The Norwegian defence industry
– industrial development between foreign
dependence and self-sufficiency
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**English summary**

This report presents an article originally published in *Eksport Vooruzheniy*, a Russian paper on international defence industry. The entire article is presented as an appendix in this report.

The article summarizes main characteristics and development of the Norwegian defence industry. It portrays the development from a historical perspective since WWII, and considers how changing and somewhat ambiguous government policies have shaped its evolution. The article also presents industry statistics, and gives an overview of the current policy regime and future challenges that the industry faces.
Sammendrag

Denne rapporten presenterer en artikkel som opprinnelig var publisert i *Eksport Vooruzheni*, et russisk tidsskrift om internasjonal forsvarsindustri. Artikkelen er presentert i sin helhet som et vedlegg i rapporten.

Artikkelen oppsummerer sentrale kjennetegn ved og utviklingen av norsk forsvarsindustri. Den beskriver utviklingen i et historisk perspektiv, helt tilbake til annen verdenskrig, og viser hvordan myndighetenes endrede og tidvis tvetydige målsettinger har lagt føringer for industriutviklingen. Artikkelen presenterer også statistikk over norsk forsvarsindustri, og gir en oversikt over dagens politikk og fremtidige utfordringer for industrien.
Contents

1  Introduction  7

Appendix A  8
1 Introduction

This report presents an article originally written and published in Eksport Vooruzheniy, a Russian paper on international defence industry. This takes part of the cooperation between the Russian project at Norwegian Defence Research Establishment (FFI) and the independent Russian research institute Centre for the Analysis of Strategies and Technologies (CAST). We publish the article as a FFI-report with a delay with permission from the editor. The article is entirely presented as an appendix in this report.

The article is part of FFI-project 1257 Defence Industrial policy – a comparative study. The purpose of the project is to promote expertise in defence industrial policy in selected European countries. The article presents an overview of historical decisions that have influenced use of policy instruments and characteristics of the defence industry today. The article may form a platform for more detailed studies on Norwegian defence industry policies as well as comparative studies of foreign defence industry policies.
Appendix A

The Norwegian Defence Industry –
Industrial Development between Foreign Dependence and Self-sufficiency

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The Norwegian Defence Industry –
Industrial Development between Foreign Dependence and Self-sufficiency

Abstract

This article summarizes the main characteristics and development steps of the Norwegian defence industry. It takes a historical perspective on the development of the Norwegian defence industry since WWII and sees how changing and somewhat ambiguous government policies have shaped its evolution. It uses industry statistics to give an overview of the main characteristics of the Norwegian defence industry today, and it reviews important policy documents to create an overview of the current policy regime and future challenges that the industry faces.

Keywords:
Defence industrial policy, Security, Industrial development, Arms export
1. Introduction

The Norwegian defence industry today consists of around 120 fairly heterogeneous companies (Fevolden, Andås and Christiansen, 2009). About three or four of these companies can be described as large defence contractors and are sometimes referred to as systems integrators in the sense that they deliver complete weapon systems or platforms. The rest of the companies in the Norwegian industry are small or medium-sized (or larger civilian companies with a small military business on the side), and can be described as specialized suppliers, in the sense that they produce either specialized components (e.g. for weapon systems) or relatively simple, stand-alone military equipment. Although the Norwegian defence industry is small compared to the defence industries in other European countries, it has a fairly wide span of technological competencies and a broad portfolio of products. The industry produces everything from tactical communication, crypto equipment, ammunitions, military explosives, tents and protective suits, to components for aircrafts, vehicles and vessels. The Norwegian defence contractors are, on the whole, very export intensive compared to most other defence firms in Europe (Castellacci and Fevolden, 2012), receiving about half of their revenues from foreign clients on average.

Compared to the defence industries of the other Nordic countries, the Norwegian defence industry occupies a middle position. It is larger and more diversified than the Danish defence industry, but far smaller and more narrowly-focused than the Swedish. This formation reflects the somewhat ambiguous defence industrial policies that the Norwegian government has pursued over the preceding decades. The Norwegian government has neither pursued complete self-sufficiency, nor wished to rely completely on foreign suppliers; via a diverse set of policy instruments it has sought to create opportunities for its domestic defence industry both at home and abroad, but it has never attempted to have its domestic defence industry cover all its own needs for defence equipment. In this article, we will describe the evolution and the current state of the Norwegian defence industry and the Norwegian defence industrial policy regime. As the title indicates, we wish to highlight the ambiguities that have characterized the policy regime, by characterising the evolution of the Norwegian defence industry as an industrial development process caught between foreign dependence and self-sufficiency.

The article is organized in the following way. Part 2 looks at the development of the Norwegian defence industry from a historical perspective, to see how government policies have shaped its evolution. Part 3 presents statistics about the Norwegian defence industry to provide a picture of the industry today. Part 4 describes the current policy regime and future challenges that the industry faces. In conclusion, part 5 provides a short summary and synthesis of key points.

2. Norwegian Defence Industrial Policy – a Historical Perspective

Norwegian defence industrial policy has been greatly influenced by the post-WWII reconstruction efforts and the country’s entry into the North Atlantic Treaty Organization (NATO; see Wicken, 1990). Unlike its neighbour Sweden – which pursued a policy of neutrality and needed to be self-
sufficient in terms of defence equipment – Norway’s membership in NATO meant it could depend on other member countries for access to defence material. Nevertheless, the Norwegian Government wanted to ensure that its armed forces had a secure, national supply of spare parts and munitions and so began to support the build-up of a modern defence industry from early on in the post-war period. Initially the Norwegian Government wanted to keep this support on a moderate level, in-case the defence industry diverted resources away from its other reconstruction efforts, but this view changed during the 1960s. The government came to the conclusion that the production of sophisticated military products could help modernize its industry and that exporting defence equipment could provide the country with much needed foreign currency. These two policy goals – of supporting the armed forces and fostering export and employment – have continued as the main justification for the Norwegian defence industrial policy since the early, post-war years.

Immediately after WWII, the Norwegian Government had little interest in supporting a major build-up of a national defence industry and only wanted to maintain an industry that could provide the armed forces with critical supplies and maintenance capacity in the event of war (Wicken, 1987; 1990). The Government assumed that in the event of an armed conflict they would be faced with a shortage of arms and munitions, as foreign defence companies would prioritize deliveries to their own defence forces, before catering to the needs of other countries. Norway therefore needed a national defence industry that could provide the country with a secure supply of military components and maintenance capacity. Nevertheless, the Norwegian government did not want to support the build-up of a large scale national defence industry. WWII had had a devastating impact on Norway, and the government believed that supporting the development of a large domestic defence industry would take precious resources away from its civilian reconstruction efforts. Furthermore, in the immediate post-war years, most of Norway’s needs for military equipment were covered by aid packages from the United States, again meaning that the Norwegian Government saw little need to rapidly develop the domestic industry. The national defence industry was therefore fairly limited and mainly focused on the supply of ammunition and spare parts, and maintenance of imported materials.

Although the Norwegian Government showed a general lack of interest in the national defence industry in the early post-war years, this attitude gradually changed during the 1950s and 60s, when crucial developments took place within the industry. A major turning point for the Norwegian defence industry came in 1953, when the Kongsberg Weapons Factory (KV) received a contract for production of Bofors L/70 guns as part of a NATO production program (Wicken, 1987). This contract brought with it grants to modernize the company, which were necessary to comply with the contractual obligations. The government also decided to develop the two other major national defence companies, Raufoss Ammunition Factory and the Navy Main Yard. The development of these three defence companies coincided with a general improvement in attitudes towards the defence industry. Having previously considered it as an impediment to economic growth, the Norwegian Government began to view defence exports as a possible source of foreign currency. From the 1960s on, the government came to the conclusion that the production of
sophisticated military products – rather than drawing funds away from its reconstruction efforts – could actually help modernize its industry, by developing advanced products and production methods which would be important for the development of other industries (Heibeрг, 1997).

In the period from the 1960s to 1980s, the defence industrial policy climate varied greatly. In the late 1960s and early 1970s, the transfers of military equipment that Norway had received from the United States (through their military aid programmes for Western Europe) were reduced, and new military equipment had to be financed through national funding to a greater extent. This increased interest in strengthening the national defence industry – both as a supplier to the Armed Forces and as an exporter. The Norwegian Government began to use national procurement as a means to increase production in the domestic defence industry, and to make the industry more competitive on the international market; by forcing the defence companies to comply with the government’s strict contract requirements, such as delivery deadlines and detailed specifications, it pushed the sector to develop and improve (Wicken, 1990). In the later part of the 1970s, however, the Norwegian industrial policy shifted to a greater focus on imports, in an attempt to curb inflation by freeing up resources and manpower. This also affected the defence sector, which experienced a reduction in national demand (Wicken, 1992; St.meld. nr. 25 (1973-74)). The 1980s saw another shift in Norwegian industrial policy, as politicians grew increasingly worried about falling employment in the industrial sector, and so began to increase acquisition from the national defence industry.

In the 1990s, the Norwegian Ministry of Defence established a long-term strategy for defence procurement that stated that Norwegian defence contractors should be considered preferred suppliers in the areas where the industry were internationally competitive (Innst.S. nr. 191 (1994-1995); St.prp. nr. 48 (1994-1995)). This procurement policy was largely justified on grounds of security. The argument was that the Armed Forces would rely on the support of a robust national defence industry under a range of circumstances: to ensure security of supply during an armed conflict; to offer technical know-how during the acquisition of complex defence equipment; and, to shield national secrets from foreign countries. This strategy was developed over time, and an increasing stress was placed on the authorities’ responsibility for actively shaping the framework conditions for the defence industry.

**Offsets**

Offset agreements have been one of the most important policy tools that the Norwegian Government has used to stimulate the national defence industry (St.meld. nr. 38 (2006-2007)). The offset system requires foreign defence contractors to enter into business arrangements with domestic defence companies as a condition for making deliveries to the Norwegian Armed Forces; this can be traced back to the fleet plan of 1960, which obliged a German defence supplier to purchase goods from Norway as part of the agreement (Wicken 1987, Wicken 1992, cf St.prp. nr. 25 (1960-1961)). The demands for offsets in connection with the fleet plan procurement can be viewed as a response to the reduction in military aid from the United States and a corresponding escalation of nationally-funded defence procurement: Norway needed to
modernize its industries, and with a limited domestic market, it was in its interest to encourage exports.

Nevertheless, the practice of demanding offsets was controversial and there were many heated discussions about this issue in the following years. Proponents argued that offsets helped the Norwegian defence companies secure contracts and thereby helped them modernize their production and increase employment (Wicken, 1987). Opponents said that offsets led to higher costs on imports and that the Armed Forces ended up with more expensive and less efficient defence material (ibid). Such arguments may explain why it took several years before the offset arrangements were formalized.

In 1981, the Parliament ("Stortinget") supported a proposal by the MoD to introduce guidelines for offsets (international industrial cooperation). Guidelines set out in 1981 contained no fixed criteria for when offsets should be required, but left it open to consideration in each individual procurement agreement, based on the products to be procured, technological scope and the size of the procurement. The guidelines for offsets have been revised several times since. The 1991 version of the guidelines stipulated a 100% offset requirement on all foreign acquisitions exceeding 50 million NOK (St.meld. nr. 38 (2006-2007)). This threshold was later raised to 75 million NOK, although it was then lowered to 50 million NOK. There might, however, be some international procurement arrangements where offset is not involved, for instance in procurement directly from another government or via international armaments cooperation programs.

Export Control
While offset schemes work as an industrial policy instrument to strengthen the Norwegian defence industry’s opportunities to win contracts in the international market, export controls have the opposite effect, by prohibiting the industry from selling weapons to certain foreign customers. Norwegian controls on defence exports are based on a parliamentary resolution from 1935, which was extended and clarified in 1959, listing countries that the Norwegian defence companies were not allowed to export to.

Export control carried little legitimacy up until the 1960s, and was mainly seen as a trade policy tool that inhibited export (Wicken 1988). The overriding idea in this period was that defence exports would benefit society by creating a competitive, high-tech industry, increased employment and foreign exchange earnings, and that it would serve to strengthen the NATO alliance by contributing to mutual dependence and common standards for military equipment (Wicken, 1992).

From the late 1960s, export regulations were tightened (Wicken, 1992). Among other limitations, Norwegian companies were no longer allowed to export arms and ammunition to non-democratic NATO member countries. In 1974 the regulations were further tightened with the introduction of a list of the countries to which exports were allowed ("landlisten"). Foreign policy and ethical arguments were important influences on the tightening of regulations in this period. Nevertheless, in the years that followed these rules proved too strict to be upheld, and from 1983 the Norwegian
government began to liberalize the export regime. Economic factors, such as a drop in oil prices, stock market crashes, deindustrialization and increasing unemployment, resulted in a renewed commitment to stimulate exports. Norwegian politicians also wanted to stimulate technological development in the Norwegian industry through the use of defence industrial policy. From 1987 on, the Norwegian Government began to tighten the export regime again. These changes came as a direct response to several controversial sales made in 1987, such as the KV / Toshiba case (Wicken, 1992).

The current Norwegian export control system is both strict and transparent. The Norwegian Ministry of Foreign Affairs stated in 1991 that Norway has the most stringent monitoring systems of any NATO country (Kristiansen 1991). The Ministry of Foreign Affairs also publishes an annual report to the parliament (“Stortinget”) containing both a review of the legislation and enforcement of export controls, and ever-more detailed statistics on Norwegian exports of defence equipment.

3. The Norwegian Defence Industry Today

The defence industry in Norway is defined as the collection of businesses that operate within the defence and security market, and that contribute to national wealth creation over time, regardless of ownership. This means we have emphasized those companies that are based in and have a real business presence in Norway, thus helping to create jobs and a competitive private sector. The number of firms varies over time, and in 2011 we identified 124 defence enterprises. We have collected or estimated data for 118 of these companies. The other firms are omitted from the statistics due to a lack of data.

The defence companies had a total turnover of defence and security related goods, to Norwegian and foreign customers, of 13.1 billion NOK in 2011. This figure includes both defence-specific and dual-use products, which are those that have both civilian and military applications; maintenance and other services are also included. Other civilian goods and services supplied to the military organization, such as standard outdoor equipment and office supplies, are excluded. The companies have reported deliveries to the Norwegian Armed Forces for 3 billion NOK. The remaining shares of sales are made to other Norwegian and foreign customers, such as other defence contractors and other countries’ armed forces. Sales to foreign customers also include some defence equipment that is manufactured abroad, for foreign defence. These products contribute to national incomes via profits made by the Norwegian companies, even if these goods do not ever cross Norwegian borders.

In 2011, exports of defence material and services, that is goods and services that crossed the Norwegian border, were worth 5 billion NOK, of which 4.2 billion NOK were exports that required licences. In comparison, the Ministry of Foreign Affairs (MFA) reported that the value of defence exports was 3.9 billion NOK. We believe that this difference in estimates for the total value of these exports must be due to technical accounting. Differences between the procedures
for reporting to the MFA and the companies’ own accounting practices for export earnings may explain some of the difference. In addition, it may be that some of the companies have included exports of materials that are not subject to licensing duty. Other defence-related exports are estimated to value 362 million NOK. These ‘other’ exports are based on goods and services that are manufactured for defence, but have civilian applications, such as clothing and tents. While these products have a specific defence origin, they do not require export licenses; examples of such goods include tents and camouflage products.

Defence companies employed 4,500 full-time equivalents (FTEs) in defence-related activities at the end of 2011. Defence related FTEs are defined as personnel that work with the development, production or service of defence material. Personnel in other support roles, such as IT, payroll etc., are distributed proportionally between the civilian and defence-related activities.

The defence industry's contribution to national value added was 6.0 billion NOK in 2011, calculated as corporate earnings and labour costs. This means that the defence industry was responsible for 0.2% of Norway’s GDP in 2011, which was 2,750 billion NOK. Value added per person-year in defence-related activities was 1.3 million NOK in that year; a high value compared to other industries. For example, employees in the tourism industry in the category accommodation and dining, have a value added per man-year of just 0.5 billion NOK.

In addition to these contributions, defence firms also provide value added through the distribution of dividends and payments of wages; the companies also contribute to value added in other sectors, for example through purchases made from other firms. In 2011, defence companies bought goods and services from Norwegian and foreign companies worth nearly 7.5 billion NOK. A substantial share of this (3.2 billion NOK, or 43%) was based on purchases from Norwegian companies. This extensive subcontracting activity indicates that many of the Norwegian defence firms are specialized in niche markets, and many of the companies they make purchases from are component suppliers. End products often rely heavily on subcontracting. However, many of the components required in the defence industry are either more advanced or cheaper to buy on the international market; indeed, more than half of the total procurement volume was from foreign firms.

The Norwegian defence industry can be characterized as innovative: in 2011 in total, these companies invested 1.0 billion NOK in various defence-related R&D projects, representing 8% of the companies’ total sales in the defence market. 382 million NOK) was financed by the companies themselves, with the rest of the costs billed to clients or supported via other forms of external financing. The national R&D figures for 2011 are not published yet, but corresponding figures for 2010 show that defence-related R&D accounted for 4% of total R&D costs in trade and industry. Our statistics also show that defence companies provide a slightly lower share of R&D funding than businesses in general, with 51% compared to an average of 61%. This may be explained by the fact that some military production is specially adapted to customer needs.
Industry Structure

We have categorized the defence companies according to a slightly modified version of the EU’s categorization scheme. This definition groups the companies into four categories, namely large, medium, small and micro enterprises: the large defence contractors are those companies with 250 or more full-time positions (FTEs) in defence-related activities; medium-sized defence contractors have between 50 and 249 FTEs in defence-related activities; small defence contractors have between 10 and 49 defence-related FTEs; and, micro enterprises have fewer than 10 defence-related FTEs. The figure below shows Norwegian defence firms allocated into these four categories.

![Distribution of Norwegian defence enterprises by standard business categories.](image)

An especially prominent feature of the Norwegian defence industry, is that it consists of a few large and many small suppliers. Twelve companies have over 50 defence-related FTEs, and 90% of companies are categorized as either small or micro providers. Of these, 78 of the companies are categorized as micro suppliers.

Although there are only a few large companies, these companies seem to have a dominant position in the defence market. This applies in all of the measured values, such as turnover, FTEs and exports shown in the figures below.

![Turnover and FTE’s in defence-related activities (left) and defence-related exports (right) for each vendor category.](image)
In 2011, the large companies had defence-related revenues of over 8.4 billion and employed nearly 2,500 people, i.e. almost two-thirds of the defence sector’s sales and over half of its employment. If we include the medium-sized companies (twelve companies) these larger organizations together account for over 80% of both employment and turnover in the defence sector. Although the smallest businesses have a low share of the total defence-related revenue, they are responsible for a significant proportion of deliveries to the Norwegian Armed Forces. Micro companies provided goods and services to the Norwegian Armed Forces worth 643 million NOK in 2011, equivalent to 22% of all deliveries to the military.

Similar patterns can be seen in defence-related exports, where virtually all exports were carried out by the biggest companies. Total the large and medium-sized vendors exported goods worth over 4.0 billion, or 96% of all export-licensed goods.

When it comes to R&D efforts, the distribution between the supplier categories is somewhat different, as shown in the figure below.

![Investments in research and development: total amounts and as a percentage of sales.](image)

Although the big companies invest considerably in R&D, it is the medium-sized and micro suppliers that have the highest R&D spending as share of defence-related turnover. The companies within these categories have an R&D effort corresponding respectively to 14% and 13% of their defence-related sales. For the other categories, R&D investment is equivalent to less than 10% of their revenues. The figure also shows variations between the supplier categories in terms of the distribution of R&D costs. For example, the micro suppliers fund almost all of their R&D investment themselves, while the proportion of self-funded R&D for the other supplier categories vary between 13% and 44% (of total R&D activity). These findings indicate that the smallest companies are highly innovative. The high proportion of self-funded research also suggests that these firms establish innovation projects and take risks, to a greater extent than the larger firms.

4. **Current Policy Regime**

The framework for the Norwegian defence industry is constantly changing, both in terms of government objectives for the Norwegian defence industry and trade agreements with other
countries. At present, we can expect exports in the Norwegian defence industry to be affected by at least two new regulations, the export licensing regime and the EU Defence and Security Procurement Directive.

**Export licensing regime**
The first set of regulation, the licensing regime for defence exports, monitors international developments closely to establish lists of the materials and technologies that require licensing and of the countries which can receive materials from Norway. A recently approved EU Directive intends to harmonize export licensing rules and procedures among member nations. The purpose of this initiative is to provide a more equal playing field for European defence companies. This EU directive also applies to European Economic Area member nations, and it is expected to be included into Norwegian national legislation during 2013. The dramatic events in North Africa in 2011 have placed an even greater focus on export licenses. Fears have been raised that Norwegian defence materials could be used in undesirable ways have led the government to perform more extensive risk assessments regarding recipient countries. In addition, it has been made much easier for the government to revoke export licenses and stop exports if the situation in a country changes significantly.

Most likely, these changes in export controls will not have significant impact on the defence industry. Norway has traditionally had a relatively strict set of rules, and national companies are accustomed to following these requirements. However, the second new directive, The European Union’s Defence and Security Procurement Directive, can be expected to have a much greater impact on the industry.

**European Union’s Defence and Security Procurement Directive**
The European Union’s Defence and Security Procurement Directive (2009/81/EC) is one of several recent initiatives from the European Union to create a more competitive and transparent European defence market. Among other steps, the main European arms producing nations signed a ‘Letter of Intent’ in 2006, stating that they would attempt to harmonize their defence market rules, and in 2006 the European Defence Agency (EDA) introduced a non-mandatory ‘Code of Conduct’ to encourage Member states to open their defence markets to foreign bidders; however, these initiatives fell far short of creating a common European defence market (Keohane, 2008). The Directive is supposed to be a stronger political tool, since it regulates and limits the use of Article 346 of the Treaty on the Functioning of the European Union (the “Lisbon Treaty”). This article allows member states to take necessary action to protect their “essential security interests”, but the EU Commission have raised concerns that it is inappropriately used in many cases, to exempt trade in defence materiel from the internal market.

Questions remain about to the extent to which, and the ways in which EU and EFTA member states will be able to pursue active defence industrial policies once this Directive has been transposed into national law. There are nevertheless some defence industrial policy instruments that are likely to be affected by the new Directive, specifically offset agreements and direct
purchase without competition. When this agreement involves using a national defence contractor to produce part of the defence equipment that the country procures, it is called ‘direct offset’; when the agreement involves purchases unrelated to the defence equipment that the country procures, it is called ‘indirect offset.’ The new EU directive could make it more difficult to request indirect offsets, but requirements related to security of supply can be applied, giving domestic bidders a competitive advantage. There is still a possibility to exempt a specific contract from the rules of the Directive, invoking Article 346, but the member nation will have to substantiate that their essential security interests are at stake. Nevertheless, the Directive opens up for continued use of other policy instruments. For example, two or more member nations might escape from the scope of the Directive by entering into a cooperative programme for the development of a new product based on research and development.

The new EU directive will certainly not apply to all future purchases by the Norwegian Armed Forces. In general, the Directive will not be applied to procurement that has a significant impact on national security. The government maintains a list of technology areas that will form the basis for cooperation between the Armed Forces and the industry. This list has changed over time, and the areas have been further specified in preparation for the implementation of the new regulation. The current technology areas are: 1) command, control, information, decision making support, and combat systems; 2) system integration; 3) missile technology (particularly for use in demanding topographic and coastal areas) and related sensor and fire control systems; 4) underwater sensors and autonomous underwater systems; 5) ammunition, aiming devices, remotely controlled weapon stations, rocket and missile engine technology and military explosives; 6) material technology (including composites) specifically developed and/or adapted for military use; and, 7) life cycle support for military air and sea vessels.

In other words, it is national security needs, and not economic or industrial policy arguments, which will determine if the Directive is relevant or not for each procurement process. For procurements outside the Directive it may still be desirable to purchase materials directly from the national industry, or use offsets to strengthen national knowledge and expertise.

5. Final remarks

The development of the Norwegian defence industry can be seen as the result of a combination of political control and market mechanisms. In the first years after WWII, Norway acquired much of its defence equipment through various assistance programs. Meanwhile, the politicians wanted to strengthen Norwegian production of defence equipment, among other reasons to be less dependent on foreign supplies in the event of conflict. In addition, it was argued that the development of technologically advanced products would have positive effects in the civilian sector.
Norwegian authorities have never had ambitions to be self-sufficient in terms of defence equipment: the complexity of advanced military material generally means it is not profitable to produce on a small scale. Therefore, the government has used various supportive policy instruments, particularly offset, to help the defence companies enter the international market. Although offset has undoubtedly facilitated export, this is not the only factor that explains the industry's growth over the past decade. High-tech products, timing and good personal relations have been just as important to win in competition for overseas orders.

The view of the defence industry as a national concern is changing. There have been several initiatives to make the defence market more open, including a new EU directive on the procurement of defence equipment. In Norway the directive will be implemented in the form of a new regulation early in 2013. The impact on the Norwegian defence industry is still uncertain. Understanding such on-going changes is the framework conditions for the defence industry in Norway will continue to make it an interesting research area in the years to come.
References


St. meld. nr. 25 (1973–74) Om petroleumsvirksomhetens plass i det norske samfunn.


**Information from the website:**

- Statutes of FSi and member lists: [www.fsi.no](http://www.fsi.no)
- Key economic data from the National Register of Business Enterprises and the National Register of Company Accounts: [www.proff.no](http://www.proff.no)
- National statistics, definitions of statistical concepts and consumer: [www.ssb.no](http://www.ssb.no)