

For consideration at the annual meeting of Norwegians Worldwide on June 8, 2020

PROPOSAL TO MERGE NORWEGIANS WORLDWIDE AND THE NORWAY–AMERICA ASSOCIATION

1. BACKGROUND:

1.1 Norwegians Worldwide:

Norwegians Worldwide (NWW) is a member organization for Norwegians abroad, Norwegian descendants, and friends of Norway. The Association was founded in 1907. NWW is the only private non-profit organization that represents Norwegians living abroad. NWW's focus areas in recent years have been to advance the interests of its members, maintain networks, and foster relations with friends of Norway, with North America as the area of priority. Working toward legalizing dual citizenship has been the leading issue in recent years. Furthermore, NWW runs *Norgesskolen* in Telemark, a summer school for pupils aged 9–18, where participants can learn Norwegian and strengthen their knowledge of and connection to Norway. The school has approx. 80 students each summer, of which around one third comes from the United States.

1.2 The Norway–America Association:

The Norway–America Association (NORAM) is a member organization aimed at promoting cultural and practical cooperation between Norway and the United States and Canada. NWW contributed to the establishment of NORAM, and the Association celebrated its 100-year anniversary in 2019. NORAM awards master's degree and PhD scholarships from its own funds and administers scholarships as well as selects candidates on behalf of several foundations in the US. NORAM also selects candidates and administers scholarships for bachelor studies at several partner institutions. The Association offers free guidance to pupils, students, and student advisors and participates in student fairs around Norway. An alumni association was established in 2019.

Efforts to prepare for the merger has been going on for some time, but the coronavirus situation has delayed the decision-making process.

2. THE RATIONALE BEHIND THE MERGER PROPOSAL:

NWW and NORAM have been sister associations for 100 years. The associations have shared a secretary general and office space. The co-location of the two associations has helped create a larger professional environment where the associations' employees have been able to pull together when needed.

For many years, NWW has struggled with negative operating results, draining accumulated capital. Membership dues and other sources of income have not been sufficient to fund the Association's activities. NORAM has performed well in recent years with positive operating results, but has, like NWW, a weak financial foundation and is dependent upon sponsor support on an ongoing basis.

A disproportionate amount of resources goes to arranging board meetings, annual meetings, and working meetings (more than 15 meetings annually), considering the size of the administrations—NORAM with 1.6 FTEs and NWW with 2 FTEs. Based on each association’s situation and similar missions and the potential power of a unified organization that can jointly invest its efforts in desired areas, a merger is proposed.

It is assumed that the new association will be regarded as a continuation of the two existing associations.

3. ASSETS INCLUDED IN THE MERGER

NWW has a perpetual lease of the 6th floor of Rådhusgaten 23B, which is a considerable asset. NWW annually receives, upon application to the Ministry of Foreign Affairs, NOK 500,000 in support for transatlantic cooperation (in 2019 support was increased to NOK 1 million through an extraordinary grant). NWW has 15 representatives and chapters in the US, which represent a unique network in North America. NWW has approx. 400 paying members. NWW’s liquid assets, per December 31, 2019, was NOK 1,780,002 million.

NORAM is backed by the Norway–America Foundation (Norge-Amerika Stiftelsen)—a foundation worth approx. NOK 30 million. The Foundation’s annual returns go to scholarships and administration support. NORAM is funded through sponsorships from foundations, companies, and private individuals in Norway and the US and receives compensation for scholarship administration from three foundations in the US. NORAM has had positive net financial results since 2013 and has in recent years established a group of long-term sponsors who provide approx. NOK 1.1 million annually. Every year, NORAM’s Board puts great efforts into raising funds for the Association. NORAM has approx. 200 paying members. NORAM’s liquid assets, per December 31, 2019, was NOK 2,337,352 million.

4. AMBITIONS FOR A MERGER:

4.1 NWW has the following ambitions:

- a) *Norgesskolen:*
The school is a prime activity of NWW that is fully in accord with its mission statement. The school will be continued with a vision of attracting more participants and building a solid financial foundation.
- b) Promote transatlantic cooperation:
NWW’s members are mainly located in North America and Norway, and a commitment to promote cultural exchange and contact between these countries is a high priority. In this context, it is desirable that the name and spirit of Norwegians Worldwide live on, for example, through an academic seminar in the US, the “Bjørnstjerne Bjørnson Seminar,” where, among others, NORAM’s alumni could contribute. Such a seminar could also be a good opportunity to award the scholarship from the America-Norway Heritage Fund, which was gifted jointly to NWW and NORAM.

- c) Increased cooperation with the Ministry of Foreign Affairs:
The Ministry of Foreign Affairs (MFA) supported NWW with NOK 1 million in 2019, and NOK 500,000 was proposed in the state budget for 2020. The grant was later increased to NOK 900,000. These are funds earmarked for “transatlantic cooperation.” A stronger organization with a sharper focus on North America will strengthen this work and thereby give greater value to MFA.
- d) Serve members:
The “New NORAM” shall continue as a member association, and the membership for members of both associations shall be maintained. Good relations to the members will be essential to carrying out a successful merger.
- e) Reputation:
Ensure that the reputation and history of the Association are safeguarded, including through continuing the collaboration with the Norwegian Emigrant Museum.

4.2 NORAM has the following ambitions:

- a) Broadening the platform and start new initiatives:
Most of NORAM’s activities today consist of scholarship administration, study guidance, and fundraising. NORAM administers its own scholarships, but the lion’s share of work is done on behalf of three foundations in the US. There may be opportunities to expand the latter portfolio. The operation and further development of *Norgesskolen* is a good fit with NORAM’s activities, given there is a financial basis for the operation of the school.
- b) Creating a larger professional environment, a robust and effective organization:
Today, NORAM has a permanent staff of 1.5 FTEs carried out by two people. This makes the organization vulnerable, the professional environment is small, and there is a lack of resources to realize some of the ideas and projects that could be of interest to NORAM. A merger of NORAM and NWW will streamline operations and make better use of resources.
- c) Fulfilling the mission statement:
NORAM’s Article I of the bylaws currently states, “The purpose of the Association is to promote cultural and practical cooperation between Norway, on the one hand, and the United States and Canada, on the other.” The current scholarship programs are in full accord with this mission statement, but herein lies an even bigger mission for NORAM. A merger with Norwegians Worldwide will provide opportunities to create new arenas where Norwegians and Americans can meet.
- d) Sharpening the transatlantic focus, including increased activity in Canada:

NORAM's scholarship programs currently only target the US, but as early as 1954, Canada was included in NORAM's bylaws. The ambition is to increase activities in Canada in 2020. Norwegians Worldwide also has untapped potential in Canada, and a merger would enable joint efforts to develop relations with Canada.

- e) Reputation:
Ensure that NORAM's reputation and history are safeguarded.
- f) The Board's competence:
For NORAM, it is crucial that the Board of the merged association maintains its expertise in fundraising and that it is anchored also in an academic environment.

5. A MERGED ASSOCIATION WILL FOCUS ON THE FOLLOWING AREAS:

- a) Continue to run *Norgesskolen* with visions for development and growth.
- b) Create new arenas to promote transatlantic cooperation, and strengthen cultural exchange and contact between Norway and North America. This could be, for example, through an academic seminar in the US, the "Bjørnson Seminar," as mentioned in section 3b.
- c) Continue the scholarship administration, guidance, and information activities that NORAM currently carries out.
- d) Further develop and strengthen the network in North America—including member and alumni groups—strengthen the association's finances, and further streamline operations through, among other things, shared digital solutions.

6. MODEL FOR THE ASSOCIATION MERGER:

The decision-making bodies of both associations will be invited to decide the following:

- a. Association taking over: Norwegians Worldwide (NWW, org. no. 939 616 233) (NWW is the oldest organization and has most members.)
- b. Association transferring: Norway–America Association (NORAM) org. no. 940 469 643 (NORAM's members will be transferred to the merged entity). It is assumed that the current NORAM will be discontinued.
- c. Name of merged entity: Norway–America Association (NORAM); working title the "New NORAM."
- d. Bylaws for the "New NORAM": The proposed new bylaws are based on both organizations existing bylaws.

e. Date of the merger: As soon as possible after being processed in the governing bodies of both associations.

f. Employees: The current employment situation is continued in the merged unit.

Proposal for a recommendation from Norwegians Worldwide Board

Decision:

The Board unanimously recommends to the Association's annual meeting that a merger be conducted between the Norway–America Association and Norwegians Worldwide and that the terms in the merger agreement dated December 19, 2019, are fulfilled.

The merger will take effect immediately and will be in effect for accounting purposes from January 1, 2020.

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