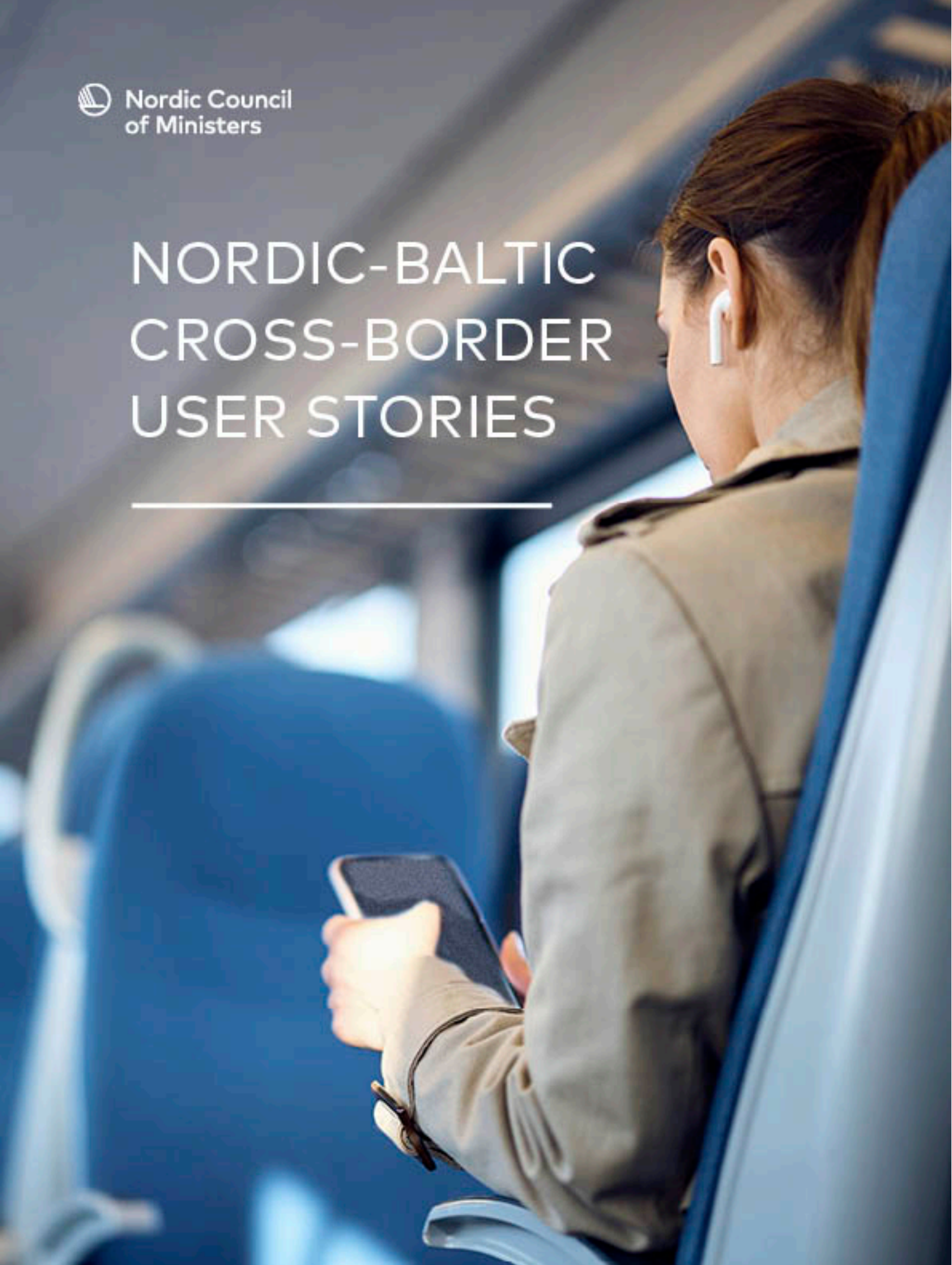




Nordic Council
of Ministers

NORDIC-BALTIC CROSS-BORDER USER STORIES



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<https://pub.norden.org/temanord2025-561>

Executive Summary

This study aims to enhance the understanding of work-related cross-border life events in the Nordic and Baltic countries, contributing to the Nordic Vision 2030 goal of becoming the most integrated region in the world. Life events are significant milestones, transitions, and changes in an individual's personal or professional life that typically require interaction with public authorities.

Technological development in the public sector across the EU and EEA has led to new regulations and initiatives in digitalization, including an ambitious target of making 100% of key public policies available online by 2030. This development has resulted in increasing digitalization of life events in the Nordics and Baltics. Despite technological advancements being a common feature in the region, differences in national digitalization strategies, accessibility, and traditions persist – especially when life events cross borders. These disparities can significantly impact the region's citizens and businesses as they interact with various authorities and services when moving between countries.

To address these challenges, the Nordic Council of Ministers (NCM) has initiated this study to identify common practices and key challenges for Nordic and Baltic workers' cross-border employment and settlement within the region. This report provides insights into how existing legal and procedural frameworks for handling cross-border life events are experienced by cross-border workers, focusing on necessary interactions and services.

The report presents results of an in-depth study of three specific life events:

1. Moving to another country for work,
2. Working abroad while residing in the home country, and
3. Starting a business abroad while residing in the home country.

The study underscores the importance of harmonizing cross-border life event management systems with EU and EEA initiatives to strengthen digital cooperation and economic integration across the Nordic-Baltic region. The findings aim to guide policymakers in addressing existing gaps and fostering innovative solutions to create a unified and sustainable framework for cross-border life events. By providing knowledge on inefficiencies and identifying best practices, the study seeks to enhance the implementation of strategies for Nordic cooperation in the labour market and increase workforce mobility.

Specifically, the report includes: an overview of cross-border life events with digital implications in the Nordics and Baltics, including relevant national policies; detailed visualizations of journey maps for three prioritized life events related to

cross-border work; and perspectives on cross-border challenges, systemic inefficiencies, best practices, and potential improvements in efficiency.

The study has identified three key foundational elements crucial for developing digital support for cross-border work. These elements will be presented in this executive summary, followed by a summary of key insights from the analysis of the three specific life events. By emphasizing these foundational elements, policymakers can significantly boost the effectiveness of initiatives that address cross-border digital services, ensuring a streamlined and cohesive approach across various scenarios. The elements include harmonizing digitalization strategies, improving accessibility, and addressing systemic inefficiencies. By focusing on these areas, policymakers can enhance user experiences and interactions, streamline cross-border services, and foster a more integrated and efficient digital ecosystem in the Nordic-Baltic region.

1. *Interoperability as a key enabler for cross-border services*

Efforts to enhance interoperability between national systems are essential for facilitating digital interactions across borders. Differences in legal frameworks, procedures, data governance, and authentication methods create barriers that must be addressed through common standards, mutual recognition mechanisms, and aligned digital infrastructures.

2. *Balancing digital advancements with inclusion*

Despite the push for digitalization, concerns persist regarding accessibility and the diminishing role of in-person interactions. Ensuring inclusive solutions that accommodate individuals with limited digital skills or access remains a central challenge. Best practices emphasize hybrid approaches that combine digital efficiency with human support.

3. *Trust and security drive adoption*

Public trust in digital solutions depends on strong security measures, transparency, and clear legal frameworks. This is particularly important regarding cross-border activity, as personal information must be shared between national systems. Countries that successfully implement digital life event services prioritize robust data protection, user control over personal information, and clear governance structures to foster confidence in digital interactions.

Building upon these foundational elements, the study also presents life event-specific key takeaways that critically affect the efficiency and resource usage of cross-border interactions. By addressing these specific insights, policymakers can develop tailored solutions that enhance the overall experience for individuals navigating cross-border administrative processes. Across the three life events analysed in-depth within the scope of this study, certain elements critically affect whether they function efficiently or result in resource wastage. The following key insights emerge from the analysis of all three life events:

1. *Streamlining procedures to obtain national personal identification*

A personal identification number is imperative across all life events, acting as a gateway to essential administrative services. Efficient access to personal identification simplifies processes, such as registering for healthcare, opening bank accounts, and validating legal status. One significant challenge is the requirement to physically appear to obtain this ID, which can be seen as inefficient and burdensome, especially in highly digitalized countries. Additionally, if individuals do not relocate to the country, they may receive a more limited personal identification number, restricting access to certain services. Harmonizing these procedures and expanding the functionality of personal identification numbers could drastically improve cross-border interactions and reduce administrative delays.
2. *Navigating tax obligations effectively*

Tax registration and management are pivotal in all life events, each presenting distinct challenges. For instance, commuting cross-border or starting a business abroad involves continuous management of tax filings in multiple jurisdictions. Differences in digitalization impact the ease of handling tax matters; some countries have optimized digital tax systems, while others rely heavily on manual processes. Being aware of ongoing tax obligations and ensuring compliance through professional advice can help mitigate risks of double taxation and legal complications. It is crucial to have a robust framework for managing cross-border tax responsibilities to ensure smooth and compliant operation regardless of the specific life event.
3. *Leveraging technology for digital processes*

The extent of digitalization varies significantly across countries, affecting the efficiency of administrative interactions. Highly digitized systems allow for smoother and faster processing of essential tasks, such as obtaining personal IDs, registering businesses, and managing tax obligations online. Manual processes that require physical presence can be time-consuming and challenging. Navigating these systems successfully often requires digital literacy and resources, highlighting the importance of digital competences and access to technology. It is vital to create inclusive solutions that cater to individuals who are not digitally competent, ensuring that no one is disadvantaged due to a lack of digital skills. Addressing discrepancies in digitalization can reduce resource wastage and offer a more unified approach to cross-border administrative tasks.
4. *Harnessing future EU regulations for efficiency*

Upcoming EU regulations like eIDAS 2.0, SDGR, and OOTS have the potential to solve current resource wastages across life events. eIDAS 2.0 introduces the EU Digital Wallet, simplifying identity verification and digital document management. The Single Digital Gateway Regulation (SDGR) aims to streamline interactions with public administrations, ensuring citizens do not

need to resubmit information already held by another authority. The Once Only Technical System (OOTS) aims to facilitate seamless document transfers across borders, enhancing efficiency in tax reporting and other administrative processes. These regulations promise to create a more integrated and user-friendly digital ecosystem, reducing bureaucratic hurdles and promoting smoother cross-border activities. Implementing these solutions effectively can transform administrative procedures and improve the overall experience for EU residents and businesses.

The insights presented in this executive summary underline the importance of harmonizing digital processes, improving accessibility, and integrating new EU regulations to foster a more efficient and inclusive digital ecosystem. By addressing these key areas, policymakers can significantly enhance cross-border interactions, benefiting both citizens and businesses in the Nordic-Baltic region.

Introduction

The purpose of this study is to increase the understanding of cross-border life events in the Nordics and Baltics. This effort is highly relevant for the implementation of the Nordic Council of Ministers' Vision 2030, aiming to make the Nordic region the most integrated region in the world. This ambition includes fostering a strong sense of collaboration across the Nordic countries and, in the scope of this study, also the Baltic countries.

The report provides knowledge on how the existing legal and procedural frameworks for handling cross-border life events are experienced by cross-border workers to develop and improve cross-border digital services, focusing on necessary interactions and services. Specifically, the report contains: 1) an overview of cross-border life events with digital implications in the Nordics and Baltics, 2) detailed visualizations of the journey maps of three prioritized life events related to cross-border work, and 3) perspectives on cross-border challenges in terms of systemic inefficiencies, best practices, and possible improvements of efficiency.

Context

Technological development in the public sector across EU has entailed new regulations and initiatives from EU in the field of digitalization, for instance through an ambitious EU-target of making 100% of key public policies online by 2030.^[1] In addition to this development, the Nordic Prime Ministers have adopted Our Vision 2030^[2] with an aim to make the Nordic region the most integrated region in the world. This ambition includes fostering a strong sense of collaboration across the Nordic countries. The vision emphasizes economic integration, sustainable development, social cohesion, and the establishment of a competitive region that is innovative and digitally connected. The goals underline the importance of cross-border cooperation and shared policies to address common challenges, enhance regional identity, and promote a high quality of life for citizens across the region. The strong level of cooperation and interaction between the Nordic and Baltic countries highlights the relevance of adapting a Nordic-Baltic scope of the study of cross-border life events.

One results of this development is the increasing digitization of life events in the Nordics and Baltics. Even though technological development is a common

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1. The European commission (2019). Europe Digital Decade: Digital Targets 2030. https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/europes-digital-decade-digital-targets-2030_en (Accessed on May 1st, 2025)
 2. The Nordic Council of Ministers (2019). Our Vision 2030. <http://www.norden.org/en/declaration/our-vision-2030>. (Accessed on May 1st, 2025)

denominator for the region, there are still differences between the national digitalization strategies, accessibility, and traditions across countries. This leads to potential difficulties, especially when life events take place across borders, e.g. in the Nordics and Baltics.

Cross border challenges can have major impacts on the region's general and cultural integration, as well as specifically on citizens and businesses that rely on interactions with a range of authorities and specific services if they want to move to or act in another country in the region.

Thus, the Nordic Council of Ministers (hereafter NCM) are interested in knowledge of in how life events are practiced across borders, and what implications cross-border life events entails to identify where and how resources could be allocated or prioritized to further develop cross border digital services. This requires in-depth knowledge about the users moving (or acting) from one country to another, their experiences in doing so, and what interactions and services they encounter.

Scope of the study

The scope of this study encompasses both a geographical and conceptual framework, defining Life Events in a digitalized Nordic-Baltic context. It covers the Nordic countries—Denmark (including Greenland and the Faroe Islands), Finland (including Åland), Iceland, Norway, and Sweden – and the Baltic countries, Estonia, Latvia, and Lithuania. These countries form the analytical and geographical scope due to the region's ambition to become the most digitally integrated in the world

Definition of a Life Event:

A Life Event refers to a significant milestone or transition in an individual's personal, professional or social life that typically requires interaction with public services or authorities. These events may include moments such as birth, education, marriage, employment, retirement, or relocation. Life events often involve a series of interconnected processes and administrative tasks, requiring citizens to engage with various digital or in-person services, such as registering for benefits, updating personal information, or accessing healthcare. This definition reflects the idea that life events are not just isolated events but part of a broader system that affects individuals and governments, especially in a cross-border, digital service framework.

Report Structure

The report provides a four-part analysis of cross-border life events in the Nordic-Baltic region, comprising an overview of life events, user stories and journey maps, and cross-border perspectives.

[Firstly](#), the report describes the key EU regulations and agreements, shaping cross-border life events in the Nordic and Baltic Countries.

[Secondly](#), the report outlines the existing digitalization policies for each country and a condensed list of life events across the Nordic-Baltic region. It offers insights into the countries' legal, cultural, and digital perspectives on life events through interviews with national representatives. Based on prior studies on cross-border mobility, three significant life events have been selected:

1. Moving to another country for work,
2. Working abroad while residing in the home country, and
3. Starting a business abroad while residing in the home country.

[Thirdly](#), the report presents key findings from 18 user stories in three journey maps. For each life event, the user stories and stakeholder perspectives are illustrated in a journey map, accompanied by descriptions of relevant processes and involved stakeholders. These illustrations aim to provide a comprehensive insight into the respective life events independently.

[Finally](#), the report analyses challenges, best practices, and potential improvements to identify systemic issues and barriers, considering both user and stakeholder perspectives.

[Appendix 1](#) describes the methodological approach taken in this report. [Appendix 2](#) presents a list of all identified life events in each country. [Appendix 3](#) reviews the countries' reasoning and analysis behind the respective life events. [Appendix 4–6](#) contains all 18 user stories from the three life events.

Regulations

This section outlines key regulations and agreements shaping cross-border life events in the Nordic-Baltic region in the future. It covers eIDAS 2.0 and the EU Digital Wallet, which will streamline digital identification and access to services across the EU. The Single Digital Gateway and Once Only Technical System aim to reduce administrative burdens by enabling cross-border data sharing. These regulations can help address barriers, such as the inefficiencies of requiring physical presence for obtaining personal identification numbers and managing complex tax obligations across borders. By harmonizing procedures and improving interoperability, these regulations promise to create a more integrated and efficient framework for cross-border life events.

eIDAS 2.0 and EU Digital Wallet

The European Digital Identity Regulation (Regulation (EU) 2024/1183), also known as eIDAS 2.0 entered into force on May 20, 2024. A key feature of eIDAS 2.0 is the EU Digital Wallet (EUDIW), providing a wallet app enabling EU residents to control their personal data while providing the opportunity to decide when and with whom to share it with. EUDIW will be a secure and easy way for European residents and businesses to prove who they are when accessing digital services. The wallet app will enable residents to safely obtain, store and share important digital documents about themselves and electronically sign or seal documents, e.g. bank statements, university records or job applications.

The eIDAS 2.0, including EUDIW, is highly relevant in the context of life events, as the regulation simplifies cross-border digital interactions and access to services across the European Union. Once fully implemented, individuals will be able to use a single digital identity throughout EU member states, eliminating the need to adapt to various national ID systems when accessing services. This new and streamlined approach will facilitate activities such as opening a bank account, interacting with government agencies or accessing healthcare, regardless of country origin.

Single Digital Gateway Regulation and Once Only Technical System

The Single Digital Gateway (SDGR) provides the legal framework for the creation of a trusted European data space for public administrations to share information, including administrative procedures and assistance services for residents and businesses in the EU.

The SDGR, article 14, implements the Once Only Technical System (OOTS) enabling the sharing of information between public administrations across borders between EU countries. The system implements the Once-Only Principle, which states that citizens should not be forced to provide information to authorities if another authority already holds that information in electronic format.

Finally, pursuant to SDGR, article 6, 21 life events listed in SDGR's annex II shall be possible for users to access and complete fully online, hereby improving cross-border mobility while reducing administrative burdens.

Life events

This section outlines the findings and analysis of key insights from interviews with country representatives about their work with life events. The objective is to provide an in depth understanding of the the Nordic-Baltic work with life events, as a basis for the further focus on the three selected life events.

Condensed list of life events across all countries

Based on the identified life events in each country and the eight interviews with national representatives a condensed list of 13 life events across countries was developed. The list comprises a combination of personal and work-related life events, as outlined below:

1. Birth and Parenthood (pregnancy, birth, becoming a parent, raising children)
2. Illness and Health Care (personal illness, family member's illness, elder care)
3. Moving and Relocation (general, moving abroad, moving to a country)
4. Education and Studying (starting education, student life)
5. Employment and Job Market (starting a job, unemployment)
6. Starting a Business (entrepreneurship, business start-up)
7. Marriage and Relationships (marriage, divorce/separation)
8. Retirement and Pension (pension, early retirement)
9. Death and Inheritance (death of a loved one, inheritance, funeral)
10. Accommodation and Real Estate (buying, selling, building a home)
11. Legal and Civic Participation (military service, proxy for public services, driving license)
12. Cultural and Life Milestones (baptism, confirmation, family trees/genealogy)
13. Financial and Economic Stability (disability, economic hardship)

The 13 life events on the condensed list above are the most predominant throughout the interviews. A list of all identified life events across all 11 countries is found in [appendix 2](#).

Identified best practices across countries in managing cross-border life events

This section highlights key best practices for improving cross-border life event services based on insights from various countries on the most predominant life events. The identified best practices focus on ensuring equal treatment of domestic and cross-border citizens, strategically prioritizing and coordinating cross-border services, and strengthening international collaboration through digital identity solutions and bilateral agreements. These approaches contribute to more seamless, user-friendly, and interoperable cross-border services.

Ensuring equal treatment of domestic and cross-border citizens

It is vital to ensure equal treatment of domestic and cross-border citizens once they are registered in the national system, providing them access to the same services. This approach reduces administrative barriers and ensures that cross-border users have the same access to public services as domestic citizens. All countries are working towards achieving this goal by developing their digital infrastructure and policies to support seamless cross-border services and smooth integration for all individuals, regardless of their origin.

Strategic prioritization and centralized coordination of cross-border life events

It is essential to prioritize the improvement of services for cross-border life events to enhance efficiency, reduce duplication of efforts, and ensure a more user-friendly experience for individuals navigating services in multiple countries. Clear strategies that define key life events and assign responsibilities to relevant agencies facilitate effective follow-up and implementation. Aligning approaches with EU regulations and best practices from neighboring regions, as well as developing digital infrastructure that supports cross-border compatibility, ensures seamless integration of new solutions with other countries.

Identified challenges across countries in managing cross-border life events

This section aims to uncover the countries' main challenges in handling cross-border life events and identifying potential solutions. Challenges are categorized into legal, procedural and cultural barriers that complicate the management of life events.

Legal challenges

The legal challenges vary across countries and are influenced by each nation's unique legal and political landscape, which impacts their ability to streamline cross-border life event management. Another major difficulty lies in harmonizing legal frameworks across countries, a process that is often slowed down by complex political decision-making. Additionally, multiple laws often need to be amended before digital data exchange can be fully permitted, making the flow of information across borders more challenging.

Many countries also struggle with determining the legality of data sharing and addressing conflicts between EU regulations and national laws. Furthermore, inconsistencies in updating life event data arise due to frequent changes in legislation and varying implementation practices among authorities.

Procedural challenges

Procedural challenges highlight the difficulties posed by physical presence requirements, silo thinking, fragmented data systems, and the need for significant organizational and mindset changes. Managing temporary IDs for cross-border health services remains a challenge, as separate ID systems across countries limit the possibilities for identity matching.

Many administrative processes still require individuals to be physically present, such as obtaining a personal identity number, and IT systems across different authorities are often incompatible. Silo thinking within agencies and between countries further complicates the situation, with data being locked within various systems and complex data architecture making it difficult to access and utilize information effectively for cross-border digital services.

Bureaucratic hurdles result in limited user-driven digital services, and the decentralized nature of services makes it harder for agencies to share data across borders. Limitations in digital processes continue to require users to be physically present for various procedures, while different authorities operate with varying organizational structures, creating additional complications.

Furthermore, the duplication of information and differing perceptions among competent authorities about new national policies on digital service management contribute to inefficiencies in cross-border service delivery.

Cultural challenges

Cultural challenges add another layer of complexity, particularly in relation to trust, accessibility, attitudes toward data protection, and the need for responsive services that accommodate diverse population groups and accounts for various cultural as

well as linguistic considerations. Interviews with country representatives from Iceland, Sweden and Latvia point to reluctance to share data both within national agencies and across borders due to internal attitudes towards data protection as a significant cultural issue.

Additionally, digital accessibility remains a problem, particularly for certain population groups such as older adults and those in rural areas, who tend to favor paper-based processes over digital solutions and may lack trust in national digital systems.

The Nordic and Baltic countries are generally more advanced in their digital service offerings and customer-focused approaches, but this level of development has created a gap between them and other EU countries, which may take time to bridge. Even within the Nordics and Baltics, minor cultural differences can affect cross-border interactions and sometimes lead to misunderstandings.

Another major barrier is the lack of trust in foreign data, which results in a strong reliance on personal identification number verification and hesitancy in accepting information from other countries.

Lastly, insufficient English-language information creates accessibility issues for cross-border users, making it harder for them to navigate and utilize digital services effectively.

Future outlook and opportunities for digitalization

This section explores the potential for improving and simplifying cross-border life event management through digital tools and collaboration. Findings indicate that each country recognizes the importance of digital services in simplifying cross-border life events but approaches the integration and implementation of these services differently based on their unique challenges, capabilities and strategic priorities.

Identity matching as a foundation

It is essential to prioritize identity matching, which refers to the process of verifying and linking an individual's identity across different databases or systems, ensuring consistent recognition and authentication despite variations in identity information across records. Emphasizing identity matching facilitates effective population registry data exchange, simplifies access to health and social insurance, and addresses complications through bilateral agreements and collaboration. Developing national digital infrastructures to support cross-border identification and creating scalable trust models across countries and sectors are vital steps toward smoother data sharing and seamless access to services abroad.

Data sharing and legal and administrative harmonization

Harmonizing legal and administrative standards is essential for simplifying cross-border life events and enabling effective data exchange. Standardizing administrative processes across borders and utilizing international digital solutions increase digital cross-border mobility. Legal barriers must be addressed through legislative changes to enable digital collaboration, and establishing legal frameworks that build trust in data sharing is crucial. Aligning commonly used digital services for cross-border users simplifies administrative processes despite differing frameworks, while mapping and evaluating life events and services consistently, inspired by EU benchmarks, promote cooperation among countries.

Cross-border mobility and simplification

It is important to focus on the development and implementation of e-ID systems and collaboration to enhance cross-border mobility. Simplifying mobility for health, tax purposes, businesses, and individuals through e-ID systems can be prioritized. Increased cross-border mobility within regions highlights the need to harmonize administrative procedures for broader collaboration. Practical measures, efficient digitalization, and focusing on the needs of cross-border users, rather than aligning life events, streamline services across countries. Practical cooperation and consistent evaluation criteria for services related to life events are essential for effective cross-border service enhancement.

Selected life events

The three life events identified as being the most relevant to cross-border work are: 1) Moving to another country for work, 2) Working abroad while staying in home country and, 3) Starting a business abroad while staying in home country. These life events have been selected as they are life events which have a prominent and central position to deliver on the vision to become a more integrated, sustainable and competitive region. Below each life event will be described with emphasis on key challenges and potentials ahead. It is thus also in connection with these life events that there will be significant development potentials in relation to realizing the vision of an integrated region.

Life event 1: Moving to another country for work

In 2020, approximately 458,000 Nordic residents lived in a different Nordic country than the one in which they were born, making up 1.7% of the region's population of 27.2 million. Each year, around 40,000 people move across Nordic borders for work, highlighting the significance of this life event in the region.^[3]

3. The Nordic Council of Ministers (2022). State of the Nordic Region 2022. <https://pub.nordregio.org/snr22/> (Accessed on May 1st, 2025)

Moving to another country for work is a significant life event that involves relocating to a new nation due to employment. This process includes not only starting a new job but also adapting to a different cultural and administrative environment, possibly also relocating the family of the employee. A key aspect of this transition is the interaction with public authorities regarding work and residence permits, taxes, and other necessary documentation. The ease of these processes varies across countries, depending on their level of digitalization and administrative integration.

Interviews with country representatives confirm that moving for work is among the most important life events, with some nations offering seamless digital services while others are still developing their infrastructure to support cross-border mobility. Regardless of digital capabilities, adjusting to a new workplace and society remains a central challenge, but also an opportunity for personal and professional growth.

Life event 2: Working abroad while staying in home country

Working abroad while staying in one's home country is an increasingly common life event, driven by the rise of remote work: Nordic labor mobility includes commuting across borders, with approximately 49,000 people working in another Nordic country between 2015 and 2018 – 0.5% of the working-age population.^[4] There is currently no updated data available on the frequency of this life event which would be beneficial to effectively address the life event specific needs. There are some data from commuting between Denmark and Sweden from 2022. The latest available data shows that approximately 1,650 people commute from Denmark to Sweden. Of these 1,650 commuters, the majority – around 1,000 – travel to either Malmö or Lund. About 62% of the commuters are men.^[5]

However, significantly more people commute from Sweden to Denmark. According to the latest 2022 data, around 18,500 people commute from Sweden to Denmark.^[6] According to Øresunddirekt, this is mainly due to better salary conditions in Denmark and more affordable living costs in Sweden.

Commuting for work offers broader job opportunities, potential for higher earnings, and professional growth without requiring relocation. However, it also comes with challenges, particularly in navigating tax obligations, labor laws, and administrative requirements across borders.

Interviews with national representatives highlight the need for improved digital integration and cross-border cooperation to simplify these processes. Despite the complexities, this work model enables flexibility and global collaboration.

4. The Nordic Council of Ministers (2022). Re-start competence mobility on the Nordic Region. <https://www.norden.org/da/node/78182> (Accessed on May 1st, 2025)

5. The Nordic Council of Ministers (2022). Re-start competence mobility on the Nordic Region. <https://www.norden.org/da/node/78182> (Accessed on May 1st, 2025)

6. Statistics Denmark (2023). Hvem pendler fra Sverige til Danmark? <https://www.dst.dk/da/Statistik/nyheder-analyser-publ/Analyser/51280-hvem-pendler-fra-sverige-til-danmark> (Accessed on May 1st, 2025)

Life event 3: Starting a business while staying in home country

Starting a business abroad while staying in one's home country is a significant life event that encompasses entrepreneurship and starting a business in a foreign country without relocating. This arrangement has become increasingly feasible with advancements in digital technology and global connectivity, allowing entrepreneurs to tap into international markets while managing operations from their home country. There is currently no updated data available on the frequency of this life event which would be beneficial to effectively address the life event specific needs.

This life event is important for the individuals as it opens new business opportunities, potential for market expansion, and the ability to leverage different economic environments for growth. However, it also brings various experiences and challenges.

A significant aspect of this process involves navigating different administrative requirements and regulations, which include registering the business, obtaining necessary permits, understanding tax obligations in both jurisdictions, and compliance with local labor laws. Entrepreneurs will often face inefficiencies and complexities due to the dual nature of operating across borders, necessitating robust digital solutions and cross-border services.

The interviews with national representatives and the prioritization workshop suggested that this life event is essential as it affects a growing segment of the business community, enabling entrepreneurs to contribute to and benefit from the global economy. It also emphasizes the need for enhanced digital integration and international cooperation to streamline services, ensuring that cross-border entrepreneurs can efficiently manage their business operations and regulatory requirements.

User stories

A user story can be defined as the citizen's "journey" through the system that evolves in a Life Event and the citizen's perception of what they encounter during their journey. Citizens will come across various systems and interact with different authorities on each their journey. In a user story, it is also important to consider the role of relevant stakeholders in the activity. These stakeholders offer a different perspective on the systemic encounters in each user story and can contribute to a broader understanding of the user's experiences within a larger context.

For each life event there will be six user stories. A user story consists of one interview with the identified user and approximately three interviews with stakeholders which amounts to approximately four interviews per user story. Below is an overview of the user stories that have been identified and described:

Table 1 Overview of user stories

Life event 1: Moving to another country for work	Life event 2: Working abroad while staying in home country	Life event 3: Starting a business abroad while staying in home country
Case 1: Moving to Denmark for work as a Latvian citizen	Case 1: Working in Sweden while living in Denmark	Case 1: Starting a business in the Faroe Islands while living in Iceland
Case 2: Moving to Finland for work as an Estonian citizen	Case 2: Working in Sweden while living in Finland	Case 2: Starting a business in Finland while living in Estonia
Case 3: Moving to Iceland for work as a Norwegian citizen	Case 3: Working in both Latvia and Estonia	Case 3: Starting a business in both Sweden and Denmark
Case 4: Moving to Sweden for work as a Norwegian Citizen and moved back to Norway	Case 4: Working in Norway while living in Sweden, with both Norwegian and Swedish citizenship	Case 4: Starting a business in Finland while living in Sweden
Case 5: Moving to Estonia for work as a Finnish citizen	Case 5: Working in Denmark while living in Norway	Case 5: Starting a business in Iceland while in Norway
Case 6: Moving to Finland for work as an Estonian citizen and moved back to Estonia	Case 6: Working in Lithuania while maintaining partial residency in Latvia	Case 6: Starting a business in Denmark while living in Estonia

In [appendices 4, 5, and 6](#), all user stories will be detailed. There will also be visualizations of the citizens' journey maps and an analysis of stakeholders' perspectives on the citizens' journey through the system. The following chapter will combine all user stories and analyze challenges and best practices to identify systemic issues and barriers, considering both user and other stakeholder perspectives.

Life Events – Journey Maps

Life Event 1 – Moving to work in another country

Life Event 1 involves relocating to another country for work. The process of moving abroad for work involves steps to ensure proper registration and compliance with immigration and employment regulations. Citizens in the Nordic and Baltic countries benefit from the EU's right to free movement, allowing them to live and work freely within EU member states. As per *Directive 2004/38/EC*,^[7] there is generally no need for a work permit, but an EU residence permit must be obtained within three months of arrival to confirm legal residence and access to rights such as healthcare and social services.

A journey map illustrates the key steps to register and establish oneself in a new country. Challenges often arise in navigating administrative processes and understanding new legislative requirements, so best practices include providing clear, multilingual information on registration and residency processes, simplifying administrative procedures with digital tools, and offering support services for newcomers to ease the transition. The following section analyses existing frameworks and challenges associated with each step, focusing on improving the overall experience of moving abroad for work and streamlining digital registration and administrative processes.

7. The European Commission and the Council (2004). Directive 2004/38/EC. <https://eur-lex.europa.eu/eli/dir/2004/38/oj/eng> (Accessed on May 1st, 2025)

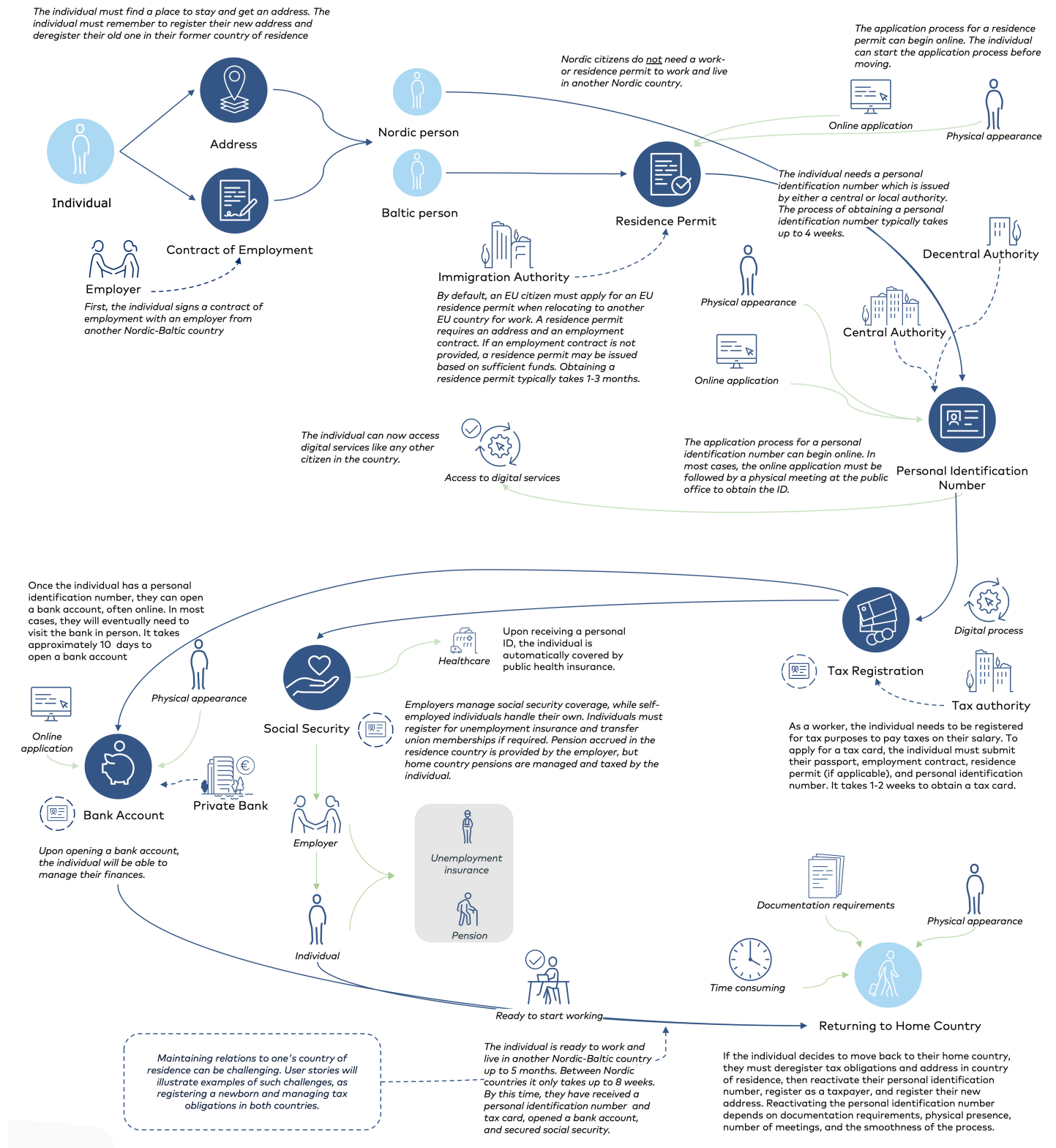


Figure 1 Journey Map for Life Event 1

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users), as well as publicly available information from the authorities' websites.

Accommodation When a citizen decides to move to another country for work, they must secure an address upon arrival. The address is necessary to obtain the required documents that ensure legal residence, formal rights and access to services. The sequence of events can be challenging, as it can be difficult to secure suitable accommodation from a distance, partly because it is hard to enter the accommodation market and partly because it can be difficult to assess the suitability of a property and whether the contractual terms are in order while still residing in another country. Therefore, it is a common strategy to secure a temporary address for the necessary registrations before searching for a more permanent solution.

EU Residency permit It is required for EU citizens to apply for an EU residence permit no later than three months after arrival, to ensure legal residence based on a valid reason. For Nordic citizens moving to another Nordic country, the EU residence permit is not required. The residence permit confirms the individual's legal status and provides access to certain rights, such as healthcare, social services, and, in some cases, employment. Applications should be submitted to the immigration authorities of the country where one intends to reside. The reasons for the application can include work, studies or family reunification. Depending on the purpose there may be a requirement to demonstrate the ability to support oneself financially. The estimated processing time is 1–3 months,^[8] depending on the complexity of the case. Some countries offer expedited processing for specific categories, such as skilled workers. If the applicant does not have an employment contract that proves him or her able to support themselves, they will, in most cases, be asked to provide documentation demonstrating the ability to do so. This can be challenging for cross-border students who, after or during their three-month stay, complete their studies and therefore need to apply for a job. It can also complicate the opportunity to move to explore job prospects in another Nordic or Baltic country.

Arvo' user story:

Upon arrival in Estonia, Arvo needed to establish his residency and obtain an Estonian ID card. He registered with the Estonian Police and Border Guard, where all supporting data was obtained automatically. Once his residency was established, Arvo applied for an Estonian ID card, which required undergoing a verification process.

8. Estimate based on the immigration authorities' processing times provided on their websites.

Personal identification number As an essential part of relocating to another country for work, it is necessary to obtain a national ID. The national IDs are essential for accessing public services, working, and in some countries, opening bank accounts. Another important aspect is, that it is often a prerequisite for gaining digital access to public services as well as managing bank information digitally. In the Nordic countries (Denmark, Finland, Iceland, Norway, and Sweden), the registration and ID issuance process is generally handled by tax or civil registration authorities e.g. municipalities. For instance, in Denmark, Sweden, and Norway, the tax authorities issue the personal identification numbers (CPR number, personnummer, and fødselsnummer, respectively). In the Nordic countries, a personal identification number allows access to publicly administered digital IDs^[9] (MitID, FINEID, Rafræn Skilríki, MinID, and FrejaID), which can be used for electronic identification. Additionally, in Finland,^[10] Norway,^[11] or Sweden,^[12] you can obtain and use BankID, a high-security electronic ID solution issued by private banks, which ultimately decide who can obtain a BankID. In the Baltic countries (Estonia, Latvia, and Lithuania), immigration-related authorities, such as the Police and Border Guard in Estonia or the Migration Department in Lithuania, manage the registration and ID process. A personal identification number provides access to a digital ID-card, which can be used for accessing public and private services online.^[13] In addition to proof of address and personal documentation, physical presence is required. For both Nordic and Baltic countries it takes up to four weeks^[14] to obtain a personal identification number.

Alisa' user story:

Upon arrival in Denmark, Alisa visited the citizen service in her municipality to register her family in the Citizens Registry. She provided valid identification and proof of their new address. This registration granted her access to various services, underscoring the importance of a personal ID number as a gateway to healthcare, banking and other public services.

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9. Information from Info Norden about electronic identification in the Nordic countries. <https://www.norden.org/en/info-norden> (Accessed on 1 May 2025)
 10. Finnish BankID: <https://www.nets.eu/developer/e-ident/eids/Pages/BankIDFI.aspx> (Accessed on 1 May 2025)
 11. Norwegian BankID: <https://bankid.no/en/about-us> (Accessed on 1 May 2025)
 12. Swedish BankID: <https://www.bankid.com/en/privat/skaffa-bankid> (Accessed on 1 May 2025)
 13. Information obtained from the websites of the relevant national authorities and the European Commission.
 14. Estimate based on the processing times provided on the websites of the relevant national authorities (immigration, tax, and civil registration).

Tax payment When a person relocates all their activities, including their employment, from one country to another, their obligation to pay taxes generally shifts to the new country of residence.^[15] In most cases, the tax payment is deducted directly from the salary when an employee starts working in their new country of residence. However, this does not necessarily mean that their tax obligations in their home country come to an end. For instance, if the individual owns property in their home country or engages in cross-border work, they may still be liable for taxes in their home country. Such situations can lead to continued tax responsibilities, even after the person has established residency elsewhere. Managing tax obligations when moving to another country for work can be challenging as it requires continuous attention to registrations and ensuring that double taxation is avoided. This ongoing management demands a thorough understanding of each country's tax regulations and meticulous documentation to prove tax residency and compliance.

In some cases, this necessity to avoid double taxation can restrict the individual's movement between countries. Some may find themselves limiting travel to prevent complications with tax residency and overlapping tax liabilities.

Arvo's user story:

Arvo manually corrected his tax situation with Finnish authorities each year by providing detailed documentation to avoid double taxation. He sought help from tax consultants and advisors to ensure compliance with regulations in both countries, carefully managing his cross-border tax obligations.

Furthermore, some experiences that the approach taken by tax authorities is inherently suspicious of their intentions, presuming an intent to evade taxes rather than facilitating smooth and proactive processes. This perception can make interactions with tax authorities feel adversarial rather than supportive, increasing stress and complicating the already complex task of managing international tax responsibilities.

Overall, these challenges require individuals to remain vigilant, stay informed about their tax obligations, and often seek professional advice to navigate the complexities effectively. Improvements in the automation and digitalization of tax systems across countries, as well as a more supportive and facilitative approach from tax authorities, would significantly ease the burden on cross-border workers.

15. Your Europe (2025). Income taxes abroad, Europa.eu, April 10th, Belgium. https://europa.eu/youreurope/citizens/work/taxes/income-taxes-abroad/index_en.htm (Accessed on May 7th, 2025).

Bank account Once a personal identification number is obtained, the process becomes more straightforward, allowing for efficient management of banking tasks online. Ensuring proper registration with financial authorities is critical to avoid issues related to tax residency and account restrictions. This often involves updating residency records and providing necessary information to banks. Overall, while managing banking tasks online can simplify the process, initial setup and ensuring compliance with both countries' regulations require careful attention and coordination.

Social security, insurance and pension In both Nordic and Baltic countries, individuals are enrolled in the social security system upon obtaining a personal identification number, indicating residency in the respective country. This personal identification number is central to accessing various social security benefits, and the enrollment process shares similarities and differences among these nations.

One common feature across Nordic and Baltic countries is the central role of the personal identification number. Obtaining this identifier ties individuals to various national systems, including healthcare, social security, and tax authorities. The registration process generally involves submitting identification documents, proof of residency, and employment contracts, ensuring that individuals are officially recognized as residents and granting them access to social security benefits.^[16]

Countries such as Sweden, Denmark, Finland, Norway, Iceland and Estonia typically have more streamlined and digitalized systems, making it easier for individuals to manage their social security, insurance, and pension obligations.

Agnes' user story:

Registration tasks included notifying various authorities about her move and securing an Icelandic identification number, which facilitated access to the necessary insurance and social security systems. Cultural similarities between Iceland and Norway made integration easier, and English-speaking authorities helped streamline interactions with social security and pension services.

Latvia and Lithuania are increasingly adopting digital processes, although some aspects may still rely on traditional paperwork.

While having systems that allow easy registration is advantageous, maintaining social security and pension contributions in more than one country can pose difficulties. Individuals may need to register and regularly update their information

16. Estimate based on the processing times provided on the websites of the relevant national authorities in the Nordic and Baltic countries (e.g. immigration offices, tax authorities, and civil registration bodies such as Skatteverket in Sweden, the National Population Register in Norway, Þjóðskrá in Iceland, and the Population Registers in Estonia, Latvia, and Lithuania).

in both countries' systems, ensuring compliance with each country's regulations and often requiring substantial documentation.

For maintaining pension rights, individuals must understand how contributions will be recognized and transferred. This process typically involves notifying the pension authority in the home country about the move and registering with the pension system in the new country. These steps ensure pension rights are maintained across borders, but individuals may encounter complexities due to differing national policies and requirements.

Efficient management of social security, insurance, and pensions when moving abroad relies on understanding these processes, timely registration, and coordination between the home and host countries' systems. Preparing documentation in advance and leveraging bilateral agreements facilitate smooth transitions and continuity in benefits. Nevertheless, seeking professional advice is advisable to navigate the nuances of international social security and pension management.

Moving back When a citizen decides to move back to their home country after residing in another Nordic or Baltic country, there are several essential steps to ensure all registrations, obligations, and rights are properly managed. The process involves interactions with tax authorities, civil registration, and financial institutions.

Firstly, taxation is a significant consideration. Moving between Nordic or Baltic countries typically requires contacting the relevant tax agency to update one's address and regain a social security number. In Finland, individuals must contact the Finnish Tax Agency to update their address and regain social security numbers. This is particularly important if there were employment or income sources from another country, which may complicate taxation procedures. Clarifying tax residency and applying for social security are integral steps. In Sweden, upon moving back, individuals need to contact the Swedish Tax Agency to regain their social security number and register their new address. This process ensures that all tax obligations and rights are correctly managed.

Arvo's user story:

Re-registering involved contacting the Social Insurance Institution of Finland to regain social security numbers and register their new address. Taxation and social security posed major complications as Arvo's employment remained tied to Estonia, requiring clarification of tax residency and separate applications for Finnish social security.

Secondly, employment status can further complicate the taxation process if one continues working in the country they are moving from. It is essential to update tax records to reflect the new residency status and ensure compliance with both countries' tax regulations.

Moreover, re-establishing financial ties in the home country often involves maintaining or updating bank accounts. For example, having an active bank account in the previous country can simplify the financial transition and management of funds between countries.

Finally, other administrative considerations include re-registering one's civil status and ensuring all necessary documents for family members, such as children's school enrollment and spousal education pursuits.

Overall, moving back to one's home country within the Nordic/Baltic region involves coordination with multiple agencies and institutions to ensure a smooth transition. Key steps include updating civil registration, addressing tax obligations, managing financial accounts, and considering educational and employment impacts to achieve seamless integration into the home country's systems.

Key take aways

The relocation process for work in the Nordic and Baltic countries involves various critical steps and considerations that ensure proper integration into the new environment. The following key takeaways highlight important aspects that individuals need to be mindful of to navigate this transition effectively:

1. *Necessity of EU residence permit despite freedom of movement*
While the EU's freedom of movement allows citizens to live and work across member states, an EU residence permit is often necessary for formal processes such as accessing public services, healthcare, and social benefits. In the Nordic region, no residence permit is needed between countries due to their special agreements, but this requirement applies when moving to or from the Baltic countries.
2. *National ID as gateway to services*
A personal identification number is vital for a range of administrative processes, including registering for healthcare, opening bank accounts, and securing other public services. Depending on the country, obtaining this ID may require a visit to the local authorities or may be automatically issued once the address registration is completed.

3. *Awareness of home country assets and tax obligations*

Individuals relocating across borders must be aware of their ongoing tax obligations in both their home country and the new country. Many countries require residents to report global income and assets, which could lead to double taxation if not properly managed. Ensuring that tax and legal residency status align with the requirements of the new country is crucial to avoid complications.

4. *Need for address registration to prove residency*

To establish legal residency, individuals must register their address in the new country. This registration is crucial for accessing services such as healthcare, social security benefits, and education. Without it, individuals may face barriers in securing these services or legal issues in residency verification. The same procedure applies if moving back to one's former country of residence.

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Life Event 2 – Working abroad while residing in the home country

Life Event 2 is about cross-border employment, where the individual works either fully in a country other than their country of residence or partially in both their country of employment and their country of residence.

To illustrate Life Event 2, a journey map is provided. In the following section, we will describe and analyze existing regulation, frameworks, and challenges associated with each step to explore how the systemic facilitation of cross-border work in the Nordic and Baltic countries may be improved.

As such, Life Event 2 is primarily focused on the essential registration processes required for the employee to work across borders.

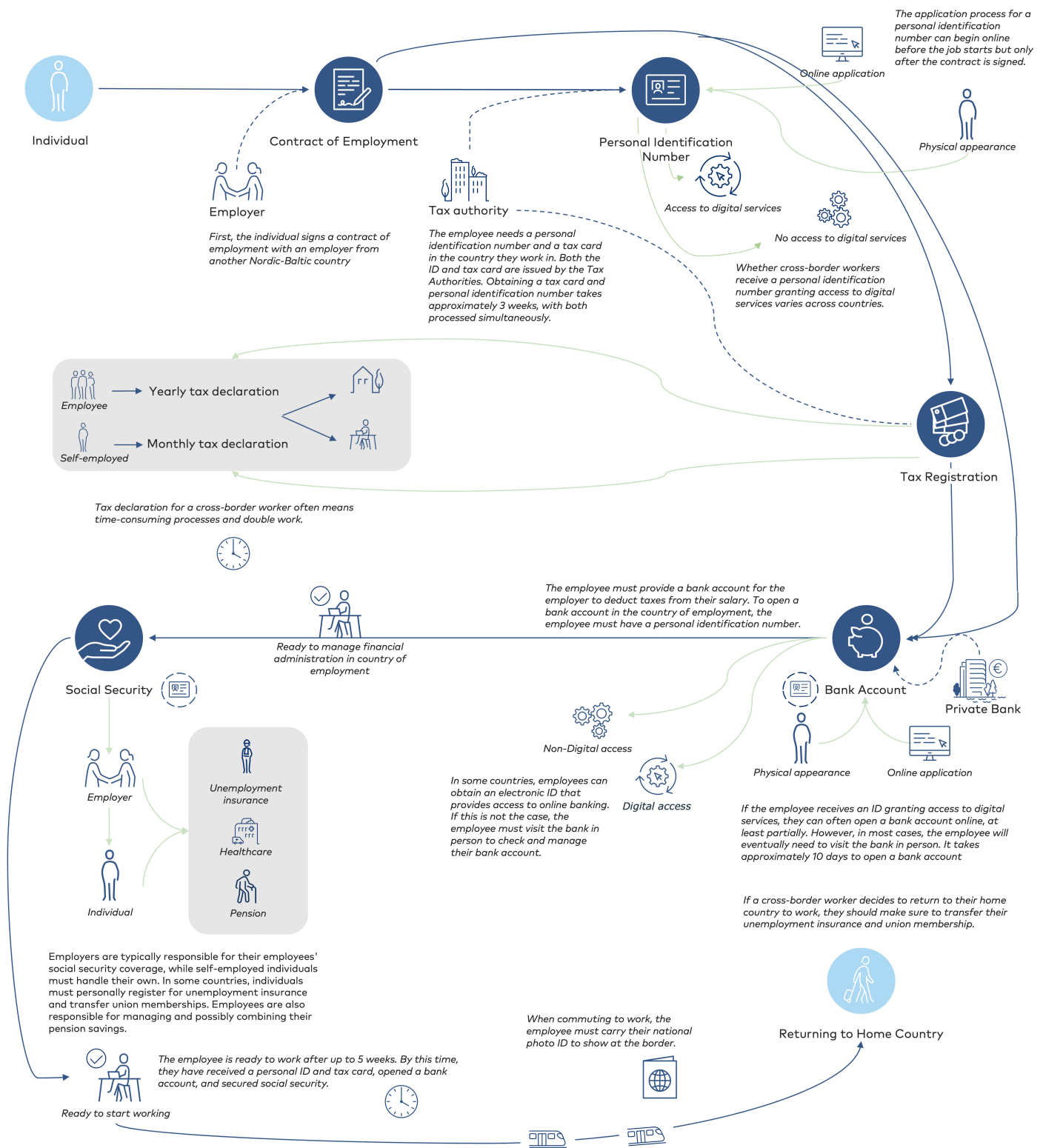


Figure 2 Journey Map for Life Event 2

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users), as well as publicly available information from the authorities' websites.

Personal Identification Number In the Nordic and Baltic countries, it is generally necessary to obtain a national identification number in order to receive a tax card and avoid a high withholding tax rate. While it may be possible to start working before obtaining the ID number in some countries, having one is typically required early in the employment process. The purpose of the identification number is to ensure that one is registered as being obligated to pay taxes in the respective country, and it is therefore issued by the national tax authority. The process and compatibility of national identification numbers for foreigners vary across countries:

In some countries, such as Sweden and Norway, foreigners are issued a temporary identification number such as Samordningsnummer^[17] and a D-nummer,^[18] respectively. However, Samordningsnummer and D-nummer do not grant full access to digital services. In Sweden, individuals with a Samordningsnummer can obtain Freja+, but not BankID. In Norway, a D-nummer allows access to MinID, while banks assess eligibility for BankID.

Denmark requires individuals to obtain a CPR-number from Skattestyrelsen to be registered in the Danish tax system. The CPR number enables access to Denmark's digital systems, significantly simplifying the management of ongoing administrative processes. In Estonia, the employer is responsible for registering employees in the Employment Registry. When registered, the employee will receive an ID-code, which allows access to health care and other services in Estonia.

There are also differences in the procedures for obtaining an identification number, particularly in terms of whether physical attendance is required. For example, in Sweden and Latvia, individuals must be physically present to receive a national personal identification number. In Denmark, the process is fully digital, allowing applicants to submit their forms online. In Norway, while the application form for a tax card is available digitally, individuals are generally required to attend an in-person ID check to complete the process. In Estonia the process is prepared by fulfilling a digital form and requires physical presence at a local government office or The International House to finalize the process.^[19]

Furthermore, the processing time for obtaining these identification number varies. For example, in Sweden, it typically takes up to three weeks to receive a Samordningsnummer,^[20] while in Denmark, the application process for a CPR-number takes approximately 15 working days.^[21] In Norway, a D-number is issued immediately if requested electronically during a tax card appointment. If requested manually, it may take two to four weeks.

17. Swedish personal identity: <https://www.norden.org/en/info-norden/swedish-personal-identity-number> (Accessed on May 1st, 2025)

18. Norwegian personal identity: <https://www.norden.org/da/info-norden/norske-identitetsnumre> (Accessed on May 1st, 2025)

19. Information regarding the physical/digital process is based on interviews with users and stakeholders as well as on information published on the websites of the relevant authorities.

20. According to Skatteverket, the process for obtaining a Samordningsnummer in Sweden takes up to three weeks: <https://www.skatteverket.se/privat/folkbokforing/samordningsnummer.4.5c281c7015abccc2e201130b.html#Hurlangtidtarhandlaggningen> (Accessed on May 5th 2025)

21. According to International House Copenhagen, the application process for a CPR-number takes approximately 15 working days. <https://ihcph.kk.dk/registration-guidance/cpr-registration> (Accessed on May 5th, 2025)

Anna's user story:

Anna faced challenges with registration upon arriving to Finland. The process of validating her residency required multiple in-person visits and Anna experienced the process as confusing and bureaucratic partly due to the need for in-person meetings.

These differences might be perceived differently depending on the level of digitalization one is accustomed to, as well as the degree of trust one has in the systems. For citizens in countries with a high level of digitalization, it may feel inefficient and unnecessary to have to attend in person.

Tax-registration Next, the employee needs tax-registration, an essential element in becoming eligible for cross-border work. The purpose of tax registration is to ensure that the correct taxes are paid in the country of employment. In all countries, this requires contact with the tax authorities.

The process of paying taxes is very similar across countries but is at the same time the source of most challenges as tax systems do not communicate across countries. This results in employees having to register their tax information in both their country of residence and the country where they work. This is an ongoing individual responsibility, as the employee must keep track of their tax matters and submit at least two tax returns annually. This is the case for Sweden, Denmark, Latvia and Norway. Since the systems do not interact, it is up to the individual to manage the rules regarding deductions in both countries. For self-employed cross-border workers this also involves a monthly income registration.

Eino's user story:

Eino was initially taxed under the Swedish system, but as Eino began commuting, the taxation process became more complex. In Finland, Eino was required to report and pay taxes on travel activities, while in Sweden, the SINK tax scheme required Eino to track the days worked in each country.

Taxation is generally a source of frustration for cross-border workers across all countries, as it requires continuous effort and is never fully automated. Tax systems are often highly complex, and some countries have less digitalized processes making it challenging to feel confident in complying with all relevant regulations.

However, there are differences between countries in how digitalized tax registration is. In Latvia, for example, handling taxes requires a significant amount of physical paperwork, whereas in the Nordic countries, the process is digitalized, making it easier to manage.

Bank account To receive a salary, one must open or link to an existing bank account in the country where they work. Across different countries, a national identification number is required to open a bank account.

The process of opening a bank account varies between countries, depending on how personal identification numbers are used. In Sweden and Norway, for example, opening a bank account requires an in-person visit, as their personal identification numbers are not digitally compatible. This also means that if you commute to Sweden for work, you cannot access your bank account digitally; instead, you must visit the bank in person or contact them via email. In Norway, it is up to individual banks to assess whether a commuter is eligible for BankID to access their bank account digitally. Banks may have different criteria for issuing BankID to individuals with a D-number.^[22]

Jesper's user story:

Jesper does not have a Swedish bank ID, and as a result, all correspondence with bank authorities must be conducted by letter. He finds it frustrating not to have access to digital services because of this lack of a bank ID, which is an issue confirmed by Øresundsdirekt.

In contrast, in Denmark, it is possible to obtain a digital ID (MitID), which allows you to open a bank account online. MitID also enables access to digital banking services.

In the Nordic countries, some banks have branches across multiple countries e.g. Nordea, Danske Bank, Handelsbanken. According to the users, this allows for the creation of so-called commuter accounts, which can be linked to an account in one's home country. While commuters must still open a bank account in the country where they work, transferring money to their home country's account is made easier.

In the Baltic countries, there are also banks with branches across the countries. However, despite having a presence in multiple countries, the banks operate as

22. Jære, Lisbet (2024). BankID er diskriminerende, Finansfokus.no, September 25th, Norway. <https://www.finansfokus.no/2022/12/05/bankid-er-diskriminerende/> (Accessed on May 1st, 2025)

separate legal entities, meaning customer data is not automatically shared. This can create additional bureaucratic hurdles when applying for financial services across borders.

Unemployment insurance fund, social security and pension In both the Nordic and Baltic countries, it is a personal responsibility to transfer an unemployment insurance membership to the country in which one works. This ensures coverage in the event of unemployment. When, or if, employment ends and the individual stops working across borders, the membership of the unemployment insurance fund must be manually transferred back to the home country. Across the countries, this is generally perceived as a simple process, as it has been digitalized in the different nations. A personal identification number is required to apply for unemployment insurance.

Additionally, it is important to determine where one is socially insured. As per Regulation 2004/883/EC,^[23] if a person works in a different country than their country of residence, they are socially insured in the country where they work. This means that individuals must remember to obtain social security coverage in their country of employment. This is also an individual responsibility and requires the use of a personal identification number. The process is digitalized across the countries.

Anitas user story:

Anita had to join social security systems in both Lithuania and Latvia, which posed significant challenges due to temporary residence permits. She had to repeatedly provide proof of residency and the system's lack of adaptation for cross-border workers led to unexpected gaps in essential services.

It is also an individual responsibility to ensure the correct arrangements for pension contributions. It is important to avoid double taxation on pensions if a person has pension schemes in both their home country and their country of employment. The Nordic and Baltic countries have double taxation agreements.

In some countries, such as Sweden and Norway, the lack of a high-security ID with fully digital access also affects how easily individuals can access their pension data. Without a digital ID, they must communicate with their pension provider via email, phone or paper, which can create administrative challenges.

23. The European Commission and the Council (2004). Regulation 2004/883/EC. <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32004R0883> (Accessed on May 1st, 2025)

Transportation When an employee commutes cross-border between residence and the workplace, it is mandatory to have photo identification at hand to document the reason for entering and exiting the country.

In several of the user stories the cross-border workers expresses that there are many factors to keep track of regarding the national rules of two countries, and that it is associated with a certain level of uncertainty, as the responsibility falls so heavily on the individual. In many cases the employer assists the employee in the initial registrations, but the continuous management of administrative tasks related to cross-border work is an individual responsibility. This is further complicated by the lack of digital access in the cases where this applies.

Moving back If a cross-border worker decides to return to their home country to work, they must make sure to transfer their unemployment insurance and union membership.

The process of transferring one's unemployment insurance fund and social security when starting work in another country is very similar. In the user stories from this project, no significant challenges have been reported when moving back and working in one's home country. However, in the specific user stories, all returns have been voluntary and not the result of a dismissal.

Key Takeaways

Living in one's home country while working in another Nordic or Baltic country entails navigating a complex landscape of administrative, identification, and tax-related processes. This analysis highlights several key takeaways that can significantly impact cross-border commuters, emphasizing the importance of streamlined systems and efficient procedures. Understanding these aspects can help improve the experience of individuals managing dual-country responsibilities.

The key takeaways from the analysis of living in one's home country while working in another country in the Nordic and Baltic Countries are as follows:

1. *Differences in the process of obtaining a national personal identification number*

There are variations in how personal identification is obtained, which is necessary for working in another country. In some cases, physical presence is required to receive an identification number, while others offer a fully digital process. The need for physical presence may be perceived as inefficient in countries with high levels of digitalization.

2. *Different levels of access to systems with the personal identification number*
In some countries, the assigned identification number provides access only to basic services, while in others, it enables access to a wider range of digital systems, including banking and social services.
3. *Frequent in-person interactions with systems*
Cross-border commuters often need to engage in physical meetings or visits to complete administrative processes. This can be seen as an inconvenience, as the responsibility for managing these processes often lies with the individual.
4. *Awareness of tax obligations in two countries*
Individuals working across borders need to be aware of their tax responsibilities in both their country of residence and their country of employment. This includes managing assets in their home country, which can create a complex situation when it comes to tax filings and ensuring compliance with both national tax systems.

Life Event 3 – Starting a business abroad while residing in the home country

Life Event 3 is about starting a business abroad while remaining in one's home country, encompassing entrepreneurship and the establishment of a business in a foreign nation without physically relocating. This life event has gained considerable traction due to advancements in digital technology and global connectivity, allowing entrepreneurs access to international markets while managing operations remotely.

Although precise statistics on the number of businesses started in another Nordic or Baltic country without relocation are not readily available, the concept is becoming increasingly relevant. Interviews with country representatives and findings from various reports indicate that more aspiring entrepreneurs are exploring this opportunity. This trend highlights the importance of robust digital solutions and comprehensive support infrastructure to facilitate such business endeavors.

In the following section, we will describe and analyze existing regulations, frameworks, and challenges associated with each step to explore how systemic facilitation of cross-border entrepreneurship in the Nordic and Baltic countries may be improved.

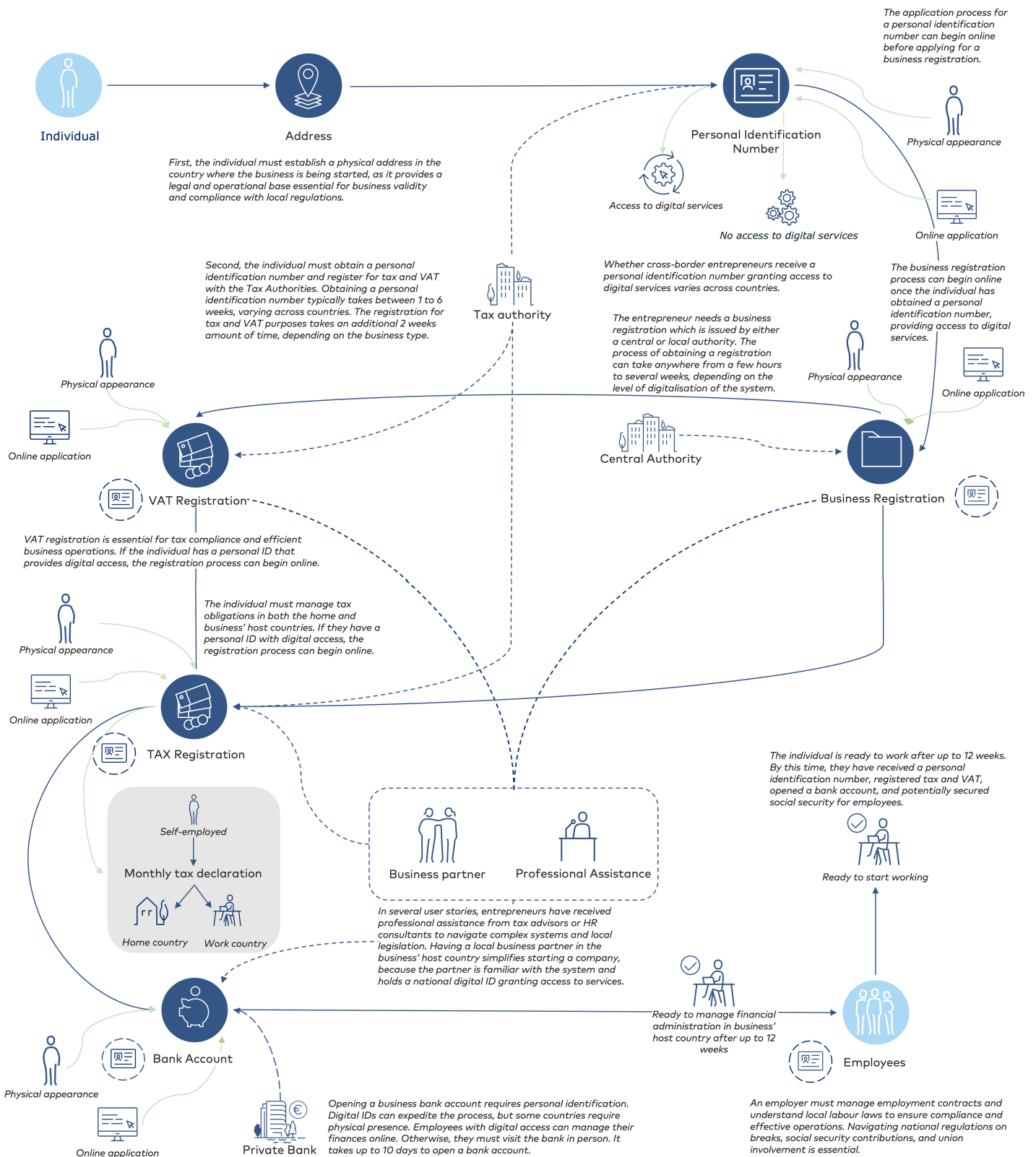


Figure 3 Journey Map for Life Event 3

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users), as well as publicly available information from the authorities' websites.

Address Establishing a physical address is a fundamental requirement when starting a business in any foreign country, as it provides a legal and operational base essential for business validity and compliance with local regulations. Securing an address involves understanding local real estate markets, lease agreements, and zoning laws, which can vary significantly between countries. Additionally, having a physical address enhances credibility with clients and facilitates access to essential services such as banking.

Personal Identification Number Obtaining a personal identification number is crucial for administrative tasks and accessing services required for business operations. This involves proving residency or employment status, which varies by country.^[24] A personal identification number or digital ID integrates into the administrative system, simplifying tax filing, social security registration, and opening bank accounts.

Estonia's e-Residency and Iceland's eID systems offer streamlined digital processes without physical presence. Denmark's CPR number requires proof of residency but is straightforward. Sweden's Samordningsnummer requires physical attendance, complicating remote operations.

Kristjan's user story:

Obtaining personal identification was challenging for Kristjan in Finland. Without Finnish identification, he struggled with various administrative tasks, requiring his partner to secure bank credentials and manage other requirements. This emphasizes the need for physical presence and comprehensive documentation for non-resident entrepreneurs.

The timeframe for obtaining personal identification numbers varies across countries. In Iceland, the process takes about six working days plus sending time.^[25] Lithuania's quick electronic signature registration spans several days to weeks,^[26] while in Norway, the process typically takes around a few days to two weeks.^[27] Denmark's application process takes approximately 15 working days.^[28] Sweden's

24. Information on application criteria is based on data from the websites of national authorities (e.g., tax authorities in Sweden and Norway, Digital and Population Data Agency in Finland, and Police and Border Guard Board in Estonia).

25. Procedural time to obtain a personal identification number in Iceland: <https://island.is/en/o/digital-iceland/news/application-for-a-identity-card-on-island-is> (Accessed on May 5th, 2025).

26. Procedural time to obtain a personal identification number in Lithuania: <https://www.migracija.lt/en/noriu-gauti-atk-ir-ar-lr-pas%C4%85-copy-> (Accessed on May 5th, 2025)

27. Procedural time to obtain a personal identification number in Norway: <https://www.udi.no/en/word-definitions/d-number/#undefined> (Accessed on May 5th, 2025)

28. Procedural time to obtain a personal identification number in Denmark: <https://ihcph.kk.dk/registration-guidance/cpr-registration> (Accessed on May 5th, 2025)

Samordningsnummer can take up to three weeks,^[29] and in Estonia, the process takes 2–5 weeks. Latvia's process takes several weeks, whereas in the users' experience Finland's complex system involves weeks of in-person visits.

Estonia and Iceland's systems are highly compatible with digital platforms. Denmark's CPR integrates well with digital services. Sweden's Samordningsnummer and Norway's D-nummer lack fully digital support due to their lower-security level accessibility, complicating online tasks. Finland's less digitized system hinders remote management.

Understanding these factors ensures efficient access to administrative systems, enabling effective business management, tax compliance, and essential services whether managing locally or remotely.

Julia's user story:

Obtaining personal identification was a significant challenge for Julia. Despite securing a Y-tunnus (business ID), several banks refused to open an account, viewing the new business and substantial fund transfers from Sweden as a risk. Finally, the fourth bank agreed to open an account requiring the directors (two Swedes and one German) to fly in and sign documents in person.

Business Registration Registering a business involves various administrative tasks and understanding local legal requirements. This process typically includes filling out forms, providing documentation, consulting with local authorities, and sometimes attending orientations. Digital platforms can significantly ease this process, though professional guidance is often necessary to ensure compliance with all regulations.

Denmark offers a streamlined online registration through its digital platforms, typically completed within minutes.^[30] Norway provides efficient digital registration, allowing business setup within hours.^[31] Latvia's streamlined process usually spans 1–3 business days.^[32] Lithuania also provides efficient digital registration, generally completed within five business days.^[33] Sweden offers streamlined online

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29. Procedural time to obtain a personal identification number in Denmark: <https://www.politsei.ee/en/instructions/e-resident-s-digital-id/procedural-time-limit> (Accessed on May 5th, 2025).
30. Procedural time to obtain a business registration in Denmark: <https://investindk.com/our-services/how-to-set-up-a-business-in-denmark> (Accessed on May 5th, 2025).
31. Procedural time to obtain a business registration in Norway: <https://www.brreg.no/en/business-2/coordinated-register-notification/> (Accessed on May 5th, 2025).
32. Procedural time to obtain a business registration in Latvia: <https://www.ur.gov.lv/en/register/company-or-merchant/limited-liability-company-sia/founding/registration-with-the-enterprise-register/> (Accessed on May 5th 2025).
33. Procedural time to obtain a business registration in Lithuania: <https://immigration.lt/lithuania/company-registration/> (Accessed on May 5th, 2025).

registration, typically completed within 7–14 days.^[34] Conversely, Finland's registration process with the PRH may require direct interaction, often taking 3–4 weeks.^[35] Estonia's process takes 2–5 weeks.^[36] The Faroe Islands involve a detailed understanding of local regulations, often necessitating consultants according to the users, which can extend the registration period.

Erik's user story:

Registrering the business in Sweden was smooth and easy. Erik utilized resources from Bolagsverket and Skatteverket. The registration process was completed online, and no significant challenges were encountered.

Timeframes vary from a few hours in countries with advanced digital systems to several weeks in countries requiring more direct interactions. Leveraging digital tools where available can streamline the registration process, while professional guidance ensures compliance with local regulations. Understanding these processes helps entrepreneurs efficiently manage business setup across different countries.

VAT Registration Registering for VAT is crucial for compliance with tax obligations and smooth business transactions. Digital systems significantly ease the administrative burden by facilitating detailed interactions with tax authorities to ensure all transactions are accounted for and legal requirements are met.

In Denmark, VAT registration through SKAT.dk can be completed within a few days if all necessary information is correctly submitted.^[37] Sweden's VAT registration process with the Swedish Tax Agency is similarly streamlined and digital, making it efficient.^[38] Norway's online registration generally takes several days to weeks if the information provided is accurate and complete.^[39]

Finland's Vero provides comprehensive guidelines and digital tools, typically allowing VAT registration within days.^[40] Estonia's e-Tax/e-Customs system also

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34. Procedural time to obtain a business registration in Sweden: <https://www.skatteverket.se/servicelankar/otherlanguages/inenglishengelska/businessesandemployers/starting-andrunningaswedishbusiness/declaringtaxesbusinesses/vat.4.12815e4f14a62bc048f52be.html> (Accessed on May 5th 2025).
 35. Procedural time to obtain a business registration in Finland: <https://www.vero.fi/en/businesses-and-corporations/business-operations/setting-up-a-business/> (Accessed on May 5th, 2025).
 36. Procedural time to obtain a business registration in Estonia: <https://www.politsei.ee/en/instructions/e-resident-s-digital-id/procedural-time-limit> (Accessed on May 5th, 2025).
 37. Procedural time for VAT registration in Denmark: https://virk.dk/myndigheder/stat/SKST/selvbetjening/Declare_VAT/ (Accessed on May 5th, 2025)
 38. Procedural time for VAT registration in Sweden: <https://www.skatteverket.se/servicelankar/otherlanguages/inenglishengelska/businessesandemployers/starting-andrunningaswedishbusiness/declaringtaxesbusinesses/vat.4.12815e4f14a62bc048f52be.html> (Accessed on May 5th 2025).
 39. Procedural time for VAT registration in Norway: <https://www.skatteetaten.no/en/business-and-organisation/vat-and-duties/vat/register-change-delete/> (Accessed on May 5th, 2025)
 40. Procedural time for VAT registration in Finland: <https://www.vero.fi/en/businesses-and-corporations/taxes-and-charges/vat/how-to-register-for-vat/> (Accessed on May 5th, 2025)

offers an efficient process, usually completed within a few days.^[41] Latvia's State Revenue Service provides clear online guidelines, enabling VAT registration typically within several days if documentation is complete.^[42] Lithuania's VAT registration through the State Tax Inspectorate usually takes days but requires thorough documentation and understanding of local tax regulations to avoid complications.^[43]

Leveraging advanced digital platforms and understanding the detailed procedures required can help entrepreneurs navigate VAT registration more efficiently. This ensures compliance with tax laws and facilitates smoother business transactions across different jurisdictions, allowing effective integration into the respective administrative systems.

Tax Registration Tax registration involves understanding and managing tax obligations in both the home country and the business's host country. This process can be complex, especially with dual taxation issues. Consulting professional tax advisors is essential for navigating these complexities and ensuring compliance.

Estonia's e-Tax/e-Customs system simplifies tax registration, generally completed within a few days if documentation is thorough.^[44] Latvia's process typically requires several days to weeks, depending on complexity.^[45] Lithuania's tax registration generally takes days but requires a thorough understanding of local tax laws.^[46]

Sweden and Finland offer digitized processes for tax registration, typically taking several weeks.^[47]^[48] Denmark's registration for global income tax can take weeks to months^[49] and according to the users this requires detailed consultations to address dual taxation and foreign income. In the users' experience, Norway's cross-border tax laws necessitate professional consultations, often extending the registration period. As well as the Faroe Islands present unique challenges needing specialized advice and prolonged engagements with local tax experts.

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41. Procedural time for VAT registration in Estonia: www.emta.ee/en/business-client/taxes-and-payment/value-added-tax/registration-vat-payer (Accessed on May 5th, 2025)
 42. Procedural time for VAT registration in Latvia: https://www.vid.gov.lv/en/value-added-tax?utm_source=https%3A%2F%2Fwww.google.com%2F (Accessed on May 5th, 2025)
 43. Procedural time for VAT registration in Lithuania: <https://finmin.lrv.lt/en/competence-areas/taxation/main-taxes/value-added-tax/> (Accessed on May 5th, 2025)
 44. Procedural time for tax registration in Estonia: <https://www.emta.ee/en/business-client/registration-business/non-residents-e-residents/registration-non-resident> (Accessed on May 5th, 2025)
 45. Procedural time for tax registration in Latvia: <https://www.vid.gov.lv/en/services/registered-tax-payers> (Accessed on May 5th, 2025)
 46. Procedural time for tax registration in Lithuania: <https://finmin.lrv.lt/en/competence-areas/taxation/main-taxes/corporate-income-tax-1/> (Accessed on May 5th, 2025)
 47. Procedural time for tax registration in Sweden: <https://www.skatteverket.se/servicelankar/otherlanguages/inenglishengelska/individualsandemployees/declarintaxesforindividuals.4.7be5268414bea064694c5df.html> (Accessed on May 5th, 2025)
 48. Procedural time for tax registration in Finland: https://www.vero.fi/en/individuals/tax-cards-and-tax-returns/tax_card/ (Accessed on May 5th, 2025)
 49. Procedural time for tax registration in Denmark: <https://skat.dk/en-us/businesses/employees-and-pay/non-danish-labour/get-a-tax-card-as-a-non-danish-employee> (Accessed on May 5th, 2025)

Erik's user story:

Erik's cross-border business operations led to the complexity of navigating double taxation agreements. The differences in tax systems between Denmark and Sweden required detailed knowledge and professional advice to ensure compliance.

Navigating tax registration in complex systems like Denmark and Norway demands a deep understanding of international taxation. Consulting tax advisors ensures accurate compliance, while digitized systems in Estonia, Latvia, Lithuania, Sweden, and Finland streamline the process.

Open a Bank Account Opening a business bank account is essential for financial operations, requiring personal identification and varying bank-specific requirements. Digital identification systems can expedite this process, but some countries still mandate physical presence in banks.

Countries with streamlined digital processes include Denmark and Estonia, where businesses can use digital ID (MitID) or e-Residency to open bank accounts online, typically within days. Iceland's efficient eID system also facilitates remote account opening, though logistical hurdles may extend the timeframe. Lithuania allows account opening with a confirmed electronic signature and residency documentation, usually completed within a few days.

Baldur's user story:

Opening a business bank account in the Faroe Islands was challenging for Baldur due to the initial requirement for a Faroese ID. After multiple redirects and trying different banks, he managed to open an account using his passport.

In countries requiring physical presence and more complex procedures, such as Sweden and Finland, in-person visits are necessary, extending the process to several weeks. Latvia's process demands comprehensive documentation, often taking several days to weeks. Norway requires presenting a D-nummer in person, extending the timeframe to several weeks due to verification processes. However, once a bank account is established, account holders in Norway can obtain a digital BankID, greatly easing subsequent online management. The Faroe Islands involve navigating specific local banking requirements, necessitating multiple interactions over several weeks.

Understanding these varied processes helps entrepreneurs navigate the requirements for opening a business bank account across different countries. Countries like Denmark and Estonia offer streamlined digital processes, reducing time and complexity. Conversely, countries requiring physical presence, such as Sweden, Finland, Latvia, Norway, and the Faroe Islands, need more extensive preparations and interactions, extending the timeframe. Identifying specific requirements and leveraging digital tools will streamline financial operations and ensure effective integration into banking systems across various jurisdictions.

Employees Managing employment contracts and understanding local labor laws is crucial for compliance and effective business operations. Differences in national regulations regarding breaks, social security contributions, and union involvement require detailed navigation.

In Sweden, strong labor unions and specific practices significantly impact employer obligations, requiring extensive consultations. Denmark and Finland have unique social security contributions and employment regulations that, according to the interviewed users, take long to understand. Norway's labor laws and employee rights involve prolonged consultations over several weeks.

The Faroe Islands and Iceland have unique cultural values and labor standards requiring careful consideration and extended engagements with local HR experts to develop effective management strategies.

Emma's user story:

Emma needed to understand local labor regulations, especially due to Iceland's strong labor unions. These unions and the cultural values associated with them required careful consideration in developing business model and managing payroll and employee relocations.

The Baltic countries have distinct labor regulations demanding careful compliance. Estonia's employment contracts must include mandatory health insurance and social security contributions.^[50] Latvia requires knowledge of mandatory benefits and worker's rights, with consultants recommended. Lithuania's employment practices necessitate consulting legal and HR experts.

50. Rigsportal (2025). Health insurance and taxes, Eesti.ee, April 4th, Estonia. <https://www.eesti.ee/eraisik/en/artikkel/doing-business/occupational-environment-and-personnel/health-insurance-and-taxes> (Accessed on May 5th, 2025).

Navigating labor regulations across various countries requires understanding local laws and practices. Countries like Sweden, Denmark, Finland, and Norway need extensive consultations for compliance. The Faroe Islands and Iceland require special consideration of cultural and labor standards, while the Baltic countries demand precise management of health insurance, social security, and union requirements. By leveraging local expertise and comprehensive guidance, entrepreneurs can effectively manage employment contracts and ensure compliance, promoting smoother business operations across jurisdictions.

Key takeaways

Entrepreneurs embarking on the journey of starting a business in a foreign country while residing in their home country face various administrative and logistic challenges. This analysis sheds light on crucial aspects that can significantly impact the entrepreneurial experience. Understanding these insights can help streamline the process and enhance international business operations.

The key takeaways for entrepreneurs living in their home country and starting a business in another country are as follows:

1. *Personal ID for business registration*
To register a business in a foreign country, a personal identification number is essential. This identification is necessary for accessing various administrative services and fulfilling legal requirements. Some countries offer digital solutions for obtaining an ID, while others may require in-person attendance.
2. *Leverage digital platforms for quick business registration*
Registering a business is made easy through digital platforms in most countries. The registration process is typically streamlined, allowing businesses to complete registration within a few days to a few weeks, depending on the country. Understanding each country's digital systems can save time and reduce the administrative workload.
3. *Navigate complex cross-border taxation*
Managing taxes across multiple countries can be complicated. Different tax systems and dual taxation issues may arise. Professional guidance is often necessary to ensure compliance with local and international tax regulations, making tax management one of the most intricate aspects of starting a business abroad.
4. *Prepare for physical presence when opening a bank account*
While some countries offer digital options for opening a business bank account, many still require physical presence. Countries such as Denmark and Estonia offer online processes, but in others, entrepreneurs must visit the bank in person, which can extend the setup time. Planning ahead for this requirement ensures smoother financial operations.

Possible improvements of efficiency

The following section explores how upcoming EU regulations, including the Single Digital Gateway Regulation (SDGR), the Once Only Technical System (OOTS), and eIDAS 2.0, can help minimize inefficiencies and administrative burdens in Life Event 2.

Single Digital Gateway Regulation (SDGR) and Once Only Technical System (OOTS)

In general, the SDGR should reduce administrative burdens for both citizens and public authorities by, among other things, ensuring that citizens will not have to provide information to one public authority if another authority already holds that information.

In Life Event 1, the administrative burden for citizens will be simplified by the SDGR by introducing a single gateway system. By having this, citizens will only need to interact with one portal or platform to accomplish multiple tasks, rather than navigating through several different agencies or systems. Specifically, the process involves the citizen starting by applying for residence permission through the single gateway. Once the application is reviewed and approved, the system automatically takes care of further administrative processes. Upon approval, the citizen will therefore not need to apply separately for a personal identification number, as the system will automatically assign this number to them. Similarly, the system will automatically register the citizen for tax purposes, eliminating the need to visit the tax office or fill out additional forms which reduces the time, complexity, and administrative burden.

Furthermore, SDGR may be relevant to the tax area. As described in detail, citizens in life events 2 are currently required to track and register their tax information in both their home country and the country where they work. However, the OOTS facilitates seamless cross-border document transfers between authorities in different member states. In cases where employees work in a different country than where they live, OOTS can save time by allowing them to submit tax matters and annual tax returns in one place, from which authorities can transfer the documents as needed.

Thus, in relation to life event 2 – when the OOTS is fully implemented – information provided by the citizen in connection with assignment of personal identification number shall not afterwards be required by other public authorities, e.g. when setting up pension, social security or unemployment insurance.

Lastly, it would be beneficial to have a single gateway in Life Event 3, which involves living in a citizen's home country and starting a business in another country. By

using a single gateway, the citizen would only need to apply for a personal identification number and permission to register a business in the desired country. Once these applications are submitted, the tax authority will automatically be notified about the new business and proceed to register it. By this, the single gateway simplifies the steps involved and ensures efficient communication between relevant authorities.

eIDAS 2.0 and EU Digital Wallet

eIDAS 2.0 including EUDIW, the central component of the regulation, will provide a secure, convenient and efficient digital identity wallet, for EU citizens and businesses to validate their identity when interacting within both the public and private sectors. The wallet has numerous use cases, however the most essential will likely be; for identification purposes and accessing services in the public and private sectors.

Once fully implemented the EUDIW is going to simplify and streamline digital access for EU citizens and businesses. Having a digital wallet where personal information can be securely stored and shared across EU member states is not only convenient but also allows for simpler and more uniform interactions cross-border. The wallet will likely reduce the reliance on physical documents such as driver's licenses, national IDs or academic diplomas.

With regards to the three Life Events, the digital identity wallet has a variety of use purposes.

In Life Event 1 "Moving to work in another country", the digital identity wallet would be especially useful for identification purposes since the wallet stores official documents. For healthcare the wallet can be used for sharing medical prescriptions or for storing medical certificates. When opening a bank account in another country, it is a requirement for banks to verify the person's identity. The wallet can be used for identification purposes, as the wallet will contain the necessary official documents. This will lessen manual submissions and allow for a faster and thereby more simple process of e.g. opening a bank account.

For Life Event 2 "Living in one's home country while working in another country", the wallet would be very helpful with regards to opening a bank account (step 2) or showing a national photo ID (step 5). In most cases an employee will have to open a bank account in the country in which they work. The wallet can in this instance be used for identification purposes, hence opening a bank account in Life Event 1. Additionally, when commuting to work and crossing a border, the employee must carry a national photo ID to show. With the digital identity wallet, the employee would have this data digitally in an app version, and therefore not having to carry a physical form of identification.

Lastly in [Life Event 3 "Living in one's home country and starting a business in another country"](#), the digital wallet will be relevant when registering the business at the relevant national authority (step 3). When opening a new business or expanding a business in another EU country, the owner will be able to share the necessary documentation or the registration details of the parent company, directly via the wallet. This will bypass manual submissions and other administrative hurdles, thereby improving efficiency. Like Life Event 1 and 2 the wallet will be useful when opening a bank account.

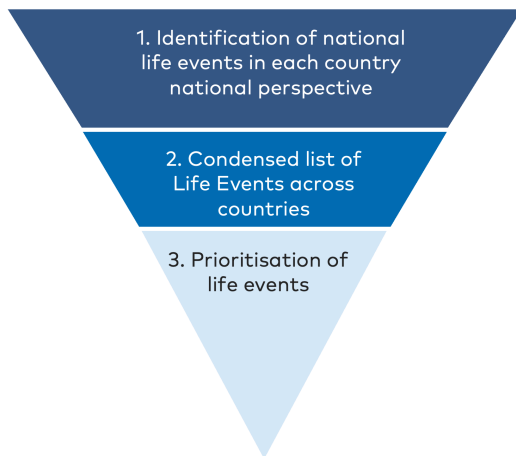
Overall, the eIDAS 2.0 including EUDIW streamlines digital identification, verification and authentication across the EU, allowing for more simplified cross-border interactions for citizens, businesses and government.

Appendix 1: Methodology

This appendix outlines the study's methodological approach to prioritize life events and data collection methods to conduct user stories. The methodological approach to prioritize life events involves performing desk research on life events, conducting interviews with national representatives, and hosting a prioritization workshop with the reference group. The data collection methods for developing user stories include conducting interviews with citizens and stakeholders in each country, as well as hosting a workshop with country experts to share and discuss the findings.

Method to prioritize life events

The first step in the report was to prioritize 2–3 life events. These life events were then developed into user stories, with a focus on those life events most significant for the Nordic and Baltic countries. The prioritization of life events involved four steps, as summarized in the figure below, and will be described in more detail in this chapter.



Desk research

One of the key elements in understanding how countries prioritize life events was conducting initial desk research on how each country approaches and selects among life events. The desk research examined both digital policies and national legislation relevant to life events (e.g. Norway's "Prioriterte livshendelser") and which life events are included in national citizen platforms (e.g.: Borger.dk; Suomi.fi; Eesti.ee). The desk research resulted in a list of each countries' identified life events which is depicted in [appendix 2](#).

Interviews with national representatives

The second step in identifying and prioritizing life events involved conducting interviews with national representatives from the 11 countries. The interviews aimed to provide better insights into the countries' reasonings and analyses behind their prioritization of life events. The interviews were conducted by the core project team. Interviewees were digital experts from digital agencies in each country who had been contacted and recruited to the project by email.

Representatives from eight countries agreed to participate in an interview. Thus, the descriptions of countries' reasonings and analyses behind the prioritization of life events were based on insights from a majority of the relevant countries, but not all. These included the Faroe Islands, Iceland, Denmark, Finland, Norway, Sweden, Lithuania, and Latvia.

All representatives were given the opportunity to review the draft country reports for fact-checking.

Prioritization workshop with reference group

As a third step, a workshop was held with the appointed reference group. The reference group consisted of members from the Nordic Council of Ministers and NOBID. The aim of the workshop was to decide on three life events that were perceived as the most important for cross-border mobility across the Nordic and Baltic countries. These three life events became the focus of the project and data collection in the following phases of the project.

Method to conduct user stories

After selecting 2–3 life events with NMC and the steering group, the core delivery team developed a data collection plan, taking into account cross-country similarities and differences. National experts then carried out the data collection in each country involved, in local languages and English when needed.

Through structured interviews with citizens in each country, each user story captured the full citizen journey through the system. To ensure a diverse and representative sample, the core delivery team collaborated with the steering group and used various recruitment methods, including authorities, educational institutions, municipal welcoming houses, and Facebook groups.

The aim of the project was to develop 16–20 user stories to represent the three prioritized life events across a majority of the countries involved in the project. During the scoping phase, the key life events and key country combinations had

been identified. Each user story was based on 2–3 interviews, covering both user experiences and perspectives of relevant institutions the user encountered, totaling approximately 40–60 interviews. The number of cases could be expanded if fewer interviews were conducted per case.

All users received their individual user stories for quality assurance. Half of the users have provided feedback, with only a few requesting minor adjustments.

Country experts

The data collection for user stories followed a standardized data collection tool package developed centrally to ensure that collected data was streamlined and comparable across countries. The package included an analytical framework, interview guides, and documentation format, ensuring consistency across countries. While the country experts were free to decide how to best answer the questions in the framework, the core delivery team recommended prioritizing interviews to obtain more detailed data. The national experts in each country conducted the data collection in local languages, providing context-specific insights and cultural understanding.

Additionally, a workshop with the country experts was held with the aim of sharing and discussing the preliminary findings from the data collection on user stories from each country. The workshop was used to gather key insights to support further alignment and cross-border interoperability in data collection for user stories.

Each user story involved one interview with a user, followed by up to three interviews with relevant stakeholders. Interviews were first held with citizens to gain their personal experiences of traveling cross-border and of their interactions with different authorities in the process. This approach made it possible to investigate which stakeholders the individual had been in contact with during their journey and then reach out to them. In this way, the citizen's perspective drove the narrative of the user story, allowing subsequent focus to be solely on the relevant stakeholders.

Appendix 2: List of all identified life events across all countries

Country Reports on Life Events

Based on the preliminary desk research on life events a list of all identified life events across all 11 countries has been generated. The list is presented below and followed by country reports on Life Events.

Table 2 List of All Identified Life Events

Denmark	Estonia	Finland	Greenland
• Moving (general, abroad, to Denmark) • Starting education • Starting a new job • Starting a business • Unemployment • Becoming a parent (digital pregnancy solution, becoming a parent to a teenager) • Divorce or separation • Pension • Illness (proxy for public services) • Death • Driver's license	• Marriage • Divorce • Military service • Education (including National Defence Education) • Moving to Estonia • Working in Estonia (starting or running a business in Estonia) • Working abroad • Becoming a parent (pregnancy planning, pregnancy, having a baby) • Losing a loved one • Illness • Unemployment • Pension • Elder care	• Starting a business • Unemployment • Moving to Finland • Moving abroad • Becoming a parent (first-time parent) • Coming of age (education, driving, starting work, military service, first home) • Marriage • Divorce • Pension • Illness (proxy for public services administration) • Death (family member's death) • Prison (entry and release)	• Unemployment • Moving (including overseas relocation) • Overseas travel • Becoming a parent (pregnancy, school-age children) • Baptism • Confirmation • Marriage • Funeral • Studying • Hunting, fishing, and gathering (fishing permits, hunting licenses, import/export of firearms) • Pension (including early retirement) • Illness

Iceland	Latvia	Lithuania	Norway
• Having a child • Starting a business • Retirement • Moving (including moving to Iceland) • Entering the job market (unions, pension companies, leave) • Studying • Losing a loved one • Transport (vehicle ownership, driver's license) • Illness • Old age (care)	• Starting agriculture • Birth • Death (funeral) • Marriage /Divorce • Starting and closing a business • Building a home • Moving • Illness/accident • Having a child • Inheritance • Real estate sale/purchase • Pension • Studying in Latvia • (Un)employment • Homeownership • Living abroad as a Latvian citizen	• Birth • Losing or getting a job • Starting education • Getting a driver's license • Starting agriculture • Starting a business • Unemployment • Disability procedure • Moving • Pension • Marriage • Death • Economic hardship • Building a house • Buying a home • Illness • Death	• Pregnancy • Birth • Illness (self and as a relative, or requiring care) • Unemployment • Starting a new job • Starting a business or volunteer organization • Moving to Norway • Working in Norway (recognition of foreign qualifications for EU/EEA citizens) • Student life • Pension • Death and inheritance

Sweden	The Faroe Islands	Åland
• Parenthood (pregnancy, birth, becoming a parent) • Illness • Receiving care (based on status: Swedish, foreign-Swedish, asylum seeker, visitor) • Entrepreneurship (starting a business in Sweden) • Moving to Sweden (working in Sweden) • Moving abroad • Studying in Sweden • Moving from Sweden (refugees can receive a repatriation grant)	• Studying • Starting a business • Marriage • Moving • Becoming a parent • Illness • Pension • Death (inheritance) • Family trees/genealogy	• Birth and family services • Education and learning • Health and well-being • Starting and running a business • Retirement and eldercare • Working life and unemployment • Illness (proxy for public services administration) • Accommodation and construction • Moving

Appendix 3: Country Reports on Life Events

Denmark

The following country report is based on an interview with the Agency for Digital Government. When Denmark is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

Working with and describing life events is prioritized in Denmark as it is perceived as value-creating. In prioritizing between life events, Denmark broadly focuses on the question of what is required to relocate oneself and establish a life in another country. This involves considerations of what is relevant for an individual to know when a major event in life happens, and they need to interact with the authorities in some way. To be able to navigate digitally and communicate with authorities in Denmark, the first step for all individuals is to acquire a personal identification number (CPR number) and a personal digital ID (MitID). From there, it varies depending on the individual situation.

Denmark has progressed significantly in digitalizing life events for its citizens, and efforts to establish services for people moving to Denmark for study, work, etc. are ongoing. However, there are barriers in the digital infrastructure between countries before the cross-border flow becomes more seamless. Since the late 1990's, efforts have been made to digitalize Nordic societies, but progress has taken many different directions in each country. Since the mid-to-late 2010's, it has been emphasized that digital systems must become usable across borders. However, some infrastructure still needs to be updated to achieve a more seamless approach to digital collaboration.

Denmark has a focus on ensuring interoperability between new Danish digital systems and other countries' systems. This is perceived as crucial to avoid creating new incompatible systems that continue to complicate data sharing between countries. Denmark makes continuous efforts in developing its digital infrastructure to improve the work on life events, and there is considerable collaboration between national agencies in this regard. Denmark has a well-developed and well-established digital infrastructure (MitID) which is used to access to all public digital services in the country.

Denmark sees advantages in utilizing the eIDAS2 regulation and the international digital identity wallet to enable better cross-border digital interaction. Furthermore, Denmark has a substantial amount of technical and infrastructural collaboration with other countries. Collaboration on specific life events across

countries (e.g. with Norway) has been put on hold due to the complexity between authorities and the cooperation between Danish and Norwegian authorities. Thus, there is no bilateral cooperation on life events, though it has been discussed.

Identified challenges

Legal challenges: Establishing seamless services for people moving across borders (e.g., from Norway to Denmark) remains complex. While Denmark has made significant progress in describing life events for its own citizens, aligning these with services in other Nordic countries involves infrastructural and legal considerations — although frameworks such as the Nordic agreement on population registration facilitate information exchange in cases of intra-Nordic relocation.

Procedural challenges: To address this issue, infrastructural and system updates are necessary to facilitate better cross-border service usage. Furthermore, there are specific procedural barriers that complicate the work with life events. For instance, the requirement of a CPR number for digital self-service, as well as for other purposes, poses a significant challenge. This issue is further compounded by the necessity for physical attendance in various matters. In addition to these specific barriers, there are varying levels of technological maturity and interest between countries, such as functioning identity matching solutions. Additionally, there are general challenges with implementing policies and technical solutions in the business sector, where progress has been limited.

Cultural challenges: Cultural barriers also complicate the management of life events in Denmark. For instance, the varying attitudes towards digitalization between different sectors and populations can hinder effective implementation of new solutions. The digital divide affects those less familiar with digital platforms due to language, cultural reasons, or trust issues, meaning that not all services are practically accessible for all. Refugees and newcomers from paper-oriented systems especially struggle with trust in digital government services, causing delays and complications in service provision.

Future outlook

In Denmark, digital services play a crucial role and are already the status quo at the national level, serving as the primary means for citizens to interact with authorities. Regarding cross-border access, Denmark has some existing infrastructure that enables foreign citizens to access some Danish digital self-services, and an existing Identity matching solution that enables the connection between CPR number and foreign eID, establishing access to Danish services that require a Danish CPR number. However, identity matching remains a challenge in relation to upcoming

implementations of EU-regulations such as eIDAS2. Denmark is working on an integration of the national broker infrastructure with the Danish eID-gateway, which will broaden the access to cross-border digital services. Ongoing efforts with the Single Digital Gateway regulation (SDGR) and the European Unique Identity Wallet (EUIDW) are expected to address many of these challenges, though not entirely. Denmark is particularly focused on the movement towards implementing and using a national digital wallet across EU countries, aiming to provide a reliable and secure means of digital identification for individuals throughout Europe.

Denmark actively participates in various Nordic-Baltic Digital Initiative (NOBID) working groups as well as EU working groups. Furthermore, Denmark is working on national implementation of infrastructures with a 'cross-border by default' mindset. This approach ensures that future digital solutions are designed to facilitate seamless interaction and cooperation across borders from the outset.

Finland

The following country report is based on an interview with Digital and Population Data Services Agency. When Finland is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

Finland is currently working on making its national and local life events more web-based and accessible for domestic users. In developing digital services and products Finland's main principle is to create zero-touch services. The aim of this principle is to reduce the need for administrative tasks on citizens' part as digital services are built to operate on behalf of citizens without their active involvement. This type of service is considered resource-efficient for both citizens and authorities, as it reduces their involvement in administrative processes.

Finland makes efforts to comply with EU legislation on developing and implementing a European e-ID to enable better cross-border collaboration on digital services. Moreover, Finland engages in identity matching programs with Estonia, matching IDs between citizens moving across the countries' borders, and holds bilateral agreements with Estonia and Sweden, allowing cross-border movement and information exchange. They are also part of the Nordic movement agreement facilitating data exchange among Nordic countries.

Identified challenges

Legal challenges: The work with life events presents certain legal barriers in the Finnish context. Harmonizing laws and policies across different countries is a very complex and time-consuming process and requires political decision-making. According to the interview, political processes can be time-consuming, as evidenced by the decade-long effort to enable automatic data exchange within Finland.

Procedural challenges: According to the interview there are also experiences procedural barriers that complicate management of life events. As a newcomer, physical presence at the tax office is required to register and get a personal identity number. Individuals from Nordic countries have other privileges during this process than individuals from outside these countries, making the process smoother for Nordic citizens. Another challenge is the existence of silos within and between countries and agencies, which hampers effective data sharing and collaboration.

Cultural challenges: I have changed this sentence to this: From Finland's perspective, the Nordic countries are seen as being at the forefront in terms of technical capabilities and user-oriented digital services. While this strong position offers many opportunities, it may also present some challenges when aligning approaches and timelines in broader cross-border collaboration.

Future outlook

The role for digital services in simplifying cross-border life events: Finland utilizes the Nordic movement agreement to facilitate a better flow of information across the Nordic borders, reducing the need for end-users to provide repeated information when entering Finland. Finland is also active in programs like Real Time Economy which is part of Smart Government initiated by the NMC to facilitate business operations and reduce administrative burdens. Digital solutions are viewed as a crucial component in running a successful business in Finland which is why Finland prioritizes engaging in these types of programs.

Initiatives aimed at enhancing digital cooperation for cross-border life events between the Nordic countries: Finland stresses the advantages of using identity matching between countries to create better access to health and social insurance benefits across borders. Additionally, Finland views the NMC and the use of bilateral agreements between countries as initiatives that have the potential to enhance digital cooperation for cross-border life events.

Iceland

The following country report is based on an interview with Digital Iceland. When Iceland is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

In Iceland locals and foreigners, who have an Icelandic ID number, are treated equally. Once the ID number is acquired, there is practically no distinction between the person moving to Iceland and an Icelandic citizen. When it comes to cross-border identification however, it is not possible to use an Icelandic ID to access services in other countries and this complicates the process for cross-border users.

In Iceland cross-border life events are not yet politically prioritized but are still in proof of concept. However, there are emerging projects that focus on cross-border health data and how to make it compliant with Icelandic standards. Data sharing in the health sector still remains non-functional but efforts are made in the sector towards enabling better collaboration on data sharing. They also highlight the importance of safeguarding data protection in the digitalization of services with an understanding that different types of data have varying vulnerabilities. Therefore, they usually prefer to leave the decision of sharing data across borders to individuals.

Iceland emphasizes developing and implementing EU-wide digital identity solutions to enhance cross-border service access. They believe the EU-wallet will be an effective digital tool in accomplishing this. Furthermore, they stress the importance and benefits of enabling the use of the home country e-ID on a cross-country basis to enhance cross-border service access. The current lack of cross-border digital ID recognition complicates the process for foreigners trying to register for services.

Identified challenges

Legal challenges: Iceland faces different judicial barriers that complicate the management of life events. In an Icelandic context, the main challenge is not the GDPR legislation itself but rather the contrasting interpretations and attitudes of data protection officers in different national agencies. To Iceland, achieving a shared understanding among data protection officers to facilitate more effective data sharing is a significant hurdle at present.

Procedural challenges: There are procedural barriers in Iceland that cause difficulties when administering life events. Significant silo thinking within the government is a barrier that makes cross-departmental data sharing challenging. Furthermore, data tends to be distributed and often locked within various systems, complicating data accessibility and exchange between agencies. Because different agencies use different systems, gaining access to these systems can be further complicated by differing data architecture and data setups.

Cultural challenges: Cultural barriers can also cause complications when managing life events. Some agencies are protective of their data and reluctant to share it which can lead to internal cultural barriers that prevent an effective data flow between agencies. Another cultural barrier is the digital divide that Iceland faces, especially for those less familiar with digital platforms due to language, cultural reasons, or trust issues. This means that all services are not in practice accessible for all. Refugees and newcomers from paper-oriented systems especially struggle with trust in digital government services, and this causes delays and complications in service provision.

Future outlook

Iceland acknowledges the potential for simplification of services by digitalizing services but also stresses the need for backup physical services to complement digital solutions to ensure inclusivity among different types of users. Iceland has a national digital portal (Iceland.is) with a digital mailbox for public entities to communicate with individuals in Iceland. This portal is meant to simplify communication processes with national authorities as all correspondences are gathered in one place making it more convenient for end-users.

Iceland emphasizes a need for harmonized standards and technical requirements for data exchange across countries to enable identity matching and simplify life events. They expect to have a pilot project for identity matching and data exchange by 2025. Additionally, Iceland points to the benefits of having “check-in/check-out” mechanisms between countries such as in Nordics to enable easy mobility for people living and working in different countries and ensuring accurate population register information.

Latvia

The following country report is based on an interview with the Ministry of Environmental Protection and Regional Development. When Latvia is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

Latvia adopts a centralized approach to working with life events where ministries coordinate and monitor the prioritized list of life events comprehensively. Life events are managed by different ministries: Citizen life events are handled by the Ministry of Smart Administration and Regional Development, and life events related to businesses are managed by the Ministry of Economics. The ministries are supported by the competent authorities to ensure that life events are created and managed as comprehensively as possible.

In Latvia there is good support on services on life events for cross-border users, as easy access to information and services is provided in English. In their experience, cross-border clients, especially in the tax agency, can access necessary information and services easily and do not have any disadvantages compared to domestic users.

The Cabinet of Ministers on 22nd of October 2024 supported an annual informative report on the implementation of the Single Digital Gateway Regulation in 2023, including an action plan. The action plan consists of tasks related to the improvement of cross-border services (including those related to cross-border life events) and implementation of the system to exchange data, aiming towards streamlining the handling of services (including those related to cross-border life events) between EU member states.

Latvia is part of the Nordic-Baltic cooperation for information exchange on cross-border services related to some life events. The countries collaborate on the implementation of a system that allows them to exchange data aiming towards streamlining the handling of services between countries. Latvia also engages in bilateral projects with Estonia.

Identified challenges

Legal challenges: Certain legal barriers complicate the management of life events in Latvia. Changes in national laws or EU regulations require updates in life event system data to meet new standards. However, data is not always consistently updated among authorities in accordance with these new requirements, leading to outdated information. Therefore, monitoring life situations and ensuring information accuracy is sometimes hindered by regulatory changes and inconsistent actions by authorities.

Procedural challenges: Some procedural barriers can also cause difficulties for Latvian authorities when managing life events. Duplication of information sometimes occurs, causing additional work for Latvian authorities in cutting down on unnecessary information. Efforts are underway to monitor the information flow to prevent data redundancy. Another procedural barrier is perception issues with some competent authorities not feeling responsible for managing life situation information until recent policy changes.

Cultural challenges: Certain cultural barriers are also evident, especially trust issues with national digital systems. Latvian authorities face challenges in experiencing a lack of trust in the national systems from some Latvian citizens, leading people to prefer on-site services and physical receipts and confirmations even for digital submissions. Therefore, some citizens still prefer or require physical access to services, despite the availability of digital options.

As Latvian authorities seek to cater to all different groups within society, they ensure that all public services are accessible both digitally and physically. Providing public services both ways cause a substantial amount of administrative work among Latvian authorities, which can be a barrier that complicates effective management of life events. This issue is identified and in order to solve it systemically, the Ministry of Smart Administration in cooperation with municipalities created Unified Customer Service Centres of the State Administration, including more than 200 centers where digitally inactive persons have an opportunity to receive public services digitally with assistance of centers employees.

Future outlook

Latvia utilizes eIDAS-identification for many services to streamline their digital service provision but faces complaints about availability from cross-border end-users that do not wish to use local eIDAS identification tools. It provides identification with a qualified high security electronic identification means (Latvian eIDAS node). Module also includes identification with a qualified means of electronic identification - SMART ID (local solution) and other EU countries eIDAS nodes. So cross-border users have an opportunity to use their local, for example, Estonian eIDAS solution to access services linked to life events.

Latvia proposes working on common approaches to life situations across borders through a dedicated group of members from the Nordic-Baltic countries. It also suggests mapping experiences with the work on life events across countries and evaluating these based on common criteria to streamline cross-border services. Latvia points to EU benchmarks which provide a similar tool for mappings and evaluations but recognizes the advantages of having a comparable system at the Nordic-Baltic level.

Lithuania

The following country report is based on an interview with the State Digital Solutions Agency. When Lithuania is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

Lithuania faces great challenges in providing digital services for cross-border users that otherwise do not cause challenges for domestic users. In their experience, eIDAS and online authentication systems lack functionality, leading some institutions to reject the unique identifiers assigned to foreigners. Therefore,

foreigners are often required to have face-to-face encounters with authorities and are therefore treated unequally to domestic users. Thus, domestic users have a smoother experience compared to cross-border users, who face additional challenges and inconsistencies.

In Lithuania, as part of a national strategy, efforts are currently being made to establish useful categories or life events for sorting all services and procedures. Another digital initiative currently being undertaken is rebuilding and updating the main gateway, introducing new content. Until now, procedures for services on life events have been listed in either life events or categories. This division of procedures occasionally leads to misunderstandings among users which is why the State Digital Solutions Agency wants to develop a single list for future use to ensure a better user experience.

Lithuanian agencies try to align with the Single Digital Gateway Regulation (SDGR) in close collaboration with Nordic-Baltic countries on best practices. In building its new e-service page, the State Digital Solutions Agency has examined other EU countries' pages to draw experiences from other ways of providing information on life events. The goal is to digitalize every step of services related to life events.

Identified challenges

Procedural challenges: There are various procedural barriers that cause difficulties for the management of life events in Lithuania. First, there are organizational challenges with different authorities using varying administrative styles and systems resulting in differences in the services provided. It also challenges collaboration between agencies. Second, users oftentimes face problems in completing certain processes digitally and are consequently required to visit offices physically to complete the process. This can be frustrating for users as it prolongs procedures and puts additional manual work on them. Third, as different identification codes are provided to cross-border users (that have not yet obtained residency) by various institutions, information provided by these users sometimes gets lost in systems. This is a great challenge because it puts additional strain on cross-border users.

Cultural challenges: Cultural barriers are also present in the work with life events. Insufficient information on services and life events provided in English is one barrier that hampers foreigners' ability to understand and use the services effectively. Therefore, better and more comprehensive information provision in English is needed to improve service accessibility and user experiences for cross-border users. Another cultural aspect that needs to be addressed is the need for a mindset change within ministries and local offices to adapt to providing both e-services and better legal processes for foreign individuals in English.

Future outlook

Lithuania sees significant benefits in digitalizing services related to cross-border life events. This includes initiatives to provide comprehensive information and digital services in English to improve accessibility for cross-border users. Digitalization has the potential to streamline processes and minimize the need for physical interaction, thus simplifying administrative procedures.

Lithuania emphasizes developing interoperable technical systems for data transfer to improve user experiences and to facilitate better Nordic-Baltic and EU-level cooperation. They propose working on common approaches to life situations across borders through dedicated groups of members from the Nordic-Baltic countries. Furthermore, Lithuania suggests mapping experiences with the work on life events across countries and evaluating these based on common criteria to streamline cross-border services.

Norway

The following country report is based on an interview with the The Norwegian Digitalisation Agency (Digdir). When Norway is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

In Norway they do not differentiate between cross-border and domestic users on any of their seven prioritized life events. The only life event that differs between these groups is that cross-border users need to acquire a personal identity number upon arrival in Norway to integrate smoothly. Norway also takes cultural aspects into consideration when working with cross-border life events (e.g. death and inheritance) as they can create certain differences in life events between domestic and cross-border users which affects how these life events should be handled.

Life events are defined in the Norwegian governments' digitalization strategy which runs until 2030. The strategy includes seven life events that are closely followed and managed by Digitaliseringsdirektoratet which has delegated the task to different agencies. The work on some life events is already considered complete, while the work on others (like starting and running a business) is still in progress. Furthermore, Norway is working on a national initiative for better data sharing across Norwegian agencies to break down silos between these. This project is expected to be completed by 2027.

Norway is a part of the NMC's project between the digital agencies in Sweden, Finland, and Norway. Norway collaborates with the two countries on the larger DigiGovLab project which focuses on the sharing of population register data. It has also participated in the Nordic's Smart Governments project that have been going on for eight years which facilitated information exchange between companies in Nordic countries. In this project Norwegian tax authorities and registries participated. However, the project terminated in spring 2024.

Identified challenges

Legal challenges: There are some legal and regulatory complexities that affect the use of life event data in Norway. While machine-to-machine data sharing is well established across many national registers, including the Population Register, specific legal constraints may still limit digital exchange in certain cross-sectoral or cross-border contexts. These constraints can make it difficult to implement fully integrated digital life event services. For example, within the DigiGovLab project, revisions to population registry laws have been necessary to enable smoother cooperation between Sweden, Finland, and Norway.

Procedural challenges: Several procedural barriers are also identified. First, technological upgrades are needed for old systems managing certain life events to be able to administer these more efficiently. Second, organizational challenges, including silo thinking, pose a great challenge in the management of life events. There is a lack of prioritization from the political side and a lack of cooperation between important actors which hinders progress. Third, while certain cross-border services may involve physical visits, the Nordic agreement on population registration facilitates data exchange when individuals move between Nordic countries. For example, when a person moves from Norway to another Nordic country, they report their move to the new country, which then notifies the Norwegian authorities — eliminating the need for physical attendance in Norway. Requirements for physical attendance vary depending on the receiving country's procedures.

Cultural challenges: Norway emphasizes trust and cultural differences between countries, even within the Nordics, as being a challenge. Norwegian directness contrasts with the more polite and correct demeanor seen in Sweden and Greenland which can potentially lead to communicative misunderstandings between countries. In the Norwegian experience, cultural aspects are often overlooked in the Nordics, but they play a crucial role in cross-border interactions and trust. Even small cultural differences can create significant barriers affecting cross-border collaboration.

Future outlook

Norway sees significant benefits in digitalizing the life event "moving" to streamline cross-border relocations as they view moving across borders in Europe as especially challenging. Digitalizing this life event has the potential to remove a lot of constraints currently experienced in the manual process where the same information is required to be provided manually to different agencies in different countries.

The public sector in Norway has had a great focus on providing electronic identities (eIDAS) for Ukrainian refugees to make it easier for refugees to access digital services in Norway. Another initiative being undertaken is taking steps towards harmonizing legal processes to enable the success of the DigiGovLab project, particularly on data sharing. Norway also highlights working towards better cooperation between Nordic-Baltic countries to facilitate cross-border movement and business.

Sweden

The following country report is based on an interview with the Agency for Digital Government. When Sweden is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

As Sweden is a decentralized country, the work with life events is split between agencies and integrated in different working groups. The country does not have a national strategy on life events, but it prioritizes certain life events that are viewed as especially important to citizens (e.g., death of a loved one). Even though Sweden's 2017 national strategy mentioned the importance of life events, the notion of the concept has faded over the last decade. The Swedish Agency for Digital Government (Digg) recently published a report on the digitalization policy for the next 5 years. The report emphasizes the benefits of working with life events and aims to demonstrate to the government how life events can be worked with in a meaningful way.

The management of cross-border life events introduces several layers of complexity compared to the management of domestic life events in Sweden. The need for collaboration across multiple levels, trust in cross-border data exchange, and centralized coordination is crucial for addressing these complexities. While domestic life events are typically managed within a single administrative and legal framework, cross-border life events demand a more intricate and multi-faceted approach. Swedish agencies like Digg play an essential role in managing this complexity by providing a centralized, coordinating function.

Sweden has no national strategy on life events defined at present as operations are decentralized. Instead, life events are integrated in working groups between different agencies. As an example, eSam (a collaboration between big national government agencies) has been working with different life events such as "death of a loved one".

Sweden engages in the Nordic DigiGovLab project with Norway and Finland which prioritizes the life event "death of a loved one". The project has received support and positive feedback from the Swedish government.

Identified challenges

Legal challenges: Working with life events poses certain legal barriers in a Swedish context. Determining the legality of data sharing on life events between agencies and ensuring that data can be shared automatically is especially challenging. Moreover, conflicts between EU regulations and national laws create additional legal hurdles that complicate the management of life events.

Procedural Challenges: Several procedural barriers are also evident. First, Sweden experiences difficulties in re-activating personal identification numbers for individuals returning to Sweden after living abroad. This is a critical barrier since the personal identification numbers gives access to important services in both the private and public sector such as creating a bank account and a bank ID. Second, Sweden's decentralized services mean that various agencies hold different responsibilities and data which complicates cross-agency and cross-country data sharing. Third, there is a lack of automatic administrative procedures, meaning that many administrative processes are undertaken manually.

Cultural challenges: There are also cultural differences that can influence the management of life events. In Sweden, strong reliance on personal identification numbers and established verification processes means that information from other countries is sometimes met with caution. Ensuring the authenticity and reliability of digital wallets and data from other EU countries remains an important factor in building trust and facilitating seamless cross-border cooperation.

Future Outlook

National agencies successfully provide optimized services within their own domains, but cross-agency collaboration on services is lacking and needs to be addressed. However, Sweden leverages e-IDs and digital gateways for potential improvements and better collaboration on data sharing. Furthermore, Sweden recognizes the importance of international collaboration due to limited national resources in small countries.

Sweden stresses working on regulation to employ cross-border ID matching and building trust models as especially important steps for better digital cooperation across countries. Various pilot projects (e.g. eIDAS regulation) are undertaken to build up cross-border trust. Efforts driven by the Nordic DigiGovLab project between Norway, Finland, and Sweden are also made to set the tone for future cooperation between countries. Finally, Sweden highlights two distinct opportunities: first, exploring the potential of AI to enhance digital solutions; and second, organizing hackathons where Nordic technical experts can collaborate across borders, exchange knowledge, and develop hands-on digital solutions for life events in participating countries.

The Faroe Islands

The following country report is based on an interview with Digital Faroe Islands. When the Faroe Islands is mentioned it should be understood as reflecting the views and experiences of the interviewed individual(s) from that country.

The Faroe Islands make no differentiation between domestic and cross-border life events. If a foreigner has a social security number (p-tal), they are treated the same as citizens. The Faroe Islands have as an ambition to reach all citizens nationwide with their services, regardless of the population concentration in each region. They seek to develop services that are the same for all citizens regardless of where they live.

Being seriously ill is a critical life event for many Faroese citizens, because they will need treatment across borders. The Faroe Islands specifically focus on streamlining the Faroese p-tal with the Danish CPR number. This will improve health data sharing between the two countries and make it easier for Faroese citizens to access health services in Denmark – and the other way around.

The Faroe Islands collaborate with the other Nordic countries which makes it easier for people to move between The Faroe Islands and the other Nordic countries without having to go through several administrative processes. However, since they are not part of the EU, moving to the Faroe Islands from other EU countries is not as smooth a process and it requires different kinds of permits. The Faroe Islands hope to address these barriers in the future and have developed their e-ID in compliance with EU data protection regulations with the aim of enabling its use in other EU countries in the future.

Identified challenges

Legal barriers: Compliance with EU data protection regulations is necessary for e-ID development and usage, but the Faroe Islands' exclusion from the EU complicates the process for moving to the country from EU member states, requiring specific permits.

Procedural barriers: The Faroe Islands face certain procedural barriers that complicate the management of life events. First, physical presence is required to move into the country and to register certain life events like obtaining a p-tal. Digital services are not available for these procedures which complicates the process. Certain processes like getting married or claiming social benefits require manual submission of documents which prolongs the process. Second, the use of different IT-systems in municipalities leads to inconsistencies in services, such as the need for e-ID for institutional waitlists in some areas but not in others. This lack of streamlining of administrative processes also complicates effective management of life events. Third, health insurance exemptions for residents working in other Nordic countries require submission and verification of proof from those countries' healthcare systems, which causes administrative burdens on the resident's behalf.

Cultural barriers: There are also cultural barriers that complicate the management of life events in The Faroe Islands. The country's small population size makes dealing with cross-border illness and health issues significant, leading to complexities in managing temporary Danish CPR numbers for individuals traveling to Denmark. Having a separate ID system from Denmark thus complicates integration and cross-border services.

Future outlook

Identity matching and e-ID sharing are emphasized as being crucial elements in simplifying life events and reducing identity fraud. However, The Faroe Islands struggle with utilizing these elements and hope to be able to use identity matching across borders in the future to access and benefit from digital services in other countries. Efforts to enhance data sharing are also being made as more effective data sharing would improve the quality of services in various sectors (e.g. health and tax).

Appendix 4: Life Event 1

User Story 1 - Moving to Denmark for work as a Latvian citizen

Alisa, an experienced diplomat from Latvia, is accustomed to living in various countries due to her and her husband's careers. When her husband was offered a permanent position in Denmark, they jointly decided to embrace the opportunity with the intention of exploring life in Denmark for a period of time before making a decision about permanent settlement. With extensive experience in settling down in different countries, Alisa felt well-prepared for this move.

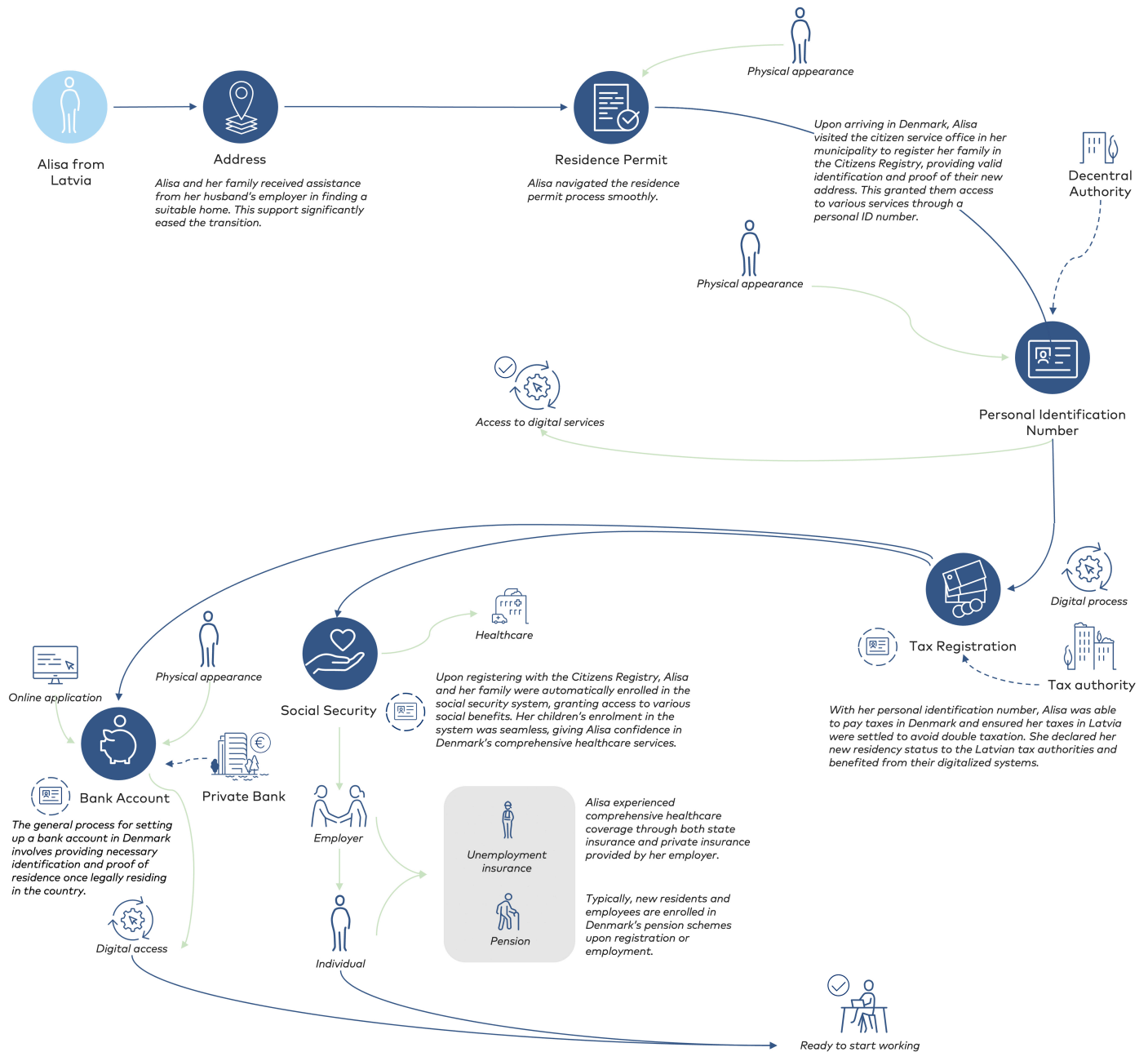


Figure 4 Journey Map for User Story 1

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Upon arrival, Alisa and her family received assistance from her husband's employer in finding a suitable home. This support significantly eased the transition and allowed them to focus on other crucial aspects of their settlement.

Residence permit Navigating the residence permit process was smooth for Alisa, who applied for it simultaneously with her move. Her organized approach, including preparation of necessary documents and having all tax affairs in order, helped streamline the process. Alisa appreciated Denmark's efficient and consolidated systems.

Personal Identification Upon arriving in Denmark, Alisa visited the citizen service office in her municipality to register her family in the Citizens Registry. She provided valid identification and proof of their new address. This registration granted her access to various services, underscoring the importance of a personal identification number as a gateway to healthcare, banking, and other public services. According to Alisa, the municipality was supportive and provided clear explanations, accommodating her English language needs whenever necessary.

Tax payment With her personal identification number (CPR) obtained, Alisa was registered in Denmark and able to open a bank account. However, she did not begin working—and thus did not start paying taxes in Denmark—until about a year after her arrival. In the meantime, she declared her new residence in Denmark to the Latvian authorities and registered as a non-tax resident in Latvia. She declared her new residency status to the Latvian tax authorities and benefited from their digitalized systems for managing procedural steps. When selling her property in Latvia, both Alisa and her husband managed notarization processes by traveling back and forth within the same day, as they had to be both physically present.

Bank account While not detailed in the interview, the general process for setting up a bank account in Denmark involves providing necessary identification and proof of residence once legally residing in the country. This step is crucial for managing day-to-day finances.

Social security Upon registering with the Citizens Registry, Alisa and her family were automatically enrolled in the social security system, granting access to various social benefits. Her children's enrollment in the system was seamless, giving Alisa confidence in Denmark's comprehensive healthcare services.

Insurance Alisa experienced comprehensive healthcare coverage through both state insurance and private insurance provided by her employer. She received prompt responses for urgent medical needs and efficient communication with healthcare providers, making the system reliable and supportive for her family's needs.

Pension Although Alisa did not specify pension-related steps, typically, new residents and employees are enrolled in Denmark's pension schemes upon registration or employment. Deductions are automatically withdrawn from the monthly salary, ensuring future financial security.

Throughout her relocation journey, Alisa encountered both challenges and supportive systems. Denmark's community engagement and efficient administrative processes played critical roles in her successful integration and long-term settlement.

User Story 2 - Moving to Finland for work as an Estonian citizen

Aleksandr, originally from Estonia, often visited Finland during his high school years and eventually decided to move there to pursue higher education at a Finnish university. With a close relative in Finland, Aleksandr initially had a place to stay, which made the initial move easy. Since he was moving for studies and not for employment, he did not receive assistance from an employer regarding the moving process or obtaining necessary documentation. Instead, he relied mainly on guidance from the International House in the city where he settled.

According to data from 2022, there are a little over 50,000 people from Estonia living in Finland.^[51]

The visual representation below outlines Aleksandr's journey through the system, segmented into seven key steps.

International House

In several larger cities in the Nordic and Baltic countries, there are International House's which are service hubs for international citizens, offering support with relocation, work, and integration into the respective society. It is part of a broader network of organizations that assist expatriates and migrants, collaborating with municipalities, businesses, and government institutions to help newcomers settle more easily. It is not a single global organization but rather a local initiative within a wider network of similar services.

51. Finland and Estonia sign agreement on the electronic exchange of population data – the reform will particularly facilitate the updating of data for persons moving from one country to the other: <https://dvv.fi/en/-/finland-and-estonia-sign-agreement-on-the-electronic-exchange-of-demographic-data-the-reform-will-particularly-facilitate-the-updating-of-data-for-persons-moving-from-one-country-to-the-other> (22. Sep, 2022)

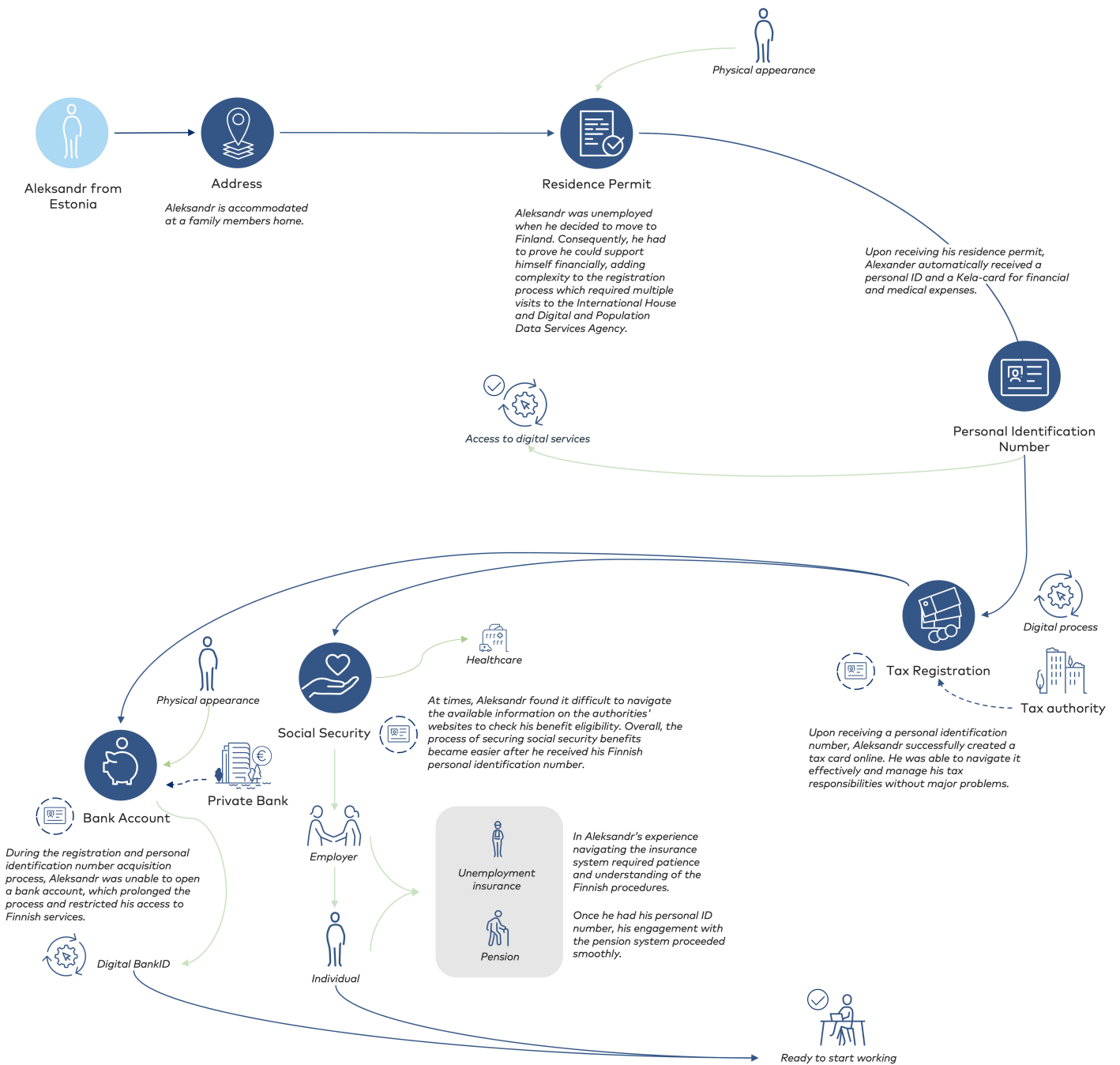


Figure 5 Journey Map for User Story 2

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Aleksandr could stay with a close relative in the beginning, which made the initial move easy.

Residence Permit Upon arrival in Finland, Aleksandr sought assistance from the International House to navigate the EU residence permit registration process. The submission required multiple visits due to frequent requests for additional information, and Aleksandr also contacted the Digital and Population Data Services Agency (DVV) for guidance, visiting their office multiple times. An Estonian-speaking employee provided helpful instructions. Family ties had no bearing on registration, so Aleksandr had to explain his income and expenses, making multiple visits to prove he had sufficient funds to support himself. After significant effort, he managed to register, receiving an EU citizen registration based on sufficient funds. However, this registration posed challenges later when applying for student financial aid due to the inability to select the exception under which he registered.

Personal Identification (ID) Once Aleksandr succeeded in obtaining the correct documentation for the right to live in Finland, he was granted a Finnish ID. With this personal identification number, he automatically received a Kela card for medical expenses.

Bank account Opening a bank account presented difficulties for Aleksandr, as he needed a Finnish personal identification number. Without it, he couldn't open a bank account, prolonging the process and limiting his access to financial services. After receiving his personal identification number, Aleksandr was able to open a bank account and gain access to these services.

Tax payment Aleksandr encountered no significant issues with tax payments. Upon receiving his personal identification number, he successfully created a tax card online and managed his tax responsibilities without major problems.

Insurance, Social Security, and pension Aleksandr had mixed experiences with social security. After obtaining his personal identification number, he automatically received a Kela card for medical expenses. Challenges arose later when applying for student financial aid due to the registration exception. He used the Omakela (the online service portal of Kela, the Finnish Social Insurance Institution) website to check his benefit eligibility, and overall, the process of securing social security benefits became easier with his Finnish personal identification number.

Regarding insurance, once Aleksandr obtained his personal identification number, he managed his insurance needs more effectively. The Kela card served as proof of entitlement to healthcare benefits. Navigating the insurance system required patience and understanding of Finnish procedures.

Aleksandr's engagement with the pension system improved after obtaining his personal identification number, which integrated him into the broader social security framework, including pension contributions. He accessed pension information through Finnish websites and services like Omakela.

Overall, Aleksandr's journey through social security, insurance, and pension systems improved significantly after obtaining his personal identification number. This milestone simplified access to healthcare benefits, insurance services, and pension information, though initial bureaucratic hurdles required persistence and proactive engagement.

User Story 3 – Moving to Iceland for work as a Norwegian citizen

Agnes, originally from Norway, studied in Slovakia for a few years before moving to Reykjavik. Her motivation for moving to Iceland was family-related, and she found good job opportunities in her preferred industry.

Agnes' previous experiences with moving and studying abroad boosted her confidence in relocating to Iceland, as it had proven easier than initially thought. Comprehensive information needed before moving to Iceland was readily available through the official website island.is, which provided details on registration and instructions for completing necessary processes quickly upon arrival.

Since Norway is part of the EEA (European Economic Area), Agnes did not have any concerns about obtaining a work permit. Additionally, her partner had already secured a job in Iceland, alleviating financial concerns even if the process of acquiring her work license took longer than expected.

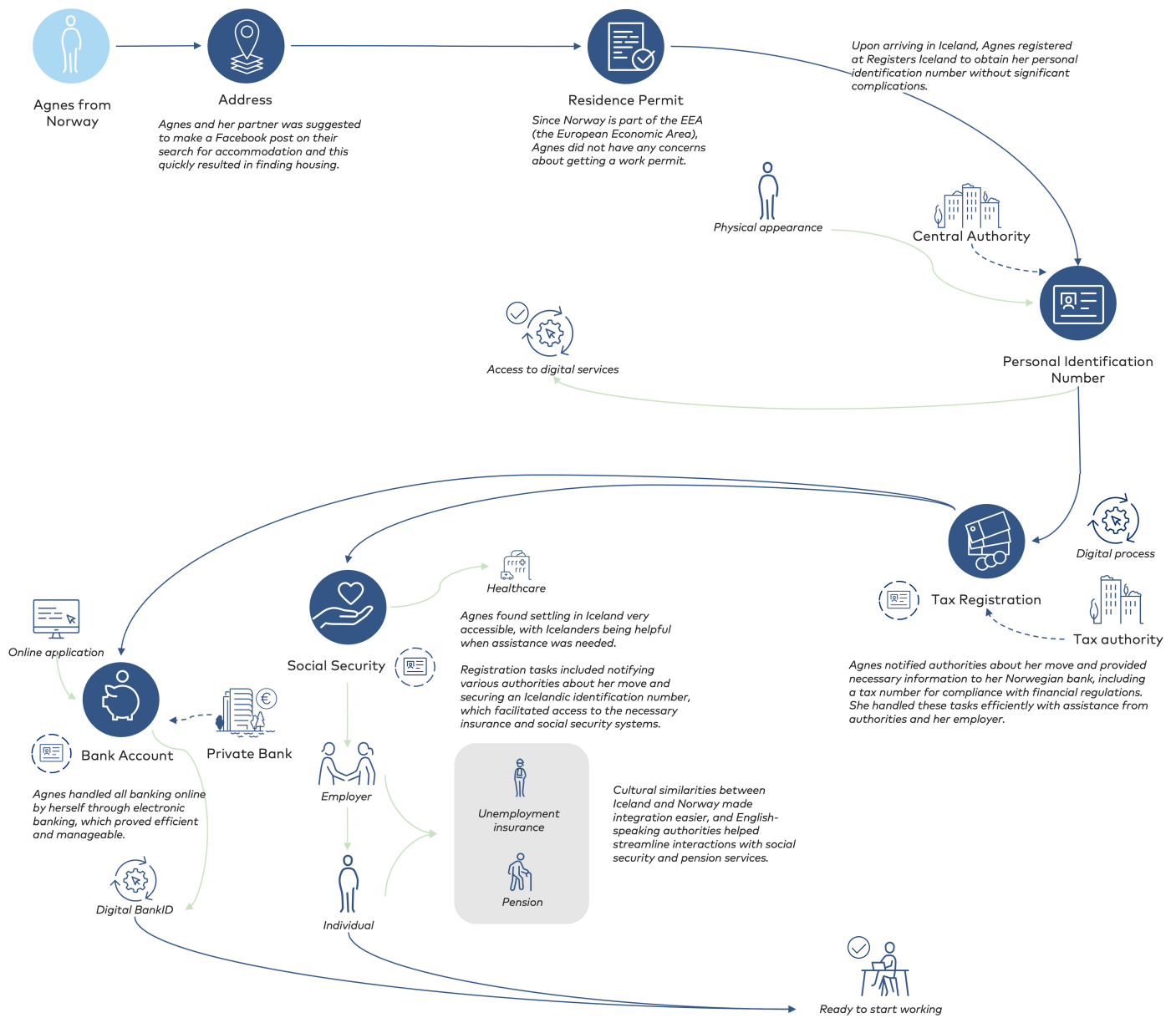


Figure 6 Journey Map for User Story 3

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Agnes used the app Leiga for Accommodation, though it did not yield many suitable central options. A contact of her partner suggested posting on Facebook about her accommodation search, which quickly resulted in finding suitable Accommodation.

Residence Permit Agnes did not need a work permit, as Norway is part of the EEA, allowing her to work freely in Iceland.

Personal Identification (ID) Upon arriving in Iceland, Agnes' primary task was to physically register at Registers Iceland to obtain an Icelandic identification number. Prior to moving, she researched the registration process using the comprehensive information available on island.is. The website provided detailed guidance on registration and instructions for completing the process quickly upon arrival. Ingrid found the staff at Registers Iceland to be helpful and successfully completed the registration without significant complications.

Tax payment Notifying authorities about her move and providing necessary information to her Norwegian bank was another important task for Agnes. Her bank requested a tax number to update their records and ensure compliance with financial regulations. Ingrid efficiently handled these tasks with the available information and assistance from authorities and her employer.

Bank account Opening a bank account in Iceland was one of Agnes' tasks upon arrival. She managed all banking online through electronic banking, which proved efficient and manageable. Additionally, Agnes notified her Norwegian bank about her move to Iceland and provided them with her Icelandic tax number.

Insurance, Social Security, and pension Settling in Iceland was very accessible for Agnes, with helpful Icelanders providing assistance when needed. Registration tasks included notifying various authorities about her move and securing an Icelandic identification number, which facilitated access to the necessary insurance and social security systems. Cultural similarities between Iceland and Norway made integration easier, and English-speaking authorities helped streamline interactions with social security and pension services.

User Story 4 – Moving to Sweden for work as a Norwegian Citizen and moved back to Norway

Johan moved from Sweden to Norway in 2010 to work at a public agency. Originally planning a temporary stay, he enjoyed living in Norway and ultimately stayed for almost ten years. The decision to move was driven by the job opportunity in Norway, while his wife was still studying in Sweden. Although managing imports and document handling rules came with some challenges due to Norway's non-EU status, Johan found the process relatively straightforward, especially since he had fewer belongings as a student.

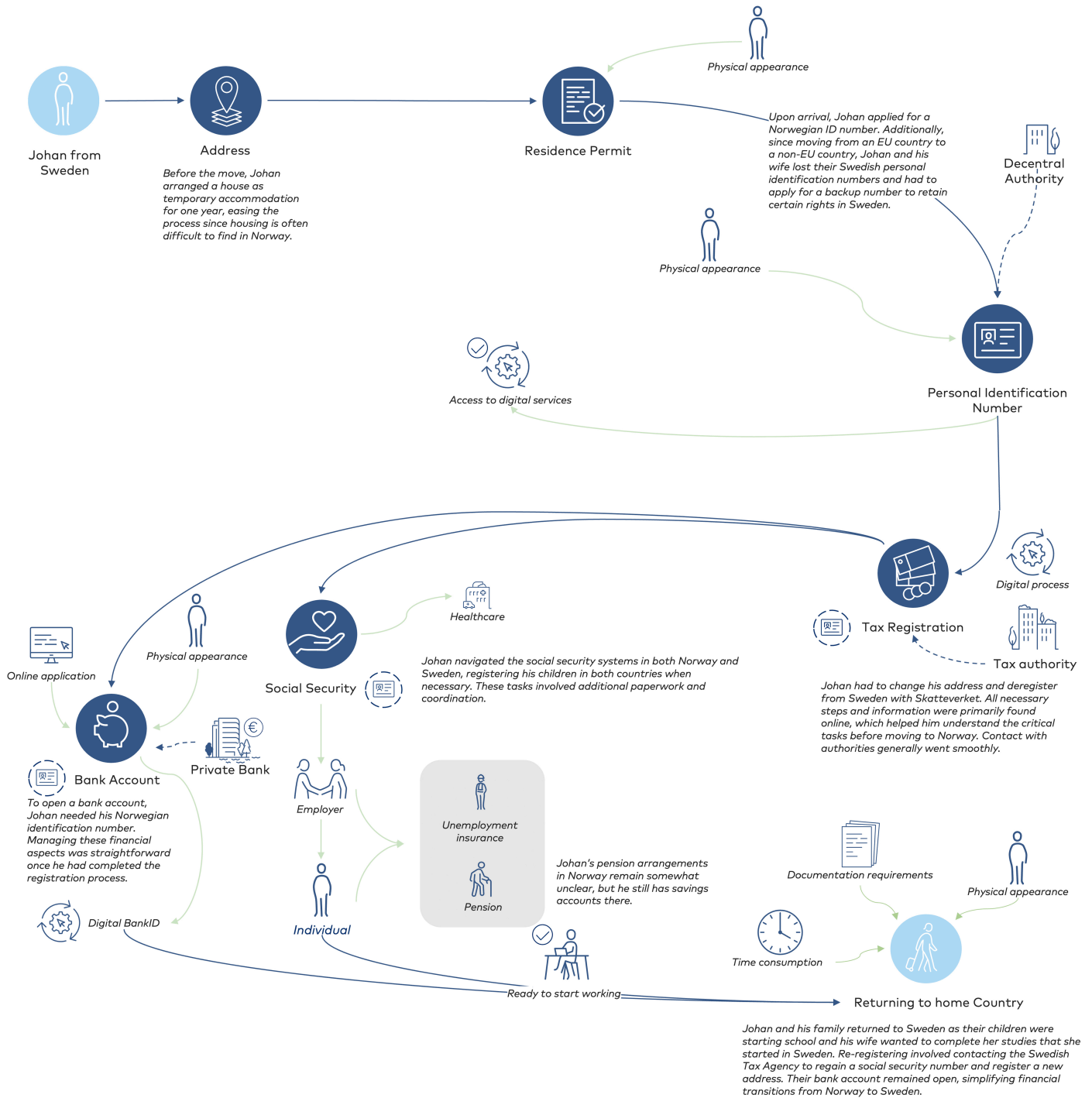


Figure 7 Journey Map for User Story 4

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Before the move, Johan arranged temporary accommodation for one year, which eased the process given Norway's Accommodation challenges. Colleagues had mentioned difficulties, including the requirement to pay three months' rent in advance, which can be burdensome for recent graduates.

Personal Identification (ID) Upon arrival, Johan applied for a Norwegian ID number, essential for opening a bank account and managing taxes. He changed his address and deregistered from Sweden with Skatteverket, requesting them to forward mail to his new address in Norway. The process worked well. Moving from an EU country to a non-EU country meant Johan and his wife lost their Swedish personal identification numbers and had to apply for a backup number to retain certain rights in Sweden.

Tax payment Johan changed his address and deregistered from Sweden with Skatteverket. He found all necessary steps and information online, helping him understand critical tasks before moving to Norway. Contact with authorities generally went smoothly, although Johan had to manage import limits for bringing personal belongings into Norway.

Bank account In order to open a bank account, Johan needed his Norwegian ID number. Managing financial aspects was straightforward once he completed the registration process. Exchanging their Swedish car for a Norwegian car simplified their financial transitions, avoiding re-registration.

Insurance, Social Security, and pension Johan navigated the social security systems in both Norway and Sweden, registering his children in both countries when necessary, involving additional paperwork and coordination. Although eligible to apply for Norwegian citizenship after three years, he declined as it required giving up his Swedish citizenship.

Moving back to home country In 2019, Johan and his family returned to Sweden as their children started school and his wife wanted to complete her studies. Re-registering involved contacting the Swedish Tax Agency to regain their social security numbers and register a new address. Their bank account remained open, simplifying financial transitions from Norway to Sweden. They re-registered their car via the Swedish Customs and Swedish Transport Administration smoothly. His pension arrangements in Norway remain somewhat unclear, but he still maintains savings accounts there.

User Story 5 – Moving to Estonia for work as a Finnish citizen

Arvo moved from Finland to Estonia in 2015 to manage a local company. His decision to move was driven by the professional opportunity rather than personal or economic incentives. Arvo was recruited for the new role, and the new employer stated beforehand that they would not assist with the relocation process.

As Arvo moved alone, he expected to spend some weekends in Finland with friends and family. However, due to the complexities of cross-border taxation, even short visits were problematic. Arvo had prior experience working abroad and engaging in cross-border business, which influenced how he approached his move to Estonia. He had previously worked in Estonia as part of his job in Finland, where he was involved with subsidiary companies in Estonia. Additionally, he once considered establishing a company in Estonia but found maintaining it too complicated due to the need for additional accounting and tax reporting efforts required by the Finnish authorities.

This past experience made him aware of the challenges involved in cross-border work, but he was still surprised by the extent of the issues he faced after relocating. His prior exposure to international work helped him navigate some of the difficulties. However, even with that experience, he still had to rely on consultants and advisors to handle the complexities of taxation and social security. Also, some of the advice given by experienced consultants turned out to be wrong, and in these cases, the responsibility was still his own.

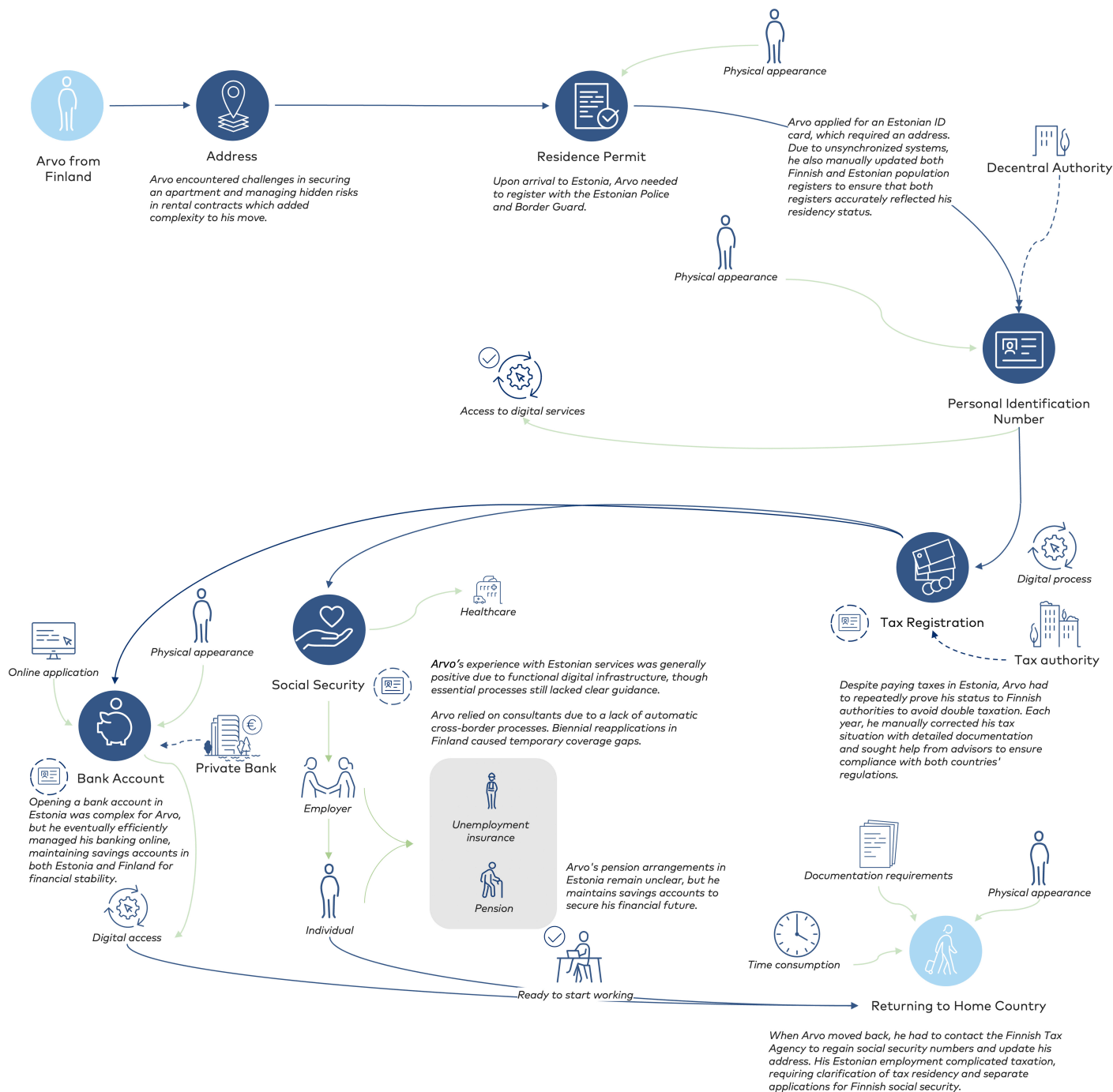


Figure 8 Journey Map for User Story 5

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Before moving to Estonia, Arvo faced significant challenges in securing an apartment. Arvo had been warned to be aware of the hidden risks in rental contracts, such as tenants being held liable for illegal renovations. To overcome this, he relied on his network and made use of personal contacts to find suitable accommodation. Arvo was informally advised to use a friend's address until he found a permanent residence in order to be eligible for the registration process. The difficulty of finding appropriate accommodation added to the complexity of his move.

Arvo did not register his car in Estonia due to challenges associated with cross-border regulations, leasing restrictions, and practical constraints. Firstly, Estonian banks required a six-month employment period before granting car loans or leases, preventing him from immediately obtaining an Estonian vehicle. Secondly, his existing Finnish car was under a leasing agreement, prohibiting its registration in another country. At the same time, Estonian law mandated a rapid re-registration of vehicles upon relocation—faster than Arvo could feasibly secure local financing. Ultimately, confronted by these complexities and lacking viable alternatives, Arvo consciously accepted the risk of not re-registering his Finnish car during his residence in Estonia and using it only occasionally.

Personal Identification Upon arrival in Estonia, Arvo needed to establish his residency and obtain an Estonian ID card. He registered with the Estonian Police and Border Guard, where all supporting data was obtained automatically. Once his residency was established, Arvo applied for an Estonian ID card, which required undergoing a verification process. Here, Arvo's address was necessary to meet the official requirement for obtaining his ID card. He also took steps to manually ensure that both Finnish and Estonian population registers accurately reflected his residency status, as the registers were not fully synchronized.

Tax Payment According to Arvo, navigating tax obligations in both Estonia and Finland posed significant challenges. He began by researching tax residency rules for both countries to understand how his income would be taxed and what documentation was required to prove his tax status. Arvo gathered necessary documentation, including proof of income, residency status in Estonia, and relevant tax forms, to contest tax bills issued by Finnish authorities for income already taxed in Estonia. Arvo manually corrected his tax situation with Finnish authorities each year by providing detailed documentation to avoid double taxation. He sought help from tax consultants and advisors to ensure compliance with regulations in both countries, carefully managing his cross-border tax obligations. At times, Arvo had to pay Finnish tax authorities upfront for mistaken tax invoices and later receive refunds.

Bank Account Arvo didn't want to open a personal account in Estonia, because the European banking system allows making cross-border payments effectively. However, an Estonian account was required from Arvo by the bank to be able to handle his employer's accounts and transactions. Opening the bank account in Estonia was unexpectedly complex for Arvo. The process required extensive financial disclosures and a formal application process. Despite the initial difficulties, Arvo finally managed his banking tasks online by maintaining accounts in both Estonia and Finland.

Insurance, Social Security, and Pension Arvo navigated insurance and social security matters by relying heavily on consultants due to the lack of automatic systems for cross-border processes. He needed to reapply for social security in Finland biennially, causing a temporary loss of coverage due to automatic removals from the system. Arvo's pension arrangements in Estonia remain somewhat unclear, though he maintains savings in Finland to secure his financial future. Throughout these processes, Arvo interacted with authorities and consultants to ensure compliance with regulations in both countries.

Before moving, Arvo took care of key logistical steps such as arranging temporary accommodation and transport of his belongings, for a smooth transition. Navigating healthcare services in Estonia proved challenging. Even after registering as an Estonian resident and being eligible for health care, Arvo needed to find a family doctor on his own. This process was difficult due to the lack of recommendations and background information. When Arvo needed medical help prior to finding a family doctor, even the private clinics refused to see him without a family doctor registration.

Arvo's experience with Estonian services was generally positive due to the functional digital services, though essential processes still lacked clear guidance. Learning the local language and understanding cultural differences aided Arvo in settling in.

Moving Back In 2016, Arvo returned to Finland. Arvo had intended to stay longer in Estonia but returned to Finland earlier than planned, primarily due to difficulties and complications associated with cross-border taxation that significantly restricted even brief visits to see family and friends. Re-registering involved contacting the Social Insurance Institution of Finland to regain social security numbers and register their new address. Taxation and social security posed major complications as Arvo's employment remained tied to Estonia, requiring clarification of tax residency and separate applications for Finnish social security. Exporting belongings was simple due to the proximity and open borders between Finland and Estonia. Managing bank matters required updating residency information to avoid account restrictions or tax issues. While the physical move itself was easy, bureaucratic aspects and personal accountability for complex

matters made the transition extremely stressful, and it impacted Arvo's health and well-being.

Arvo reflects on his cross-border move as a mix of valuable professional experience and significant bureaucratic challenges. He found Estonia's digital services and pragmatic processes to be efficient, while according to Arvo, Finland's administrative processes and practices complicated matters for cross-border workers. The lack of coordination between Finland and Estonia in terms of taxation and social security required significant time and resources to manage.

User Story 6 – Moving to Finland for work as an Estonian citizen and moved back to Estonia

Anna, originally from Estonia, moved to Finland to work as a doctor. The move was motivated primarily by career development and financial stability, as Finland offered good opportunities and high salaries. Although the family was not the initial driver for her move, it later influenced her decision to return to Estonia. Anna did not have prior experience with relocating abroad. In some cases, navigating the system was challenging, as different officials provided conflicting information, and processes were not always clearly outlined. Anna primarily relied on Finnish government agencies such as the tax office (Vero) and the social security institution (Kela) for official information.

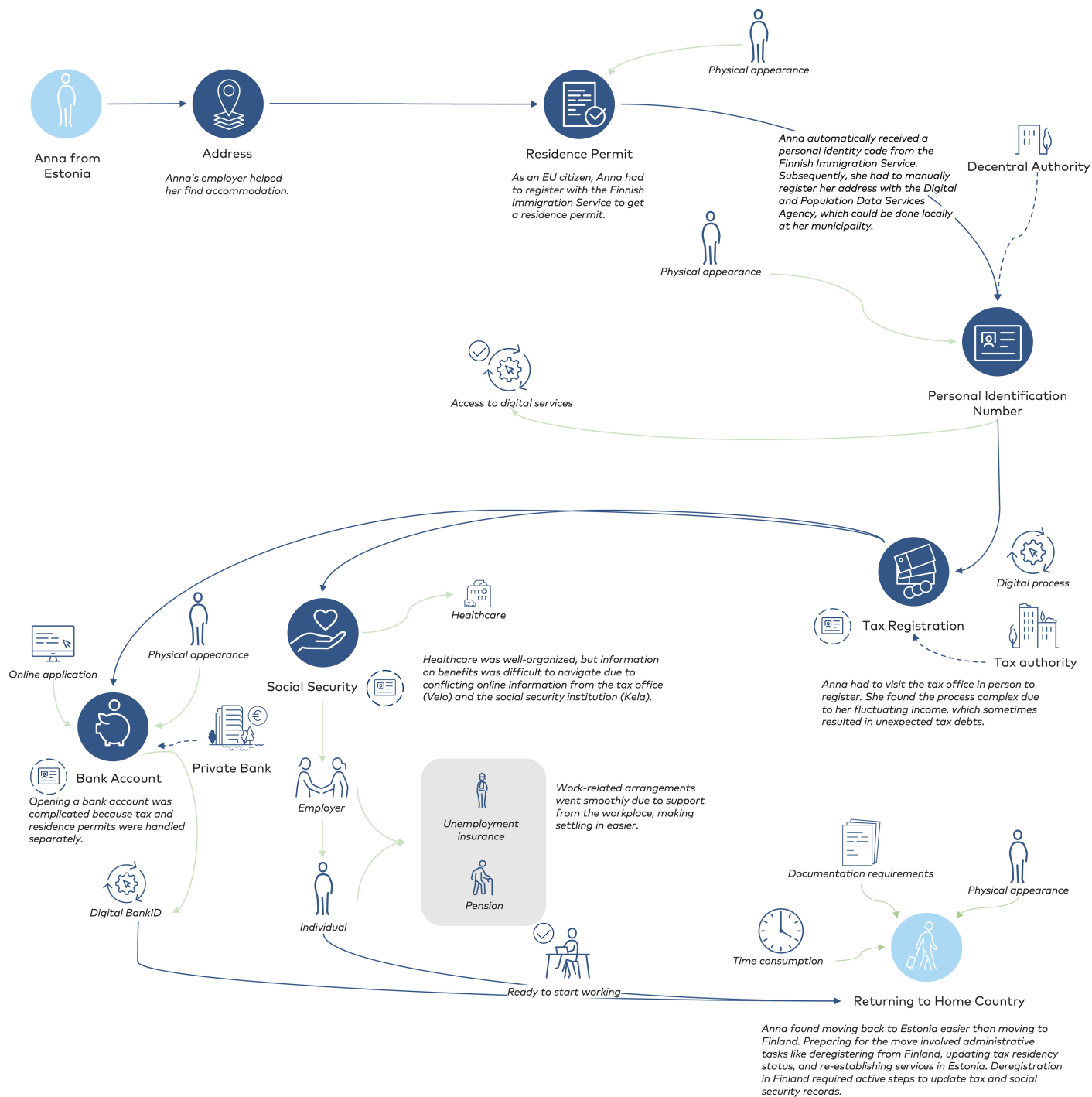


Figure 9 Journey Map for User Story 6

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Anna's employer helped her find accommodation.

Residence permit According to Anna, as an EU citizen, she did not need a work permit, but an EU residence permit to live in Finland for more than three months. To apply for the permit Anna needed to document her EU citizenship by presenting her passport and employment contract, as work was the intended purpose of residency in Finland. The processing time for an application is approximately one month.

Personal Identification (ID) Anna faced challenges with registration upon arriving to Finland. The process of validating her residency required multiple in-person visits and Anna experienced the process as confusing and bureaucratic partly due to the need for in-person meetings. When she finally obtained the ID, she had digital access to manage her administrative tasks.

Tax Payment Anna successfully created a tax card online with guidance from Vero. Anna encountered no major issues with registering for tax payments once she obtained her personal identification number. The taxation system, however, required close monitoring of tax obligations, especially since Anna experienced how changes in income could lead to unexpected tax debts that she would have to manage manually.

Bank account Opening a bank account was challenging for Anna as she initiated the process before she had obtained her personal identification number. The residency and tax registration processes were handled separately. The process required in-person visits, making it time-consuming and in Anna's experience not very efficient.

Social Security, Insurance, and Pension Anna's experience with social security involved navigating the healthcare system and understanding benefits. She enrolled in Kela for medical expenses but had to prove her tax residency. With her improved language skills and support from colleagues, she managed to integrate into the structured healthcare system in Finland. Although taxes and pension contributions required effort to manage, the overall social security experience became smoother over time.

As Anna spent some time in Estonia when expecting her first child, healthcare coverage presented complexities when Anna lived in Estonia but worked and paid taxes in Finland. Anna needed special permission from the Finnish Social Insurance Institution (Kela) to maintain her Finnish health insurance while temporarily staying in Estonia.

Moving Back to Estonia Returning to Estonia involved administrative tasks like deregistering from Finland and handling tax residency. The transition was more manageable due to her familiarity with the language and system. Estonia's digital services allowed quicker residency registration and benefits access, although tax residency updates caused issues like difficulty opening a bank account.

Coordinating parental benefits and managing healthcare access for her children required additional effort, emphasizing the differences between Finnish and Estonian systems.

Anna noted the proactive role of the Estonian Social Insurance Board (Sotsiaalkindlustusamet). Upon returning to Estonia, the authority independently identified parental benefits that Anna and her spouse were eligible for, including simultaneous payments from Estonia and Finland, which Anna herself had not been aware of. This proactive approach simplified the administrative process for Anna and her family.

Upon returning to Estonia, Anna experienced an oversight where one of her children unintentionally remained officially registered in Finland, resulting in continued routine invitations for Finnish healthcare services like dental check-ups.

Anna experienced confusion regarding the differences between residency registration and tax residency upon returning to Estonia. She faced difficulties opening a bank account because her tax residency status was initially unclear despite already being registered as a resident.

Appendix 5: Life Event 2

User Story 7 – Working in Sweden while living in Denmark

Jesper has significant experience in working abroad and has worked in Sweden twice. Initially, Jesper worked for a big company for several years, starting in Denmark, later transitioning to the Nordic division. In 2011, Jesper started commuting from Denmark to Sweden following a company restructuring that required the relocation of their work. It did not seem like a significant change to work cross-border, as he considered it a natural part of working in a Nordic company. After leaving the company in 2017, Jesper briefly worked for another company in Denmark before being headhunted back to a new workplace in Sweden.

Jesper obtained financial assistance from his company to understand the implications of the move and the company connected him with an independent accounting firm knowledgeable about Swedish tax regulations, covering the cost of the advice. This guidance was considered effective overall, and Jesper is generally satisfied with the support received and his decision to work cross-border.

The latest available data from 2022 shows that approximately 1,650 people commute from Denmark to Sweden. Of these 1,650 commuters, the majority—around 1,000—travel to either Malmö or Lund. About 62% of the commuters are men.

However, significantly more people commute from Sweden to Denmark. According to the latest 2022 data, around 18,500 people commute from Sweden to Denmark. According to Øresunddirekt, this is mainly due to better salary conditions in Denmark and more affordable living costs in Sweden.

The following visualization illustrates Jesper's journey through the system and is divided into seven steps.

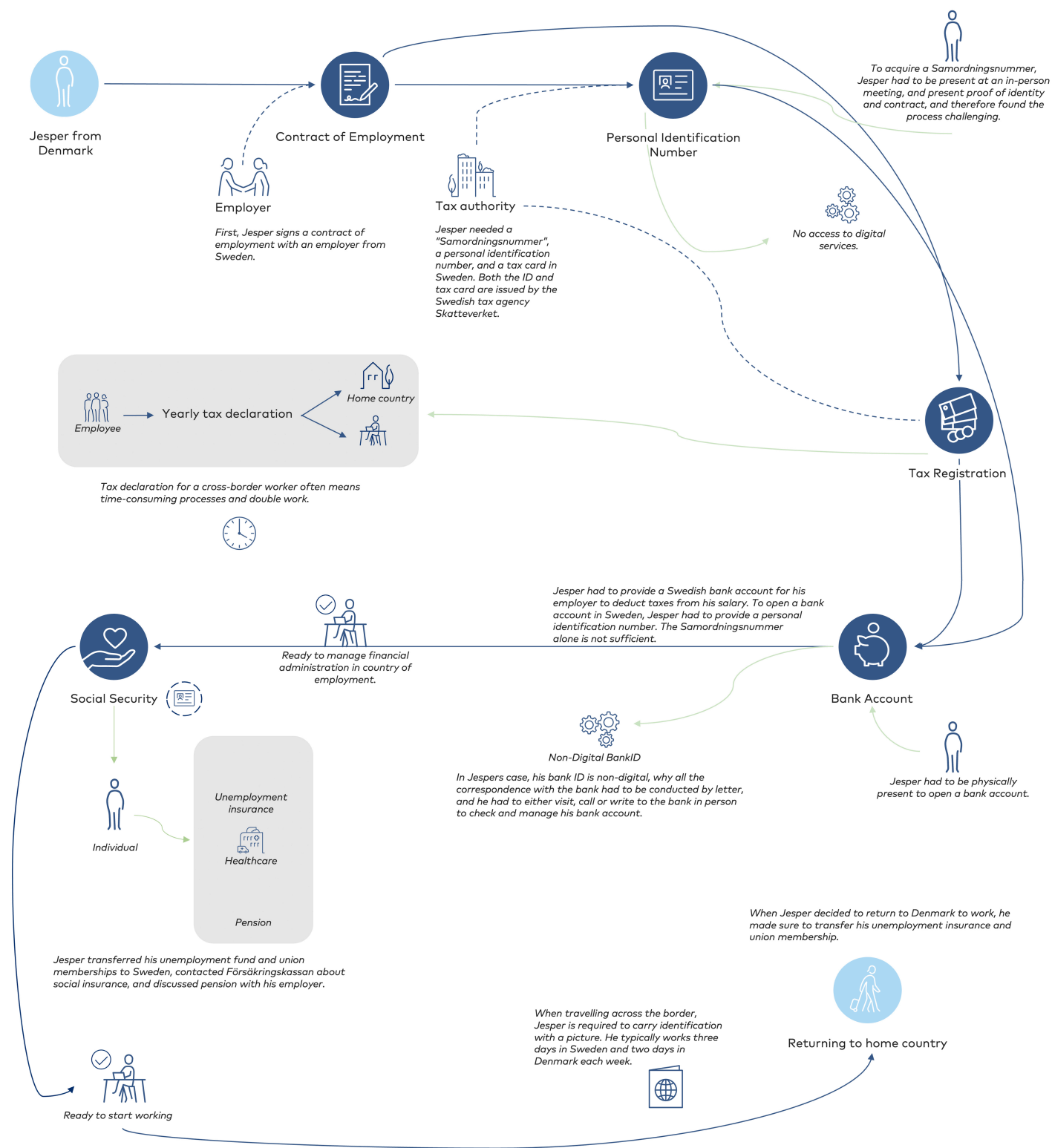


Figure 10 Journey Map for User Story 7

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Personal Identification (ID) When Jesper started working in Sweden, he needed to ensure he could pay income taxes in Sweden. To do so, he had to acquire a Samordningsnummer from the Swedish Tax Agency, Skatteverket. This process required an in-person meeting at a tax office, where he had to present proof of his identity and show his work contract to verify the purpose of his employment.

Jesper found the process of acquiring a Swedish Samordningsnummer to be challenging. The process requires in-person meetings, and an automatic 60-day delay is added to his date of birth, which causes discrepancies in systems and leads to errors. The requirement for in-person meetings, combined with an automatic 60-day delay added to his date of birth, caused discrepancies in the system and led to errors. Despite eventually receiving the Samordningsnummer, Jesper was frustrated to find that he still could not access Swedish digital services.

Øresunddirekt confirms Jesper's experience, noting that acquiring a Samordningsnummer is a slow process, with processing times that can extend up to six weeks. They further emphasize that the Samordningsnummer does not provide full integration into Swedish systems. For instance, individuals with a Samordningsnummer cannot obtain a digital identity, which means they are unable to access their Swedish bank accounts or perform administrative tasks online. Consequently, they are required to complete these processes on paper.

Tax payment Jesper chose to be taxed under the Swedish SINK scheme, meaning he pays a flat 25% tax on his income without any opportunities for deductions. He considered the alternative – being taxed under Swedish income tax law—which would have allowed for certain deductions, such as travel expenses. However, since at least 90% of his total work income would have needed to be taxed in Sweden to qualify for personal deductions like the basic allowance and employment deductions, he opted for the SINK scheme. He was also aware that Danish tax regulations could influence his deductions if he had chosen regular income tax instead.

Jesper applied for both a personal Identification number and tax registration at the same time by visiting a Skatteverket service office. He submitted the application for a personal identification number and SINK tax, presented his identification (passport), and provided his employment contract.

Alternatively, Jesper could have applied for the SINK tax online via Skatteverket's website. In this case, he would have received an invitation to a service center for identity verification before being issued a personal identification number and having his tax status determined.

Jesper found the process of paying taxes in Sweden to be quite easy. However, since he works in Sweden and lives in Denmark, he is taxable in both countries and must submit annual tax filings to both the Danish and Swedish authorities.

Bank account To receive a Swedish salary, Jesper needed a Swedish bank account. To open an account, he was required to provide an employment contract, proof of residence in Denmark or Sweden, a Samordningsnummer, and Danish identification.

Jesper learned that to obtain e-identification, a Swedish personal identification number is necessary, and a Samordningsnummer alone is not sufficient.

Jesper does not have a Swedish bank ID, and as a result, all correspondence with bank authorities must be conducted by letter. He finds it frustrating not to have access to digital services because of this lack of a bank ID, which is an issue confirmed by Øresunddirekt.

Øresunddirekt further points out that cross-border workers, like Jesper, who want to apply for a bank loan or purchase something on credit, face significant challenges due to their financial status. Danes working in Sweden have no registered income in Denmark, making it impossible for them to take out a loan in Denmark since they do not earn money in their home country. Neither Danish nor Swedish banks are willing to assist with this, as it remains an unresolved issue.

Insurance and social security Jesper had to join a Swedish unemployment insurance fund (a-kassa) from his first day of work. He also needed to be a member of a Swedish union, as Danish unions have no influence in Sweden. Some Danish a-kassas and unions have Swedish counterparts, which Jesper was able to explore.

Jesper's Samordningsnummer was also necessary to obtain social security in Sweden alongside his Danish coverage. He had to contact the Swedish authority, Försäkringskassan, which administers social security and payment of benefits. Jesper found the process of getting insurance and social security to be smooth. For him, the insurance fund primarily covered long-term sickness and dental reimbursements. His insurance ensured social security in both Denmark and Sweden, which provided him with peace of mind.

Pension While working in Sweden, Jesper earned a Swedish pension. The Swedish pension system consists of three parts: the public pension (allmän pension), occupational pension (tjänstepension), and private pension savings.

Jesper, however, cannot access live pension information digitally and instead receives annual statements by mail due to his lack of a digital identity. To get additional details, he must request them over the phone as email communication is restricted for security reasons, which he finds inconvenient.

Transportation When travelling across the border, Jesper is required to carry identification with a picture. He typically works three days in Sweden and two days in Denmark each week. Jesper is responsible for paying his own travel expenses, as the SINK tax does not allow for deductions related to travel costs.

Moving back When Jesper decided to return to Denmark to work, he made sure to transfer his unemployment insurance and union membership.

He didn't experience any complications during this process. However, he is aware that the situation might have been different if he had been fired instead of choosing to leave voluntarily, particularly regarding unemployment insurance.

User Story 8 – Working in Sweden while living in Finland

Eino moved from Finland to Sweden in 2016 to work. The offered position was attractive to Eino due to its focus on sustainability, something that was less prominent in similar roles in Finland. After working in Sweden for a few years, Eino later moved back to Finland due to family reasons and began commuting between Finland and Sweden, working two days a week in Sweden. This was Eino's first experience working cross-border. Eventually, Eino transitioned to working full-time in Finland for the Swedish-based employer, continuing the cross-border arrangement.

Eino's employer supported the move, ensuring that tax payments were correctly registered. The company also provided assistance for the necessary paperwork and regulations, making the initial relocation relatively smooth. However, as Eino began commuting, the process became more complicated due to the lack of coordination between Finnish and Swedish authorities. Eino had to research the applicable rules and regulations independently, receiving only limited support from both authorities. The lack of proactive support from either the Finnish or Swedish authorities made this phase much more difficult. Despite this, Eino was generally satisfied with the guidance received during the initial relocation but found the transition to cross-border commuting more challenging.

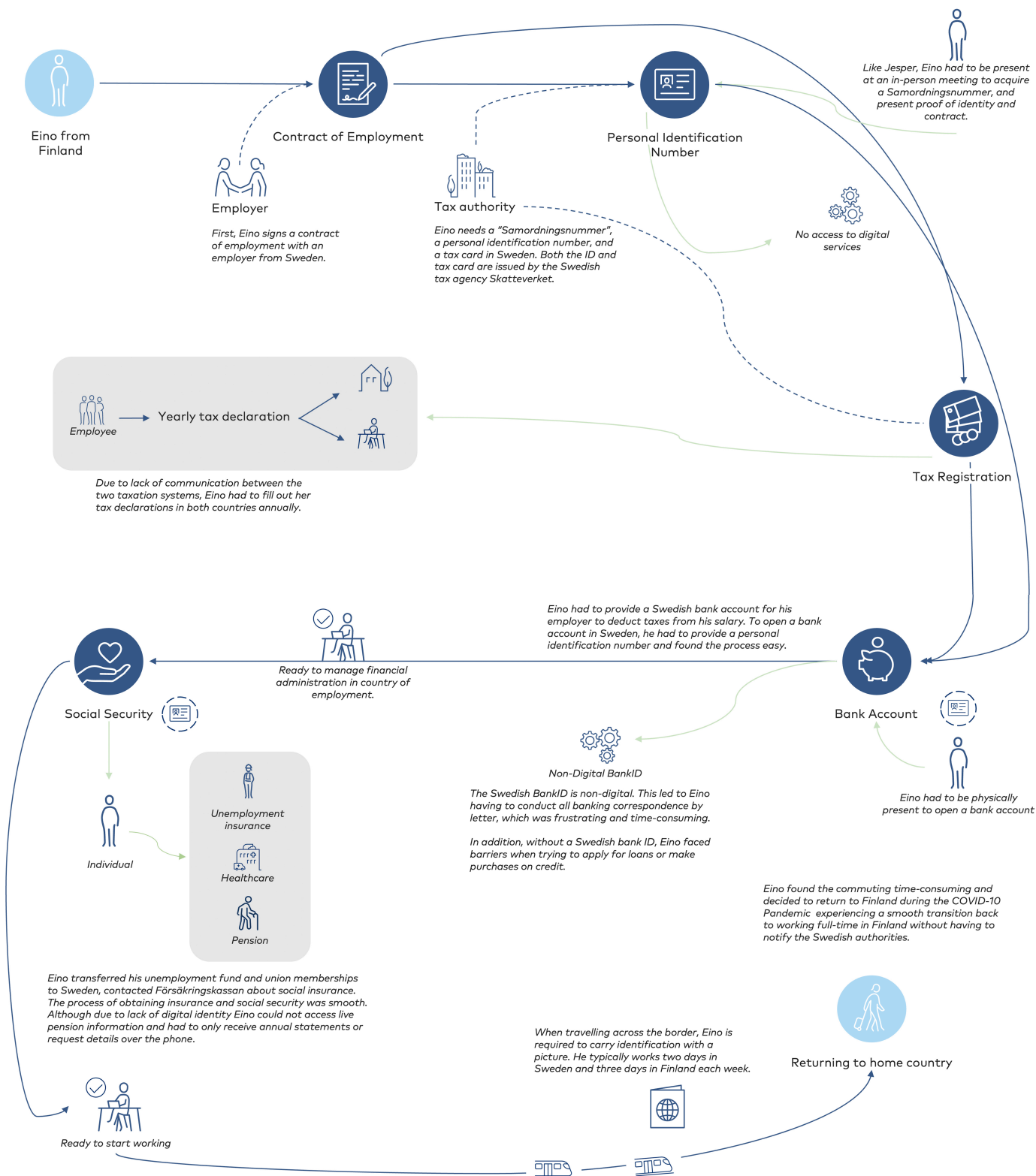


Figure 11 Journey Map for User Story 8

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Personal Identification (ID) When Eino first moved to Sweden, the process of obtaining a personal identification number was straightforward. The Swedish tax authorities required Eino to provide proof of identity and the employment contract in person. Once the personal identification number was obtained, it was easy to open a Swedish bank account, as Eino had all the necessary documentation.

However, when Eino later transitioned to commuting between Finland and Sweden, this process became more complicated. Eino now needed a Samordningsnummer, and that did not allow Eino to easily access all services in Sweden, as certain digital services required a Swedish personal identification number, which is separate from the Samordningsnummer.

Øresunddirekt confirms Eino's experience, noting that the Samordningsnummer does not provide full integration into Swedish systems.

Tax payment Eino was initially taxed under the Swedish system, but as Eino began commuting, the taxation process became more complex. In Finland, Eino was required to report and pay taxes on travel activities, while in Sweden, the SINK tax scheme required Eino to track the days worked in each country. This meant Eino had to submit information to both Finnish and Swedish tax authorities, leading to confusion and a lack of coordination between the two systems.

In Finland, Eino had to manage advance payments and ensure proper tracking of all travel activities associated with work. The Finnish Tax Authority required detailed reporting, which was time-consuming and complicated. Simultaneously, Sweden's SINK tax necessitated thorough documentation of workdays spent in Sweden. Eino often found it challenging to keep accurate records and comply with both countries' tax regulations.

Eino experienced multiple instances of overpaying taxes, as navigating the complex, fragmented systems led to errors. Overpaying taxes was preferable to Eino rather than risking underpayment, but this caused significant stress and financial strain. The lack of a more integrated system between the Finnish and Swedish tax authorities contributed notably to Eino's frustration.

In the absence of a coordinated system, Eino had to rely on personal research and limited employer support to decipher the tax rules. Proactive support from either Finnish or Swedish tax authorities was minimal, which further complicated ensuring proper tax compliance. Eino's double-taxation experience highlights the need for automated and streamlined processes to alleviate the administrative burden on cross-border workers.

Overall, Eino emphasizes that overpaying taxes might not be an option for all cross-border workers. A more automated system and better cooperation between authorities would have been beneficial, as managing parallel taxation systems was challenging, even with support from both authorities.

Bank account To receive a Swedish salary, Eino needed a Swedish bank account, which was set up without issue during the initial relocation. However, when Eino started commuting between Finland and Sweden, problems arose. Although Eino had the Samordningsnummer, due to change of phone, it was difficult to access digital banking services. This led to Eino having to conduct all banking correspondence by letter, which was frustrating and time-consuming.

In addition, without a Swedish bank ID, Eino faced barriers when trying to apply for loans or make purchases on credit. Due to the lack of financial integration between the two countries, Eino could not easily access services that would have been available if the banking systems were more interconnected.

Insurance, social security and pension Eino had to join a Swedish unemployment insurance fund (a-kassa) from the first day of work. Eino also needed to be a member of a Swedish union, as Finnish unions have no influence in Sweden. Some Finnish a-kassas and unions have Swedish counterparts that Eino could explore. The Samordningsnummer was also necessary to obtain social security in Sweden alongside Finnish coverage. Eino had to contact the Swedish authority, Försäkringskassan, which administers social security and payment of benefits. The process of obtaining insurance and social security was smooth, covering long-term sickness and dental reimbursements, ensuring social security in both Finland and Sweden and providing peace of mind.

While working in Sweden, Eino earned a Swedish pension. The Swedish pension system consists of three parts: the public pension (allmän pension), occupational pension (tjänstepension), and private pension savings. Eino cannot access live pension information and instead receives annual statements by mail due to the lack of a digital identity. To get additional details, Eino must request them over the phone as email communication is restricted for security reasons, which is inconvenient.

Transportation When travelling across the border, Eino is required to carry identification with a picture. Eino typically works two days a week in Sweden. Eino's employer covers accommodation and travel expenses. She describes commuting as time-consuming and negatively impacting overall health. Eventually, the COVID-19 pandemic completely halted travel, leading Eino to work full-time from Finland.

Moving back When Eino decided to resign and end cross-border work, she did not experience any complications. The resignation naturally ended the basis for Swedish taxation, ensuring a smooth transition back to working full-time in Finland.

User Story 9 – Working in both Latvia and Estonia

Maria is originally from Estonia and has significant experience working abroad. She has been living in Latvia since 2004 and working cross-border between Latvia and Estonia. Initially, Maria moved to Latvia for family reasons, as her partner already worked there. After six months, she began working in an international company, marking her first and only cross-border work experience.

Following her initial work experience, Maria transitioned into a sector, engaging in business activities in both Latvia and Estonia. During this time, Maria has navigated various challenges related to cross-border work, including cultural adjustments and bureaucratic hurdles. She considers this cross-border work to be a natural part of her career progression given her extensive experience.

Maria received support from her partner, who had prior experience in navigating the bureaucratic processes in Latvia, greatly aiding in her preparations for the move. Despite the complexity of the process, the assistance proved effective, and Maria is generally satisfied with her decision to work cross-border.

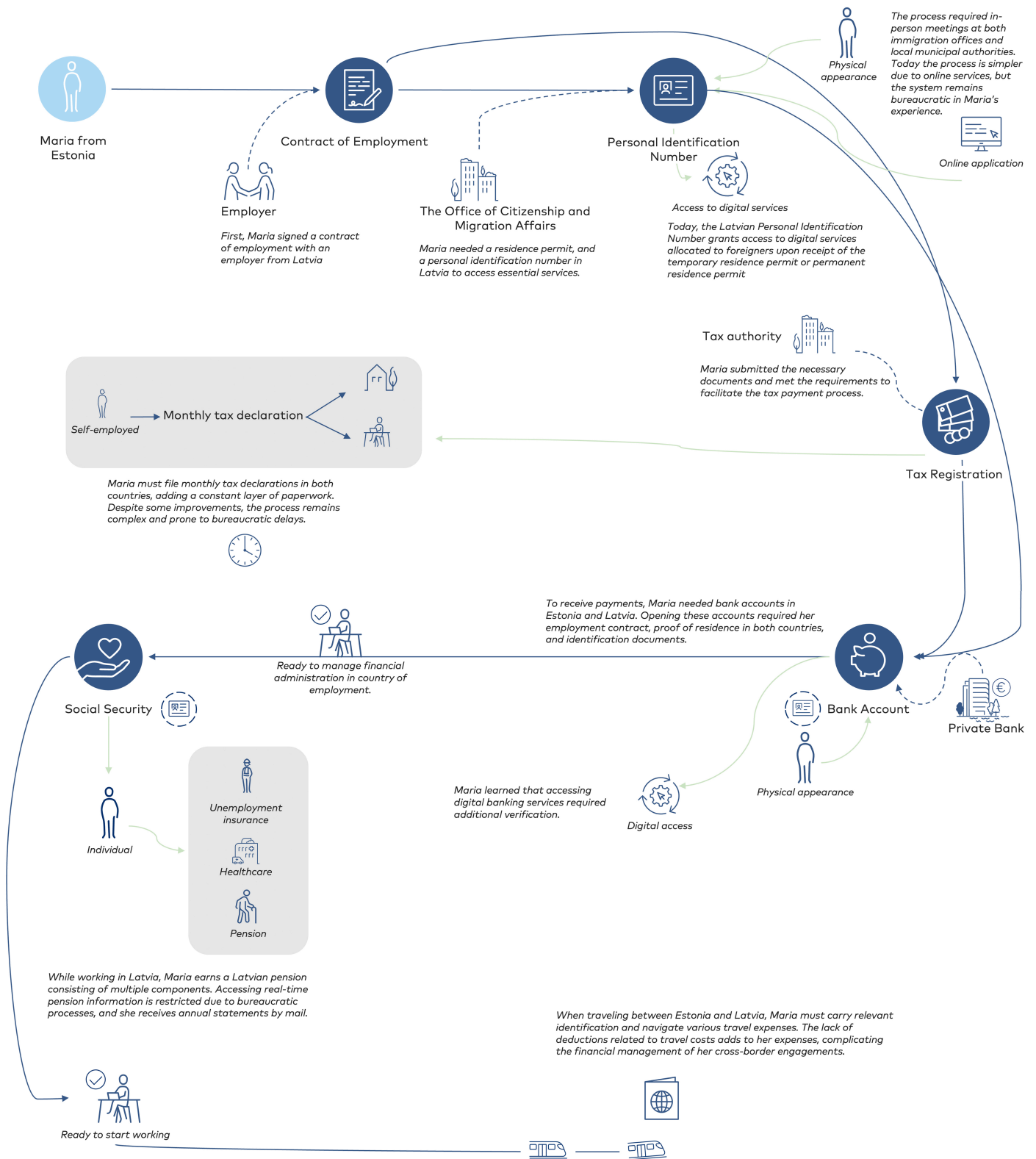


Figure 12 Journey Map for User Story 9

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Personal Identification (ID) When Maria started working in Latvia, she needed to ensure she could access essential services such as healthcare and education for her children. To do so, she had to acquire a residence permit and a social security number from the Latvian authorities. This process required in-person meetings at both immigration offices and local municipal authorities, where she had to present proof of her identity and show her work contract to verify the purpose of her employment. The process was complex and time-consuming, but her partner's prior experience helped in preparing everything beforehand. Further, the Estonian embassy in Latvia proved helpful in this as well as many other administrative processes.

Initially, Maria found the process of acquiring a Latvian residence permit and social security number to be challenging. The requirement for in-person meetings and bureaucratic hurdles made it a cumbersome process. Additionally, there was the requirement that new residents in Latvia take a Latvian first name with Latvian spelling for official documents, which Maria strongly opposed on behalf of her children, fighting for the preservation of their names in all official matters.

Today, Maria helps other new residents navigate the systems and notes that interactions with government offices, tax authorities, and municipal institutions are now much simpler and more transparent, with better online resources and more helpful, often English-speaking officials. However, the system remains bureaucratic and can alienate cross-border workers as it still does not proactively meet their needs.

Tax payment Maria has navigated cross-border taxation between Estonia and Latvia, which has been time-consuming and costly. As information is not shared between the authorities, she must file monthly tax declarations in both countries, adding a constant layer of paperwork. Despite some improvements in taxation systems, the process remains complex and prone to bureaucratic delays.

Maria chose to be taxed under a scheme appropriate for her circumstances, ensuring compliance with both Estonian and Latvian regulations. She submitted the necessary documents and met the requirements to facilitate the tax payment process. She must balance tax filings in both countries, which adds complexity but is necessary due to her work engagements and business activities.

Bank account To receive payments from her business engagements, Maria needed bank accounts in both Estonia and Latvia. Opening accounts required providing her employment contract, proof of residence in both countries, and identification documents.

Maria faced additional complexity with digital banking services due to frequent identity re-verification, which banks imposed because of regulatory requirements

for non-resident accounts. She often finds it frustrating not to have seamless access to these services due to bureaucratic hurdles and cross-border financial regulations.

Insurance, social security and pension Maria had to ensure comprehensive coverage under the social security systems in both Estonia and Latvia. This included enrolling in the healthcare system and joining relevant unemployment insurance funds and unions. To ensure higher-quality healthcare coverage, Maria opted to maintain Estonian health insurance by paying herself a minimum salary in Estonia, complementing the basic healthcare provided through her Latvian employment. Obtaining a permanent residence permit was essential for accessing social security benefits in Latvia without barriers, which added another bureaucratic hurdle to clear.

Navigating the different social security systems required coordination with authorities in both countries. Despite initial challenges, Maria found the process manageable due to her prior experiences and partner's support. Ensuring full coverage healthcare and social benefits in both countries provided her peace of mind.

While working in Latvia, Maria earned a Latvian pension, which consists of multiple components. However, accessing real-time pension information was restricted due to bureaucratic processes, and she often receives annual statements by paper mail.

To get additional details about her pension, she had to contact the relevant authorities over the phone, facing restrictions on digital communications for security reasons. This process can be inconvenient, but necessary for maintaining her pension records.

Transportation When traveling between Estonia and Latvia, Maria is required to carry appropriate identification and navigate various travel expenses. Her travel activity varies, influenced by her work and personal circumstances.

Currently, she aims to visit Estonia once a month for a few days, balancing both personal and professional matters. The lack of deductions related to travel costs adds to her expenses, complicating the financial management of her cross-border engagements.

User Story 10 – Working in Norway while living in Sweden, with both Norwegian and Swedish citizen-ship

Ingrid moved from Norway to Sweden because she was studying in the borderland and it was cheaper to live in Sweden. After completing her studies, Ingrid decided to stay in Sweden when she started a family and grew accustomed to living there. Ingrid then got a job in Norway and began commuting back and forth between Norway and her home in Sweden. This was Ingrid's first experience working cross-border. Eventually, Ingrid transitioned to commuting full-time from Sweden to Norway for her Norwegian-based employer.

Ingrid's employer supported her, ensuring that tax payments were correctly registered. She used links from the Swedish website specifically designed for those starting to work in a new country. They have not found a similar comprehensive portal in Norway but since Ingrid was familiar with the systems, she handled the preparation independently. However, as Ingrid began commuting, the process required extensive coordination between Norwegian and Swedish authorities.

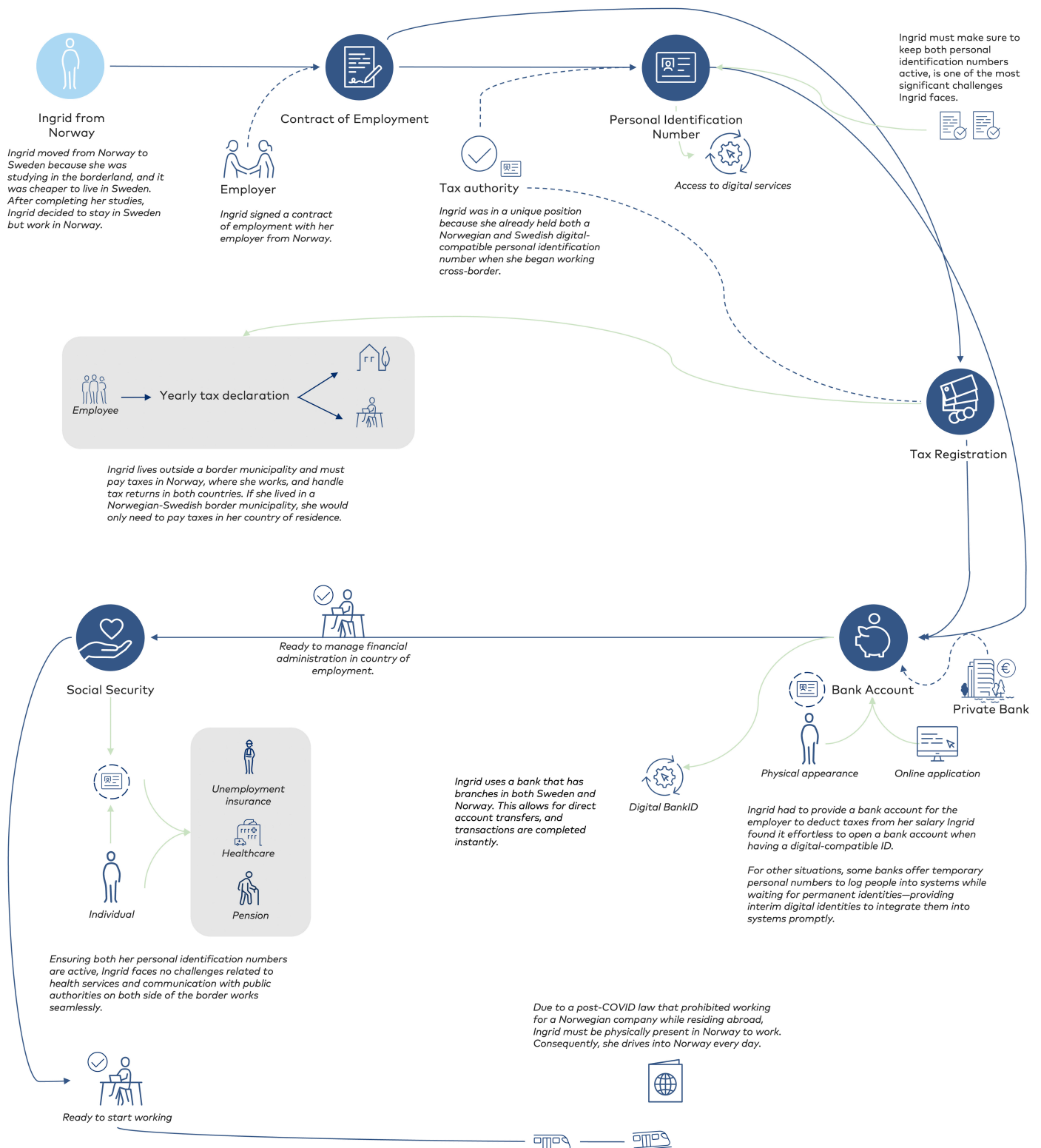


Figure 13 Journey Map for User Story 10

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Personal Identification (ID) Ingrid already held both a Norwegian and a Swedish personal number. When Ingrid first moved to Sweden, she obtained a Swedish personal number since she resided there and used it for employment.

Official documents from both sides contain both of Ingrid's personal identification numbers. She faces no challenges related to health services, and communication with public authorities on both sides of the border works seamlessly.

Maintaining these two active personal identification numbers is one of the most significant challenges Ingrid faces. She has to ensure that both her Norwegian and Swedish personal numbers are up to date, which requires meticulous handling of official documents and tax returns in both countries. Ingrid submits tax returns to both Norway and Sweden, a task that has become routine but still requires extra time. She estimates spending an additional evening on tax returns annually due to the dual system. Furthermore, renewing her passport and managing related administrative tasks take up approximately 12 extra hours each year.

Ingrid has been able to maintain her Norwegian personal number even though she lives in Sweden. As a Norwegian citizen, she has a fødselsnummer, which remains in the Population Register regardless of her place of residence or employment. She ensures her information is kept up to date with Norwegian authorities, including the National Registry, Social Insurance Agency, and Tax Office. This helps maintain correct records and ensures she can access relevant services.

Despite these additional efforts, Ingrid has adapted to the process, ensuring both her personal identification numbers are active, which is essential for seamless interaction with authorities in both Norway and Sweden.

Tax payment As Ingrid works in Norway, she pays taxes in Norway and fills out the Norwegian tax return, benefiting from deductions related to her commute. This means Ingrid deals with tax returns in both the country of residence and the country of employment. She receives a Swedish tax return as well, although there is little activity there.

Handling tax obligations in both countries has become a routine for Ingrid, but it requires careful management. Maintaining two active identification numbers is crucial for Ingrid's tax process. She spends an additional evening on tax returns annually due to managing the dual system. Each year, she automatically receives an amount of money from Norway to cover cross-border worker expenses. Ingrid handles her advance payments and ensures proper tracking of all travel activities associated with work. The Norwegian tax authorities require detailed reporting, which can be time-consuming.

Ingrid benefitted from using both a Norwegian and a Swedish personal number for tax purposes, legitimizing her tax responsibilities and simplifying the coordination

with authorities. She ensures her tax information is regularly updated with both Norwegian and Swedish tax offices, maintaining compliance with her obligations.

Since Ingrid is a Norwegian citizen, she has not faced any significant problems. The process for handling taxes is well-defined but requires coordination with authorities in both countries. Her Norwegian tax card is automated, which simplifies the process. Despite the complexity, Ingrid has adapted to these requirements, ensuring her double taxation obligations are met accurately and efficiently.

Bank account Ingrid faces some trivial problems related to ensuring timely transfers of money between her Norwegian and Swedish accounts. However, this process functions smoothly for her because she uses a bank that has branches in both Sweden and Norway. This allows for direct account transfers, and transactions are completed instantly.

She experiences challenges with another bank, as they do not offer personal banking services in Sweden like they do in Norway. Ingrid's situation, while complex, is not unique; many others in her municipality have worked in Norway at some point. She frequently receives tips and tricks from other cross-border workers, which helps her manage her situation effectively.

Maintaining both personal numbers has been crucial for Ingrid's ability to navigate the system smoothly. Had she been a refugee in Sweden working in Norway, the challenges would have been significantly more difficult.

To address such situations, some banks have resolved issues by offering temporary personal numbers to log people into systems while waiting for permanent identities—providing interim digital identities to integrate them into systems promptly.

Insurance, social security and pension Ingrid manages her social insurance, healthcare, and pensions seamlessly, with automatic integration and recognition of her identification across both countries. She ensures that both her social identification numbers remain active.

While working in the Nordic region, Ingrid was able to handle residence and work agreements and received tax cards as usual. Her labor organization status shifted according to her employment location; organized in Norway when working there and in Sweden when working there. She has received dental coverage through Sweden's Försäkringskassan, which she renews annually.

Ingrid has built up pensions in both countries. She worked in Sweden for a couple of years, establishing a small pension tied to her Swedish personal number. She is unsure what will happen once she becomes a pensioner living in Sweden, although she believes maintaining her Norwegian employment has provided better pension benefits.

Transportation Due to a post-COVID law that prohibited working for a Norwegian company while residing abroad, Ingrid must be physically present in Norway to work. Consequently, she drives into Norway every day. The strict enforcement of this rule requires compliance with her employer's regulations. Ingrid occasionally faces issues with her employer lacking awareness of her situation. Ingrid's employer covers her travel expenses.

User Story 11 – Working in Denmark while living in Norway

Ada has been managing a project from Norway for the past two years. The project continues, but now from Denmark. Therefore, Ada needs to commute between Norway and Denmark for work. She started the new project in January 2025, making this a completely new situation for her. As a result, she has little experience with navigating the systems and is going through many administrative processes for the first time.

Ada assumes that she should only pay taxes in Norway, but it is still uncertain whether she is also required to pay taxes in Denmark, which creates significant administrative challenges.

There are no precise figures for how many people commute between Norway and Denmark. However, it is expected that the number is relatively low, as commuting between Norway and Denmark is not very widespread due to transportation options (flight or ferry). In comparison, more people commute between Sweden and Denmark or Sweden and Norway, especially in the border regions.

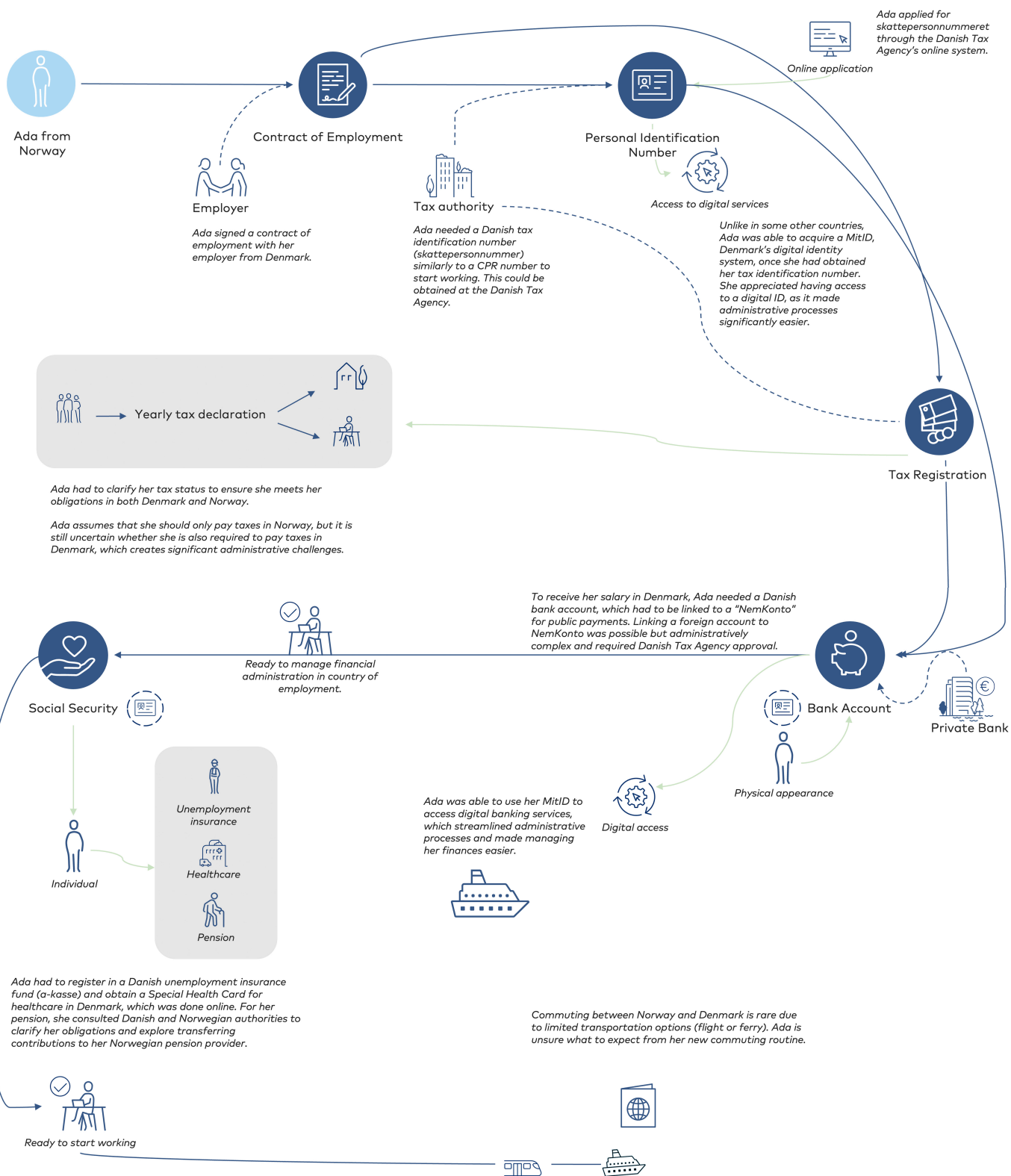


Figure 14 Journey Map for User Story 11

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Personal Identification (ID) When Ada started working in Denmark, she needed to obtain a Danish tax identification number (skattepersonnummer), which functions similarly to a CPR number. She applied for this number through the Danish Tax Agency's online system. The application required proof of employment, including a signed document from both her and her employer. She also needed to present her national ID as part of the verification process.

The application for a skattepersonnummer could be completed digitally, with an expected processing time of 4–6 weeks. Unlike in some other countries, Ada was able to acquire a MitID, Denmark's digital identity system, once she had obtained her tax identification number. She appreciated having access to a digital ID, as it made administrative processes significantly easier.

Tax registration In addition to obtaining a tax identification number, Ada needed a Danish tax card (skattekort) to ensure correct tax payments. The tax card application was part of the same process as obtaining her tax number and was submitted through the same form. The processing time for the tax card was typically 1–2 weeks.

The tax card functions digitally and informs her employer about the correct tax rate to apply. In Denmark, there are three types of tax cards: a primary card (hovedkort), a secondary card (bikort), and a tax-exempt card (frikort). Since Ada worked in Denmark, she had to use the primary card. She was required to submit a preliminary income assessment (forskudsopgørelse), estimating her expected annual earnings.

Ada initially assumed that her Norwegian tax obligations would remain unchanged, but she soon discovered that working in Denmark also subjected her to Danish tax regulations. She found the taxation process confusing and was concerned about the risk of double taxation. She was in the process of clarifying her tax status to ensure she met her obligations in both Denmark and Norway.

Bank account To receive her salary in Denmark, Ada needed to open a Danish bank account. The bank required her to provide a valid passport (her Norwegian passport was accepted), a Danish tax identification number, proof of employment, proof of residence, and documentation of her tax status.

Once her Danish bank account was opened, it had to be linked to a NemKonto, the official Danish account system for receiving public payments. In most cases, the bank handled this automatically. While it was possible to link a foreign account to NemKonto, the process was administratively complex and required approval from the Danish Tax Agency (SKAT).

Ada was able to use her MitID to access digital banking services, which streamlined administrative processes and made managing her finances easier.

Health Insurance, Social Security, and pension As a Norwegian resident working in Denmark, Ada was entitled to medical treatment in both countries. However, to access Danish healthcare services, such as visiting a general practitioner in Denmark, she needed a Special Health Card. This card was free and could be obtained digitally via borger.dk. The application required supporting documentation, such as her employment contract and proof of social security coverage (A1 certificate). Processing typically took 2–3 weeks, and the card was valid for two years.

To secure unemployment benefits, Ada had to be a member of a Danish unemployment insurance fund (a-kasse), as her Norwegian membership with NAV or a Norwegian a-kasse did not cover work in Denmark. To ensure her insurance history was transferred correctly, she needed to obtain a PD U1 certificate from NAV and submit it to her Danish a-kasse. If she lost her job while living in Norway, she would generally need to apply for benefits through NAV rather than in Denmark.

Regarding pension, Ada's situation involved multiple factors. Her Danish employer contributed to a pension scheme, which she remained part of despite living in Norway. She was also entitled to Norway's national pension (Folketrygd) based on her previous work history. However, navigating pension rights across both systems was complicated, and Ada was concerned about the risk of double taxation. She was in the process of consulting Danish and Norwegian authorities to clarify her pension obligations and to explore whether she could transfer contributions to her Norwegian pension provider instead.

Transportation Ada lived in Norway and commuted to Denmark twice a month for work. When crossing the border, she was required to carry valid photo identification.

User Story 12 – Working in Lithuania while maintaining partial residency in Latvia

Anita has significant experience in working abroad and has worked in Latvia since 2001. Initially, Anita moved to Lithuania due to an attractive job offer and familiarity with Lithuanian language and culture. Anita frequently travels to Latvia for both personal and professional activities. Her relocation to Lithuania was primarily motivated by better career opportunities, and her knowledge of the local language and culture, alongside support from her partner, made the transition smoother.

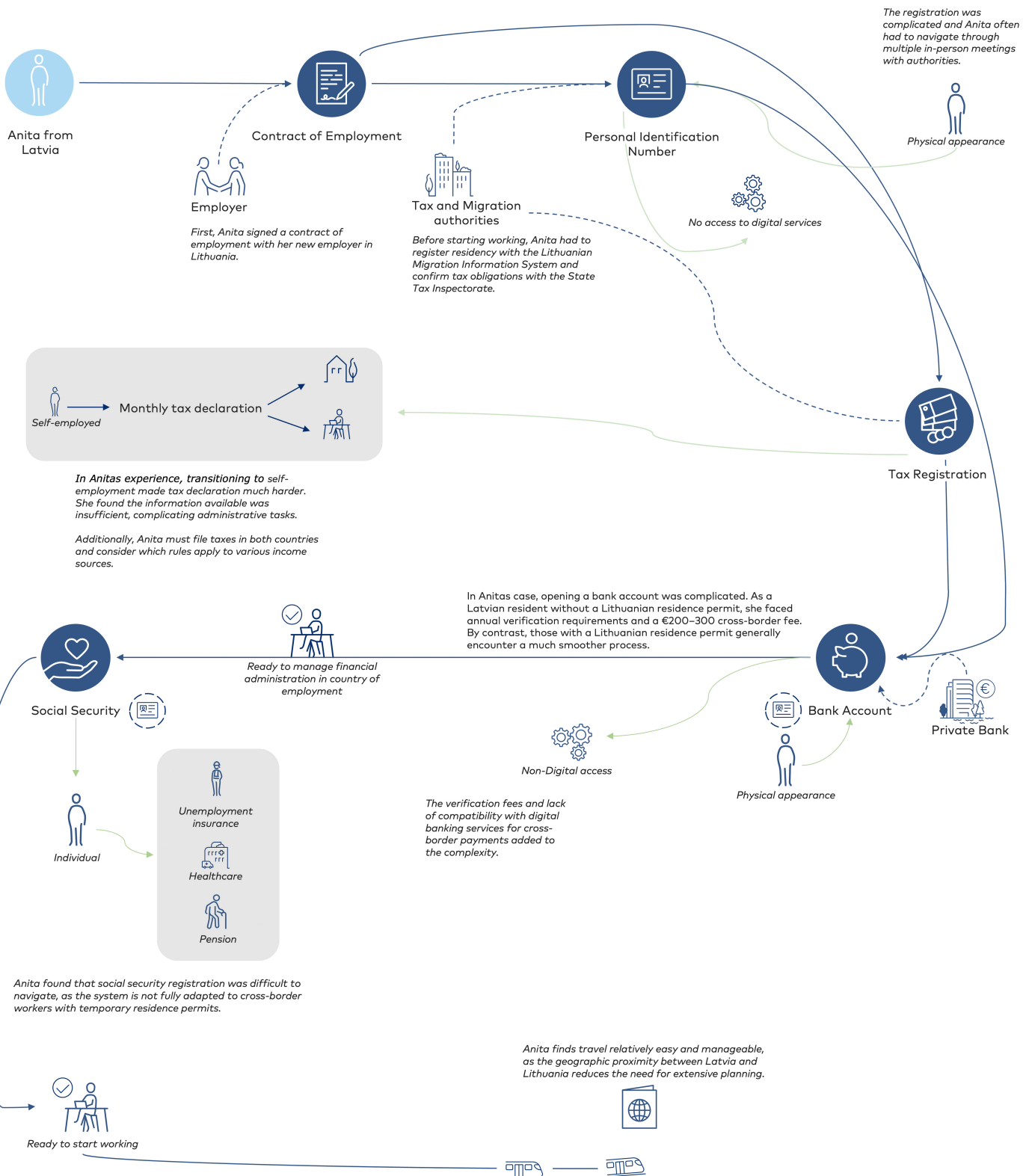


Figure 15 Journey Map for User Story 12

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Personal Identification (ID) When Anita started working in Lithuania, she needed to ensure she could meet the administrative and tax obligations there. She had to go through various processes, including residency registration and confirming tax obligations. Despite the EU free movement laws, the registration was complicated with unexpected demands on documentation and proof of residency. She often had to present identification and employment contracts and navigate through multiple in-person meetings with authorities.

Additionally, cross-border payments sometimes did not match her personal identification number, preventing payments from going through.

Anita found the process of acquiring residency registration to be challenging, especially due to the lack of clear guidance for cross-border workers. The Latvian Chamber of Commerce and the Latvian Embassy in Lithuania support cross-border workers with guidance on residency permits and interactions with Lithuanian institutions, but the bureaucratic inefficiencies and lack of coordination between authorities remain a significant barrier. The need for repeated proof of residency and documentation led to errors and frustrations for Anita.

Tax payment Anita pays taxes in both Lithuania and Latvia due to her periodic travel for business activities. The absence of automated information sharing between Latvian and Lithuanian tax authorities means she is required to file separate tax declarations in each country, significantly complicating the process of ensuring compliance and avoiding double taxation. She received initial support from his employer, which simplified tax registration and social contributions, but transitioning to self-employment made it much harder. The Latvian Chamber of Commerce and the Latvian Embassy in Lithuania provide support for tax registration and compliance, but the lack of automatic information sharing and cooperation between the two countries creates difficulties.

Anita found the process of paying taxes to be intricate due to the dual filing requirement and the need to constantly navigate rules from both countries. The insufficient clarity in tax regulations and the additional effort required to manage tax obligations in two countries were particularly cumbersome.

Bank account To manage finances, Anita needed bank accounts in both Lithuania and Latvia. Opening a bank account in Lithuania was more challenging than expected due to the stringent verification requirements and additional fees imposed for cross-border banking policies (€200–300 for verification), compounded by her non-resident status which required annual verification. By contrast, individuals who already hold a Lithuanian residence permit (temporary 5 years, renewable toward a 10-year permanent permit) generally face a much smoother process when opening a personal account. The lack of guidance for cross-border workers further complicated the process. The Latvian Chamber of Commerce and the Latvian Embassy could not assist Anita directly with opening a

bank account; they can only point applicants to the relevant registration authorities. Consequently, the bureaucratic hurdles and additional verification fees still pose challenges.

Anita found the process of opening a bank account to be frustrating. She had to provide extensive documentation, including proof of identity, work contracts, and residency permits. The verification fees and lack of compatibility with digital banking services for cross-border payments added to the complexity.

Insurance and Social Security Anita had to join social security systems in both Lithuania and Latvia, which posed significant challenges due to temporary residence permits. She had to repeatedly provide proof of residency and the system's lack of adaptation for cross-border workers led to unexpected gaps in essential services. The Latvian Chamber of Commerce and the Latvian Embassy in Lithuania assist with social security enrollment, but inconsistencies and unclear procedures create further difficulties.

Anita found the process of getting insurance and social security coverage to be difficult. The manual and repetitive nature of providing documentation and ensuring contributions were recognized added to the stress and inefficiency.

Pension While working in Latvia, Anita earned pensions according to Latvian regulations. However, accessing pension information was complicated due to a lack of digital integration and cross-border coordination. The Latvian Chamber of Commerce and the Latvian Embassy offer guidance on pension registration and compliance.

Anita found the process of managing pensions to be inconvenient, especially without access to digital services. She relied on annual statements by mail and had restricted communications options, which she found frustrating.

Transportation When travelling across the border, Anita is required to carry identification and manage travel costs personally. These costs are not tax-deductible due to the complexities of cross-border taxation. The Latvian Chamber of Commerce and the Latvian Embassy provide information on travel regulations and necessary documentation.

Anita found the process of commuting manageable due to the geographic proximity but noted the additional travel expenses as a significant burden.

Appendix 6: Life Event 3

User Story 13 – Starting a business in the Faroe Islands while living in Iceland

Baldur lives in Iceland and founded a company in the 00's. The company's services were successful, and a few years ago he decided to expand to the Faroe Islands to tap into new markets and protect the company against the large exchange rate fluctuations of the Icelandic currency. Establishing a separate company in the Faroe Islands simplified administrative work related to the expansion.

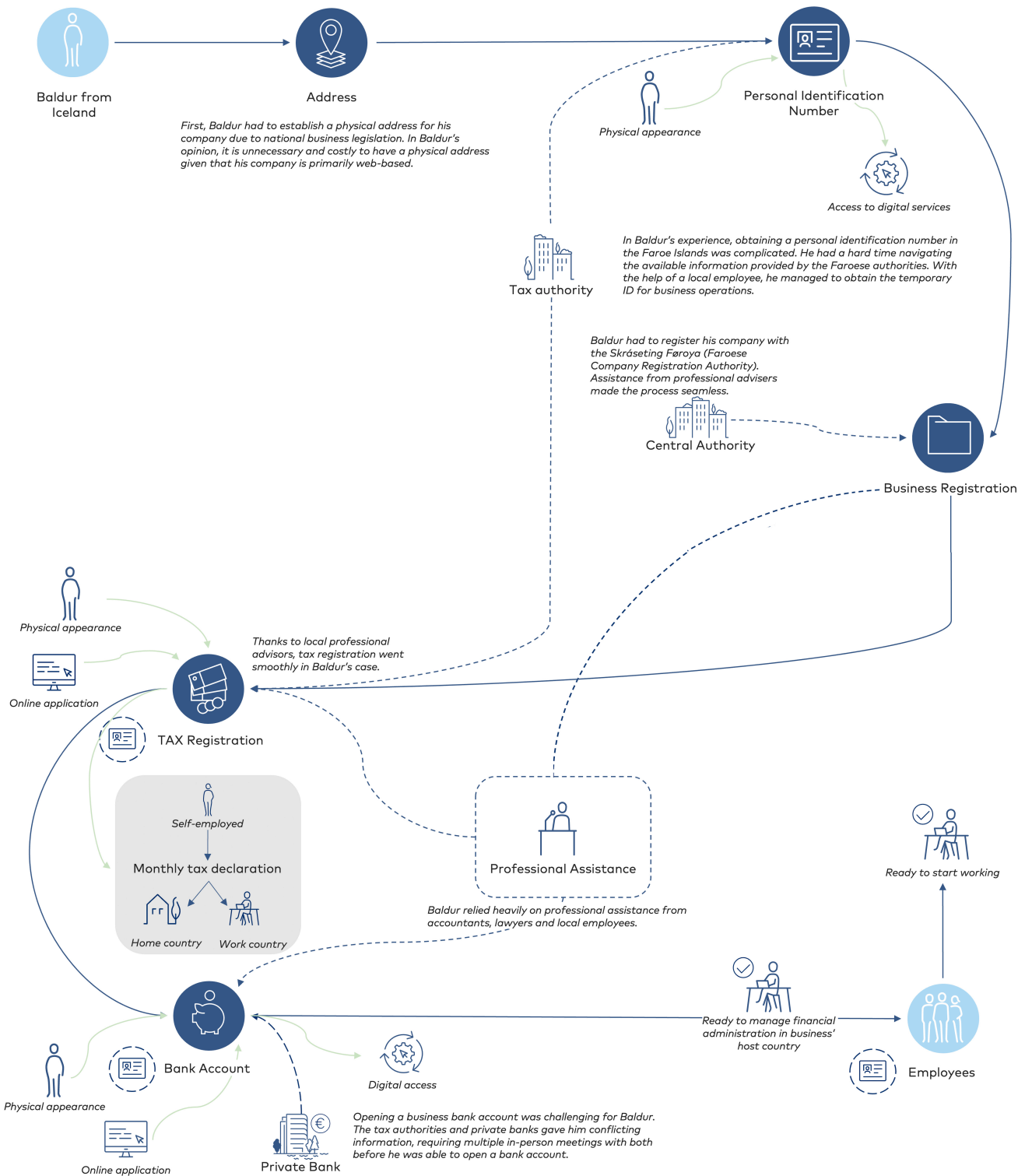


Figure 16 Journey Map for User Story 13

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation Due to national legislation, Baldur's company must have a physical address to run a business in the Faroe Islands. This requirement, while not necessary for the web-based aspects of his business, adds extra costs but is predictable and manageable. Baldur travels to the Faroe Islands a couple of times a year to support good relations and keep in touch with business partners. Administrative status meetings with the accountant are always part of these trips.

Personal Identification (ID) Obtaining personal identification in the Faroe Islands proved to be a significant challenge for Baldur. Initially, the first bank required a Faroese ID to open a business bank account, even though the company already had a business ID. As a non-resident, Baldur faced complications because the tax agency initially told him he could not have a personal identification number. This was different from his experience in Iceland, where obtaining personal identification was straightforward.

After being redirected multiple times between the bank and the tax agency, Baldur tried another bank based on a friend's suggestion. This bank only required his passport to open an account, allowing him to receive payments from customers and make payments to providers. Despite paying taxes and creating jobs, accessing the bank account remained challenging due to the need for a personal ID.

In 2022, the application system transitioned to Samleikin, adding further complexity. After several trips to the Faroe Islands and receiving conflicting information, Baldur learned that a temporary ID was available for non-residents. With the help of a local employee, he managed to obtain the temporary ID for business operations.

Register business With prior experience in opening a company in Iceland, Baldur found starting a company in the Faroe Islands to be relatively straightforward. He received assistance from professional advisors, including a lawyer, to ensure that all administrative work and formalities were correctly handled. Baldur enlisted an accounting firm in the Faroe Islands to manage the administrative tasks.

Tax registration Handling tax registration in the Faroe Islands was smoother thanks to Baldur's previous experience and assistance from professional advisors. However, the need for a personal ID complicated the administrative process. Despite the challenges, Baldur's proactive approach and support from local professionals enabled successful tax registration.

Bank account Opening a business bank account in the Faroe Islands was challenging for Baldur due to the initial requirement for a Faroese ID. After multiple redirects and trying different banks, he managed to open an account using his passport. This bank account facilitated his business transactions, although the process revealed inconsistencies in handling cross-border business operations.

Employees Baldur did not mention anything on employees. But Baldur's company relies heavily on the accessibility of suitable vehicles for guided trips. Initially, the company rented vans, but later began using two to three cars weekly. Due to limited availability in the Faroe Islands, a car was brought from Iceland in 2019. However, local police fined the guide for driving an Icelandic car as Faroese residents are not permitted to do so without registration. Subsequently, the car was registered in the Faroe Islands at a cost of 35,000 DKK, which was more economical than renting. The un-registration process in Iceland remains problematic since the car cannot hold registration in both countries simultaneously, revealing regulatory inefficiencies.

User Story 14 – Starting a business in Finland while living in Estonia

Kristjan runs a company. He decided to expand his business to Finland, recognizing Finland as a key market. The expansion was motivated by the proximity to Estonia and the higher demand for his products in Finland compared to other markets. Due to transportation challenges associated with his products, it was more practical to operate a sales company within Finland.

Kristjan's journey in expanding his business to Finland highlights the importance of understanding local regulations, securing proper identification, and leveraging professional support to overcome administrative hurdles. He emphasizes that having a local partner and utilizing the services of accounting and legal professionals were key to managing these challenges. Stakeholders like Vero, PRH, and Business Finland reiterate the need for improved digital services, more accessible information, and streamlined processes to support foreign businesses in Finland. The use of an ID card or passport as a basis for personal identification could significantly ease the business setup process, as demonstrated by Kristjan's experience.

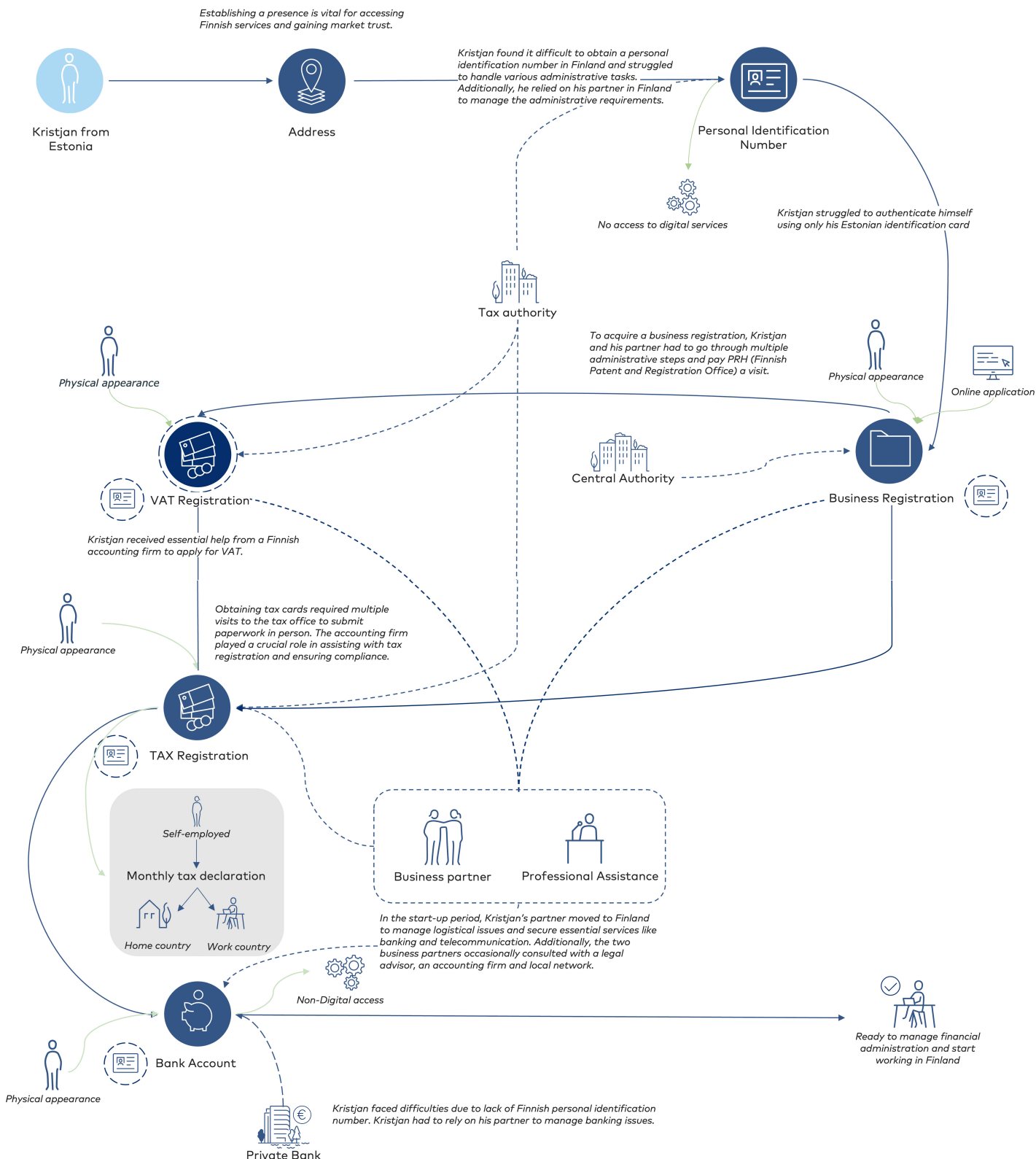


Figure 17 Journey Map for User Story 14

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Accommodation In establishing his business in Finland, Kristjan faced several challenges. Initially, the company operated as a branch, but they soon realized it would be better to have a separate entity. A business location was essential to facilitate operations efficiently. Kristjan's partner moved to Finland to manage logistical issues and secure essential services like banking and telecommunication. Having a physical presence and address in Finland was crucial to successfully running the business. From the perspective of Business Finland, creating a presence in Finland is vital for accessing local services and gaining market trust.

Personal Identification (ID) Obtaining personal identification in Finland proved difficult for Kristjan. The key challenge was how to authenticate himself using only his Estonian ID card. Without Finnish identification, Kristjan struggled to handle various administrative tasks. His partner moving to Finland made it possible to acquire the necessary bank credentials and manage other administrative requirements. Unlike Estonia, where using a passport to obtain business credentials is straightforward, the process in Finland was much more complicated and time-consuming.

Vero emphasizes the necessity of understanding tax obligations and registration processes, highlighting the importance of timely submission of forms such as the Y form.

Register Business The process of registering the business in Finland involved multiple steps, including direct interaction with the PRH (Finnish Patent and Registration Office). Although Kristjan did not encounter significant difficulties in this phase, there were challenges related to understanding mandatory and recommended insurance types, as well as navigating unfamiliar regulations. Consulting with a legal advisor and utilizing the services of Business Finland and local networks proved beneficial in making this process smoother. PRH points out the need for better digital tools and English-language resources to streamline registration for foreign businesses.

Submit Application for VAT Kristjan registered his company for VAT in Finland, a necessary step to comply with tax obligations and facilitate transactions. He received substantial help from an accounting firm, which played a crucial role in navigating VAT registration and other tax-related processes. Vero emphasizes the necessity of timely and accurate VAT registration as part of setting up a new business, ensuring compliance from the outset.

Tax registration Kristjan constantly had to deal with various tax-related challenges. Obtaining tax cards required frequent visits to the tax office to submit paperwork in person. This repeated interaction with the Finnish Tax Authority highlighted the complexities of tax registration for non-residents. The accounting firm proved indispensable in assisting with tax registration and ensuring compliance. Vero

points out that foreign businesses often need more guidance and support to navigate the Finnish tax system effectively, including understanding tax residency and obligations based on business presence.

Open a Bank Account Opening a bank account in Finland was particularly challenging for Kristjan. Despite being a 50% owner of the company, he faced difficulties due to the lack of personal identification recognized by Finnish banks. Unlike Estonia, where personal identification through a passport is straightforward, Kristjan had to rely on his partner, who relocated to Finland, to manage banking issues. This experience underscores the necessity of having a local presence and proper identification to navigate banking and financial operations efficiently. Business Finland emphasizes the importance of ensuring foreign businesses have the right to open a bank account, suggesting that policy changes might be necessary to facilitate this process.

User Story 15 – Starting a business in both Sweden and Denmark

Erik runs a business that he decided to expand into Sweden. He aimed to create a more sustainable and circular organization. The complexities of tax regulations led him to split the business operations between Denmark and Sweden. Opening a department in Denmark proved difficult, especially regarding money laundering regulations by Danish municipalities. The decision to expand was facilitated by his experience working in Sweden and having Swedish colleagues.

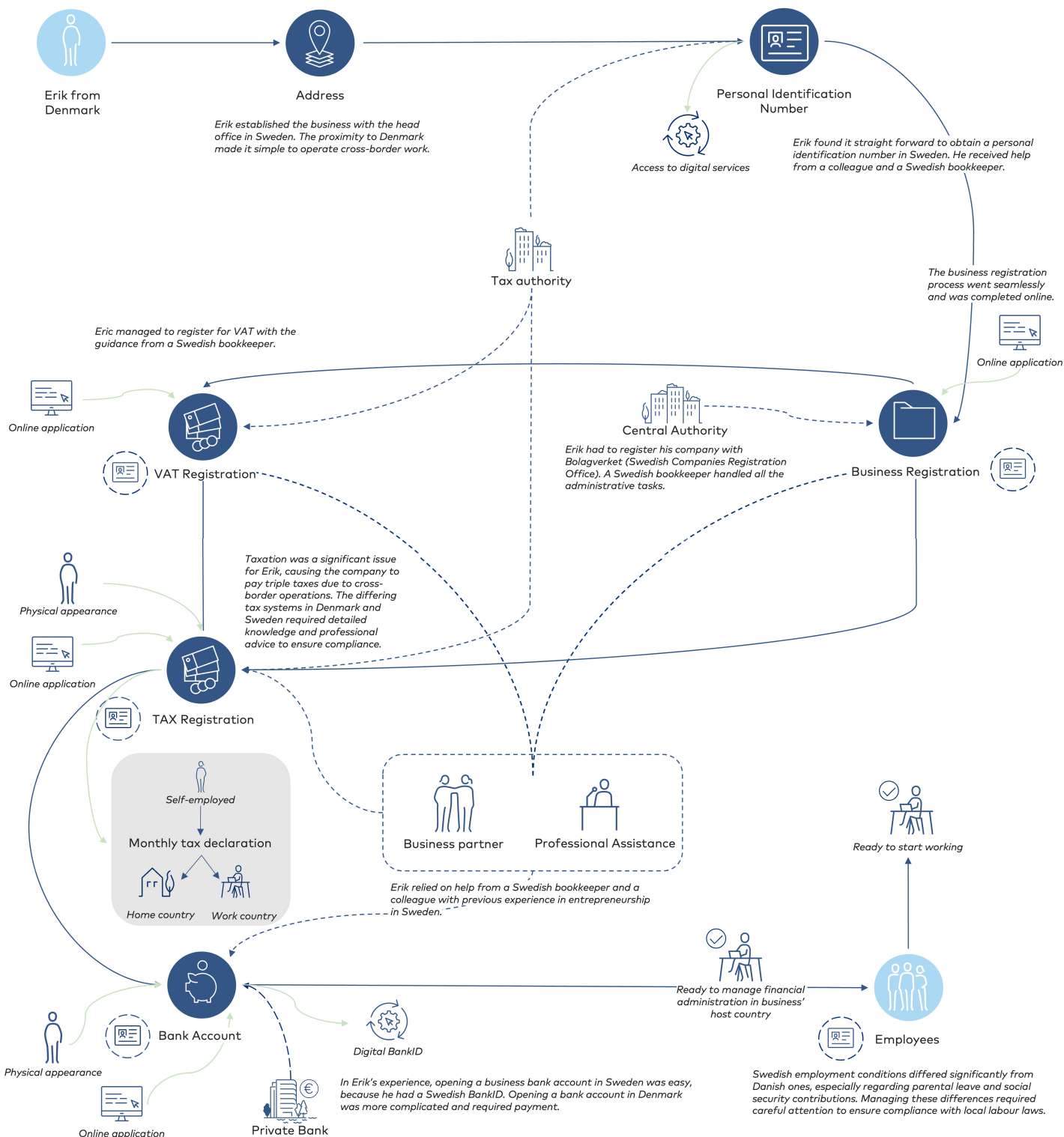


Figure 18 Journey Map for User Story 15

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Address Erik established the business with the head office in Sweden. The proximity to Denmark made it convenient for operations. Despite the ease of logistics, the administrative and legal processes of operating a cross-border business were challenging, especially regarding workspace regulations and establishing a local presence.

Personal Identification (ID) Obtaining personal identification and a bank account in Sweden was relatively straightforward for Erik. He registered the company through Bolagsverket and Skatteverket with the help of a colleague who was a serial entrepreneur in Sweden. The process took approximately a week and was managed by a Swedish bookkeeper who handled all administrative tasks. Encouraged by his colleague, Erik found it more straightforward to start the business in Sweden compared to Denmark.

According to stakeholders, if someone wants to start a company in Sweden but doesn't have a BankID, it is often easier to buy a shelf company and complete the registration through Verksam.se. BankID is essential in Sweden for many administrative tasks, and advising entrepreneurs to seek help from a bookkeeping firm or lawyer is common. Business Sweden and Øresunddirekt offer comprehensive information online which could further simplify the process.

Register business Registering the business in Sweden was smooth and easy. Erik utilized resources from Bolagsverket and Skatteverket. The registration process was completed online, and no significant challenges were encountered. The key was using a knowledgeable Swedish bookkeeper who managed the administrative details.

Submit application for VAT Erik managed to register for VAT smoothly with the guidance of the Swedish bookkeeper. This registration was necessary for tax compliance and business transactions. The consultant advises that understanding VAT registration thoroughly and leveraging help from local experts can prevent complications.

Tax registration Taxation became a significant issue for Erik, resulting in the company having to pay triple taxes due to its cross-border nature. Here are more insights into the complexities Erik faced with tax registration:

Erik's experience with tax registration highlighted the importance of thoroughly understanding the tax obligations in both Denmark and Sweden. Due to the nature of his business model, which was circular and distributed profit based on sustainability principles, Erik faced unexpected challenges. The Swedish Tax Agency did not fully understand this business model, leading to many critical questions. The Danish tax authorities meticulously scrutinized every bill, often associated with sketchy businesses, despite Erik's straightforward business operations.

Erik's cross-border business operations led to the complexity of navigating double taxation agreements. The differences in tax systems between Denmark and Sweden required detailed knowledge and professional advice to ensure compliance. Collaboration with experts and continuous advisory support were crucial to managing these tax implications effectively.

To comply with both Danish and Swedish tax requirements, Erik had to ensure that all documentation was accurate and thorough. Misunderstandings or lack of completeness in tax filings could lead to severe penalties. Erik's engagement with a Swedish bookkeeper and seeking advice from Danish Skat and the Swedish Tax Agency were essential in managing these requirements.

The complicated tax situation significantly impacted Erik's business operations, ultimately leading to the separation of the business entities. The need to pay triple taxes and the bureaucratic hurdles compromised the integrity of his sustainable business model. Erik's experience underscores the importance of understanding tax obligations in cross-border operations and the necessity for clearer and more supportive tax policies for businesses.

Stakeholders such as the Danish Tax Authority highlight that it is crucial for businesses to seek advisory services before starting cross-border operations to understand tax implications fully. The complexities Erik faced are common among businesses operating in multiple jurisdictions, emphasizing the need for comprehensive support from tax authorities to ensure smooth and compliant operations.

Opening a bank account Getting a bank account in Sweden was straightforward due to having a Swedish BankID. However, Erik notes that opening a bank account in Denmark was more complicated and required payment. Swedish society seems more geared for entrepreneurship, offering flexibility and trust, whereas Denmark had stricter regulations.

From stakeholders' perspectives, obtaining a company bank account can be challenging and time-consuming, especially in Denmark. When advising businesses, stakeholders recommend thorough preparation and possibly seeking professional advisory services to manage these administrative hurdles efficiently.

Employees Erik's company initially had eight employees, making it a small enterprise. Swedish employment conditions differed significantly from Danish ones, especially regarding parental leave and social security contributions. Handling these differences required close attention to ensure compliance with local labor laws.

Stakeholders point out that companies often face surprises regarding employment conditions when expanding to Sweden. Issues such as parental leave and social security contributions can significantly impact an employer's costs. Consulting with local experts to understand these conditions before hiring is recommended.

User Story 16 – Starting a business in both Finland while living in Sweden

Julia runs a company, headquartered in Sweden. A few years ago, she decided to expand her business to Finland by establishing a subsidiary. Inspired by discussions with industry leaders who emphasized the significance her company, Julia and her collaborators, which included several Finnish firms, recognized the need for a presence in Finland to capitalize on the market opportunities and address cultural differences between Sweden and Finland.

Julia's experience highlighted the complexities and challenges of expanding a business across borders, emphasizing the importance of utilizing local expertise and professional support to navigate administrative and regulatory hurdles. The insights from Vero, PRH, and Business Finland indicate a need for better digital services, more accessible information, and streamlined processes to support foreign businesses in Finland.

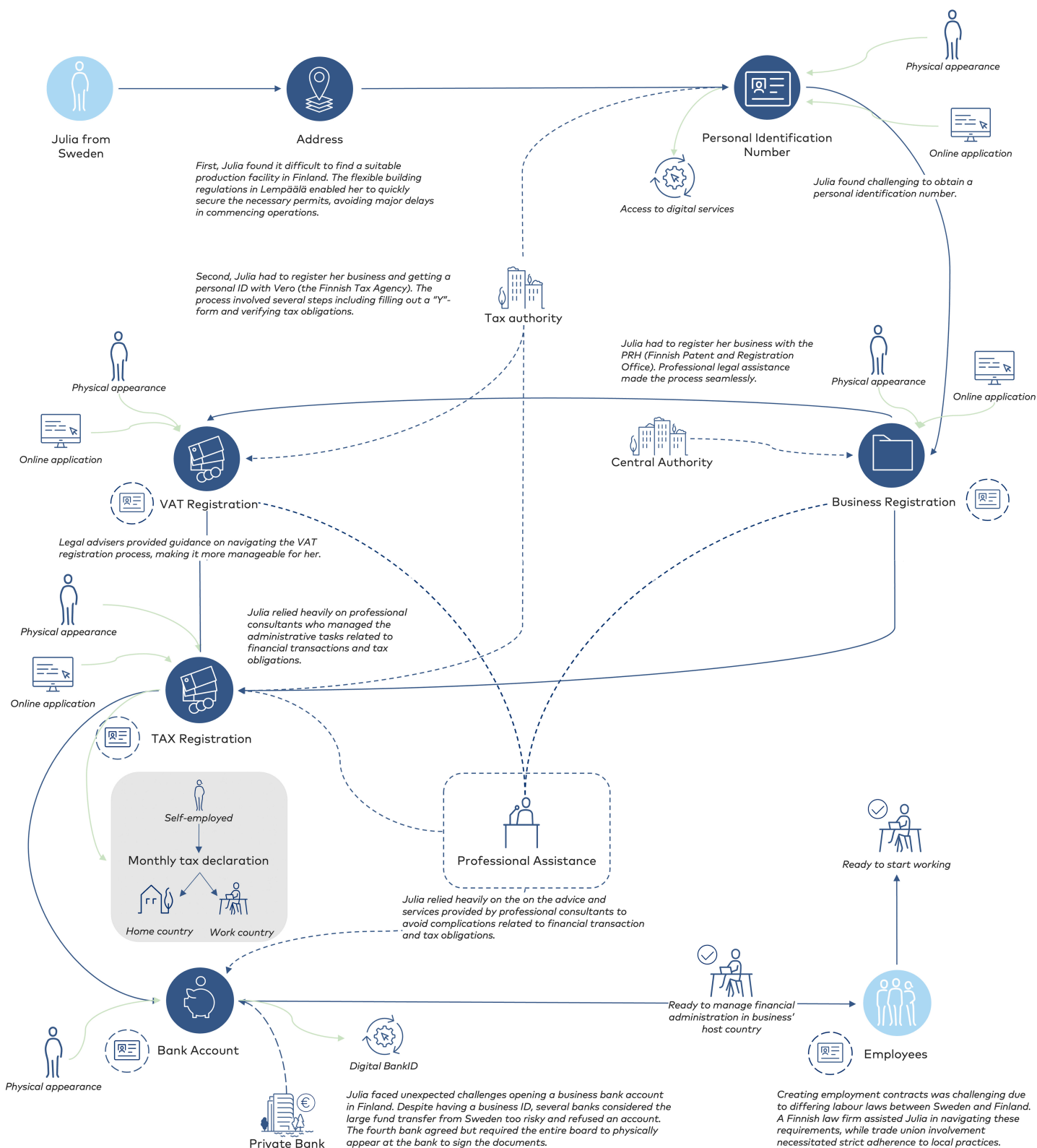


Figure 19 Journey Map for User Story 16

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Address Finding a production facility in Finland proved challenging for Julia. Initially, she secured office space in a business hotel, but locating a suitable production facility was more difficult. Flexibility in building regulations in Lempäälä allowed her to quickly obtain the necessary permits, avoiding significant delays in starting operations. Utilizing a leading Finnish law firm and Business Sweden's initial support, Julia navigated the bureaucracy effectively, although the support was somewhat limited. The Production Facility setup initially faced delays due to stringent building regulations which were resolved only with persistence.

Personal Identification (ID) Obtaining personal identification was a significant challenge for Julia. Despite securing a Y-tunnus (business ID), several banks refused to open an account, viewing the new business and substantial fund transfers from Sweden as a risk. Finally, the fourth bank agreed to open an account, requiring the directors (two Swedes and one German) to fly in and sign documents in person. This experience highlighted the difficulties faced by foreign business owners in obtaining banking services without a personal ID in Finland.

From the perspective of the tax agency (Vero), registering a new business or getting a personal ID involves several steps, including filling out the Y form and verifying tax obligations. This process is necessary to ensure the correct tax handling from the outset. Challenges arise particularly for non-residents, who may struggle with obtaining personal IDs or understanding their tax responsibilities. Vero highlights the importance of more streamlined digital communication and better guidance for foreign businesses.

Register business Julia was able to register her business in Finland without major issues, thanks to the legal help she received. Using the expertise of a top Finnish law firm and actively participating in preliminary discussions, the registration process was handled smoothly. The support from Business Sweden during the early stages was helpful, albeit somewhat limited.

However, both Vero and the Finnish Patent and Registration Office (PRH) emphasize the necessity of providing more comprehensive digital tools and English-language resources to make the registration process even more efficient for foreign businesses.

Submit application for VAT Julia ensured her company was registered for VAT in Finland as part of the business setup process. This registration was essential for ensuring compliance with tax obligations and facilitating smooth transactions. Legal advisors provided guidance on navigating the VAT registration process, making it more manageable for her. According to Vero, having clear instructions and digital systems in place for VAT registration can significantly ease the administrative burden for foreign businesses.

Tax Registration Direct interactions with the Finnish Tax Authority were minimal for Julia. She relied heavily on the advice and services of professional consultants to

avoid complications related to financial transactions and tax obligations. The international movement of funds raised concerns, which were handled by these consultants to ensure compliance and prevent issues. Vero notes that for larger projects, seeking guidance on VAT and tax obligations is crucial and having collaborative efforts with agencies like PWC and EY can help mitigate any potential issues.

Opening a bank account Opening a business bank account in Finland was unexpectedly challenging for Julia. Despite having the business ID, several banks considered the transfer of substantial funds from Sweden too risky and refused to open an account. The fourth bank agreed, but only after requiring the entire board to be physically present to sign the documents. This requirement posed logistical challenges but was eventually met, allowing her to proceed with financial operations. Business Finland emphasizes that addressing the issues related to bank accounts and ensuring foreign businesses have the right to open one is critical for improving the ease of doing business in Finland.

Employees Creating employment contracts posed a challenge due to differences in labor laws between Sweden and Finland. Julia aimed to implement consistent HR policies across both countries, including offering employees greater flexibility in working hours and mealtimes. However, Finnish labor regulations—especially the strong role and influence of trade unions—made it difficult to introduce such benefits without going through extensive formal processes. In practice, even when the employer wanted to provide more freedom or benefits to employees, doing so often required official approval from the unions, adding layers of bureaucracy, according to Julia. A Finnish law firm assisted in navigating these constraints to ensure compliance with local requirements.

User Story 17 – Starting a business in Iceland while living in Norway

Emma has relocated from Finland to Norway and is considering moving her business to Iceland. Her journey began with extensive experience in the Nordic countries, having previously been involved in entrepreneurship while residing in Finland. Motivated by the business potential in Iceland, Emma conducted a financial analysis indicating a favorable opportunity for success, particularly due to Iceland's relatively small market which allows for testing and refining the business model before potential expansion. The company was co-founded by an Icelandic colleague who handled the practical aspects of setting up the business.

Emma's experience highlighted the importance of local partnerships and thorough preparation in navigating the challenges of starting a business abroad. Leveraging local expertise and government resources enabled her to establish her business effectively, despite encountering several barriers.

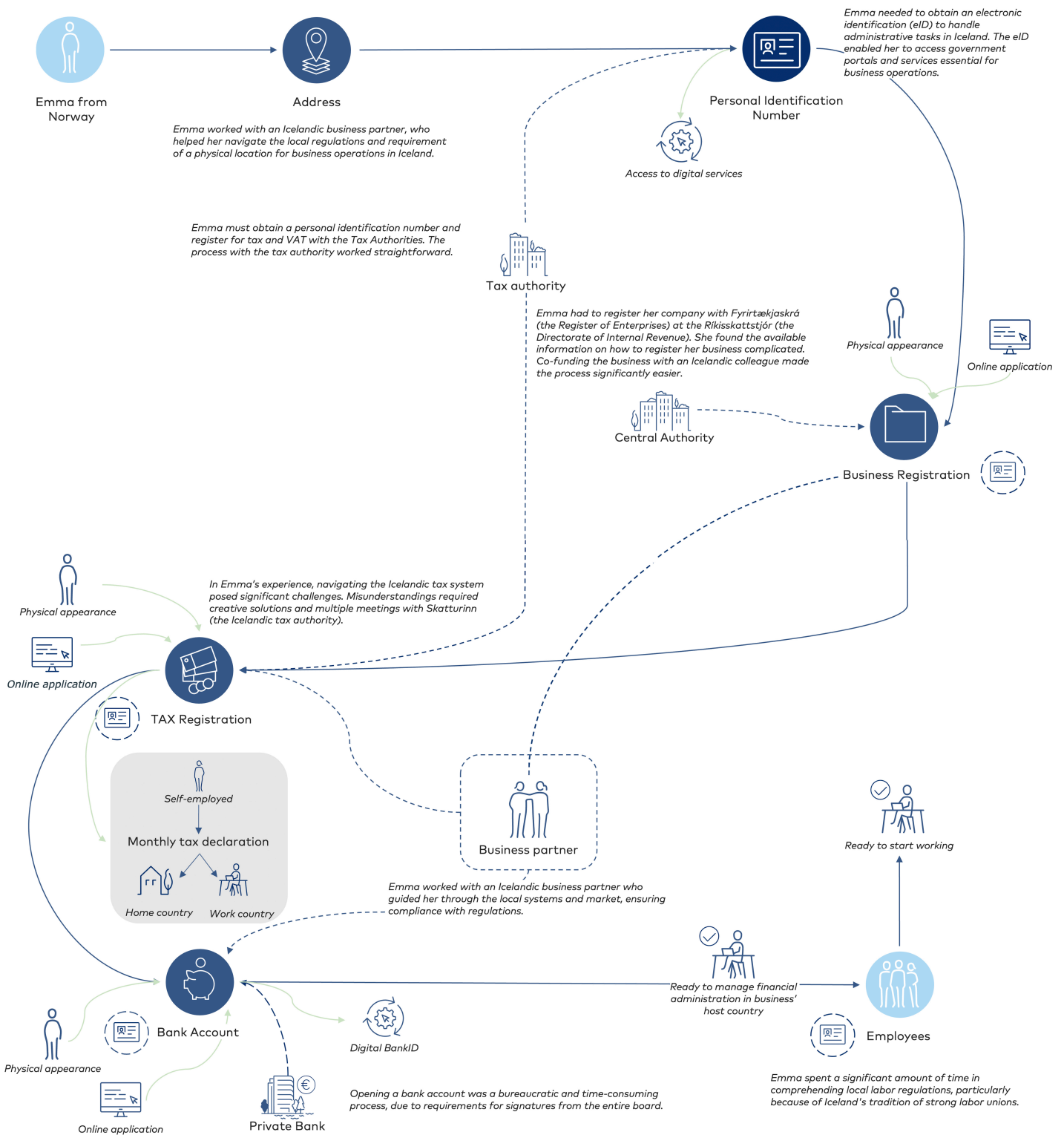


Figure 20 Journey Map for User Story 17

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Address Emma must establish an address for her business in Iceland. This entails having a registered office, providing a physical location for business operations as well as correspondence. Working with an Icelandic business partner helped navigate this requirement, ensuring proper adherence to local regulations and establishing credibility within the Icelandic market. Emma lived in Iceland for four months to prepare and set up the business. Afterwards, she moved back to Finland and continued handling administrative tasks remotely.

Personal Identification (ID) Emma needed to obtain an electronic identification (eID) to handle administrative tasks in Iceland. This process was straightforward, enabling her to access government portals and services essential for business operations. The eID serves as Emma's primary identification for interacting with Icelandic authorities and managing digital invoicing and other business activities.

Register business Co-founding the business with an Icelandic colleague significantly eased the process of setting up the company. Utilizing the government portal, Island.is, provided official guidance on company registration, tax regulations, and other administrative processes. Instead of starting a new company, Emma purchased an existing "sleeping" company, which was already registered for tax purposes. While this decision proved to be more costly in hindsight, it facilitated faster setup.

Tax registration Navigating the Icelandic tax system posed significant challenges for Emma, particularly due to unique regulations and the business model's novelty. Misunderstandings from tax consultants and challenges with inter-system payment integrations required creative solutions and significant interaction with Skatturinn (the Icelandic tax authority). According to Emma, in Finland, businesses can grant power of attorney to another company for tax-related matters, a provision that was not available in Iceland, adding to the complexity. Despite the challenges, having an Icelandic business partner proved invaluable in understanding and complying with local tax laws.

Bank account Emma faced bureaucratic hurdles when opening a business bank account in Iceland due to requirements for signatures from the entire board. This process was time-consuming but ultimately successful. Having an established Icelandic partner aided in fulfilling these requirements and streamlining the banking setup.

Employees Emma needed to understand local labor regulations, especially due to Iceland's strong labor unions. These unions and the cultural values associated with them required careful consideration in developing the business model and managing payroll and employee relations.

User Story 18 – Starting a business in Denmark while living in Estonia

Martin has relocated from Estonia to Denmark and is considering moving his business as well. His journey began when he moved to Denmark to pursue his Ph.D., which provided substantial income. Recognizing the potential for his consultancy business to expand in Denmark, Martin started exploring how to transition his one-person limited liability company from Estonia.

Martin initially found the business registration process in Denmark to be efficient. However, understanding the legal and procedural requirements posed some challenges. He sought advice from specialized consultants to navigate these complexities.

Currently, Martin operates his business from Estonia but pays personal taxes in Denmark. This approach allows him to manage his obligations while he continues to explore the best way to fully integrate his business into the Danish system.

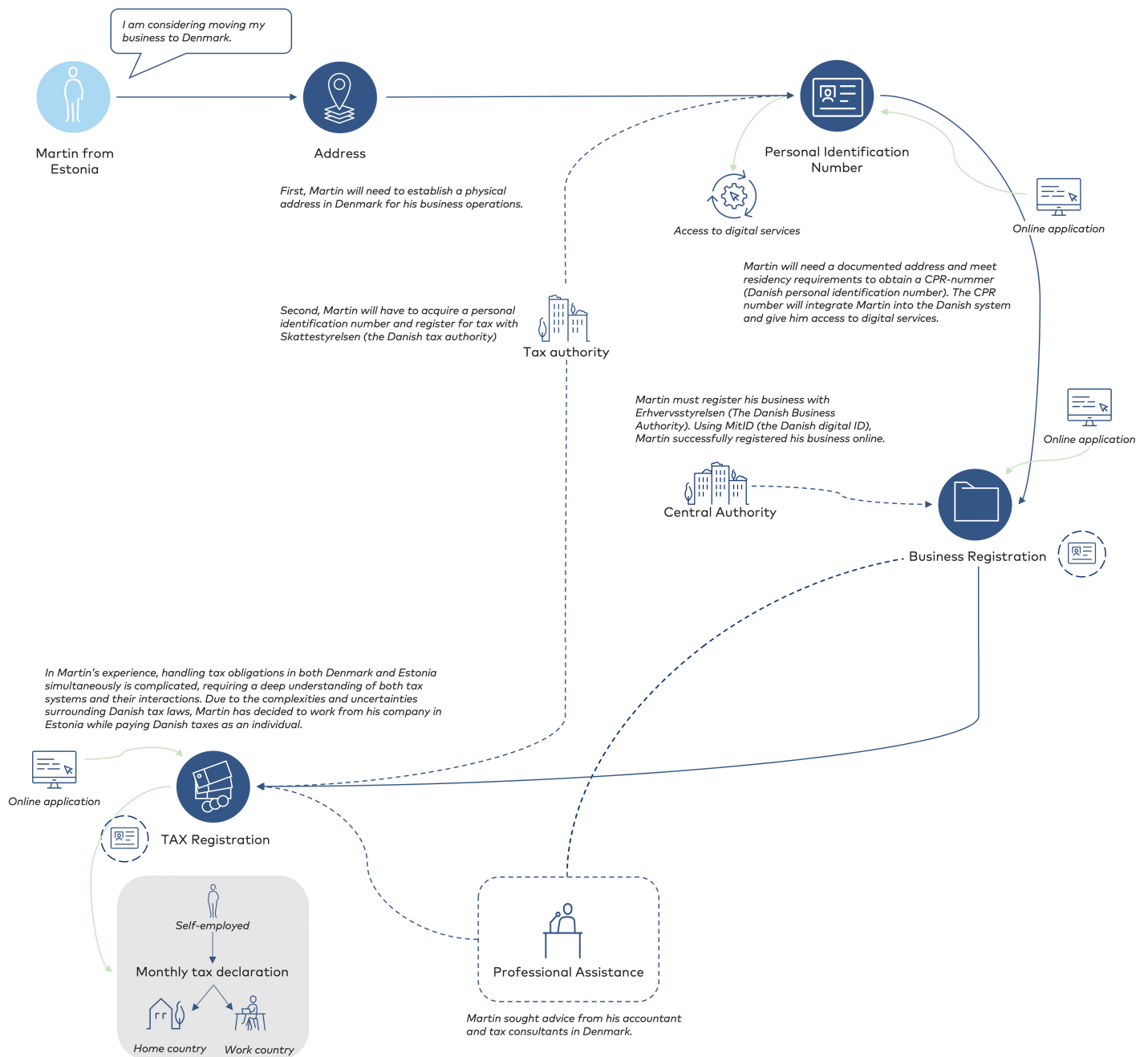


Figure 21 Journey Map for User Story 18

Note: The figure and related text boxes are based on information from interviews with users and stakeholders (authorities and companies appointed by the users).

Address Martin must establish an address in Denmark to register his business. This requires obtaining a CPR number, which is essential for proving residency.

Personal Identification (ID) To get a CPR number, Martin needs to have a documented address and meet residency requirements, which include having employment, sufficient funds, or being a dependent of someone legally residing in Denmark. Having a CPR number is crucial as it allows Martin to access various services and offers legitimacy for his business operations in Denmark.

Obtaining a CPR number was a crucial step for Martin as it is necessary for various administrative tasks and services. Without this number, many essential activities such as opening a bank account, securing health services, and interacting with public authorities could not be efficiently managed. This number integrates him into the Danish system and ensures smoother transitions in his personal and professional life.

Register business Martin needs to register his business in Denmark, and he found the process to be surprisingly swift. Denmark's business registration system is known for its efficiency, allowing businesses to be registered online quickly. However, Martin realized that registering the business is just one part of the process. Understanding the various legal and procedural requirements that follow, including tax obligations and compliance with local laws, introduced an additional layer of complexity. To navigate these intricacies, Martin sought advice from specialized consultants who could provide clear guidance on how to meet all regulatory requirements effectively.

Tax registration Tax registration in Denmark presents significant challenges and complexities for Martin, who is transitioning from owning a business in Estonia. Handling tax obligations in both Denmark and Estonia simultaneously is intricate, requiring a deep understanding of both tax systems and their interactions.

When considering moving his business to Denmark, Martin faced numerous questions about whether to close his Estonian company, establish a second location in Denmark, or have affiliations in both countries. Seeking advice from his accountant and tax consultants, he realized that Danish tax laws involve many intricate details and scenarios, making it challenging to get a definitive answer.

According to the tax agency in Denmark Martin must be aware of dual taxation issues due to operating in both Estonia and Denmark. In Denmark, he would be taxed on global income, meaning he must declare his foreign income and any taxes paid abroad. For instance, if Martin expects a profit of 200,000 DKK from his Danish operations and foresees paying 50,000 DKK in taxes in Estonia, he will need to report this on his Danish tax declaration. The Danish system will calculate any additional taxes owed after considering the foreign taxes paid.

Engaging specialized tax advisors who understand cross-border tax laws can be crucial for Martin. These advisors can offer tailored guidance, helping Martin navigate the complexities of dual tax responsibilities while ensuring compliance with regulations in both Denmark and Estonia. Consulting with Danish tax authorities (SKAT.dk) provided him with valuable insights, but definitive answers were difficult to obtain due to the multitude of variables involved, like the number of days spent in each country and specific business activities.

Due to the complexities and uncertainties surrounding Danish tax laws, Martin found it initially more beneficial to keep his company in Estonia. He decided to work from his Estonian company while paying Danish taxes as an individual. This approach meant his company in Estonia was responsible for taxes according to Estonian laws, while he handled personal taxes in Denmark.

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