

Oslo: State of the City

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The report has been commissioned by **Oslo Business Region**, which is owned and funded by the **City of Oslo**.

The report is written by **The Business of Cities**, an urban intelligence firm based in London that provides data and advice to 100 global cities and companies.



Photos: Kristoffer Hunstad



Executive Summary

Oslo is now well into a new cycle of change: one of revealed excellence, raised expectations, and attention to flaws.

"Oslo: The State of the City" captures Oslo through the eyes of the rest of the world. It reviews how Oslo compares and competes internationally, drawing on hundreds of city benchmarks to see how Oslo is perceived and how it is actually performing.

Next up is for Oslo to live up to its billing and to persuade more of the world that it is better than the alternatives.

Oslo's edge

Oslo has emerged from the pandemic in stronger shape than most cities. **In 2024 the city is up to 29th in the world for overall performance, and**

11th in Europe, based on an aggregate of 100+ indices since Q1 2023.

The areas cities are competing in are the ones that Oslo has an edge in: liveability, sustainability, career fulfilment, and easy travel. On the whole, Oslo is becoming more attractive to investors, professionals, students, event organisers, and especially visitors.

Oslo's innovation ecosystem is starting to punch above its weight. The depth of the city's scientific specialisms, blue economy, track record of scale-ups, and the availability of risk capital has steadily over-taken many other cities. Oslo is also getting more attention and accolades for its culture than before and for using technology to improve people's lives.

As a result, interest in appraising Oslo has gone up a gear in recent years, and **Oslo is now a top ranked city more often than any city in the world of its size**. Oslo's star is rising along with the rest of the Nordics.

The challenges ahead

Oslo's challenges are around costs and collaboration. The region is rated less cost competitive for business and mobile talent. Other cities are ahead for scientific output, fluid university-industry links, collaborating across borders, and meeting the skills demands of their innovative businesses.

It is important to address these gaps to raise the productivity Oslo needs to stay highly liveable. While the city is still well regarded by locals as a place to live, there are signs that more cities rival Oslo's family friendly work-life balance and healthy way of life. In addition, Oslo cannot be complacent in the race for low carbon and clean air.

Oslo gets high ratings but is not part of the general global conversation as often as it could or should be. Many of the city's strengths go unnoticed, while other Nordic cities remain more prominent in global commentary and the public mind.

This points to Oslo's need to:

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- | | | |
|--|---|---|
| <p>1 Remind the world of the journey the city is on.</p> | <p>2 Show how Oslo's advantages for business and talent outweigh any costs.</p> | <p>3 Continue to prioritise its main innovation districts as centres of collaboration.</p> |
| <p>4 Build on the enhanced visitor offer and focus on the experience side of culture.</p> | <p>5 Work as a region to deliver the scale, choice and cohesion as costs rise.</p> | <p>6 Show the world how it borrows and differentiates from the Nordic pioneer cities.</p> |
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Photo: Kristoffer Hunstad

Intro

Understanding Oslo's position and prospects in the world of cities.



For the last 10 years, Oslo has been driving Norway's quest to diversify its economy, become resilient, and present a new face to the world.

As Europe's 4th fastest growing capital city in the past decade, Oslo has used its resource and governance advantages to go on a journey towards a more mixed economy, a venue for culture and creativity, a green capital, and a hub for innovative startups. Along the way Oslo has started to gain a special role in the world as a city that leads, pioneers, and excites.

Oslo is now well into its next development and investment cycle, within a new chapter of global competition and specialisation. There are now more than 300 cities competing internationally for global activity, triple the number 20 years ago. Some talent is now more mobile, and others more

sticky. The challenge to be welcoming, frictionless and affordable, and to be perceived as such, looms larger than ever.

While other cities are more divided or distracted, Oslo has some deep advantages and building blocks.

Yet, towards 2030 Oslo has a task on its hands to become a top-choice city in more eyes, differentiated from the rest. Having raised expectations, Oslo has to reveal its excellence, work on its flaws, and persuade that it is better than elsewhere as a place to work, visit, study, discover, live, and be a partner in the city's future.

What is State of the City?

The State of the City is an outside-in review of how Oslo compares and competes, first conceived by Oslo Business Region and shaped in collaboration with the City of Oslo.



The key things to know are:

It draws on 800 international city benchmarks and rankings, as well as local data sources such as Nordregio, Statistics Norway & Klimabarometeret.

It looks both at how Oslo is performing and how it is perceived.

It reviews how Oslo has done since end of 2022.

The 1st edition was in 2015.

It calculates how Oslo is doing across themes.

The data scale reflects how others appraise Oslo – mainly the Oslo Region scale, and sometimes the Oslo Municipality.

How should we use it?

To see where Oslo really excels and falls short.

To spot where international perceptions diverge from reality.

To keep track of our innovation ecosystem.

To agree on actionable priorities across Oslo.

To see how government, businesses, start-ups, universities and investors can contribute.

Photos: Kristoffer Hunstad



Community

“We create lots of policies to make Oslo more welcoming but we don’t always know if that’s having an effect on outside perceptions.”

“State of the City can support the conversation between City of Oslo and all other partners.”

“Oslo is becoming more socially unequal. The State of the City needs to tell us what is happening on housing, affordability, and the differences in life chances in different parts of the region.”

What the Oslo community wants from State of the City

“State of the City shines a light on everyday Oslo – the people, the cultures, young people’s lives and opportunities.”

“State of the City can help to communicate what is special about Oslo: how close we are to nature, how easy it is to get around, our harbour, our openness.”

“We need insights into how well we are keeping hold of our graduates and our young families, and how much that is because of Oslo’s childcare, schools and quality of life”



Progress

Oslo's impressive progress

Oslo has emerged from the pandemic in stronger shape than most. Since 2019 Oslo has improved from the 17th best city for all round performance in Europe to now 11th, and 6th among smaller cities. In the Nordics

it has overtaken Helsinki. Oslo is better than where it was for innovation, economy and resilience, and there is more attention on the areas where Oslo has always done well (quality, liveability, sustainability).

	Oslo in the world	Oslo in Europe	Oslo in the Nordics	Oslo among smaller cities globally
2024	29 th ↑	11 th ↑	3 rd ↑	6 th ↑
2019	43 rd	17 th	4 th	10 th

The Business of Cities research, based on 100+ global benchmarks that rate city performance and perception.

Where does Oslo rank among European cities?



Where Oslo leads

Oslo the pioneer.

Oslo is the top small city in the world for how often it is rated a leading city, on a par with much larger cities like Hong Kong and Tokyo. The frequency of Top 10s performances for Oslo has risen more in Oslo than in any other European capital city since 2019.

Oslo with purpose.

Oslo still consistently rates near the top of the charts for seamless access to services, ease of getting around, and the sense of fulfilment that people living in Oslo get from their careers.

How often Oslo is rated a top city

2019 2024

19% → 30% ↑

Oslo World No. 1s



Growth of high value companies

Dealroom, Growth in No. unicorns '19-'22



Sustainable suppliers in tourism

Global Destination Sustainability



Progress to sustainable ways of getting around

Oliver Wyman Forum



Zero-emission buses

Oslo's electric bus fleet has more than doubled in a year.

Ricardo, Klimabarometeret

Exciting Top 10s

2nd

Top city: Amsterdam

EV charging infrastructure

Ricardo

7th

Top city: Zürich

How highly locals rate schools

IMD Smart City Observatory

8th

Top city: Al Rayyan

Mobile connectivity

SpeedTest

8th

Top city: Berlin

How easy locals think it is to find a fulfilling job

IMD Smart City Observatory

9th

Top city: London

Global architecture recognition

Higher School of Economics

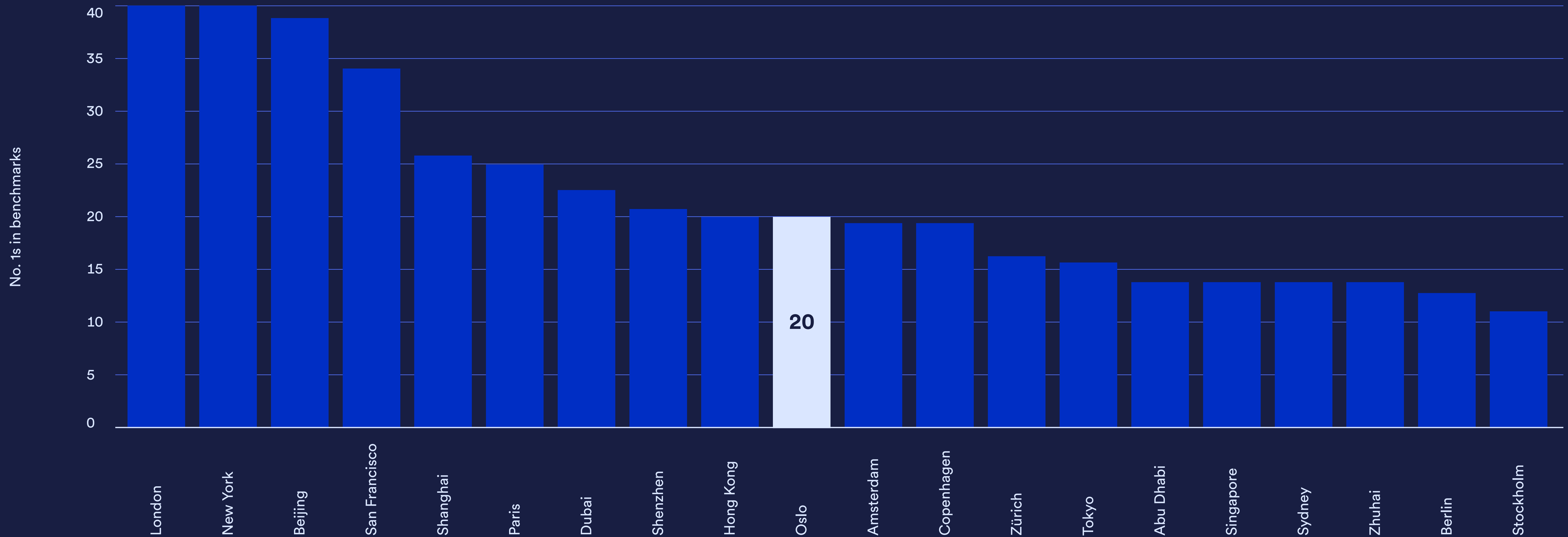
9th

Top city: San Sebastián

Food scene breadth and depth

Feedr

The 20 cities most often rated a leading city in 2023



The Business of Cities research, based on no. of benchmarks in which the city is rated no. 1



Photos: Kristoffer Hunstad

Where is Oslo improving?

Strong economic fundamentals are driving demand.

Oslo is becoming more attractive to investors, business professionals and students. Its start-ups and scale-ups are attracting more venture capital, with Oslo punching above its weight when it comes to growth in early and breakout stage VC and unicorns.

Oslo also stands out as a competitive destination for business meetings, conventions and conferences as its industry is becoming more sustainable.

Oslo's 5 most positive changes

+33Since
2020**Future economic growth prospects**

Kearney

+24Since
2020**Maturity & growth potential of innovation ecosystem**

Startup Genome

+24Since
2022**Appeal to European startup founders**

Startup Heatmap

+20Since
2019**Sustainability of tourism industry suppliers**

Global Destination Sustainability

+12Since
2019**Suitability as a meeting & conference destination**

GainingEdge

Where is Oslo falling back?

Challenges around costs and collaboration.

Global economic changes are impacting Oslo's cost competitiveness and cost of living for expats compared to other locations.

While Oslo's innovation ecosystem is flourishing, others are producing more scientific output and there are fewer university-industry links in Oslo than in other cities.

This highlights the value of Oslo's main innovation districts as centres of collaboration.

Oslo's 5 most negative changes





Oslo and the Nordics

Oslo and the Nordics' global leadership

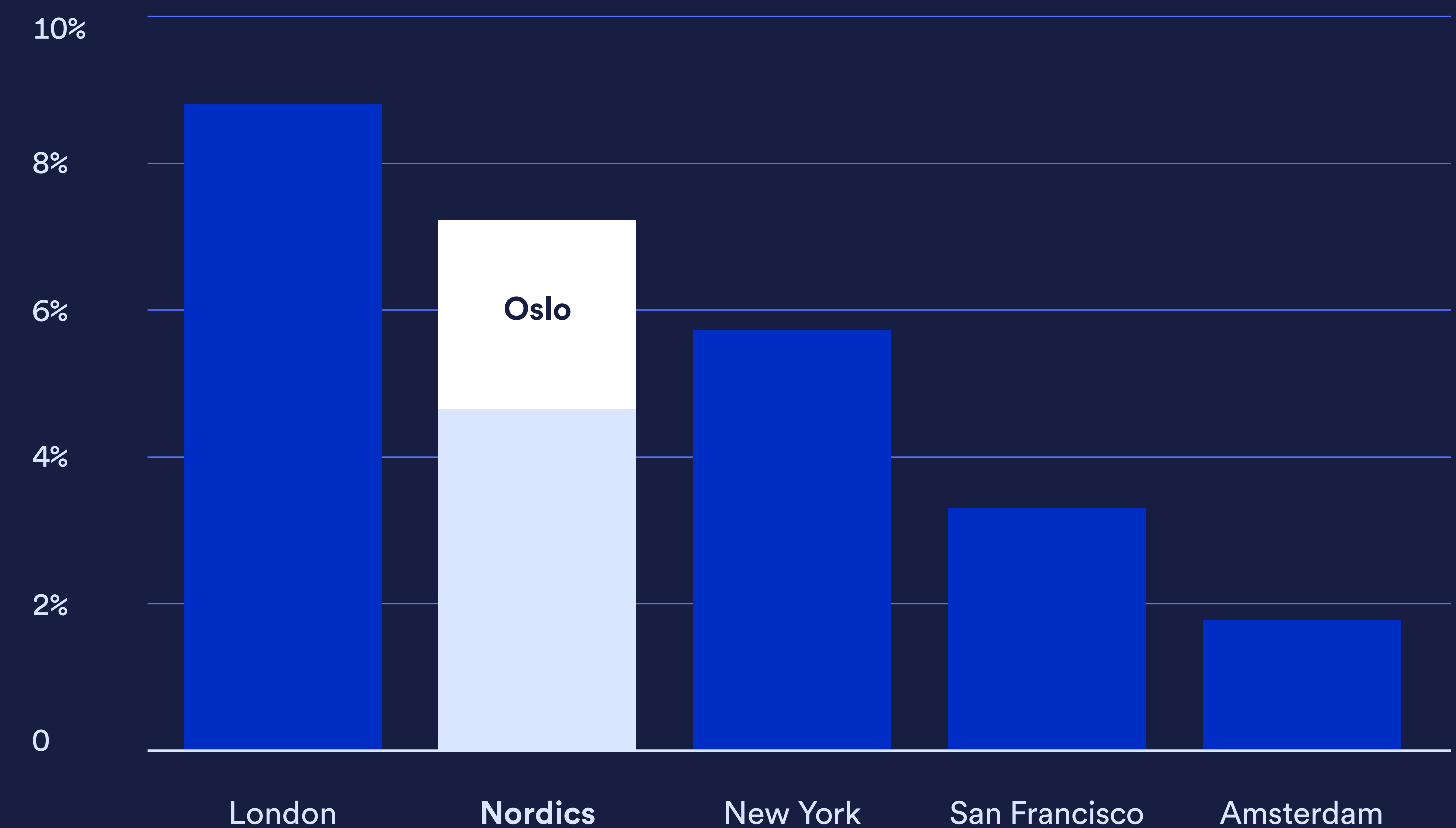
Oslo's emergence on the world stage has coincided with the rise of the Nordics (especially Copenhagen, Stockholm and Helsinki) as a successful 'pack'. Oslo's economic growth outlook is positive as it also is in other Nordic cities.

As a group, the Nordic capital cities now account for more than 7% of all of the world's cities' number 1s in benchmarks, despite only having 1 in 500 of the world's urban population.

Oslo, like the rest of the Nordics, is finding success in growing companies in the new economy, attracting meetings and conventions, and high-end tourism.

Share of world cities' no. 1s in benchmarks

% of global no. 1s



Oslo and the Nordics

The Nordic capitals increasingly perform and differentiate as a whole group.

Oslo's sustainability and wellbeing credentials are likely to be enhanced through joint promotion and positioning with its neighbours. It also has a chance to show the world how it leads even among this high-performing group for Oslo's particular model of innovation and lifestyle.



Where Oslo has an edge over other Nordic capitals?

Blue economy

Work-life balance

Digital connectivity

Share of female start-up founders

What Oslo should do

Build leadership and demonstrate Oslo's edges more decisively

Where does Oslo share in Nordic excellence?

Quality of life

Long-term growth and resilience

Success scaling new economy firms

Meetings and conventions

Clean air

What Oslo should do

Work together as part of a Nordic coalition of forward-thinking cities

Where is Oslo behind the Nordics?

Global recognition

Scale and track record of start-up system

Concentration of innovative research

Perceived vibrancy and variety

What Oslo should do

Close the performance and perception gap



Photo: Kristoffer Hunstad

Innovation

Innovation in Oslo

Oslo's innovation ecosystem has been on an upward curve for a decade, overtaking many other cities.

Oslo's innovation ecosystem continues to mature fast.

Oslo is one of the most improved European capitals for start-up maturity since pre-pandemic. This partly reflects consistent growth in VC, track record of growing emerging economy firms, attraction of early-stage funding, and specialisms in computer science.

But the competition is also improving.

Despite its recent momentum Oslo is still in the bottom 20% for international collaboration and investment attraction and has dropped the ranks for fintech and research as other cities have improved.

Top 3

Source: StartupGenome

Blue economy
ecosystem globally

Top 2

Source: StartupBlink

Fastest improvement
in scaling businesses
among European
capitals since 2020

Innovation headlines in Oslo

Upward trajectory

📈 Top 10 in Europe for prospects to grow its economy over the long term

Source: La Salle

📈 2nd fastest rate of growth in number and scaling success of start-ups among European capitals since 2020

Source: StartupBlink

Deeper and more diverse innovation specialisms

✅ Oslo has surpassed Silicon Valley to become the no. 3 Blue Economy ecosystem in the world

Source: StartupGenome

✅ 2nd in the Nordics for success growing new economy firms

Source: Nature Research

✅ University of Oslo is up 10 places to 3rd in Europe for computer science and engineering over the last 5 years

Source: Shanghai Ranking

Others are moving ahead

⚠️ Scientific research output – Oslo is down 36 places since 2019

Source: Nature

⚠️ How highly employers rate graduates – Oslo is outside the global top 100

Source: QS

Falling behind the Fintech competition

📉 Down 35 places to 81st for what experts think of the city's fintech prospects over the past two years

Source: Z/Yen



Tourism

Oslo's visitor bounce

Oslo is moving up the visitor hierarchy. Oslo benefits from the shift to higher value, higher quality, more sustainable tourism. The region is attracting more events and visitors. The food scene is getting more noticed, and the city gets more endorsement for its culture than before.

The main challenge is to continually diversify the visitor offer and provide more unique, memorable cultural experiences.

Its offer is not just geared to international visitors. Remarkably Oslo was the only major Nordic city to experience an increase in domestic visitors during the pandemic.

Source: NordRegio

+12

Source: ICCA

Places for high-level meetings and conferences since 2019

Top 10%

Source: Kayak

Of cities in the world for share of hotels that are sustainable and for how small the price difference is between sustainable and traditional hotels



Visibility

Oslo's visibility gains

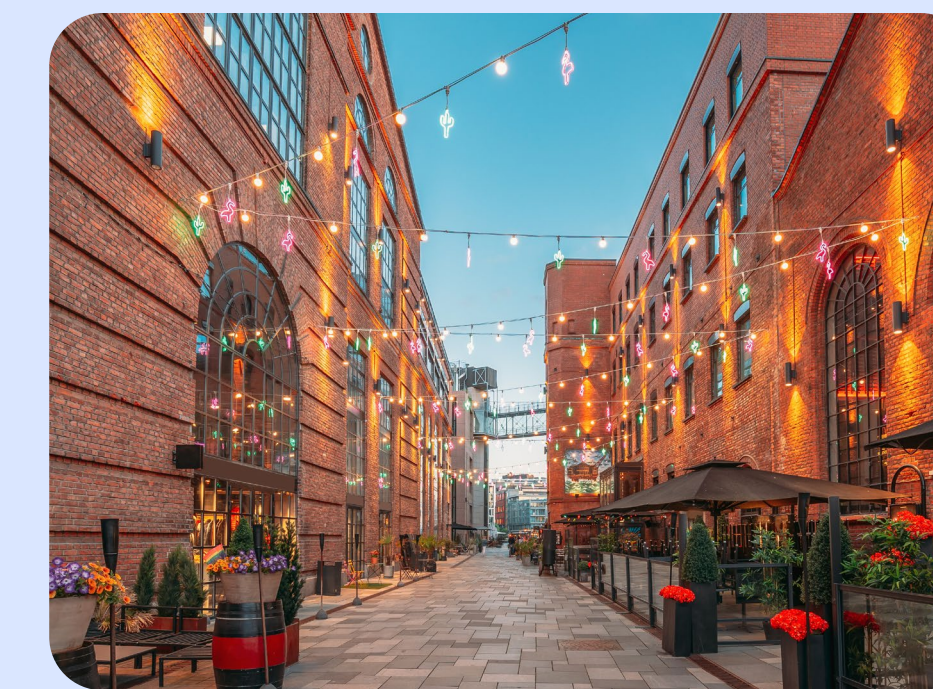
For a long time the world did not know how good Oslo is. This has started to change over the last 5 years.

Oslo has become more confident about telling the world what it is, how it's different and unique, working together not just as a single city but as an interdependent region.

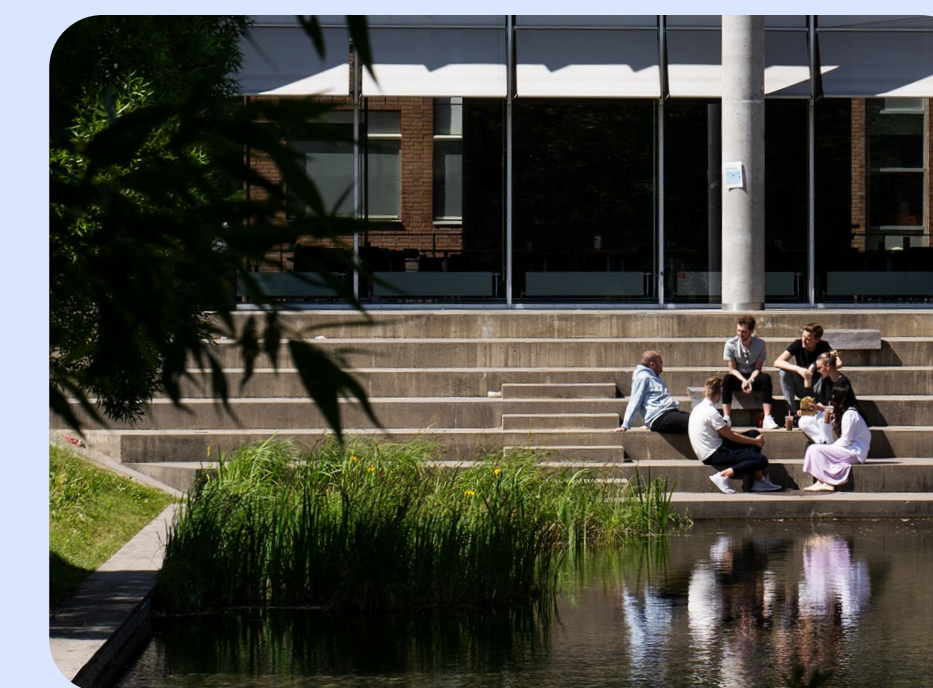
Appetite to appraise Oslo is now consistently high for one of Europe's smallest capitals. Interest in seeing how Oslo stacks up peaked during Covid, and is now closer to a long-term trend.



Voted a top 10 city to visit in the world by global public for first time
Conde Nast



3rd in the world for what experts think about quality of restaurant service
Feedr

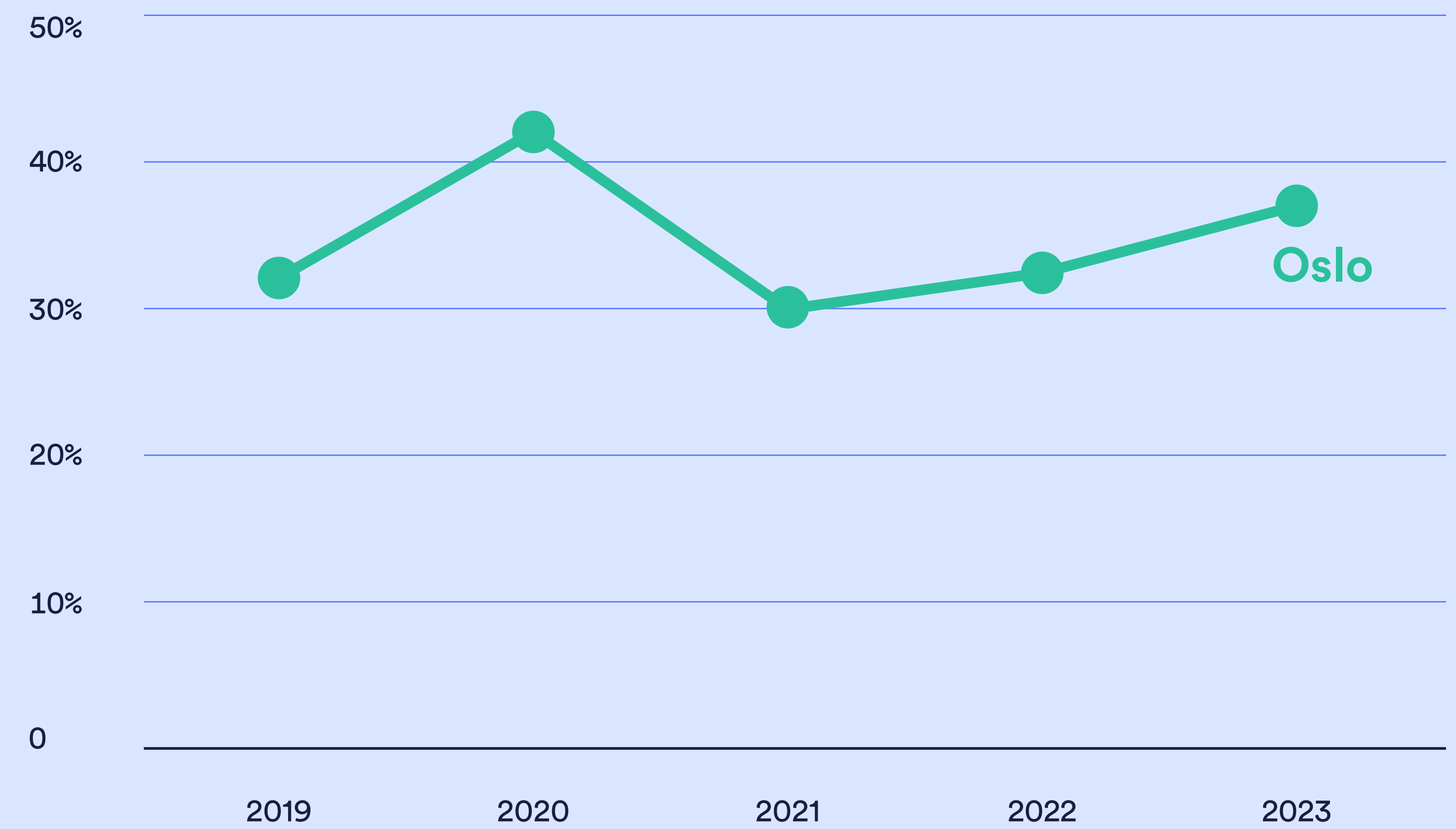


+15 places for happiness with public spaces since 2019
EU Barometer

Global visibility rank



% of global benchmarks Oslo appears in



The Business of Cities research, based on share of all global performance and perception benchmarks that Oslo appears in.

Oslo's visibility gaps

But Oslo is not as often part of the global conversation.

Oslo rates below many other European cities in terms of online mentions and social media recognition. It needs to remind the world of the journey the city is on.

Oslo's strengths still go unnoticed by those who are less familiar with the city:

- 38th globally for maturity of its creative industries, but not yet recognised as top city for animation.
[Source: Higher School of Economics](#)
- One of smallest gender gaps in world, but not yet featured in coverage of women entrepreneurs
[Source: Dell](#)
- Locals rate technology as improving quality of life (2nd in the world), but the city's smart cities strengths are not yet widely recognised by commentators and digital transformation experts in perception surveys.

[Source: IMD Smart City Observatory, Z-Yen, DTTM and Yonsei University](#)



Oslo is 36th in Europe for overall visibility in the online conversation, joint bottom among Nordics.

ING

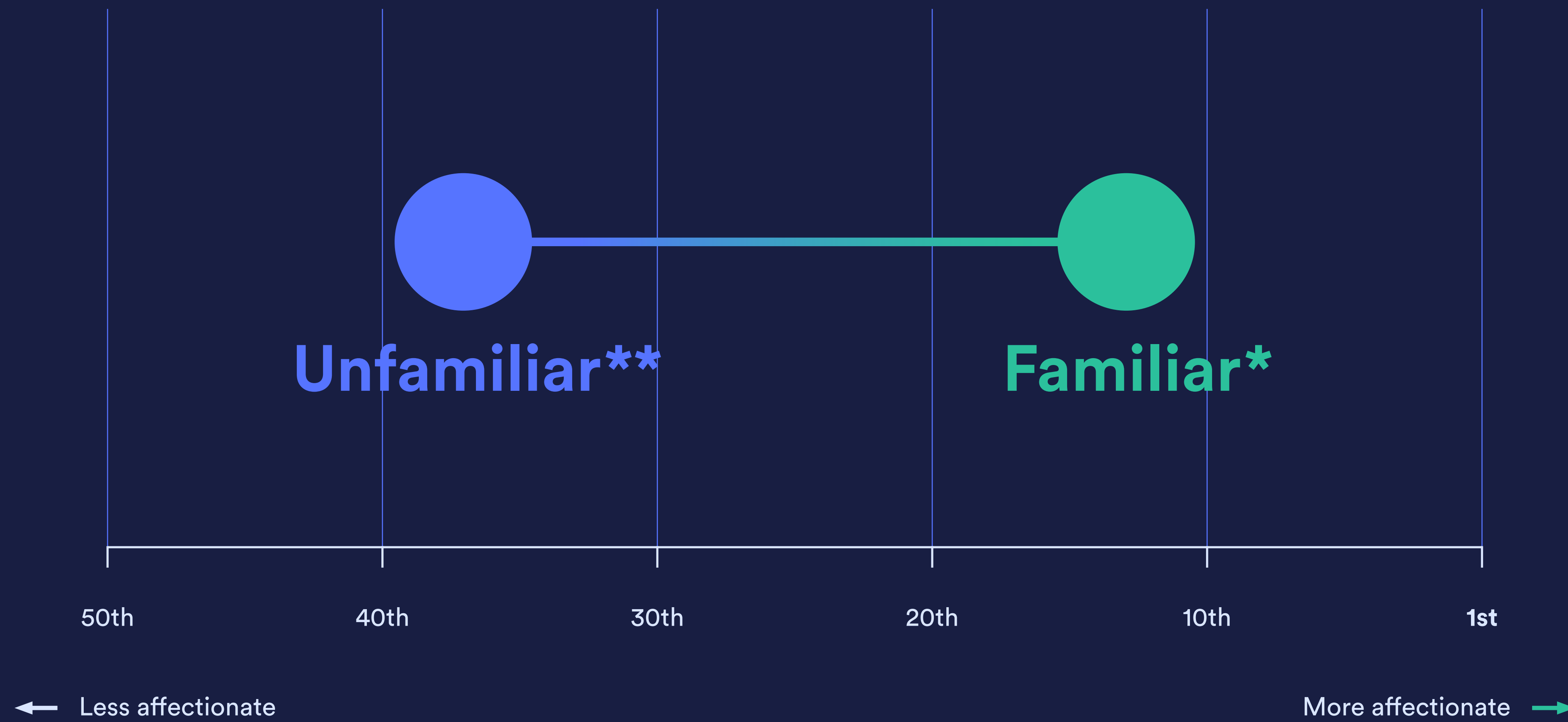


164th in the world for how often stories and recommendations about Oslo are shared, down 40 places over the last 7 years.

Resonance

Audiences familiar with Oslo are much more likely to be positive

Difference in median position in perception studies, people familiar and unfamiliar with Oslo



* Familiar: students, residents, expats, etc.
** Unfamiliar: general global public, prospective visitors/ residents who do not yet know the city, global experts.

High-profile benchmarks that don't include Oslo



Dell Women Entrepreneur Cities Index



Bloomberg Circular Cities Hub Barometer



The Smart Centres Index



InterNations Expat City Ranking



Top Worldwide Cities for Animation Careers

Perception imperatives for Oslo

The world needs reminding of Oslo's business advantages. Despite Oslo's living standards, fast-growing innovation, and resilience for investors, it is still not as visibly on the radar among global professionals, and only middle of the pack for start-up founders. Perceptions of Oslo's value for money as a place to do business or invest are down.

The challenge to grow familiarity remains.

Oslo is still much less visible than Copenhagen and Stockholm in the global commentary and public mind. On the whole, other Nordic cities have had more success closing this gap in this area.

Others are more globally recognised

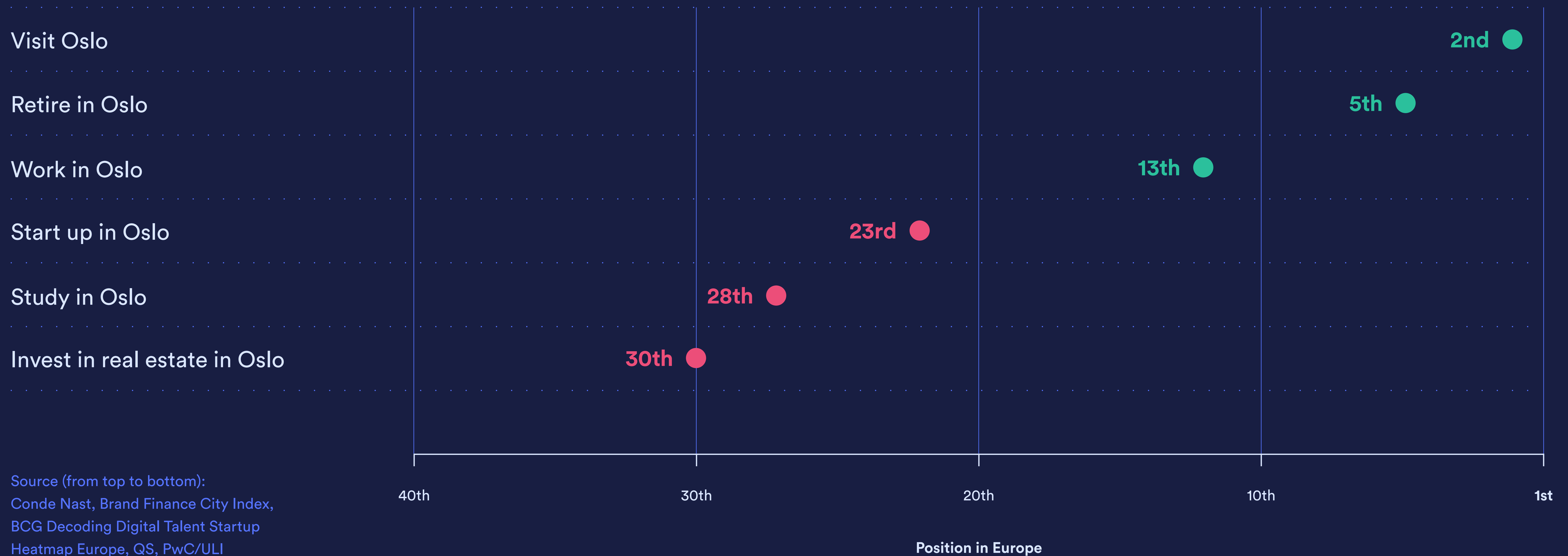
79th

Nordic average: 68th

For how familiar the global public are with Oslo

Outside perceptions of Oslo

I want to...



Wake-up calls



Wake-up calls for Oslo



Losing traction on sustainability

Sustainability is a big part of Oslo's reputation. The region still punches above its weight and is globally recognized when it comes to climate tech, blue economy, and sustainable tourism.

But in the race for cleanest air, Oslo has slipped behind. And the quest to reduce carbon emissions has slowed due to stubbornly high emissions from industry.

Oslo's green credentials need to be backed up.

Others are challenging Oslo on wellbeing

Oslo is still understood by outsiders as a place to live and enjoy. It is publicly voted as the 9th best city in the world to retire in (5th in Europe). And it is still in the top 10 in Europe for how often it is rated a top 10 city by locals across all areas relating to quality of life.

But there are signs that its advantages of work-life balance, healthy living and family friendliness have been eroded since the pandemic. If this continues this risks impacting both talent retention and talent attraction.

Alarm bells

! Green finance

Now outside the top 15 for green finance, for the the first full year in 3 years.

Z-Yen

! Air quality

Since the pandemic Oslo has fallen out of the top 10 capital cities for air quality.

IQ Air

! Family friendliness

Down 13 places since pre-pandemic for how family friendly local people think Oslo is.

EU Barometer

! Work-life balance

Down 11 places since 2020 for share of people who are over-worked.

Kisi

! People in good health

Bottom 20% in Europe for how many people say they are in good health.

EU Barometer

! Local pride

8th biggest drop in share of local people who would recommend Oslo as a place to live since pre-Covid.

EU Barometer

Photo: Kris-Mikael Krister ↓

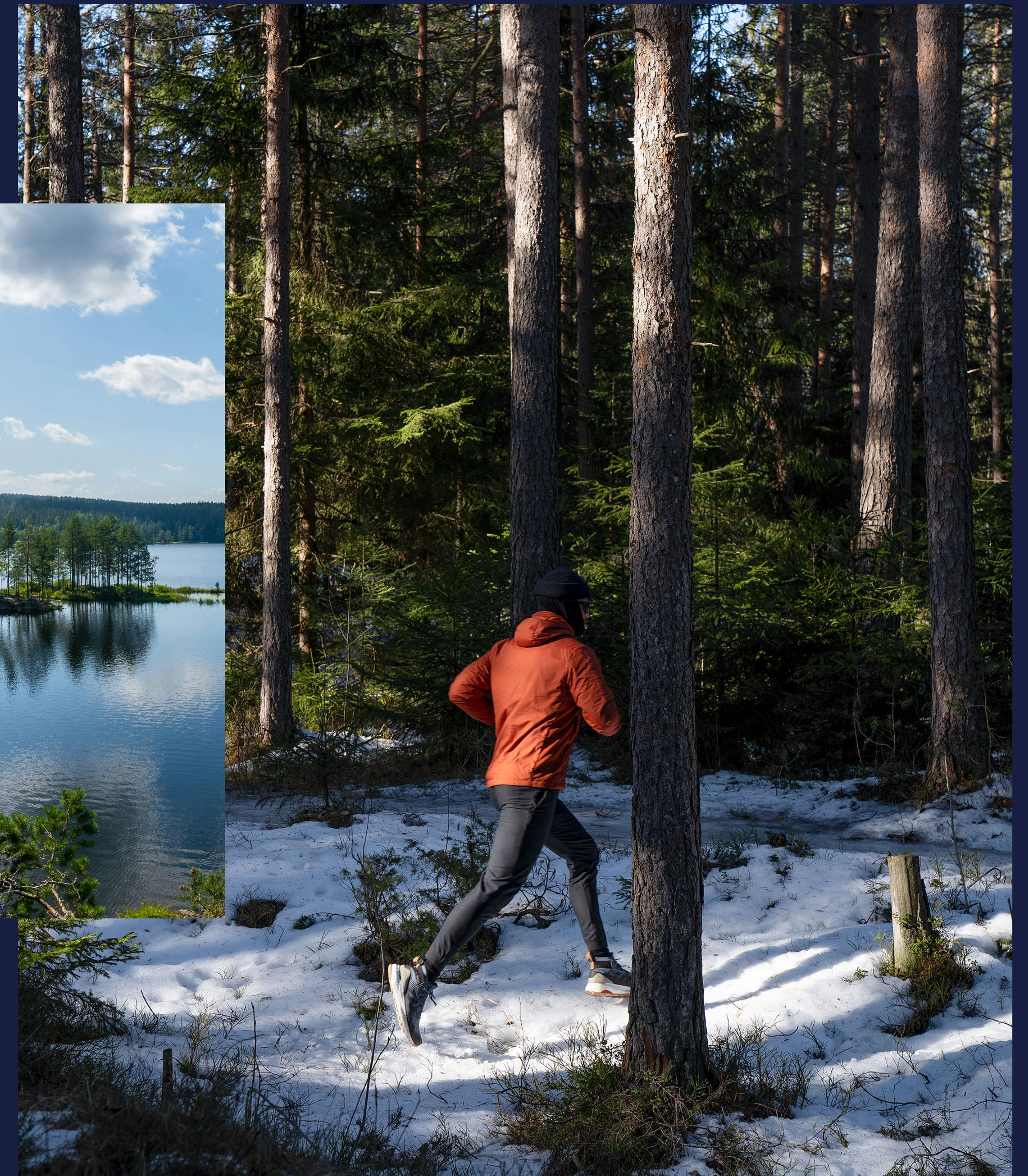


Photo: Kristoffer Hunstad ↑

What next?

What next?

Take Oslo's flaws seriously.
Recognise solutions lie in
better co-ordination as well as
better policies.

Build the green advantage
as a business advantage – by
harnessing scale, market-
making & innovation.

Collaborate better to
compete. Within Oslo and with
neighbours.

The winds are with Oslo.
Promote Oslo's success with
confidence and openness.

Build the leadership brand to
stand out and become more
visible.

Tackle local
perception gaps.

Appendix

Page 5: Ranks based on The Business of Cities research. The ELO approach rates cities by comparing their scores in every possible permutation against a list of other cities. This produces the most accurate comparative assessment of a city's scores, as it accounts for the fact that some cities appear in more rankings than do others, and also that each ranking measures a different number of cities. The ELO rating system originated in chess and is now widely used in competitive and policy contexts.

Page 8: Population growth, 2014-2023, based on Eurostat, NUTS 3 regions ; GaWC (2008, 2020) The World According to GaWC.

Page 13: Based on The Business of Cities research. Proportion of appearances in global benchmarks and change over time.

Page 14: Based on The Business of Cities research. Share of no 1 performances out of world's cities total no. 1 performances.

Page 35: From top to bottom: Conde Nast, Brand Finance City Index, BCG Decoding Digital Talent, Startup Heatmap Europe, QS, PwC/ULI.

Page 37: Carbon Monitor, Klimabarometeret.



Oslo's international
benchmark performance