. The Standing Committee on Energy and the Environment furthermore agreed that when deciding to permit harvesting of game and fish, emphasis must be placed on the species’ function in the ecosystem and the effects harvesting could have on other biological diversity, the importance for industry and recreation, harvesting traditions and the damage caused by the species.

For the three performance areas vibrant rivers and lakes, diverse forests and magnificent mountain landscapes, it is a goal that all animal and plant populations that can be harvested shall be harvested in an ecosystem-based and sustainable manner to ensure that the species exist in viable populations within their natural range by 2020, cf. Proposition 1 S (2011–2012). The grants for game and fishing-related measures under Chapter 1425 shall support these goals and goals in the area of active outdoor recreation.

Game

The purpose of the Wildlife Act, cf. Section 1, is that game and game habitats shall be managed in accordance with the Nature Diversity Act and to ensure that the productivity of nature and the diversity of species is preserved. Within this framework, game

may be harvested for the benefit of agriculture and outdoor recreation.

The hunter's licence fee and hunting fee go to a game fund to promote game management, cf. Section 43 of the Wildlife Act (Fish and Game Fund). Hunting fees that are set by the municipality are paid to corresponding municipal game funds. The Directorate can issue rules relating to the use of funding in municipal game funds. For the performance areas diverse forests and magnificent mountain landscapes, the game indicator is the number of species where harvesting and other culling has an important negative impact. This means that populations will not be threatened by harvesting and other culling.

Chapter 1425.71 *Grants for game-related purposes* aim to contribute to implementing tasks within game management and measures organised by private individuals, clubs and organisations where the measures are of a regional, inter-municipal or national nature. The Item is divided into four sub-Items: *Measures for species in the deer family*, *Wild reindeer measures*, *Local game-related measures*, etc. and *Game monitoring*. Measures that are eligible for grants include mapping of game interests and the habitats of game/game resources, incorporation into municipal plans pursuant to the Planning and Building Act, measures where the purpose is to improve overview of the population, establishment and operation of local cooperation councils, participation in the operating plan work of rights holders, research, development and student assignments, organisations, clubs and associations that want to implement measures, and other prioritised game-related purposes. The goal achievement criterion is whether the scheme contributes to achieving the overall goal of a harvestable regional and national surplus.

Freshwater fish and liming

In the deliberations on Storting Proposition No. 32 (2006–2007) *On protection of wild salmon and completion of national salmon river systems and salmon fjords*, cf. Recommendation S No. 183 (2006–2007), the Standing Committee on Energy and the Environment was of the opinion that preserving the Atlantic salmon is important to preserve biological diversity, the tourism industry in the rural regions, recreational fishing and access to genetic material for the fish farming industry. The committee was of the opinion that liming of river systems remains very important. Acid precipitation remains a serious threat to biodiversity in freshwater. The committee pointed out that acid precipitation has declined significantly since 1980, but that southern Norway remains severely affected even after 2010.



Grants for game-related purposes are financed through the hunter's licence fee to a game fund. Hunters for elk and deer also pay a fee to a municipal game fund. Hunters for wild reindeer pay an additional fee to the game fund.

Photo: The Office of the Auditor General

Chapter 1427.70 *Grants for liming and local fishing-related purposes*¹² aim to reduce the negative effect of acid precipitation and other serious, anthropogenic threats. The grant scheme can also be used to reveal a need for measures or provide a basis for efforts that could reduce the need for liming in Norway. Grants may be provided for purchase, transport and distribution of lime and necessary installations. Grants are awarded for fish cultivation measures and other measures to strengthen fish stocks in limed river systems and for testing of liming and alternative measures in the field. The Item also covers information about the effects of implemented measures and guidelines for liming of lakes and river systems. The grant recipients are organised clubs such as hunter and angler associations, industrial fishing associations, land owner associations, etc., and municipalities. The goal achievement criterion is whether good water quality is achieved in the limed areas.

A fish fund has been established pursuant to Section 29 of the Act relating to Salmonids and Freshwater Fish to finance fish cultivation measures. When financial support is awarded to cultivation measures from the public sector or from the fish fund, terms can be set for the grants to the effect that fishing or a relative share of fishing shall be managed for the benefit of the general public, cf. Section 26.¹³ It is a goal to safeguard the wild salmon populations and their genetic diversity so that they exist in viable populations in their natural habitats, cf. Proposition 1 S (2011–2012).

Chapter 1425.70 *Grants for fish-related purposes* aim to contribute to the management and measures related to sustainable use of anadromous salmonid populations (salmon, sea trout and sea char) that can be harvested for the benefit of anglers and landowners. Grants can be given for investments, special operating expenses for fish-promoting purposes, applied research and monitoring, and measures can be aimed directly at recruitment for or encouraging fishing. The goal achievement criterion is whether the scheme, through support for sound fish management, cultivation measures and contributions from local communities and landowners contributes to a harvestable surplus. Since 2002, the scheme has been directed only at measures in connection with anadromous salmonids, as only fishing for these species is subject to a fee.

3.1.3 Outdoor recreation

Overall goals

The Outdoor Recreation Act governs the relationship between landowners and the general public, and defines what is cultivated land and what is uncultivated land. The purpose of the Outdoor Recreation Act is to protect the natural basis for outdoor recreation and secure the public's right to roam and camp in nature. The Act shall promote and preserve the opportunity to engage in outdoor recreation as an environment-friendly leisure activity that promotes health and well-being.

In the deliberations on Recommendation S No. 114 (2000–2001), cf. Storting Report No. 39 (2000–2001) *Outdoor recreation. A gateway to higher quality of life*, the Standing Committee on Energy and the Environment was of the opinion that outdoor recreation policy must aim to promote outdoor recreation for all in harmony with nature, and that the main emphasis must be non-competitive and non-motorised outdoor recreation activities in generally available nature areas. The Committee was of the opinion that the work of voluntary organisations to promote outdoor recreation interests should be given more emphasis.

12) In the 2013 national budget, the item changed name to *Grants for water environment measures*, and the item has been expanded to include multiple types of measures. Grants for liming are awarded based on sub-Item 1.

13) All persons above the age of 18 must pay a fishing licence fee to the Norwegian state to fish salmon, salmon trout or sea char in river systems or in the sea using permanent fishing equipment. The licence fee goes to the Norwegian state's fish fund, which is used to preserve fish stocks and facilitate fishing.

In Proposition 1 S (2011–2012), the Ministry of the Environment referred to the fact that outdoor recreation generates increased well-being, improves public health and raises understanding of and interest in preserving nature assets and cultural artefacts. Everyone should have the opportunity to engage in outdoor recreation activities in their local area and elsewhere in nature. During the deliberations on the budget, the majority of the Standing Committee on Energy and the Environment underlined the significance of outdoor recreation and the importance of securing areas. The Committee majority was satisfied that efforts are being made to secure outdoor recreation areas, and that areas in the coastal zone with strong population pressure and areas near residential areas are being prioritised.

It emerges from Proposition 1 S (2011–2012) that areas that are valuable for outdoor recreation must be secured and managed in order to preserve natural basis. The number of nature areas secured annually with contributions from the State and the percentage of outdoor recreation areas secured with contributions from the State which have their own management systems are indicators for this goal.

Grants

The State's protection of outdoor recreation areas through Chapter 1427.30 takes place: 1) by the State securing outdoor recreation areas of national or regional value through acquisition or establishment of permanent user rights agreements¹⁴ with landowners, or 2) through State contributions to promote protection of important local outdoor recreation areas near cities and towns through municipal acquisition or permanent user rights agreements. It is assumed that such areas will be permanently reserved for general outdoor recreation with a registered clause to the effect that the area cannot be used for other purposes without approval from the State represented by the Directorate for Nature Management. It is particularly crucial that areas near major population centres and areas in the coastal zone are secured.

Grants for outdoor recreation measures, Chapter 1427.74, aims to contribute to promotion measures and attitude-forming work as regards outdoor recreation. Emphasis is placed on strengthening the general public's interest in outdoor recreation. The funding shall be used for work with and specific measures for the promotion of outdoor recreation as the basis for sound health habits and good environmental attitudes, primarily directed at children, young people, people with disabilities, and ethnic minorities.



Children are a prioritised group for outdoor recreation measures.

Photo: The Office of the Auditor General

14) The permanent user right agreement is a restrictive covenant, i.e. a provision which restricts the right to free use of one's own property.

The primary target group is clubs and organisations involved in activity-promoting measures for outdoor recreation. Goal achievement must be documented through the performance indicators in the performance area active outdoor recreation.

3.2 Public administration

3.2.1 The Ministry of the Environment's overall responsibility

The Ministry has the overall responsibility for subordinate agencies organising activities in line with the Storting's decisions and intentions and in accordance with the Ministry's established goals and priorities.¹⁵ It emerges from Section 8 in the Regulations on Financial Management in Central Government (The Finance Regulations) that the ministries for the individual grant schemes are to describe goals, goal achievement criteria and award criteria, as well as stipulating provisions relating to follow-up and supervision. It emerges from the Provisions on Financial Management in Central Government (the Provisions) that the Ministry is to ensure that the management of grant schemes is organised in an efficient and suitable manner.

The Directorate for Nature Management is the Ministry of the Environment's central advisory and executive expert agency within nature management. The Directorate's work is a precondition for implementing national policies and implementing specific measures at national, regional and local levels. The Directorate for Nature Management has, in cooperation with the Climate and Pollution Agency, the scientific instruction authority and guidance responsibility vis-à-vis the county governors in environmental issues.¹⁶ The Directorate shall, in accordance with the 2011 allocation letter from the Ministry of the Environment for 2011, provide guidance for the county governors. The county governors manages some of the grant funding covered by this audit. The Ministry of the Environment shall therefore, in the allocation letter or in special regulations for the individual scheme, specify the requirements relating to goals, goal achievement criteria, award criteria, follow-up and supervision and evaluation to the extent necessary, cf. the Chapter 6.2.2.1 of the Provisions.

The county authorities have the management responsibility for several of the grants covered by this audit. This is a responsibility they have been given as a result of the public administration reform, cf. Odelsting Proposition No. 10 (2008–2009) *Concerning the Act relating to changes to public administration legislation etc. (implementation of the public administration reform)* and Recommendation O No. 30 (2008–2009), recommendation from the Standing Committee on Local Government Public Administration to Odelsting Proposition No. 10 (2008–2009). The public administration reform entails that central environment authorities must follow up two regional agencies instead of one. This involves follow-up, communication and guidance of the county authorities. It also emerges from the Provisions, Chapter 6.2.2.2, that the Ministry shall prepare assignment letters defining criteria for goal achievement, award criteria, follow-up and supervision and evaluation. The Ministry shall supervise that the public administration is exercised in a prudent manner.

Management by objective and results is an overall management principle for state agencies, cf. Section 4 of the Regulations on Financial Management in Central Government (the Finance Regulations). The Ministry shall follow up the Storting's decisions and intentions in the annual allocation letter to the agencies.

15) Provisions on Financial Management in Central Government, Chapter 1.2.

16) Proposition 1 S (2011–2012).

The Ministry shall plan its management of the agencies in both one-year and multiple-year perspectives. Management and follow-up shall be adapted to the nature of the agencies, as well as risk and significance, cf. Provisions on Financial Management in Central Government, Chapter 1.3. All agencies must, within their areas of responsibility, stipulate goals and performance requirements within the framework the superior authority has issued, cf. Section 4 of the Finance Regulations. The agency must ensure that goals and performance requirements are met, that the use of resources is efficient, and that the agencies operate in accordance with applicable acts and rules, including requirements for sound management practices, impartiality and ethical conduct. The agency is responsible for implementing activities in line with the Storting's decisions and intentions and priorities from the Ministry.

It follows from Section 9 of the Finance Regulations that all agencies shall report goal achievement and results internally and to the superior authority. The performance reporting can include input factors, activities, products and services, in addition to effects vis-à-vis users and society in general, cf. Chapter 1.5.1 of the Provisions. The Ministry and the grants administrator shall ensure that evaluations are performed to obtain information about whether grant schemes are effective as regards resources spent, organisation and set goals, cf. Chapter 6.5 of the Provisions. In the budget proposition, the Ministry shall report the results in its area of responsibility to the Storting, cf. Section 11 of the Financial Management Regulations.

3.2.2 Internal control

According to Section 14 of the Finance Regulations and Item 2.4 in the Provisions, all State agencies shall establish internal control. The internal control shall contribute to satisfactory goal achievement and results, and prevention, identification and correction of any significant deviations to the extent necessary. The internal control shall also contribute to prevention and discovery of fraud. The leadership of the agency is responsible for ensuring that the internal supervision is adapted to risk and significance, that it works in a satisfactory manner and that it can be documented. Internal control must primarily be part of the agency's internal management. The agencies are required to secure expertise in performance follow-up and supervision. The leadership shall also identify risk factors which can contribute to failure to achieve the agency's goals, and it shall implement corrective measures which can reasonably be expected to reduce the probability of failure to achieve the goals.

3.2.3 Administration of grant schemes

According to Chapter 6.3.2 of the Provisions, announcements shall be made in a manner which reaches the entire target group for the grant allocation.

The processing of applications shall follow the rules in the Public Administration Act and in any special acts relating to the grant scheme. It follows from the Public Administration Act and non-statutory legal administration principles that case processing shall be factual and objective, and ensure equal treatment. Section 23 of the Public Administration Act requires administrative decisions to be in writing. The Office of the Auditor General assumes that awarded grants covered by this audit are administrative decisions pursuant to the Public Administration Act. The administrative agency must state the grounds when the decision is made, cf. Section 24. Section 28 of the Public Administration Act states that administrative decisions can be appealed. Both applicants who receive grants, and applicants who do not receive grants shall receive letters informing them accordingly, cf. Chapter 6.3.3 of the Provisions and Sections 7 and 8 of the regulations for the various schemes. The awarding agency shall in its allocation letter to the individual recipient state the purpose and terms for the grant and grant amount, including any reservations concerning follow-up and

supervision in accordance with Section 10, second subsection of the Norwegian Public State Finance Regulations. Recipients of grants whose applications are rejected or who do not receive as much funding as they applied for, must be told why.

According to Section 5 of the Norwegian Public State Finance Regulations, award decisions shall be related to each individual expense and income item, and as a main rule, expense allocations cannot be exceeded or used for other purposes than those intended by the Storting. Expense allocations shall be disposed of in a manner which ensures that the resources and instruments are effective in relation to the intended results, cf. Section 10 of the Norwegian Public State Finance Regulations. For grants or loans to public-sector or private activities that are otherwise not subject to government supervision, provisions must be made for the awarding agency's right to verify that the funding is used as intended, cf. Section 10 of the Norwegian Public State Finance Regulations. To ensure correct case processing in the award and disbursement of grants, the awarding agency must have established systems, routines and measures to prevent, identify and correct flaws and deficiencies, cf. Chapter 6.3.8.1 of the Provisions. According to Chapter 6.3.8.2 of the Provisions, the awarding agency shall verify the information submitted by the recipient which is of significance for the awarding agency's calculation of grant amounts and awards. Implemented supervision measures must be documented in a satisfactory manner.

According to Chapter 6.3.6 of the Provisions, the awarding agency shall obtain reports from grant recipients that enable assessing the degree of goal achievement. The goal achievement criteria shall comply with the Storting's decisions and intentions. The criteria shall be specific and precisely formulated to enable follow-up without disproportionately high costs. The reporting requirements shall not have a greater scope than is reasonable in relation to the benefit the grant recipient receives from the grant. The practical opportunities the individual recipient has to obtain information must also be taken into account. In its deliberations on Storting Report No. 39 (2006–2007) *Voluntary work for all*, Recommendation S No. 104 (2007–2008), the Standing Committee on Family and Culture supported the intention of improving the balance between the need for supervision with the use of public funding and the concern for more flexible procedures and rules for handling the support schemes in the organisations.

4 To what extent is the Ministry of the Environment's management of the grant schemes designed to ensure goal achievement?

The Ministry of the Environment has the overall responsibility for policy in relation to biodiversity and outdoor recreation. The requirements relating to management and reporting of grant funding emerge from the Ministry's budget proposition, the annual circular on grants and the regulations relating to the individual grant item. The annual circular relating to grants forms part of the basis for awarding grant funding, and addresses the goal of the scheme, award criteria, practical information as to who applications should be styled to, case processing and application deadlines. The circular is revised annually. Regulations have also been prepared for the administration and reporting of each individual grant item.

For the budget years 2010 and 2011, the Office of the Auditor General had critical comments to the management of grants in the Ministry of the Environment's areas of responsibility. The comments concerned reporting and lack of evaluations, cf. Document 1 (2011–2012) and Document 1 (2012–2013).

To achieve correct budget allocations in line with the Storting's Finance Regulations and to achieve a scientifically correct classification, the Ministry of the Environment has reviewed the items under budget chapters 1425, 1426 and 1427 in the work on the budget for 2013. This has resulted in several major changes under these budget chapters, cf. Proposition 1 S (2012–2013). See also Appendix 1.

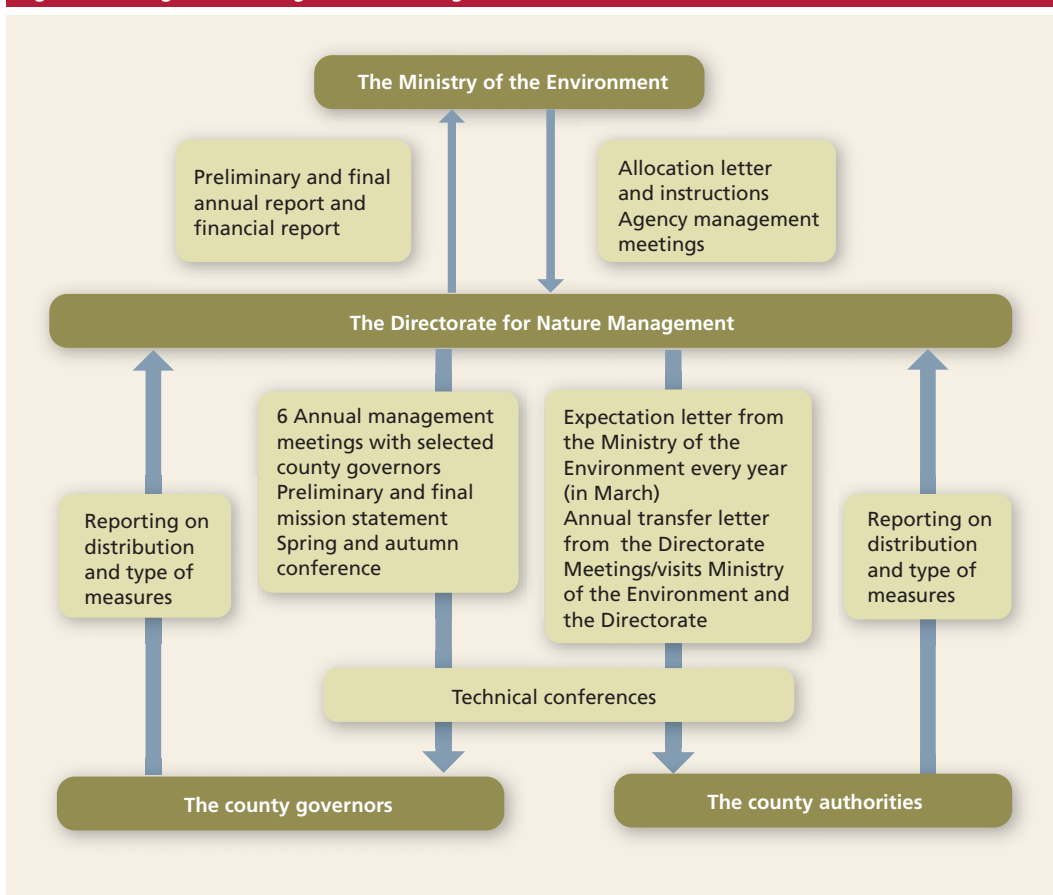
4.1 Supervision dialogue

The underlying agencies' responsibility for and tasks in connection with the administration of grants are described in the following management documents:

- The Ministry of the Environment's allocation letter to the Directorate for Nature Management
- Official mission document to the county governors and supplementary allocation letter to the county governors from the Directorate for Nature Management
- expectation letter to the county authorities from the Ministry of the Environment and transfer letter from the Directorate to the county authorities

Figure 1 shows management documents and meeting venues where grants and the management of grant schemes are discussed.

Figure 1 Management dialogue and meeting venues



Source: The Directorate for Nature Management

As shown in Figure 2, the responsibility for managing the grant schemes covered by this audit is shared by the Directorate for Nature Management, the county governors and the county authorities.

Figure 2 Management responsibility for grant schemes

Grant scheme	The Directorate for Nature Management	County governors	County authorities
Game and fish-related measures:			
Grants for fish-related purposes	X	X	
Grants for game-related purposes	X	X	X
Grants for water environment measures	X	X	
Outdoor recreation:			
State acquisitions and protection of outdoor recreation areas	X		X
Grants for outdoor recreation measures	X		X
Priority species and selected habitats:			
Grants for priority species and selected habitats		X	

Source: The Office of the Auditor General

4.1.1 Allocation letter from the Ministry of the Environment to the Directorate for Nature Management

The Ministry of the Environment communicates its policy guidelines to the Directorate for Nature Management in annual allocation letters, instructions¹⁷ and formal meetings. The Directorate gives feedback on the draft allocation letter.

The grant items are listed in the allocation letter, but are not explicitly related to the different performance areas or goals they are intended to contribute to achieve.

4.1.2 Supervision and guidance of the county governors and county authorities

The mission document and allocation letter to the county governors

The Directorate for Nature Management has, in cooperation with the Climate and Pollution Agency, the scientific instruction authority and guidance responsibility vis-à-vis the county governors in environmental issues. The county governors receive their mission documents and supplementary allocation letters from the Directorate. The Ministry of Government Administration, Reform and Church Affairs issues preliminary and final allocation letters.

The official mission document contains a complete overview of the county governors' permanent and ongoing duties and associated reporting requirements. In the allocation letter, the annual allocation is put at the disposal of the public offices, and the letter also describes the premises for the county governors' assignments, the performance requirements and how to report. Supplementary allocation letters are sent to the county governors as a formal confirmation of allocations under the budget chapters that are the responsibility of the Directorate for Nature Management.

The Directorate states that they maintain close dialogue with the county governors from when the temporary mission documents are distributed and up to the formulation of the final mission document.

Expectation letters to the county authorities

County authorities receive expectation letters from the Ministry of the Environment stating overall assignments, courses available, guidance and meeting venues with the environmental administration. The letter provides information about the grant items for which the county authorities are responsible, the guidelines that apply for the schemes, and how the spending of the allocated funding should be reported. The county authorities also receive an annual transfer letter from the Directorate for Nature Management that addresses the regulations for the various grant schemes and provides information on how to manage and report the schemes. The Directorate for Nature Management states that the grant schemes and any challenges relating to their management are discussed in annual conferences where the county authorities are invited.

Guidance of county governors and county authorities

The Directorate for Nature Management states that the guidance role is exercised through management documents and in conferences and gatherings for the case officers in the Directorate, the county governors' environmental departments and the county authorities. Continuous dialogue in connection with application rounds and electronic application centre is also part of the guidance role.

The county authorities and county governors state that they generally agree or fully agree that it is easy to get answers to questions relating to the administration of the

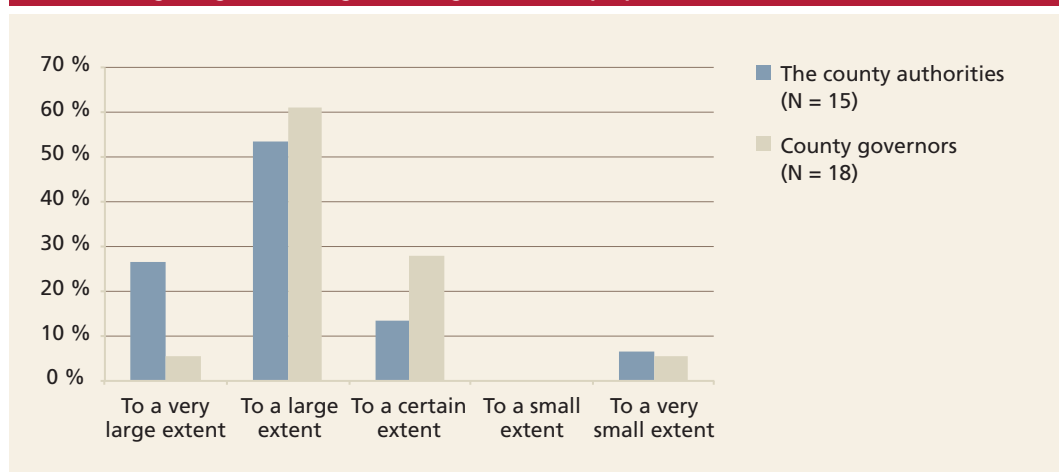
17) Implemented as of 2013.

grant schemes from the Directorate. Many of county authorities and county governors have participated in conferences or meetings held by the Directorate in both 2011 and in 2012, where most of the grant schemes were covered. The exception is the grant scheme for game-related purposes, where about half the county authorities and 90 per cent of the county governors respond that they have not participated in meetings or conferences where this was a topic. About 67 per cent of the county governors have not participated in conferences or meetings covering grants for fish-related purposes.

4.2 Cooperation and distribution of tasks between the agencies

For the item *Grants for game-related purposes*, the administrative responsibility is shared by the county authorities and county governors. The county authorities have the administrative responsibility for huntable species, while the county governors are responsible for species where hunting is not permitted. In addition, the Directorate for Nature Management awards grants over the item.

Figure 3 How effective is the division of tasks between the county authorities and the county governor as regards grants management to game-related purposes?



Source: The Office of the Auditor General

The county authorities' and county governors' replies in the questionnaire survey shows that the respondents predominantly believe that the division of tasks functions well, cf. Figure 3. 80 per cent of the respondents from the county authorities believe that the division of tasks functions very well or well, while two-thirds of the county governors believes the same.

5 To what extent are the grant schemes managed in line with the Storting's decisions and intentions?

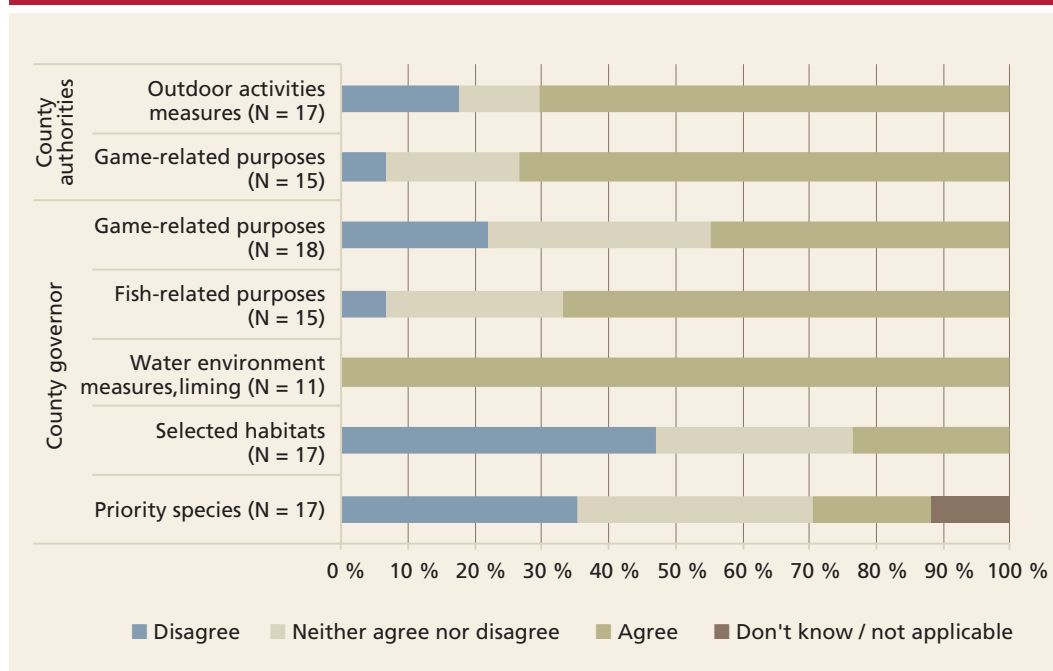
5.1 Announcement of the grant schemes

All environmental grant schemes are announced in the Ministry of the Environment's annual grant circular and on the Directorate for Nature Management's website. The announcement states the goal of the schemes, award criteria and practical information such as the administrative body, case processing details and application deadline. The Directorate for Nature Management states that the grant schemes are announced on their website and in the grant circular. Grant schemes are announced on specific websites, in relevant discipline gatherings, through cooperation with municipalities and in communication with specific target groups. The Directorate states that some counties do not announce beyond the announcements on the Ministry's and the Directorate's websites, as they receive a large number of applications and believe that they reach the target groups.

In the questionnaire survey, the county governors and county authorities state that they do a lot to make the grant schemes they manage better known. Most provide information to municipalities, communicate with relevant target groups, present grant schemes in relevant meetings or discipline gatherings and announce them on their own websites.

There is some variation between the county governors and county authorities as regards whether they believe that the grant schemes are well enough known to attract a sufficient number of relevant applications, cf. Figure 4.

Figure 4 The grant scheme is sufficiently known to attract a sufficient number of relevant applications. The county governors' and county authorities' responses



Source: The Office of the Auditor General

Figure 4 shows that most county authorities believe the grant schemes for game-related purposes are well enough known. As regards outdoor recreation measures, almost 20 per cent of the county authorities disagree with the statement that the grant schemes are sufficiently well-known to attract a sufficient number of relevant applications. Grants for priority species and selected habitats are a relatively new grant scheme. Almost half the county governors disagree with the statement that the grant scheme for selected habitats is sufficiently known. 35 per cent of the county governors disagreed with the statement that the grant scheme for priority species is sufficiently well-known to attract a sufficient number of relevant applications. As regards the grant scheme for game-related purposes, 20 per cent of the county governors disagreed with the statement that the scheme was sufficiently well-known. Most county governors believe that grant schemes for fish-related purposes are sufficiently well-known, and everyone agreed that the grant scheme for water environment measures was well enough known to attract sufficient relevant applications.

5.2 Requirements relating to the content of applications

The Directorate for Nature Management has established an electronic application centre containing application and reporting forms and relevant information for applicants. The centre is the recipient address for grant applications, regardless of which administrative body will process the application. The application deadline for all schemes is 15 January. One important purpose of the electronic application centre is to ensure that applications are completed in line with the regulations.

349 case files in connection with grants for game-related purposes have been reviewed to investigate whether the award of grants is in compliance with the principles for sound public administration and requirements relating to prudent case processing.

The case file review studied how key regulatory requirements were met in the applications. The requirements relating to application content follow from the rules for administration of grants for local game-related measures.¹⁸ The main requirements are principally the same for all grants schemes covered by this audit. The Ministry of the Environment's circular letter for grant schemes points out that completion of applications in the electronic application centre ensures that applications comply with the regulations. When applications for grants for local game-related purposes are completed in the application centre, the applicants are, however, not asked to state the requirements for scientific description of the project. Table 1 shows that most of the applicants do, however, meet the requirements relating to scientific description of the project.

Table 1 Requirements relating to scientific description of the project in applications for grants for local game-related measures in 2011

Requirements relating to scientific description of the project/measure	Percentage of case files which meet the requirement
The goal for the project and who benefits from the project	95
Expected result	86
How the project was planned	86
Project progress	73

Source: The Office of the Auditor General

18) Stipulated pursuant to Chapter 11-3.2 of the Ministry of Finance's functional requirements relating to financial management in the State, cf. Sections 6.2 and 7.2 of the Financial Management Regulations of 3 October 2000.

In total, 69 per cent of the applications meet the four requirements relating to scientific description as mentioned in Table 1. Furthermore, 12 per cent of the applications contain three of the four requirements relating to scientific description and 12 per cent include two of the four requirements. Three per cent of the applications contain just one of the four requirements and three per cent of the applications contain none of the four.

5.3 Application processing

Applications within three grant schemes have been analysed:

Table 2 Total cost, total grants applied for and grants approved for the three grant schemes in 2011¹⁹

	Total cost for measures in NOK million	Amount applied for in NOK million	Amount awarded in NOK million*	Percentage awarded of applied-for amount	Average awarded amount per recipient in NOK
<i>Grants for game-related purposes, sub-Item 3 relating to local game-related measures</i>	169.8	56.1	29.9	53	60 000
<i>Grants for outdoor recreation measures</i>	132.5	60.3	22.6	38	80 000
<i>Grants for priority species and selected habitats, sub-Item 2 relating to selected habitats</i>	19.7	14.4	15.1	105	55,000

* Book amount deviates somewhat from the stated awarded amount. The deviation has multiple causes. One is transfers from one year to the next.

Source: The Office of the Auditor General

Table 2 shows that applications for coverage of the full costs of a measure or project are rare. The table shows that there are major variations in the extent to which the applications are approved between the three grant schemes. For outdoor recreation, 38 per cent of the total applied-for amount was awarded. The average awarded grant amount for outdoor recreation measures was NOK 80 000 in 2011. For local game-related measures, about half the total applied-for amount was awarded. The average amount awarded to game-related measures was NOK 60 000 in 2011. Most of the grant recipients that had the full applied-for amount awarded were private organisations and clubs which applied for less than NOK 10 000. On average, the Directorate for Nature Management awards higher amounts in the scheme than the county authorities and county governors.

For measures for priority species and selected habitats, the awarded amount exceeds the total applied-for amount. This is due to the fact that some grants are awarded by the county governors without application. The applicants to this grant scheme received NOK 55 000 on average in 2011.

One-third of the county governors and county authorities comment that promotion of good measures under the game grant is limited by low available funding. Correspondingly, 10 out of 17 county authorities state the same for the outdoor recreation item. A few county authorities comment that they do not advertise the scheme to any extent as there is so little funding. Furthermore, one county authority stated that the outdoor recreation scheme generates a lot of activity for little money, as the voluntary aspect is so strong. Other sources of financing include voluntary unpaid work, own funds and, to some extent, other public grants.

19) There are deficiencies relating to some of the data submitted. The amounts are minimum estimates. The award percentage may therefore be somewhat lower.

5.3.1 Verifiability and transparency

The review of 349 case files under the item *Grants for game-related purposes*, sub-Item 3 relating to local game-related purposes, for the 2011 application year, shows that 5 out of 19 county authorities and 3 out of 18 county governors have complied with *all* content requirements in *all* allocation letters issued under the administration of Item 71.3 in 2011. Appendix 2 shows that regulatory compliance among the county authorities, county governors and Directorate varies. Reviewed cases from the Directorate for Nature Management also shows that these allocation letters do not meet all requirements in the regulations.

The Directorate for Nature Management has the following criteria for prioritisation of applications for wild-life-related grants:

- projects that have received funding from the Research Council, and where a supplementary grant can generate added game management value
- projects that entail monitoring/mapping lasting several years
- projects with a national scope
- individual applications evaluated on the basis of a scientific prioritisation, for example species with particular management-relevant issues

The Directorate states that these are criteria that have applied for quite some time, and which shall provide guidance for the case processing, although they are not in writing. The Directorate communicates these criteria to individuals and organisations upon request.

The review of 349 case files for wild-life-related grants looked into whether the grant administrator made it clear to the applicants which priorities were applied in the decisions to award funding. The awarding agency does so in 56 per cent of the cases. In the rejection cases, the priorities were stated in 65 per cent of the cases.

The questionnaire survey showed that the county authorities explain to the applicants the priorities made when distributing funds to a greater extent than the county governors do. The priorities are not stated for

- two out of three county governors
- one out of three county authorities
- four out of five cases decided by the Directorate

The case file review shows that slightly more than half the applicants for local game-related measures received a partial grant in relation to the amount applied for in 2011. In three out of four cases, the county governors and county authorities gave no grounds for reducing the amount applied for. The county authorities gave no grounds in 81 per cent of the cases, and county governors gave no grounds in 70 per cent of the cases.

Of the 32 rejection cases studied in the case file review, no grounds were given in nine of the cases.

5.4 Information about the right of appeal

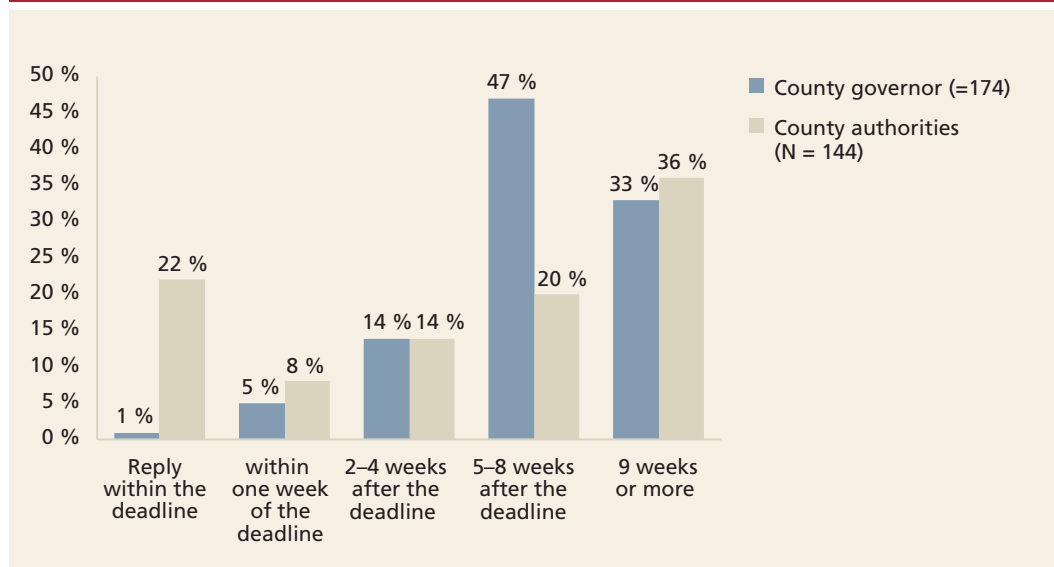
The review of 349 cases processed by the county governors and county authorities shows that the 44 per cent of applicants who were awarded part of the applied-for amount, were not informed of the right of appeal. In addition, the Directorate did not inform applicants who received parts of the applied-for amount of the right of appeal.

In almost half the 32 rejection cases from the county governors and county authorities, the applicants were not informed of the right of appeal. In the cases where the Directorate rejected the applications, no information was provided about the right of appeal. The Directorate for Nature Management states that they have no overview of how many appeals the county governors receive, and whether they are upheld. Furthermore, the Directorate states that they know that some county governors and county authorities do not issue information about the right of appeal in their rejection letters.

5.5 Application processing times

The case file review shows that 90 per cent of applicants who received grants for local game-related purposes in 2011 did not receive a reply within the deadline, which is 15 March. See Figure 5.

Figure 5 Responses from county governors and county authorities to applications under the Item Grants for game-related purposes, sub-Item 3 Local game-related purposes etc. (as a percentage)



Source: The Office of the Auditor General

Figure 5 shows that only 1 per cent of the applications for grants to the county governors received a response within the deadline. 22 per cent of the applications to the county authorities received a reply within the deadline. As emerges from the figure, 80 per cent of the grant applications to the county governors received a response later than 5 weeks after the deadline. Correspondingly, 56 per cent of applications to the county authorities received a response five weeks or more after the deadline. In total, 69 per cent of applications received a reply more than five weeks after the deadline.

Of the 32 rejection cases from the county governors and county authorities studied, only six received a response within the deadline. Of the applications that did not receive a response within the deadline there were

- 2 which received a response within 1 week of the deadline
- 5 who received a response 2–4 weeks after the deadline
- 12 who received a response 5–8 weeks after the deadline
- 7 who received a response 9 weeks or more after the deadline



Several measures are carried out during the summer and autumn.

Photo: The Office of the Auditor General

It emerges from the replies to the questionnaire survey aimed at county governors and county authorities that it is challenging to comply with the deadline²⁰ for responding to the applicants for the schemes they administrate. Most state late award of funding from the Directorate for Nature Management as the major cause of not complying with the deadline. Heavy workload is also mentioned. In the county authorities, political processing is also stated as a possible reason for not complying with the deadline.

The Ministry of the Environment asserts that it is unfortunate if the deadline for responding to applications as set in the regulations is not complied with, and especially if late response results in applicants not being able to implement measures that must be carried out in the summer months. The Ministry states that it has not been informed that responding to the applications takes a long time.

5.6 Internal control for the grant administrators

The Directorate for Nature Management has written guidelines relating to impartiality and ethics. Three out of four county governors and two out of seven county authorities lack written routines for securing case officer impartiality.

The Directorate has guidelines and a manual for whistleblowing, and has established a whistleblowing group and decision group. In addition, the Directorate has signed an agreement with the occupational health service, which will function as a whistleblower channel for those who want to be anonymous. About three out of five county authorities have written routines to prevent fraud. One out of ten county governors has written routines to prevent and uncover fraud.

As regards the Directorate's supervision with the county governors, the Directorate emphasises the challenge in the level of detail the Directorate can demand in its review of the work performed by the county governors. The capacity of the Directorate is also a limiting factor for follow-up and supervision.

20) The deadlines may vary somewhat between the different grant schemes.

6 To what extent do the grant schemes contribute to goal achievement?

6.1 Goal achievement – national goals

The Ministry of the Environment states that grants are one of several instruments for achieving national goals, and that the grant schemes can be directed at several of these targets. The Ministry states that the connection between goals and grant schemes is not clear-cut, and that for many grant schemes, it is challenging to report how they contribute to achieving the national goals.

The review of allocation letters to and reporting from the Directorate for Nature Management shows that the Ministry has not gathered goal achievement information. Analysis of Proposition 1 S for the years 2009, 2010 and 2011 shows that goal achievement for each grant item and the grant items' contribution towards reaching the national goals have not been reported. The Ministry states that the reporting on resource use for each grant item has been included in Proposition 1 S for the 2013 budget as a result of the Office of the Auditor General's findings in Document 1 (2011–2012). The reporting is based on input provided in the Directorate for Nature Management's proposed budget for 2013. The Ministry states that they will continue the work to link the reporting with the national environmental goals.

The national goals were adjusted in the budget proposition for 2012, and performance areas and instruments have been included in a separate chapter. According to the Ministry of the Environment, the actual effect of the grants cannot be evaluated from year to year, but must be evaluated in a long-term perspective and in the context of other instruments and causes. The Ministry of the Environment states that the knowledge basis has improved in recent years, which makes it easier to design good instruments and indicators, as well as achieving improved status measurement.

The Directorate for Nature Management states that the work on the grant schemes is largely governed by activity. It can therefore be difficult to identify each grant scheme's specific contribution to the national goals. County governors and county authorities report their awarded grants in a spreadsheet to the Directorate. From this reporting, the Directorate has information about the number of applications, amounts granted and which measures have received grants. The Directorate states that it is challenging to receive uniform and correct information from the administration units in order to be able to analyse the effect of the various grant schemes.

6.1.1 Evaluation of grant schemes

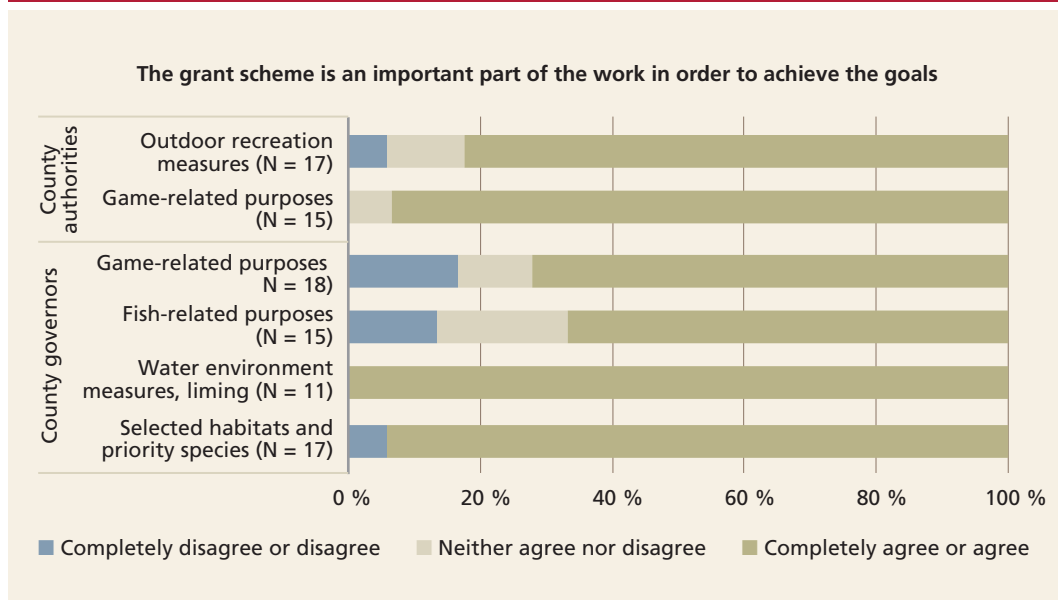
The Directorate for Nature Management states that there are few evaluations of the grant schemes. Five of the county governors and one county authority state that they have taken the initiative to evaluate the grant schemes. The Directorate confirms that it has not evaluated how the grant schemes contribute to goal achievement with regard to the national goals. Some of the schemes were established *before* the current national goals. The Directorate emphasises that systematic evaluations of the various schemes' contribution to goal achievement are needed. The Ministry of the Environment notes that evaluations come with a cost, and that it is challenging to set aside money for this purpose. The Ministry stresses that the grant scheme for *priority species and selected habitats* has not existed long enough for it to be evaluated yet.

The Directorate for Nature Management states that the organisation of each grant scheme has not been systematically reviewed after the regulations for the schemes were stipulated. With the exception of the regulations for the item *Grants for priority species and selected habitats*, from 2010, the regulations have remained unchanged since 2000. Changes to the administration of the grant items in connection with the administration reform are therefore not reflected in the regulations for the grant schemes. The Ministry of the Environment states that the Directorate for Nature Management has been asked to review all grant regulations in 2013.

6.2 Goal achievement for the individual grant scheme

The questionnaire survey sent to county governors and county authorities shows that respondents believe that the grant schemes contribute to achievement of the goals in the area. The degree of goal achievement contribution varies between grant schemes, cf. Figure 6.

Figure 6 The county authorities' and county governors' perception of the grants' contribution to goal achievement

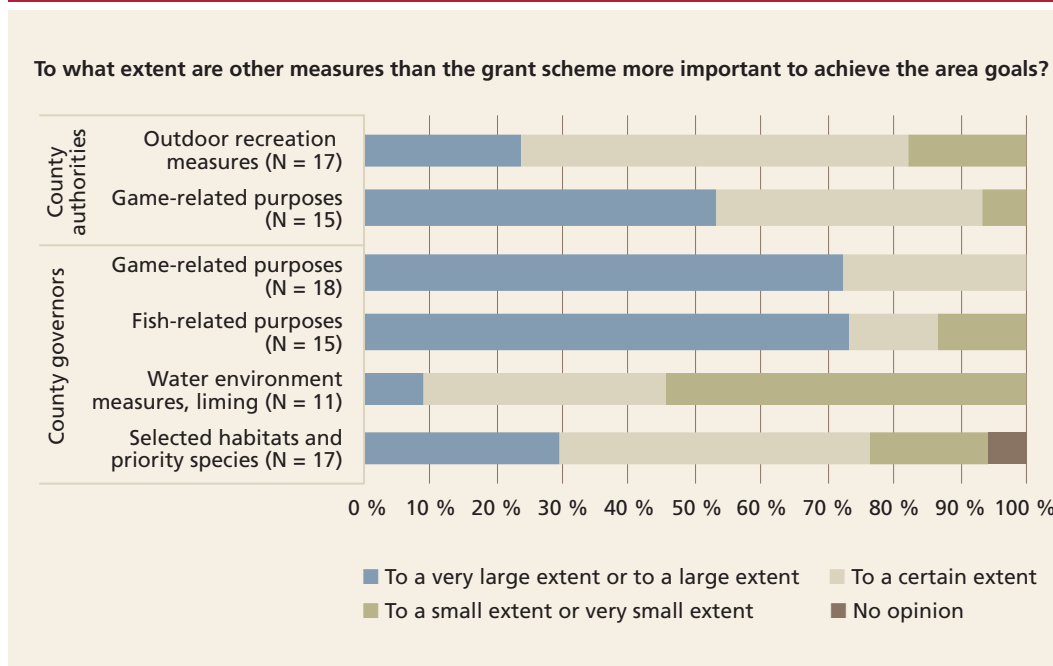


Source: The Office of the Auditor General

For water environment measures, all county governors believe the grant scheme is an important part of the work in order to achieve the goals, whereas for game and fish-related purposes, about 70 per cent believe the grant scheme is an important part of the work in order to achieve the goals. Ninety-three per cent of county authorities believe game-related grants are important in order to achieve the goals, while 82 per cent believe grants for outdoor recreation measures are an important part of the work to achieve the goals in the area.

The respondents' perceptions as regards the grant schemes' significance for goal achievement compared with other instruments, varies depending on the grant scheme in question. See Figure 7 on the following page.

Figure 7 The county authorities' and county governors' perception of whether other instruments are more important to goal achievement than grants



Source: The Office of the Auditor General

As regards the grant scheme for water environment measures (liming), only one of the county governors believes that other instruments, to a very significant degree or significant degree, are more important than grants. For the game grant, 13 out of 18 county governors and 8 out of 15 county authorities believe that other instruments, to a very significant degree or significant degree, are more important.

6.2.1 Grants for fish and game-related measures

The grants for fish and game-related measures over Chapter 1425 are financed through fishing and hunting fees. In addition to the grants, the fees also finance operation of the schemes and registers, statistics, research and reports.²¹ Proposition 1 S (2011–2012) intends that half of the fund revenues shall go to measures in the districts. Use of fund resources is discussed with representatives for the user interests. The fee, use of resources in previous years and future use of resources are discussed at the meetings. The grants for game and fish-related measures support the national goal for harvesting, which is defined under the performance areas *vibrant rivers and lakes*, *diverse forests* and *magnificent mountain landscapes*, cf. Proposition 1 S (2011–2012). The goal is that all harvested populations shall be harvested in an ecosystem-based and sustainable manner to ensure that the species exist in viable populations within their natural range within 2020. Grants are also given to water environment measures over Chapter 1427.

Grants for game-related purposes

According to Proposition 1 S (2011–2012), the criterion for goal achievement is whether the scheme²², through support for good management of the game at a national and regional level, contributes to there being sufficient number of individuals for the game to be harvested sustainably. Proposition 1 S contains no separate goals for hunting.

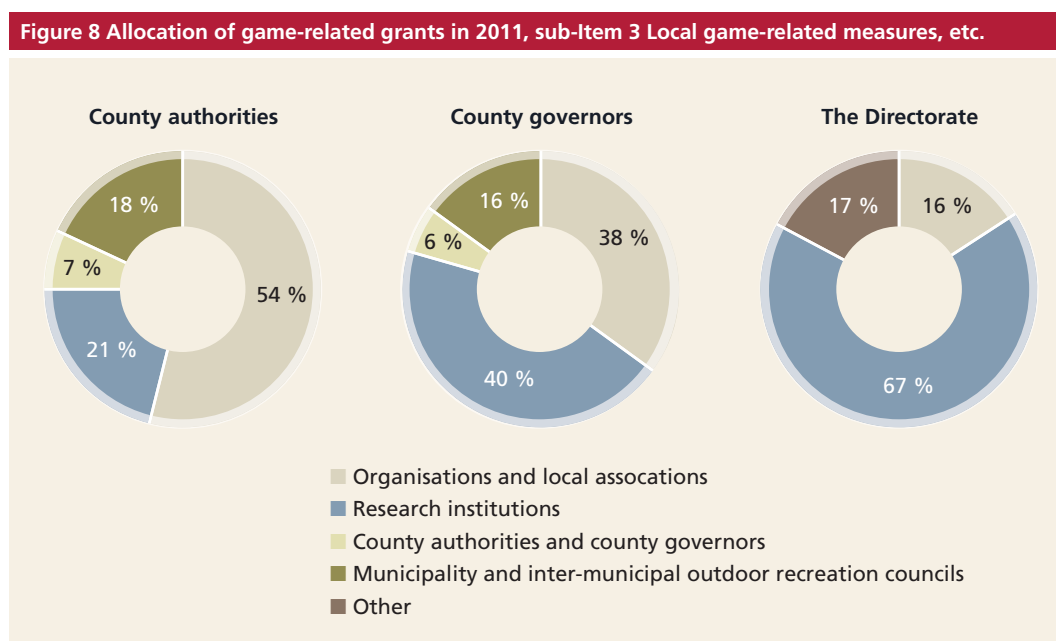
21) All registered hunters pay hunter's licence fee to the Fish and Game Fund. In addition are hunting fees, where the fee for elk and deer is channelled to the municipal game fund and the fee for wild reindeer to the game fund. A fishing licence fee must be paid for fishing for anadromous species (salmon, salmon trout and sea char) in river systems or using permanent fishing equipment in the sea. The revenues go to the Norwegian state's fishing fund.

22) Grants are awarded for all species of game. Grants consist of four sub-items: Measures for species in the deer family, wild reindeer measures, local game-related measures, etc. and game monitoring.

In 2009, the Directorate for Nature Management submitted the *Strategy for management of species in the deer family*²³ up to 2030 (2009b). The Ministry of the Environment stresses the deer family strategy as an important policy instrument for contributing to better management. The strategy contains several measures. Several of the measures in the strategy are financed through the grant schemes, but there is no direct connection between the strategy for species in the deer family and game grants. The strategy defines further goals for the administration. The strategy has separate goals for hunting, which should build upon the following four values: community, diversity, safety and involvement.

The budget proposition states that the grant should go to measures organised by individuals, clubs and organisations where the measure is regional, inter-municipal or national in nature. Measures that are eligible for grants include mapping of game interests and the habitats of game resources, incorporation into municipal plans pursuant to the Planning and Building Act where the purpose is to improve overview of the population, establishment and operation of local cooperation councils, participation in the operating plan work of rights holders, research, development and student assignments, organisations, clubs and associations that want to implement measures, and other prioritised game-related purposes.

Figure 8 shows the distribution in grant recipient categories for the sub-Item *Local game-related measures, etc.*. In 2011, the Directorate for Nature Management allocated NOK 20.8 million under this item, county governors allocated NOK 4.5 million and county authorities NOK 5.1 million.



Source: The Office of the Auditor General on the basis of data from the grant administrators. There are deficiencies in some of the data submitted.

Figure 8 shows that the county authority grants a significant share of the grant funding for local game-related measures to organisations and local clubs.²⁴ The majority of the funding allocated by the Directorate for Nature Management goes to research. In total, 55 per cent of the funding from the sub-Item *Local game-related measures, etc.* goes to research institutions.

23) Deer family is a generic term for several species in the deer family. In Norway we have the species wild reindeer, red deer, elk, roe and fallow buck (<http://www.miljostatus.no/Tema/Naturmangfold/Hjortevilt/>).

24) Private individuals are included in this category.

Grants for game-related measures are reduced by 34 per cent in the budget proposition for 2013, from NOK 43.5 to 28.5 million. The relevant sub-item has been reduced by 38 per cent, to NOK 17.9 million. The funding has been moved to a new operating item, and the changes were made in order to budget in accordance with the Norwegian Public State Finance Regulations. A consequence of the changes is a reduction in the share of grant funding going to research.

Some county authorities and county governors use parts of the grant funding for administrative tasks. An example of this is that, in 2011, one of the county governors allocated the entire grant pool to a mapping project on biological diversity organised by the county governor's office. The county governor received seven applications, and none of these were awarded funding. The applicants were not informed of the rejection in a letter, but were informed after the fact. Some funding goes to financing meetings and similar. In a comment to the questionnaire survey, one county authority notes that a small part of the grant funding should be possible to grant to the county authority for financing meetings and networks. Some county authorities allocate part of the funding to "Seen elk", which is a national record of animals observed over the course of the elk hunting season. Some county authorities use funding for collection, processing, punching and report presentation. This is funding which the administrative bodies award to themselves without application. The Ministry of the Environment notes that county governors and county authorities are responsible for following up the finance regulations. The Ministry of the Environment states that the 2013 allocation letter specifies that grants shall not be disbursed for operating items and that operating expenses shall not be charged to grant items.

The case file review of 317 grant commitments shows that the majority of grants – 66 – awarded by county governors and county authorities, goes to hunting-related activities. Other grants relate to species information, counting, monitoring, etc. The case files also show that some of the grants for 2011 have gone to mapping prioritised species. For example, 14 grants have been awarded to the eagle owl. The Directorate states that they focus on the highest prioritised wildlife, including bats and the eagle owl.

The case file review shows that nearly 80 per cent of grant applicants indicate that the project in question also receives other financing. Half of the applicants will supply own funding, 53 per cent will supply voluntary work efforts, and 37 per cent indicate other public grants. The Norwegian Association of Hunters and Anglers states that each grant triggers considerable activity. The Association notes that grants for local and county chapters contribute to extensive children and youth activities, and considerable volunteer work efforts. The grants have major ripple effects, but resources, in the form of employees, are needed to trigger this effort.

An in-depth study was conducted of a specific grant over this item, cf. fact box 2.

Fact box 2 In-depth studies of grants for local game-related measures

Grants for local game-related measures – reindeer hunting courses for women

In 2012, Aust-Agder county authority awarded a grant to a reindeer hunting course for women at Bjåen. Bjåen is located at the top of the Setesdal valley in Bykle municipality. Six women participated in the course, in addition to the county governor secretary, county governor liaison and a guide. The participants were aged between 18 and 56, with various levels of hunting experience. The goal for the women was to gain more knowledge and improve hunting skills, learn what reindeer hunting entails, and have the opportunity to hunt for reindeer. Courses provide the opportunity to hunt for big game for those without access to terrain.

In 2012, the county chapter of the Association of Hunters and Anglers received a total of NOK 28 000 in grants for game-related purposes. The funding went to three different courses and projects in connection with woodland bird counting and exterminating mink. The county chapter states that planned activities are usually carried out in the short term even when they do not receive funding, but grants are essential for which activities the county chapter conducts in the long term. Uncertainty regarding allocation, and when it will come, makes planning difficult for the county chapter.



Reindeer hunting for women at Bjåen. Hunting courses give women without access to terrain the possibility to hunt.

Photo: The Office of the Auditor General

Aust-Agder county authority notes that the grants awarded to the Association of Hunters and Anglers in Aust-Agder comply with the goals for the schemes. Reindeer hunting for women is a “narrow” opportunity, marketed to a relatively large target group. The county authority believes the target group is important with regard to both gender equality and recruitment of hunters.

Aust-Agder county authority states that, when awarding grants, it is assumed that the majority of the funding goes to management of elk and deer. The county authority states that many of the same players apply for and receive grants every year. The county authority uses designated goals for the management of elk and deer and other local governing documents as a guide in management of grant funding. Measures which can contribute to achieving the goals in these plans are prioritised if they also comply with State guidelines. In its discretionary assessment, the county authority emphasises triggering typical regional measures in cases where neither local game funds nor national funding is relevant or sufficient.

Grants for fish-related purposes

The goal achievement criterion is whether the scheme, through support for sound fish management, cultivation measures and contributions from local communities and landowners, contribute to a harvestable surplus. The scheme has only been directed at measures associated with anadromous salmonids, as only fishing for these species is subject to a fee. The Directorate for Nature Management states that the grant goes to salmon, sea trout and sea char, with salmon given first priority.

The Ministry of the Environment stresses that the two most important goals are good harvests within a sustainable framework, and that the wild salmon populations are safeguarded so they maintain viable populations. The grant will encourage landowners to manage the fish soundly and generate interest for fishing. The Directorate for Nature Management considers the grant to be an important policy instrument in order to activate the volunteer work sector. It triggers considerable individual effort and other financing.

The Directorate for Nature Management notes that grants have been awarded to scientific conferences, information work and events. Grants are also awarded to measure-oriented research and development.

Grants for water environment measures, liming

Good water quality is the primary criterion for goal achievement. The funding goes to liming of water and river systems under the direction of organised clubs such as hunter and angler associations, fishing associations, landowner associations and municipalities, cf. Proposition 1 S (2012–2013).

The item has been changed in the national budget for 2013. The item was previously called *Grants for liming and local fish-related purposes*. The item totalled NOK 88 million in 2012 and was only awarded to liming. In 2013, the item is NOK 30.5 million. Operating expenses have been removed from the item as a result of the changes in the budget. The item has also been changed to cover measures against the salmon parasite *gyrodactylus salaris* and general measures. For 2013, NOK 7 million has been allocated to grant funding for liming.

Acid precipitation has declined substantially over the course of the past 20 years, but parts of the area still have acidification damage. Both monitoring and research show positive effects of liming seen in the context of the goals (the Directorate for Nature Management, 2011a). The Ministry of the Environment states that liming makes a positive contribution to the ecosystem. The goal is stipulated in the Water Regulations and is that all water bodies shall be in good condition by 2021. The Directorate for Nature Management states that it could be difficult to define a reference condition for the river systems. Liming shall contribute to restoring the water systems to such a natural condition. Liming could contribute to the decline in species that can withstand acidification, when more sensitive species such as salmon return. This is because competition between the species increases, and is the desired development.

6.2.2 Grants for outdoor recreation measures

Proposition 1 S (2011–2012) determines that the primary challenges in outdoor recreation policy are to ensure the public right to outdoor access and recreation, ensuring children and young people have the opportunity for good nature experiences and to develop outdoor recreation skills, safeguard areas for outdoor recreation and to stimulate and facilitate outdoor recreation.

Grants for outdoor recreation measures

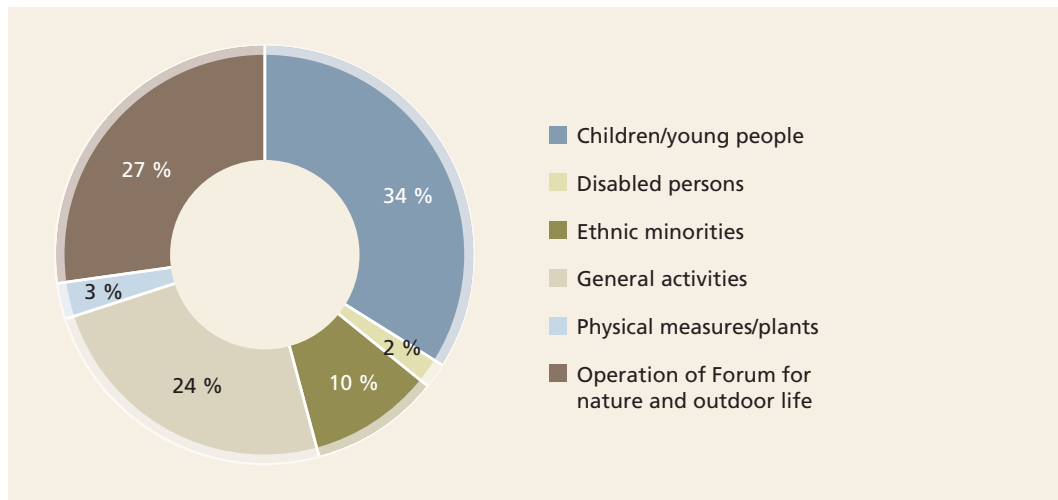
According to Proposition 1 S (2011–2012), goal achievement for the grant must be documented through the performance indicators in the performance area active outdoor recreation in Proposition 1 S. The grants are awarded by county authorities, the Directorate for Nature Management and the Norwegian Union of Outdoor Recreation Organisations (FRIFO). The Directorate transfers part of the grant amount to FRIFO, which distributes this to their member organisations.

The review of awarded grants for 2011 shows that 79 per cent of the funding for outdoor recreation measures goes to voluntary organisations.²⁵ The second largest receiver is inter-municipal councils for outdoor recreation with 17 per cent of the funding. Municipalities, private persons and county authorities receive the remaining 4 per cent.

The allocation letter for 2011 states that the Directorate for Nature Management shall contribute to increase participation in outdoor recreation for disabled persons, ethnic minorities and other groups in the population who need additional motivation and special facilitation. Furthermore, the Directorate's letter of expectations²⁶ to county authorities for 2011 states that it is desirable to prioritise measures consistent with the guidelines from the Storting's Standing Committee on Energy and the Environment regarding giving children and young people from minority groups and children and young people with functional disabilities holiday and recreational services with outdoor recreation possibilities, cf. Recommendation 9 S (2010–2011).

The review of all grants for 2011 shows that 2 per cent of the funding went to measures aimed at disabled persons, and 10 per cent of the funding went to measures aimed at ethnic minorities, cf. Figure 9. The majority of the funding, 34 per cent, went to measures directed at children and young people, and 24 per cent of funding went to general activities. In 2011, about NOK 6 million, approximately 27 per cent of the funding, was used for funding the Forum for nature and outdoor recreation. This funding was moved to Item 1427.78 in 2012.

Figure 9 Grants for outdoor recreation measures for 2011 by measure category



Source: The Office of the Auditor General based on submitted reports from all county authorities for 2011²⁷

The review shows that more applications were submitted than were approved, in all categories. Measures directed at ethnic minorities received 63 per cent of the amounts applied for, while measures directed at disabled persons received 14 per cent of the amounts applied for. The third priority group, children and young people, received approx. 40 per cent of the amounts applied for.

25) Classified as organisations, local clubs and associations in the basic data.

26) The Directorate for Nature Management (2011) *Transfer of measures and grant funding to county authorities for 2011 in connection with environmental assignments or tasks*. Letter to the county authorities of 3 March 2011.

27) Grants for 2011 are evaluated on the basis of measure category, from the point of departure in prioritised groups, general measures and physical measures. As a part of general measures are activities partly directed towards children and young people, but if the activities are open for all, and there are no special adjustments to reach a specific prioritised group, it is categorised as a general measure. If the grant is directed at different measures, it is categorised as a general measure.

The Directorate for Nature Management has issued written guidelines stipulating that disabled persons and ethnic minorities are target groups that shall be prioritised. FRIFO states that they communicate the guidelines to their member organisations, but find that there are few projects directed at these target groups. The member organisations want to reach the target groups, but have experienced that it is difficult to get people to sign up for events for them. FRIFO is of the opinion that more active work is needed in order to reach more people within the target groups ethnic minorities and disabled persons.

Fact box 3 In-depth studies of grants for outdoor recreation measures

Grants for outdoor recreation measures – the 4H project “Fri i Fjæra”

NOK 225 000 was allocated to the 4H project “Fri i Fjæra” in 2011, and the project was also supported in 2010 and 2012. The support was awarded through FRIFO. 4H has members in the age group 10–19, and the motto is “Learning by doing”. The children are responsible for organising the local chapters, with assistance from adult club advisers. There are approx. 17 000 members, divided among 650 local chapters.

“Fri i Fjæra” is a national project aimed at providing children and young people with knowledge about outdoor recreation, traditions, nature and culture along the coast. During the project period, children and young people are offered outdoor recreational activities associated with health, nutrition, physical activity and the environment, for example cooking on the shore, food from the sea, handicraft traditions, travelling along the coast and visits to coastal cultural artefacts. 4H states that the focus on coastal culture helps more children enjoy outdoor recreation and activities in nature.

4H previously had a project, “Friluftsliv for alle” (outdoor recreation for all), directed at disabled persons and ethnic minorities. The idea of inclusive outdoor recreation forms the basis for the new focus on coastal culture. Projects are increasingly directed at the local community. It is difficult to reach the special groups, but the activities are facilitated for everyone. 4H finds that it is easier to reach the ethnic minorities in 4H clubs in the districts compared with the cities, and they believe a solution could be recruiting people with minority backgrounds as club advisers.

4H states that the grant from the Directorate for Nature Management is important, and has made it possible to hire a designated project manager for the coastal culture project. The organisation believes central expertise and development projects are most effective, allowing all clubs to benefit from the project. 4H has seen that this manner of working results in the activities continuing to live on, even after the project period.



“Fri i Fjæra” is a national 4H project which has been granted for outdoor recreational activities. The project contributes to outdoor recreational activities among children and young people and increased knowledge about coastal heritage. The children learn about cooking on the shore, food from the sea, handicraft traditions, travelling along the coast and visits to coastal cultural artefacts.

Photo: The Office of the Auditor General

The county authorities believe that there are more good applications directed at children and young people than for ethnic minorities and disabled persons. Fifteen out of seventeen county authorities agree that there are many good applications directed at children and young people, whereas only 2 agree that there are many good applications with measures directed at ethnic minorities. Six agree that there are many good applications directed at disabled persons.

The Directorate for Nature Management states that it is challenging to increase the number of applications directed at the prioritised target groups ethnic minorities and disabled persons, and believes that there could be organisations, etc. entitled to grants, that do not apply. However, the Directorate notes that the grant funds help to reach groups that are less engaged in outdoor recreation activities, as the measures are often low-threshold activities that everyone can participate in. The Directorate is pleased with the great effort from clubs and organisations in this area.

The Ministry of the Environment states that small grants contribute to high activity in outdoor recreation. The voluntary organisations are important for creating activities and involvement. In their opinion, the goal achievement is good.

An in-depth study was conducted of a specific grant over this item, cf. fact box 3.

The Association of Inter-municipal Outdoor Recreation Boards and the Norwegian Trekking Association emphasise that the grant funds contribute to substantial activity. The grant funding constitutes a vital part of the outdoor recreation work, and the organisations can build upon this funding to obtain other financing. The Trekking Association states that grants for wages and operations are often a precondition for and contribute to volunteer work.

State acquisitions and protection of outdoor recreation areas

The basis for the grant scheme is that the nature in the local community is particularly important for regular physical activity. The grant circular letter stipulates that the grant scheme shall

- contribute to ensuring state proprietary rights or usage rights, to safeguard outdoor recreation areas
- ensure facilitation, maintenance and stewardship of protected outdoor recreation areas

According to Proposition 1 S (2012–2013), about 2350 outdoor recreation areas are protected in Norway. The Directorate states that state funding commitments for protecting 56 new areas were issued in 2012.

Urban densification is taking place in many cities which entails that open areas which can be used for play and recreation are used for new buildings, but the access to local hiking areas has remained constant from 2004 to 2009, cf. Proposition 1 S (2012–2013). The Directorate for Nature Management states that local areas in cities and densely populated areas are prioritised through protecting outdoor recreation areas, which contributes to reaching more people. Statistics Norway measures how many children and young people have access to outdoor recreation areas in their local community, using map data. Protecting outdoor recreation areas is an important policy instrument with regard to maintaining access to outdoor recreation areas.

The Directorate for Nature Management is working on a national action plan for state protection and facilitation of outdoor recreation areas which will, among other things, highlight and prioritise the use of grant funding in the area.

6.2.3 Grants for priority species and selected habitats

According to Proposition 1 S (2011–2012), goal achievement for the grant for priority species and selected habitats will be evaluated based on the number of implemented measures. The grant scheme was new in 2010, see fact box 4 on the following page. Action plans are prepared for priority species and selected habitats, and the measures formulated in the action plans can receive grants. The County Governor manages the grant schemes for priority species and selected habitats. The Directorate for Nature Management cooperates with the county governors in the case processing. The submitted applications determine the amount allocated to each county. The Directorate for Nature Management states that the case processing is comprehensive, and the prioritisations are carefully considered – it is a strict requirement that the grant must be used for specific measures.

In the reporting for 2011, the Directorate for Nature Management writes that the grant scheme has enabled implementation of measures for multiple threatened species and habitats. According to the Directorate, it would have been difficult to implement these measures without the grant scheme. The Directorate states that if no applications are received, the county governors are unable to initiate measures.

The county governors map relevant areas prior to awarding grants for priority species and selected habitats. The mapping of priority species and selected habitats provides knowledge that is a precondition for knowing whether an area qualifies for grants. Mapping is financed through a separate operating item.

Fact box 4 Grants for priority species and selected habitats

Grants for priority species

Grants for priority species are a policy instrument to safeguard some of the threatened species. It is unlawful to extract, injure/damage or destroy a prioritised species. For most prioritised species, the species' ecological function areas must also be safeguarded. The species' ecological function areas are areas which the species is particularly dependent upon. This could include nesting areas for birds.

Grants for selected habitats

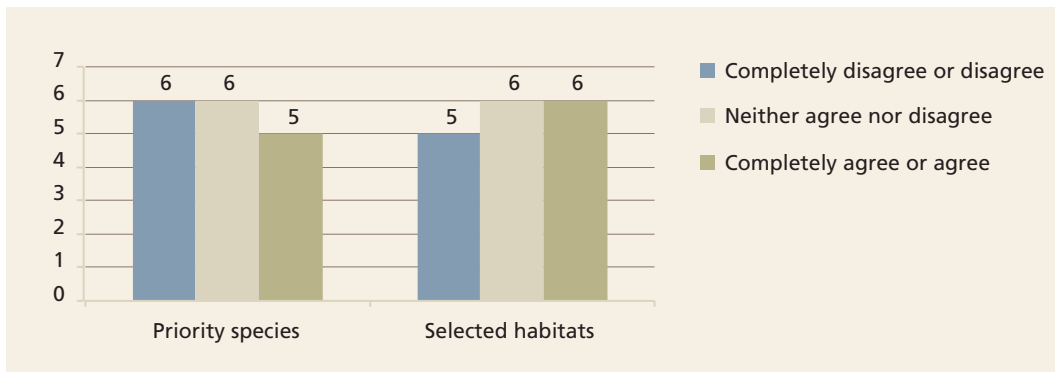
Grants for selected habitats are a policy instrument which shall contribute to care and stewardship of selected habitats. There are a number of different nature and vegetation types in the cultivated landscape. For many groups of organisms in nature, such as plants, fungi, insects and animals, the cultivated landscape constitutes important habitats. Hay fields and coastal heather moors are selected habitats associated with the cultivated landscape.

Hay fields are the selected habitat that has received the most grants. The action plan for hay fields states that county governors, together with municipalities and landowners, shall prepare the structure and work method for hay fields in their county. A tended hay field safeguards the habitat of a number of species, including endangered and red-listed species (the Directorate for Nature Management, 2011b). The costs for hay field measures are estimated at between NOK 7 and 28 million in the Directorate for Nature Management's (2009a) hay field action plan.

Coastal heather moors are the habitat that receives the second most grants. The Ministry of the Environment points out that coastal heather moors also require plenty of care. The coastal heather moors action plan is under development. According to the EU's Habitats Directive, the Norwegian coastal heather moors are classified as "very threatened", and the Nordic Council of Ministers assigned Norway the responsibility for the Nordic coastal heather moors. When coastal heather moors grow over, biological and cultural heritage values are lost.

Figure 10 shows that about one-third of county governors cannot map the areas they need to. Several county governors note mapping as a precondition in order to be able to evaluate and prioritise which measures and areas contribute to goal achievement. One county governor notes that they have little knowledge in parts of the county regarding priority species and selected habitats because some areas have not been mapped. The county governor states that they have insufficient mapping funds, which is challenging.

Figure 10 The county governor can map the areas that need to be mapped



Source: The Office of the Auditor General based on questionnaire to county governors

It emerges from comments to the questionnaire survey from county governors that there is a need for coordinating the Directorate for Nature Management's grants with grants within the agriculture sector where selected habitats or priority species are associated with agricultural areas. The Ministry of the Environment states that work is ongoing on these issues.

The county governors' environmental departments are responsible for following up the highest prioritised areas with management and stewardship plans. A large part of the grants finance such plans. Biodiversity and areas must be registered, and the data made available in the national database www.naturbase.no. In a letter, the County Governor of Hordaland writes that the purpose of the stewardship agreements is to create predictability, both for the landowner/user and the administration, thus increasing the opportunities for long-term operation and safeguarding of species diversity. The Ministry of the Environment states that they want long-term schemes for the landowners to safeguard the condition of the habitats. The Ministry believes distribution of funding between ten-year stewardship agreements and smaller long-term measures is not yet a problem, because very little funding is tied up in such agreements.

An in-depth study was conducted of two specific grants for tending hay fields, see fact box 5 on the following page. At the beginning of 2011, ten-year stewardship agreements were entered into, with the intention for extension, between each landowner and the County Governor of Hordaland. The stewardship agreements stipulate how the hay fields should be managed.

Fact box 5 In-depth studies of grants for selected habitats – hay fields

Grants for selected habitats – hay fields

Ulvund farm is situated at about 400 msl. in Myrkdalen in Voss municipality. The farm receives a grant from the item selected habitats for cultivation and stewardship of hay fields. Ulvund farm also receives a grant from Regionalt miljøprogram for landbruket (regional environmental programme for agriculture) for stewardship of pollards on the property. The farm is run together with other work.

In 1993, the landscape was mapped through the national registration of valuable cultivated landscapes, and was included in the national action plan for hay fields in 2009. The special and steep landscape is cultivated traditionally, involving considerable manual labour. Experience from running the farm has been important for development of the regional environmental programme for agriculture in Hordaland. The area has been opened to the public with marked trails and maps containing information about the methods of operation and history of the farms. In 2010, Ulvund farm received the cultivated landscape award for Hordaland and Voss municipalities' environmental award for the work carried out to safeguard the special cultivated landscape.



Steep hayfields with coppiced woodland. Ulvund in Voss municipality.

Photo: The Office of the Auditor General

The Flatekval farm is located in Vaksdal municipality and receives a grant for tending hay fields. The farm does not receive any additional state grants, as it is not entitled to operating grants from agriculture. The hay fields on Flatekval were discovered by accident. A researcher from the University of Bergen was passing by the farm and stopped to take a look at the fields between six and seven years ago.



Grassland fungi is one of the species related to hay-fields. Flatekval in Vaksdal municipality.

Photo: The Office of the Auditor General

The farm owners are of the opinion that the vegetation and biological diversity can be protected with traditional cultivation. The hay harvest takes approx. three to four weeks, including transport of the hay to the barn. The most unproductive areas contain the most diverse plant life. The farm owners state that this operation is more demanding than ordinary farming. In particular, the work requires physical strength and experience.

The owners of Ulvund farm are of the opinion that the grant scheme and funding they receive have led to a significant improvement for the farm's financial basis. They emphasise that they cannot make ends meet financially from running the farm alone, and that they depend on the grant for the hay fields to be maintained at the current level. Furthermore, Flatekval would not be farmed traditionally if the grant was not available. The farm owner is of the opinion that the grant more or less covers the expenses for upholding the hay fields in the traditional manner.

An in-depth study was also conducted of a specific grant for stewardship and use of coastal heather moors, cf. fact box 6.

Fact box 6 In-depth studies of grants for selected habitats – coastal heather moors

Grants for selected habitats – coastal heather moors

Northwest of Stord Island are the Fitjar Islands. Previously about 40 of the Fitjar Islands were inhabited. Today only five of the islands are inhabited. The farm Hanøy consists of the main island Hanøy and eight other islands, and it is assumed that these islands have been farmed for hundreds of years. The owner of the farm was awarded the cultivated landscape award for Hordaland in 2006 for tending and using the coastal heather moors.

Fitjar municipality applied for and received funds on behalf of farm owners in the Fitjar Islands in Hordaland in 2011. Stord Fitjar landbruks- og miljøkontor (an association for agriculture and the environment in the greater Fitjar municipality) has helped the landowners in the Fitjar Islands restore and tend areas with coastal heather moors. The municipality has assisted in the planning and application process. For Fitjar municipality it used to be difficult to allocate funds for coastal heather moors, coastal farms and cultivated landscape measures. The grant schemes have made this easier.

The grant recipient at Fitjar was very pleased with the grant, but believes that he would have run the farm in the same way irrespective of the grant. The grant makes it easier to show people round the farm and to communicate information to the public and private individuals. The landowner believes it is easier to give something back when the authorities show that they appreciate that the landscape is tended.



Coastal heather moors are among our oldest cultural habitat. The habitat is created through and must be upheld by burning, grazing and haying.

Photo: The Office of the Auditor General

The County Governor of Hordaland is of the opinion that a good grant scheme is essential in order to protect selected habitats and species that require stewardship. The County Governor also questions whether the scheme is robust enough to meet the need that will arise if the number of applicants increase as the scheme becomes better known, and as a result of more species and habitats being comprised by the scheme. Most of the grant recipients receive contributions to continue work they have already started, work that often requires extra effort and commitment.

According to the Directorate for Nature Management's guidelines for selected habitats the awarding of grants can be of great significance for safeguarding the existence of selected habitats. It emerges from the in-depth studies that in addition to the grant providing financial compensation for the work, it boosts motivation knowing that society shows an interest in and prioritises this work through the award of such grants. Furthermore, it emerges from the in-depth studies of selected habitats that landowners who receive grants for certain habitats appreciate being able to take care of the special cultivated landscape and its history and traditions, as well as being able to show the result.

It is the municipalities which coordinate grants relating to agriculture and the environment in terms of stewardship of coastal heather moors and combatting of Sitka spruce. The County Governor of Hordaland points out that coastal heather moors often cover over a larger area where there are several landowners and livestock owners. There are also major challenges relating to coastal heather moors than hay fields as regards establishing sound and balanced use (number of grazing animals, frequency of fires, etc.). The County Governor of Hordaland has stated that the situation is more uncertain for coastal heather moors than for hay fields.

It emerged from the comments to the questionnaire survey completed by the county governors that it is often challenging to make people sufficiently aware of the scheme and motivate potential applicants to apply for a grant. This particularly applies to species not associated with the cultivated landscape, or when the applicant does not see a direct benefit of the scheme. These challenges also apply to priority species.

The Directorate for Nature Management is of the opinion that goal achievement is satisfactory for the species covered by the scheme as there is a sound knowledge basis for the action plans, and the species have been carefully selected. However, the Directorate has not followed up how the measures have been implemented, and states that they have seen little effect of the measures so far. The Directorate sees a need for a better overview of the effect of the various measures. One county governor points out in a comment to the questionnaire that, in many places, there is a need for stewardship of hollow oaks, but that it takes time to reach everyone with hollow oaks on their properties.

7 Considerations

Safeguarding biodiversity is one of the biggest global environmental challenges of our time. Active outdoor recreation is of great significance for health and wellbeing, and is a precondition for making people fond of nature and gaining an understanding for environmental protection and ecologically sustainable development. Grants for biodiversity and outdoor recreation trigger substantial activity. However, the Ministry of the Environment must illustrate how the grants contribute to goal achievement, and strengthen the management of the grant schemes.

7.1 Weaknesses in management and follow-up

Pursuant to the Provisions on Financial Management in Central Government, the Ministry must ensure that the management of grant schemes is organised in an efficient and suitable manner. Grants are one of several instruments for achieving national goals, and the grant schemes can be directed at several of these targets. In 2013, grants amounted to about 30 per cent of the total allocation to biodiversity and outdoor recreation.

According to the Regulations on Financial Management in Central Government, the Ministry must describe goals, criteria for goal achievement and award criteria for each grant scheme. Which paramount goal the grants will contribute towards emerges mainly from the Ministry of the Environment's budget propositions.

Pursuant to the Financial Management Regulations, the budget propositions must report achieved results, on the basis of stipulated goals. The Ministry of the Environment has only to a limited extent reported results of the grant schemes to the Storting. The 2013 budget proposition reported the resources spent on the schemes. Furthermore, it does not emerge from the allocation letter from the Ministry to the Directorate for Nature Management how grants as policy instruments will contribute to achieving the various goals. The Ministry rarely uses reporting to analyse goal achievement for the various grant schemes. The Ministry therefore lacks a comprehensive basis for evaluating how the schemes contribute to achieving national goals.

The grants relating to biodiversity and outdoor recreation are managed by the county governors, county authorities and the Directorate for Nature Management. In accordance with the Provisions on Financial Management in Central Government, the Ministry has a duty to ensure that this management is conducted in a prudent manner. The reporting which the Directorate obtains from the county governors and county authorities varies in quality. The Directorate's supervision of whether grant funds are used as intended is also limited.

Pursuant to the Provisions on Financial Management, the Ministry and the grant manager must ensure that evaluations are carried out to obtain information about whether the grant schemes are efficient with regard to the use of resources, organisation and stipulated goals. The grant scheme for priority species and selected habitats was established in 2010 and has consequently not been evaluated. The study shows that grant schemes that have existed for several years have only been evaluated to a limited

extent. This means that the Ministry does not have sufficient information about whether the grant schemes have been managed in a targeted and efficient manner.

As a result of insufficient reporting and lack of evaluation, there is insufficient information about overall goal achievement based on the Storting's decisions and intentions relating to grants for biodiversity and outdoor recreation.

7.2 Deficient management practice

It follows from the Public Administration Act and non-statutory legal administration principles that case processing shall be factual and objective, and ensure equal treatment. The study shows that parts of the administration of the grants relating to biodiversity and outdoor recreation only complies with the principles for sound management practices to a limited extent. This applies for instance to case processing, grounds for decisions and information about the right of appeal.

Grants shall, in accordance with the provision relating to financial management in the Central Government, be announced so that the entire target group is reached. All grant schemes in the environment policy area are announced on the Ministry's website. Grants for outdoor recreation and environmental management are also announced on the Directorate for Nature Management's website. In addition, county governors and county authorities also communicate the grant schemes in various ways. The study shows that grants for outdoor recreation measures reach children and young people. About one third of the available funding goes to measures directed at this group. The two other priority groups for outdoor recreation grants – people with disabilities and ethnic minorities – are only reached by the grants to a limited extent. In total, 12 per cent of the funding was granted to targeted measures aimed at these two groups. This shows that even if the grants are announced as required by the regulations, the public administration has not managed to reach all priority groups.

In most cases, applicants for grant schemes receive a reply to their application long after the stipulated deadline. For game-related grants, only one per cent of applications to county governors received a reply by the deadline. 22 per cent of applications to the county authorities received a reply by the deadline. In total, 69 per cent of applications for game-related grants received a reply five weeks or more after the deadline. That applicants do not receive a reply until long after the stipulated deadline results in unpredictability for the applicants, and could mean that planned measures can no longer be implemented.

It emerges from the study that one of the reasons why the county governors and county authorities do not reply to the applicants by the deadline is that transfers of grant funding from the Directorate for Nature Management take so long. Another cause could be that the county governors and county authorities have insufficient capacity.

The Public Administration Act states that individual administrative decisions must be substantiated, and that they can be appealed. The study shows that commitment letters rarely meet all requirements relating to content. Grounds are not given for many refusals or disbursement of less than the applied-for amount. Of the applicants who received less than the applied-for amount for game-related purposes, three out of four were given no grounds. 44 per cent of the applicants for game-related grants who had their applications rejected or the amount applied for reduced, were not informed of the right of appeal. The Directorate also fails to inform applicants about the right of appeal if applications are rejected or the applied-for amount reduced.

7.3 The grant schemes generate increased activity and added value

The study shows that the grant funding generates considerable activity and voluntary work efforts. Grants from government authorities trigger other financing which helps ensure that the targets for the individual grant scheme are met. Small grants for biodiversity and outdoor recreation can in many cases generate substantial activity.

The stewardship of hay fields and coastal heather moors is particularly dependent on grant recipients who want to implement initiatives where the mapping has identified a need for measures. The grants make it possible for, among others, landowners to tend the areas in question, thus maintaining biodiversity.

The UN's convention on biodiversity requires management to be knowledge-based. Mapping of priority species and selected habitats is a precondition for considering which areas to prioritise when awarding grants. About one-third of the county governors state that they have implemented no activities where mapping is required. This creates a risk of valuable areas not being awarded grants due to lack of knowledge of their importance for biodiversity.

8 References

Storting documents

- Proposition No. 56 (1992–1993) *relating to consent to ratification of a convention on biological diversity of 22 May 1992*
- Recommendation S No. 168 (1992–1993) *Recommendation from the Standing Committee on Local Government and the Environment relating to consent to ratification of a convention on biodiversity of 22 May 1992*
- Storting Report No. 39 (2000–2001) *A gateway to higher quality of life*
- Recommendation S No. 114 (2000–2001) *Recommendation from the Standing Committee on Energy and the Environment relating to outdoor recreation. A gateway to higher quality of life*
- Storting Report No. 42 (2000–2001) *Biodiversity. Sector responsibility and coordination*
- Recommendation S No. 206 (2001–2002) *Recommendation from the Standing Committee on Energy and the Environment relating to biodiversity. Sector responsibility and coordination*
- Storting Report No. 39 (2006–2007) *voluntary activities for all*
- Recommendation S No. 104 (2007–2008) *Recommendation from the Standing Committee on Family and Culture relating to voluntary activities for all*
- Storting Proposition No. 32 (2006–2007)
- Recommendation S No. 183 (2006–2007) *Recommendation from the Standing Committee on Energy and the Environment relating to protection of wild salmon and completion of national salmon river systems and salmon fjords*
- Odelsting Proposition No. 10 (2008–2009) *Concerning the Act relating to changes to public administration legislation etc. (implementation of the administration reform)*
- Recommendation O No. 30 (2008–2009) *Recommendation from the Standing Committee on Local Government and Public Administration concerning the Act relating to changes to public administration legislation etc. (implementation of the administration reform)*
- Odelsting Proposition No. 52 (2008–2009) *Act relating to the management of biological, geological and landscape diversity (the Nature Diversity Act)*
- Recommendation O No. 100 (2008–2009) *Recommendation from the Standing Committee on Energy and the Environment concerning the Act relating to the management of biological, geological and landscape diversity (the Nature Diversity Act)*
- Resolution O No. 105 (2008–2009) *Resolution concerning the Act relating to the management of biological, geological and landscape diversity (the Nature Diversity Act)*
- Recommendation 9 S (2010–2011) *Recommendation from the Standing Committee on Energy and the Environment to national budget allocations for 2010 concerning the Ministry of Petroleum and Energy and the Ministry of the Environment*
- Proposition 1 S (2011–2012). *Proposition to the Storting (proposal for Storting resolution) for the 2012 budget year*
- Proposition 1 S (2012–2013). *Proposition to the Storting (proposal for Storting resolution) for the 2013 budget year*

Administrative documentation

- The Ministry of the Environment's allocation letters to the Directorate for Nature Management for 2009, 2010, 2011 and 2012
- The Directorate for Nature Management's official mission document to the County Governor for 2009, 2010, 2011 and 2012

Legislation

- *Act relating to the management of biological, geological and landscape diversity (the Nature Diversity Act)* of 19 June 2009 No. 100
- *Act relating to game and game habitats (the Wildlife Act)* of 29 May 1981 No. 38
- *Act relating to outdoor recreation (Outdoor Recreation Act)* of 28 June 1957 No. 16
- *Act relating to procedure in cases concerning the public administration (the Public Administration Act)* of 10 February 1967 No. 10

Guides, guidelines and circular letters

- The Ministry of the Environment (2012) Circular letter No.: T-1/11 *Grant schemes for 2012. The schemes comprise environmental management, outdoor recreation, protection of cultural heritage sites, pollution and international environmental measures*, 20 October 2011
- The Directorate for Nature Management (2010) *Routines for notification of questionable matters in the Directorate for Nature Management*
- The Directorate for Nature Management (2003) *Impartiality and ethics, guidelines*

Other regulations

- Regulations on Financial Management in Central Government and Provisions on Financial Management in Central Government stipulated on 12 December 2003 (the Finance Regulations)
- The Storting's Norwegian Public State Finance Regulations
- The Ministry of the Environment (2000) Rules for the management of grants for local game-related measures. Chapter 1425, Item 71, sub-Item 3. Stipulated pursuant to Chapter 11-3.2 of the Ministry of Finance's functional requirements relating to financial management in the State, cf. Sections 6.2 and 7.2
- Corresponding regulations for other grant schemes in the study.

Reports

- Document 1 (2011–2012) *The Office of the Auditor General's report on the annual audit and supervision for the budget year 2010*
- Document 1 (2012–2013) *The Office of the Auditor General's report on the annual audit and supervision for the budget year 2011*
- The Directorate for Nature Management (2009a) *Handlingsplanen for slåttmark (Action plan for hay fields)* DN report 6-2009
- The Directorate for Nature Management (2009b) *Strategi for forvaltning av hjortevilt. Verdsatt lokalt, anerkjent globalt. (Strategy for management of species in the deer family species, valued locally, recognized globally)* DN report 8-2009
- The Directorate for Nature Management (2012) *Summary of final annual report for 2011*
- The Directorate for Nature Management (2011a) *Plan for liming of river systems in Norway 2011–2015*. DN report 2-2011

Letters

- Ministry of the Environment's letter of expectations to the county authorities
- The Directorate for Nature Management (2011) *Transfer of measures and grant funding to county authorities for 2011 in connection with environmental assignments or tasks*. Letter to the county authorities of 3 March 2011

Web sites

- The Directorate for Nature Management (2011b) *Slåttemark i eksklusivt selskap*. Web article published on 12 May 2011. <http://www.dirnat.no/content/500041940/Slattemark-i-eksklusivt-selskap>
- Environmental status (2012) *Convention relating to biodiversity*. Web article published on 30 November 2012. <http://www.miljostatus.no/Tema/Naturmangfold/Internasjonale-konvensjoner/Konvensjonen-om-biologisk-mangfold/>
- Environmental status (2012) *Species in the deer family* Web article published on 13 November 2012 <http://www.miljostatus.no/Tema/Naturmangfold/Hjortevilt/>

9 Appendices

9.1 Appendix 1 – budgetary distribution of funding over the items

The Ministry of the Environment has made extensive changes to the 2013 budget compared with previous years' budget propositions, due to, among other factors, the Office of the Auditor General's report Document 1 (2011–2012)²⁸. Table 3 shows the changes in grant items comprised by the study. The changes were made to ensure correct budgeting consistent with the Norwegian Public State Finance Regulations, to highlight what funds are allotted to grants for individuals and organisations, and operating costs allocated to others as an assignment or conducted by state agencies, cf. Proposition 1. S (2012–2013).

The programme category biodiversity and outdoor recreation in the Ministry of the Environment's budget includes grants for game and fish-related measures (Chapter 1425), the Norwegian Nature Inspectorate (Chapter 1426) and the Directorate for Nature Management (DN) (Chapter 1427). In 2012, NOK 1591 million was allocated to biodiversity and outdoor recreation. In total, Chapters 1425 and 1427 amounted to NOK 1372 million. Of this, grants totalled NOK 555²⁹ million.

28) Report on the annual supervision for the annual audit and supervision for the budget year 2010. The report was presented to the Storting (Norwegian Parliament) on 22 November 2011.

29) This includes all 60, 70 and 80 items as well as Items 30 and 31 – the latter was laid down in 2013, and the funding transferred to other items.

Table 3 Allocated funding for 2011 and 2012, changes for 2013

Ch./ Item	Name	2011 accounts in NOK 1000	Balanced budget for 2012 in NOK 1000	Proposal 2013 in NOK 1000	Real change in NOK 1000	Explanation
1425.01	Operating expenses	26 983	27 500	15 000		NOK 12.5 million to 1425.21
1425.21	Special operating expenses (new)			32 100		NOK 12.5 million from 1425.01 NOK 19.6 million from 1425.71
1425.70	Grants for fish-related purposes	9 303	8 900	9 800	900	
1425.71	Grants for game-related purposes	46 090	43 500	28 500	4 600	NOK 19.6 million to 1425.21
1427.22	State water environment measures (new)			173 500		NOK 72.0 million from 1427.21 (salmon) NOK 20.5 million from 1427.21 (water management) NOK 81.0 million from 1427.70 (purchase of liming services)
1427.30	State acquisitions, protection of outdoor recreation areas	32 466	36 405	44 080	4 000	NOK 3.7 million from 1427.31
1427.31	Measures in outdoor recreation areas	24 785	24 500			NOK 20.8 million to 1427.78 NOK 3.7 million to 1427.30
1427.70	Grants for water environment measures*	88 405	88 000	30 500 of this 7,000 for liming		NOK 81.0 million to 1427.22 (purchase of liming services)
1427.74	Grants for outdoor recreation areas	23 745	17 693	21 693	4 000	
1427.78	Outdoor recreation areas, inter-municipal councils for outdoor recreation and national cooperative bodies for outdoor recreation	8 000	17 075	66 595	10 000	NOK 18.7 million from 1426.32 NOK 20.8 million from 1427.31
1427.82	Grants for priority species and selected habitats	27 606	33 000	33 089	89	

* This item has been renamed from 2013, it was previously called Grant for liming and local fish-related purposes.

Source: Proposition 1 S (2012–2013), overview of changes between items received by the Directorate for Nature Management, and the memo from the Ministry of the Environment received at the meeting of 5 November 2012 ("Changes to the Ministry of the Environment's proposed budget for 2013").

As shown in the table, a new item was introduced for the 2013 national budget under Chapter 1425, i.e. Item 21 *Special operating expenses*. The item will cover expenses for scientific projects and assignments where the Directorate or the county governors are responsible for the execution. It will apply to, for instance, national monitoring programmes, research and studies. Funds have been allocated to the item from Chapter 1425, Item 01 *Operating expenses* and Item 71 *Grants for game-related purposes*.

A new item has been established for Chapter 1427; Item 22 *State water environment* measures. Here the funds have been moved from Item 21 *Special operating expenses* and Item 70, which has been given the new name *Grants for water environment measures*. Item 31 *Measures in outdoor recreation areas* has been discontinued, and the funds moved to Item 30 *State acquisitions* and Item 78 *Outdoor recreation areas, inter-municipal councils for outdoor recreation and national cooperative bodies for outdoor recreation*. Item 78 increased from NOK 17 million to NOK 66 million in 2013 as a result of changes in the item structure and a real increase in the item of NOK 10 million. In 2012, grants comprised by the study amounted to NOK 252 million. For 2013, changes in the budget item structure will result in NOK 168 million being budgeted for these items.

Table 4 Grants for game-related purposes					
(in NOK thousand)					(Change from 2012 to 2013 in percentage)
	Managed by	Accounts 2011	Balanced 2012 budget	Proposal for 2013	Percentage
71.1 Measures for species in the deer family	County authorities The Directorate for Nature Management	7 225	4 250	3 250	-24
71.2 Wild reindeer measures	County Governor The Directorate for Nature Management	2 408	3 850	2 850	-26
71.3 Local game-related measures etc.	County authorities County Governor The Directorate for Nature Management	29 899	28 900	17 900	-38
71.4 Game monitoring	The Directorate for Nature Management	6 558	6 500	4 500	-31
Total, Item 71		46 090	43 500	28 500	-34

Source of the table: Proposition 1 S 2012–2013 and circular letter T-1/11 Grant schemes for 2012

9.2 Appendix 2 – Review of allocation letters in the administration of Item 71.3 in 2011

All allocation letters for Item 1425.71 *Grants for game-related purposes*, sub-Item 3 relating to local game-related measures, have been reviewed for the 2011 application year. The case file review shows that in 2011 five of the 19 county authorities and three of the 18 county governors complied *withall* content requirements *inall* their allocation letters issued in the administration of Item 71.3. Table 9.2 shows that the other county authorities and county governors complied with the regulations to a varying degree.

Table 5 Requirements relating to content in allocation letters*

Requirements relating to content in allocation letters in the regulations relating to grant management	Percentage of county authorities who meets the requirement	Percentage of county governors who meets the requirement	DN – of a total of five cases
Description of the measure, to ensure that there is no doubt about what measure to implement	97	98	5
Size of the grant	97	98	5
Duration of the commitment, specifying the time of discontinuance of the commitment	74	87	5
The grant recipient's duty to inform the grant manager if there is a change in any of the implementation assumptions	55	53	4
Reservations regarding the duty to return, fully or partially, any grants should the specified measures not be implemented according to the assumption, or if the application contains erroneous information	60	94	4 (and 1 not relevant)
information about the right of appeal	66	49	0
Requirements relating to reporting, cf. Section 10 – it must be clearly stated if the reporting will take place to others than the agency that granted the commitment	99	97	5
Requirements relating to reporting, cf. Section 10 – informs the grant manager about requirements relating to whether the measure has been implemented in accordance with the assumptions in the final report	60	44	5
Requirements relating to reporting, cf. Section 10 – informs the grant manager about requirements relating to notification about any changes/adjustments in the project in the final report	38	30	1
Requirements relating to reporting, cf. Section 10 – informs the grant manager about requirements relating to evaluation of the results of the measure in the final report	48	41	0
Reservations regarding the grant manager's or the Office of the Auditor General's right to check that the grant has been used in accordance with the assumptions	70	87	5

* The requirements are principally the same for all grant schemes covered by this study.


Source: The Office of the Auditor General



285 18 4 588 3 6 554 735 394 216 2 577 634 492



241 344
Print: 07 Media 2013



Office of the Auditor General of Norway

Riksrevisjonen
P.O. Box 8130 Dep
N-0032 Oslo

+47 22 24 10 00 (Tel.)
+47 22 24 10 01 (Fax)
riksrevisjonen@riksrevisjonen.no

www.riksrevisjonen.no



23 257 -3 918 240 1 255 712 474 320 120 3 924 22 781 329 781