City of Bergen

Rating report

Well-integrated institutional framework for Norwegian municipalities

Norwegian municipalities benefit from comprehensive fiscal equalisation schemes, robust funding support, and effective policy coordination across different tiers of government. A well-structured financial support framework ensures effective crisis response.

Our evaluation of this framework leads to an indicative rating range for Norwegian municipalities spanning from AAA to AA-. This assessment underscores their strong integration with the Norwegian sovereign and the coherence of Norway's sub-sovereign institutional arrangements.

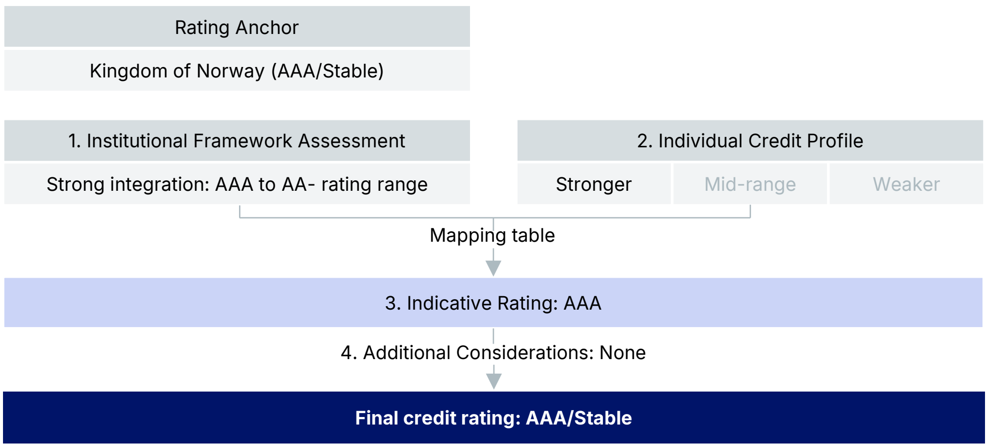
Strong individual credit profile

Bergen demonstrates prudent financial management, robust liquidity, a favourable debt profile and limited contingent liabilities. Bergen benefits from a diversified economy with favourable growth prospects and positive demographic trends, and it upholds strong governance standards. In addition, the city has low exposure to environmental risks and sets out ambitious climate policies.

Credit challenges

Bergen, as many other Norwegian cities, faces increasing operating and investment spending pressures weighing on the city's operating margins and eroding reserve buffers, with a limited share of adjustable own-resource revenue. The financial debt stock is aligned with peers but on an increasing trend, given the high investment activity.

Figure 1: Bergen's sovereign-rating drivers



Note: For further details, please see Scope's Sub-sovereigns Rating Methodology.
Source: Scope Ratings

Foreign currency

Long-term issuer rating/Outlook

AAA/Stable

Senior unsecured debt

AAA/Stable

Short-term issuer rating/Outlook

S-1+/Stable

Local currency

Long-term issuer rating/Outlook

AAA/Stable

Senior unsecured debt

AAA/Stable

Short-term issuer rating/Outlook

S-1+/Stable

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Credit strengths and challenges

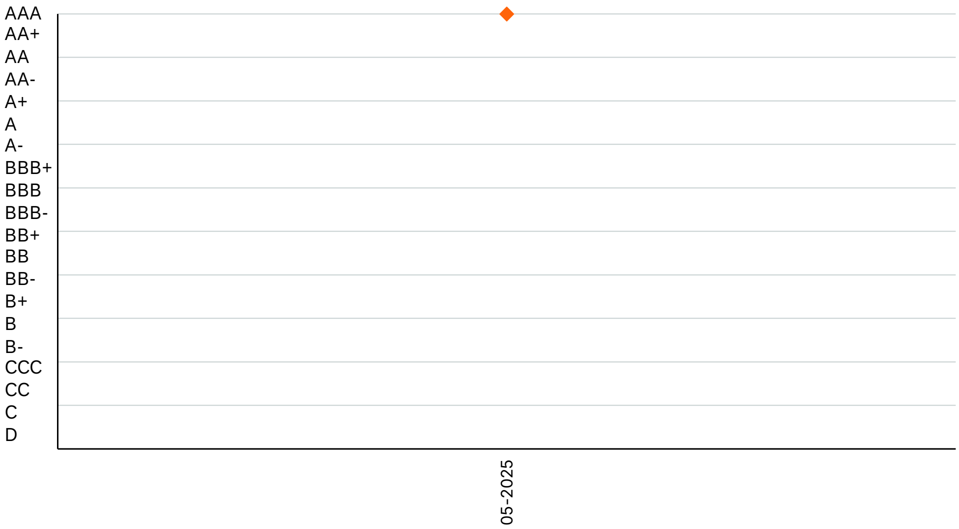
Credit strengths	Credit challenges
• Favourable debt profile • Robust liquidity • Wealthy, resilient local economy • Solid governance • Integrated institutional framework	• High spending pressures weighing on operating margins • Increasing debt burden

Outlook and rating triggers

The Stable Outlook reflects Scope's view that risks to the ratings are balanced.

Positive rating-change drivers	Negative rating-change drivers
• Not applicable	• Downgrade of Norway's sovereign rating • Material weakening in the institutional framework resulting in lower municipal integration in institutional arrangements • Individual credit profile weakening significantly

Figure 2: Rating history[1]



Source: Scope Ratings

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[1] Foreign-currency long-term issuer rating. Positive/Negative Outlooks are treated with a +/-0.33-notch adjustment. Credit Watch positive/negative with a +/-0.67-notch adjustment

1. Institutional framework

Range from AAA to AA- for Norwegian municipalities

Our evaluation of the institutional framework for Norwegian municipalities leads to an indicative rating range for the sector spanning from AAA to AA- (**Annex I**). This assessment underscores their strong integration and coherence within Norway's sub-sovereign institutional arrangements. A well-structured framework for financial support, comprehensive fiscal equalisation systems, and municipalities' engagement in national policymaking foster a stable governance structure, ensuring effective crisis response and well-balanced decision-making across government tiers.

1.1 Extraordinary support and bail-out practices

Well-structured and predictable support framework

The Norwegian framework for extraordinary sub-sovereign support is well structured and predictable. Norwegian municipalities cannot become insolvent; in financial difficulties, the central government proactively takes control of financial management through the supervisory board to ensure obligations are met. Formal procedures for pre-emptive intervention and a credible history of support during crises enhance this supportive framework. The central government's demonstrated support during recent Covid and energy crises, with adapted grants and full cost compensation, underpins the stability of the sector.

1.2 Ordinary budgetary support and fiscal equalisation

Comprehensive equalisation system

A comprehensive and predictable fiscal equalisation system mitigates disparities in municipal fiscal capacities and costs. It deploys tax revenue redistribution and general grants for income and cost equalisation. Income equalisation symmetrically compensates 62% of tax revenue gaps in 2025, further increasing to 64% in 2026. Top-ups are added for entities below 90% of the national average. Cost equalisation considers demographics, social factors, and population density. Discretionary and regional policy grants further complement this to address special conditions and support policy goals.

1.3 Funding practices

Considerable financial autonomy

Norwegian local governments possess considerable financial autonomy. They source independent funding through banks, bonds and the state-owned Kommunalbanken (KBN), which provides financing at favourable rates under central government policy. KBN is a major debt financier and holds about a 50% market share, bolstering local governments' robust financial base.

1.4 Fiscal rules and oversight

Rigorous fiscal oversight

The Local Government Act mandates broad financial rules for counties and municipalities, including budget goals, accounting norms, and reporting mandates. It emphasises maintaining an operational budget balance and requires deficit correction within two years. Additional financial risk rules, although self-imposed, align with central policy objectives while maintaining sub-sovereign autonomy. Entities facing imbalances are closely monitored and included in ROBEK, a public registry.

1.5 Revenue and spending powers

Shared tax authority with the central government

Municipalities share tax authority with the central government, coordinating tax-sharing and rate-setting. While parliament annually sets maximum income tax rates, municipalities can choose lower rates. They also have flexibility with secondary tax revenue sources and fees.

1.6 Political coherence and multi-level governance – Full integration

Integrated multi-level governance

In Norway's integrated multilevel governance, sub-sovereigns impact national policymaking. Despite central government legislative dominance, a dedicated standing committee, effective communication via KS (Norwegian Association of Local and Regional Authorities), and decentralised administration bolster coordination. Extensive inter-municipal and inter-regional cooperation fosters policy coordination, efficient decisions, and a balanced, stable governance structure.

2. Individual credit profile (ICP)

Strong individual credit profile

Bergen's individual credit profile is assessed at 80 out of 100 (**Annex II**), resulting in the city's 'AAA' credit rating.

- **Debt and liquidity:** Bergen demonstrates strong debt affordability, supported by favourable debt profile and robust liquidity, which help to mitigate the effects of higher interest expenses. The city faces limited contingent liability risks. Its overall debt stock is aligned with the average of other Norwegian cities, although projected to increase in the coming years.
- **Budget performance:** The city is facing persistent operating and investment spending pressures which are weighing on its operating margins. The presence of unrestricted contingency funds partially offset the negative impact of higher expenditure, although to restore long-term fiscal sustainability Bergen is implementing saving measures. The city retains some expenditure flexibility, while the revenue flexibility is broadly in line with the national average, mostly relying on transfers and grants, with a limited proportion of adjustable own-source revenues.
- **Economy and governance:** Bergen benefits from a wealthy, diversified and growing economy, favourable demographic trends, and maintains strong governance standards.
- **Environmental and social factors**: The city has low exposure to environmental risks and is actively pursuing ambitious climate policies. Socially, Bergen performs well in areas such as ageing and healthcare, although it faces some challenges related to income inequality and poverty.

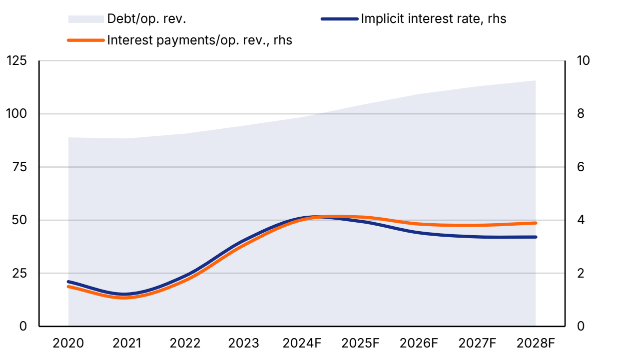
3. Debt and liquidity

3.1 Debt burden and trajectory

Increasing debt stock

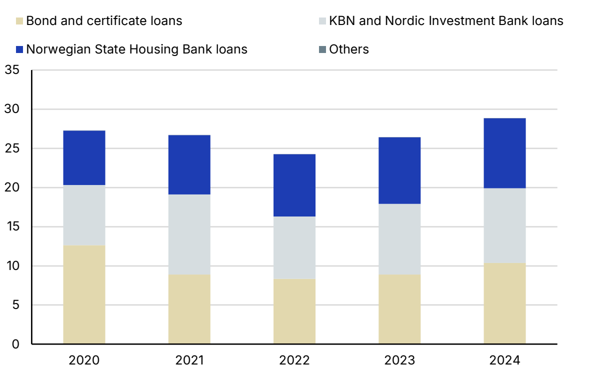
Bergen's financial debt stood at 98% of operating revenue in 2024 (**Figure 3**), continuing an upward trend from 89% in 2020. Excluding unused loan allocations, the city treasury's adjusted debt ratio was 96% in 2024. While current debt levels remain broadly in line with the average of for Norwegian cities, we expect the debt-to-operating revenue ratio to increase further over the 2025–2028 period, reaching around 116% by 2028. This trajectory reflects the city's elevated investment activity, which is largely debt-financed. Despite the rising debt ratio, risks are mitigated by Bergen's favourable debt profile and a strong robust liquidity position that supports continued debt service capacity under stress scenarios.

Figure 3: Debt and interest burden, %



Sources: Bergen Kommune, KOSTRA database, Scope Ratings

Figure 4: Debt by instrument, NOK bn



Sources: Bergen Kommune, Scope Ratings

3.2 Debt profile and affordability

Strong debt affordability

In 2024, Bergen's gross interest payments rose to 4.0% of operating revenue, up from 3.0% in 2023, though still broadly in line with the levels observed among other large Norwegian cities.

Similarly, net interest payments – adjusted for investment returns – increased from 1.1% of operating income in 2023 to 1.7% in 2024. We expect gross interest payments to remain elevated at around 4.0% of operating revenue over the medium term, while net interest costs to increase are projected to rise further to around 2.4% (**Figure 3**). However, interest expenses related to a significant share of Bergen's debt are offset by earmarked revenue sources, including user fees, interest income, and central government compensation. This earmarking, combined with strong liquidity position, enhances overall debt affordability and limits the city's exposure to interest rate volatility.

Favourable debt profile

Bergen's total financial debt increased from NOK 21.1bn in 2020 to NOK 29.1 bn in 2024, comprising NOK 8.9bn in loans with the Norwegian State Housing Bank, NOK 9.5bn in loans with KBN and Nordic Investment Bank, and NOK 10.4 in bonds and certificate loans (**Figure 4**). Of the total debt stock, NOK 22.7bn (78%) was raised to finance the city's investment activities, while NOK 5.7bn (19%) represents on-lending, mostly aimed at improving access to housing and supporting local development. The remaining NOK 0.8bn relates to financial leasing and investments of other municipal entities. All debt is denominated in Norwegian kroner, and around 60% carries fixed interest rates when including swap agreements, contributing to interest rate stability.

Well-contained refinancing risk

Bergen's refinancing risk is well managed. The average debt maturity of the city's financial debt is around five years, broadly aligned with peers. The city enforces a self-imposed limit on the share of debt maturing within one year, capped at 20% of the total debt stock. Debt repayments have consistently exceeded the minimum thresholds set by national fiscal regulations, reinforcing Bergen's conservative debt management practices.

Diversified funding access

Bergen maintains broad and flexible access to capital markets and public financing institutions. The city regularly issues bonds on the Oslo Stock Exchange and engages in short-term note placements, while also maintaining long-standing relationships with public lenders such as Kommunalbanken, the Norwegian State Housing Bank, and the Nordic Investment Bank. These financing sources enhance Bergen's funding flexibility, supporting both operational liquidity and long-term investment capacity.

3.3 Contingent liabilities

Limited contingent liabilities

Bergen's pension obligations remain financially sound, with net pension assets increasing to NOK 2.7m in 2024, slightly up from NOK 2.5m in 2023. In addition, pension funds covered 110% of total obligations at the end of 2024, providing a strong buffer. Exposure to contingent liabilities is limited. Outstanding municipal guarantees to external entities totalled NOK 240m at end-2024, equivalent to just 0.8% of the city's operating revenue. No guarantees were called in 2024, and only NOK 10m was activated in 2023. The risk of guarantee materialisation remains moderate, supported by the solid credit quality and close oversight of the underlying entities.

3.4 Liquidity position and funding flexibility

Robust liquidity

In 2024, Bergen's average total liquidity stood at NOK 3.4bn. It includes ordinary city treasury's bank deposits (NOK 1.4bn), loan funds bank deposits (NOK 1.9bn) and interest-bearing securities (NOK 42m), ensuring sufficient coverage of annual debt service. The liquidity stock declined by around NOK 1.5bn between 2023 and 2024, due to a lower operating balance, the accumulation of unearned pension premiums, and accelerated payments for the Bossnett project. As of 14 May 2025, ordinary bank deposits recovered to NOK 1.9bn. Although lower operating margins are expected to place some downward pressure on liquidity in the near term, the municipality plans to activate a budgetary framework mechanism allowing for liquidity loan requests if necessary, providing an effective safeguard against short-term funding pressures. At present, the city does not anticipate drawing on this facility in 2025. Bergen's strong liquidity position remains aligned with its strategic objective to maintain reserves sufficient to cover at least 60 days of operating expenditures without resorting to new borrowing or refinancing maturing obligations.

4. Budget

4.1 Budgetary performance and outlook

Weakening budgetary performance

Bergen has a track record of robust budgetary performance. Despite challenges stemming from the pandemic and rising cost-of-living pressures, the city maintained an average operating margin of around 7% of operating revenue between 2021 and 2023, while an intense investment activity resulted in relatively large deficits before debt movements (**Figure 5**). In 2023-24, operating revenue grew at a robust average annual rate of 4.5%, supported by increased framework grants and strong dividend income from municipality owned entities including Eviny AS and BIR AS.

However, tax revenue growth slowdown and remained subdued at 1.5% in 2024. In addition, operating expenditure outpaced significantly the increase in revenue, growing by 7.3% on average in 2023-24. This was driven by strong inflationary pressures boosting personnel and service expenses, particularly in the childcare, social assistance, housing and transport sectors. As a result, operating balance-to-operating revenue ratio shrunk from 7.3% in 2022, to 4.7% in 2023 and 2.4% in 2024. Thanks to substantial reserve buffers accumulated in previous years, Bergen managed to compensate for the extraordinary expenditure. The unrestricted contingency fund was reduced by NOK 1.1bn, from NOK 4.4bn in 2023 to NOK 2.9bn in 2024 (9.8% of operating revenue).

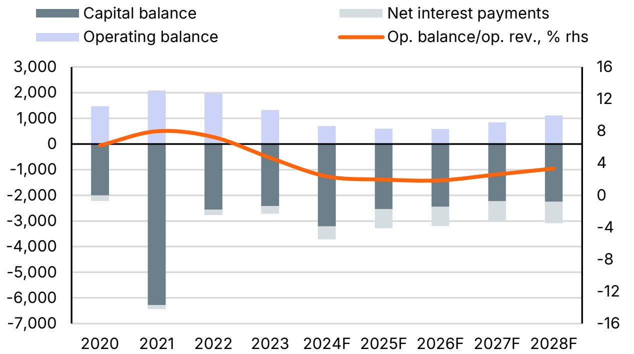
Challenging budgetary outlook

Bergen's budgetary outlook remains challenging. We expect operating margins to remain around 2.4% of operating revenue between 2025-28, given continuous pressures on service spending, high personnel costs and increasing interest expenses amid rising debt. Dividends from the energy and utility companies are estimated at NOK 420-440m per year, at lower levels compared to previous years and likely to be volatile. On the other hand, the central government's demonstrated flexibility in compensating extraordinary municipal expenditures will partially mitigate budgetary pressures. .

In response to these fiscal challenges, Bergen will implement a saving and efficiency plan beginning in 2025, aiming at realigning revenue and expenditure levels in the operating and investment budgets. The plan currently includes NOK 400m cuts in operating costs between 2025 and 2028, as well as measures to reprogramme and optimize investment spending. Given the continued increase in crucial service needs, the effective implementation of the plan will take time and will be complemented by the deployment of the unrestricted contingency fund. Bergen plans to reduce the fund by NOK 400-500m per year, limiting new allocations to NOK 100m between 2025 and 2028. As a result, the fund will amount to 3% of operating revenue by 2028, well below the 10% target. We expect Bergen to continue posting deficits before debt movement, averaging around 7.2% of revenues over the 2025–2028 period. These deficits will be financed mostly through additional borrowing to support the city's strategic investment agenda, which remains focused on expanding services in elderly care, health, education, transport and housing.

Figure 5: Budgetary performance

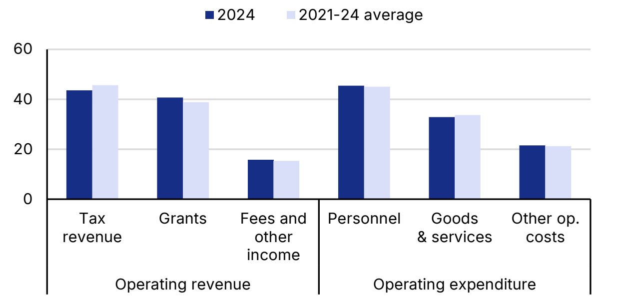
NOK m (lhs); % (rhs)



Sources: Bergen Kommune, KOSTRA database, Scope Ratings

Figure 6: Operating revenue and expenditure composition

% of total operating revenue and expenditure respectively



Sources: Bergen Kommune, KOSTRA database, Scope Ratings

4.2 Revenue flexibility

Moderate revenue flexibility

Like all Norwegian cities, Bergen's revenue flexibility is structurally constrained by its significant reliance on central government transfers, which account for around 40% of total revenue (**Figure 6**). While a large share of these grants is unearmarked, providing some room for budgetary adjustments, the central government effectively controls the sector's total income level by adjusting grant allocations in response to strong local tax growth. This stabilises municipal revenue flows but limits Bergen's ability to fully benefit from above-average tax performance.

Bergen, in line with national norms, adheres to parliamentary limits on local income taxation. The city applies the highest permissible tax rates on income and wealth, ensuring revenue maximisation within existing regulatory constraints. The 2025 revision of the revenue equalisation system is expected to yield a slight benefit for Bergen. However, the fiscal impact is expected to be modest, with estimated gains accounting for less than 1% of total revenue.

4.3 Expenditure flexibility

Higher-than-peers expenditure flexibility

Bergen's expenditure flexibility is somewhat stronger compared to other large Norwegian cities. Spending allocated to civil servant salaries stood on average at 45.4% of total operating expenditure in 2022-24, below the 49.5% peer average. (**Figure 6**). In addition, the city has demonstrated its ability to scale back capital expenditure when needed, without materially compromising service quality. Capital spending, which peaked at 23.7% of total expenditure in 2021, has since been reduced to 12%, broadly in line with peers.

The city's ongoing implementation of cost-saving measures, investment reprioritisation, and efforts to enhance efficiency in service delivery underscore its capacity to respond to budgetary pressures and support fiscal consolidation when necessary.

5. Economy

5.1 Wealth levels and economic resilience

High wealth and economic resilience

Being the capital of Western Norway, Bergen's economy benefits from one of the strongest and fastest growing industrial environments in the country. Bergen has more than 50% of Vestland's total employees and accounts for 64% of the value creation of the county's business sector. This includes many large and internationally relevant companies, mostly in the sector of oil and gas energy production. Other important sectors include renewable energy production, marine and maritime industry, tourism, finance and media.

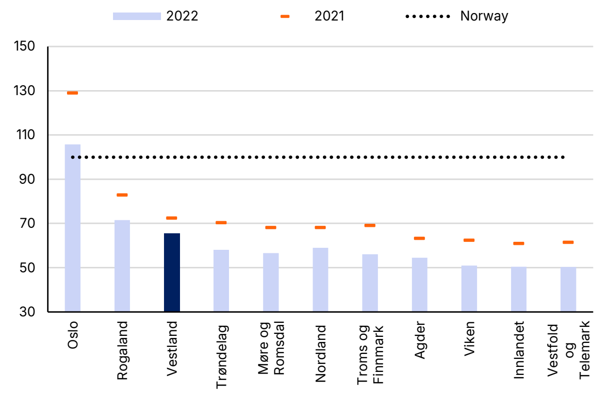
5.2 Economic sustainability

Favourable demographic trends

Favourable demographics support the city's economic sustainability and the overall credit profile. Between 2023 and 2024 the population in Bergen increased by 0.6%, reaching 291,940 inhabitants, strongly driven by a continuous inflow of immigrants, particularly from Ukraine. Registered immigrants accounted for 20% of Bergen's population in 2024. The population growth rate in the last year was below the annual average of 0.8% and below that of other major cities such as Oslo or Trondheim, given a marginal decline in 0-19 years old. However, Bergen's population accounts for more than 5% of Norway's population and further increased to 293,709 at the beginning of 2025. Statistics Norway's baseline scenario projects Bergen's population to reach 321,493 inhabitants by 2050, a 9.4% increase from 2025.

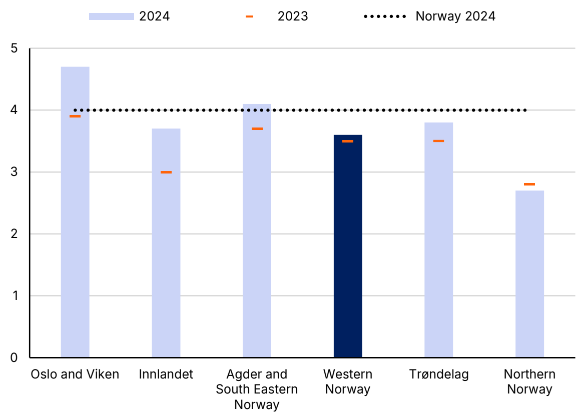
In addition, Bergen is a large university city with around 45,000 students, therefore gaining from the direct access to a large base of highly skilled workers. The presence of higher education supports knowledge-based economic activity and enhances the city's long-term adaptability to evolving economic trends.

Figure 7: GDP per capita, by county
% of national average



Sources: Statistics Norway, Scope Ratings

Figure 8: Unemployment rate
%



Sources: Statistics Norway, Scope Ratings

6. Governance

6.1 Governance and financial management

Robust and predictable governance

Bergen benefits from a strong governance framework, characterised by transparent decision-making processes, stable political conditions, and effective administrative capacity. Norwegian municipalities operate under a uniform set of accounting standards and benefit from centralised and harmonised financial reporting systems, which enhance transparency and oversight.

Bergen has a record of prudent financial planning and management. In the face of operating and investment pressures, fiscal regulations, self-imposed fiscal targets and forward-looking financial planning will continue to support effective financial management. Strategic investment funds support long-term capital projects and conservative debt management practices, good debt affordability, and strong capital market access limit refinancing risk.

Since 2000, the city has a parliamentary form of government with the City Government acting as the executive and answering to the City Council, similar to mechanisms at national level. We consider Bergen's governance framework resilient to political shifts, with no expected impact on the municipality's policy continuity or fiscal discipline.

7. Environmental and social considerations

7.1 Environmental factors and resilience

Strong climate resilience

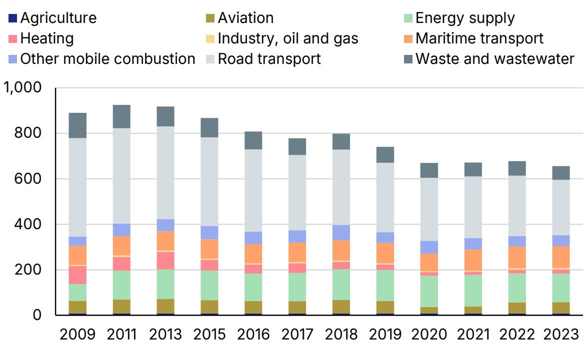
Bergen demonstrates solid environmental resilience, including one of the lowest per capita carbon intensities among Norwegian cities (**Figure 10**). In 2023, Bergen recorded emissions of 656,000 tonnes of CO_2 equivalents, representing an emissions intensity per capita of 2.3, a decline from 2.4 in 2022. This is significantly below the national average of 12.2 tonnes per capita in 2023, but in line with other large cities like Trondheim. Emissions are primarily attributable to road transport (37%) and energy supply (19%, **Figure 9**), in line with national trends.

Bergen was able to cut GHG emissions by 25% between 2009 and 2022, compared to 7% elsewhere in the country. Most of the reduction was driven by lower emissions for road traffic (-42%, accounting for 35% of direct emissions in 2022) and heating (-77%, although accounting only for 2% of direct emissions). Other relevant sectors such as energy supply, shipping and aviation did not record a material reduction. In its 'Green Strategy' Bergen set very ambitious targets, aiming at reducing GHG emissions by 85% by 2030 and being a 1.5-degree society by 2050.

The gap currently estimated between the action and target pathway to reach the 85% reduction by 2030 is mostly explain by the fact that Bergen's goal is more ambitious than Norway's climate target (55% emission reduction by 2030). Several sectors local measures to reduce emissions need to be complemented by state measures to achieve the target.

Figure 9: GHG emissions per sector

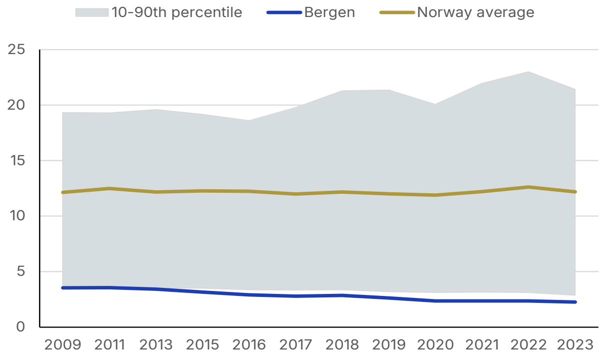
tCO2e, thousands



Sources: Norwegian Environmental Agency, Scope Ratings

Figure 10: Carbon intensity per capita vs Norwegian peers

tCO2e



Sources: Norwegian Environmental Agency, Scope Ratings

Investment in emission-free public transport, green infrastructure, and energy efficiency reinforce its transition preparedness. Bergen's progress on environmental goals demonstrates a proactive stance on sustainability and supports its long-term credit profile by reducing exposure to physical and transition risks.

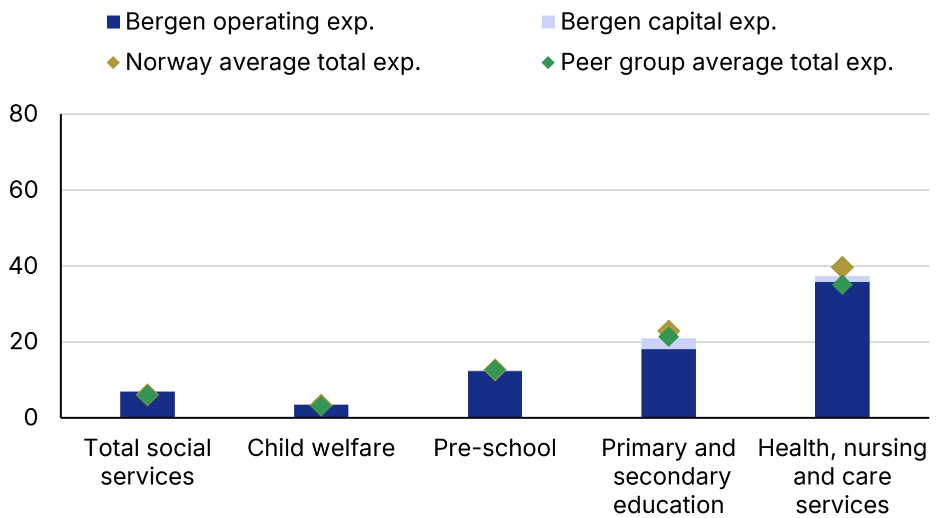
7.2 Social factors and resilience

Favourable demographic trends

Bergen benefits from favourable demographic trends, including a lower old-age dependency ratio (27% in 2024) compared to the national average (32%), and steady increases population numbers. Income inequality is low (Gini coefficient of 0.25, aligned with the national value), and access to public services such as healthcare and education is robust.

Figure 11: Spending per capita on social policy priorities 2024

NOK thousands



Source: Statistics Norway, Scope Ratings

Per capita spending in primary and secondary education and health services is aligned with the peer average, although remaining somewhat below the national average (**Figure 11**). The continued investment activity in these service areas testify the willingness to safeguard service quality as demographic pressures evolve. Overall, Bergen's strong social infrastructure and equitable service provision contribute to a resilient and inclusive socioeconomic environment.

7.3 Additional considerations

No adjustment was applied to the rating from additional considerations.

Appendix 1. Institutional Framework Assessment

To assess the institutional framework, we apply a Qualitative Scorecard (QS1) centred around 6 components. We assess each analytical component on a five-point scale ranging from a score of 0 for 'low' integration to 100 for 'full' integration. The institutional framework score, ranging from 0 to 100, is calculated as a simple average of these assessments. The score is then used to determine a rating range from the rating anchor level, within which the sub-sovereign's rating can be positioned.

Our assessment of intergovernmental integration between Norwegian municipalities and the Kingdom of Norway (AAA/Stable) results in an indicative **downward rating range of up to three notches** from the Norwegian sovereign, within which the municipalities can be positioned according to their individual credit strengths.

Institutional Framework scorecard (QS1)

Analytical component	Full integration (100)	Strong integration (75)	Medium integration (50)	Some integration (25)	Low integration (0)
Extraordinary support and bail-out practices		●			
Ordinary budgetary support and fiscal equalisation	●				
Funding practices		●			
Fiscal rules and oversight		●			
Revenue and spending powers		●			
Political coherence and multilevel governance		●			

Integration score	**79**		
Downward rating range	**0-3**		

Institutional framework score	100 > x ≥ 90	90 > x ≥ 80	80 > x ≥ 70	70 > x ≥ 60	60 > x ≥ 50	50 > x ≥ 40	40 > x ≥ 30	30 > x ≥ 20	20 > x ≥ 10	10 > x ≥ 0
Indicative rating range	0-1	0-2	0-3	0-4	0-5	0-6	0-7	0-8	0-9	0-10

Appendix 2. Individual Credit Profile

Risk pillar	Analytical component	Assessment		
Debt and liquidity	Debt burden & trajectory		Mid-range	
	Debt profile & affordability	Stronger		
	Contingent liabilities	Stronger		
	Liquidity position & funding flexibility	Stronger		
Budget	Budgetary performance & outlook			Weaker
	Revenue flexibility		Mid-range	
	Expenditure flexibility	Stronger		
Economy	Wealth levels and economic resilience		Mid-range	
	Economic sustainability	Stronger		
Governance	Governance and financial management	Stronger		

Additional environmental and social factors	Assessment		
Environmental factors and resilience	Positive impact		
Social factors and resilience		No impact	

ICP score	**80**
Indicative notching	**0**

Appendix 3. Mapping table

We derive the indicative sub-sovereign rating by mapping the result of the institutional framework assessment (i.e. the indicative rating range) to the ICP score.

For Bergen, this results in an indicative rating aligned with the sovereign rating of AAA. No additional considerations apply.

Institutional framework assessment		Individual credit profile score							
Score	**Downward rating range**	100 > x ≥ 80	80 > x ≥ 70	70 > x ≥ 60	60 > x ≥ 50	50 > x ≥ 40	40 > x ≥ 30	30 > x ≥ 20	20 ≥ x > 0
100 > x ≥ 90	0-1	0	0	0	0	0	0	-1	-1
90 > x ≥ 80	0-2	0	0	-1	-1	-1	-1	-2	-2
80 > x ≥ 70	0-3	0	-1	-1	-1	-2	-2	-3	-3
70 > x ≥ 60	0-4	0	-1	-1	-2	-2	-3	-3	-4
60 > x ≥ 50	0-5	0	-1	-1	-2	-2	-3	-4	-5
50 > x ≥ 40	0-6	0	-1	-1/-2	-2/-3	-2/-3	-3/-4	-4/-5	-6
40 > x ≥ 30	0-7	0	-1/-2	-1/-2	-2/-3	-3/-4	-4/-5	-5/-6	-7
30 > x ≥ 20	0-8	0	-1/-2	-2/-3	-3/-4	-4/-5	-5/-6	-6/-7	-8
20 > x ≥ 10	0-9	0	-1/-2	-2/-3	-3/-4	-4/-5	-5/-6	-7/-8	-9
10 > x ≥ 0	0-10	0	-1/-2	-2/-3	-3/-4	-5/-6	-7/-8	-9/-10	-10

Note: Mapping table under section 4 of Scope's Sub-sovereigns Rating Methodology, as applied to the rating anchor's AAA-ratings.

Appendix 4. Statistical table

	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F
Budgetary performance (NOK m)									
Operating revenue	23,758	26,031	27,096	28,302	29,611	*30,550*	*31,493*	*32,400*	*33,337*
Tax revenue	10,384	11,809	13,314	12,725	12,910	*13,311*	*13,698*	*14,027*	*14,365*
Grants	9,775	10,437	9,676	10,985	12,060	*12,362*	*12,672*	*12,989*	*13,315*
Fees and other income	3,599	3,785	4,106	4,591	4,641	*4,876*	*5,124*	*5,384*	*5,657*
Operating expenditure	22,281	23,952	25,128	26,978	28,912	*29,951*	*30,906*	*31,556*	*32,222*
Personnel	9,971	10,577	11,337	12,225	13,150	*13,824*	*14,381*	*14,789*	*15,207*
Good and services	7,458	8,358	8,488	9,000	9,522	*9,734*	*9,902*	*9,974*	*10,046*
Other operating expenditure	4,852	5,017	5,302	5,753	6,240	*6,492*	*6,722*	*6,893*	*7,069*
Operating balance	1,476	2,079	1,968	1,323	699	*599*	*588*	*845*	*1,114*
Interest received	138	115	256	556	673	*516*	*462*	*452*	*459*
Interest paid	355	279	467	863	1,188	*1,257*	*1,213*	*1,233*	*1,297*
Current balance	1,259	1,915	1,758	1,016	185	*-142*	*-163*	*64*	*277*
Capital balance	-2,006	-6,272	-2,561	-2,413	-3,207	*-2,540*	*-2,446*	*-2,228*	*-2,252*
Balance before debt movement	-747	-4,357	-804	-1,397	-3,023	*-2,683*	*-2,610*	*-2,164*	*-1,975*
Debt (NOK m)									
Financial debt	21,136	23,017	24,578	26,730	29,140	31,823	34,433	36,597	38,572
Bank loans	21,136	23,017	24,578	26,730	16,510	-	-	-	-
Bonds	0	0	0	0	10,900	-	-	-	-
Commercial paper	0	0	0	0	1,730	-	-	-	-
Financial ratios									
Debt/operating revenue, %	89.0	88.4	90.7	94.4	98.4	104.2	109.3	113.0	115.7
Debt/operating balance, years*	14.3	11.1	12.5	20.2	41.7	53.1	58.6	43.3	34.6
Interest payments/operating revenue, %	1.5	1.1	1.7	3.0	4.0	4.1	3.9	3.8	3.9
Implicit interest rate, %	1.7	1.2	1.9	3.2	4.1	4.0	3.5	3.4	3.4
Operating balance/operating revenue, %	6.2	8.0	7.3	4.7	2.4	2.0	1.9	2.6	3.3
Balance before debt movement/total revenue, %	-3.0	-15.9	-2.8	-4.7	-9.7	-8.5	-8.0	-6.4	-5.7
Transfers and grants/operating revenue, %	41.1	40.1	35.7	38.8	40.7	40.5	40.2	40.1	39.9
Personnel costs/operating expenditure, %	44.8	44.2	45.1	45.3	45.5	46.2	46.5	46.9	47.2
Capital expenditure/total expenditure, %	10.8	23.7	11.8	11.3	12.0	9.2	8.9	8.3	8.1

* Capped at 100 years; n.a. in case of operating deficits

We refer to consolidated accounts as per the KOSTRA database, and then we remove depreciation and repayment instalments from operating expenditure.
Source: KOSTRA, Bergen Kommune, Scope Ratings

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