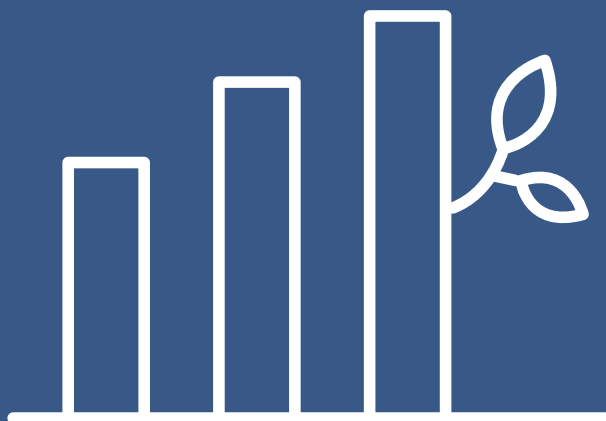




Nordic Council
of Ministers

Co-operation Programme for **Economic and Fiscal Policy** 2025–2030

Collaboration and Joint Efforts for Strong,
Stable and Adaptable Nordic Economies



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<https://pub.norden.org/politiknord2024-729>

Foreword



Elisabeth Svantesson, Swedish Minister for Finance and Karen Ellemann,
Secretary General of the Nordic Council of Ministers

In 2019, the Nordic prime ministers adopted a common vision for Nordic co-operation, with an aim for the region to be the world's most sustainable and integrated region by 2030. This is an important and ambitious vision which will require effective initiatives and policies – including within the area of economic and fiscal policy.

Sound and strong economic political frameworks and responsible fiscal policies in the Nordic countries are crucial preconditions in order for us to ensure economic stability and increase levels of employment and prosperity in the Nordic Region – and, in so doing, achieve our own common vision for the region. As small, open and export-dependent economies, it is crucial that we stick firm to this.

The green and digital transition will bring new opportunities, but also new challenges. Achieving our climate goals will require an effective green transition. Economic policy in the Nordic countries needs to work to ensure that this transition is undertaken in a fair and cost-effective way. Moreover, in a way that creates opportunities for everyone in the Nordic Region.

We are facing new structural conditions that will affect our economies and public finances in the years to come. The populations of the Nordic countries are ageing, at the same time as a changing and more difficult security situation and geopolitical reality is forcing us to allocate more resources to defence and security, and obliging the Nordic economies to navigate a more uncertain international landscape.

The Nordic economies are well equipped to handle these challenges in a way that will create growth, stability and prosperity for Nordic populations. The Nordic Council of Ministers for Finance (MR-Finans) constitutes an important framework for collaboration between the Nordic governments on economic and fiscal politics.

With this co-operation programme for the 2025–2030 period, the Nordic Finance Ministers wish to prioritise focus and initiatives within the areas in which we can jointly – through the exchange of experiences, collaboration and a common approach to the handling of shared economic challenges – ensure strong and stable economic conditions for the Nordic Region.

Our objective is to maintain and further strengthen the economic resilience, competitiveness and growth potential of the Nordic countries. We wish to do this so that we will be well equipped to meet the challenges of tomorrow, and to create positive change for the Nordic populations. And so that we can attain our vision of being the most sustainable and integrated region in the world.

Happy reading!



Elisabeth Svantesson
Swedish Minister for Finance



Karen Ellemann
Secretary General Nordic Council of
Ministers

Introduction

The co-operation programme for the Council of Ministers for Finance describes the political priorities and goals for the 2025–2030 period.

During this period, Nordic co-operation within economic and fiscal policy will focus on advancing policies and solutions that support a cost-effective and socially just green transition in the Nordic Region. Focus will also be placed on collaboration and the promotion of policies that bolster the competitiveness and resilience of the Nordic economies, which strengthen long-term growth potential and improve mobility and integration across borders in the Nordic Region.

The Nordic Council, civil society and other relevant actors have all been involved in the drafting of the co-operation programme. The Council of Ministers has also received input on the contents of the co-operation programme from the Nordic Council's Committee for Growth and Development.

The co-operation programme is the governing document for all activities undertaken by the Council of Ministers for Finance. The co-operation programme was approved by the Council on 4 June 2024 in Stockholm and shall apply until 31 December 2030.

The co-operation programme takes its starting point from the Nordic Council of Minister's mission to contribute towards attaining the vision to make the Nordic Region the world's most sustainable and integrated region by 2030. All of the councils work to achieve this vision through the three strategic priorities that have been established.

Our Vision 2030



A **competitive** Nordic Region

Together, we will promote green growth in the Nordic Region based on knowledge, innovation, mobility, and digital integration.



A **green** Nordic Region

Together, we will promote a green transition of our societies and work towards carbon neutrality and a sustainable, circular, and bio-based economy.

The Nordic Region will become the most sustainable and integrated region in the world



A **socially sustainable** Nordic Region

Together, we will promote an inclusive, equal, and interconnected region with shared values and strengthened cultural exchanges and welfare.

All activities in the Nordic Council of Ministers will contribute to fulfilling our vision that the Nordic Region will be the world's most sustainable and integrated region in 2030. The co-operation programme describes how the sector will work with the three strategic priority areas.

Political Priorities

The economic and fiscal challenges facing the Nordic countries are closely linked to the structural, economic changes that the Nordic countries will face over the coming years. As small and export-oriented economies, the Nordic countries are affected to a large extent by international economic and fiscal developments, especially those which take place within the EU.

The Nordic countries have set ambitious climate goals. Achieving these goals will require an accelerated green transition across all Nordic economies and societies. A high-priority challenge here is to secure stable fiscal policy frameworks within the Nordic Region and internationally which can, efficiently and in a manner which is fiscally sustainable, encourage a cost-effective green transition that will also create jobs. This will require adaptable economies and labour markets, and the use of economic and fiscal policies as central tools to promote climate-friendly behaviours and the promotion of green solutions, and as a means of helping to ensure the effective allocation of private capital and investments. At the same time, it is also important to ensure that the green transition is implemented in a way that supports the Nordic labour-market model and promotes social cohesion, while also minimising unemployment and economic inequality and creating opportunities for all citizens of the Nordic Region.

The Nordic countries will be facing large structural changes over the coming years that will create both new opportunities but also new challenges. Demographic changes in the form of ageing populations and a growing preference for working less are the results of greater prosperity in the Nordic countries, but these changes also place greater strain on public finances and necessitate reforms and initiatives that can promote greater participation in the labour market and higher levels of employment, and which can also help to make the Nordic Region even more tightly integrated. In addition, new technologies are developing at rapid pace, including artificial intelligence, which creates both new opportunities but also new threats. Nordic co-operation on economic and fiscal policy can contribute on the promotion of common solutions and policies to boost the resilience of the Nordic countries, and to strengthen the long-term growth potential of the region in a sustainable way.

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A high-priority challenge here is to secure stable fiscal-policy frameworks within the Nordic Region and internationally which can, efficiently and in a manner which is fiscally sustainable, encourage a cost-effective green transition that will also create jobs.

At the same time, a worsening geopolitical reality and higher levels of strategic rivalry between the world's countries and regions constitute a particular risk for the Nordic countries. As small, innovative and export-oriented nations the Nordic countries are dependent on stable international economic and financial conditions, as well as open international markets for trade and investment. The increased use of state aid in countries outside of the Nordic Region will weaken international competition, pose a challenge to innovative Nordic companies and potentially put pressure on the Nordic countries to use public funds for similar initiatives. Stronger co-operation and a common approach and understanding between the Nordic countries will be important if we are to address these common economic and fiscal challenges and strengthen the voice of the Nordic Region beyond its borders.

The Nordic economic and fiscal policy co-operation under the Council of Ministers for Finance is the primary framework for the exchange of experiences, co-ordination and promotion of a joint Nordic knowledge base that can bolster the preconditions of the Nordic countries with a view to ensuring economic development and prosperity, strengthen Nordic competitiveness and secure an inclusive green and digital transition of Nordic societies. The focus points for our co-operation in the 2025–2030 period will be on approaching common economic policy challenges, and support projects that can benefit the entire Nordic Region and provide proposals for stronger economic policy in the Nordic countries.

The Council of Ministers for Finance has adopted goals and sub-goals for the work to be undertaken in the 2025–2030 period. The political priorities guide all activities in the policy area of Nordic co-operation. This means that initiatives are to be developed on the basis of these objectives, and that their activities, outcomes and effects must bring about the change desired.



Our goal is to maintain economic resilience and strengthen the economic of the Nordic countries, competitiveness and growth potential. So that we stand strong and equipped to address tomorrow's challenges and create positive changes for the Nordic populations. And so that we achieve the vision of being the world's most sustainable and integrated region.

Goal 1: The green transition in the Nordic Region must be implemented in a way that is cost effective and socially just



A green Nordic Region

To achieve our climate objectives, it is necessary to accelerate the green transition of the Nordic economies. It is important that the transition be implemented in the most economically efficient way possible, with fiscal policy frameworks serving to promote the efficient allocation of resources, as well as sound and stable economic framework conditions for green investments, businesses and jobs, and with cost-efficient, emission-lowering initiatives helping to promote a green transition that is socially just. The Council will promote the Nordic exchange of experiences, knowledge and solutions that can support and promote Nordic experiences and solutions internationally.

Sub-goal 1.1: Develop greater knowledge about and promote the effective use of economic policy instruments to support a green transition

The Council will support and promote knowledge-based solutions and Nordic co-operation around the effective use and implementation of economic policy instruments in order to support and accelerate the green transition in the Nordic countries.

Sub-goal 1.2: Support the integration of climate matters into macro-economic policies and models in the Nordic Region and internationally in order to bring about a cost-effective green transition

The Nordic countries are at the forefront when it comes to incorporating climate matters into national macro-economic models. The Council will help to advance practical Nordic co-operation and knowledge sharing, and to support the international role and leadership position of the Nordic Region within this area.

Sub-goal 1.3: Collaborate around the promotion of economic policies in the Nordic countries that will ensure an inclusive green transition and economic development

The green transition of the Nordic economies must be implemented in a socially just manner that supports the Nordic labour-market model, promotes social cohesion, minimises unemployment and economic inequality, and also generates opportunities for all citizens in the Nordic Region. The Council will promote the Nordic exchange of experiences and policy development that can support an inclusive economic development in the Nordic countries to the benefit of the green and digital transition.

Goal 2: Boost the competitiveness, resilience and integration of the Nordic economies



A competitive Nordic Region

The Nordic economies are fundamentally well equipped to handle larger structural shifts and growing global competition. The Nordic countries must build further on this position and collaborate to strengthen frameworks, policies and solutions that can play a role in further boosting the long-term growth potential, economic resilience and competitiveness of the Nordic Region, not least in the light of new geopolitical realities and technological advancements. The Council will contribute towards promoting the Nordic exchange of experiences and knowledge-based economic and fiscal policy development which can play a role in furthering these goals.

Sub-goal 2.1: Co-operation around the advancement of cost-effective national policies and initiatives to bolster long-term growth potential in the Nordic Region

Co-operation around and support for knowledge-based policy development in the Nordic countries shall help to promote both greater productivity and employment in the Nordic countries, as well as their long-term growth potential. Due to the ageing Nordic populations, it is especially important to reduce the number of people of working age outside of the labour market.

Sub-goal 2.2: Strengthen a common approach to the handling of current economic policy challenges in the Nordic countries and internationally

The Nordic countries need to navigate an ever more complex and challenging international economic policy environment. Enhanced co-ordination and a common approach to the handling of current economic policy challenges and the implementation of relevant EU/EEA legislation can contribute towards boosting the competitiveness and resilience of the Nordic Region, and to strengthening the voice and weight of the region internationally.

Sub-goal 2.3: Prevent and reduce border obstacles that inhibit labour force mobility and economic integration in the Nordic Region

If the Nordic Region is to achieve its vision of being the world's most integrated region by 2030, it is important that border obstacles – which stem from national economic policies and administrative rules – are counteracted and reduced. The Council shall work to promote common solutions for the handling of border obstacles that inhibit Nordic labour force mobility and economic integration in the Nordic Region.

Evaluating the Co-operation Programme



The co-operation programme applies to the 2025–2030 period, which is in turn divided into two three-year work plans for 2025–2027 and 2028–2030, respectively.

An evaluation will be performed in the middle of the period, on the basis of which the Council of Ministers can choose to make adjustments to the co-operation programme. The evaluation can also be used to provide input in regard to how the work plan for the last period should be formulated.

Regular evaluations are also carried out at the discretion of the Secretary General and the Council of Ministers.

About this publication

Nordic Co-operation Programme for Economic and Fiscal Policy 2025–2030

PolitikNord 2024:729

ISBN 978-92-893-7931-1 (PDF)

ISBN 978-92-893-7932-8 (ONLINE)

<http://dx.doi.org/10.6027/politknord2024-729>

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Frontpage icon: Knud Andersen

Photo: Norden.org, Nordregio and Unsplash.com

Published: October 2024



The Nordic Council of Ministers

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