

Oslo: State of the city

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Executive Summary

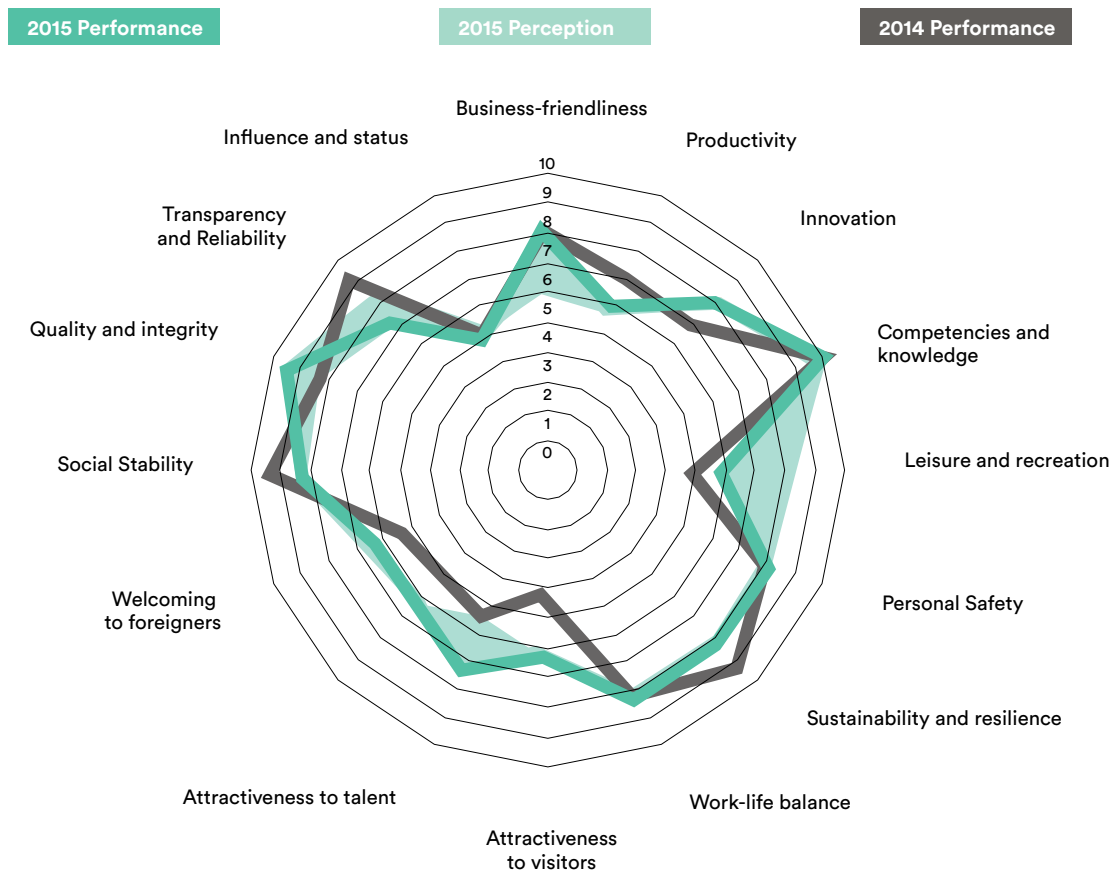
This report surveys more than 100 international indexes in order to identify Oslo’s current performance and reputation in 16 areas within four overarching themes; Business, Liveability, Hospitality, and Governance. It evaluates Oslo’s performance along a 10-point scale and compares progress to the 2015 ‘outside-in’ review.

Oslo has made important strides in international indexes of city performance since 2014. The region has improved its position in terms of innovation, leisure and recreation, attractiveness to international talent, and the quality and integrity of governance. These results confirm and strengthen Oslo’s credentials as a highly distinctive city with a unique platform of infrastructure, knowledge and ambition for global roles.

Oslo’s international projection and outreach has improved since 2014. The city is present in a number of new indexes and is slightly more visible overall compared to its peer cities. It made an important breakthrough at the very top end of competitive global indexes by being rated 3rd in the Global Cities Scorecard. Oslo is now established in the top 10 of at least six important international indexes.

Local and international perception of Oslo does not always correspond to the city’s measured performance. In particular quality of life perception among local people and those who visit is stronger than index performance. Data-led indexes record little change because of the inflexible criteria used. Elsewhere Oslo’s very strong investment performance is not matched by indexes that rely on surveys of international executives.

Oslo’s current international performance and perception spidergram (as of January 2016)*



Oslo’s performance in indexes is improving because of a mixture of:

- Updated data that begins to track Oslo’s recent progress.
- Real positive trends around investment, demography and innovation.
- Better datasets that use city rather than national data.

Oslo’s index positioning is being held back partly by:

- Reliance of some indexes on national rather than city/regional data.
- Indexes that give precedence to size, scale and sheer numbers over quality, and to the needs of senior expats and tourists over younger innovators and citizens.
- Inflexible approaches in some metrics towards factors that cities cannot shape (climate, terrorism, market size).

Oslo is still absent from six high-profile global indexes and more than 10 smaller studies that are strategic to Oslo’s positioning as a young, dynamic, compact city. This is an area for attention given the role of indexes as opinion-shapers and agenda-setters. At the same time, the methodology of several existing indexes mean they are unlikely to be immediately responsive to future improvements in Oslo. Oslo has the potential to become much more visible in international city indexes, but the region will need to approach indexes carefully and strategically to work out which indexes to target and how.

Introduction

This report is the 2nd edition of the ‘outside-in’ review of Oslo in international indexes. It draws on all the international indexes and benchmarks in which Oslo appears, from a total dataset of over 100 indexes. Using these indexes, the report identifies Oslo’s current performance and reputation in the existing 16 thematic areas within four overarching themes: Business, Liveability, Hospitality, and Governance. It evaluates Oslo’s performance along a 10-point scale.

The first 'outside-in' review identified that:

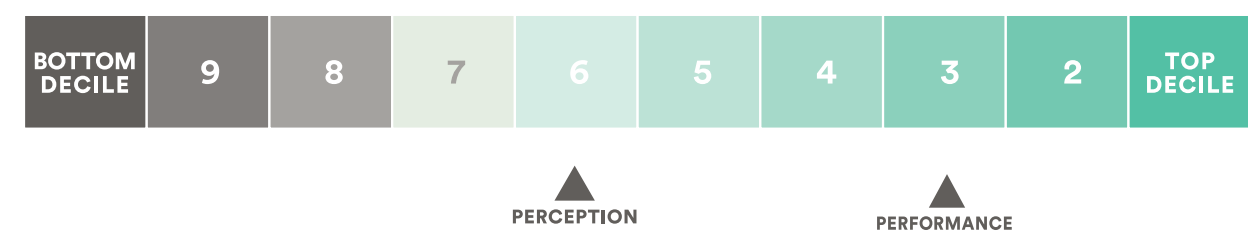
- Oslo is emerging into a distinctive and attractive international location for firms, investors and talent.
 - Oslo is admired for its quality of life, government and stability, but its international projection and reach is less powerful. Its visibility in comparisons of successful and ‘up-and-coming’ cities is below where it could be.
 - Oslo has not yet converted its educational and knowledge strengths into a recognised innovation platform.
- Oslo has some real and perceived areas of under-performance relative to other established and higher-income cities worldwide
- Since the first review, the Oslo Region Brand Strategy was launched to respond to the visibility deficit and build a more compelling brand to drive activity to the city and region. The strategy’s main goal is to make Oslo the world’s favourite compact city, one that offers a dynamic platform for young people and pioneering companies to gain visibility, confidence and global reach. The brand strategy therefore aims to raise Oslo’s profile, its real and perceived attractiveness, and its throughput of investors, workers and visitors.

This report:

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|--|--|--|
| <ul style="list-style-type: none"> – Conducts a full review and update to Oslo's index performance since November 2014 – Assesses whether Oslo's international projection and outreach in indices is improving, declining or stable. | <ul style="list-style-type: none"> – Divides results systematically between measurable performance vs perception and analyses differences between the two for Oslo. – Develops a Performance Spidergram and Perception Spidergram. | <ul style="list-style-type: none"> – Provides a headline analysis of Oslo's evolving position in the indexes, broken down into the key areas of interest. – Includes a review of international media commentary and perception in the last 12 months, and compares it to the 2010-2014 period for new patterns |
|--|--|--|

Explaining the 10-point scale

In the following sections, we detail Oslo's position across these 16 indicators, along a 10-point scale. Where there are sufficient indicators in both the performance and perception categories, Oslo's position will be shown twice to reflect how performance and perception compare. The scale is indicated by the horizontal colour scheme, where grey indicates weaker performance, and green indicates stronger performance. This is explained in more detail in the method note appendix.



1

Benchmarking Oslo
against peer cities

This paper identifies Oslo among a broad peer group of 50 cities, based on the following criteria that specify upper income medium-sized cities with advanced economies, a global orientation and with at least one visible specialisation:

Criteria	Oslo
Metropolitan population 1 to 5 million	1.4 million
GDP per capita \$35,000+	\$52,000
Business and finance = >20% of economy	37%
Global firms: rank 20th-150th	79th
Cross border real estate investment: rank 20th-150th	54th
Specialisation: at least one top 50 ranking in a major global index	>30 indexes

By this set of measures, 12 of the 49 cities strongly correspond to Oslo’s assets across multiple dimensions (see left column). There is a second group of 22 cities which have similar qualities to Oslo but are somewhat larger in terms of population and market size. Finally there is a group of 15 cities which have resemblances in terms of metropolitan size but lack the breadth and depth of assets and advantages that Oslo possesses.

Strongly comparable in most areas	Comparable global assets or strategy, but not size and scale	Comparable size and wealth, fewer similar assets or strategic imperatives
Austin	Abu Dhabi	Adelaide
Basel	Barcelona	Bristol
Brisbane	Berlin	Cleveland
Calgary	Boston	Eindhoven
Dublin	Copenhagen-Malmö	Gothenburg
Glasgow	Detroit	Las Vegas
Helsinki	Frankfurt	Lyon
Ottawa	Hamburg	Manchester
Perth	Kuwait City	Marseille
Portland	Melbourne	Minneapolis
Vancouver	Montreal	New Orleans
Zurich	Munich	Orlando
	Rome	Prague
	San Diego	Raleigh
	San Francisco	San Jose
	Seattle	
	Stockholm	
	Stuttgart	
	Sydney	
	Tel Aviv	
	Vienna	
	Warsaw	

Among Oslo’s peer group of 50 cities, across all indexes in which they are measured, Oslo is the 15th highest ranked, with an average position in international indexes of 33rd. Sydney is the lead city with an average global position of 19th. Across the board, Oslo’s overall performance is most similar to Dublin and Montreal. These summary figures confirm that Oslo is a high-performing city by the standards of cities of similar size and wealth.

Oslo among the Nordic capitals

As this paper shows Oslo is steadily improving its international performance, but it is on average some way behind the three larger Nordic capitals, and in particular behind Stockholm and Copenhagen. There are only two

indexes where Oslo is clearly the lead Nordic capital – the EIU Infrastructure ranking and the UBS net Annual Income Survey. However for its size, Oslo continues to punch well above its weight in the global rankings.

No. of indexes in which each city leads the rest (where minimum 3 of the 5 cities are ranked)

No. of index rankings

Stockholm	26
Copenhagen	19
Helsinki	5
Oslo	2
Reykjavik	0



2

Economic and Population data

Table 1:
Oslo metropolitan area’s key economic statistics, 2015

Population	1.41 million	Business and financial services share of economy	37% (high)
GDP per capita growth since 2000	1.3%	Health, education and government share of economy	29% (high)
Jobs growth since 2000	1.4%	Trade and tourism share of the economy	17% (medium)

SOURCE: BROOKINGS GLOBAL METROMONITOR

Among its peers, Oslo is the 13th fastest growing metropolitan economy since 2000, and the 4th fastest of its European peers, after Warsaw, Prague and Zurich. Much of this relative growth took place prior to the global financial crisis. Since 2008, Oslo’s economic growth (jobs and GDP per capita) has

slipped to 25th, although in Europe it is only German cities that have outperformed it. Overall, Oslo has still been the most dynamic Scandinavian city economy in the 21st century so far.

GDP per capita change since 2000

Brisbane	+32%
Stockholm	+26%
Oslo	+20%
Vancouver	+19%
Manchester	+18%
Calgary	+17%
Vienna	+16%
San Diego	+15%
Copenhagen	+9%
Hamburg	+7%

SOURCE: OXFORD ECONOMICS AND
BROOKINGS GLOBAL METRO MONITOR
(2015)

Oslo’s economy far outperforms its size. It is outside the 70 largest metropolitan areas in Europe by population but is the 37th in Europe by economic output – in recent years it has

moved clear of much larger regions such as Liverpool, Marseille and Venice. The region has performed well above averagely among more prosperous medium-sized European cities.



3

Business climate

Oslo is performing well in indexes that measure business attraction, principally because:

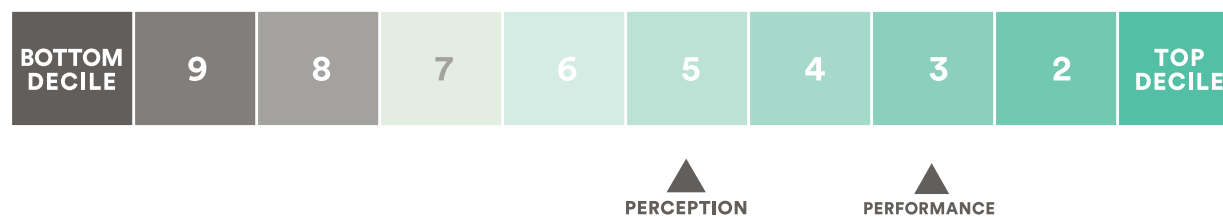
1: It possesses a diverse economic base of established internationally-facing firms, and thriving small and medium enterprises.

2: It has a much smaller manufacturing sector compared to most other peer cities, and larger, higher value-added finance, trade and ICT sectors.¹

3: It has among the lowest unemployment rates of any peer city, well below that of successful economies such as Sydney, Vancouver and Stockholm.

Although jobs growth is less dynamic compared to international peers in 2015, falling from top of the class to middle of the pack, this is principally because the city already has very low unemployment ².

3.1 Business friendliness



The 2014-15 review found that:

– Perceptions of Oslo's business friendliness is gradually improving, especially thanks to the efforts of city and national authorities to support companies. Performance measures of regulatory frameworks and relocation costs have also seen Oslo improve since 2012. ³

– Oslo's improved position as a business centre is partly linked to its growing reputation for financial services.

– Oslo's core business assets have not yet translated into a compelling international business brand.

Since 2014:

– Oslo was ranked an impressive 8th in the JLL European City Momentum Index, which measures real estate attraction and economic performance. This position placed Oslo ahead of Berlin and Manchester, albeit behind Copenhagen and Dublin. In another measure of Investment Intensity, where city size is a key factor, Oslo remains among the global top 5 because of its market transparency and attractive real estate offer. ⁴

– Despite being ranked only the 174th largest city on economic size worldwide, the city rated an impressive 70th for commercial attraction

and 54th for cross-border real estate investment. This places Oslo on a par with Brisbane and midway in the list of 50 peer cities.

– The La Salle European Regional Growth Index finds that Oslo is consistently in the top 10 regions for future business outlook, ranking 6th in 2015, down slightly from 5th in 2014. ⁵ A recent fDi survey also saw Oslo stay in the top 10 of most business friendly cities in its size category, in 6th place, while the Oslo region was ranked 16th of over 100 European regions for its investment potential. ⁶

– Norway still ranks in the global top 10 for the availability (9th) and afford-

ability (5th) of financial services, and the ease of access to loans (7th) and venture capital (10th). These national data continue to inform Oslo's position in a number of indexes.

But:

– Office rents have become relatively more expensive, to 12th most afford-

able of 23 cities, and 7th of 11 peer cities (Barcelona is 1st). ⁷

– Oslo has fallen on a number of measures that survey financial professionals about the global industry. The city has fallen from 33rd in early 2014 to 67th in late 2015 in the Z/Yen Global Financial Centres Index,

one of its lowest positions in all 18 editions of the index. It has also fallen slightly in The Banker's International Financial Centres Index survey, to 29th from 25th in 2011.

3.2 Productivity and efficiency



The 2014-15 review found that:

– Oslo's productivity is strong but not outstanding.

– The city benefits from strong 'ICT maturity' – in terms of ICT infrastructure, usage and affordability – e.g. mobile phone prices, fixed broadband, open data, and e-services.

Since 2014:

– High GDP per capita and low unemployment remain the reasons why some productivity benchmarks rank Oslo at the top. More multidimensional measures, however, offer a more nuanced picture. ⁸

– Oslo's mobility and transport has been measured as improving relative to others. In one index it has improved from 45th to 32nd globally. This however only places Oslo 17th of 32 peer cities. Part of Oslo's disadvantage here is congestion, and the relatively limited number of flights in

and out of the city, which is often a key element in index measures. But Oslo does receive maximum scores in one global assessment of public transport, matched only by Seattle among peer cities. ⁹

– Oslo's productivity has been boosted by its strong technology uptake. It has the 2nd highest number of IP addresses per capita among 11 cities, after only San Francisco, and the 2nd highest ratio of fixed broadband users.¹⁰ It also claims the 3rd highest number of business wi-fi hotspots of 11 peer cities, behind San Francisco and Boston.

– Norway's goods market efficiency has improved from 24th to 19th globally, because it has become quicker and easier to set up a business, and because of more supportive rules surrounding foreign investment. Trade barriers and trade tariffs remain an important disadvantage, however. ¹¹

– Norway's technology readiness is still extremely competitive globally, ranked 7th globally in 2015/16. This is thanks to high availability of latest technologies, very strong firm-level absorption of technology, and widespread uptake of fast broadband – although FDI-led technology transfer is an area for improvement. ¹²

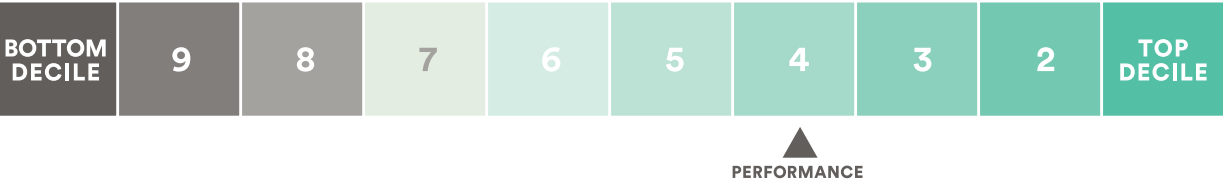
But:

– Relative to other cities, measured productivity has fallen since 2014. In the Scorecard for Prosperity, Oslo's productivity fell from 2nd to 11th in 2015, overtaken by peers such as Boston and Calgary. Productivity growth has declined in both of the past two years, as it has with cities such as Sydney and Montreal.

– Oslo has fallen down the list on one index for technology, from 18th to 44th globally, because the index relies significantly on national data on internet activity and innovation.¹³



3.3 Innovation



The 2014-15 review found that:

- Oslo is gradually gaining ground as an R&D and innovation hub, moving ahead of cities such as Zurich and Vancouver, having climbed 10 places since 2012 in one major index to 28th, ranking 15th of 50 peer cities.¹⁴
- The city’s innovation system is partly constrained by a smaller presence of high-tech businesses in the city.

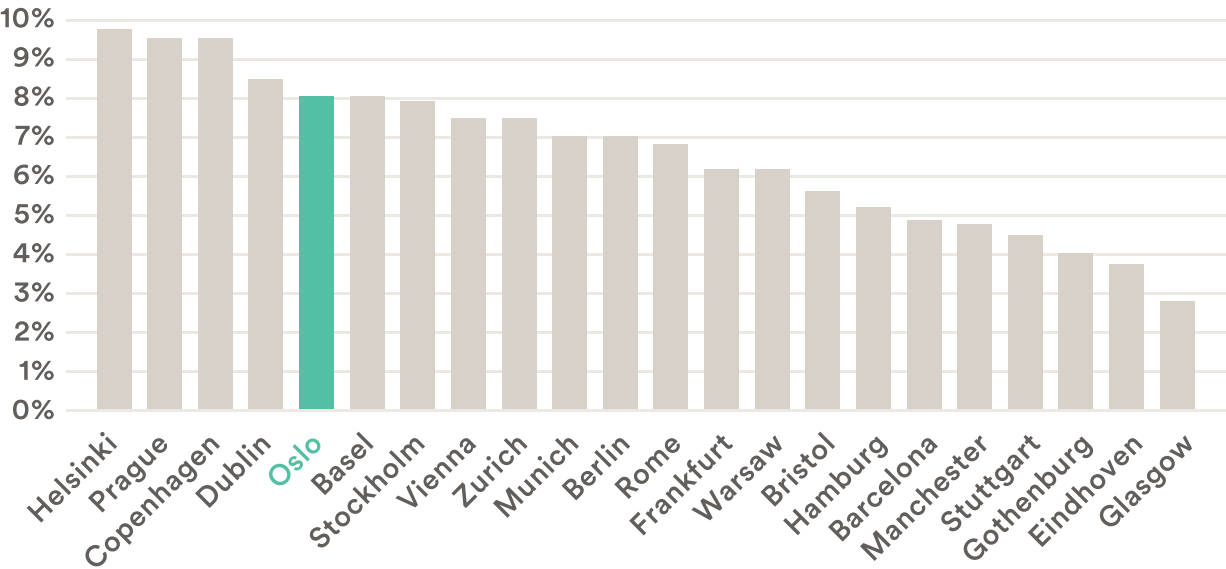
Since 2014:

- The share of high-tech employment has increased in at least two measures. In European terms, it has risen

- considerably in the latest data, and is now the 8th highest of over 270 European regions, and 5th among 22 peer cities. In a global index Oslo has overtaken London - it is ranked 11th of 26 cities, and 6th of 11 peer cities. ¹⁵
- The number of patents has increased slightly, but remains 15th of 24 cities, and 9th of 11 peer cities. The average IPO size also remains stable, at 4th of 11 peer cities.
- The city has an increasingly young working age population, now the highest of 23 global cities for 25-34 year olds, up from 5th in 2014. ¹⁶

- In the Martin Prosperity Institute Ranking Global Cities index, Oslo is equal 1st with Seattle, Tel Aviv and Copenhagen for technology, based on patents, innovation, job growth, and high-tech capability.¹⁷ The city receives maximum scores for entrepreneurship along with Tel Aviv and Calgary.
- The number of scientists and engineers has become much less of a concern in national assessments in 2015. ¹⁸

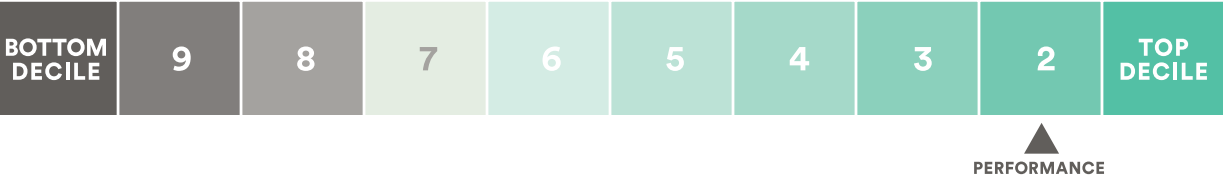
Fig.5: Employment in high-tech sectors, as % of total employment in NUTS2 regions, Eurostat



But:

- A lack of capacity to innovate has become even more of a concern for Norway at a national level, placed 2nd highest among concerns raised in the 2015/16 World Economic Forum assessment. Company spending on R&D could also still improve, at only 21st worldwide. ¹⁹
- The city is likely to continue to improve in indexes that measure innovation because of the young demographic.

3.3 Competencies and knowledge



The 2014-15 review found that:

– Oslo’s human capital is one of the main business assets of the region - because of very high education attainment. This translates into many very strong index results at the European and global level.²⁰

Since 2014:

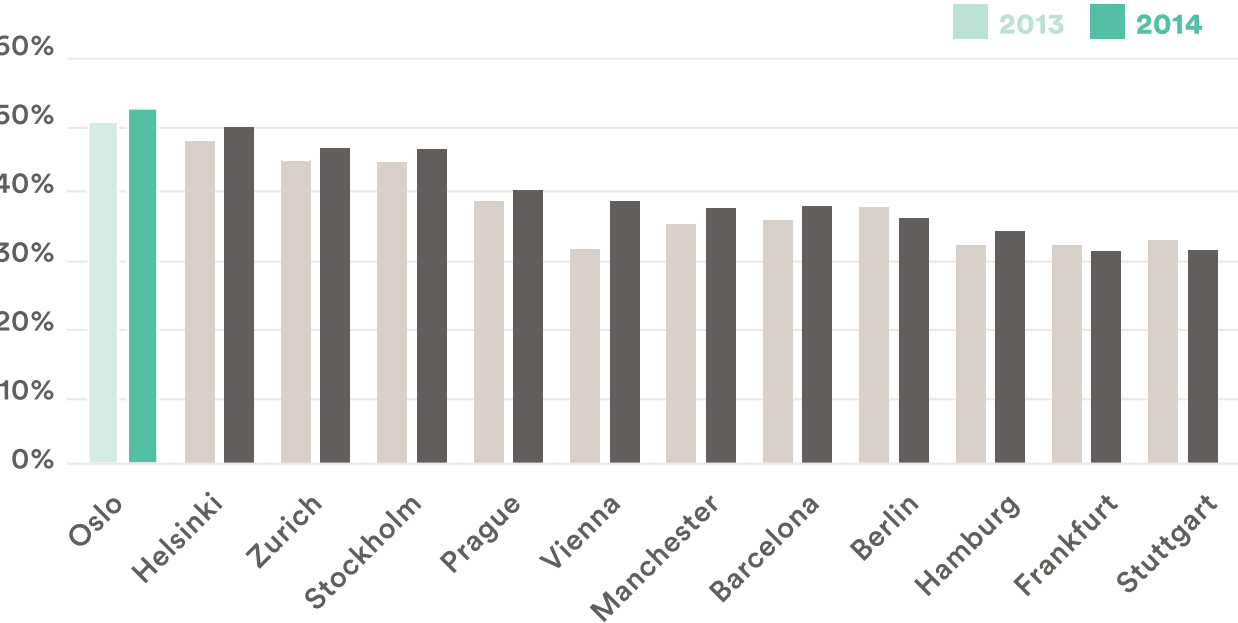
– Oslo’s educational achievement has improved from 5th to 4th of 24 global cities, overtaking Seattle. This places it 3rd of 11 peer cities.

– Educational attainment among adults in the region has improved again, and is the strongest among any peer city in Europe, and behind only Inner London (see table).

– Educational spending is rated the highest of any peer city in the Global Cities Scorecard, on a par with Seoul and Montreal.

– Oslo has the 3rd lowest share of young people neither in education or training among European peer cities (at 4.5% of 15-24 year olds), only behind Munich and Prague. This makes it one of the most robust labour markets in the world.

Fig. 6: Tertiary education attainment among 25-64 year olds, by NUTS 2 region



*HELSINKI AND COPENHAGEN 2003 DATA USING 2005 AND 2007 RESPECTIVELY. SOURCE: EUROSTAT

But:

– Human capital has fallen from 29th to 39th in one index of 140 cities, and although ahead of Copenhagen and Stockholm, it is 10th of 32 peer cities.

This index measures number of business schools, number of international students, and number of cultural assets, where Oslo performs slightly less well.

– Oslo’s share of professional employment (40 occupations including engineers, judges, professors) has, in relative terms, fallen slightly from 16th to 17th out of 23 cities, and 9th of 11 cities.

Overall Oslo’s comparative position in this area has fallen, because of a larger number of indexes being featured and stronger performance of other peer cities. Oslo’s high domestic educational attainment means it is likely to perform fairly well in the near future. But indexes which favour international talent and student numbers will continue to rank Oslo further down the list, preventing it from becoming established as one of the elite cities of knowledge, such as Boston.



4

Quality of life

Oslo's quality of life perception is stronger than performance. Overall citizen satisfaction living in Oslo is the second highest in Europe, especially around the quality of health, education and safety.²¹ The 2015 'outside-in' report found that Oslo is more strongly regarded globally as a place to live than a place to visit or to do business.²² Its popularity as a place to live is much stronger in Western Europe than other global regions.

But in major quality of life indices that rely on data, Oslo's position is somewhat lower than might be expected. In fact the city is not in the top 20 in any large global liveability ranking, and has fallen to 31st in Mercer's study, down from 24th in 2010.

Oslo in the Economist Intelligence Liveability Index

	Political and civil stability	Healthcare	Culture & Environment	Education	Infrastructure
EIU 2015 Index rank	=4th	=28th	=50th	=43rd	=1st
Among peer cities	=3rd/30	=17th/30	=24th/30	=19th/30	=1st/30

There are three primary reasons for Oslo's static or negative performance:

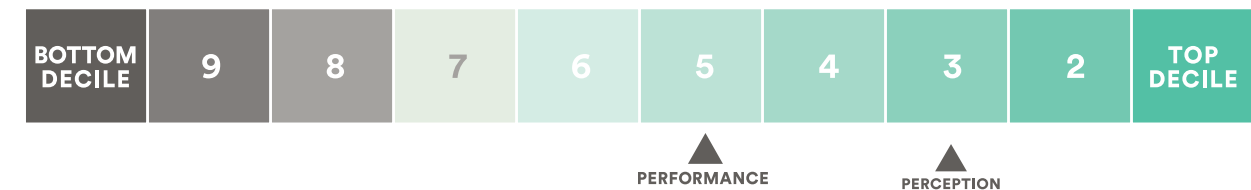
1: Some metrics do not change from year to year and are relatively unresponsive to local reforms and fluctuations.

2: The city does not perform strongly in several key criteria that constitute liveability (climate, private education, private healthcare).

3: Quality of life indices focus on experience of expatriates and temporary assignees, so penalise Oslo for a high cost of living and relatively fewer cultural amenities.

It is not likely that Oslo will immediately improve up those quality of life indexes which are fully established and rely on specific datasets that do not change quickly or easily. Instead Oslo's strategy should be to gauge progress on other measures that use new forms of data and/or rely on audience perception in a range of markets.

4.1 Leisure and recreation



The 2014-15 review found that:

– Oslo has very high citizen satisfaction with cultural facilities and green space.²³

– Oslo benefits from a high share of employees in culture-rich jobs and high attendance of cultural events.²⁴

Since 2014:

– Oslo's symphony, opera and ballet assets were rated in the highest category in the Global Cities Scorecard, alongside London and New York. Museums were also rated equal 1st of 20 peer cities, on a par with San Francisco and Munich.

– Improvements to the city waterfront and public spaces are an important reason why Monocle

Magazine continues to include Oslo in the top 25 cities in its annual Quality of Living Survey, at 23rd in 2015, albeit down from 18th in 2010.

– 'Culture and environment' remains the weakest measure for Oslo in the EIU's annual liveability survey, rated in the bottom tier of peer cities. The EIU's score is unchanged since 2010. But nearly a quarter of this metric penalises Oslo because of its climate.

4.2 Personal safety



The 2014-15 review found that:

– Oslo is viewed as a very stable and low risk city for visitors and residents. Crime and theft are viewed very rarely as problematic for liveability or for business.²⁵

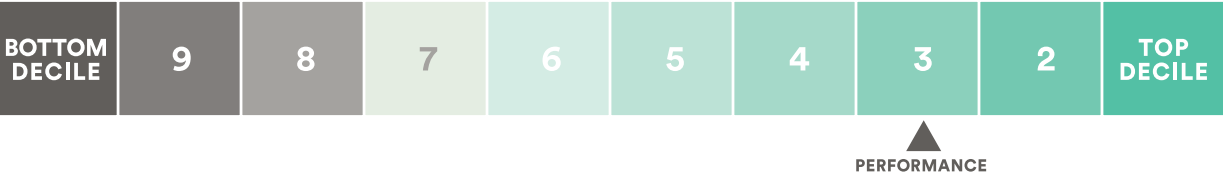
Since 2014:

– Its 'stability' rating in the EIU's annual index remains equal 4th highest in the world, alongside other peer cities such as Vancouver, Vienna and Zurich. Perceptions of safety also remain very high, with over 98% of residents claiming to feel safe in their neighbourhoods – the second highest level in Europe.²⁶

– Crime rates are rated in the second tier of cities in the Global Cities Scorecard, placing Oslo equal 3rd among 20 peer cities.

– Oslo's murder rate is still rated in the middle of international cities – 11th of 24 cities, on a par with Montreal and Barcelona.

4.3 Sustainability and resilience



The 2014-15 review found that:

– Oslo is well recognised as a European leader in building sustainable systems.²⁷ Recent environmental initiatives around pollution, green buildings, renewable energies and water management are highly rated even among peer cities.²⁸ Strong environmental infrastructure is a driver of improved results in quality of life indexes.

– Local confidence in sustainability efforts is less high, because of high standards and expectations that have already been set in the region.

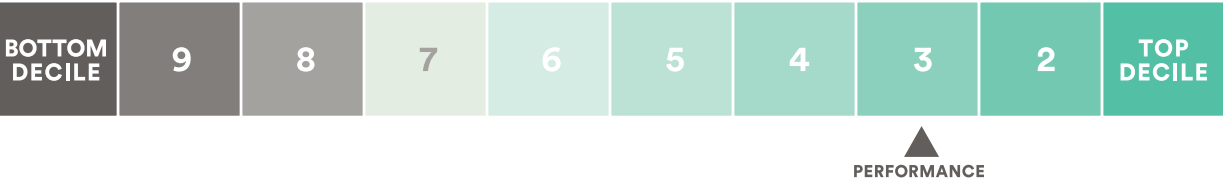
Since 2014:

– Oslo’s environment ranking has fallen from 4th to 7th in one global ranking, making it 6th of 32 peer cities.²⁹ In another major publication, it has climbed 6 places and is now ranked 4th globally, due to improved air quality, waste management and emissions scores.³⁰

– Air quality has slightly declined in one index, from 4th to 5th among 7 peer cities.

– Congestion has been measured in two fairly new indexes. In one, Oslo is ranked as being much more congested than Copenhagen but less congested than Stockholm.³¹ The other highlights that Oslo is actually the 60th least congested city of 147 cities worldwide. This places Oslo 17th among 42 peer cities.

4.4 Work-life balance



The 2014-15 review found that:

– Oslo’s work-life balance is aided by a relatively high ability to afford basic and consumer goods, as well as higher end products.

– A higher share of the population travel to work by car than in many other European cities, which is seen

as a drawback in terms of quality of commute, although overall commute time is competitive.³²

Since 2014:

– Disposable income has improved, overtaking Los Angeles in one index and remaining just behind Calgary and Sydney.³³ In another tri-annual

index, Oslo is ranked the 23rd city for annual net income, up from 25th in 2012, which places it 10th of 18 peer cities.

– The share of public transport commuters has grown both relatively and absolutely. Oslo is increasingly measured as a high public transport city, ranked 4th of 11 peer cities.



5

Hospitality

5.1 Attractiveness to visitors (attractions, landmarks, shopping, food, events)



The 2014-15 review found that:

- Oslo is one of the few cities to attract nearly as many visitors as it has residents.
- Given Oslo’s distance from key markets, the city registers a strong performance in terms of airport passengers.³⁴
- Mentions of Oslo in media and social media were well down on its peer cities.
- Oslo is becoming a more expensive retail location compared to its peer cities.³⁵ But the city does not yet register on rankings of best ‘shopping cities’.³⁶

- Oslo rates among the top tier of cities worldwide for urban planning and design, but is not widely perceived to be among leading architectural cities.

Since 2014:

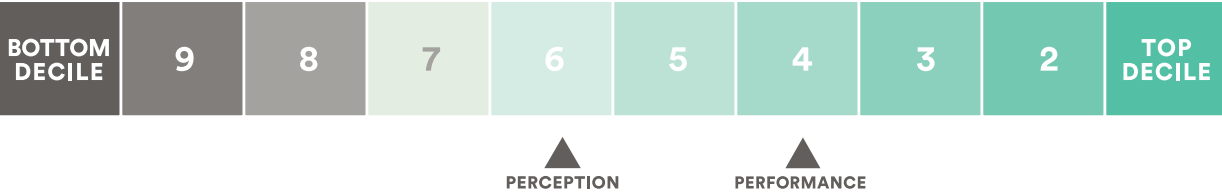
- Oslo has improved its international outreach in one of the key global indexes, from 50th to 32nd of over 130 cities. This places Oslo a very respectable 8th of 32 peer cities. This strong performance is down to improved tourist and business visitor numbers.
- In another index, Oslo remains stable in terms of visitor attraction compared to peer cities.

- Oslo has become comparatively less expensive. In the Numbeo Cost of Living Index, Oslo has fallen to the 17th most expensive city, down from 2nd in 2010.

But

- Oslo has fallen 13 places in the ICCA ranking of congress and conventions events, to 48th. This places Oslo 15th of 50 peer cities. In the UIA index of statistics, Oslo had reached a new high of 16th in 2014, although it fell out of the top 22 in 2015, while 7 peer cities remained inside this top group.

5.2 Attractiveness for international talent



The 2014-15 review found that:

- Oslo has a moderate record in indexes of attraction to international workers.
- Dynamic population growth, a high quality of public services, and strong social cohesion, are all important metrics that advantage Oslo.³⁷
- Oslo’s universities lack international profile.

Since 2014:

- Labour attractiveness continues to improve in one major study by the Toronto Board of Trade. The city is now 7th of 24 cities overall, up from 11th in 2014 and 23rd in 2010.
- Population growth remains higher than nearly all other peer cities, which is a key metric that drives strong ranking performances in attraction indexes.
- Oslo was included in assessment of student cities for the first time. It ranks 60th of 75 student cities, 22nd of 26 peer cities.

But:

- Confidence in Norway’s capacity to attract talent has declined from 14th to 20th of 140 countries in 2015. ³⁸
- Although the University of Oslo improved its performance substantially in 2 out of 3 main rankings, Oslo falls behind other peer cities because it only has one university that features in global rankings.
- The attraction of Oslo’s neighbourhoods was only rated in the 4th tier of cities in the Global Cities Scorecard, ranking 15th of 20 peer cities.

University ranking performance in three major studies, 2015

	Times Higher Education	QS	Shanghai Jiao Tong
Oslo	135th (+51 places)	135th (-34 places)	58th (+11 places)

5.3 Friendliness of the people (open, easy to establish friendships)



The 2014-15 review found that:

– Several peer cities feature regularly in lists and rankings of friendliest cities. Sydney, Dublin, Portland and Melbourne are among them, as is Copenhagen.³⁹ Oslo does not yet appear in any international ranking.

Since 2014:

– Tolerance is rated the weakest area of Oslo’s Global Cities Scorecard. The city receives weak scores for religious diversity, and moderate scores for cultural diversity, openness and integration.

5.4 Welcoming to foreigners (ease to move and live here, helpfulness)



The 2014-15 review found that:

– In terms of cultural vibrancy and diversity for expats, Oslo is not yet internationally recognised. Oslo falls behind Stockholm and Copenhagen for cultural character, based on figures on openness, diversity and attractiveness.

– Weak index performance conflicts with the fact that there is relatively high positive sentiment among Oslo residents about immigration.⁴⁰

Since 2014:

– Oslo’s immigration profile has become increasingly recognised in the data. Oslo is ranked the 10th most diverse city of 24 global cities, and 5th of 11 peer cities, because of increased immigration.⁴¹ This is set to have a big impact in future indexes of cultural vitality as immigration numbers are often a key dataset.

– The absence of visible minorities and a relatively moderate bohemian scene and history of successful multiculturalism sees Oslo in a 3rd tier of cities in 2015 alongside Copenhagen and Glasgow. This makes it =9th of 20 peer cities.⁴²

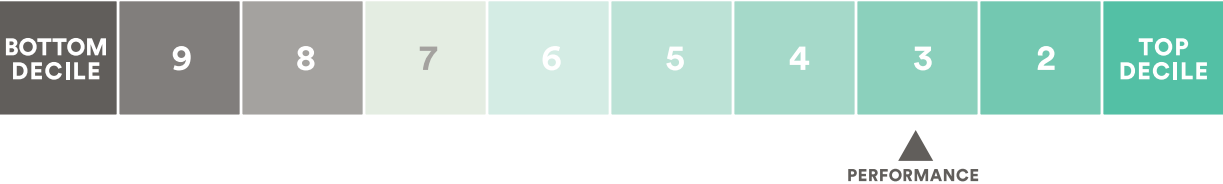


6

Governance

In the main global index that measures how well run cities are, Oslo has slipped from 10th to 14th in 2015 out of over 135 cities. This places it 6th of 32 peer cities, down from 3rd in 2014.⁴³

6.1 Societal stability



The 2014-15 review found that:

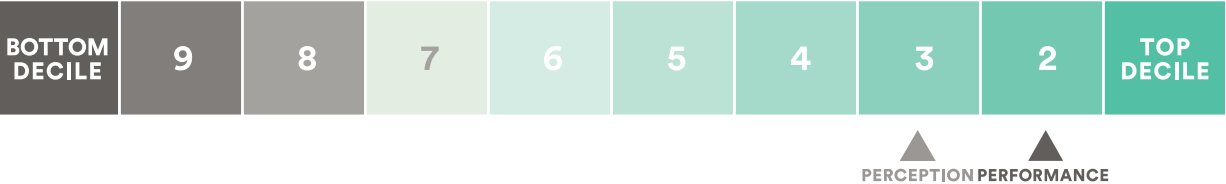
- City residents are highly satisfied with the efficiency of city government.
- Oslo is continually rated very highly for political stability and terrorism risk.

Since 2014:

- Oslo is rated highly for civic capital, with only Montreal performing better in the Global Cities Scorecard among 20 peer cities.
- Satisfaction with local governance has further increased by 4 points, placing it in the top 15 of European cities.⁴⁴ Globally, it ranks 9th in the new UN-Habitat City Prosperity Initiative Index, and 4th among peer cities.⁴⁵
- Oslo remains a highly equal city by global standards, 5th among 24 cities for Gini co-efficient, and 4th among 11 peer cities.
- But:**
- Social cohesion has declined from 6th to 21st among over 100 global cities, and to 7th among 32 peer cities, in the IESE Cities in Motion index. This appears to be principally because of a high price of property which is seen as a key indicator.



6.2 Quality and integrity



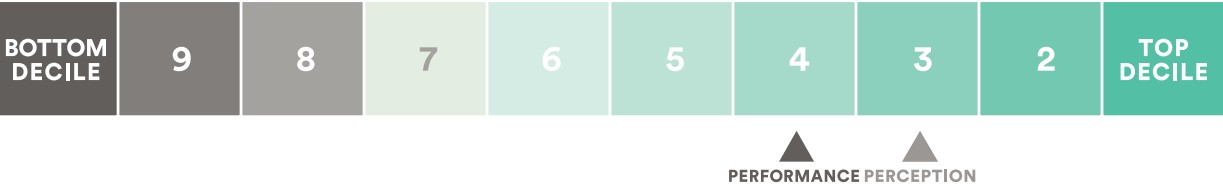
The 2014-15 review found that:

- Oslo performs well in local perceptions-based surveys of satisfaction about service quality and delivery
- Especially around transport and schooling.
- Oslo's international performance for institutional effectiveness is mixed partly because international ratings agencies prioritise decentralisation and the freedom of the market.

Since 2014:

- Oslo has become rated the leading the city in the world for urban planning, up from 4th in 2014. This is because the city benefits from outstanding health outcomes, high cycle use, and a high number of architects.
- Satisfaction with transportation, schooling and health have all increased significantly, placing it in the top 20 European cities for each, and in the top 5 among its peers.⁴⁶
- The quality of its social infrastructure, namely health and housing, remains world-class. ⁴⁷
- Investment in the built form of Oslo is rated very highly, at =11th of 61 world cities. ⁴⁸

6.3 Transparency and reliability



The 2014-15 review found that:

– Oslo is widely praised and trusted by citizens for reliable decision-making in politics and legislation, slightly above average among leading peer cities.

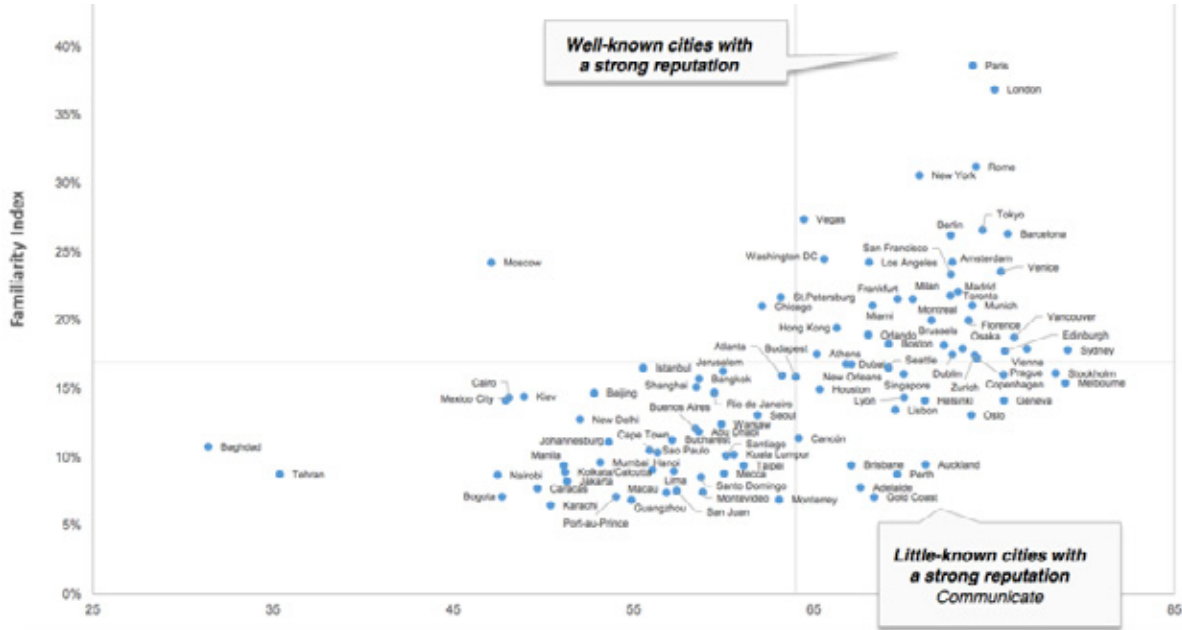
Since 2014:

– Oslo’s public management remains steady at 18th of 140 cities, and 10th of 32 peer cities. This index mainly disadvantages Oslo because of a high tax rate.⁴⁹

But

– The annual City RepTrak survey of global public opinion in 2015 finds that Oslo has slipped from 6th to 17th among the most “trusted, esteemed, admired and respected” cities in the world. Other cities have moved ahead, such as Barcelona, Stockholm and Copenhagen. The table produced by the Reputation Institute highlights that Oslo is one of the least well known cities of any highly reputed cities (see below). Only cities such as Brisbane and Auckland are less well known and also well regarded.

City Reptrak 2015 index table of familiarity and reputation



– In one important index, Oslo’s governance ranking has fallen considerably in 2015, for reasons that remain unclear. Oslo is now ranked only 53rd for governance, placing it 23rd of 32 peer cities. This ranking is partly due

to issues around the governance of innovation in the city, and will need to be monitored closely.
– The WEF 2015 Global Competitiveness Report continues to ranks

Norway as one of the least corrupt countries in the world, ranking 5th, while auditing and shareholder protection standards are extremely high, at 2nd globally.

6.4 Influence and status



The 2014-15 review found that:

– Oslo’s reputation and presence on the world stage does not reflect its strong assets. Relative to some of its peer cities, Oslo is seen to lack globally renowned institutions, think tanks or companies.

Since 2014:

– There have been no significant updates in 2015.

– Despite its prominent role in international diplomacy, Oslo does not feature on measures of political influence.

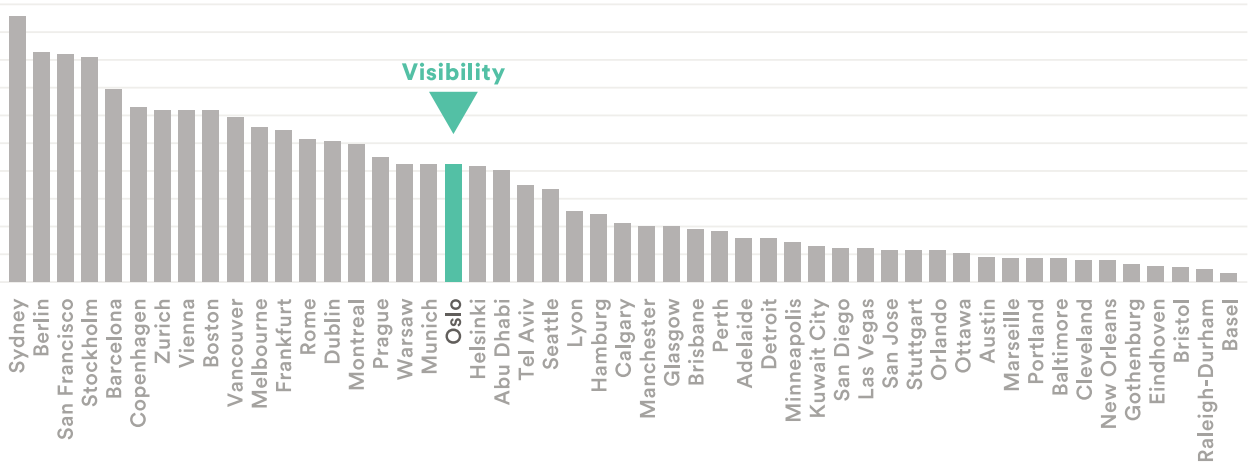


7

Oslo’s visibility in international urban benchmarks

Currently, Oslo is the 52nd most measured city in international benchmarks, by number of index appearances. This is one place higher than in 2015. This remains some way behind Stockholm (18th) and Copenhagen is (29th), but slightly ahead of Helsinki (55th). Among Oslo’s peer cities, it is only the 17th most frequently ranked.

Oslo’s relative visibility in international indices



There are a number of high-profile global indexes where Oslo is notably absent:

- AT Kearney’s Global Cities Index
- MORI Memorial Global Power City Index (Stockholm, Copenhagen and Zurich included)
- PwC’s Cities of Opportunity report (Stockholm included)
- Mastercard Global Destination Cities Index (Stockholm and Copenhagen included)
- IBM’s World’s Most Competitive Cities
- EIU Safe Cities Index

There are also more than 10 smaller studies that omit Oslo, including many that are important to Oslo’s positioning as a young, dynamic city:

- CITIE European Digital Cities Index
- Youth Cities Index
- The Good City Index
- National University of Singapore Global Liveable Cities Index
- Saffron World Cities Business Brand Barometer
- Citi Foundation Accelerating Pathways

- ULI Emerging Trends in Real Estate Europe
- KPMG Competitive Alternatives
- Buck Consultants’ European Tech Cities Index
- Startup Genome Best Start-up Ecosystems
- Grosvenor Resilient Cities
- Ernst & Young European Attractiveness Survey
- KPMG/Paris Investment Agency Global Investment Monitor
- Arthur D Little Urban Mobility 2.0
- INRIX Congestion Index



And there are benchmarking reports that do not rate Oslo’s performance sufficiently highly for inclusion, such as:

- IBM Global Location Trends
- Euromonitor Top 100 Most Visited Cities

Reasons for Oslo’s apparent lack of visibility across these different types of index include:

- ¹ Slightly smaller population size, especially when benchmarks look at the ‘city-only’ (non-metropolitan) scale.
- ² Lack of international reputation in certain areas where cities are hand-selected (e.g. start-ups, resilience).
- ³ Company-led studies with a limited presence in Oslo (e.g. KPMG).

- ⁴ Perception of executive contacts in company network (e.g. ULI).
- ⁵ High reliance on English-speaking perspectives, and limited consultation with opinion in Asia where Oslo is more highly regarded.
- ⁶ Exclusion from ‘EU’ or ‘Western Europe’ definitions by some global studies.

Oslo has the potential to become much more visible in international city indexes.

8

What the media says about Oslo: 2015

A review of leading newspapers and institutions in UK, US, France, Germany, Spain and China since 2015 finds that the changes underway in Oslo are beginning to gain greater international recognition. For visitors and travel writers, Oslo's changing physical character and distinctive population has become an area of positive differentiation. Oslo's eye-catching environmental policies and high quality landscape also have political and lifestyle profile. The city's high costs, while still mentioned, are less frequently commented on, mostly when new cost of living indexes are published.

Oslo's green and liveability credentials

"A car-free city was a main demand of the elected majority in the Oslo election campaign. That is revealing. The capital's residents have deliberately opted for: a livable centre without cars, more free space without noise and odour pollution, and for relaxed cycling on the roads or subway travel. Sounds pretty good, almost a little bit like a holiday."

Die Zeit, December 2015

"When Oslo sells the coal investments in its pension portfolio next month, it will set a historic precedent: the first capital city in the world to divest itself of that most polluting of fossil fuels [...] But it sends a signal [...] that Oslo does not want to contribute to the most climate-damaging fossil fuels, and that the city has a wider goal to be climate-friendly."

The Guardian, March 2015.

"Oslo will ban cars in its centre by 2019, and will cut in half its greenhouse gas emissions by 2020 (from 1990 levels)."

Le Figaro, October 2015

"The city of Oslo now has what it's calling a bee highway — a path of flowering plants designed to keep bees well-fed as they pass through the urban area. Supporters hope that initiatives like this one can help protect bees — one third of Norway's native bee species are now endangered — and by extension protect the crops that rely on bees for pollination."

The Washington Post, June 2015

Cultural assets and "hipster" qualities

"The examples of Berlin and Oslo, two culturally rich cities in Europe, may be instructive. Both are currently building major infrastructure to elevate their statuses."

South China Morning Post, July 2015

"Oslo has won its place brilliantly among the great cultural capitals of Europe. Full of life and vitality, the city literally breathes culture ... and she certainly did not steal its nickname of 'Barcelona of the North'! The dining area also, it has earned in recent years a place in the World Gratin."

Belgian Journal of Medicine, September 2015

"The world's most hipster neighbourhoods [...] Walk through the park to Grünerløkka, the 'Shoreditch' of Oslo, where trendy types have taken over run-down buildings and turned them into exhibition spaces, boutiques and cafes."

The Daily Telegraph, June 2015

"Grünerløkka, Oslo's trendy neighbourhood. The old and dilapidated industrial district of the Norwegian capital now reborn as trendy"

El Pais, March 2015

Oslo's links to the outdoors

"Remarkably green cities power the passion for the outdoors. Bergen is surrounded by seven mountains, while Trondheim and Oslo have miles of city forest on their doorstep, ripe for hiking and biking in the summer and skiing in the winter."

The Daily Telegraph, January 2016

"Oslo is that rare capital city with both ski slopes and beaches. Norwegians are outdoors fanatics at any time of the year. But summer — with its 19 or so hours of sunshine and a sea warmed by the Gulf Stream to be surprisingly warm for northern Europe — is especially pleasant for visitors to Oslo."

The Financial Times, June 2015

Oslo's people

"In general it astounds the children how cheerfully they are met here, they find adults in Norway significantly nicer than (those) at home. Is this because the

standard of living in Oslo is as high as anywhere else in the world?"

- Frankfurter Allgemeine Zeitung, June 2015

"The reputation of Norwegians is of a complicated, isolated, melancholy people... Except Oslo in summertime is as uncomplicated a city as you'll find in Europe — filled with sociable, smartly dressed citizens who hang their heads out their car windows at stoplights to catch some of that 19-hour-a-day sun. If you're jet-lagged, prone to insomnia or generally full of beans, you'll have met your match. Oslo is the Big Apple of Europe from May through August, never truly asleep, always up for anything."

Toronto Globe and Mail, March 2015

Oslo's physical transformation

"Oslo has long been overshadowed by more dynamic, cosmopolitan Scandinavian cities such as Copenhagen and Stockholm. But the Norwegian capital is changing as it undergoes a makeover with bold new

skylines and ambitious waterfront developments."

The Financial Times, June 2015

"Oslo is a classic old Norwegian city. But in recent visits, I've been amazed at some of the dramatic changes going on here."

-Toronto Sun, March 2015

Oslo's high costs

"A new study by TripAdvisor has named the Norwegian capital as the world's costliest city for holidaymakers. A night out in the city, including one night at a four-star hotel, a short taxi ride and cocktails and dinner for two, was found to cost £381.28."

The Daily Telegraph, 2015

"Leaving aside housing, the most expensive cities in the world are Zurich, Geneva, New York, Oslo and Copenhagen"

El Pais, September 2015

Appendix 1: Method note

- i. For each of the 16 indicators, Oslo has been evaluated in multiple comparative rankings, indexes or benchmarks.

In each category, Oslo’s performance has been graded on a 10-point scale, based on its performance against up all comparator cities.

- ii. For each ranking in each category, each peer city was assigned a score based on it performance compared to all other peer cities meeting the above criteria. This approach allows indexes that rank a very varied number of cities (some rank just 10, others rank up to 500) to be compared fairly to each other.
 - e.g. 50 peer cities are ranked in the Innovation Cities Index. A city ranked 1st receives a score of $1/50 = 0.02$. A city ranked 50th receives a score of $50/50 =$ the maximum score of 1.
 - e.g. 11 peer cities are ranked in the Scorecard for Prosperity benchmark. A city ranked 1st receives a score of $1/11 = 0.09$. A city ranked last scores the maximum score of 1.
- iii. An average score is then taken of all cities that are ranked in the same category of index (e.g. ‘Innovation’).
 - Cities are placed in order of their average score.
 - Oslo’s position in this list determines its grading in each category. If it is in the top 10% of measured cities, it is in the top decile and receives a maximum score for the spidergram. If it is between 10%-20% of measured cities, it is in the 2nd decile, and so on.

Example:

Below is a breakdown of scores for Oslo across each index and relevant sub-index it featured in within section 3.3 on innovation. The score for each reflects Oslo’s position among the basket of peer cities that also appear.

Index or Sub-index	No of Peer Cities	Rank among peers	Score
Toronto Board of Trade 'Scorecard on Prosperity': Patents per 100,000 people	11	9	0.82
Toronto Board of Trade 'Scorecard on Prosperity': Average Size of IPOs	11	4	0.36
Toronto Board of Trade 'Scorecard on Prosperity': Young Working Population	11	1	0.09
Martin Prosperity Institute 'Global Cities Scorecard': Technology	18	1	0.06
Martin Prosperity Institute 'Global Cities Scorecard': Entrepreneurship	18	1	0.06
2thinknow Innovation Cities Index	50	19	0.38
Eurostat: % of population employed in High Technology Sectors	22	5	0.23
Average Score			0.29 (29%)

*Note that Marseille and Lyon were discounted due to their NUTS 2 regions being unrepresentative of their metropolitan areas

This means that Oslo is on average in the 29th percentile of the above indexes and sub-indexes on Innovation, and therefore it ranks in the 3rd decile (20-30%).

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