

Report of the Executive Board for 2010

$\ensuremath{\mathbb{O}}$ The Research Council of Norway 2011

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The Research Council of Norway Report of the Executive Board for 2010

1. The Research Council plays a key role as advisor on and implementer of Norwegian research policy

The Research Council plays a vital strategic role in the development and implementation of research policy in Norway, as a provider of input on where and how to focus Norwegian research activities, and as an implementer through the administration of a major portion of the public funding allocated to research and development. In addition, the Council fulfils wideranging functions as a meeting place and network builder. In 2010, the public sector invested a total of NOK 19.4 billion in research and development activities, not including the SkatteFUNN tax deduction scheme. The Research Council distributed NOK 7 billion in 2010, up NOK 490 million from 2009.

Viewed as a whole, the level of public investment in R&D has increased by NOK 7 billion over the past five years, and the Research Council's budget has increased by more than NOK 1.6 billion during the same period, representing a growth rate of 30 per cent. In the view of the Executive Board, Norwegian research is on a positive track. This is due both to overall growth in investment and the use of a greater proportion of the available funding for larger, more long-term grants, in particular through the specialised centre schemes.

The structure and efficiency of the research system will be critical to further advancement, and the Research Council's main strategy has thus targeted these specifically. The government white paper on research also emphasises the importance of increased cooperation, better distribution of tasks and more concentrated focus. Measures such as the implementation of a new basic funding scheme for the independent research institutes, strong investment in research infrastructure and the funding of new centres for research and innovation are all designed to have a clear impact on the research system. Other important measures include the launching of the regional research funds, the Arctic and northern areas initiative and facilitation of increased international cooperation.

Internationalisation is changing research and the Research Council

The government white papers on research and innovation both contain ambitious targets for increasing internationalisation. The Government points out that this will entail cooperation between countries and between research-funding institutions in addition to the already well-known types of collaboration between researchers and institutions.

Over the past decade research policy has also moved to a new level of internationalisation. The Research Council is a player in a research arena extending beyond national borders. Its task is to motivate and support international participation among Norwegian R&D institutions and companies. With this in mind, the Executive Board approved the Research Council's new strategy on international cooperation in November 2010. The prospects for establishing links between Norwegian research financing and similar financing in other countries – in Europe as well as among priority partner countries throughout the world – are expanding. It will therefore come to be the norm for all projects funded by the Research Council that the

Norwegian researchers are collaborating with researchers from other countries, regardless of whether they work at institutions of higher education, independent research institutions, or within private companies. A key element in the implementation of the international strategy will be to enhance task sharing and coordination between national initiatives and international funding cooperation.

The strategy sets out five main action points for achieving increased internationalisation. All of the Research Council's activities – programmes, open competitive arenas, institution-oriented measures and other forms of support – must include clearly-defined objectives and plans for international cooperation. Additionally, the Research Council will encourage Norwegian participation in joint programmes across national boundaries when this is crucial to addressing common challenges or strengthening Norwegian research and knowledge-based industry. In the years to come, the Research Council will develop financial instruments to support the establishment of long-term cooperation between Norwegian institutions and corresponding institutions in other countries. Steps will be taken to strengthen stimulation measures to encourage Norwegian researchers, companies and research institutions to participate more actively in international collaborative and competitive arenas. The Research Council will focus greater attention on international cooperation and researcher mobility in its internal grant application review processes.

Bilateral research cooperation with China continues to show constructive development. The Norwegian research sector was given a high profile during EXPO 2010 in Shanghai. Several joint funding announcements have been issued with Chinese research organisations and institutions. Two periods of cooperation with South Africa have been concluded and deemed successful, and planning is underway for a new cooperation programme on energy, climate and the environment. There has also been promising high-level contact with the USA. There are many possibilities for further expanding cooperative activities with North America.

Participation in the EU's framework programmes has been beneficial for the Norwegian research community, and research activities under the EU provide an important policy arena for the internationalisation of Norwegian research. We have passed the halfway mark of the EU Seventh Framework Programme (FP7), which will be concluded in 2013. Norway has consistently achieved good results in its participation, and the quality of the Norwegian grant proposals has improved in the course of this framework programme. It is an ongoing task to enhance the ability of the Norwegian research community to take advantage of the funding opportunities available in the remaining allocation rounds. Just over one-third of the FP7 budget framework of EUR 50.5 billion has thus far been awarded.

There is Norwegian participation in close to seven per cent of all approved projects under the framework programme. Norway has been among the parties in some 3 000 grant proposals and more than 700 approved projects. This is a success rate of nearly 25 per cent, which is above the average for all EU country participants. Norwegian participation in the EU work programmes has been most successful within the themes of Energy, Health, Environment (including Climate Change), Space, Research for the Benefit of SMEs and Science in Society. More effort must be focused on increasing participation in areas where Norway is not as strong.

The goal of establishing a joint European Research Area (ERA) has resulted in the rapid development of activities and initiatives that are affiliated with the FP7. This is evident in the emergence of Joint Technology Initiatives (JTIs) between the EU Commission and European

trade and industry and the various forms of cooperation between public research programmes in EU member states and the associated countries. The ten new pan-European Joint Programming Initiatives (JPIs) are structured around major societal challenges, and are being developed in cooperation between the member states and the associated countries.

2. The Research Council provides comprehensive research policy input

The Research Council fills an important function in its capacity as research policy advisor to the government authorities. Each year, the Council submits a budget proposal that specifies priorities for public R&D activities. The Council also provides input to relevant political processes, prepares reports, strategies and statistics and makes other contributions to expanding the knowledge base for research policy.

Proposal to increase the budget by NOK 1.2 billion

The annual budget proposal represents the Research Council's most important input to the Government's efforts to set up the national budget for the coming year. The budget proposal outlines challenges within individual fields of study and establishes clear priorities among disciplines both for an expanding budgetary framework and within a zero-growth context. The Research Council's *budget proposal* for 2012, which was submitted in December 2010, recommends an increase of NOK 1.2 billion, of which 60 per cent, NOK 730 million, should be allocated to the following four main priority areas:

- Open competitive arenas for industry and researchers (a total of NOK 240 million): The Research Council has two open competitive arenas one for outstanding basic research projects and one for research and innovation in industry. The proposal recommends an increase of NOK 140 million to the open arena for independent researcher projects and NOK 100 million to the Programme for User-driven Research-based Innovation (BIA).
- Energy and environmental technology (NOK 200 million): This recommended funding increase is targeted towards industry to encourage greater investment in research in renewable energy, more efficient petroleum technology and technologies with reduced environmental impact.
- *Climate change and climate policy* (NOK 150 million): This recommended funding increase is targeted towards research on the climate system, adaptive responses within society and the development of effective climate policy as part of the follow-up to the Klima21 strategy.
- Research infrastructure (NOK 140 million): The National Financing Initiative for Research Infrastructure was introduced in 2009, and activities should be expanded in keeping with the original intentions. This will be crucial to enhancing the quality of Norwegian research and increasing the interest of skilled international researchers in coming to Norway.

Regional research funds

The regional research fund scheme was launched in March 2010. Funds have been set up in seven independent regions that will allocate funding to R&D projects within their region.

The Research Council has been assigned a central role in the administration of the funds. A department for regional R&D has been established to strengthen coordination of activities at the regional level and promote shared learning and harmonisation of measures. In 2010, NOK 161 million was allocated to projects throughout the country. The Research Council is involved in the effort, providing training, quality assessment of submitted grant applications, and access to its electronic system for submission and assessment of grant applications.

National strategic development processes

The cross-political agreement on climate policy reached by the Storting in 2008 led to the establishment of Klima21, a national strategy forum for climate research appointed to develop a cohesive strategy for Norwegian climate research and ensure the incorporation of research-based knowledge into the development, management and implementation of climate policy. The Research Council was given responsibility for administering the secretariat. The forum submitted its proposal for a national strategy for climate research in February 2010. The document points out that allocations over the national budget for 2015 must be at least NOK 1 billion above the 2010 level if the targets set for Norwegian climate research are to be reached.

The Klima21 forum is one of several national strategic research processes initiated in recent years by the Government. The board of the *Oil and Gas in the 21stCcentury* (OG21) strategy forum submitted a new national strategy for the Norwegian petroleum industry in October 2010, and the Energi21 forum is preparing a revised strategy that was completed in June 2011.

In addition to its responsibilities as a provider of advisory services, implementer of research policy and meeting place for all parties in the research sector, the Research Council works actively within the Norwegian research system to promote greater focus on national priority areas, including the development and incorporation of strategic planning activities. Experience from the ongoing national strategic development processes towards the 21st century and the prospect of similar processes planned for biotechnology, nanotechnology and marine issues imply that the Research Council needs to define its role in this type of task more clearly.

The Council should have a central function in activities to develop national research strategies whether the initiative has come from political circles, the Council itself or other stakeholders. The Council has become more closely integrated in the national strategic development processes and must continue to expand its efforts vis-à-vis its contributions to the knowledge base and various analyses as well as its expertise in relation to processes, stakeholders and secretariat administration. The Council must work to ensure that the strategies are well-known and widely accepted and that key players are involved in the relevant processes.

Gender equality is fundamental to enhancing recruitment

Satisfactory recruitment of women in research activity is absolutely fundamental to maintaining Norway's competitiveness as a research nation. While women comprised 46 per cent of those completing doctoral degrees in 2010, only 18 per cent of all professorships are filled by women. This places Norway at roughly the same level as the European average.

In 2010 the Research Council completed a review of the assessment criteria for grant applications. The former gender equality component has been expanded into three new criteria: recruitment of women, gender balance in the project and gender perspectives in the

research. This adjustment gives added strength and clarification to the gender-related aspects of grant application assessment. Projects under the Research Council will also be classified in terms of gender-related perspectives, which will facilitate the ability to generate analyses of our own portfolio in this area.

Efforts continued during 2010 to gain support for a new Research Council programme initiative to increase the proportion of women in top-level positions and research management. This initiative is a response to the ambitions indicated in the white paper on research and the Research Council's internal policy for gender equality and gender perspectives in research. An allocation of NOK 20 million for this purpose is included in the 2012 budget proposal.

3. The Research Council administers close to 30 per cent of public R&D expenditures

The Research Council coordinates allocations from 16 ministries

The Research Council as a funding agency plays a major role in coordinating public investment in research through its allocation of funding from 16 government ministries to research activities across all fields and thematic areas. The Research Council distributes roughly one-third of all public funding for research. Considerable effort is put into drawing up strategies, designing budget proposals and planning programme and networking activities to achieve national, cross-sectoral coordination of public research activity.

The Research Council's budget increased by 7 per cent in 2010

The accounts for 2010 show that the Research Council allocated NOK 7 billion to Norwegian research. This represents an increase in R&D funding of NOK 416 million compared with 2009. The Research Council's share of the total growth in R&D allocations from the national budget was close to 30 per cent in 2010.

The Government's budget for 2011 was roughly the same level in real terms as the year before, which in the view of the Executive Board is not sufficient for realising the potential of Norwegian research to respond to existing large-scale national and global challenges. The Board notes with concern that the level of allocation established in the wake of the cross-political agreement on climate policy has not been sustained. More positively, the Board is pleased that support for independent researcher-initiated projects and infrastructure has been increased, and that the Research Council is being given greater latitude to determine how to distribute support from the Fund for Research and Innovation.

Continued growth for environment-friendly energy research

Research activities in the field of environment-friendly energy have grown widely in recent years as a result of the cross-political agreement on climate policy reached by the Storting, and capacity in this area has risen significantly. The Research Council has continued to increase its investment in environment-friendly energy in 2010, allocating NOK 300 million to this field of research. 2010 was the first year of operation for the eight Centres for Environment-friendly Energy Research (FME) designated in 2009. Research activities are well underway at all of these centres, which have already earned a reputation as arenas of specialist expertise. Action was taken during 2010 to launch new FME centres for social science-related energy research (FME Samfunn). In February 2011 the Research Council announced the names of the three awarded status as FME Samfunn centres.

Open competitive arena

The Research Council provides funding to basic research via a number of programmes and activities. The primary funding instrument in this context is the FRIPRO scheme, an open competitive arena for high-quality, researcher-initiated, thematically independent basic research projects. The Executive Board has been concerned that funding for this scheme has not been increased despite recommendations to do so from the Research Council. This was given priority in the budget proposal last year, and the Board notes with satisfaction that the national budget for 2011 provided an increase of NOK 60 million for this funding instrument.

Laying the foundation for stable conditions for the best among researchers has remained a priority task for the Research Council in 2010. An evaluation of the Centres of Excellence (SFF) scheme was conducted in 2010. The report shows that the scheme has been very successful. The SFF centres have given the Norwegian research community a more visible profile abroad and have been able to attract top scientists from abroad. The report also provides suggestions for how to further enhance the scheme in connection with a new funding round, for example by clarifying expectations with regard to cooperation with the host institutions involved.

The Executive Board considers it essential to ensure that the open competitive arenas have adequate magnitude, and has therefore given priority to promoting growth in funding for independent research projects. The Council is equally concerned with safeguarding the capacity for scientific renewal, and the Board discussed and approved input in this context to the government committee appointed to assess the connection between the resources, impact and quality of publicly funded research in Norway.

Instruments that strengthen industry-oriented research

The Research Council offers a wide range of support schemes for companies seeking to incorporate research into their development activities. Industry-oriented activities are usually organised under the various research programmes, including the Large-scale Programmes, that encompass specific thematic or strategic priority areas of research. The initiatives available vary widely in focus, from energy to ICT, food and transport. For areas of research that are not covered under a specific programme, funding may be sought under the Programme for User-driven Research-based Innovation (BIA), which is an open competitive arena. The Research Council administers a number of other industry-oriented schemes, including the SkatteFUNN tax deduction scheme, support for networks and competence brokering.

A funding announcement for new Centres for Research-based Innovation (SFI) was issued in 2010. The Research Council received 44 proposals and seven new centres were selected for SFI status. The new SFI centres will receive up to NOK 10 million per year for eight years, comprising investment in research-based innovation of up to NOK 560 million for the eight-year period. A midterm evaluation was carried out in 2010 on the first group of centres granted SFI status. The contracts for nine of these were renewed for an additional three-year period without additional requirements, while the five others must first submit plans for follow-up of the recommendations that emerged from the midterm evaluations.

Large-scale Programme initiative

In December 2010 the Executive Board approved a decision to continue the Large-scale Programme initiative and to further target it towards defined thematic and structural

challenges within national priority areas. The midterm evaluation of the imitative that was completed in 2009 also pointed to the need for better coordination of ministerial activities, and this has been followed up by the Ministry of Education and Research and the sectoral ministries. The Executive Board is of the opinion that the process has led to a wider understanding and created a basis for enhanced coordination, for instance with regard to the Research Council's role in efforts relating to national R&D strategies.

Large-scale research infrastructure

Investment of adequate resources in research infrastructure is an important means of enabling Norwegian research groups to participate on the international research front. Assessment of the proposals submitted for the first funding announcement under the National Financing Initiative for Infrastructure was completed in 2010. NOK 270 million was granted to four large-scale infrastructure facilities.

Subsequently, in June 2010, the initial version of the Norwegian Roadmap for Infrastructure was launched. The roadmap provides a strategic overview over large-scale research infrastructure currently being established in Norway, of projects that have been quality controlled in the application process and are considered to be ready for investment, and of projects with potential Norwegian participation on the corresponding ESFRI (European Strategy Forum on Research Infrastructures) Roadmap. The *National Strategy for Research Infrastructure* (2008-2017) was further followed up with a new funding announcement for NOK 400 million in October 2010. Proposals seeking a total of NOK 4 billion were submitted in response to this call.

The International Polar Year was a success

In June 2010, the Research Council was the host when more than 2 300 polar researchers assembled for the largest international polar research conference ever held. The conference included a comprehensive dissemination programme and served as the concluding conference for the International Polar Year (IPY), which was launched in March 2007 as an intensive, internationally coordinated observation and data collection programme over the course of a two-year period.

In Norway, the corresponding IPY Programme was established as a four-year programme that was concluded in 2010. The Research Council was in charge of coordinating Norwegian participation under a joint international committee headed by the International Council for Science (ICSU) and the World Meteorological Organization (WMO). Researchers from more than 60 countries took part in the programme. Norway was ranked third highest among all the countries that allocated extra funding to polar research during the IPY.

Analysis of research data compiled during the IPY has already provided a great deal of new insight into the global climate, the Arctic and the Antarctic, and will continue to do so in years to come. The IPY, as a coordinated effort, has achieved much more than could be expected vis-à-vis the individual national budgets for polar research.

The Fund for Research and Innovation

The Fund for Research and Innovation has played a critical role in most of the new initiatives under the Research Council in recent years. The fund represents a stable, long-term funding source for Norwegian research. At the same time, money from the fund is helping to compensate for the sector-based funding system by providing support for cross-sectoral measures in Norwegian research. Approximately 18 per cent of the Research Council's

overall revenues for 2010 have come from the fund, which means it is an essential source of financing for the Council's activities.

Due to the decline in interest rates, the yield from the fund may be diminished in coming years. The Executive Board is concerned about the situation that may result from this. If the fund is to function according to the original intent, then mechanisms must be put in place to ensure that it remains a stable, reliable and price-adjusted provider of financing for research.

The Research Council has a large degree of freedom in determining how to distribute the money from this funding source, which means it affords the Research Council a unique opportunity to create unity in the overall funding pattern defined by allocations from 16 independent ministries.

Financial transfers

Transfers (research obligations) in the 2010 accounts relating to research activities and projects comprise NOK 1 262 million, as opposed to NOK 973 million in 2009. This also represents an increase in relative terms as a percentage of the disposable budget. Most of this increase is associated with the initiative for investment in scientific equipment, and is due to time-consuming processes both for project selection and in the procurement phase.

A major proportion of the transfers is concentrated around a comparatively small proportion of programmes and activities. The Executive Board views it as essential to keep the level of budget transfers within a reasonable level that can also accommodate practical circumstances related to the start-up and phase-in of activities beyond the individual budget year.

4. The Research Council is important as a hub

The Research Council provides a valuable meeting place for institutions, ministries, politicians, the media and the public at large. This is an extremely important function that is being given increasingly greater priority. In 2010 the Research Council carried out 106 events of various size and scope. A total of 15 000 visitors were registered as visiting the Research Council offices.

Taking active part in the public dialogue

The Research Council participates actively in the public debate on R&D activities both in the media and through formal bodies. In 2010 the Research Council figured in 4 123 articles in the media. The Council cultivates active contacts with the political community and arranges an annual visit of the parliamentary Standing Committee on Education, Research and Church Affairs. In addition, the Research Council takes part in consultative reviews conducted by the Storting when relevant. The Council arranges a study trip every year for political advisors working at the Storting.

Internally the Research Council has worked to improve its capabilities in relation to analysis of and advisory services on research and innovation policy, and active steps are being taken to share the analysis results with relevant interested parties and stakeholders.

Public-oriented measures

The Research Council has been assigned national responsibility for dissemination of research to the general public and administers a variety of measures for this purpose, including the

Nysgjerrigper Science Knowledge Project, National Science Week in Norway and the Pro Scientia Project, which coordinates the Norwegian Contest for Young Scientists. The Research Council's portfolio of dissemination activities thus encompass measures for all age groups from 6 and up.

The Nysgjerrigper Science Knowledge Project is primarily directed towards children at primary school level, but can provide assistance to pre-school level facilities as well. In addition to these measures, the Research Council provides funding and information to Forskning.no, a website for national and international research news, and publishes *Forskning* magazine, which features news articles on research projects and findings as well as research policy issues.

The Research Council gives out three annual awards, for outstanding research, excellence in communication of science and most innovative company.

The Research Council will continue to work actively to strengthen dialogue and understanding between the research communities on the one hand and politicians, the media and the general public on the other.

5. Challenges that the Research Council is facing

Greater focus on solving major social challenges

Research and technological development have had a tremendous impact on the advancement of society. Research Council activities aimed at finding solutions to major social challenges are an important component of national research policy.

The most recent white paper on research takes societal goals as its point of departure, and research initiatives under the EU incorporate these same perspectives as well. This line of thinking is one of the key motivating factors behind the budget increases proposed by the Research Council. The Council considers it essential to expand capacity in the research system in areas of relevance to global challenges. It is also important to ensure a long-term focus and scientific renewal as an integral part of such efforts.

Integrated approach in investment in innovation and increased value creation

Norway's substantial value creation is linked to the country's level of knowledge, creativity, high productivity and good natural resource base. Norway must aim its economy in an even more knowledge-based direction. At the same time, the existing industrial structure contributes to keeping overall research investment low in relation to total value creation. This makes public investment in knowledge even more important. To succeed in enhancing value creation, Norway needs considerable public investment in knowledge.

The Executive Board seeks to achieve a well-integrated approach in the use of funding instruments aimed at trade and industry. It is important to ensure that public investments are utilised even more optimally, and that they also meet the needs of those segments of trade and industry that are currently less easily incorporated into existing schemes. We must continue to develop our strongest industries and build on national advantages, and knowledge is becoming increasingly vital as one of the pillars of value creation. Thus, it is crucial to continue to develop the Research Council's role as an important meeting place for research, innovation and industry.

The internationalisation of Norwegian research poses a major challenge

Research is growing increasingly global in nature. In 2009 Norwegian researchers were coauthors in close to 6 700 international articles, representing an increase of roughly 370 per cent from 1994. Over 50 per cent of all articles written by Norwegian researchers have international co-authorship. Especially noticeable is the rise in number of co-authors from EU countries outside of the Nordic region. At the global level, more than 35 per cent of all articles written have international co-authorship.

Changes in the international research landscape will lead to the establishment of new international arenas along with new forms of funding cooperation that are more binding. This will in turn set new parameters for the Research Council's efforts with regard to the prioritisation, coordination and distribution of tasks between national and international initiatives. It will be necessary for the Research Council to make use of several types of international funding cooperation, with differing levels of coordination and risk.

The main challenge in this context is developing appropriate stimulation and positioning measures in relation to the EU framework programmes and affiliated activities, and strengthening of bilateral cooperation. Most international cooperation revolves around multilateral cooperation via the EU framework programme and the joint European Research Area (ERA). The budget for the EU Seventh Framework Programme will be significantly increased during the second half of the programme, and it is crucial that Norwegian researchers mobilise to present themselves as strong contenders in the remaining funding announcements.

The Norwegian research system must be developed to achieve greater cooperation, better distribution of tasks and more concentrated focus

The effectiveness of the research system is a key factor in maintaining the quality of Norwegian research and our international competitiveness. The achievement of greater cooperation, better distribution of tasks and more concentrated focus in the research system is therefore high on Norway's agenda.

The Research Council seeks to play a key part in these efforts. The impact of funding instruments on the structure of the research system in terms of promoting cooperation, encouraging more targeted focus and fostering more proficient research management must be carefully weighed. The centre schemes have provide valuable experience in this context, and the Research Council's strategy points out that instruments of this type can be used to create more effective collaborative networks elsewhere in the Norwegian research system. The Centres for Environment-friendly Energy Research are a case in point. The Research Council will take active steps to follow this issue up through funding instruments that support the autonomy of the institutions and promote constructive utilisation of resources.

6. The Research Council's internal activities

Organisation

The Research Council of Norway is a public administrative body granted special powers of authority. Its main offices are located in Oslo, with a separate office in Brussels and regional employees with offices located in other counties.

In 2010 the Research Council allocated NOK 7 billion, primarily to research institutions and companies. This represents an increase of NOK 490 million from 2009. The administrative accounts in 2010 amounted to NOK 403 million. In addition, some programmes are charged for administrative costs in connection with special measures.

The Research Council manages property assets as part of its portfolio. These activities are organised as a separate profit centre. At the end of 2010 the equity property fund totalled NOK 29.8 million. Revenues for 2010 amounted to NOK 7.3 million and comprised for the most part ground rent. Expenditures totalled NOK 3.6 million.

As of 31 December 2010 the Research Council's staff consisted of 401.3 man-years (414 individuals). Senior advisers comprise the largest group of employees, accounting for a total of 116 man-years. The Research Council maintains an ongoing focus on issues relating to the working environment, and carries out preventative Health, Safety and Environment (HSE) measures, including regular assessment of the physical and psychosocial working environment, internal staff surveys conducted every other year, follow-up of employees on sick leave and cooperation with the occupational health services. The total sickness absence is 3.8 per cent, and has remained at a stable low level for several years.

Women comprise a total of 63 per cent of the staff, 60 per cent of the leadership group, 56 per cent of the advisor/senior advisor group and 90 per cent of the executive officer group. There are 17 employees of non-Norwegian origin in the administration. The Research Council's employment procedures stipulate that it is mandatory to call in qualified applicants of non-Norwegian origin for interviews. The physical working environment is appropriately accessible for persons with disabilities. The Research Council's activities do not pollute the environment to any significant degree.

Reorganisation

During the autumn of 2010 the Research Council reorganised its internal structure, expanding from three to four research divisions as from 1 January 2011. This reorganisation allows the divisions to develop core competencies within a more closely delimited area, and enables them to play a more active strategic role in encouraging and implementing research aimed at areas where there are important global and social challenges.

This will be the case for the two new divisions on energy, environmental and climate research and welfare, working life, education and health/medical research, respectively. The Research Council has thus been restructured to more clearly reflect the two main dimensions of national and international research priorities, which are climate and environmental challenges, on the one hand, and challenges to the welfare state, on the other.

The Division for Science will continue as before, but has been assigned an additional responsibility for activities to develop a well integrated research system for universities, university colleges and the independent research institutes as a whole. The Division for Innovation will also continue as before, but has been assigned an additional responsibility for industry-oriented technology. Thus, as a whole, the new portfolio lays a better foundation for shaping measures to fit the full range of Norwegian trade and industry.

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The Research Council is continuously seeking to improve its administrative methods and activities. Issues that have been the focus of most attention during 2010 include:

- developing the knowledge base for strategic R&D analysis and advisory functions;
- systematic analysis of the Research Council's R&D portfolio to ensure a reliable basis for devising internal policy and funding instruments;
- achieving efficient use of administrative resources and developing a system for employee timesheet registration, introduced 1 January 2011;
- clarifying of the ramifications of the Public Administration Act and training in how this should be applied;
- further developing IT tools that support complex administrative procedures in connection with R&D activities, using an IT system that conforms to government standards and software architecture guidelines;
- following up the Research Council's competence strategy;
- following up user surveys and designing more user-friendly solutions for www.forskningsradet.no
- carrying out an emergency preparedness exercise and updating the Research Council's emergency preparedness plan in response to feedback from the ministerial inspection of 2009;
- selecting a new document management system.

Renewed contract for Director General

Arvid Hallén accepted the offer to renew his contract for a new six-year period as from 1 December 2010.