

Co-operation Programme for **Energy** 2025–2030

Security of Supply, Energy Transition,
Electricity Market Co-operation and
Innovation



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Foreword



Ebba Busch, Swedish Minister for Energy, Business and Industry, and Karen Ellemann, Secretary General of the Nordic Council of Ministers.

In 2019, the Nordic Prime Ministers adopted a vision for Nordic co-operation: The Nordic Region is to be the world's most sustainable and integrated region by 2030. Co-operation under the auspices of the Nordic Council of Ministers serves this purpose, and it also constitutes the overarching vision for energy co-operation.

The sustainable transition of the Nordic societies will not be possible without a considerable energy transition, and this is something that Nordic co-operation can facilitate. The Nordic Region has ample experience with constructive energy co-operation and although it is comprised of different countries, it is a unique community that co-operates in a targeted way to support the development of the best possible sustainable solutions and address common challenges.

The Nordic countries all have strong energy systems and are far advanced when it comes to tackling climate change. We have different prerequisites and priorities, but many challenges and opportunities are common to the entire Nordic Region, and we support common ambitions. Climate change means that all parts of society will need to undergo a transition for a more sustainable future. At the same time, the Nordic Region must also contend with a new geopolitical reality that affects the security and supply chains of its nations. The energy transition will require the development of new technologies, and this is an area in which the Nordic Region has already proven itself to be a leading player globally. The strong positions of the Nordic countries within the field of energy are an important prerequisite for the economic growth and competitiveness of the region.

At the same time, it is central to our co-operation that we work to ensure that Nordic energy consumers have a secure supply of fossil-free energy at the lowest possible cost, delivered by a system that pays regard to local communities, the environment and nature.

With this co-operation programme for the 2025–2030 period, the Nordic Council of Ministers for Energy (MR-Vækst/Energi) seeks to prioritise initiatives in those areas

within which co-operation can secure a better and more sustainable energy transition than what the countries could achieve individually. Special focus will be placed on

- ensuring high security of energy supply for Nordic consumers and companies,
- improving the Nordic Region's position of strength within the energy transition and innovation,
- the development of an even more effective and innovative Nordic electricity market, and
- strengthening the Nordic Region within international energy co-operation.

The goal is to have a strong level of energy co-operation that can maintain and bolster the resilience, sustainability and competitiveness of the Nordic countries, thereby facilitating attainment of the vision for the Nordic Region to be the most sustainable and integrated region in the world.

Happy reading!



Ebba Busch

Swedish Minister for Energy, Business
and Industry



Karen Ellemann

Secretary General of the Nordic Council
of Ministers

Introduction

The Co-operation Policy for Energy describes the political priorities and goals for the 2025–2030 period. Nordic energy policy co-operation shall focus in particular on security of energy supply, energy market co-operation, the improvement of Nordic positions of strength for the energy transition and innovation and international co-operation.

The co-operation programme is based on the Nordic Council of Ministers' mission to contribute to realising the vision of making the Nordic countries the world's most sustainable and integrated region in 2030. All Council Ministers under the Nordic Council of Ministers are working to achieve this vision through the three strategic priorities: a green Nordic Region, a competitive Nordic Region and a socially sustainable Nordic Region.

The Nordic Council, civil society and other relevant actors have all been involved in the drafting of the co-operation programme. The Nordic Council Committee for Growth and Development has been especially involved in the process, and the Committee for a Sustainable Nordic Region has also provided input on the content. In addition, energy-market actors also provided inspiration for the co-operation programme at the Nordic Electricity Market Forum in 2023.

The co-operation programme is the governing document for all activities undertaken by the Council of Ministers for Energy. Two independent work plans will be developed for the periods of 2025–2027 and 2028–2030 respectively. These shall function as bridges between the political priorities and goals of the co-operation programme and the initiatives that the sector itself intends to pursue.

The co-operation programme was approved by the Council of Ministers for Energy on 3 October 2024 and shall apply through until 31 December 2030.

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 Nordic countries generally have a stable and secure supply of energy and they are well on their way towards a sustainable transition of the energy sector. Close Nordic energy co-operation has contributed to this strong position; however, this does not mean that we can rest on our laurels. The Nordic countries still face challenges when it comes to energy, and further transformation will be necessary if we are to meet the ambitious climate goals and ensure high security of supply. At the same time, focus is also placed on the opportunities of Nordic companies to develop Nordic positions of strength at a time in which all of the world's nations must undergo an energy transition.

The Nordic Region is stronger when we stand together. This is especially true from an outward-looking perspective, given that the current geopolitical situation has once more underscored the value to the Nordic countries of strong regional cohesion, and it is no less true in relation to Nordic energy systems, which are closely linked in the majority of the Nordic countries. This means that energy policy measures in one country also have an impact in the other countries. Hence co-operation around common initiatives will lead to an energy transition that is more financially and socially sustainable than what the countries could achieve on their own.

Nordic energy policy co-operation seeks to balance the so-called trilemma of energy policy. The aim is to ensure a transformation of our energy system that considers the environment and climate while also safeguarding the high security of supply that the Nordic countries enjoy and keeping energy affordable both for citizens and for businesses.

All of the Nordic countries are in the process of further electrifying their societies as a part of the sustainable transition. Work is being undertaken to plan, finance and implement a significant expansion of the national energy systems' production capacity within fossil-free energy, including renewables, and of the electricity transmission grid, in order to enable greater electrification while also ensuring that the Nordic Region in 2030 will have the most competitive, innovative and consumer-oriented energy market.

Sustainable energy and its civil works and infrastructure – such as wind turbines, for example – can be further harmonised with nature and biodiversity to a greater extent. At the same time, the energy transition must also be implemented in such a way that ensures public acceptance of and good will towards the large infrastructure expansions that will be needed, including the deployment of turbines and transmission lines. Increased efforts to promote energy savings and efficiency improvements, as well as flexibility in consumption, will also contribute towards better security of supply.

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Co-operation around common initiatives will lead to an energy transition that is more financially and socially sustainable than what the countries could achieve on their own.

The Nordic countries and their companies have unique competencies when it comes to energy technology, and they have significant energy technology exports. Nordic co-operation supports the work of the individual countries to build up new energy value chains in the region. The Nordic Region thus has good potential to become a sustainable energy hub that can attract companies, and from which fossil-free energy, including renewables and sustainable technologies, can be exported. This can be achieved via a common and strategic approach to business development whereby the Nordic countries work together to build the energy solutions of tomorrow. This will help to make the region, our companies, educational institutions and research environments so attractive that the Nordic countries will not only be able to train specialists and general employees, but they will also have sufficient draw to attract talent from all across the globe.

EU/EEA issues and other international energy concerns have been on the agenda ever since Nordic energy co-operation officially began, and they continue to be issues of high priority. In many of the energy arenas, Nordic co-operation and co-ordination can improve the feasibility of processes within the EU and the EEA. The Nordic countries all have different relationships with wider European collaborations, but they can all derive considerable benefit from co-operating on common matters in relation to the EU and EEA agenda. Over the past 8–10 years, the EU has scaled up its discussions within the area of energy. This has created new challenges but also new opportunities for Nordic energy co-operation.

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The Nordic countries and its companies have unique competencies when it comes to energy technology, and they have significant energy technology exports.

Cross-sector collaboration

Where relevant, work must be undertaken across sectors. Within the energy sector, for example, it is relevant to collaborate with the environment and climate sector, which also pursues work relating to fossil-free energy, renewables, CCUS, hydrogen, etc. It is also relevant to collaborate with the business sector, given that it is concerned with competition, and with any other sector that is contending with energy-related problems.

Nordic added value in energy policy co-operation

Nordic added value is a key criterion for evaluating the relevance and effectiveness of Nordic co-operation. Nordic added value is the value that results from common efforts, beyond the value that could otherwise be attained on a national level. Among other things, Nordic added value can be comprised of measures that create cohesion, reduce barriers and fragmentation, amass resources and expertise, realise untapped potential and create synergies.

Although there are differences between the countries, and even though each country may focus on different parts of our energy co-operation, energy policy co-operation in the Nordic Region as a whole generates clear added value for all of the Nordic countries and complements the work being undertaken at the national and EU levels. In order to boost further the added value of Nordic co-operation, it is necessary for the Nordic countries to focus on raising understanding of and co-operation around how the positions of strength of the individual countries can better complement one another in value chains and ecosystems across borders and sectors.

The Nordic countries share a set of common values and complementary energy services which provide good conditions to establish strong clusters and sustainable and secure value chains that can facilitate the generation of Nordic added value. Nordic co-operation can enable a faster and more effective transition whereby common efforts support the solving of common challenges.



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Goals and sub-goals

The Nordic Council of Ministers for Energy has adopted the following 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.

The four goals and associated sub-goals of the energy sector all fall under the green strategic priority in that they will contribute towards making the Nordic Region the most sustainable and integrated in the world. However, the goals also pertain equally to the strategic priority of competition in that they reduce commercial energy costs and boost opportunities to develop new positions of strength. Finally, it should also be noted that sub-goal 1.3 contributes towards the strategic priority of social sustainability.

Goal 1: High energy security for Nordic consumers and companies



Secure access to affordable energy is crucial for all of the Nordic countries, and the countries all have proactive climate policies and ambitious climate goals. The Nordic countries have different natural resources, and they have chosen different paths to achieving security of supply; however, the different energy sources complement each other well and contribute towards better overall security of supply in the Nordic Region.

The geopolitical tensions and other developments of recent years have posed a challenge to Nordic energy systems in terms of both security of supply and energy costs. Nordic co-operation around security of supply can help to make the systems more robust in the face of future challenges.

**Sub-goal 1.1:
Enhance co-
operation and
exchange of
experience on
framework
conditions for
renewable and
fossil-free energy.**

Adequate levels of energy production, including electricity production in particular, are a key requisite to maintaining the high level of security of supply enjoyed in the Nordic Region. As our societies become increasingly electrified, and as new technologies (such as hydrogen production) considerably increase energy demand, a significant increase in electricity production capacity will be needed. The Nordic countries face many of the same challenges in terms of establishing framework conditions that can ensure sufficient capacity, and there is a desire to enhance co-operation in this area.

**Sub-goal 1.2: Work
together to
facilitate an energy
transition that is
more socially,
financially and
environmentally
acceptable.**

The necessary transition of the energy sector concerns many people and this means that the transition must be implemented in a manner that is considered acceptable by those concerned. Sharing knowledge between the Nordic countries, developing inclusive processes and increasing knowledge and understanding can all contribute towards a successful implementation. This applies to both the physical facilities involved and to how the cost of the transition is divided.

Goal 2: Enhance Nordic positions of strength for the energy transition and innovation



When it comes to innovation and new technologies for the energy transition, the Nordic countries together possess the critical research and innovation capacity needed for the region to be a leading player in the development of the new technologies.

Sub-goal 2.1: Develop a position of strength across the entire value chain for new technologies. This will include co-operation on the development of hydrogen and other new energy carriers (including their infrastructure), CCUS and energy storage.

Not all energy consumption can be electrified, and so it is therefore important that work be pursued in relation to hydrogen, ammonia, e-methanol and other e-fuels. Enhanced Nordic co-operation around these new technologies shall contribute to a sustainable transition of those sectors which are difficult or unsuitable to electrify directly, such as the steel and chemicals industry, and parts of the heavy transportation industry. This will help reduce reliance on the import of fossil-based energies. In addition, such co-operation shall also help to improve the opportunities of the Nordic business and industrial sectors to be at the forefront of this development and thereby contribute to the global transition. Hydrogen is currently the main focus for Nordic energy co-operation, but this can be extended to a greater extent in the future to also encompass other energy carriers.

Sub-goal 2.2: More targeted co-operation around the improvement of energy efficiency measures.

The efficient consumption of energy has contributed to the well-functioning energy systems of the Nordic countries, and it has helped to bring down greenhouse gas emissions. Energy efficiency is also important to the competitiveness of business. Co-operation on improving energy efficiency places its focus on initiatives that support national efforts to improve energy efficiency through the use of technological and behavioural changes both for citizens and for companies. This includes common initiatives within areas such as energy labels and ecodesign, as well as the circular economy and the use of residual heat.

Goal 3: Develop an even more efficient and innovative Nordic electricity market



A well-functioning electricity market is the key to an efficient sustainable transformation. The green transition will involve the large-scale electrification of Nordic society. Major changes are expected both within electricity production, in that more nuclear power, wind and solar energy and other forms of fossil-free production will be used, and within energy consumption, in that consumers will use more energy and we will see new large-scale industrial consumers, e.g. relating to the production of hydrogen and e-fuels. In order to keep pace with these changes, it will be necessary to develop the Nordic electricity market further.

Sub-goal 3.1: The electricity market must support the increased electrification of society.

The electricity market will need to be further developed in order to incentivise new investments into electricity production with the right location, while simultaneously ensuring that new consumers use electricity efficiently. The electricity market must support better balance between growing levels of production and growing levels of consumption.

Sub-goal 3.2: Flexible consumer and producer participation.

Since a large part of the additional electricity production will come from wind and weather-dependent sources, it is crucial that both consumers and producers be incentivised and have the opportunity to react to this volatile form of electricity production. Flexible consumption and an expansion of predictable, fossil-free electricity production can reduce the costs of the green transition and contribute towards greater security of supply.

Sub-goal 3.3: Place more focus on the roll-out of electricity infrastructure.

Periodic fluctuations in energy prices across different parts of the Nordic Region have demonstrated weaknesses in our transfer capacity, especially between the north and south. More electrification and the rising share of fluctuating, renewable energy sources will mean an even greater need for Nordic co-operation on more robust infrastructure to ensure that resources are used as efficiently as possible, and that the costs of energy consumption are kept down.

Goal 4: Bolster the position of the Nordic Region within international energy co-operation



A key objective for Nordic energy co-operation in 2025–2030 is to bolster the position of the Nordic Region within international co-operation efforts. Internationally, it can be an advantage for the Nordic Region to act as one in those cases where the countries have shared interests. The ambition with this is to actively leverage the strength inherent to Nordic co-operation in both formal and informal fora. This applies particularly within the EU/EEA, but also in other fora in which the Nordic countries are active.

Focus will still be placed on working to support Nordic global energy solutions. Close Nordic co-operation will not only ensure future hosting roles for summits and conferences, but also the role of the Nordic Region as an important global player in the green transition.

**Sub-goal 4.1:
Discuss European
matters in a
targeted way in
order to explore
opportunities for
co-operation.**

Our ability to realise the regional Nordic energy vision that we have for 2030 will be influenced by a number of European initiatives. This therefore makes it all the more relevant to strengthen regional co-operation between political authorities, market actors, research environments and civil society in the Nordic Region.

Over the course of the 2025–2030 period, the Nordic countries will follow the review of the energy regulations, and the work to develop new goals for 2030 as part of the European Green Deal (EGD) and Fit for 55. Under the EGD, the Nordic countries will be able to establish and adapt their existing regional co-operation within topics such as renewable energy (including offshore wind), energy efficiency improvements (including energy-efficiency first), ecodesign (including Nordsyn), the Energy Efficiency Directive, improving the energy efficiency of construction and renovation strategies, hydrogen, co-operation around smart system integration, national energy and climate plans (NECPs) and the further development of the electricity market and infrastructure. Research, development and innovation will support the road maps horizontally within important areas such as hydrogen, CCUS and offshore wind.

**Sub-goal 4.2: Co-
operate on the
implementation of
EU/EEA
regulations.**

It will be of central importance for the Nordic countries to assess synergies when implementing legal acts as part of the co-operation programme for 2025–2030. A number of energy acts from the EU/EEA will be undergoing processes of implementation in this period.

Sub-goal 4.3: Co-operate on the work being undertaken within other international organisations.

Our Vision 2030 has the ambition to actively leverage the strength inherent to Nordic co-operation within both formal and informal international fora. This applies in particular within the EU/EEA, but also within other fora in which the Nordic countries participate, such as BEMIP, and fora in which systems operators and independent supervisory authorities participate in different forms of regional collaboration. It also applies at the European level via the European Network of Transmission System Operators for Electricity (ENTSO-E) and the European Union Agency for the Cooperation of Energy Regulators (ACER). The Nordic countries also participate in other forms of more global energy policy co-operation, such as the International Energy Agency and the International Renewable Energy Agency (IRENA).

Evaluating the Co-operation Programme

The co-operation programme applies for the 2025–2030 period, which in turn is divided into two, three-year periods, each with their own independent work plan, for 2025–2027 and 2028–2030 respectively.

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

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