

Sweden's National Reform Programme 2022

Report on national implementation of the European
Semester



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1. Introduction

In April each year Member States shall present a national reform programme to the European Commission, describing their implementation of the overarching priorities of the European Semester, which is the framework for economic policy coordination in the EU. These programmes report on results achieved over the past year, as well as on actions planned.

The National Reform Programme (NRP) also provides a broad picture of the Government's overall policy to address the country-specific recommendations that Sweden has received in the context of the European Semester in 2019, 2020 and 2021.

Sweden's National Reform Programme for 2022 is mainly based on the measures and reform ambitions in the Budget Bill for 2022 and the Spring Fiscal Policy Bill and Amending Budget for 2022. Like last year, the Spring Fiscal Policy Bill and the Spring Amending Budget are characterised by the response to the consequences of the coronavirus. The initiatives and measures referred to in section 3 are those that the Government has taken and intends to take in areas assessed by the Commission and the Council within the European Semester in 2019, 2020 and 2021, in particular, as being the main economic challenges for the Swedish economy.

The Reform Programme also reflects the political priorities in the Commission's Annual Sustainable Growth Survey.

- Environmental sustainability.
- Productivity
- Justice
- Macroeconomic stability

When the Commission presented its Annual Sustainable Growth Survey in November 2021 the EU was returning to growth and employment levels comparable to those in the period before the pandemic. Russia's invasion in February this year will, in addition to its devastating consequences it has for human life and safety, also influence the EU's economy in the future. The greatest uncertainty is linked to the development of the war in Ukraine.

An appendix to this year's programme contains contributions received from the the social partners and civil society organisations. The Government has not taken a position on this material.

1.1 Reform policy

The security policy situation in Europe has deteriorated drastically. Russia's invasion of Ukraine is unprovoked, illegal and unjustifiable. This aggression is not only an attack on Ukraine but an attack on every country's right to determine its own future, and constitutes a threat to the European security order and international peace. The EU and Sweden have

responded forcefully. The Government's measures cover three areas: support to Ukraine, sanctions against Russia and a stronger Sweden.

Sweden has provided both economic and humanitarian support to Ukraine. It has also provided support to Ukraine's armed forces in the form of financial contributions and defence materiel. Sweden has not done anything like this since the Soviet Union attacked Finland in 1939. Standing up for every nation's right to security and self-determination is self-evident. Supporting Ukraine is also important for Sweden's security. The defence of Ukraine's borders is the defence of every country's borders. Taking historic decisions, Sweden and other EU Member States swiftly imposed sweeping sanctions against Russia and Russian central government officials. In these uncertain times, the Member States now stand stronger together.

The Ukrainian people have been hit hard by Russia's aggression and many of them, primarily women and children, have fled the country. Sweden will do its part to receive Ukrainian refugees. At the same time, Government expects other countries to assume their responsibility, and the solidarity currently shown in the EU and Europe to continue. The situation in 2015, when Sweden assumed a disproportionate share of responsibility, will not be repeated. The reception of Ukrainian refugees will be more evenly distributed throughout the country. Substantially increased funding is being allocated for an orderly reception of refugees throughout Sweden. The aim is to ensure that those currently seeking protection gain access to the housing, education and health care they have a right to. The Government also proposes temporary support to the municipalities assuming responsibility for reception.

The deteriorated security situation in our neighbourhood underscores the importance of strengthening Sweden. Since 2014, backed by a broad political consensus, the Government has been implementing a substantial reinforcement of Sweden's total defence and is now stepping up the pace. The appropriations for military defence will be set at 2% of GDP as soon as practicable, i.e. when it is possible to effectively translate the increase into improved defence capabilities. The decision has been made to strengthen Sweden's military defence, and the Government is now presenting proposals to strengthen civil defence with the aim of strengthening defence capabilities in the short term.

The Swedish people have recently been impacted by rising prices, in particular for food, fuel and energy. No government can credibly promise to fully compensate for these price increases. However, to mitigate their effects, the Government has presented a package of measures including compensation for high electricity and fuel prices, and reduced fuel tax. To specifically protect households in weak financial situations, a temporary increase of the housing allowance for families with children will also be introduced. The economic trend also highlights the need to improve the finances of pensioners with a low national public pension. Prices of input goods for agriculture have also increased, and the deteriorated security situation underscores the importance of robust Swedish food production. The

Government therefore proposes the introduction of temporary support to certain agricultural sectors, and a temporary tax reduction on diesel for agriculture, forestry and aquaculture.

The Government remains steadfast in its long-term efforts to address societal challenges and to make Sweden safe for all. A strong society is contingent on stable institutions and high levels of social trust. The Government is therefore taking measures to push back against violence and criminality and break segregation, create jobs throughout the country by driving the green transition, and take back democratic control over the welfare system.

The labour market situation has improved in 2021. Employment has increased and more people are in work now than before the pandemic. But to reduce segregation and move closer towards creating equitable conditions in which to grow up and live, and good life chances for all, more people need to be in work. Everyone who can work has to work. The Government proposes that funds be allocated to the Swedish Public Employment Service to promote the introduction of entry agreements.

Sweden's dependence on fossil fuels is ultimately unsustainable in terms of both security policy and the environment. The Government now proposes additional measures to accelerate the green transition, including enhanced environmental compensation to strengthen the competitiveness of railways and stimulate the shift of freight from road to rail. The Government also proposes even more funding to maintain the high pace of electrification of the transport sector.

In uncertain times it is even more important that the Swedish people knows that school education, care of older people and health care can be relied on. The Government is working to strengthen democratic control of welfare provision. Everyone who works and builds Sweden must have secure social insurance and future pensions. The Government proposes a guarantee supplement to improve the financial situation of pensioners on the lowest income. This is especially important as prices rise.

Sweden's handling of the pandemic demonstrates that Sweden has the capacity to address major societal challenges. The Government's measures have contributed to reducing the spread of infection, saving lives and reducing the negative impacts on jobs and businesses. The economic recovery has been swift and Sweden has navigated the economic crisis well compared with many other countries. The Government proposes that additional resources be allocated to secure Swedish health care, and that additional funds be provided to ensure that everyone can receive a fourth dose of the vaccine, if necessary.

The past two years have been a significant challenge for Sweden and the Swedish people. Society now faces new challenges. In the current situation, it is also critical that the measures taken are well considered and sustainable over time. It is also important to ensure that they do not heavily impact those who are already socioeconomically disadvantaged. Sweden will

meet these challenges with the same force and resolve with which the whole nation together met the pandemic.

In conjunction with the 2022 Spring Fiscal Policy Bill (Govt Bill 2021/22:100) the Government presents the Spring Amending Budget for 2022 (Govt Bill 2021/22:99). On six previous occasions the Government has also presented extra government bills proposing amendments to the central government budget for 2022. In addition, the Riksdag has, on two occasions, adopted amendments to the central government budget for 2022 relating to financial support and defence materiel to Ukraine.

Measures on account of Russia's invasion of Ukraine

Russia's illegal and unjustifiable invasion of Ukraine has had a severe impact on the country and its people and marks a serious deterioration in the security situation. In response to this, the Sweden Government is taking action in three areas: support for Ukraine, sanctions against Russia and strengthening Sweden.

Support for Ukraine

In order to support Ukraine and address the growing humanitarian needs, the Government has increased its humanitarian aid. In addition, the Riksdag has agreed that Sweden will make a financial contribution to the National Bank of Ukraine's fund in support of the country's armed forces and send defence materiel. At the Government's initiative, resources have also been made available in the form of a loan guarantee to the International Bank for Reconstruction and Development, which is part of the World Bank Group.

Many people have been forced to flee Ukraine. Most have gone to neighbouring countries, but many of them have sought protection in Sweden. There is a great deal of uncertainty over the number of people who will come to Sweden and how long they will need to stay. The Government is therefore monitoring developments closely and working on a broad range of different measures. The priority in the short term is to ensure that people have a basic level of security and a roof over their heads. The capacity of the Swedish reception system has therefore been significantly expanded over a short time scale. Municipalities have also taken on responsibilities and schools across the country have already admitted children that have arrived or are preparing to do so. The Government is setting aside significant additional funds in order to manage this new situation, and is also proposing extra support for municipalities that take on responsibilities. In line with existing legislation and OECD guidelines, a significant proportion of the increased costs presented in the 2022 Spring Amending Budget Bill will be deducted from the aid budget in 2022. Civil society has shown great engagement. Additional funding is being proposed to provide greater support to the important initiatives being undertaken by voluntary organisations. Those people now arriving from Ukraine and being granted a resident permit under the EU Temporary Protection Directive (2001/55/EG) are entitled to work, and it is believed that many people will be in a

good position to find work in Sweden. Getting a job means that a person who needed help at the outset is able to take back responsibility for their own livelihood and accommodation.

Sanctions against Russia

Alongside other EU member states, Sweden has quickly and decisively introduced wide-ranging, far-reaching sanctions against Russia and the Russian Government. These include sanctions targeting the financial sector, the energy and transport sectors, products that can be used for both civil and military purposes and individuals with links to the Russian Government. The sanctions have severely restricted Russia's financing options and trade.

Strengthening Sweden

Sweden will increase its defence capability and upgrade its 'Total Defence' capability at a faster pace. The appropriations for military defence will be set at 2% of GDP as soon as practicable, i.e. when it is possible to effectively translate the increase into improved defence capabilities. New instructions have been drawn up for the Defence Commission, which require the Commission to consult on increases in the appropriation for military defence so as to achieve and then maintain a level of appropriation equivalent to 2% of GDP. The consultation is due to be completed in May 2022. The Government's position is that a broad-based parliamentary agreement will include funding of the investment in defence. The Government has also initiated cross-party consultation on security policy.

The appropriations for military defence have been increased in 2022 with the aim of enhancing defence capability in the short term. There are now also more options for entering into long-term commitments in respect of materiel orders.

Civil defence and military defence are mutually reinforcing. Sweden's ability to manage a high level of preparedness and ultimately war needs to be widely strengthened. An important aspect of this is strengthening civil defence. The Government is therefore proposing measures to bolster civil defence capability during 2022. Measures include strengthening municipalities' work on emergency preparedness and civil defence, improving the preparedness of individuals, increasing the protection of the population by upgrading shelters and warning systems and boosting resilience and food security in the community.

The invasion of Ukraine has highlighted the importance of secure access to raw materials for Swedish businesses and a secure food supply. To help ensure access to raw materials of national significance to Sweden, the Government is proposing an authorisation to issue credit guarantees to safeguard access to raw materials – a 'raw materials guarantee'. Prices of important agricultural inputs have also risen recently. The Government is therefore proposing temporary support, aimed at greenhouse growers and the pig and poultry sectors, and a temporary reduction in tax on diesel for agriculture, forestry and aquaculture.

As a result of Russia's invasion, the Government has presented a package of measures to address price increases such as in electricity, diesel and petrol. The package of measures includes a temporary reduction in fuel taxes of SEK 1.05 per litre. Along with the previously announced tax reduction of SEK 0.40 per litre, this would mean that, from 1 May to 30 September 2022, the price of petrol and diesel will be approximately SEK 1.80 lower, inclusive of VAT. The greenhouse gas reduction obligation and the GDP indexing of fuel taxes will be suspended during 2023. The package of measures includes a new compensatory payment for fuel costs for private individuals of up to SEK 1 500 per car owner. Following a Government proposal, a modified version of the compensatory payment for electricity costs will be extended for a further month for households in southern and central Sweden. In order to give households in difficult financial circumstances special protection against substantial price increases, it is proposed that a temporary additional payment be introduced for families with children that are currently entitled to housing allowance or will become entitled later in 2022. The additional payment, which it is proposed will be made from July to December 2022 inclusive, will be the equivalent of 25% of the preliminary housing allowance and will amount to a maximum of SEK 1 325 per month.

Push back against violence and criminality and break down segregation

In uncertain times, a strong society based on trust and a sense of community is more important than ever. There is no place in that society for segregation, violence or criminality. The Government is therefore taking robust action to break down segregation and push back against violence and criminality. More people must gain employment and become part of the community. The Government will leave no stone unturned in taking the necessary action.

Push back against violence and criminality

Violence and criminality are a threat to the community, undermine trust between people and erode faith in the future. Since 2014, therefore, the Government has made changes to Swedish penal policy and embarked on a long-term initiative to combat violence and criminality. The Government's programme of measures against gang crime aims to give the authorities the right tools to combat crime, stiffen the penalties for crime, break down the culture of silence and develop work on crime prevention-

The Government has stiffened penalties for around 60 offences, and around 30 acts that were previously not punishable have been criminalised. The Government has also implemented a historic expansion of the Swedish justice system, which has included an additional 6 000 employees for the police service since 2016. Since 2014, the number of people admitted to police training courses has more than doubled, and courses are now available at more universities and higher education institutions. The goal is 10 000 more police employees by 2024. At the same time, the technical capabilities of the police service have been enhanced with new, more effective tools, such as secret data scanning and additional use of surveillance cameras. To break the culture of silence and encourage more

people to testify about crime, the Government is to submit proposals for an option of reduced penalties for those who assist with investigations into another person's crime (known as 'turning government witness') and increase protection for witnesses. The Government's investment in crime prevention measures continues, to include additional work with people who drop out of criminal gangs.

Drug trafficking is an important source of income for criminal networks and is often a source of conflict. To combat the gangs, the Government is launching a crackdown on drugs, which includes work on stiffening penalties for drugs-related crime. The Government has also taken action to prevent and restrict the harmful effects of drugs, including the biggest review of drugs policy in decades.

To assist in the fight against organised crime, legislation around money laundering is being strengthened. This includes the introduction of a new law on money laundering, with considerably enhanced options for penalties, and several authorities have received additional resources to improve their supervisory activity. The Government also plans to submit proposals to increase the sharing of information between banks and law enforcement agencies.

Work-related crime feeds organised crime and drains the welfare and social security systems of resources. The Government has appointed a national delegation whose role includes increasing knowledge of the extent of work-related crime and supporting the stakeholders working to prevent it. In addition, 2022 and 2023 will see the establishment of regional centres to fight work-related crime. The centres represent an intensification of the joint work of authorities to combat work-related criminality initiated by the Government in 2017, which has resulted in over 6 000 joint authority inspections. To further improve the authorities' joint work, the Government is also evaluating the possibility of greater sharing of information between authorities, municipalities and unemployment insurance funds.

Male violence against women is a serious problem in society that needs to be highlighted and addressed. The Government's work includes initiatives combating honour-based violence and oppression, sexual violence, prostitution and human trafficking, and support and protection for victims. Several related penalties have been stiffened and a programme of preventive measures has been drawn up.

Break down segregation

Having a job and being able to earn your own living leads to participation in society. It is work that underpins our welfare system, and working relationships help to engender trust in other people, the future and society. Long-term unemployment needs to be countered, particularly in areas with socioeconomic challenges. It is important that the time before a person gets their first job in Sweden is as short as possible. In particular, more foreign-born women need to be in work. Support is available in the community, including education and

training and labour market initiatives. But each individual bears responsibility for doing their best to find a job, acquiring a long-term means of earning a living and participating in society.

In the past decade, the extent to which newly arrived immigrants become established has gradually improved. The Government is working to introduce entry agreements in the first six months of 2022 so that more newly arrived immigrants and long-term unemployed people can get a job and get established in the labour market. To promote this initiative, the Government is proposing a special additional contribution to the Swedish Public Employment Service.

The Government is seeking to introduce an activity obligation for unemployed people receiving social security benefits. Individuals who are able to work must meet the same clear requirements, irrespective of the form of support they are receiving. This is an important signal to give. The aim is to break down isolation through meaningful full-time employment contact with the labour market and social activities that help to improve health and facilitate integration. The Government will also investigate additional drivers to encourage people receiving social security benefits into work.

The Government is working to break down segregation through knowledge-based, cross-sector work over the long term. In addition to measures to get more people into work, the Government's reforms in this area include proposals that require municipalities to actively offer places to children who need preschool education for language development and to improve pupils' knowledge outcomes and increase equality in schools. A further aim is to bolster public services and reduce segregation in housing throughout the country. The Government has also made proposals that increase incentives to share parental benefits more equally, including for parents with low incomes. This may speed up establishment in the labour market, particularly for foreign-born women.

Create jobs by driving climate change transition

Sweden is at the forefront of climate change transition, thanks to substantial green investment and a clear political direction. Carbon dioxide-free steel production, new battery factories and electric-powered heavy-duty trucks are creating export opportunities and thousands of new jobs across the country. In Norrbotten County alone, there are plans for green investment of up to SEK 700 billion in the coming years. Climate change transition will also help reduce dependence on imported fossil fuels, which will provide Sweden with more security. But in order to achieve the Paris Agreement target of limiting global warming to under 1.5 degrees, the rate of transition needs to increase. Sweden will take its share of responsibility for getting emissions down and show the world how faster climate transition creates jobs and export opportunities.

Reduce emissions and protect valuable natural environments

Sweden aims to be the world's first fossil-free welfare state. To achieve this, a climate policy framework has been introduced with an ambitious climate target, a Climate Act and an independent Climate Policy Council. The target is for zero net emissions of greenhouse gases into the atmosphere no later than 2045.

Since 2014, the budget for climate and environmental policy has more than quadrupled. One of the Government's most important initiatives in this area is the 'Climate Leap', which supports local and regional climate-related investment. Up to and including 27 December 2021, over 4 000 applications for a total of SEK 9 billion, entailing overall investment of approximately SEK 22 billion, had been granted through the Climate Leap, which is expected to jointly reduce greenhouse gas emissions by 1.8 million tonnes annually. This represents approximately 4% of Sweden's overall emissions in 2020.

The Government is also working actively, both nationally and internationally, on reducing negative impacts on the climate, the environment and biodiversity caused by the use of plastics and chemicals and waste management. The ongoing work on accelerating the transition to a circular economy enables more efficient use of resources, which helps achieve both environmental and climate-related targets. In addition to this, the Government is taking action to formally protect valuable natural environments. The Government believes that the protection of valuable forests must be undertaken in a positive spirit of cooperation with forest owners. The basic point of departure and a principal working method for authorities should be voluntary formal protection. Forest owners will be compensated financially for protection of valuable natural environments that entail restrictions on rights of ownership and of use in so far as they are entitled to them.

Sweden will be proactive in working to prevent the impact of climate change on security globally. An ambassador for climate and security will therefore be appointed.

Green jobs and investments

Climate change transition entails a green industrial revolution that will create thousands of new jobs. Swedish workers must therefore be equipped with new skills and expertise. The Government is making historic investments in skills development and mid-career transition. The 'Knowledge Boost' programme has brought about a significant expansion in education and training places across the country many of which are permanent. Also included is targeted investment in skills development to facilitate further education and training and transition to support climate change transition. The Government is also implementing a comprehensive transition package in line with the multi-party agreement on work-life security, transition and employment protection. The package includes a new, public student finance scheme to provide greater opportunities for studies and skills development, a new, public transition organisation and a facility for employers funding transition and competence gap to be compensated for it. To enhance the supply of skills, the Government has also

presented proposals that will make the educational offer at upper secondary school level more responsive to the needs of the labour market, for example, in order to address climate change transition.

Access to capital is crucial in supporting climate change transition. The Government is working on a broad range of measures to secure green investment and a sustainable financial market, including state credit guarantees for green investment and green government bonds. In addition, pension funds and the Swedish National Pension Insurance Funds are now subject to additional sustainability requirements.

The Government is working to support projects and investments that reduce emissions from industry. The Government launched the 'Industrial Leap' initiative in 2018 to support precisely this type of project. Sweden is the first country in the world to set aside funds for a state system of support for the capture, separation and storage of carbon dioxide from renewable sources.

Implementing climate change transition requires new research. The Government has invested comprehensively in the area, for example by boosting the national programmes for climate-related and environmental research. The Government also continues to invest in the European Spallation Source (ESS) research facility in Lund and is now proposing that additional funds be set aside. In addition, the Government aims to facilitate increased participation in IPCEI (Important Projects of Common European Interest) to speed up the green and digital transition to a sustainable society.

A secure energy supply for the future and more sustainable transport

Dependence on raw materials such as gas, oil and coal from Russia and higher energy prices entails security vulnerabilities and risks for energy intensive industries. Access to fossil-free electricity is also essential for a sustainable transition within industry, the transport sector and the rest of society. This requires continued, rapid expansion of cost-effective, renewable energy. The energy supply of the future requires new solutions if Sweden is to continue to have a robust electricity system with high security of supply, low environmental impact and electricity at competitive prices. The Government has therefore produced a national strategy for electrification, which was adopted in February 2022. The strategy will help to bring about rapid, smart electrification that is socio-economically efficient. The electricity grid needs to increase its transmission capacity significantly to improve electricity supply, while lead times for investment in the electricity grid need to be shortened to meet the needs of industry. It is expected that the next few years will see continued and rapid expansion of wind power, and there will be greater incentives for municipalities to give permission for wind power installations.

The transport sector is responsible for almost a third of fossil emissions in Sweden, but is well placed to transition to fossil-free operation. The Government aims to put forward a new

national plan for transport infrastructure for 2022–2033. As part of this, the Government will be making the biggest investment in the railways in modern times. To increase the pace of climate change transition, the Government also proposes increased environmental compensation for freight transport on the railways, with the aim of improving the competitiveness of the railways.

The Government is also stepping up the pace in its work on electrification of the transport sector. Charging infrastructure is being expanded, including through the Climate Leap, which has helped fund 65 000 charging stations across Sweden. The bonus malus system for vehicle tax will encourage the use of cars with lower carbon dioxide emissions. Climate premiums have been introduced to adapt heavy-duty vehicles. The electrification of the transport sector is proceeding at speed, and there have been more sales of cars entitled to the climate bonus than expected. In order to maintain the rapid pace of transition, the Government is proposing a further allocation of funds. To reduce emissions from work-related journeys, the Government has proposed that the current travel allowance be replaced with a tax reduction based on distance travelled and irrespective of the mode of travel, with the limits on distance in designated metropolitan municipalities greater than those in other areas.

Take back democratic control of the welfare system and ensure social insurance and pensions provide security

A supportive welfare system is essential for an equitable and cohesive Sweden. Sweden will have high-quality healthcare, schooling and social care throughout the country and the shared tax revenue will be put to the uses intended. Everyone who is working and helping Sweden to develop will have social insurance and pensions that provide security.

The pandemic has highlighted serious failings in the welfare system. Understaffing and fragmentation create holes in our safety nets. Even before the pandemic, the Government had been allocating significant resources each year to help strengthen the welfare sector. Since 2014, the number of employees in the welfare sector has increased by over 100 000. Additional staff are still needed in the welfare sector, and improvements are to be made to the work environment and working conditions.

High-quality healthcare, schooling and social care throughout the country

The pandemic has highlighted the need for and importance of a supportive welfare system. To further strengthen the welfare system, the Government has ensured that municipalities and regions have access to substantial amounts of funding through general government grants. The regions are also being given additional funds to improve particularly important areas of healthcare, including shortening waiting times, supporting the development of local health care across the country, improving mental health services and improving and developing cancer care and obstetrics. The Government is making more places available for on-the-job training so that teaching institutions can train more nurses and support CPD for

nurses. The Government is also proposing further injections of funds aimed at increasing capacity in healthcare, including increasing the number of beds, employing more people in healthcare, such as nurses, and improving the work environment. In addition, several initiatives are being implemented to strengthen emergency preparedness and civil defence within the healthcare system.

The Welfare Commission, appointed by the Government in 2019, has identified several measures needed to improve the ability of municipalities and regions to provide good-quality welfare services. The majority of the Commission's 29 proposed measures have been implemented or started, including investment in a shared digital infrastructure that will enable the private sector to benefit more from the opportunities provided by digitalisation.

All children, irrespective of where they live or their parents' socioeconomic circumstances, are entitled to good schooling. However, society has not been sufficiently strong to counter inequitable conditions and school segregation. The educational level of parents and other socioeconomic conditions continue to be very important factors in pupils' learning outcomes and in the divergence in schools' learning outcomes. Gender too is important – boys perform less well in school than girls. The Government wants to change this and has introduced major investment and reforms to improve learning outcomes and increase equality. More children will attend preschool so that they have better, more equitable prospects of success in education. The number of full-time positions in school has increased by over 35 000 since the 2014/15 academic year. The equality grant for schools has been gradually extended, and the Government is proposing legislative changes to provide a secure and positive environment for learning in all schools. In order to regain democratic control of schools, the Government has also presented proposals for clearer and more equitable allocation of resources to responsible authorities, regulated selection criteria for preschool class, compulsory school and compulsory school for children with intellectual disabilities, and clearer terms and conditions for the establishment of independent schools.

Care for the elderly in Sweden needs to provide reassurance and security. The pandemic has highlighted structural failings in care for the elderly, which have also been noted by the Corona Commission (SOU 2020: 80 80 p. 246). According to the Commission, organisations were poorly prepared, due in part to an inadequate legal framework, organisational failings, insufficient staffing and a lack of medical skills. The Government is putting ambitious measures in place to improve care for the elderly in the long term. This includes a Elderly Care Initiative that will give staff caring for the elderly better opportunities for additional training and development. The profession of assistant nurse ('undersköterska') is to become regulated, anyone receiving home care services will be given a named care contact, and additional places are being created to train specialist assistant nurses. The Government has also set up an inquiry to produce proposals for a law on care for older people, with the aim of laying down a solid, long-term foundation for care for the elderly and ensuring access to good healthcare and medical expertise.

Insurance and pensions that provide security

Society must provide a safety net when people suffer illness or unemployment. General social security provisions are a key element of the Swedish welfare model that provide security and combat financial vulnerability. The Government is working to improve the system. Changes has been made to legislation to make it easier for people in need of longer-term care, treatment and rehabilitation to return to regular working. Measures have also been put in place to improve options for those able to work part-time while they are on sick leave. There is now greater protection for on-call employees and older people in the event of illness, and the ceiling for sickness compensation has also been raised by 25%. For people receiving sickness compensation or activity compensation, the housing supplement and guaranteed rate have been increased. Taxation for people receiving sickness or activity compensation has been further reduced with the aim of eliminating the discrepancy between taxation of this compensation and taxation of earned income.

Anyone losing their job will be financially secure while transitioning to a new job. More people will have the security of an unemployment insurance fund ('a-kassa'). To encourage membership, the Government has proposed a tax relief corresponding to 25% of the paid membership fee to the unemployment insurance fund being tax deductible, as from 1 July 2022.

The Government wants to continue to improve the financial position of pensioners. During its term of office, there has been a rise in the national guarantee pension and the housing supplement has been boosted. The Government has also put forward proposals to reform the premium pension system. For those who have worked for a long period on a low income, an income pension complement was introduced in 2021. The Government is also working towards a 'security pension', so that no person who is physically weakened by their work or becomes ill close to retirement age is forced to draw their pension in advance. As the Government has reduced taxes for pensioners, the discrepancy between taxation of pensions and earned income will have been eliminated by 2023. In order to raise pension levels generally, the Government is also seeking to increase payments into the pension system. The aim is for a person who retires to receive a total of at least 70% of their final salary through the national public pension and an occupational pension.

The Government wants to continue improving the financial position of pensioners who receive only a small public pension. It is therefore proposing a reform that will put SEK 1 000 more in the wallet of around half a million pensioners every month. In total, over a million pensioners will be better off from August 2022. This is ultimately a way to show respect for the people who have helped to build up our country.

Tax revenue will be put to the uses intended

The welfare system needs to be clear and systematic. Those entitled to compensation must receive it, but not a single krona must go to anyone who cheats the system. The Government has therefore embarked on a campaign against cheating and welfare crime. This includes combating erroneous payments, tax offences, benefits offences, work-related crime, money laundering and the financing of terrorism.

The Government is setting up the Utbetalningsmyndigheten (payment authority), which will develop cross-system control of all welfare system payments. This will make work on criminality and erroneous payments within the welfare system more systematic and efficient than it has been previously. The Swedish Public Employment Service [*Arbetsförmedlingen*], the Swedish Board of Student Finance, the Swedish Migration Agency and the Swedish Pensions Agency have been given resources to prevent, check and monitor erroneous payments and welfare benefit cheating. The Government has also proposed and implemented stricter legislation in several instances, for example to improve the quality of the population register. In addition, the Government has appointed an inquiry, tasked with presenting proposals about how to strengthen the ability to prevent and combat benefit offences against paying agencies. The Government has also appointed an inquiry whose tasks include making proposals for the introduction of specific safeguards under criminal law in respect of state support for companies and other legal entities.

Measures taken on account of the pandemic

The spread of COVID-19 has caused great hardship and society has been put to the test. Since the Government categorised COVID-19 as a disease dangerous to society on 1 February 2020, the whole of Sweden has come together in response. Sweden's responsible fiscal policy meant that the country had the necessary resources to deal with the pandemic. In the Government's first term of office SEK 35 billion was invested in the welfare system and payments were made to reduce the national debt. As a result, when the crisis arose, Sweden had 100 000 more staff working in the welfare system than in 2014 and the lowest level of national debt as a proportion of GDP since 1977.

The Government and the Riksdag have put a large number of measures in place to manage the pandemic and its consequences. In total almost SEK 600 billion has been made available to safeguard people's lives, health and ability to support themselves. The support measures have meant that bankruptcies have been prevented, employment levels have been maintained and cuts in the welfare system have been avoided. This differs from previous crisis situations, when the number of staff in the welfare sector fell. The Government is also proposing that further resources be made available for the ongoing management of the pandemic and its consequences.

Measures to protect lives and health

A healthcare system that works is essential for the protection of people's lives and health and for providing security. Significant funds have therefore been made available to municipalities and regions for the additional costs that have arisen due to the pandemic, but also to support the regions' management of deferred healthcare. The additional funds include substantial resources for the regions to facilitate large-scale testing and contact tracing and to undertake the biggest vaccination campaign in Sweden's history. On 7 April 2022, approximately 85% of the Swedish population aged 12 or over had received two doses and 63% of the population aged 18 or over had received three doses. The Government is now proposing that additional funds be made available to ensure that everyone can have a fourth dose, as needed.

Funds have also been allocated to strengthen care of older people and to raise staff skills. As the pandemic has spread, temporary amendments have been made to the social security scheme. This includes compensation for deductions for waiting days in order to reduce the spread of infection, at-risk group compensation to protect at-risk groups and deferred requirements for a medical certificate to reduce the pressure on health care.

In aggregate, general government grants for the municipal sector have been increased much more than tax revenue has decreased compared with the forecast before the pandemic. It has been important for the Government to allow for safeguarding the welfare system and slowing down the downturn in the economy.

Measures to protect jobs and income

Restrictions due to the pandemic, and the behavioural changes they gave rise to, led to a sharp downturn in the economy. It has been extremely important to alleviate the financial consequences and save Swedish jobs and companies.

Fiscal policy has had a greater role to play than in previous crises. Without the Government's action, companies and workers would have had to bear a greater proportion of the costs of shutdown in the form of bankruptcy and unemployment. The Corona Commission's final report states that the Government's swift and strong measures helped to moderate the downturn in the economy and boost economic recovery (SOU 2022:10 p. 595).

The emergency measures have made a difference, but in a powerful, rapid downturn some loss of jobs is unavoidable. As a result, the Government has made temporary amendments to the unemployment insurance system, both to ensure it covers more workers and to give members greater financial support when unemployed. Since the start of the pandemic, over 250 000 more people have become members of unemployment insurance funds.

The boost in unemployment compensation and support in the event of short-time working have been important for maintaining the level of household spending. The Government has taken action to protect jobs and provide greater security of income for those who have lost

their jobs. 2020 and 2021 also saw a reduction in the number of people receiving financial support.

The Government has also boosted sickness benefits and increased opportunities for transition. The Knowledge Boost has also been enhanced during the pandemic to provide more education and training places that better meet society's needs. Groups that find it difficult to get established in the labour market are thereby in a better position to gain qualifications for work. In order to support people in vulnerable circumstances, the housing allowance for families with children has been temporarily increased and additional resources have been allocated to civil society. Funds have also been given to organisations working with women, children and LGBTIQI people subjected to violence and organisations working to combat violence in close relationships and honour-based violence and oppression.

The support measures have helped to maintain the level of employment. Employment in Sweden fell at the outset of the pandemic, but subsequently rose again, and is currently higher than in 2014 and amongst the highest in the EU. The short-time work allowance has been crucial to saving jobs. In total, approximately 600 000 individuals were furloughed during the crisis.

Companies that have been impacted financially have been given various forms of support to help them survive the crisis and avoid redundancies. The measures have sought to reduce costs, strengthen liquidity and improve financing options. The funds have mainly been distributed on the basis of how seriously the companies have been affected financially, but some forms of support have been targeted at specific sectors, such as media, culture, sport, public transport, railways, and aviation and shipping. Companies have also received compensation for high sick pay costs. To facilitate companies' ability to finance export transactions, the Swedish Export Credit Agency's credit guarantee framework for export credit and the Swedish Export Credit Corporation's credit facility at the Swedish National Debt Office have been extended. There have also been temporary and advance tax reductions relating to jobs and companies. For example, the cost of employment has been reduced through a temporary lowering of employers' contributions, including for 19 to 23-year-olds. The reduction for 19 to 23-year-olds has been particularly important for companies in sectors that employ a lot of young people and that have been affected by restrictions and changes in behaviour due to the pandemic, for example the hospitality sector.

The pandemic is entering a new phase

As of 1 April 2022, COVID-19 is no longer classified as a disease dangerous to society. The pandemic is therefore entering a new phase, but it remains important to track the spread of infection, get more people vaccinated and improve the health care system. At the same time,

Sweden is having to face new challenges. The uncertain situation underlines the continuing need for a good level of preparedness.

1.2 Linkages to the recovery and resilience plan and the Annual Sustainable Growth Survey

In this section the Government sets out the relationship between Sweden's recovery and resilience plan, the National Reform Programme (NRP) and the Annual Sustainable Growth Survey (ASGS).

At the time of the completion of the National Reform Programme, a decision on Sweden's recovery and resilience plan had still not been made by the the Council of the European Union. The recovery and resilience plan was adopted by the Swedish Government in May 2021, followed by government decisions regarding revisions of reforms and investments included in the recovery and resilience plan in September and October 2021 and in February 2022. The Commission published its proposal for a council implementing decision on the Swedish plan on 29 March 2022.

Under Article 27 of Regulation (EU) 2021/241 of the European Parliament establishing the Recovery and Resilience Facility, EU Member State have to report in their National Reform Programmes on the achievement of milestones and targets of their recovery and resilience plans. As the Council has still to decide on Sweden's plan, no such report is given in this year's NRP.

Section 3 presents measures that respond to the country-specific recommendations to Sweden. In each substantive area a list is also given of the measures in Sweden's recovery and resilience plan that are considered, in the Commission's working document that accompanies its proposal for a council decision regarding Sweden's recovery and resilience plan, to respond to country-specific recommendations.

The measures reported in the area of employment and social affairs are also in line with the Employment Guidelines.

1.3 Summary of Sweden's recovery and resilience plan

Sweden's recovery and resilience plan contains a total of 26 measures, 14 of which are reforms: The measures are divided into five focus areas:

- Green recovery
- Education, training and transition
- Expansion of broadband and digitalisation of public administration

- Better conditions to meet the demographic challenge and ensure the integrity of the financial system
- Investment for growth and housing.

The plan sets out how the proposed measures contribute to gender equality. The volume of Sweden's recovery and resilience plan is some SEK 33 billion in grants from the Recovery and Resilience Facility (RRF), which is the full preliminary allocation. The measures in the recovery and resilience plan are included in the Budget Bills for 2021 and 2022 and in the amendments to the central government budget presented in 2020. The measures included in the recovery and resilience plan are only a limited part of the very extensive measures adopted to deal with the impact of the pandemic, strengthen the resilience of Swedish society and promote a green recovery

2. Macroeconomic situation and scenario

The world economy grew rapidly in 2021, mainly due to extensive vaccination, which enabled easing of restrictions, and an expansionary economic policy. At the end of 2021 and the start of 2022 growth entered a calmer phase when the spread of infection rose again. However, the effects of this wave of transmission were relatively short-lived. Growth prospects internationally are assessed to be weakened after the rapid recovery in 2021 due to continuing supply problems, high energy prices and the war in Ukraine.

Russia's invasion of Ukraine creates great uncertainty with, for example, high volatility in stock markets, high energy and raw material prices and continued disturbances in global value chains. The effects on the European economy are assumed to be greater than in other advanced economies due to great import dependence on gas from Russia and, in relative terms, more extensive trade. The effects on GDP for the world economy as a whole, excluding Russia and Ukraine, are expected to be relatively moderate, while the effects on inflation are assumed to be significant.

The Swedish economy has got through the pandemic well. GDP is now above the level predicted before the outbreak of the pandemic. In 2021 GDP grew strongly by around 5%. However, growth slowed down in late 2021 and early 2022 due to behavioural changes on account of greater transmission of infection and restrictions. Sickness absence was also high, which meant poorer economic conditions and possibilities of consumption. Confidence indicators, such as the economic tendency indicator and the purchasing managers index, are at high levels but point to the Swedish economy entering a calmer growth phase. The effects of the war in the Ukraine are expected to have a dampening effect on growth. A pent-up need for consumption, high savings and favourable performance of the labour market indicate relatively rapid growth of household consumption in 2022. Investment is expected

to grow at roughly the same average rate in 2022, but to slow in 2023 as demand slackens. Exports and imports are assessed as growing at a relatively rapid pace in 2022 and then slowing in 2023. Net exports are expected to be slightly negative in 2022 but weakly positive in 2023. The economic situation is expected to virtually be in balance in 2022 and 2023.

Table 1. Macroeconomic key figures

Percentage change unless otherwise stated. Outcome 2021, forecast 2022–2025.

	2021	2022	2023	2024	2025
GDP	4.8	3.1	1.6	1.6	1.7
GDP, calendar-adjusted	4.7	3.1	1.8	1.6	1.9
Employment, 15–74 years	1.1	2.1	1.0	0.4	0.6
Employment rate ¹ , 15–74 years	67.3	68.7	69.2	69.3	69.4
Hours worked ^{2,3}	2.3	2.3	1.5	0.3	0.6
Productivity ²	2.4	0.8	0.3	1.4	1.3
Unemployment ⁴ , 15–74 years	8.8	7.6	7.0	7.0	7.0
Hourly pay according to short-term pay statistics ⁵	2.7	2.6	3.1	3.1	3.1
CPI ⁶	2.2	4.8	2.5	2.7	2.4
CPIF ⁷	2.4	4.6	1.8	2.0	2.0
GDP world economy, KIX-weighted ⁸	5.1	2.9	2.3	2.3	2.1

Note: Constant prices, reference year 2020, not calendar-adjusted values unless otherwise stated. The forecast is based on the regulations for taxes and transfers and the appropriation levels that have been adopted by the Riksdag and that have been proposed or announced by the Government.

¹ Per cent of population.

² Refers to calendar-adjusted data.

³ According to the national accounts.

⁴ Per cent of the labour force.

⁵ Nominal wage growth according to the short-term wage statistics. Forecast for 2021.

⁶ Consumer price index

⁷ Consumer price index with fixed interest rate.

⁸ Forecasts of GDP for world economy weighted with KIX weights, a measure of the significance of each country for Sweden's foreign trade.

Sources: Statistics Sweden, Macrobond, National Mediation Office and own calculations.

2.1 Labour market

The situation in the labour market improved in the second half of 2021. The employment rate rose among both women and men. Both the employment rate and the labour force participation rate are now at higher levels than before the pandemic. There has also been a distinct decrease in unemployment. There has been a clear decrease in the number of persons registered at Arbetsförmedlingen [*the Swedish Public Employment Service*], but the number of long-term unemployed remains at high levels.

The employment rate is expected to rise in 2022 and 2023. The labour force participation rate is also expected to remain at historically high levels in both 2022 and 2023. As the employment rate rises, unemployment will continue to decrease. A large number of Ukrainian citizens are expected to come to Sweden in 2022 when the Temporary Protection Directive is activated (2001/55/EC). Since, in principle, these individuals are not entered in the population register, the effects on labour market statistics are assumed to be limited. The aggregate effect on employment growth is expected to be marginal; the same applies to the unemployment rate.

2.2 Inflation

Inflation, measured as the consumer price index with a fixed interest rate (CPIF), increased comparatively quickly in 2021. Energy prices, which contributed to weak inflation in 2020, increased clearly, particularly in the second half of 2021 and made a large contribution to inflation. Inflation is expected to be higher in 2022. The outcome during the start of the year points to higher prices of goods, including food prices. Moreover, Russia's invasion of Ukraine and associated international sanctions have driven up energy prices further, as well as the prices of other commodities, such as wheat and corn. In addition to this, global supply disturbances and a weak krona are expected to push inflation up. Overall, this is assessed as resulting in CPIF inflation of 4.6% in 2022. Even though core inflation, i.e. CPIF excluding energy prices, is also expected to be above the inflation target in 2022, long-term inflation expectations are well anchored around the Riksbank's inflation target of 2%. In 2023 inflation is expected to fall back towards 2%.

2.3 Public finances

Public sector finances were reinforced strongly between 2014 and 2017. Net lending turned round from showing a deficit of 1.5 per cent of GDP to a surplus of 1.4 per cent of GDP. Then, as lending was adapted to the new level of the surplus target, net lending fell and was 0.6% of GDP in 2019. On account of the outbreak of the coronavirus, an expansionary fiscal policy is being conducted to slow the economic downturn. Net lending was -2.7 per cent of GDP in 2020. The strong economic recovery that began in 2021 meant a rapid recovery of public finances; the deficit decreased to 0.2% of GDP. As a result of measures previously adopted and announced in the Spring Amending Budget for 2022 (Govt Bill 2021/22:99) the deficit in general government finances is estimated to weaken slightly between 2021 and 2022 and is estimated at -0.5% of GDP. As of 2023, it is estimated that general government finances will strengthen quickly partly due to the temporary measures gradually expiring. However, there is great uncertainty in this assessment. The structural balance, i.e. net lending adjusted for cyclical effects etc., is estimated at -0.4 per cent of potential GDP in 2022.

The Government's assessment is that there is a clear deviation from the surplus target, but that this deviation is justified on grounds of stabilisation policy due to the economic effects of the outbreak of the coronavirus. The Government's assessment in the current situation is that a return to the target can begin when economic conditions so permit. In this forecast net lending is level with its target level in 2023, but this assessment is uncertain. A further weakening of the economy can also lead to further fiscal policy measures

2.4 Income dispersion

In the last ten-year period, economic standard has developed evenly in the greater part of the income distribution. However, the top per cent have pulled away even more, and this is because capital income has increased strongly (chiefly capital gains and dividends in closely

held companies). Overall income dispersion has therefore continued to increase even though reforms in the tax and transfer systems have had a distinct low-income profile in almost every year since 2010. In 2018–2020, however, income dispersion fell slightly compared with its peak in 2017. The effects of the pandemic on household finances in 2020 was mitigated by support in the event of short-time working and other crisis measures that enabled companies to retain personnel. Reforms aimed directly at households, e.g. higher compensation levels in unemployment insurance, were also of great importance for many households. Without these reforms of the tax and transfer systems, broad income brackets would have had an unchanged, or lower, economic standard.

The weak economic situation can be expected to affect income distribution in the next few years. In itself, higher unemployment contributes to greater income dispersion. However, the Government's measures to mitigate the effects on the labour market and to reinforce the financial security of workers in Sweden are expected to subdue the tendencies towards greater income dispersion. In conjunction with the activation of the EU Temporary Protection Directive a large number of Ukrainian citizens are expected in Sweden in 2022. The effects on income distribution statistics are assumed to be limited since these individuals are not registered in the population register and are therefore not included in the statistics.

3. Initiatives and measures in response to economic challenges identified in the European Semester in 2019–2021.

This section gives a general presentation of the initiatives and measures that the Government has taken and intends to take in the areas assessed by the Commission and the Council, within the European Semester in 2019–2021, in particular, as being the main economic challenges for the Swedish economy. Initiatives and measures in response to country-specific recommendations that were reported to the Commission in February 2022 are set out in annex 1. This chapter also gives an account of the implementation of the European Pillar of Social Rights, especially the targets up until 2030, see section 3.6.

In 2021 the European Commission presented proposals for country-specific recommendations in the area of fiscal policy in Sweden. Since the 2021 Semester was adapted to recovery work and the Recovery and Resilience Facility (RRF), the European Commission only presented proposals for country-specific recommendations in the area of fiscal policy. The recommendations were adopted at the meeting of the ECOFIN Council in June 2021.

1. In 2022, maintain a supportive fiscal stance, including the impulse provided by the Recovery and Resilience Facility, and preserve nationally financed investment.

2. When economic conditions allow, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring fiscal sustainability in the medium term. At the same time, enhance investment to boost growth potential.
3. Pay particular attention to the composition of public finances, both on the revenue and expenditure sides of the budget, and to the quality of budgetary measures, to ensure a sustainable and inclusive recovery. Prioritise sustainable and growth-enhancing investment, notably supporting the green and digital transition. Give priority to fiscal structural reforms that will help provide financing for public policy priorities and contribute to the long-term sustainability of public finances, including by strengthening the coverage, adequacy, and sustainability of health and social protection systems for all.

On 20 March 2020 the general escape clause of the Stability and Growth Pact was activated. This clause facilitates the coordination of budgetary policies in times of severe economic downturn and permits a temporary departure from the adjustment path towards the medium-term budgetary objective provided that this does not endanger fiscal sustainability in the medium term. The general escape clause does not mean that the procedures of the Stability and Growth Pact are suspended. It allows Member States to make a departure from the budgetary requirements that would normally apply at the same time as the Commission and the Council are able to undertake the necessary policy coordination measures within the framework of the Pact,

According to the proposed country-specific recommendation for 2020 presented by the Commission on den 20 May 2020, the Commission stresses that Sweden should take all necessary measures to address the pandemic, both regarding the functioning of health care and the economic consequences resulting from the pandemic.

The Council Decision of 20 July 2020, adopted by written procedure, recommends that Sweden take the following action in 2020 and 2021:

1. In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment. Ensure the resilience of the health system, including through adequate supplies of critical medical products, infrastructure and workforce.
2. Foster innovation and support education and skills development. Front-load mature public investment projects and promote private investment to foster the economic recovery. Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy, high-tech and innovative sectors, 5G networks and sustainable transport.

3. Improve the effectiveness of anti-money laundering supervision and effectively enforce the anti-money laundering framework.

In its 2020 recommendation the Commission notes that continued follow-up of the recommendation from 2019 will be relevant to the recovery from the pandemic.

The Council Decision of 9 July 2019 recommends that Sweden take the following measures in 2019 and 2020:

1. Address risks related to high household debt by gradually reducing the tax deductibility of mortgage interest payments or increasing recurrent property taxes. Stimulate investment in residential construction where shortages are most pressing, in particular by removing structural obstacles to construction. Improve the efficiency of the housing market, including by introducing more flexibility in rental prices and revising the design of the capital gains tax.
2. Focus investment-related economic policy on education and skills, maintaining investment in sustainable transport to upgrade the different transport modes, in particular railways, and research and innovation, taking into account regional disparities.
3. Ensure effective supervision and the enforcement of the anti-money-laundering framework.

The Government welcomes the reviews conducted within the framework of the European Semester. In the Government's view, the work performed in the European Semester is a way of encouraging responsible economic policy and attaining the targets the Member States have jointly agreed. Reviews that are well-founded, treat the Member States equally and take country-specific conditions into account are an important aspect of the European Semester and therefore of economic policy coordination at EU level.

3.1 Fiscal policy during and after the pandemic

The Government shares the assessment that necessary measures should be taken to address the pandemic, sustain the economy and support the recovery. The Government also shares the assessment that its expansive fiscal stance should be retained during 2022, including the effects of the RRF. The Government also considers that it is important, when the economy so permits, to return general government net lending to the level that follows from the surplus target and ensure a sustainable level of debt.

Measures taken by the Government on account of the spread of COVID-19

The spread of COVID-19 has had impacts throughout Sweden. Since the outbreak of the virus, the Government and the Riksdag have taken a large number of measures to safeguard

people's lives, health and livelihoods. At the same time a powerful green restart of the Swedish economy is being implemented. A responsible fiscal policy contributed to general government gross debt being low before the pandemic. Sweden has therefore been in a good position to deal with the recession that followed from the pandemic. In total, the measures taken in 2020 and 2021 on account of the pandemic and the green economic restart amount to almost SEK 400 billion in expenditure increases and revenue reductions. This corresponds to just over 7% of GDP for 2021, or around SEK 40 000 per inhabitant. In addition, around SEK 1 000 billion has been made available in various forms of loans and guarantees, corresponding to around 19% of GDP.

When economic conditions so permit, the Government will again pursue a fiscal policy intended to achieve a surplus in public finances in accordance with the surplus target. Sweden is well placed in terms of its public finances to deal with the recession following from the pandemic. The fiscal policy framework, which includes surplus targets, expenditure ceilings, a local government balanced budget requirement and a strict and unified budget process, has served Sweden well. A responsible fiscal policy has contributed to general government consolidated gross debt, i.e. the Maastricht debt, being low in a historical and international comparison.

Sweden's recovery and resilience plan

The preliminary size of the economic grant available to Sweden in the RRF is around SEK 33 billion over three years. The reforms and investments included in Sweden's recovery and resilience plan are only a limited part of the very extensive measures adopted to deal with the consequences of the pandemic, strengthen the resilience of Swedish society and promote a green recovery.

The measures in the recovery and resilience plan (RRP) will make effective contributions to stimulating the economy in the next few years. The RRF contributes to the extensive restart package that will lead to Sweden leaving the recession more quickly and thus to alleviating the economic and social fallout of the crisis. In all, the RRF measures are assessed to contribute to growth being about 0.5 percentage points stronger and employment being a total of 0.3 percent higher in the period 2020–2023 than if the measures had not been taken. This assessment is based on Swedish and international studies of fiscal policy multipliers, i.e. estimates of the short-term effects of fiscal policy stimulus measures on GDP and employment.

Measures for 2022

A powerful green economic restart is now being implemented. This year the next step is being taken to build a Sweden that is stronger and more sustainable than the country was before the crisis. The Budget Bill for 2022 puts an annual total of some SEK 74 billion into moving all of Sweden forward after the pandemic. Reforms are implemented to speed up the climate transition, to get more people into jobs and to strengthen welfare provision.

In addition, the Riksdag has adopted measures on its own initiative and the Government has presented a number of proposals and announcements with economic consequences for 2022. The total budgetary effect since the budget adopted for 2022 is a further SEK 53 billion for 2022. Because this involves amendments to the central budget for 2022, most of the economic impacts of the proposals are limited to 2022. However, some of the measures are estimated to have enduring impacts that result in net lending being weakened by between SEK around 14 and around 18 billion per year.

For further information about fiscal policy, see Sweden's 2022 Convergence Programme.

3.2 Measures to address the pandemic and increase resilience in health care

The Government shares the assessment that necessary measures should be taken to address the pandemic and increase resilience in health care. The foundations for large part of work to deal with the COVID-19 pandemic and strengthen health care were laid in 2020 when the COVID-19 pandemic first hit. In 2021 several measures were taken to strengthen health care and secure access to vaccines. The Government has also given a large number of commissions so as to strengthen preparedness and resilience in health care and elsewhere.

Initiatives and measures

In Sweden the regions and, to some extent, the municipalities are responsible for health care. The Government and the State have overall responsibility but most decisions and budget functions are based in the regions. The following list only includes the measures taken by the Government and does not include measures taken at local or regional level.

General initiatives for health care

On 19 March the Swedish National Board of Health and Welfare was commissioned to set up a coordination function for intensive care beds. In 2022 the Board was commissioned to continue its work on the coordination function. This work is, however, to be adapted to the fact that the acute phase of the pandemic is over, and this work should instead be directed at maintaining stronger preparedness. Among other action, the Board should maintain networks established, continue to collect situation reports regarding the number of admitted patients with COVID-19 in intensive care and other hospital care and to make forecasts for the burden in intensive care. The Board is also to follow the pandemic with the aid of relevant national data sources held by different actors; this involves compiling statistics and doing analyses, providing input for research and, where possible, making data available on the internet for various purposes and target groups. The Board is to present a final report on its commission by 30 June 2022. Its commission may be extended due to the development of COVID-19.

The Government is taking numerous measures to increase accessibility in health care, including the appointment of the Delegation for Greater Accessibility in Health Care on 13

August 2020. The remit of the Delegation includes supporting effective resource utilisation and shorter waiting times by providing information about patient choice. Its final report is to be presented by 15 May 2022.

In 2021 the Government allocated a total of SEK 6 billion to support health care in handling postponed care and COVID-19-related care. In addition, in the 2021 Budget Bill the Government announced SEK 4 billion in 2022 for the same purpose. In the Budget Bill for 2022 the Government allocated a further SEK 2 billion for targeted measures to the regions in order to give health care additional support in work to deal with pent-up health care needs resulting from the outbreak of COVID-19. On 20 January 2022 the Government commissioned the National Board of Health and Welfare to distribute this SEK 2 billion to the regions for targeted measures to handle the pent-up health care needs. As part of this commission, the Board will also follow up how the regions work on handling the pent-up health care needs and how the funds are used.

On 17 February 2022 the National Board of Health and Welfare was given the commission of paying the regions SEK 420 million to increase the number of health care beds. This government grant will, for instance, be available for employing nurses, doctors and other health care professionals so as to increase the number of beds available.

The Government is allocating almost SEK 3 billion in 2022 in an agreement with the Swedish Association of Local Authorities and Regions (SALAR) on greater accessibility in health care. The agreement is intended to stimulate regional action that contributes to improvements in the form of shorter waiting times, increases the effectiveness of the health care guarantee and contributes to the implementation of the measures in the regional action plans.

The Government has appointed the Inquiry on preparedness for statutory provisions for future pandemics (S 2021:04) and has given 10 commissions to agencies to strengthen preparedness and resilience in health care and other areas.

Access to protective equipment, medical devices and medicinal products

To secure national access to protective equipment, medical devices and medicinal products and other material needed in health care of COVID-19, the National Board of Health and Welfare was commissioned in spring 2020 to set up a function to support municipalities and regions in cases where a regional or local shortage arises regarding protective equipment, medical devices and medicinal products and other material needed in health care of persons with COVID-19. In conjunction with approval of the first vaccine against COVID-19, the Government saw a potential national shortage of cold storage, so the National Board of Health and Welfare was commissioned to purchase 21 cryofreezers. Other measures have also been taken to secure access to medicinal products and other material. For example, the Swedish Medical Products Agency has amended regulations concerning the transfer of

medicinal products between pharmacies and regions and exemptions from charges for COVID-19-related clinical trials.

Vaccines and testing

The purpose of work on vaccines and testing is to contribute to ensuring balanced health care over time across the country. At an early stage, the objective was to increase testing capacity for COVID-19 as soon as possible so as to ensure testing of health care staff and alleviate the impacts on society of losses of staff in other essential services. A further objective was to ensure broad, large-scale national testing for COVID-19 in cooperation with the regions. This included large-scale symptomatic testing across the country so as to detect active infection. The State and the regions concluded an agreement that the State would meet the costs while the regions undertook to carry out tests on the basis of the recommendations of the Public Health Agency of Sweden. Up to now, the Government has allocated more than SEK 20 billion to this purpose.

There is also a new legislative proposal on the registration of COVID-19 vaccinations in a national register as of 1 January 2021. The purpose of the legislative proposal is to make it compulsory for all care providers that are going to contribute to the coming vaccination process to register information about every vaccination in a national register for vaccinations administered by the Public Health Agency of Sweden.

The Public Health Agency of Sweden has also been commissioned to provide technical support to enable safe registration of these vaccinations. The Government's ambition is to make it possible for data about COVID-19 vaccinations to be transferred automatically from local health information systems to the central register for as many care providers as possible to facilitate their work. The Public Health Agency of Sweden has also been commissioned to make a report each month on the quantity of vaccinations performed in each region. The quantity of vaccinations reported will be used for payments to the regions.

The Swedish Medical Products Agency will ensure that COVID-19 vaccinations are followed up continuously up until the end of 2024 so as to detect any safety problems. This includes gathering and analysing reports about side-effects from health care staff and private individuals who have been vaccinated, monitoring unusual patterns in the Swedish register of health data and, when required, carrying out specific studies to follow up serious indications of side-effects of the vaccines.

Temporary measures in social insurance

In order to limit the spread of infection, reduce the burden on health care and reduce the economic impacts of COVID-19, the Government has taken temporary measures in social insurance. The compensation involved has resulted in temporary reinforcements for individuals, families and employers through e.g. compensation to individuals for waiting

periods, compensation to employers for sick pay costs, compensation to risk groups and certain close relatives of risk groups who need to refrain from working so as to reduce the risk of COVID-19 infection, additional payment for families with children receiving housing allowance, temporary parental benefit during school closures, etc. In the short term these forms of compensation have been important in countering the risk that individuals, children and families will be left without income and ensuring that employers will not be hit financially by increased sick pay costs.

Measures in the recovery and resilience plan concerning a country-specific recommendation

Reforms included in the recovery and resilience plan that respond to health care in country-specific recommendation (2020:1) in the Commission's working document annexed to the proposal for a Council decision regarding Sweden's recovery and resilience plan.

- Elderly Care Initiative
- Protected professional title of the profession of nurse assistant
- Regional adult vocational education

3.3 The housing market and household debt

The Government shares the assessment that there are substantial challenges in the Swedish housing market. Further reforms are needed to increase the supply of housing, especially rented housing with rents at relatively low levels that can be demanded by more people. Increasing the supply of rented housing can improve mobility in the housing market and matching in the labour market, two important components for high employment and efficient resource utilisation in the economy.

The Government shares the assessment that households' high debt poses risks. It is a risk to macroeconomic stability, especially since households with large loans may reinforce a downturn in the economy if many of them choose, at the same time, to draw down their consumption so as to be able to pay their loans or increase their savings.

House prices and household debt, which largely consists of mortgages, has risen for a long time in Sweden. Structural changes in the mortgage market, in combination with low interest rates and a strong economy that has strengthened household incomes have contributed to this development. In recent years a number of macroprudential measures have been implemented; one purpose being to counter the risks of households' high debt. The measures introduced are judged, according to Finansinspektionen, to have led to the households affected by them buying cheaper housing, borrowing less and amortising more than they would have done without these measures. House prices increased at a moderate pace from 2017 up until the start of the pandemic, when prices fell temporarily. However, since the end of June 2020 house prices have increased faster than the historical average. In

late 2021 their growth rate moderated slightly. In 2021 the growth rate of household debt was around 6.3%. The household debt ratio increased rapidly in 2020, mainly due to weak growth of households' disposable income, and the ratio has continued to increase in 2021, but not as rapidly

In its annual report *The Swedish Mortgage Market* from 2021, Finansinspektionen made the assessment that, in general, households have sufficient financial margins to cope with interest rate increases and loss of income but that some mortgagors may have strained cash flows in such a situation.

The Government shares the assessment of the European Commission that the design of the tax system can influence household debt. However, it is important to maintain stable and predictable rules for decisions as important as buying a home. The need for action in the area must be viewed from a long-term perspective and be handled with care. This applies particularly to the question of tax deductions for interest payments.

Initiatives and measures concerning the housing market

Housing construction and investment support

Housing construction has increased strongly in recent years and has been at high levels for several years. State investment support for new construction of rental housing and housing for students has been an important instrument in stimulating a continued high rate of construction of rental housing with relatively low rents.

Digitalisation

Boverket [*the Swedish National Board of Housing, Building and Planning*] has been commissioned by the Government to promote effective and uniform application of the Planning and Building Act in a digital environment. Boverket has produced regulations for digital detailed development plans and plan descriptions. The county administrative boards have been commissioned to develop and introduce uniform digital process support and common procedures for their participation in planning. Uniform digital process support and common procedures can promote more effective and quality-assured processes in relation to other government agencies, municipalities, regions, developers and the public in general.

Better supporting information for housing provision

At the end of January 2022 the Government presented the Government Bill *Better supporting information for measures in the housing market to assess the housing shortage* [*Ett bättre underlag för åtgärder på bostadsmarknaden att bedöma bostadsbristen*] to the Riksdag (Government Bill 2021/22:95). The proposal means a requirement that the analysis that is to form the basis for the information in municipalities' guidelines for housing provision has a clearer focus on the housing shortage in the particular municipality. The aim is to improve the conditions both

for the Government's monitoring of the Riksdag's objective for the housing market and for municipal planning of housing provision. It is proposed that the amendments enter into force on 1 October 2022.

Review of claims on national interests

Several government agencies have been given commissions to review claims on areas of national interest. The review is intended to greatly reduce both the number of claims of national interests and the aggregate spread of the areas covered. In its final report Boverket noted that the Swedish Environmental Protection Agency and the Swedish National Heritage Board each need supporting information from the county administrative boards to complete the review of their claims of national interest. The Government has commissioned the county administrative boards to identify areas of national interest for the purposes of nature conservation and conservation of the cultural environment whose current relevance needs to be examined. One starting point for this commission is to reduce conflicts between the different objectives for national interests and housing construction and to release more land for planning and building. The final report on the commission was presented on 28 December 2021. The Swedish National Heritage Board and the Swedish Environmental Protection Agency have been commissioned in their appropriation directions for 2022 to review the national interests for conservation of the cultural environment and nature conservation that the county administrative boards have identified as areas of national interest where there are deficiencies concerning their current relevance or geographical spread. They are to report on their commissions by 31 January 2023.

Better possibilities for municipalities to produce more detailed development plans

The legislative amendments that were proposed by the Government in the Government Bill *Private initiative* [*Privat initiativrätt*] and that entered into force on 1 August 2021 mean that private actors will be able to make more of a contribution to work by municipalities on producing detailed development plans. The reform means that planning stakeholders are able to use the period from when the municipality decides to give a positive planning notification until the point in time when actual work on the detailed development plan begins to produce the supporting material needed for the planning work. In the long term the proposals should give municipalities better possibilities of producing a larger number of detailed development plans.

Current government-appointed inquiries

The *Inquiry on socially sustainable housing provision* (ToR 2020:53, 2020:126, 2021:67) has had the remit of investigating and, where necessary, proposing measures to create conditions for socially sustainable housing provision. Its remit has included reviewing two important parts of social housing policy: the division of tasks between central government and the municipalities and the housing policy instruments available to municipalities to help the

households that are furthest from the housing market. The Inquiry presented its report on 30 March 2022 (SOU 2022:14). The report has been sent for consultation.

The *Building Permit Inquiry* has reviewed the provisions on building permits for the Government. The Inquiry's remit has been to conduct a systematic review of the regulatory framework for building permits etc. This is in order to devise a simpler, more effective and more appropriate regulatory framework while securing important public and private interests and long-term sustainable construction of housing and other works. A consultation has been held on the report and the Inquiry's proposals are being processed by the Government Offices.

Support measures

Investment support for rental housing and housing for students. To reduce the risk of falling housing investment, fewer housing completions and lower employment in the construction sector, the appropriation for the investment support has been raised in the Budget Bill for 2021 by SEK 1.1 billion in 2022 and by SEK 1.9 billion in 2023. Up until March 2022 almost SEK 19.3 billion in investment support had been granted for more than 53 700 rental units, including just over 6 500 units for students. More than half of these housing units — almost 31 500 — have already been completed. However, this support is going to be ended on account of the decision of the Riksdag on the central government budget for 2022. This decision means that it will not be possible to grant support to applications received after 31 December 2021.

Support for energy efficiency in multi-dwelling buildings In 2021, 1 739 applications were received. Up until 31 March 2022, 572 cases had been granted support corresponding to SEK 577 million. However, this support is going to be ended on account of the decision of the Riksdag on the central government budget for 2022. This decision means that it will not be possible to grant support to applications received after 31 December 2021.

More efficient construction and better conditions for competition

On 31 March 2022 the Government adopted the Government Bill *Certified construction design companies – a more predictable construction process* [*Certifierade byggprojekteringsföretag – en mer förutsägbar byggprocess*]. The proposal means that a developer will be able to use a certified construction design company for the design phase of new construction of residential buildings. If the developer uses one of these companies, the municipal building committee will not examine certain requirements when it examines the building permit application. The point is to solve the problem that municipalities apply the building regulations differently and this will lead to greater predictability and efficiency in the construction process. The proposal can facilitate mass construction of residential buildings. The Government proposes that the proposal enter into force on 1 August 2022.

Measures in the area of taxation

Measures have been taken in the area of taxation to improve mobility in the housing market. One measure concerns deferred taxation of all or parts of the capital gain for individuals changing their home. In order to further increase mobility, the cap for the deferred capital gain was increased on 1 July 2020 from SEK 1 450 000 to SEK 3 million. For the same reason and to increase the supply of housing in the market, the payment of interest on the deferred capital gain was abolished on 1 January 2021. The measure also covered existing deferrals.

Measures linked to household debt

A number of measures have been taken to strengthen the resilience of households and the financial system.

Mortgage ceiling

In autumn 2010 Finansinspektionen adopted a general guideline on loans collateralised by residential property; the loan-to-value (LTV) ceiling for mortgages means that new loans should not exceed 85% of the market value of the property.

Risk-weight floor

To ensure that banks maintain own funds that cover the risks in their Swedish mortgage portfolio, Finansinspektionen introduced a risk-weight floor for Swedish mortgages in several stages. In May 2013 a risk-weight floor of 15 per cent was introduced for Swedish mortgages, and it was then raised to 25 per cent in September 2014. Higher risk weights mean, all else equal, that the banks need to retain more capital for their lending. In 2018 Finansinspektionen decided to change the method for the application of the risk-weight floor for Swedish mortgages, which was then being applied in Pillar 2. The new requirement was designed within the framework of Article 458 of Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation). The aggregate capital needs of credit institutions were not affected to any appreciable extent by the measure. The measure entered into force on 31 December 2018. In December 2020 Finansinspektionen decided to extend the risk-weight floor by one year, from 30 December until and including December 2021. In December 2021 it decided to extend the risk-weight floor by a further two years, from 31 December 2021 until and including 30 December 2023.

Counter-cyclical capital buffer requirement

Between 2015 and 2020 Finansinspektionen has gradually increased the counter-cyclical capital buffer requirement to 2.5%. On account of the spread of the coronavirus and the economic and financial uncertainties resulting from its spread, Finansinspektionen decided on 16 March 2020 to reduce the counter-cyclical capital buffer requirement to 0%. This measure created scope to enable banks to maintain or increase their lending to businesses and households, thereby supporting the Swedish economy. In September 2021 Finansinspektionen decided to raise the countercyclical capital buffer requirement to 1 per cent. The new buffer value applies as of 29 September 2022.

Amortisation requirement

The Act that gives Finansinspektionen a mandate to issue regulations concerning amortisation requirements for new mortgage loans entered into force on 1 May 2016. Thereafter, and following Government consent, Finansinspektionen adopted regulations on the amortisation requirement, which entered into force 1 June 2016. On 1 March 2018 the amortisation requirement was tightened for households taking large mortgages in relation to their income. When introduced, this measure was judged to affect just under 15 per cent of new mortgage borrowers. In December 2018, following Government consent, Finansinspektionen decided to amend the amortisation regulations so that they also apply to companies subject to the Mortgage Business Act. This measure ensures that the purpose of the amortisation requirements is achieved since the same amortisation requirements apply to loans secured by homes irrespective of whether the loan is given by a company subject to the Mortgage Business Act or a credit institution.

On account of the spread of the coronavirus, Finansinspektionen announced on 17 March 2020 that income loss linked to the virus is one such special reason for exemptions from amortisation. On 14 April 2020 Finansinspektionen decided that banks were to be able to give all new and existing mortgagors exemptions from the amortisation requirements on account of the spread of the coronavirus and its effects on the Swedish economy. The exemption applied until and including 31 August 2021.

Finansinspektionen's mandate to take macroprudential supervision measures

Legislative amendments that entered into force on 1 February 2018 give Finansinspektionen possibilities, following government consent, to take further macroprudential measures to counteract imbalances in the credit market. These measures consist of different types of limitations concerning lending to households and companies, such as limits on the size of loans and interest expenditure that borrowers can be considered to be able to cope with in relation to their financial situation.

Evaluation of macroprudential supervision

In 2018 the Government commissioned Finansinspektionen to present methods for evaluating macroprudential supervision. Finansinspektionen's final report on this commission was presented to the Government on 14 June 2019. Finansinspektionen's report: "Finansinspektionen's work on macroprudential supervision" [*Finansinspektionens arbete med makrotillsyn*] shows that the macroprudential measures have led to households buying cheaper homes, taking smaller mortgages and amortising more than they would have done without the measures. Finansinspektionen's analysis "*FI-analys 20: Fewer home equity withdrawals after amortisation requirements*" also shows that home equity withdrawals have decreased after the amortisation requirements, which has contributed to a decrease in the share of mortgagors with high levels of debt. Extensive home equity withdrawal from existing homes, i.e. mortgage borrowing for purposes other than home purchases, can entail macroeconomic risks.

In 2020 the Government commissioned Finansinspektionen to conduct an overall evaluation in 2021 of the macroprudential measures implemented. Finansinspektionen reported on its commission on 30 June 2021. Its report *Overall assessment of macroprudential measures* [*Samlad utvärdering av makrotillsynsåtgärder*] shows that the measures have helped subdue and prevent a scenario where new mortgagors borrow more heavily. Household debt – and home prices – would be even higher than they are today if the measures had not been in place. The measures will also slow future growth of debt and home price rises and counter lenders using high loan-to-value ratios and low amortisation as a means of competition.

Measures in the recovery and resilience plan concerning a country-specific recommendation

Reforms and investments included in the recovery and resilience plan that respond to the country-specific recommendations to stimulate investment in housing and address risks related to high household debt (2019:1) in accordance with the Commission's working document annexed to the proposal for a Council decision regarding Sweden's recovery and resilience plan

- Investment support for rental housing and housing for students
- Private right of initiative for detailed development planning
- A simplified and effective regulatory framework for building permits etc. (ToR 2020:4)

Better prerequisites for housing construction (Govt Bill *Certified construction design companies – a more predictable construction process*)

- Higher ceiling for deferred capital gains
- Abolition of interest on deferred capital gains

3.4 Money laundering

The Government shares the assessment that combating money laundering is a very important issue, and has also taken and is continuing to take a number of measures to further strengthen legislation in the area and sharpen supervision.

Initiatives and measures

Legislation

Between April 2019 and March 2020 the Government presented a total of five government bills to the Riksdag containing material amendments to the Anti Money Laundering Act. The substance of these reforms is set out in Sweden's national reform plan for 2021.

The Inquiry on *stronger measures against money laundering and terrorist financing* presented its report in May 2021. One of its proposals is that law enforcement agencies, supervisory authorities and certain companies such as banks, should be able to exchange information with one another notwithstanding statutory secrecy or other obligations to observe confidentiality. More information about the Inquiry is given in Sweden's recovery and resilience plan.

On the basis of the Inquiry's report, the Government is working on a proposal to increase the exchange of information between e.g. banks and judicial authorities.

The National Reform Programme for 2021 described a large number of reforms put in place in recent years including better powers for Finansinspektionen's examinations of good character; new powers for the Swedish Tax Agency to itself gather intelligence information about money laundering; information from financial institutions to law enforcement authorities; supervision of lawyers and law firms; regulation of virtual currencies; stricter measures in relation to high-risk third countries; better protection for whistle-blowers; exchanging information with foreign supervisory authorities; reinforced powers for Finansinspektionen in relation to foreign branches; and measures in relation to transparency in beneficial ownership.

In addition to what is stated in the national reform programme for 2021, a number of measures have been implemented and further measures are planned. Legislative amendments that came into force on 10 November 2021 mean that the provisions of the Anti Money Laundering Act will apply to providers of crowdfunding services. In addition, a new Estate Agent Act has been adopted (Govt Bill 2020/21:119) that means that more estate agents and estate agencies will come under supervision, which also means that they will be covered by the regime for combating money laundering and terrorist financing. The legislative amendments entered into force on 1 July 2021. The Government has also adopted a bill containing proposals that include giving certain law enforcement agencies greater access to financial information and financial analysis (Govt Bill 2021/22:127). It is proposed that the amendments enter into force on 1 July 2022.

In addition the Government Offices has opened a consultation on a memorandum proposing that reward- and donation-based crowdfunding run on a commercial basis should be covered by the Anti Money Laundering Act, which is not the case at present (Fi 2022/00473).

In its report *New confiscation legislation [Ny förverkandelagstiftning]* (SOU 2021:100) the 2020 Confiscation Inquiry proposes the introduction of a new form of confiscation – non-conviction-based confiscation of the proceeds of crime. Under the proposal, confiscation on these grounds would be permitted without there being any need to prove that a particular offence has been committed by someone. Instead, it should be sufficient to show that the property derives from criminal activities. A consultation is being held with the relevant agencies and organisations, and the consultation period ends on 27 April 2022.

Resources

In the central government budget for 2020 Finansinspektionen received SEK 10 million permanently for anti money laundering supervision, three county administrative boards received SEK 12 million for anti money laundering supervision and the Swedish Tax Agency received SEK 20 million for the development and operation of the account and safe deposit box system described Sweden's recovery and resilience plan. In the central government budget for 2021 Finansinspektionen was permanently allocated a further SEK 10 million for anti money laundering supervision. The Swedish Estate Agents Inspectorate received an additional SEK 4 million for its supervisory activities on account of the Inspectorate's slightly expanded mandate (see above). Against the background of the proposals in above-mentioned *Inquiry on stronger measures against money laundering*, several agencies were also given additional resources for anti-money laundering work in their budget for 2022: The Swedish Police Authority, Finansinspektionen, the Swedish Estate Agents Inspectorate, the Swedish Gambling Authority and the county administrative boards in the counties of Stockholm, Skåne and Västra Götaland.

In recent years the Swedish Police Authority has received considerable budgetary reinforcements. The increase in the number of police employees is continuing and the Swedish Police Authority's goal to reach 10 000 more employees until and including 2024 is largely proceeding according to plan. Since 2015 the Authority's appropriation has increased by almost SEK 12.7 billion, an increase of 60%. By 2024 its appropriation is estimated to increase by SEK 17.4 billion compared with 2015, corresponding to an increase of 82%. This increase will be shared by all parts of the Swedish Police Authority, including the Financial Intelligence Unit and other parts of the police working on combating money laundering and terrorist financing.

Operational work

The National Reform Programme for 2021 describes part of these agencies' operational work, including Finansinspektionen's work on colleges of supervisors and decisions issued, including administrative fines. The agencies have continued their work during the year, with Finansinspektionen taking a number of measures. In February 2022 Finansinspektionen issued decisions warning two payment service companies and requiring them to pay administrative fines for serious deficiencies in the companies' compliance with the AML regime (SEK 130 million and 14 million respectively). Finansinspektionen has also opened investigations in several high-risk sectors, including about how two market-leading companies trading in bitcoin and other crypto assets are following the AML regulations and how leading currency exchange companies are following the regime.

Since 2020, Sweden's Financial Intelligence Unit, part of the Swedish Police Authority, uses the IT system goAML for operators' reporting of suspect transactions and activities. The reporting system now being used is judged to have increased the capacity of the Financial Intelligence Unit along with several other changes. The Financial Intelligence Unit is also continuing to publish reports e.g. as guidance for operators. The number of money laundering offences prosecuted has increased in recent years and since 2016, when Sweden was evaluated by the Financial Action Task Force (FATF), the number of prosecutions per year has almost quintupled.

International measures

In its National Reform Programme for 2021 Sweden reported that FATF had assessed Sweden as being fully or largely compliant with a great majority of FATF's recommendations. Moreover, Sweden has reached FATF's regular follow-up process, which is the least intensive monitoring process and confirmation that Sweden's action against money laundering and terrorist financing is effective.

Sweden has also taken the initiative of proposing that the IMF perform a regional risk analysis for the Nordic-Baltic Region, including the EEA Member States Norway and Iceland. The project started in January 2021 and is to be completed in summer 2022.

Measures in the recovery and resilience plan regarding country-specific recommendations

Reforms included in the recovery and resilience plan that respond to the country-specific recommendations about improving the effectiveness of the framework for combating money laundering and terrorist financing (2019:3, 2020:3), in accordance with the Commission's working document annexed to the proposal for a Council decision concerning Sweden's recovery and resilience plan.

– Stronger measures against money laundering and terrorist financing (terms of reference 2019:80, legislative amendments to enter into force in 2023).

– A new account and safe deposit box system (in force since 10 September 2020, connection to the system assessed to be largely completed in 2022).

3.5 Investments

The Commission takes the view that investment-related economic policy should focus on areas including education and skills development, research and innovation, infrastructure and promoting the green and digital transition. The Government shares the assessment that these are key areas in need of further investment.

Initiatives and measures

Investments in green and digital transition

Sweden aims to be the world's first fossil-free welfare state. By 2045, Sweden is to have net zero emissions of greenhouse gases to the atmosphere, and is to achieve negative emissions thereafter. Achieving this target will require major public and private investments in innovative, climate-smart technology. The Industrial Leap was therefore strengthened in the Budget Bill for 2022 so as to further strengthen and accelerate industry's climate transition. The Climate Leap was also given additional funding. The support makes specific climate investments possible at local and regional level throughout Sweden. The additional funding will make further measures possible to reduce greenhouse gas emissions, such as expanded charging infrastructure, production of biogas and expansion of district heating. Funding was also provided to introduce operational support for the separation, capture and storage of biogenic carbon dioxide, bioCCS, by using "reverse auctions". Measures to achieve negative greenhouse gas emissions are an important complement emission-reducing actions. Industry's transition requires investments with a long lifetime in new and often untested technology and processes. In 2021 the Government therefore introduced a possibility for companies to apply for credit guarantees for large green investments. The guarantee frame for credit guarantees was raised to SEK 50 billion in 2022 so as to enable more major industrial investments that contribute to reaching the objectives in the system of environmental objectives and the climate policy framework. The guarantee frame is estimated at SEK 65 billion for 2023 and SEK 80 billion for 2024. The electrification of the transport sector is proceeding at speed and there have been more sales of cars entitled to the climate bonus than previously estimated. In order to maintain the rapid pace of transition, the Government is proposing a further allocation of funding in the Spring Amending Budget for 2022.

To strengthen long-term competitiveness and promote a rapid transition to a green and digital society, Sweden is participating in Important Projects of Common European Interest (IPCEIs). Sweden is already participating in two projects in the area of batteries and the Swedish Energy Agency has been commissioned to prepare Swedish participation in a hydrogen project in order to decrease emissions in industry. Coordination and financing are needed to ensure that Sweden is able to participate in these projects. The Government

therefore proposed funding of SEK 100 million in 2022 and estimates additional funding of SEK 70 million in 2023 and 2024 for industrial cooperation projects for green and digital transition. This proposal means that additional finance will be provided for the purpose over and above the SEK 200 million in 2022 and the estimated SEK 70 million in allocated in 2023–2027 that was allocated in the Budget Bill for 2021.

The Government has taken several measures intended to strengthen digitalisation in society. One example is the establishment of administration-wide digital infrastructure for exchanging information and the budgeted spending on the digital infrastructure of welfare provision of SEK 50 million per year up until 2024 and SEK 20 million per year as of 2025. The Government's objective for digitalisation of public administration is a simpler everyday life for citizens and businesses, a more open administration that supports innovation and participation and higher quality and effectiveness in services. In 2022 the Government is allocating SEK 58.6 million so as to be able to achieve the requirements in Regulation (EU) 2018/1724 of the European Parliament and of the Council establishing a single digital gateway to provide access to information, to procedures and to assistance and problem-solving services. For 2023 and 2024 the estimated allocation for the same purpose is SEK 135.6 million. Between 2022 and 2027 the Government will also allocate an estimated SEK 50 million per year for cofinancing of projects in the EU programme Digital Europe. Moreover, in 2021 it was decided to extend the initiative for regional digitalisation coordinators up until 2025, and an estimated SEK 23 million per year is being allocated to enable the digitalisation coordinators and their support function at the Swedish Agency for Economic and Regional Growth to continue their work.

Investments in education, research and skills

The Commission makes the assessment that investments are required to reduce the difference in educational achievement between pupils. The Government has taken numerous measures to strengthen equity in schools. A new government grant introduced in 2021 is paid to organisers in the school system for measures to improve the working environment and working conditions of teachers in school units with a preschool class or compulsory school with socioeconomic challenges. The government grant to strengthen equity and knowledge development, the “equity grant”, was enhanced so as to contribute even more to organisers’ possibilities of taking more action in this area. The equity grant is being boosted by just over SEK 320 million in 2022. The Government also estimates a gradual increase in the grant to just over SEK 8.7 billion in 2024. Children’s education at preschool is of importance for their future learning and can be crucial in compensating for different circumstances. To increase equality in preschool, an increase in government support for preschool was proposed, along with socioeconomic weighting of resources. In the budget for 2022 more than SEK 2.1 billion is being allocated to knowledge-enhancing measures in preschool.

In 2021 the Government's spending on the Knowledge Boost reached its highest volume so far with additional finance corresponding to more than 160 000 new places in vocation-oriented training at upper secondary level in municipal adult education (regional adult vocational education), folk high schools, higher vocational education, and universities and other higher education institutions. As stated in section 3.6 the Government's spending on the Knowledge Boost is also continuing in 2022.

In March 2022 the Government adopted a new transition package for more flexibility, transitioning capacity and security in the labour market. The package also contains proposals for reform of labour law, a new student finance scheme for transition and retraining and a new form of basic support for transitioning and skills. The Government also has the ambition of increasing the number of participants in labour market training, especially among women. The Riksdag's decision on the central government budget for 2022 provides additional funding for labour market training. See section 3.6.

In accordance with the 2020 research and innovation policy bill the Government proposes spending on research and innovation totalling around 3.2 billion for 2022. The spending in 2023 and 2024 is estimated at just under SEK 3.3 billion and SEK 3.7 billion, which increases the level of government research grants by around 10%.

Investments in infrastructure and sustainable transport

The Commission makes the assessment that planned investment in rail infrastructure is important to facilitate a modal split and to deliver on Sweden's far-reaching climate objective. On 16 April 2021 the Government presented a new infrastructure bill containing financial frames of SEK 799 billion for the next plan period 2022–2033 (Govt Bill 2020/21:151). Additional funds such as track charges and congestion charges are estimated at SEK 82 billion, resulting in an estimated total frame of SEK 881 billion during the coming plan period 2022–2033. The Infrastructure Bill combines funding for road and rail maintenance with new investments. This contributes to accessibility, climate work, expanded labour market regions, regional development, cohesion in the country and Sweden's competitiveness. In the Infrastructure Bill the Government proposes SEK 437 billion in funding for the development of transport infrastructure. The proposed financial frame for development means that the current national plan can be completed and that funds are available for new main rail lines and other important measures. The Riksdag adopted the proposals in the Government Bill. On 30 November 2021 the Swedish Transport Administration presented its proposal for a national plan for transport infrastructure 2022–2033. The proposal is currently being processed in the Government Offices. A decision on a new national plan is planned for spring 2022.

The Government has made the assessment that the funding provided for trimming and environmental measures and road and rail maintenance as a result of the infrastructure bill

needed to be reinforced in the near future. Following the Government's proposal in the Budget Bill for 2022 funding for trimming and environmental measures has been reinforced by a further SEK 500 million in 2022 and the appropriation for road and rail maintenance has been reinforced by a further SEK 1.75 billion in 2022. In addition to making improvements in the rail and road network, this initiative is also intended to promote sustainable regional development and good living conditions in rural Sweden, as well as to strengthen the economy and increase employment. The Government also makes the assessment that the environmental impact of traffic needs to decrease, not least in cities where additional improvements are needed to the situation of bicycle traffic, for instance. The urban environment agreements, which have turned out to be an effective way of promoting sustainable transport, are therefore given a temporary reinforcement of SEK 200 million in 2022 with a particular focus on cycling.

Measures in the recovery and resilience plan concerning a country-specific recommendation

Reforms and investments included in the recovery and resilience plan that respond to the recommendations about promoting innovation, education, skills development and investment (parts of recommendations 2019:1, 2019:2, 2020:1 and 2020:2), in accordance with the Commission's working document annexed to the proposal for a Council decision concerning Sweden's recovery and resilience plan.

- Strengthened railway support – Energy efficiency in multi-dwelling buildings
- Industry Leap
- Climate Leap
- Adjustments in the reduction obligation
- Abolished reduction of energy tax on heating fuels in industry and agriculture, forestry and aquaculture
- Adjusted taxable benefit rates for company cars– More study places in regional adult vocational education
- Higher compensation level for vocational training in combination with Swedish for Immigrants and Swedish as a second language
- More study places in higher vocational education
- Resources to meet demands for education at universities and other higher education institutions
- Elderly Care Initiative

- Broadband expansion
- Joint public administration digital infrastructure
- Investment support for rental housing and housing for students
- Employment protection act and greater transition possibilities – Formal protection of valuable nature

3.6 Actions concerning the European Pillar of Social Rights and the national targets in the social area

The Commission's European Pillar of Social Rights Action Plan proposed three EU-level headline targets in the social area to be achieved by 2030 that will help to guide national policies and reforms. Heads of State and Government gave their backing to the headline targets at their informal meeting in Porto in May 2021, and these were endorsed by the European Council on 24–25 June of the same year. The targets address the areas of employment, education, and poverty reduction or social exclusion and are in line with the UN Sustainable Development Goals. At EU level the target for employment has been formulated as that at least 78% of the population aged 20 to 64 should be in employment by 2030. The EU's headline target for education is that at least 60% of all adults should participate in training every year and its headline target for risk of poverty or social exclusion is that the number of people living at risk of poverty or social exclusion should be reduced by at least 15 million (compared with the 2019 level) by 2030.

Member States were called on to set national targets in the same areas, taking into account their particular starting positions and national circumstances and in accordance with their national decision-making processes. The targets shall be reported to the Commission in their National Reform Programmes, which are delivered at the end of April each year. Sweden's national targets to contribute to the EU headline targets in the social area are set in the Spring Amending Budget for 2022.

Sweden's national targets shall be ambitious, realistic, consistent and compatible with sustainable and inclusive growth and with sound public finances. There shall to be a clear link to the EU headline targets. It is important that all Member States take their responsibility for contributing to achieving the headline targets, but Member States that are further from the target levels should contribute more. The national targets should integrate a gender equality perspective.

Employment

The Government's assessment: Sweden's national target for employment should be that at least 82% of the population aged 20 to 64 should be in employment by 2030. The

employment gap between women and men should decrease significantly through an increase in the employment rate for women, especially in the group of foreign-born women.

Reasons for the Government's assessment: The Government's aim is that more women and men should get into work. The Government considers that there is scope for increased employment since there is a shortage of labour in certain sectors at the same time as workers are available. The pandemic has accelerated structural change, which contributes to even greater demands for transition in the labour force. The major challenges are in raising the level of education among people with a low level of education, preventing long-term unemployment from sticking at a high level and raising the labour force participation rate, especially among foreign-born women. Valuable production and tax revenue are lost when the labour force is not used. The Government considers that it is essential to permanently increase the supply of labour and employment so as to secure welfare services.

The employment rate in Sweden is high compared to other EU countries. In 2021 the employment rate in the 20–64 age group was 80,7%, with 78.0% for women and 83.3% for men, which are much higher levels than the EU average. Employment decreased at the start of the pandemic, both in Sweden and internationally, but Sweden has been able to keep it at a relatively high level, partly due to financial support to the industries affected. In addition, newly arrived immigrants have been able to get established in the labour market more and more quickly in the past decade. However, the employment rate differences between native-born and foreign-born and between women and men are still far too large. Moreover, these differences have increased during the pandemic. Foreign-born women have a much lower employment rate than the population on average.

The Government considers that Sweden's national target for employment should be that at least 82% of the population aged 20 to 64 should be in employment by 2030. The employment gap between women and men should decrease significantly through an increase in the employment rate for women, especially in the group of foreign-born women.

Education

The Government's assessment: Sweden's national target for education and training should be that at least 60% of all adults should participate in training every year. At least 40% of the participants should be men and at least 40% women.

Reasons for the Government's assessment: The Government considers that education policy should create good conditions to make use of everyone's skills, enable all women and men to acquire new skills and meet the needs of the labour market. Through continued investment in education and training, the Government is securing the supply of skills in Sweden and is giving people the possibility of development and lifelong learning, which strengthens Swedish welfare provision and competitiveness. For instance, the Government is now introducing a new transition support for working people.

The Government considers that Sweden's national target for education and training should be that at least 60% of all adults should participate in training every year. At least 40% of the participants should be men and at least 40% women. Here education and training includes both formal and informal education. Formal education means organised education as part of the regular education system. Informal education means, for example, staff training in working hours, labour market measures, and short courses, seminars and study circles during leisure time. The Government considers that it is appropriate to set the national target at the same level as the EU target.

The share of adults actually participating in education or training in Sweden today is uncertain. This uncertainty is due to shortcomings in previous statistical measurements (absence of time series, for instance) and the EU target for education will, as of 2022, be measured using a new indicator based on the Labour Force Surveys (LFS). The Government therefore intends to review the national target when the consequences of the new indicator have been analysed.

Poverty or social exclusion

The Government's assessment: Sweden's national target for a reduced risk of poverty or social exclusion should be that the number of women and men and girls and boys living at risk of poverty or social exclusion should be reduced by at least 15 000 before 2030 compared with the 2019 level. At least a third of them should be children.

Reasons for the Government's assessment: The Government considers that social inclusion and reduced poverty are crucial to people's well-being and independence. Inclusive societies with strong and well-functioning national systems of social protection contribute to greater equality for all, gender equality and economic growth and have a stabilising effect in times of crisis, which is to the benefit of citizens, Member States and cohesion in the EU, as well as to the single market.

For a long time the share living at risk of poverty or social exclusion in Sweden has been relatively stable at around 18%, measured by the EU indicator At risk of poverty or social exclusion (AROPE). This is a lower share than the EU average, which was around 21% in 2019. The Government considers that Sweden's national target should be to increase social participation by the number of women and men and girls and boys living at risk of poverty or social exclusion decreasing by at least 15 000 before 2030 compared with the 2019 level. The target has been formulated having regard to analyses and assessments of expected population growth in Sweden until 2030.

Against the background of the historical trend of the number of people at risk of poverty or social exclusion and expected population growth in Sweden up until 2030, the Government makes the assessment that the target stated above is ambitious but realistic. Calculated using the 2019 share of the population living at risk of poverty or social exclusion and the forecast

population in Sweden in 2030 based on the EU population forecast from 2019, the target means that the number of people at risk of poverty or social exclusion would decrease by 175 000 compared with the forecast level for 2030. The target means a reduction of the share at risk of poverty or social exclusion from 18.4% in 2019 to 16.8% in 2030.

The measures taken by Sweden in each target area are presented below.

Initiatives and measures

Employment

Demand for labour began to rise again in the Swedish labour market in the third quarter of 2020. At the end of 2020 the labour force participation rate was back at the same level as before the pandemic, as was the number of permanent employees. Unemployment has started to decrease slightly from its peak in mid-2020.

In 2021 the employment rate (20–64 years) increased continuously from 79.7% in the first quarter to 81.4% in the fourth quarter. The increase was stronger among foreign-born than native-born, 3.7 percentage points compared to 1.1 percentage points. The increase was particularly rapid among foreign-born women, at 4.1 percentage points. The employment gap between women and men had decreased in the years leading up to 2021. In 2021 the gap measured 5.3 percentage points. The employment gap between foreign-born and native-born varied between 18 and 20 percentage points in 2005–2020. In 2021 it was 16.3 percentage points. The difference between foreign-born women and foreign-born men was 12.1 percentage points, as compared with a gap of 2.8 percentage points between native-born women and native-born men.

During the same period the unemployment rate decreased by 1.3 percentage points from 8.4% to 7.1%. The unemployment rate decreased from 8.5% to 7.4% among women and from 8.4% to 6.8% among men. The decrease in the unemployment rate was faster among foreign-born than native-born, -3.2 percentage points compared with -0.9 percentage points. But the unemployment rate is still much higher among foreign-born, 16.9% compared with 3.8% among native-born in the fourth quarter of 2021.

The clear increase in employment has led to a higher labour force participation rate during the year, from 87.0% in the first quarter of 2021 to 87.6% in the fourth quarter of 2021. During the same period the labour force participation rate increased from 84.0% to 84.6% among women and from 89.9% to 90.5% among men.

In quarter 1–quarter 3 of 2021 Sweden had the highest labour force participation rate and the second highest employment rate in the EU in the 20–64 age group.

A well-functioning labour market that makes use of people's skills and will to work is the foundation for Sweden's welfare provision. Several measures have been implemented in

recent years to achieve the employment target and improve the functioning of the labour market so that more people are able to transition, get into work and be given the independence that follows from self-support through work. All women and men who can work should work. Active support to unemployed people is provided with gender-equal access.

Among other measures, the Government has reinforced subsidised employment during the pandemic. Subsidised employment can help long-term unemployed people and newly arrived immigrants get a job and a link to the labour market and can be purposed to create jobs for e.g. foreign-born women. Increased funding has been provided to make more work placements possible so that more people will be able to access workplace-based activities. This means that jobseekers will have the possibility of strengthening their contact networks and/or showing their skills to an employer, which can be important in enabling them to enter the labour market. The Government is working to introduce entry jobs in the first half of 2022. The purpose of entry jobs is to stimulate the provision of employment for newly arrived immigrants and long-term unemployed people so as to increase their chances of getting a job and becoming firmly established in the labour market.

In 2021 the intensive year for newly arrived immigrants was started. The purpose of this initiative is to speed up the establishment of newly arrived immigrants in the labour market. The aim is for participants to get work within a year of starting their intensive year. Women and men participating in the intensive year should meet the same high expectations and requirements and be offered the same support.

The Government is expanding support for jobseekers through matching services and work preparation activities. Resources have also been allocated to labour market training so that more people who need to improve their knowledge to get a job will be given training to match up to the skills being demanded. Labour market training is also intended to counter the shortage of labour. Arbetsförmedlingen [*the Swedish Public Employment Service*] will continue to work with more gender-equal participation in labour market training.

To improve the entry of young people to the labour market, central government funding has been used to strengthen the municipalities' possibilities of creating jobs for young people.

The pandemic has hit businesses hard and has caused job losses and losses of assignments for employees and self-employed who therefore have been in need of unemployment benefits. A number of temporary measures have been taken to enable for more people to get unemployment benefits. In addition, the benefit levels in unemployment insurance have been temporarily increased. Furthermore, unemployment insurance needs to be more appropriate and effective in the long run. It needs to be reformed to cover more people. A consultation has been held on the inquiry report *New regulations for unemployment insurance* [*Ett nytt regelverk*

för arbetslöshetsförsäkringen] (SOU 2020:37) and its proposals are currently being processed in the Government Offices.

Action has been taken to achieve the objective of reducing the employment gap between women and men in areas including care of older people (see Sweden's recovery and resilience plan, section 2.3.2 Care of Older People Initiative). In addition, the Commission for Gender-Equal Lifetime Incomes has submitted its final report. The action proposed by the Commission is intended to promote gender-equal pay, gender-equal lifetime incomes and a gender-equal distribution of public support measures for women and men, as well as gender-equal workplaces.

Education

During the pandemic, in 2021, the Government's funding for the Knowledge Boost reached its highest level to date with the provision of additional finance corresponding to more than 160 000 new places in vocation-oriented training at upper secondary level in municipal adult education (regional adult vocational education), folk high schools, higher vocational education, and universities and other higher education institutions Bridging programmes in municipal adult education, i.e, programmes that combine Swedish for immigrants or Swedish as a second language with upper secondary vocational education, often shorten the path to jobs for newly arrived immigrants. In 2021 the Government started an initiative to provide higher compensation to municipalities for bridging programmes and the removal of the requirement of municipal cofinancing of bridging programmes that applies for the payment of government grants for regional adult vocational education. The Government's funding initiative for these programmes is continuing in 2022. The Government also has the ambition that its funding initiative for regional adult vocational education will be stable in the coming years. The government grant for regional adult vocational education, incl. bridging programmes, is being given an additional SEK 1 540 million in 2022. For 2023 and 2024 the amount allocated to the government grant is an estimated SEK 1 200 million per year.

On 1 August 2022 a new obligation will be introduced for municipalities to provide, as part of regional adult vocational education, an integrated programme for people accessing the labour market programme called introduction activities for certain newly arrived immigrants (the Introduction Programme) when the assessment made is that, on account of their short education, it will not be possible to match them to jobs while they are in the programme. The integrated programme will be intended to give participants knowledge they need to be able to continue their studies or to get established in the labour market, will consist of a weekly average of at least 23 hours of instruction and will follow a plan decided by their home municipality.

At present only a limited amount of validation is done in municipal adult education, even though validation can reduce the time spent in training. The Government has therefore

presented the government bill *Validation for skills supply and lifelong learning Validering för kompetensförsörjning och livslångt lärande* (Govt Bill 2021/22:123) that contains proposals about obliging municipalities to offer introductory mapping and validation in municipal adult education and allocating funding for the municipalities for implementation of these proposals.

In March 2022 the Government adopted a new transition package for more flexibility, transitioning capacity and security in the labour market. The package contains proposals for reform of labour law, a new transition study support and a new form of basic support for transitioning and skills. The transition study support will mean that the great majority will be able to study with at least 80% of their wage for up to one year. This represents a historic freedom reform for Sweden's workers, who will have very much better training opportunities in mid-life. The transition study support entails a substantial investment on the part of the Government in making further training and transitioning possible in the labour market. The round of applications for support ahead of studies in the first half of 2023 will start in October 2022. Funding of the transition study support is therefore estimated at SEK 1 361 million for 2023, SEK 2 838 million for 2024, SEK 4 882 million for 2025 and SEK 7 347 million for 2026.

Poverty and social exclusion

For a long time the share living at risk of poverty or social exclusion in Sweden has been relatively stable at around 18%, at the same time as the number of people has increased in pace with population growth. In 2019 the number of people living at risk of poverty or social exclusion was just under 1.88 million, corresponding to 18.4% of the population.

The Government's initiatives during this electoral term have contributed to the share at risk of poverty or social exclusion not increasing despite strong rises in income for people in work and a large population increase. In the Budget Bill for 2022 the Government's initiatives for low-income groups are expected to reduce the share with a low economic standard (i.e. incomes under 60% of the median) by around 0.8 percentage points.

Greater security for pensioners

The Government has taken initiatives to improve the basic protection in the pension system. The proposals mainly favour women, generally those who are older and single. Two central proposals in the reform package are to raise the basic level of the guarantee pension and to raise the housing cost ceiling in the housing supplement. The proposals gave 675 000 pensioners more money in their pockets from 2020. The housing supplement, which is aimed at both old-age pensioners and people on sickness compensation and activity compensation was raised as of 1 January 2022. The measure means that the disposable income of 350 000 people is increased. The Government has proposed a further increase in the housing supplement for old-age pensioners as of August 2022.

The reform of basic protection is an important step towards ensuring economic security for older people.

Higher maintenance support for single parents

Maintenance support was increased by SEK 100 per month for children under 15 and by SEK 150 per month for children aged 15 and older as of July 2021. As of August 2022 maintenance support for children aged 7–10 is being increased by another SEK 150 per month. The measures are intended to improve the economic security of single parents. Single parents often have a lower economic standard than parents who live together, and many children with a low economic standard live in households that are recipients of maintenance support. The increase in maintenance support strengthens single parents' incomes, and particularly benefits single women with children. The measures are of particular benefit to groups with low incomes.

Stronger economic security for people on sickness compensation and activity compensation

As of 1 January 2022 the basic protection for people on sickness compensation and activity compensation has been increased. Sickness compensation and activity compensation in the form of guarantee compensation provides basic protection for people who have had low or no work income. The proposal of higher guarantee compensation is estimated, along with the improved housing supplement (see above) to mean, taken together, that 85 000 men and 110 000 women get a better disposable income. More women than men get sickness compensation and activity compensation and more women than men get housing supplement. The proposals are therefore judged to contribute to greater economic gender equality.

More social action in vulnerable areas

The Government has allocated SEK 250 million per year to fund social action in vulnerable areas over a three-year period (2021-2023). The funding can be used for action that supplements and reinforces activities already being conducted by the municipalities as part of their crime prevention work. This can, for instance, involve more community workers or similar in the evening and at weekends, as well as different forms of structured collaboration between schools, social services and the police. The government grant is targeted at municipalities with vulnerable areas as defined by the Swedish Police Authority. For 2021 this includes 26 municipalities with a total of 60 areas in three different levels of vulnerability.

Free, infection-proof activities for children and young people

For 2021 the Government proposed a targeted government grant of SEK 200 million for municipalities in order to arrange free, infection-proof activities for children and young

people aged 6–15. Account was taken of the socioeconomic circumstances of municipalities in allocating the funds.

Children and young people are particularly vulnerable in crises, and during the pandemic many children and young people have had to refrain from activities and socialising with people of their age. Children and young people also risk not having any meaningful activities during school holidays and becoming increasingly socially isolated and sedentary, which can also be reinforced by the reduced disposable incomes in many families as a result of the pandemic. The vulnerability of children and young people has increased during the pandemic and holiday activities can therefore contribute to easing their situation and also to reducing their risk of being subjected to violence and abuse. Children and young people who were already in a vulnerable situation before the pandemic risk being hit particularly hard.

Action to counter homelessness

Homelessness is the most extreme form of social vulnerability. In 2020 the Government therefore commissioned the Swedish National Board of Health and Welfare to analyse and present proposals for preventing and countering homelessness in the long term. This commission included presenting proposals for measures to support the introduction by municipalities of the Housing First initiative and to increase outreach work aimed at people who are or risk becoming homeless, as well as proposing measures to improve local work to prevent evictions.

The Government also intends to draft a national homelessness strategy for the period 2022–2026. The strategy should cover preventive work, action to address acute homelessness and the path to having their own home as a way of countering social and structural homelessness. The Government proposes funding of SEK 40 million in 2022 and then estimates funding at SEK 40 million per year for the rest of the strategy period.

4. Progress towards the UN's global Sustainable Development Goals

Introduction

Sweden will be a leader in the implementation of the 2030 Agenda. The Government makes the assessment that Sweden has a good starting position and has good prospects of achieving the global goals. According to the Commission's country report for Sweden 2020 Sweden generally performs very well towards achieving the Sustainable Development Goals

Sweden has taken several political initiatives and decisions for a more integrated implementation of the 2030 Agenda. Sweden has, for instance, appointed a Delegation for the 2030 Agenda, produced an action plan for the 2030 Agenda, appointed a national

coordinator for the 2030 Agenda and produced a government bill on the implementation of the 2030 Agenda. The bill contains an overarching objective that consolidates and clarifies Sweden's commitment: "Sweden will implement the 2030 Agenda to achieve economically, socially, and environmentally sustainable development through a coherent policy nationally and internationally. Implementation will be guided by the Agenda's 'leave no one behind' principle. Sweden also contributes to work on the Agenda through several political initiatives and partnerships, including its feminist foreign policy and its Drive for democracy for the international implementation of the 2030 Agenda.

Challenges

Sweden's voluntary reporting to the UN about the 2030 Agenda has shown that Sweden has challenges linked to the Agenda goals. The Commission's country report from 2020 points out that there has been a deterioration in Sweden's performance on "Reduced inequalities" (SDG 10) and "Responsible consumption and production" (SDG 12) albeit from high levels. Eurostat's report on sustainable development indicates, on the contrary, that progress has been made regarding SDG 12, but that Sweden performs more poorly than other EU countries on average. Eurostat's report uses slightly fresher statistics.

The Commission's country report notes that the crime rate has been rising in Sweden and is now above the EU average. Sweden's development in SDG 16 "Peace, Justice and Strong Institutions" is negative according to Eurostat's report. This also applies to SDG 1 "No poverty", SDG 4 "Quality education" and SDG 5 "Gender equality". However, the status for these goals is still better than for EU member countries on average.

An account is given below of Sweden's work with the goals identified in the Commission's report. Eurostat's report also points out that there are some challenges linked to the goals selected.

SDG 10 Reduced inequalities

The Government's assessment

The gaps both between countries and between individuals and groups in countries have increased. Sweden is no exception. Young people not in employment, education or training is a group that generally has poorer prospects than others of entering the labour market. Single parents with children are economically vulnerable to a much greater extent than cohabiting parents with children. Employment and incomes tend, even after a long time in the country, to be lower among people born abroad than people born in Sweden, which tends to subdue income growth in the lower part of the income distribution.

Measures

The Government has taken considerable action in, for instance, health care and education, see, for instance, section 3.5.1 and especially section 3.6.1. These efforts are particularly important for households with weak finances. The Government has strengthened basic protection and reduced income tax for pensioners, temporarily increased benefit levels in unemployment insurance and raised housing allowance, maintenance support and child allowance. The Government has also raised the income ceiling in income insurance and the guarantee benefit in sickness and activity compensation.

Goal 12 Sustainable production and consumption

The Government's assessment

In recent years the Government has increased the pace of work to transition to sustainable production and consumption. The transition to a non-toxic circular economy with sustainable production and consumption is vital if Sweden is to reach its environmental and climate objectives and the global SDGs in the 2030 Agenda.

Measures

To increase the pace of work on the transition to circular production, consumption and business models as well as to non-toxic and circular material cycles, the Government adopted, in July 2020, a national strategy for a circular economy that sets out the direction and ambition for the transition. The first action plan for a circular economy was adopted in January 2021 and contains more than 100 general measures intended to strengthen the transition. They include budget funding, new objectives, new legislation, economic instruments and numerous inquiries and commissions to agencies so as to further the transition of society to a circular economy with sustainable patterns of production and consumption. The second action plan, adopted in February 2022, focuses on plastic in a circular economy and contains 55 measures to promote circular management of plastics throughout life-cycles in various ways.

Goal 16 Peace, justice and strong institutions

The Government's assessment

The Government sees that violence in Sweden, including lethal violence, has not decreased in recent years. In the period 2016–2020 the number of confirmed cases of lethal violence averaged 112 per year compared with 87 in the previous five-year period. The reason for the increase is that lethal firearm violence in criminal environments has increased significantly. Pushing back violence and criminal activity is one of the Government's foremost priorities. However, from a global perspective Sweden still has very low levels of lethal violence.

Measures

Extensive action has been taken to reduce crime and increase security in Sweden. The number of employees in the Swedish Police Authority is to increase by 10 000 compared with 2016 until and including 2024. The appropriations of the judicial authorities have also been increased. The government has also presented a 34-point programme against gang crime that spans over four areas: tools in fighting crime, penalties, breaking the culture of silence and preventing crime.

5. EU funds

The Swedish recovery and resilience plan (RRP) adopted by the Government explains probable synergies, coherence and matches between RRP measures and measures in other EU programmes. The RRP also sets out the differences between RRP measures and measures in other EU programmes. The RRP contains information about the avoidance of double financing.

The Government is preparing the Swedish implementation of the EU funds in EU cohesion policy for the programme period 2021–2027. The EU regulations in cohesion policy entered into force on 1 July 2021. The Government has taken decisions on a proposal for a Partnership Agreement and a number of proposals for programmes for funds. The proposals have been submitted to the European Commission for approval. When the Partnership Agreement and the programmes have been approved by the Commission, implementation of the funds in Sweden can begin.

On 3 November 2021 the Government decided to submit a proposal for a Partnership Agreement for the programme period 2021–2027 to the European Commission for approval. The proposal sets out Sweden's strategic direction for the European Regional Development Fund (ERDF), the Just Transition Fund (JTF), the European Social Fund Plus (ESF+) and the European Maritime, Fisheries and Aquaculture Fund (EMFAF). The proposal also includes information about complementarities and synergies between the funds and with certain other EU funds, as well as Sweden's financial allocation from the funds.

On 3 November 2021 the Government also decided to submit a proposal for a national programme for the Just Transition Fund (JTF) for the programme period 2021–2027 to the Commission. The JTF focuses on counties in Sweden whose industries are carbon dioxide-intensive or fossil-dependent. The fund will counteract social, employment-related, economic and environmental negative effects of the climate transition through investments in e.g. climate-smart technical development, circular economy and upskilling.

The Government decided on 9 November 2021 to submit eight proposals for regional programmes to the Commission and decided on 10 February 2022 to present a proposal for a national programme for the European Regional Development Fund (ERDF) for the

programme period 2021–2027 to the Commission. The actions in the ERDF programmes will contribute to the transition to sustainable regional development by, for instance, supporting regional capacity for development, the competitiveness of the business sector and employment including skills development within the specific objective of developing skills for smart specialisation, structural change and entrepreneurship. The actions will thereby contribute to a green, sustainable and more innovative Europe.

On 9 December 2021 the Government decided to submit a proposal for a national programme for the European Social Fund+ (ESF+) to the Commission. The national programme for the ESF+ contains actions leading to better access to employment, the promotion of life-long learning, the encouragement of active inclusion and the promotion of social inclusion.

The proposal for a Partnership Agreement and proposals for programmes identify synergies and complementarities between these funds and measures in the recovery and resilience plan. The measures in the Swedish recovery and resilience plan ensure synergies, uniformity and complementarity with actions planned in the ERDF and JTF at both regional and national level. The Climate Leap has a focus on different types of measures from JTF measures and is, for instance, able to finance measures administered by actors other than large companies. Compared with the JTF, the Industrial Leap is aimed, just like the Climate Leap, at a broader range of target groups. The ERDF is also considered as complementing the recovery and resilience plan linked for instance to the Climate Leap and the Industrial Leap.

In the focus area of education, training and transition, RRF funding complements other EU funding also intended to strengthen employment and contribute to skills development, including the ESF+ and Recovery Assistance for Cohesion and the Territories of Europe (REACT-EU).

The demarcation between funding for access to broadband with high transfer capacity planned to be financed within the two northernmost regional fund programmes Central Norrland and Upper Norrland and funding in the same area included in the recovery and resilience plan is important. The Swedish Post and Telecom Authority (PTS) is responsible for the system of national support for broadband expansion in accordance with the Ordinance on state support for the expansion of broadband infrastructure (2020:266). It follows from the Ordinance that support may not be provided for measures granted state support within the European Regional Development Fund. In addition, the Swedish Agency for Economic and Regional Growth has been given a commission, in its appropriation directions for 2022, linked to broadband projects in relevant ERDF programmes in the programme period 2021–2027.

6. Institutional issues and participation of relevant parties

6.1 Institutional issues

Sweden's National Reform Programme for 2022 is mainly based on the initiatives and reform ambitions proposed by the Government in the Budget Bill for 2022, the Spring Fiscal Policy Bill for 2022 and the Spring Amending Budget for 2022. This year the Spring Fiscal Policy Bill and the Spring Amending Budget have again been characterised by the COVID-19 pandemic, as is reflected in the section on reform policy. The country-specific recommendations to Sweden within the framework of the European Semester 2019–2021 have been taken into consideration in its preparation. The programme also reflects the political priorities in the Commission's Annual Sustainable Growth Survey, as well as the 2030 Agenda and the UN's global Sustainable Development Goals. The Riksdag Committee on Finance has been informed of the National Reform Programme. During the Council's processing of the country-specific recommendations in summer 2019, 2020 and 2021, the Government informed and consulted with the Riksdag on several occasions.

6.2 Consultations with the social partners

To develop the dialogue with the social partners within the European Semester and the national decision-making process, the Government has established a reference group with representatives of the relevant ministries in the Government Offices and of the social partners at central level (the Confederation of Swedish Enterprise, the Swedish Trade Union Confederation (LO), the Swedish Confederation of Professional Employees (TCO), the Swedish Confederation of Professional Associations (SACO), the Swedish Association of Local Authorities and Regions (SALAR), the Swedish Agency for Government Employers) and the Swedish Federation of Business Owners. The reference group holds regular meetings for discussions and consultations on the implementation of the Semester in Sweden. As of this year the national targets in the social area are part of this work. As part of the Government's ambition to strengthen participation in EU-related affairs, consultations are held as thematic consultation forums on EU affairs. The purpose of this way of working for these consultation forums is to systematically benefit from the expertise about various issues available in civil society and among other societal actors, thus improving the quality of the supporting information for Government decisions. On 15 March 2022 relevant organisations were invited to a thematic consultation forum on EU Affairs and to contribute material for the National Reform Programme highlighting good examples of how the social partners contribute to the national implementation of the European Semester in Sweden. Since the completion of the 2021 national reform programme, three thematic consultation forums on EU Affairs have been held on the national implementation of the European Semester for representatives of the social partners at senior official level.

In addition, a special thematic consultation forum was held with the social partners in September 2021, in the drafting of the national targets in the social area, and some of them also submitted written contributions.

The Prime Minister has also initiated meetings known as ‘EU consultation forums’ as an aspect of the Government’s work to strengthen participation in EU-related matters. Chair-level representatives of central labour market organisations participated in the Prime Minister’s EU consultation forum in March 2022.

As in previous years, the social partners were invited to contribute with texts to this year’s National Reform Programme. The appendix with external contributions contains contributions from the partners that describe examples of the work the partners are carrying out in accordance with the strategy guidelines and objectives.

6.3 Local and regional support

Local and regional support for the European Semester’s targets and intentions in the regional and local growth process in Sweden is crucial to its successful implementation.

In March 2021 the Government adopted the communication National strategy for sustainable regional development throughout Sweden 2021–2030. It has since been considered by the Riksdag. The new strategy constitutes the long-term direction of regional development policy and is intended to contribute to the transition to sustainable development in all parts of the country.

To further develop the dialogue between the national and regional levels on issues of importance to regional growth, the Government has set up a Forum for Sustainable Regional Development 2022–2030. It is a continuation of a previous forum. The Forum consists of a political part and an officers part where the regions meet the Government for dialogue. The starting point is that shared responsibility between the regional and national levels for implementing regional growth policy requires close dialogue and cooperation concerning vital development issues.

6.4 Consultation with interest organisations and civil society organisations

At present, there are a number of established consultation procedures, and they also cover issues that concern the European Semester. Stakeholders affected are often included in reference groups in the system of government inquiries and are given the opportunity to present their views on inquiry proposals through the consultation process in their areas of interest. Occasionally, the Government also issues invitations to hearings for dialogue around specific topics. There are also continuing discussions in various consultation bodies.

A special thematic consultation forum was held with the representatives of civil society in September 2021, in the drafting of the national targets in the social area, and some of them also submitted written contributions.

Following requests to develop the dialogue with civil society organisations on the national implementation of the Europe 2020 strategy, an initial horizontal consultation with civil

society took place in autumn 2011. This approach was welcomed by the participants and consultations have since taken place annually. On 18 March 2022 relevant organisations were invited to a thematic consultation forum on EU Affairs and to contribute material for the National Reform Programme highlighting good examples of how Swedish civil society is contributing to the national implementation of the European Semester in Sweden. After the thematic consultation forum on EU Affairs the Government Offices received input from the Swedish Agency for Government Employers, the Confederation of Swedish Enterprise, the Norden Association, Riksförbundet Romer i Europa and Public & Science (VA). This material is presented in the appendix.

Appendix: Report on implementation of the European pillar of social rights:
description of key actions and their estimated impact

Pillar principle	List of key contributory actions	Estimated effect of the measures (qualitative and/or quantitative)
1. Education and lifelong learning	<p>In March 2022 the Government adopted a new transition package for more flexibility, transitioning capacity and security in the labour market. The package contains proposals for reform of labour law, a new student finance scheme and a new form of basic support for transitioning and skills. The transition study support and the basic support for transitioning and skills:</p> <p>This support is intended to strengthen the future position of individuals in the Swedish labour market</p> <p>The Swedish Government has taken numerous measures to strengthen equity in schools, A new government grant to organisers in the school system for measures to improve the working environment and working conditions of teachers in schools with preschool classes or compulsory schools with socioeconomic challenges was introduced in 2021. The ‘equity grant’ (to strengthen equity and knowledge development) has been boosted by just over SEK 320 million in 2022. The Government estimates a gradual escalation of the grant to just over SEK 8.7 billion in 2024.</p> <p>To increase equality in preschool, an increase in government support for preschool was proposed, along with socioeconomic weighting of resources. The budget for 2022 allocates more than SEK 2.1 billion to knowledge-enhancing measures in preschool.</p>	<p>To enable more people to take the green jobs, the Government has adopted a historic transition package that will give working people much greater opportunities of skills development and transitioning to new jobs. The new new student finance scheme will probably give Sweden the best transition system in the world. The new student finance scheme will ensure that the vast majority will be able to study with at least 80% of their wage for up to one year.</p> <p>The government grant is expected to expand ongoing action or lead to new action that strengthens equity and knowledge development in preschool classes, compulsory schools and out-of-school centres. It is the organisers that are responsible for analysing their results, identifying needs and prioritising what actions the government grant will finance.</p> <p>The grant is expected to be given a socio-economic weighting in recipient municipalities and is, for instance, expected to be able to contribute to strengthening work to raise quality in preschools and to reducing the size of groups.</p>

	<p>Continued funding in 2022 of places in vocation-oriented training at upper secondary level in municipal adult education (regional adult vocational education), folk high schools, higher vocational education, and higher education, the “Knowledge Boost”.</p> <p>As of 1 August 2022 a new obligation will be introduced for municipalities to provide, as part of municipal adult education, an integrated programme for people accessing the labour market programme introduction activities for certain newly arrived immigrants (the Introduction Programme) when the assessment made is that, on account of their short education, it will not be possible to match them to jobs while they are in the programme.</p>	<p>During the COVID-19 pandemic, in 2021, the Government’s funding for the Knowledge Boost reached its highest level to date with the provision of additional finance corresponding to more than 160 000 new places.</p> <p>The integrated programme is intended to give participants knowledge they need to be able to continue their studies or to get established in the labour market.</p>
2. Gender equality	<p>In March 2020 the Government appointed a <i>commission for gender-equal lifetime incomes</i> with the remit of presenting proposals intended to increase economic gender equality in Sweden in the long term. The commission presented its proposals in February 2022.</p> <p><i>Full-time employment to be the norm</i></p> <p><i>Assistant nurse to be a protected professional title</i></p>	<p>The Commission reported on its remit to the Government on 7 February 2022 (SOU 2022:4). The measures proposed by the Commission are intended to promote gender-equal pay, gender-equal lifetime incomes and a gender-equal distribution of public support measures for women and men, as well as gender-equal workplaces.</p> <p>The Government has presented a legislative proposal intended to reform Swedish labour law. One of the measures proposed is that employment contracts should be presumed to be for full-time employment unless otherwise stated in the employment contract. As a result, a further decrease is expected in the number of women working part time.</p> <p>As mentioned in Sweden’s recovery and resilience plan, only holders of a certificate giving them the right to use the professional title of assistant nurse will be able to use that title in connection with professional activities in the area of health care and in activities under the Social Services Act and the Act concerning Support and Service for Persons with Certain Functional Impairments.</p>

	<p><i>Education and training in care of older people (Care of Older People Initiative)</i></p>	<p>Individuals not holding a certificate will not be allowed to use a title that can be confused with the professional title of assistant nurse. The basis for obtaining a protected professional title will be the new educational content of the upper secondary health and social care programme. A higher level of education leads to health care of higher quality and a possibility of requesting higher pay for the health care work performed.</p> <p>The Government estimates the funding allocation for the Care of Older People Initiative at SEK 1.7 billion in 2022. The Care of Older People Initiative, which had been running since 2020, means that new and existing personnel can be given training in paid working time. About 92% of all assistant nurses and carers employed in municipal health and social care are women and 8% are men. A higher level of education leads to health care of higher quality and a possibility of requesting higher pay for the health care work performed. A large share of women born abroad work in care of older people. This initiative can also widen the target group for recruitment and, for instance, attract more men.</p>
<p>3. Equal opportunities</p>	<p>The reforms presented with a bearing on the other principles also contribute to the principle of equal opportunities.</p>	
<p>4. Active support to employment</p>	<p><i>Subsidised employment</i> Subsidised employment involves financial compensation for employing persons who would otherwise have difficulty getting a job. There are numerous forms of subsidised employment. There are also a number of jobs in subsidised employment that are aimed at persons with disabilities that result in reduced work capacity.</p> <p><i>Intensive year for newly arrived immigrants</i> This initiative, which was started in April 2021, is aimed at better integration and is intended to result in newly arrived immigrants getting established more quickly in the labour market. The aim is for</p>	<p>In 2021, 77 794 individuals had a subsidised employment. In addition, 81 073 individuals had employment with wage subsidy for persons with disabilities. Research shows that the forms of employment support help those who are given access to them. Most studies show that employment is higher, i.e. more individuals in the relevant target groups work when they have access to employment support.</p> <p>The Government has not set any target for the number of participants and has instead identified selection criteria to be used by Arbetsförmedlingen to identify participants. In 2021 a total of 908 individuals participated, of whom 413 were women and 495 men.</p>

	<p>participants to get work within a year of starting their intensive year. The focus is on language, workplace-centred measures and shorter training. Women and men participating in the intensive year should meet the same high expectations and requirements and be offered the same support.</p> <p><i>Matching services</i> Arbetsförmedlingen [<i>the Swedish Public Employment Service</i>] obtains matching services from providers whose aim is to support unemployed persons getting into work or training more quickly. Unemployed persons can be assigned if Arbetsförmedlingen considers that doing so is justified in terms of labour market policy. Matching services provide active support geared to the individual.</p>	<p>A new matching service (<i>Equip and match [Rusta och matcha]</i>) that covers broad groups of unemployed people is being built up and further development work is under way. In February 2022 the number of participants remaining was around 55 000 and the number of participants is continuing to increase. Having more participants in procured matching services can contribute to shorter periods of unemployment and more effective matching. Matching services are also assessed as being able to contribute to preventing and breaking long-term unemployment. There is support in research for reinforced matching support being able to contribute to shorter periods of unemployment for broad groups of unemployed persons.</p>
5. Secure and adaptable employment	<i>Reform of labour law</i>	<p>In January 2022 the Government proposed a reform of labour law. The proposal for a reform of labour law includes the following elements: greater possibilities of deviating from the Employment Protection Act through collective agreements; all employers may exempt three employees from the order of selection in work shortages; the main rule that an employment will continue during a dispute; the introduction of an order of selection and a transition period in cases of reregulation to a lower level of employment; the introduction of a presumption that an employment applies to full time; and customer companies having, in certain cases, to offer rented employees open-ended contracts or to pay compensation.</p>
6. Wages	<p><i>About the Swedish model of wage formation</i> One of the core pillars of the Swedish labour market model is that the social partners have a main responsibility for wage formation. Wage formation in Sweden is based on</p>	<p>Collective bargaining negotiations were moved from spring to autumn 2020 after the majority of the agreements had been extended on account of the COVID-19 pandemic. In 2020, 557 collective agreements on wages and general conditions covering 3 million employees were signed.</p>

	the sector exposed to international competition being the wage leader.	The parties in industry signed agreements that meant a benchmark in the form of cost increases of 5.4% during an agreement period of 29 months. The industry agreement mainly acted as the norm for both the level and the length of other agreements in the labour market.
7. Information about employment conditions and protection in case of dismissals	<i>Implementation of the Working Conditions Directive</i>	In January 2022 the Government proposed an implementation of the EU Working Conditions Directive. This Directive updates the provisions of Council Directive 91/533/EEC on an employer's obligation to inform employees of the conditions applicable to the contract or employment. The Directive also contains certain minimum requirements concerning working conditions. Member States may allow the social partners to differ from certain provisions contained in this Directive through collective agreements.
8. Social dialogue and involvement of workers	<i>Coverage of collective agreements</i> In international terms, Sweden has a very high organisation rate in trade unions. The trade union organisation rate, i.e. the share of employees who are members of an employee organisation, was 69% in 2020, an increase of one percentage point compared with 2019. In 2019, 90% of employees aged 16–64 years were covered by collective agreements. In the private sector 85% of employees had collective agreements and in the public sector all employees had collective agreements. In total, the share covered by collective agreements has been largely unchanged in the past 10 years. In 2020, 557 collective agreements on wages and general conditions were signed. The agreements covered around three million employees.	
9. Work-life balance	<i>Implementation of the Balance Directive</i>	In February 2022 the Government proposed implementation of Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers.

		<p>New provisions are proposed in the Leave to Care for Relatives Act (1988:1465), the Parental Leave Act (1995:584) and the Act on the right of leave for pressing family reasons (1998:209). The provisions means certain rights when parents with children up to eight years of age or certain workers who have relatives with care needs request flexible working arrangements for caring purposes. The workers who request flexible working arrangements or who make use of such rights will be covered by special safeguards and a ban on reprisals will also be introduced. In addition, the Equality Ombudsman will be given an expanded right to bring legal action on behalf of individual workers in disputes about disadvantaging treatment. Amendments are also proposed the Public Access to Information and Secrecy Act (2009:400); in part because the Equality Ombudsman is given an expanded right to bring legal action. A consequential amendment is proposed in the Posting of Workers Act (1999:678) to the effect that the proposed new provisions in the Parental Leave Act will not apply to posted workers.</p>
<p>10. Healthy, safe and well-adapted work environment and data protection</p>	<p><i>A good work environment for the future – the Government's work environment strategy for 2021–2025</i></p>	<p>In February 2021 the government presented a work environment strategy for the period 2021–2025. The work environment strategy sets out the Government's long-term policy focus for this area in the coming five years. The communication sets out how the strategy steers towards the objectives set, implementation of the strategy and how the strategy is to be followed up. The government agencies in the area are given the commission of drawing up action plans, which gives them a clearer and more prominent role in supporting implementation of the strategy. The Government will continue to have a forum for dialogue with the social partners.</p> <p>The main objectives for the work environment strategy are:</p> <ul style="list-style-type: none"> • Sustainable working life – everyone is to be able to, have the capacity to and want to work a full working life. • Healthy working life – working life is to contribute towards development and well-being • Safe working life – no-one is to place their life

	<p><i>Inquiry on expanded possibilities of maintaining a good work environment</i></p> <p><i>Inquiry on the role of regional safety representatives in work environment management</i></p> <p><i>Establishment of an office for sustainable working life</i></p> <p><i>National delegation to address-work related crime</i></p> <p><i>Commissions to set up regional centres to address work related crime and on lasting inter-authority cooperation</i></p>	<p>or health at risk due to their job</p> <ul style="list-style-type: none"> • A labour market free from crime and cheating – a poor work environment is never to be a competitive tool. <p>The Government has appointed an inquiry to review the Work Environment Act to increase the possibilities of maintaining a good work environment.</p> <p>The Government has appointed an inquiry to evaluate the activities of the regional safety representatives and present proposals to give the regional safety representatives better possibilities of carrying out their work-</p> <p>It is of great importance that working life is extended as life expectancy increases. In 2021 the Government appointed an office for sustainable working life. The office’s role will include identifying needs, proposing measures and consulting and coordinating so that measures and policy for a sustainable working life hang together coherently.</p> <p>In 2022 the Government appointed a national delegation to address work-related crime. The delegation will increase knowledge about the scale of work-related crime and support the actors working on stopping work-related crime.</p> <p>The Government has commissioned the Swedish Work Environment Authority to start the establishment of regional centres to address work-related crime that the other cooperating agencies will join gradually, but no later than by the end of 2023.</p>
11. Childcare and support to children	<i>Free, infection-proof holiday activities for children and young people, aged 6–15 years, in 2021</i>	<p>Children and young people risk not having any meaningful activities during school holidays and becoming increasingly socially isolated and sedentary, which can also be amplified by the reduced disposable incomes in many families as a result of the pandemic. We know that the vulnerability of children and young people has increased during the pandemic, and holiday activities can therefore contribute to easing their situation and also to reducing their risk of being subjected to violence and abuse.</p>

	<i>Higher maintenance support</i>	Single parents often have a more strained financial situation than parents who live together, and many children with a low economic standard live in households that are recipients of maintenance support. The increase in maintenance support strengthens single parents' incomes, and particularly benefits single women with children.
12. Social protection	<i>Better insurance protection for people with on-call work and for older people</i>	Sweden has a general social insurance system that covers everyone who works as an employee or sole trader in Sweden. The change in insurance protection means that it will be easier for people who are on-call employees (people who are called in when needed to work in fixed-term employment or who are employed to work on call) and people who have reached an age at which they can choose to take income-based old-age pension to obtain social security benefits in the event of work incapacity.
13. Unemployment benefits	<p><i>Temporary higher benefit levels and relaxations of the working condition (13 April 2020 until and including 1 January 2023):</i></p> <p>The ceiling for income-related benefits has been temporarily raised from SEK 910 to SEK 1 200 per day the first 100 benefit days and from SEK 760 to SEK 1 000 per day for the remainder of the benefit period. The ceiling for the basic amount has been temporarily raised from SEK 365 to SEK 510 per day. A minimum level corresponding to SEK 255 per day has also been introduced on a temporary basis for the income-related benefit and for the basic amount for people who did not work full time before their unemployment. In addition, the minimum level of income-related benefit for people who worked full time before their unemployment has been raised from SEK 365 to SEK 510 per day.</p> <p>The working condition has been temporarily reduced from a minimum of 80 hours of paid work per month to a minimum of 60 hours of paid work per month</p>	<p>Since the start of the COVID-19 pandemic the Government has taken measures to safeguard individuals' possibilities to support themselves.</p> <p>The benefit levels in the unemployment insurance have been increased temporarily and the regulations have been adjusted so that more people qualify for compensation. The higher benefit levels have helped to maintain household consumption and bolster the economic recovery despite the deterioration of the labour market.</p> <p>Relaxations have been introduced in the membership condition so that more people qualify for unemployment benefit. The relaxations make it possible for more people, including people who have had hourly employment or worked part time, to receive unemployment benefits.</p>

<p>for at least six months (during a time frame of 12 months). The working condition's alternative rule has also been relaxed. The number of hours worked has been reduced from a minimum of 480 hours of paid work to a minimum of 420 hours of paid work during a continuous period of six months (during a time frame of 12 months).</p> <p><i>Temporary relaxations for self employed (13 April 2020 until and including 1 January 2023)</i></p> <p>A self-employed person is only entitled to unemployment benefit when his/her business has definitively ceased, but there is also a possibility of making the company dormant. If the company is made dormant, a company owner can be considered unemployed for as long as no measures are taken in the business in question. If the company owner resumes activity in the company after it has been made dormant, ordinary rules stipulate that at least five years must pass before a new break is possible, the so-called 'five-year rule'. Otherwise the company owner needs to end his/her activity in the business definitively to be able to have the right to unemployment benefit.</p> <p>The rules for company owners were changed temporarily in April 2020 so that the five-year rule is not applied to breaks in business activities. This means more generous rules compared to ordinary regulations since it allows company owners to obtain benefit even in the event of repeated breaks in business activities in a short space of time. Since 1 July 2020 company owners are also able to take certain marketing measures in their companies while their companies are dormant without this affecting their right to unemployment</p>	<p>The purpose of the change was to enable company owners to resume their activities more quickly after the pandemic.</p>
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	<p>benefits.</p> <p><i>Temporary changes to the waiting period condition</i> The existing waiting period condition of six days in the unemployment insurance was abolished during the period 30 March 2020 until 3 January 2021. The waiting period condition was reintroduced between 4 January 2021 and 2 January 2022. As of 3 January 2021 the waiting period condition has been temporarily reduced to two days (until 1 January 2023).</p> <p><i>Temporary change of the member condition for unemployment benefit funds</i> From March to December 2020 each and every month as a member of an unemployment insurance fund was counted as four months, which meant that the condition for income-related benefit, the 'membership condition', could be attained in three months instead of 12 months.</p>	<p>Reducing the waiting days increases disposable income in the first month of unemployment.</p>
14. Minimum income	<p><i>Higher housing supplement for pensioners and for persons with sickness and activity compensation</i></p> <p><i>Higher reasonable standard of living in maintenance support for older people.</i></p>	<p>The increase in housing supplement makes it a better fit for current housing costs. It can, at the same time, make it easier for older people to move to adapted housing. The housing supplement was increased again as of 1 January 2022; that increase means that 350 000 people have had their disposable income increased.</p> <p>The increase also means that people receiving maintenance support for older people will get the higher housing supplement and therefore a higher disposable income.</p>
15. Old-age income and pensions	<p><i>Higher guarantee pension</i></p>	<p>The increase in the guarantee pension is part of the Government's action to increase the basic protection for pensioners (see also the higher housing supplement under point 14). The reform of the basic protection means an increase in individual disposable income for around 675 000 people. This mainly benefits women, most often older and single, who receive different parts of the basic protection to a greater extent.</p>

	<p><i>New benefit – income pension complement</i></p> <p><i>Reduced tax for persons over 65</i></p>	<p>The new benefit, which can be paid as of 1 September 2021, is estimated to increase disposable income for 55% of all people over 65. The share is slightly higher among women than among men.</p> <p>Tax for people over 65 has been reduced in several rounds. The differences in taxation between pensions and wage income will be gone completely on 1 January 2023.</p>
16. Health care	<p><i>Around SEK 3 billion per year has been allocated in 2020–2022 to strengthening the supply of skills in health care.</i></p> <p><i>SEK 500 million per year has been allocated in 2020–2022 for further training of nurses.</i></p> <p><i>Each year almost SEK 3 billion is paid to the regions to enhance accessibility work in health care, focusing on cutting queues and waiting times.</i></p> <p><i>In 2021 and 2022, SEK 6 billion has been paid to the regions to deal with postponed care and care related to COVID-19.</i></p> <p><i>In 2022 just over SEK 420 million is being paid to the regions to increase the number of hospital beds.</i></p> <p><i>Each year around SEK 3 billion is paid to regions and municipalities to strengthen local health care with primary care as its hub.</i></p>	<p>This funding is expected to lead to the supply of skills in health care being strengthened. Sufficient staff with the right skills is, in turn, essential if health care is to function well.</p> <p>This funding means that more nurses are given the opportunity of specialist training and training as a midwife.</p> <p>This funding is expected to lead to shorter waiting times and queues. This leads, in turn, to more patients being given care in a reasonable time.</p> <p>This funding is expected to deal with the pent-up health care need generated during the COVID-19 pandemic when health care needed to prioritise COVID patients and acute care. This will increase accessibility and enable more people to get care in reasonable time.</p> <p>The funding is also expected to support the regions in their continued care of COVID patients. The funds can, for instance, be used to employ nurses, doctors and other health care professionals, thereby creating more hospital beds and thus greater accessibility and a better work environment.</p> <p>The funds will, for example, be used to increase continuity in primary care, strengthen cooperation between health care organisers, develop health promoting, preventive and habilitating/rehabilitating ways of working and increase the involvement of patients in health care.</p>
17. Inclusion of people with	<p><i>Proposed legislative amendments to strengthen the right to personal assistance</i></p>	<p>The proposals are expected to lead to 1 800 new recipients of attendance allowance and to more people getting the right to municipal personal</p>

disabilities	<i>Higher guarantee level in sickness and activity compensation and higher housing supplement.</i>	assistance. The proposal means that persons with full sickness compensation and activity compensation in the form of guarantee compensation will receive just over SEK 1 000 more in guarantee compensation per month.
18. Long-term care	<i>A fixed social care contact in care at home services (proposed to enter into force in July 2022)</i> <i>Care of Older People Initiative</i> <i>Assistant nurse to be a protected professional title</i> <i>Commission to the National Board of Health and Welfare to propose how a national centre of competence can be set up and organised at the Board</i>	The fixed social care contact will meet the individual's need for security, continuity, individually adapted care and coordination in delivering care at home. The Care of Older People Initiative means that new and existing personnel are given the opportunity to complete their training as a nursing assistant or assistant nurse in paid working time. The aim of introducing a protected professional title for assistant nurses is to secure the skills for that professional group, thereby maintaining quality and safety in health and social care. The centre of competence will have a central role and be characterised by service-centred work and cross-professional collaboration with relevant actors. The centre's tasks will include a focus on establishing sustainable communicative structures with the municipalities and gathering information so that there will be current knowledge at national level about the municipalities' work and challenges in conducting care of older people.
19. Housing and assistance for the homeless	<i>A new national homelessness strategy (2022 Budget Bill)</i>	The strategy will cover preventive work, measures to address acute homelessness and the path to housing of one's own as a way of countering social and structural homelessness. The strategy will apply to the period 2022-2026.

Appendix: Report on SDGs: description of key forward-looking actions and their estimated impact

SDG	List of key contributory actions	Estimated effect of the measures (qualitative and/or quantitative)
1. No poverty	<ol style="list-style-type: none"> <li data-bbox="467 394 855 470">1. A new national homelessness strategy <li data-bbox="467 629 855 763">2. Inquiry on housing allowance and maintenance support – less debt and greater precision <li data-bbox="467 1122 855 1220">3. Higher maintenance support and higher income limit in housing allowance <li data-bbox="467 1749 855 1973">4. Higher guarantee compensation in sickness and activity compensation and higher ceiling in the housing supplement for persons with sickness and activity compensation 	<ol style="list-style-type: none"> <li data-bbox="871 394 1428 595">1. The strategy will cover preventive work, measures to address acute homelessness and the path to housing of one's own as a way of countering social and structural homelessness. The strategy will apply to the period 2022–2026. <li data-bbox="871 629 1428 1088">2. The Inquiry's proposals include introducing the use of new supporting information on incomes, based on the Swedish Tax Agency's 'monthly data', for the calculation of housing allowance and the obligation to pay maintenance support. For housing allowance households this is assessed as being able to reduce repayment demands by more than 90% – which would reduce the risk of indebtedness among families with children and young people. A consultation is being held on the Inquiry's report until 30 June 2022. <li data-bbox="871 1122 1428 1715">3. The housing allowance income limits and maintenance support have been increased in several stages in recent years. The benefits are precise and are paid, to a great extent, to low income families with children. Among single women, especially those born abroad, with children, there is a particularly high risk of economic vulnerability. As of August 2022 maintenance support for children aged 7–10 years will be further increased, by SEK 150 to SEK 1 823 per month, which means a reinforcement of the economic situation of parents receiving the support. Many children with a low economic standard live in these households and benefit from the reinforcement. <li data-bbox="871 1749 1428 1973">4. The reform results in the economic vulnerability of this group decreasing. The proposal means that persons with full sickness compensation and activity compensation in the form of guarantee compensation will receive just over SEK 1 000 more in guarantee compensation

	<p>5. Introduction of an income pension complement in the pension system</p> <p>6. Improvements of the basic protection in the pension system (SF)</p>	<p>per month. In all, 85 000 men and 110 000 women are estimated to get a better individual disposable income. Women with low incomes benefit to a greater extent than men since more women than men are recipients of these benefits. Tax has also been reduced as of 1 January 2022 for persons with sickness and activity compensation.</p> <p>5. The income pension complement is paid as of 1 September 2021. The reform was implemented to increase the pensions of people who have worked a full working life on low pay. The complement is targeted at people with a national public pension of SEK 9 000–17 000 and amounts to at most SEK 600 per month. In addition to giving an increase in individual disposable income, it is also a clear signal that working has to pay.</p> <p>6. The basic protection in the pension system was improved in 2020. The basic level of the guarantee pension and the ceiling in the housing supplement for pensioners were raised, the income examination in the housing supplement was altered and a disregard for work income was introduced in survivor's benefit. The reform improved the situation of the pensioners who are worst off in economic terms, and the reform mainly benefited women, often older and single women. The economic standard of 830 000 pensioners increased at the same time as the principle that having worked has to pay was upheld.</p>
3. Good health and well-being	<p>Area 1. Reforms in public health policy</p> <p>1. The support system for following up the public health policy framework (that shows that public health policy is cross-sectoral and that work for good and equitable health needs to target structural factors at all levels of society and in all sectors of importance for the development of public health).</p>	<p>Area 1. Reforms in public health policy</p> <p>1. The objective is to create conditions in society for good and equitable health in the whole of the population and to close influencable health gaps within a generation.</p>

	<p>2. Action to counter harmful living habits such as smoking and alcohol consumption.</p> <p>Area 2. Sweden's national and international work on antibiotic resistance</p> <p>3. Swedish Strategy to Combat Antibiotic Resistance by national and international initiatives 2020-2023 (2020).</p> <p>4. Commission to the Swedish Dental and Pharmaceutical Benefits Agency, the Swedish Medical Products Agency and the Public Health Agency of Sweden about access to older antibiotics (2021).</p> <p>Area 3. Active anti-cancer work</p> <p>5. Introduction of standardised care pathways (SCPs). For the cancer diagnoses concerned, an SCP describes what investigations and first treatments have to be carried out and how long each step needs to take.</p> <p>6. National working group for development in the area of child cancer (2020).</p> <p>7. Successful development in diagnostics and treatment. Through special commissions to Genomic Medicine Sweden (GMS) the Government has also provided funding in precision medicine regarding the development and implementation of gene sequencing for child</p>	<p>2. Many diseases are preventable through changes of living habits like more physical activity and a healthy diet.</p> <p>Area 2. Sweden's national and international work on antibiotic resistance</p> <p>3. The strategy has the overarching goal of preserving the possibility of effective treatment of bacterial infections in humans and animals.</p> <p>4. The objective is to secure access to antibiotics in the Swedish market by carrying out a survey of which antibiotics have disappeared and to analyse how different potential models for access such as stimulus, compensation and financing models can be designed to give incentives for keeping older antibiotics on the market.</p> <p>Area 3. Active anti-cancer work</p> <p>5. One purpose of the SCP system is for cancer patients to experience a well-organised, cohesive and professional process without unnecessary waiting time in connection with investigation and treatment. The introduction of SCPs is also intended to provide more effective and equitable cancer care, between both different regions and different types of cancer.</p> <p>6. A national working group has produced an action plan containing more than 60 measures that enhance quality of care.</p> <p>7. This initiative improves the possibility of both early discovery and effective treatment.</p>
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	cancer and women's cancer.	
4. Quality education	<ol style="list-style-type: none"> 1. A new government grant to organisers in the school system, and the government support to strengthen equity and knowledge development, the 'equity grant' has been reinforced. 2. Funding of the Knowledge Boost 	<ol style="list-style-type: none"> 1. The government grant, introduced in 2021, will improve the working environment and working conditions of teachers in schools with preschool classes or compulsory schools with socioeconomic challenges. The equity grant was reinforced so as to make a further contribution to organisers' possibilities of expanding their action in the area. The equity grant is being boosted by just over SEK 320 million in 2022. The Government also estimates a gradual escalation in the grant to just over SEK 8.7 billion in 2024. 2. In 2021 the Government's funding of the Knowledge Boost reached its highest volume so far with additional finance corresponding to more than 160 000 new places in vocation-oriented training at upper secondary level in municipal adult education (regional adult vocational education), folk high schools, higher vocational education, and higher education.
5. Gender equality	<ol style="list-style-type: none"> 1. In 2018 the Government set up the Swedish Gender Equality Agency. 2. The Government has a ten-year national strategy for preventing and combating men's violence against women that began to apply on 1 January 2017. In December 2021 the 	<ol style="list-style-type: none"> 1. The Gender Equality Agency is an important part of Sweden's institutional framework for promoting gender equality. With the Agency in place, the Swedish Government has access to expertise and support in both the development and the evaluation of gender equality policy and objectives. The Gender Equality Agency has close cooperation with other central government agencies and with regions, municipalities and civil society organisations. This is one of the Government's most important tools for making progress in gender equality issues on a broad front. 2. Through a long-term strategy and a targeted action programme the Government is laying the foundation for more focused and coordinated work to address men's violence against women. The measures cover action both to prevent the use of violence and to provide support and protection for

	<p>Government adopted an action plan for 2021–2023 containing 99 measures to prevent and combat men’s violence against women.</p> <p>3. In March 2020 the Government appointed a commission for gender-equal lifetime incomes that reported on its remit in January 2022.</p>	<p>victims. It also contains measures to sharpen the legislation.</p> <p>3. The Commission has put forward proposals that contribute to promoting gender-equal pay, gender-equal lifetime incomes and a gender-equal distribution of public support measures for women and men, as well as gender-equal workplaces. The proposals from the Commission for Gender-Equal Lifetime Incomes are intended to have the effect of increasing gender equality.</p>
7. Affordable and clean energy	1. <i>Support for energy efficiency in multi-dwelling buildings.</i>	1. Up until 31 December 2021, 1 739 applications had been received, and 272 applications had been granted support corresponding to SEK 267 million.
8. Decent work and economic growth	1. <i>Reform of labour law</i>	<p>1. In January 2022 the Government proposed a reform of labour law.</p> <p>The proposal for a reform of labour law includes the following elements: greater possibilities of departing from the Employment Protection Act through collective agreements; all employers may exempt three employees from the order of selection in work shortages; the main rule that an employment will continue during a dispute; the introduction of an order of selection and a transition period in cases of reregulation to a lower level of employment; the introduction of a presumption that an employment applies to full time; and customer companies having, in certain cases, to offer rented employees open-ended contracts or to pay compensation.</p>
9. Industry, innovation and infrastructure	<p>1. Establishment of administration-wide digital infrastructure</p> <p>2. On 16 April 2021 the Government presented a new infrastructure bill containing financial frames of SEK 799 billion</p>	<p>1. The Government's objective for digitalisation of public administration is a simpler everyday life for citizens and businesses, a more open administration that supports innovation and participation and higher quality and effectiveness in services.</p> <p>2. The Infrastructure Bill combines funding for road and rail maintenance with new investments. This contributes to accessibility, climate work, expanded labour market regions, regional</p>

	<p>for the next plan period 2022– 2033. Additional funds such as track charges and congestion charges are estimated at SEK 82 billion, resulting in a total frame of SEK 881 billion during the coming plan period 2022–2033.</p> <p>3. Reinforcement of urban environment agreements with a particular focus on cycling</p>	<p>development, cohesion in the country and Sweden's competitiveness</p> <p>3. The Government makes the assessment that the environmental impact of traffic needs to decrease, not least in cities where additional improvements are needed to the situation of cycle traffic, for instance. The urban environment agreements, which have turned out to be an effective way of promoting sustainable transport, are therefore given a temporary reinforcement of SEK 200 million in 2022 with a particular focus on cycling.</p>
<p>10. Reduced inequalities</p>	<p>1. Free, infection-proof holiday activities for children and young people, aged 6–15 years, in 2021.</p> <p>Several reforms that have affected households' disposable incomes, and increased resources for individual welfare services contribute to decreased income differences. Under point 1 No poverty, a number of reforms are presented that have contributed to decreasing the difference in economic standard: the basic protection in the pension system, the income pension complement, measures in sickness compensation and activity compensation. In addition, there is action in individual welfare service (mainly health care, social protection and education). These are assessed to provide additional</p>	<p>1. Targeted government grant of SEK 200 million to enable municipalities to arrange free holiday activities for children and young people. Account was taken of the socioeconomic circumstances of municipalities in allocating the funds.</p>

	resources in all income groups, but their effect is greatest in the lower income groups (seen in relation to their expanded income that is the sum of economic standard and the value of welfare services).	
11. Sustainable cities and communities	<ol style="list-style-type: none"> 1. Renewed remit for the Council for Sustainable Cities 2. State investment support for new construction 3. The proposal referred to the Council on Legislation on Certified construction design companies – a more predictable construction process. 	<ol style="list-style-type: none"> 1. Increased focus on sustainable urban development Expanded possibilities of collaboration between relevant actors. Possibilities of cooperation in the New European Bauhaus initiative. Also a focus on municipalities in Norrland affected by major industrial initiatives. 2. The investment support has been an important instrument in stimulating a continued high rate of construction of rental housing with relatively low rents. However, this support is going to be ended on account of the decision of the Riksdag on the central government budget for 2022. 3. The proposal means that a developer will be able to use a certified construction design company for the design phase of new construction of residential buildings. The point is to solve the problem that municipalities apply the building regulations differently and this will lead to greater predictability and efficiency in the construction process. Further work is now being done on the proposal in the Government Offices following the opinion of the Council on Legislation.
12. Sustainable consumption and production	<ol style="list-style-type: none"> 1. Sweden is participating in Important Projects of Common European interest (IPCEIs). 	<ol style="list-style-type: none"> 1. This is being done to strengthen long-term competitiveness and promote a rapid transition to a digital and sustainable society. Sweden is already participating in two projects in the area of batteries, and the Swedish Energy Agency has been commissioned to prepare Swedish participation in a hydrogen project in order to decrease emissions in industry. Coordination and financing are needed to ensure that Sweden is able to participate in these projects. The Government is therefore proposing funding of SEK 100 million in 2022 and estimates additional funding of SEK 70 million in 2023 and 2024 for

		industrial cooperation projects for green and digital transition.
13. Climate action	<ol style="list-style-type: none"> 1. Reinforcement of the Industrial Leap and the Climate Leap in the Budget Bill for 2022 2. In 2021 the Government introduced a possibility for companies to apply for credit guarantees for large green investments. 3. Funding for operating support for the separation, capture and storage of biogenic carbon dioxide. 	<ol style="list-style-type: none"> 1. The reason for the reinforcement is to further strengthen and accelerate the climate transition. The Climate Leap was also given additional funding. The support makes specific climate investments possible at local and regional level throughout Sweden. The additional funding will make further measures possible to reduce carbon dioxide emissions, such as expanded charging infrastructure, production of biogas and expansion of district heating. 2. The guarantee frame for credit guarantees was raised further to SEK 50 billion in 2022 to enable more major industrial investments that contribute to reaching the objectives in the system of environmental objectives and the climate policy framework. The guarantee frame is estimated at SEK 65 billion for 2023 and SEK 80 billion for 2024. 3. Funding was provided to introduce operating support for the separation, capture and storage of biogenic carbon dioxide, bio-CCS, by using “reverse auctions”.
16. Peace, justice and strong institutions	<ol style="list-style-type: none"> 1. Several legislative proposals to strengthen money laundering supervision have been adopted by the Riksdag, and the Government is investigating additional measures. Budgetary reinforcements have also been provided for Finansinspektionen, three county administrative boards, the Swedish Tax Agency and the Swedish Police Authority. 	<ol style="list-style-type: none"> 1. Work is under way in the Government Offices to enable law enforcement agencies, supervisory authorities and certain companies such as banks, to exchange information with one another notwithstanding statutory secrecy or other obligations to observe confidentiality. 2. The Riksdag has also adopted an act providing that the regulations of the Money Laundering Act will also apply to suppliers of crowdfunding services. In addition, a new Estate Agent Act has been adopted (Govt Bill 2020/21:119) that means that more estate agents and estate agencies will come under supervision, which also means that they will be covered by the regime for combating money laundering and terrorist financing. 3. Budgetary reinforcements have also been put in place that will benefit all parts of

		the Swedish Police Authority, including the Financial Intelligence Unit and other parts of the police working on combating money laundering and terrorist financing.
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Sweden's contribution to the Country-specific recommendations (CSR) assessment

Semester Cycle 2022

CSR.2021.1

CSR 1 Subpart 1: In 2022, maintain a supportive fiscal stance, including the impulse provided by the Recovery and Resilience Facility, and preserve nationally financed investment.

Measures	
Entry 1	MEASURE TYPE: Implemented (11/02/2022 13:21 PM) In the budget bill for 2022, supportive measures of 1,5 percent were decided by the parliament.
Comments	
State of play	

CSR 1 Subpart 2: When economic conditions allow, pursue a fiscal policy aimed at achieving prudent medium-term fiscal positions and ensuring fiscal sustainability in the medium term.

Measures	
Entry 1	MEASURE TYPE: Adopted (11/02/2022 13:22 PM)

	The government has stated that it will return to the medium target (surplus target) in 2023
Comments	
State of play	

CSR 1 Subpart 3: At the same time, enhance investment to boost growth potential. Pay particular attention to the composition of public finances, on both the revenue and expenditure sides of the budget, and to the quality of budgetary measures in order to ensure a sustainable and inclusive recovery. Prioritise sustainable and growth-enhancing investment, in particular investment supporting the green and digital transition.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:23 PM)</p> <p>Reduction mandate for plane aviation kerosene has been introduced (Bill 2020/21: 135, amendment 2020/21: MJU20, rskr. 2020/21: 303). In 2021, the reduction level will be 0.8 percent and then increase to 27 percent in 2030.</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/02/2022 13:23 PM)</p> <p>New reduction levels in the reduction mandate for petrol and diesel has entered into force (prop. 2020/21:180, bet. 2020/21: MJU23, rskr. 2020/21:411). By 2030, reduction levels will increase to 66 percent for diesel and 28 percent for petrol.</p>

Entry 3	<p>MEASURE TYPE: Announced (11/02/2022 13:25 PM)</p> <p>In order to maintain and increase Swedish biogas production, the government will set aside SEK 1 900 million in 2022–2024 to support the production of biogas. In 2024, a control station for the evaluation of aid design will be implemented to ensure a purpose according to and cost-effective aid.</p>
Comments	
Entry 1	Decision to be taken on 23 February 2022
State of play	

CSR 1 Subpart 4: Give priority to fiscal structural reforms that will help provide financing for public policy priorities and contribute to the long-term sustainability of public finances, including, where relevant, by strengthening the coverage, adequacy and sustainability of health and social protection systems for all.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:28 PM)</p> <p>From January 1, the tax reduction for those with sickness- and activity compensation has been strengthened with the aim to remove the difference in taxation of such compensation and earned income.</p>
Comments	

State of play



CSR.2020.1

CSR 1 Subpart 1: In line with the general escape clause, take all necessary measures to effectively address the pandemic, sustain the economy and support the ensuing recovery. When economic conditions allow, pursue fiscal policies aimed at achieving prudent medium-term fiscal positions and ensuring debt sustainability, while enhancing investment.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:52 PM)</p> <p>On March 15, 2021, new sickness benefit rules came into force. Changed rules aim at giving people on sick leave better opportunities to complete their rehabilitation and return to work. (The rules are general; they cover those with a reduced working capacity due to post-covid among others)</p>
Entry 2	<p>MEASURE TYPE: Announced (11/02/2022 13:52 PM)</p> <p>The Government on 3 February 2022 proposed, in its bill to the Parliament, that employers that have received support for short-term work schemes earlier during the pandemic, shall be able to receive such support in the future as well, provided that the general conditions for support are met.</p>
Comments	
State of play	
Entry 1	<p>The total effect on the net lending for the measures taken in response of the pandemic sums up to about SEK 161 billion</p>

	<p>for 2020. During 2020 the Government assumed responsibility for municipalities' and regions' extraordinary Covid-19-related costs. During 2021 the compensation of this kind, has been limited to cover urgent transports of patients. In addition to this, the regions also received a standard compensation for covid-19 related healthcare in 2021 (and 2022). Funding has also been allocated to increase testing and contact tracing.</p>
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CSR 1 Subpart 2: Ensure the resilience of the health system, including through adequate supplies of critical medical products, infrastructure and workforce.

Measures	
<p>Entry 1</p>	<p>MEASURE TYPE: Implemented (11/02/2022 13:54 PM)</p> <p>In June 2021, new legislation came into force enabling the Medical Products Agency to get access to the national register for vaccination and complete data in reports on adverse drug reactions (if data on vaccination is lacking). The new legislation was a prerequisite to conduct a commission to the Medical Products Agency in order to secure continuous monitoring of the covid-19 vaccines (decided in November 2020 and implemented prolonged into 2024): This includes collecting and analysing reports on adverse drug reactions from health care staff and private persons who have been vaccinated.</p>
<p>Entry 2</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:54 PM)</p> <p>Public service obligations on air routes: On April 6, 2020, The Swedish government decided to impose public service obligations on eight routes between Stockholm Arlanda and</p>

	<p>airports in the Northern region of Sweden as well as between Arlanda and the island of Gotland until September 6, 2020. At the same time, the Swedish Transport Administration was instructed to decide on further provisions on the public service obligations as well as to enter into agreements with air carriers on the selected routes. The ground for the decision was to mitigate the crisis caused by covid-19 by securing a minimum of service for example rescue service, health care, total defense and belly freight. The decision has been prolonged until December 31, 2020. The Swedish Parliament, following a proposal from the Swedish Government, has on 23 June 2020 taken a budgetary decision to temporary, limited to 2020, increase the yearly regular state funding to municipalities for operating aid to regional non state-owned airports. The temporary increased funding for 2020 is set to 100 million SEK. The funding from the State is intended to cover parts of the municipalities' costs connected to operating aid to airports.</p>
<p>Entry 3</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:53 PM)</p> <p>To strengthen care for the elderly and health care, the Swedish Government introduced a special initiative in June of 2020, where the Central government finances part-time education to become care assistant or assistant nurse for up to 10,000 employees in the health care sector. Education will take place during paid working hours and according to an agreement between the social partners the participant shall be offered permanent full-time employment.</p>
<p>Entry 4</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:52 PM)</p> <p>Commission to the Medical Products Agency in order to secure continuous monitoring of the covid-19 vaccines</p>

	<p>(decided in November and implemented prolonged into 2024): This includes collecting and analysing reports on adverse drug reactions from health care staff and private persons who have been vaccinated.</p>
Entry 5	<p>MEASURE TYPE: Implemented (12/12/2020 12:51 PM)</p> <p>Commission to the Public Health Agency to ensure technical access to the national register for vaccinations. (decided in September and implemented, prolonged into 2021). In order to register vaccinations, the Public Health Agency has been commissioned to provide technical assistance in order to make possible a secure registration of these vaccinations.</p>
Entry 6	<p>MEASURE TYPE: Implemented (12/12/2020 12:51 PM)</p> <p>New legislative proposals on registration of covid-19 vaccinations in a national registry from the 1st of January 2021 (decided in November by the government and in December by Parliament). The legislative proposals make it obligatory for all health care providers to register information in a national register for vaccinations.</p>
Entry 7	<p>MEASURE TYPE: Implemented (12/12/2020 12:50 PM)</p> <p>Agreement with the Swedish Association of Local Authorities and Regions to enable large-scale testing throughout the country (decided June 2020 and implemented, prolonged into 2021). Which includes large-scale testing to detect active infection and antibody tests. It was agreed that the state would bear the costs, at the same time as the regions</p>

	undertake to carry out the testing based on the Public Health Agency of Sweden's recommendations.
Entry 8	<p>MEASURE TYPE: Implemented (12/12/2020 12:49 PM)</p> <p>Commission the Public Health Agency of Sweden to quickly coordinate actors needed to provide enhanced covid-19 testing nationally (decided March 2020 and implemented, prolonged in parts into 2021), to ensure flows of large-scale testing at national level (decided in June 2020 and implemented, prolonged into 2021) and to the to assist the regions in large-scale testing (decided June 2020 and implemented, prolonged into 2021), which expand the capacity for serological testing and PCR testing for covid-19 within their respective geographical areas.</p>
Entry 9	<p>MEASURE TYPE: Implemented (12/12/2020 12:48 PM)</p> <p>Commission to the Medical Products Agency to secure access to medical products and devices: The Agency has, for instance, worked on specific amendments to its regulations, questions concerning the transfer of medical products between pharmacies and regions.</p>
Entry 10	<p>MEASURE TYPE: Implemented (12/12/2020 12:37 PM)</p> <p>Commission to the Medical Product Agency to help securing access to medicines that can be considered critical if supply chains were to be affected by the covid-19 pandemic (decided March 2020 and implemented).</p>

<p>Entry 11</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:50 PM)</p> <p>Commission to the National Board of Health and Welfare to help securing access to medicines that can be used for treating patients with covid-19 (decided March 2020 and implemented): The Board is also commissioned to assist with redistribution of medicines, if needed. Until now, the Boards main contribution has been to represent Sweden in the EU joint procurement of remdesivir and channel information from the regions.</p>
<p>Entry 12</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:36 PM)</p> <p>Restrictions on dispensing medications (decided March 2020 and implemented): Following proposals from the Medical Products Agency, the Government restricted the dispensing of medications to the quantities patients need for three months. Exemptions can only be made for special reasons.</p>
<p>Entry 13</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:35 PM)</p> <p>Sweden to host EU reserves of protective and medical equipment (Implemented September 2020): Sweden is one of the six countries chosen to host the EU's reserves of emergency medical equipment and personal protective equipment (PPE).</p>
<p>Entry 14</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:34 PM)</p>

	<ul style="list-style-type: none"> • Commissions to the National Board of Health and Welfare to coordinate medical supplies procurement (decided March 2020 and implemented), distribute and redistribute medical supplies (decided March 2020 and implemented) and secure access to medical devices and distribution of medical devices (decided March 2020 and implemented):The Board procures medical supplies and PPE on the open market and represent Sweden in the EU joint procurement of PPE.
<p>Entry 15</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:34 PM)</p> <p>Crisis support for staff in health and elderly care who worked with COVID-19 patients (decided November 2020 and implemented): Including government funds to support health care and elderly care staff for crisis support, counselling and trauma support.</p>
<p>Entry 16</p>	<p>MEASURE TYPE: Implemented (12/12/2020 12:33 PM)</p> <p>The Government commissioned the National Board of Health and Welfare to support temporary reallocation of health care professionals (October 2020 and implemented).</p>
<p>Entry 17</p>	<p>MEASURE TYPE: Implemented (12/12/2020 11:31 AM)</p> <p>Evaluation of care for long-term COVID-19 symptoms (decided July 2020 and implemented): On 16 July 2020, the Government instructed the Swedish Agency for Health Technology Assessment and Assessment of Social Services</p>

	(SBU) to carry out a systematic review of patients with long-term COVID-19 symptoms.
Entry 18	<p>MEASURE TYPE: Implemented (12/12/2020 11:30 AM)</p> <p>Prognoses and changing scenarios (decided July 2020 and December 2020 implemented): The National Board of Health and Welfare will assess what measures, both national and regional, may be necessary to strengthen health care services and the ability of social services to effectively manage new outbreaks.</p>
Entry 19	<p>MEASURE TYPE: Implemented (12/12/2020 11:28 AM)</p> <p>Coordination of intensive care unit (ICU) beds (decided March 2020 and implemented): The Government has instructed the National Board of Health and Welfare (Socialstyrelsen) to establish a national coordination mechanism for ICU beds.</p>
Entry 20	<p>MEASURE TYPE: Implemented (12/12/2020 11:26 AM)</p> <p>Increased appropriations (decided and implemented) for government agencies participating in action to limit the outbreak: The Public Health Agency of Sweden, the National Board of Health and Welfare and the Swedish Medical Products Agency have therefore had their appropriations increased.</p>
Entry 21	MEASURE TYPE: Implemented (12/12/2020 11:16 AM)

	<p>Municipalities and regions will be compensated for extraordinary costs (decided April 2020 and implemented): The central government will cover all extraordinary costs arising as a result of the pandemic, e.g. higher costs for additional staff and protective equipment.</p>
<p>Entry 22</p>	<p>MEASURE TYPE: Announced (12/12/2020 11:31 AM)</p> <p>SEK 4 billion to manage delayed care (announced): To help health care services get back on track after COVID-19, the Government proposes in the Budget Bill for 2021 that the regions will receive SEK 4 billion in extra funding 2021 and in 2022.</p>
<p>Entry 23</p>	<p>MEASURE TYPE: Adopted (11/02/2022 13:54 PM)</p> <p>In the Budget Bill for 2022 the Government initiated a national centre of competence for care of older persons at the National Board of Health and Welfare. By doing so the Government is strengthening national work on care of older persons in order to clarify the importance of good and safe care of older persons.</p>
<p>Entry 24</p>	<p>MEASURE TYPE: Adopted (11/02/2022 13:53 PM)</p> <p>The Government has appointed an inquiry chair to propose a care of older persons act to supplement the Social Services Act with special provisions on health and social care of elderly and that contain provisions about a national social care plan. The inquiry chair was also charged with</p>

	<p>considering and presenting proposals that strengthen access to medical expertise in care of older people and at service management level in municipalities. The inquiry is to report by 30 June 2022.</p>
Entry 25	<p>MEASURE TYPE: Adopted (11/02/2022 13:53 PM)</p> <p>To strengthen care for the elderly and health care, the Swedish Government introduced a special initiative in June of 2020, where the state finances part-time education to become care assistant or assistant nurse. This reform has been extended and strengthened and is estimated to cover SEK 1.7 billion per year for 2022 and 2023.</p>
Comments	
State of play	
Entry 1	<p>In June 2021, national regulation came into place in addition to Regulation (EU) 2021/953 and Regulation (EU) 2021/954 of the European Parliament and of the Council of 14 June 2021. The additional regulation was needed to establish a firm legal ground for the issuance of EU DCC in the Swedish context, from 1 July 2021.</p>
Entry 2	<p>During 2021, The Swedish E-health Agency, The Public Health Agency and The Agency for Digital Government were commissioned to establish a digital infrastructure for issuing EU DCC (EU Digital COVID Certificates). The system was implemented on 1 July for vaccination certificates and on 12 August for test and recovery certificates. During the Autumn of 2021, additional changes were made in the system to make sure that vaccination certificates can be issued to persons without social security numbers or so called co-</p>

	ordination numbers as well as persons who have been vaccinated outside the EU.
Entry 3	To help health care services get back on track after covid-19, the Government invested 4 billion in extra funding 2021 and 6 billion in 2022 in delayed care and covid-19 related care.
Entry 4	National Board of Health and Welfare (NBHW) assignment of responsibility for purchasing medical products in cause of national stock shortages has been prolonged until June 2022
Entry 5	Commission to the Public Health Agency of Sweden to quickly coordinate actors needed to provide enhanced covid-19 testing nationally prolonged to 2021 and 2022
Entry 6	The large-scale testing with PCR tests initially implemented in 2020 – prolonged into 2021 and 2022.

CSR.2020.2

CSR 2 Subpart 1: Foster innovation

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 14:56 PM)</p> <p>To support the municipalities in arranging education where vocational education is combined with Swedish for immigrants or Swedish as a second language, and thus promote a faster integration of foreign-born, the government invests just over SEK 1.5 billion to 14,000 educational places in 2022</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/02/2022 14:54 PM)</p> <p>A pilot project that will contribute to building a well-functioning infrastructure for mapping and validation started in municipal adult education during the autumn of 2021 and will last until 1 July 2023.</p>
Entry 3	<p>MEASURE TYPE: Implemented (11/02/2022 14:53 PM)</p> <p>Up-skilling boost with aim to increase climate related competence. The Government has allocated 100 million SEK for 2022 for this purpose and is ongoing until 2024</p>
Entry 4	<p>MEASURE TYPE: Implemented (11/02/2022 14:00 PM)</p>

	<p>Directing more jobseekers to regular education: Expansion of the possibility for jobseekers in the Job and Development Guarantee to study part-time in regular education in addition to their participation in the programme. The opportunity for part-time studies in addition to programme participation is extended from six to twelve months.</p>
<p>Entry 5</p>	<p>MEASURE TYPE: Implemented (11/02/2022 13:59 PM)</p> <p>Retained benefits (activity support): Through an increased use of regular education, jobseekers' education needs can be met through a broader range of education and training. To increase the transitions to regular education, the Government has expanded opportunities for jobseekers to study with retained benefits (activity support). This was announced in the Budget Bill for 2021.</p>
<p>Entry 6</p>	<p>MEASURE TYPE: Implemented (11/02/2022 13:59 PM)</p> <p>Labour Market Training: To meet the demand for shortages and strengthen the skills of jobseekers, the supply of shorter Labour Market Training has been increased. Funds have been added during 2020, 2021 and 2022. Evaluations from the Swedish Public Employment Service show that the efficiency of the initiative has increased, but that more needs to be done to make the initiative more efficient, strategic, and gender mainstream. The Swedish Public Employment Service is tasked with increasing the numbers of jobseekers in Labour Market Training, and with continue to make the training more efficient and making sure that it is used in a strategical way. The Swedish Public Employment Service has</p>

	and will continue to work with making the participation in Labour Market Training more gender equal.
Entry 7	<p>MEASURE TYPE: Announced (11/02/2022 14:57 PM)</p> <p>The government is proposing to introduce a new Student Finance Scheme for Transition and Retraining from 2023, for people with work experience who need further education or to participate in a completely new education to strengthen their position in the labour market. The new Student Finance Scheme aims to ensure that professionals can participate in education both for up-and reskilling purposes. The support is aimed at adults who have a labour market connection and ensures that the vast majority of those who are granted the support will be able to study with at least 80% of their previous salary for 44 weeks, including loans and grants. A prerequisite for participating in the new Student Finance Scheme is that the education strengthens the applicant's position in the labour market. This is an ambitious and alternative way of achieving the objectives and SE proposes that this is an approach that could be described in the recommendation to shed light on different ways of achieving the objective.</p>
Entry 8	<p>MEASURE TYPE: Announced (11/02/2022 14:55 PM)</p> <p>In January 2022, the Government's initiative was presented on an obligation for municipalities to offer initial mapping and validation. The government allocates SEK 60 million for 2023.</p>
Entry 9	<p>MEASURE TYPE: Adopted (11/02/2022 13:58 PM)</p>

	<p>The government has commissioned the Swedish Public Employment Service, in collaboration with Sweden's innovation agency and other relevant authorities and stakeholders to find means to develop conditions for making data for skills supply and lifelong learning available, shared and utilized and to contribute to the development of a unified digital infrastructure that support lifelong learning. Budget: 15 million SEK 2021 and 17 million SEK 2022.</p>
Comments	
State of play	
Entry 1	<p>In 2018, the government introduced an annual state subsidy of SEK 50 million to stimulate the development of learning centres, that can be applied for by cooperating municipalities. The government increased the state subsidy to SEK 90 million for 2021 and 2022 and to SEK 85 million for 2023.</p>
Entry 2	<p>Short courses that will offer skills development in a flexible way was introduced in 2020. The government has gradually added more funds, so that in 2023 it will be up to a total of SEK 150 million.</p>
Entry 3	<p>To meet the demand for skilled labour, the Government is continuing the Knowledge Boost initiative to provide people with a greater opportunity to obtain an education or training and a job. Altogether, Knowledge Boost correspond to around 145 700 study places in higher vocational education, regional adult vocational education, folk high school, universities and other higher education institutions. It is projected that by 2022 the government has provided funds that correspond to more than 160,000 study places. The initiative includes higher education programmes in fields of importance to society, such as engineering, education, healthcare and medicine.</p>

<p>Entry 4</p>	<p>The government merged several grants aimed at stimulating teacher career opportunities in order to increase effectiveness. Some of the funds are allocated so that highly qualified teachers that work in the schools with the toughest challenges receive a twice as big wage increase as before. In 2021 the government launched a professional program for teachers and principals, and it is expected to increase to 200 mnkr in 2023.</p>
<p>Entry 5</p>	<p>An increase of the Government grant to improve equity and knowledge in preschool classes and compulsory school was proposed in the Budget Bill for 2020 and passed in the parliament. For 2022 the grant corresponds to SEK 6.5 billion and it increased to SEK 7.6 billion for 2023. The allocation of the grant to school organisers is based on pupils' socioeconomic background.</p>
<p>Entry 6</p>	<p>Work has continued and intensified in the Government's innovation partnership programmes, including the Programme for Skills Supply and Lifelong Learning. The program has contributed to strengthening the coordination between the educational system and labour market authorities, with the aim to make lifelong learning accessible and The aim of the programme is to contribute to • a greater will and ability among individuals to retrain and constantly develop in order to meet the demands of a rapidly changing labour market, and • that companies are able to grow and develop in Sweden by attracting and employing the broad skills they need to be competitive in a global market, but also to conduct world-leading research and develop world-leading innovations. The innovation partnership programmes gather a broad range of participants and make it a joint responsibility to stimulate skills development and lifelong learning through mutually reinforcing actions, both private and public, aiming for a common package and a common objective. (Innovation</p>

	partnership programme Skills supply and lifelong learning - Government.se)
Entry 7	The Swedish Public Employment Service is tasked with directing more people to regular education so that more jobseekers who need education have the conditions to establish themselves in the labour market for the period of 2020-2022

CSR 2 Subpart 2: and support education and skills development.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (12/12/2020 13:04 PM)</p> <p>To strengthen care for the elderly and health care, the Swedish Government introduced a special initiative in June of 2020, where the state finances part-time education to become care assistant or assistant nurse for up to 10,000 employees in the health care sector. Education will take place during paid working hours and according to an agreement between the social partners the participant shall be offered permanent full-time employment.</p>
Entry 2	<p>MEASURE TYPE: Announced (13/12/2020 12:33 PM)</p> <p>In 2021 the government is planning to launch a professional program for teachers and principals, and it is expected to increase to 200 million SEK in 2023.</p>
Entry 3	<p>MEASURE TYPE: Announced (12/12/2020 13:33 PM)</p>

	<p>Efforts are made to make the education offer within Higher Vocational Education more flexible and from 2020 courses and programmes shorter than one semester can also be offered. These courses are offered mainly through distance-learning and often as part-time studies in order to allow individuals to work and study in parallel.</p>
<p>Entry 4</p>	<p>MEASURE TYPE: Announced (12/12/2020 13:21 PM)</p> <p>Efforts are made to make the education offer within Higher Vocational Education more flexible and from 2020 courses and programmes shorter than one semester can also be offered. These courses are offered mainly through distance-learning and often as part-time studies in order to allow individuals to work and study in parallel.</p>
<p>Entry 5</p>	<p>MEASURE TYPE: Announced (12/12/2020 13:04 PM)</p> <p>When companies are experiencing temporary financial problems as a result of unexpected events the state may provide financial support for a limited time while employees reduce working hours, so-called short time work. The reduction in working hours provides scope which can be invested in competence development in order to strengthen employees' skills and thereby also the company. In the budget bill for 2021, the Government proposes that employers who have reduced employees' working hours with financial support from the state, may be compensated for up to 60 percent of costs for competence initiatives implemented during the reduced working time.</p>

Comments
State of play

CSR 2 Subpart 3: Front-load mature public investment projects and

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 14:58 PM)</p> <p>A Government bill was passed to increase the scope of companies eligible for tax exempt employee stock options. The new rules apply from 1st of Jan. 2022.</p>
Entry 2	<p>MEASURE TYPE: Announced (12/12/2020 13:34 PM)</p> <p>In the Budget Bill for 2021 the Government proposed a further increase in the allocation for maintenance of the transport infrastructure. The Government proposed that the allocation for road maintenance is increased by SEK 500 million per year for the years 2021-2023 and that the allocation for railroad maintenance is increased by SEK 500 million per year during the period 2021-2023.</p>
Entry 3	<p>MEASURE TYPE: Adopted (12/12/2020 13:34 PM)</p> <p>According to the Governments proposal in an additional amending budget in May 2020, the Government decided to increase the allocation for road maintenance in 2020 with SEK 300 million and for railway maintenance with SEK 720</p>

	million. This in order to improve the functionality of the transport infrastructure and create new jobs.
Comments	
State of play	

CSR 2 Subpart 4: promote private investment to foster the economic recovery.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 14:59 PM)</p> <p>The innovation program Advanced digitalization is a public-private partnership involving Sweden's Innovation Agency, the Association of Swedish Engineering Industries and major Swedish companies. The purpose of this program is applied research and development of sustainable digital solutions for the future.</p>
Entry 2	<p>MEASURE TYPE: Adopted (11/02/2022 14:59 PM)</p> <p>As decided in the budget bill for 2022, 25 million SEK is allocated during 2022 to a state-aid scheme for improving mobile connections on long-distance trains. Good mobile connections on trains contribute to the ability to live and work all over Sweden.</p>
Comments	

State of play

CSR 2 Subpart 5: Focus investment on the green and digital transition, in particular on clean and efficient production and use of energy,

Measures

Entry 1	<p>MEASURE TYPE: Announced (12/12/2020 13:52 PM)</p> <p>The government proposes giving support to investments in solar panels for private households and companies. Funding is also proposed to be dedicated in the budget for infrastructure investments such as railways and electricity networks. In order to further facilitate private households' investments in green and efficient energy solutions the government wants to extend support to publicly available energy and climate advisory services provided by local governments.</p>
Entry 2	<p>MEASURE TYPE: Announced (12/12/2020 13:50 PM)</p> <p>Domestic transport is another important area for emissions reductions since it contributes with approximately a third of carbon dioxide emissions in Sweden and those emissions need to be reduced much faster in the years to come. Hence, it is proposed to allocate funds for a range of measures to incentivize emissions reductions.</p>
Entry 3	<p>MEASURE TYPE: Announced (12/12/2020 13:50 PM)</p>

	<p>The government also proposes financing measures for restoring and maintaining the environment as well as adapting to climate change. The money should be used for avoiding eradication of endangered species and encompasses measures to protect and maintain valuable nature as well as strengthening the work for a clean sea and water protection. Restoration of wetlands is also proposed to receive large funds. Emissions from former wetlands make up 11 million tons of carbon dioxide equivalents, which is more than Sweden's traffic emissions from private cars. Through wetland restoration one can halt the amount of emissions from reaching the atmosphere.</p>
<p>Entry 4</p>	<p>MEASURE TYPE: Announced (12/12/2020 13:49 PM)</p> <p>The government wants to facilitate investments to improve energy efficiency and renovate existing apartment buildings. Hence, the government proposes to set aside 900 million SEK in 2021 for a newly created support system for this purpose.</p>
<p>Entry 5</p>	<p>MEASURE TYPE: Announced (13/12/2020 13:16 PM)</p> <p>The government proposes in the budget bill for 2021 that 50 million SEK for 2021 and 2022 is to be invested in order to improve mobile connectivity on long-distance trains.</p>
<p>Entry 6</p>	<p>MEASURE TYPE: Announced (13/12/2020 13:16 PM)</p> <p>In the budget bill for 2021 the government proposes a total budget of 2,2 billion SEK between 2021-2025 for broadband expansion. The aim is to speed up broadband expansion and to facilitate the government's goal that the whole of Sweden</p>

	<p>should have access to fast broadband by 2025 is reached. The national target is that 95% of all households and businesses should have access to broadband of at least 100 Mbps by 2020. Everyone should also have access to stable, high-quality mobile services where they are normally located by 2023. The government's national broadband strategy implies that by 2025, all households and business in Sweden should have access to fast broadband.</p>
<p>Entry 7</p>	<p>MEASURE TYPE: Adopted (11/02/2022 15:15 PM)</p> <p>In the budget bill for 2022, 50 million SEK per year 2022-2024 is allocated to the development of the digital infrastructure in the welfare sector. From 2025, 20 million will be set aside annually for the same purpose. The funding can be used for initiatives such as improvements regarding electronic service credentials, common technical standards and secure messages between municipalities, regions, and the government. In 2022, 30 million SEK of this budget post will be used to develop and provide an infrastructure for the exchange of unstructured information in the public sector.</p>
<p>Entry 8</p>	<p>MEASURE TYPE: Adopted (11/02/2022 15:02 PM)</p> <p>The Swedish Government commissioned four national agencies (the Swedish Public Employment Service, the Swedish Companies Registration Office, the Swedish Agency for Digital Government and the Swedish Tax Agency) to promote the public administrations ability to use artificial intelligence (AI) in order to strengthen the welfare and competitiveness in Sweden within the public sector. Budget 3 million SEK 2021 and 5 million SEK 2022.</p>

<p>Entry 9</p>	<p>MEASURE TYPE: Adopted (11/02/2022 15:02 PM)</p> <p>In the budget bill for 2022, 50 million SEK per year 2022-2027 is allocated to support and co-finance participation in the Digital Europe Programme (DIGITAL). The national co-financing proposed by the Government ensures that Swedish organisations are given the opportunity to take part in EU investments in infrastructure and capacity-enhancing projects for e.g. cloud services, data and AI. Sweden can also, with the help of early participation in the program, increase the opportunity to be able to participate in and influence EU-joint projects. The government is also increasing the incentives for other actors to match the national sum and thereby increase the chances of being able to receive additional funds from the program.</p>
<p>Entry 10</p>	<p>MEASURE TYPE: Adopted (11/02/2022 15:01 PM)</p> <p>The Government decided to extend its investment (with an annual budget of SEK 22 million) on regional digitization coordinators and offers the regions to continue to maintain the function for the period of 2021-2025. The Government also instructs the Swedish Agency for Economic and Regional Growth to provide support to regional digitization coordinators, with a new amendment to the also coordinate digital innovation hubs and the candidates to become the Swedish European Digital Innovation Hubs (EDIH). The regional digitization coordinators can contribute to strategic coordination and collaboration between relevant actors (e.g. SME) to promote digitization on regional and local level. This includes promoting the use of digital working methods, tools and services.</p>

<p>Entry 11</p>	<p>MEASURE TYPE: Adopted (11/02/2022 15:01 PM)</p> <p>The Government of Sweden adopted a national data strategy to foster responsible public and private data sharing for digital innovation including AI, providing a pro-active platform for Sweden's participation in the European data strategy. A series of Government assignments regarding electrification, health, space data etc. have been launched during 2021 as part of the associated action plan</p>
<p>Comments</p>	
<p>State of play</p>	
<p>Entry 1</p>	<p>To strengthen long-term competitiveness and the green and digital transition of industry, Sweden participates in so-called Important Projects of Common European interest (IPCEI). Sweden is already participating in two projects in the battery area, and the Swedish Energy Agency has a government assignment to prepare Swedish participation in hydrogen projects. In the budget bill for 2022, the Government proposes 100 million SEK in 2022 and estimated 70 million SEK in 2023 and 2024. This is in addition to the 200 million SEK in 2022 and an estimated 70 million SEK in 2023–2027 already set aside in the 2021 budget bill.</p>

CSR 2 Subpart 6: high-tech and innovative sectors,

<p>Measures</p>	
<p>Entry 1</p>	<p>MEASURE TYPE: Announced (12/12/2020 13:53 PM)</p>

	<p>Sweden is a small export-dependent country where there are many jobs with exporting companies. Foreign investment therefore plays an important role in the economic recovery. In order to strengthen investment promotion initiatives, funding of SEK 25 million is proposed for 2021, through Business Sweden.</p>
<p>Entry 2</p>	<p>MEASURE TYPE: Announced (12/12/2020 13:53 PM)</p> <p>As private investment in research and innovation temporarily declines as a result of the COVID-19 pandemic, central government is increasing its funding to secure research, innovation and the supply of skills. It is therefore proposed that Vinnova receives an increase in its appropriation for 2021 of SEK 545 million to mainly make systemic innovation investments. Furthermore, industrial research institutes conduct needs-driven research and development in global collaboration with universities, the business sector and the public sector. The institutes play an important role in the utilisation and commercialisation of research and innovation. The focus is on developing sustainable solutions, which are the pillars of the business community's climate transition, competitiveness and growth. It is therefore proposed that RISE AB receive an increase of its appropriation for 2021 of SEK 95 million to implement initiatives that contribute to system solutions where many actors collaborate.</p>
<p>Comments</p>	
<p>State of play</p>	

CSR 2 Subpart 7: 5G networks

<p>Measures</p>

Comments
State of play

CSR 2 Subpart 8: and sustainable transport.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (12/12/2020 13:56 PM)</p> <p>The Swedish Parliament, following a proposal from the Swedish Government, has on 3 June 2020 taken a budgetary decision to grant SEK 3 billion to regional competent authorities responsible for organising public passenger transport services to compensate for reduced income during the corona pandemic. For the 2021 budget the government proposes SEK 2 billion for the same purpose.</p>
Entry 2	<p>MEASURE TYPE: Announced (12/12/2020 13:56 PM)</p> <p>The Government has taken further actions to promote sustainable transport. According to the Governments proposal in an additional amending budget in May 2020, the Government decided to increase the allocation for railway maintenance with SEK 720 million. In the Budget Bill for 2021 the Government proposed a further increase in the allocation for maintenance of the transport infrastructure. The Government proposed that the allocation for railroad maintenance is increased by SEK 500 million per year during the period 2021-2023. The Government also proposed to increase the governments co-financing of municipal and</p>

	regional investments in infrastructure for cycling with SEK 300 million for 2021 and SEK 250 million for 2022.
Comments	
State of play	

CSR.2020.3

CSR 3 Subpart 1: Improve the effectiveness of anti-money laundering supervision and effectively enforce the anti-money laundering framework.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 15:20 PM)</p> <p>In the budget bill for 2021, Sweden's financial supervisory authority Finansinspektionen received an additional 10m SEK exclusively for anti-money laundering supervision. In the budget bill for 2022, several AML supervisory authorities received additional grants: Finansinspektionen (2 m SEK,) the Swedish Estate Agents Inspectorate (0,5m sek), the Swedish Gambling Authority (0,5m sek) and the County Administrative Boards in Skåne (0,5 m sek), Stockholm (0,5 m sek) and Västra Götaland (0,5m sek). Also, the Police Authority received grants to combat i.a. money laundering (2,5 m SEK).</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/02/2022 15:19 PM)</p> <p>Swedish crowdfunding service providers have been subjected to AML/CFT supervision through the act (2021:899) with supplementary provisions to the EU regulation on European crowdfunding service providers</p>
Comments	
State of play	



CSR.2019.1

CSR 1 Subpart 1: Address risks related to high household debt by gradually reducing the tax deductibility of mortgage interest payments or increasing recurrent property taxes.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/12/2020 20:04 PM)</p> <p>Regarding the risk-weight floor, the FSA decided in 2018 to change the application of the risk-weight floor for Swedish mortgages by replacing the current Pillar 2-approach with a requirement within the framework of Article 458 of CRR. This change was implemented on 31 December 2018 and is valid through 30 December 2020. The FSA has assessed that the underlying risks necessitating the risk-weight floor remain to the extent that the measure continues to be necessary and has therefore notified the EU regarding extension of the existing risk-weight floor for Swedish mortgages. The European Commission, the EBA and the ESRB has announced that they do not object to an extension of the risk-weight floor. The FSA will make its final decision on the matter before the measure expires.</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/12/2020 20:03 PM)</p> <p>There are also upcoming changes in the capital requirements due to the EU banking package (CRR II / CRD V). National legislative changes due to the banking package will mainly be implemented in Sweden on 29 December 2020. The banking package will introduce a number of changes to the capital regulation of banks, such as the</p>

	<p>implementation of a leverage ratio requirement alongside the risk-based capital requirement (applicably by end-of-June 2021). For the major banks, the total capital requirement, in nominal terms, is not expected to be significantly impacted. Mid-sized and smaller banks are expected overall to see an increase in their capital requirements of around 10–15 per cent, primarily due to the new so-called Pillar 2-guidance. This guidance aims to cover risks and manage future financial disruptions that the other main components of the capital requirement do not cover.</p>
<p>Entry 3</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:02 PM)</p> <p>Due to the spread of the coronavirus and the economic and financial uncertainties resulting from its spread, the FSA decided on 16 March 2020 to reduce the countercyclical capital buffer from 2.5 per cent to 0 per cent. This measure is intended to create scope for banks to maintain or increase their lending to businesses and households, thereby supporting the Swedish economy. The FSA will establish at the beginning of 2021 its position on both the rate at which the countercyclical buffer requirement will be raised and the target rate itself</p>
<p>Entry 4</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:02 PM)</p> <p>The design of the amortization requirements enables banks and other mortgage companies to grant exemptions from the requirement when there are special reasons. On account of the spread of the coronavirus the FSA announced on 17 March 2020 that income-loss linked to the virus would be one such special reason for being granted an exemption from amortization. On 14 April 2020 the FSA decided that mortgage companies have the possibility to offer all new</p>

	<p>and existing mortgagors an exemption from the amortization requirement in view of the spread of the coronavirus and its effects on the Swedish economy. Individual decisions whether to grant a temporary exemption still rest with banks on the basis of individual customer assessments. The exemption applies to amortization payments through 31 August 2021. The FSA will communicate no later than at the end of April 2021 whether this date will continue to apply or if the circumstances prevailing at that time will require an extension.</p>
Comments	
Entry 1	<p>Taxes: It is of particular importance to manage changes in housing taxes carefully. Any measure in this area must be seen in a long-term perspective and be based on a broad political consensus. Changes must be handled with great care, due to the potential effects a change may have on household's financial position, household demand and economic growth.</p>
State of play	
Entry 1	<p>Taxes: No measures regarding mortgage deductibility or property taxes have been taken in the 2022 Budget Bill.</p>

CSR 1 Subpart 2: Stimulate investment in residential construction where shortages are most pressing, in particular by removing structural obstacles to construction.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/12/2020 20:11 PM)</p>

	<p>Inquiry to propose legislative amendments to make it easier to build close to the beach in rural areas The Government appointed in July 2019 an inquiry to review beach protection legislation. The inquiry will propose amendments that will make it much easier to build close to the beach in rural areas. The proposals shall also aim to improve conditions for housing and business activities, primarily for small businesses, in rural areas. The Inquiry will report on its remit on 14 December 2020.</p>
<p>Entry 2</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:09 PM)</p> <p>Amendments to the Planning and Building Act In February 2020 the Riksdag adopted the Government Bill Enhanced comprehensive planning proposing amendments to the Planning and Building Act. The proposals are intended to ensure better continuity in comprehensive planning and to make sure that the comprehensive plan will facilitate subsequent planning and examination, e.g. in detailed development planning and in the examination of building permits and advance notices, to a greater extent than it currently does. The legislative amendments entered into force on 1 April 2020.</p>
<p>Entry 3</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:18 PM)</p> <p>The investment grant for rental apartments and apartments for students was announced in 2016. So far (by 31 November 2020), the support has been granted to slightly more than 38 000 housing units, of which almost 32 500 are rental apartments and almost 6 000 are apartments for students. The investment grant was abandoned in the budget bill for</p>

	<p>2019 but is a part of the January agreement and is now destined to continue. The investment grant appropriation proposed in the budget bill is SEK 3.15 billion for 2021. In accordance with the January agreement the ordinance (2016: 881) has been amended with the aim to make the investment grant more efficient. The amendments entered into force 1 February 2020.</p>
<p>Entry 4</p>	<p>MEASURE TYPE: Announced (11/12/2020 20:11 PM)</p> <p>Inquiry for simplified and effective regulations for building permits In January 2020, the Government appointed an inquiry for simplified and effective regulations for building permits etc to conduct a systematic review of the regulatory framework for building permits etc. (Terms of reference 2020:4); this is to be done against the background that the effectiveness of the regulatory framework for permits is of great importance for municipalities and for developers and other private parties, as well as for the planning and building process as a whole. The purpose of the inquiry is to devise a simpler, more effective and more appropriate regulatory framework while securing important public and private interests and long-term sustainable construction of housing and other works. The inquiry is to report on its remit by 31 May 2021 at the latest.</p>
<p>Entry 5</p>	<p>MEASURE TYPE: Announced (11/12/2020 20:08 PM)</p> <p>In the 2021 Budget Bill the Government proposed a new form of support for energy efficiency improvements and renovation of multi-dwelling buildings. The Government finds that major investments are needed to achieve better energy performance and to address the renovation needs of the existing building stock. Improving quality and energy-efficient</p>

	<p>buildings are also important for improving the housing market and the opportunities to use the dwelling stock. The Government proposes SEK 0.9 billion for 2021, SEK 2.4 billion 2022 and SEK 1 billion for 2023.</p>
<p>Comments</p>	
<p>State of play</p>	
<p>Entry 1</p>	<p>Selection of measures relevant för addressing the CSR: - The National Board of Housing, Building and Planning has the Government's task of working with rule development and working for an efficient and uniform application of the Planning and Building Act in a digital environment. The authority has produced regulations for digital detailed plans and plan descriptions. In February 2021, the county administrative boards were commissioned to develop uniform digital process support and common routines for their participation in community planning. - On behalf of the Government, six national authorities have reviewed their respective claims in areas of national interest. The assignment has led to a reduction in the total national interest claims. The county administrative boards have also been commissioned to identify areas of national interest for nature conservation and the cultural environment that need to be tested for timeliness. The assignment was reported in December 2021. The National Heritage Board and the Swedish Environmental Protection Agency have been commissioned to reconsider the national interests in cultural environmental protection and nature conservation that the county administrative boards have identified shortcomings regarding timeliness and distribution. The work of digitizing the planning and building process will continue in 2022. The current assignments must be reported no later than 31 January 2023.</p>

CSR 1 Subpart 3: Improve the efficiency of the housing market, including by introducing more flexibility in rental prices and revising the design of the capital gains tax.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:35 PM)</p> <p>As of January 1, 2021, the interest rate on deferred capital gains from housing is abolished. Capital taxation is one of several factors that affect individuals' choice of housing, and the abolishment of the interest rate reduces the transaction costs for moving. More individuals can then be expected to realize relocation plans, which contributes to an increased mobility in the housing market.</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/12/2020 20:22 PM)</p> <p>As of July 1, 2020, the ceiling for the maximum deferral amount was raised from SEK 1.45 million to SEK 3 million for sales of private homes made after June 30, 2020. The aim of the abolition was to increase mobility in the housing and labor market and achieve a more efficient use of the existing housing stock. In the 2021 Budget Bill the government proposes to abolish the interest rate on deferred capital gains from housing. The deferral of capital gains tax can then be considered as an interest rate free loan and enhances the effect stemming from the raised ceiling for deferrals. The new rules are proposed to cover both existing and future deferrals and will enter into force on 1st of January 2021. Capital taxation is one of several factors that affect individuals' choice of housing, and the abolishment of the interest rate reduces the transactions costs for moving. More individuals can then be expected to realize relocation plans,</p>

	<p>which contributes to an increased mobility in the housing market.</p>
Entry 3	<p>MEASURE TYPE: Announced (11/12/2020 20:25 PM)</p> <p>Yet another inquirer is commissioned to investigate how the collective rental lease negotiations can be made more efficient. The purpose is to improve the function of the negotiations when it comes to annually setting rents for a large number of existing apartments and to establish long-term sustainable rental levels. The Inquiry was appointed in December 2019 and is to report on its remit not later than by 30 December 2020.</p>
Entry 4	<p>MEASURE TYPE: Announced (11/12/2020 20:25 PM)</p> <p>Another inquirer analyses how the location and quality of the flats in the existing stock is taken into account, relative to other factors in rent setting (Terms of reference 2020:70). The Inquiry was appointed in June 2020 and is to report on its remit not later than by 30 June 2021.</p>
Entry 5	<p>MEASURE TYPE: Announced (11/12/2020 20:24 PM)</p> <p>In April 2020 the Government appointed the inquiry Free rent setting in newly produced residential dwellings (Terms of reference 2020:45). One focal starting point for the inquiry is that free rent setting is to be introduced in newly produced residential dwellings. The new model shall contribute to the long-term well-functioning of the rental market and the efficient use of the stock of new rental buildings. Conditions should be provided for a sustainable and continuous supply</p>

	<p>of rental apartments. The model will provide residential areas with different conditions, opportunities to develop and accommodate the local demand for housing. The Inquiry is to report on its remit not later than by 31 May 2021.</p>
<p>Comments</p>	
<p>State of play</p>	
<p>Entry 1</p>	<p>In 2020 the Government appointed a Committee of Inquiry to investigate and analyze how the location and quality of rental apartments are considered by the parties on the rental market when setting rental prices. The Government stated that it is important that the rental market works in an efficient way and that there is a sufficient mobility. Mobility could be improved if rental prices reflect in a better way how tenants value the characteristics of an apartment. The Committee presented its findings in June 2021. It emphasized that the collective parties are responsible for setting rental prices and for determining fair and reasonable rental prices that reflects how tenants value apartments. The Committee presented some legislative proposals that could facilitate the work of the parties. The main collective parties have agreed to find ways to develop the rental system. One of the focus areas is to develop a common view on how different factors, such as location and quality of an apartment, should be taken into account when setting rental prices (systematic renting). The main collective parties were critical of the Committees legislative proposals. The Government has not sent the proposals for public consultation.</p>

CSR.2019.2

CSR 2 Subpart 1: Focus investment related economic policy on education and skills

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:37 PM)</p> <p>An increase of the Government grant to improve equity and knowledge in preschool classes and compulsory school was proposed in the Budget Bill for 2020 and passed in parliament. For 2022 the grant corresponds to SEK 6.5 billion and is suggested to increase to SEK 7.6 billion for 2023. The allocation of the grant to school organisers is based on pupils' socioeconomic background.</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/02/2022 13:36 PM)</p> <p>Activity support in the Job and Development Guarantee. The Government has expanded the possibilities of studying with activity support at basic and upper secondary level in the Job and Development Guarantee in order to get jobseekers to study.</p>
Entry 3	<p>MEASURE TYPE: Implemented (11/12/2020 20:31 PM)</p> <p>To strengthen care for the elderly and health care, the Government introduced a special initiative in June 2020, where the Central government finances part-time education to become care assistant or assistant nurse for up to 10,000 employees in the health care sector. Education will take place during paid working hours and according to an</p>

	<p>agreement between the social partners the participant shall be offered permanent full-time employment. Efforts are made to make the education offer within Higher Vocational Education more flexible and from 2020 onwards courses and programmes shorter than one semester can also be offered. These courses are offered mainly through distance-learning and often as part-time studies in order to allow individuals to work and study in parallel.</p>
<p>Entry 4</p>	<p>MEASURE TYPE: Announced (11/12/2020 20:30 PM)</p> <p>When companies are experiencing temporary financial problems as a result of unexpected events the Central government may provide financial support for a limited time while employees reduce working hours, so-called short time work. The reduction in working hours provides scope which can be invested in competence development in order to strengthen employees' skills and thereby also the company. In the budget bill for 2021, the Government proposes that employers who have reduced employees' working hours with financial support from the Central government, may be compensated for up to 60 percent of costs for competence initiatives implemented during the reduced working time.</p>
<p>Entry 5</p>	<p>MEASURE TYPE: Announced (11/12/2020 20:28 PM)</p> <p>An increase of the Government grant to improve equity and knowledge in preschool classes and compulsory school was proposed in the Budget Bill for 2020. For 2020 the grant corresponds to SEK 4.9 billion and it is expected to increase to over SEK 6 billion for 2021. The allocation of the grant to school organisers is based on pupils' socioeconomic background.</p>

Comments	
State of play	
Entry 1	The Government is continuing the Knowledge Boost initiative to provide people with a greater opportunity to obtain an education or training and a job. Altogether the Knowledge Boost will correspond to around 114 400 study places in higher vocational education, regional adult vocational education, folk high school, universities and other higher education institutions. The initiative includes higher education programmes in fields of importance to society, such as engineering, education, healthcare and medicine.
Entry 2	The government merged several grants aimed at stimulating teacher career opportunities in order to increase effectiveness. Some of the funds are allocated so that highly qualified teachers that work in the schools with the toughest challenges receive a twice as big wage increase as before.

CSR 2 Subpart 2: , maintaining investment in sustainable transport to upgrade the different transport modes, in particular railways

Measures	
Entry 1	MEASURE TYPE: Announced (11/12/2020 20:35 PM) In the budget bill for 2021, the government plans to increase the allocation for maintenance of railways by 500 million per year during the period 2021-2023.
Entry 2	MEASURE TYPE: Adopted (11/02/2022 13:44 PM)

	<p>In 2021 the Swedish Parliament decided on a bill regarding how much funds should be allocated to investments in the transport infrastructure for the period 2022-2033. This is an investment that amounts to a total of SEK 881 billion. The investment will include developing and maintaining the Swedish transport infrastructure. The investments will contribute to increased accessibility, expanded labour market regions, regional development, increased cohesion in the country, improved competitiveness and the achievement of climate goals. In 2022, the intention is to decide on a new national plan for the transport infrastructure, in which it is specified which projects should be built 2022-2033. As a complement, under the period 2019-2022, the Swedish Government has made extra investments in maintenance of the railway of a total SEK 3 billion.</p>
Comments	
State of play	

CSR 2 Subpart 3: , and research and innovation, taking into account regional disparities.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:43 PM)</p> <p>In December 2020 the government presented a research and innovation bill with both budgetary and legal measures. The period 2021-2024 the public funding will increase by 3,75 bn SEK which means a 10 percent increase. High quality in research is an overarching goal. The funding is directed towards societal challenges related to climate change,</p>

environment, health, digitalization, working life and democracy. In terms of legislation the bill contained (for example) a new regulation concerning academic freedom. As announced in the R&I bill, the Government decided on a National Strategy for Swedish participation in Horizon Europe in October 2021.

Comments

State of play

CSR.2019.3

CSR 3 Subpart 1: Ensure effective supervision and the enforcement of the anti-money laundering framework.

Measures	
Entry 1	<p>MEASURE TYPE: Implemented (11/02/2022 13:51 PM)</p> <p>In the budget bill for 2021, Finansinspektionen receives an additional 10m SEK for anti-money laundering supervision exclusively.</p>
Entry 2	<p>MEASURE TYPE: Implemented (11/12/2020 21:46 PM)</p> <p>On the intelligence side, Sweden's Financial Intelligence Unit has implemented the GoAML IT system which has increased both the quantity and the quality of submitted suspicious transaction reports. There has been a substantial increase in staff in 2020, and a 50% increase in staff since 2017.</p>
Entry 3	<p>MEASURE TYPE: Implemented (11/12/2020 21:28 PM)</p> <p>In terms of national interagency cooperation, Finansinspektionen and the Police Authority recently signed an MoU in order to be able to share intelligence information and to better coordinate their work. This has already provided results in operational terms (see e.g. media reporting on a coordinated raid against "underground banks:")</p>
Entry 4	<p>MEASURE TYPE: Implemented (11/12/2020 20:58 PM)</p>

	<ul style="list-style-type: none"> • A new system for information on accounts and safe deposit boxes accessible by law enforcement authorities, the Tax Agency and the Enforcement Authority o This bill provides for a data retrieval system, as explicitly allowed for under the Anti-Money Laundering and Payment Services Directives, for information on accounts and safe deposit boxes in Sweden. o In contrast to a traditional register of bank accounts, which may not be updated very frequently, this data retrieval system provides for near-instantaneous access to updated information. o The bill also represents a significant goldplating of applicable EU law requirements in that any law enforcement authority, the Enforcement Authority and the Tax Agency may access the information. That in turn provides for higher effectiveness. o In force since September 2020. o Please see https://www.regeringen.se/rattsliga-dokument/proposition/2020/02/prop.-20192083/
<p>Entry 5</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:58 PM)</p> <ul style="list-style-type: none"> • More appropriate and clearer requirements for the Financial Intelligence Unit to provide feedback to reporting entities. o This bill explicitly requires the Financial Intelligence Unit to provide feedback to reporting entities on the effectiveness and follow-up of suspicious transaction reports whenever possible. o The bill also adjusts some of the definitions of the anti-money laundering framework and clarifies provisions on the identification of the beneficial owner of life insurance products. o In force since April 2020. o Please see https://www.regeringen.se/rattsliga-dokument/proposition/2019/12/prop.-20192055/
<p>Entry 6</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:57 PM)</p>

	<ul style="list-style-type: none"> • Improved powers for the financial sector supervisor to take action against branches of foreign banks in Sweden. <ul style="list-style-type: none"> o This bill overhauls the framework for supervisory intervention against branches of EEA banks, allowing the supervisor to intervene directly if necessary. o The bill also contains a number of clarifications with regard to beneficial ownership. o In force since January 2020. o Please see https://www.regeringen.se/rattsliga-dokument/proposition/2019/09/prop.-20192014/
<p>Entry 7</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:56 PM)</p> <ul style="list-style-type: none"> • Transposition of the 5th Anti-Money Laundering Directive. <ul style="list-style-type: none"> o This bill provides for a complete, conform and timely transposition of the relevant provisions. o Several instances of goldplating, most notably in relation to regulation of virtual currencies where the scope extend beyond the Directive's requirements. Sweden therefore meets the FATF's requirements in this regard (please see below—this was confirmed by the FATF in September 2020). o In force since January 2020 (or, in the few cases where the transposition deadline is different, since that date). o Please see https://www.regeringen.se/rattsliga-dokument/proposition/2019/06/prop.-201819150/
<p>Entry 8</p>	<p>MEASURE TYPE: Implemented (11/12/2020 20:56 PM)</p> <ul style="list-style-type: none"> • Overhaul of the supervision and sanction framework with regards to lawyers and law firms. <ul style="list-style-type: none"> o This bill extends the scope of the supervisory and sanctions framework, and transfers the sanctions power from the Bar Association to the County Administrative Board of Stockholm.

	<p>o In force since November 2019. o Please see https://www.regeringen.se/rattsliga-dokument/proposition/2019/05/prop.-201819125/</p>
<p>Entry 9</p>	<p>MEASURE TYPE: Announced (11/12/2020 21:18 PM)</p> <p>the Government has appointed another Committee of Inquiry to review legislation on confiscation of the proceeds of crime. This Committee has been instructed to propose enhancements to the legislative framework on confiscation, including if appropriate introducing provisions for non-conviction based confiscation. The Committee is expected to deliver its legislative proposals no later than 17 December 2021.</p>
<p>Entry 10</p>	<p>MEASURE TYPE: Announced (11/12/2020 21:16 PM)</p> <p>The Government has appointed a Committee of Inquiry to propose further legislative reforms in AML area. The Committee is expected to deliver its legislative proposal no later than 31 May 2021. The Committee's remit is broad; it has the mandate to analyse and propose changes in several key areas of AML/CFT supervision. Because the Committee is an independent agency under Swedish law, the specific details of any suggested changes are not yet public, even though the Committee's mandate is.</p> <ul style="list-style-type: none"> • More specifically, the Committee will look at how information and data exchange between and within the public and private sectors for the purposes of combatting money laundering and terrorist financing could be improved. • It will also analyse the supervisory tools available to the Financial Supervisory Authority, Finansinspektionen, how its supervision is carried out and how it could be improved. In order to do this, the Committee is tasked with comparing the Swedish system of

	<p>financial AML/CFT supervision with other countries. • The Committee will also look at the bigger picture of the Swedish AML/CFT supervisory structure, and analyse its pros and cons. It will consider if the current structure is efficient, e.g. with respect to how involved agencies cooperate in the fight against ML/TF.</p>
Entry 11	<p>MEASURE TYPE: Announced (11/12/2020 20:54 PM)</p> <p>The Police Authority has had large appropriation increases over recent years. For 2021, the Government is proposing that the appropriation is increased by roughly 1,900 mSEK. For 2022, an additional 1,650 mSEK has been proposed. These increases will benefit all parts of the police, including the Financial Intelligence Unit and other parts of the police working with combatting money laundering and terrorist financing. More people will be employed by the police (by Q3 2020, more than half of the 10,000 target had been hired). For the Financial Intelligence Unit, its staff has increased by 50% since 2017. Further increases are planned.</p>
Entry 12	<p>MEASURE TYPE: Announced (11/12/2020 20:53 PM)</p> <p>In the budget bill for 2021, Finansinspektionen receives an additional 10m SEK for anti-money laundering supervision exclusively.</p>
Comments	
State of play	
Entry 1	<p>The Police Authority has had large appropriation increases over recent years. For 2022, almost an additional 2,850 mSEK</p>

	<p>was granted compared to 2021, and an additional increase of more than 2,250 mSEK is planned for 2023. More people will be employed by the police. For the Financial Intelligence Unit, its staff has increased by more than 50% since 2017. Further increases are planned.</p>
Entry 2	<p>The Committee to review legislation on confiscation of the proceeds of crime proposals have been subject to a round of public consultation, which ended in September 2021. Work is being carried out to put forward a legislative bill based on the Committee's proposals. The aim is for the proposals to enter into force in 2023.</p>

Appendix with external contributions to Sweden's National Reform Programme

1. Contributions from the social partners

1.1 Swedish Agency for Government Employers

The Swedish Agency for Government Employers is the employer organisation for central government employers and an administrative authority. Its members are some 250 government agencies, state enterprises operating administrative authorities and employers linked to the central government area.

The remit of the Swedish Agency for Government Employers is to be responsible for central negotiations with trade union organisations, represent central government in labour law disputes and develop and coordinate government employer policy through collaboration with its members.

The parties in the central government agreement area contribute both to increased employment and to better education and training through our security and transition agreements. The Swedish Agency for Government Employers tries to also contribute by supporting proposals for measures that improve the incentives for studying etc. and opposing proposals that worsen the supply of skills in Sweden and in the government collective agreement area.

In monitoring interests we continue to point out that there is a great gap between supply and demand in the labour market, and what this means for employment and what type of action/measures are needed. As regards the education target, we raise the point that working life requires changes both to the education system and to the system of student finance. This is both about the life-long learning perspective (i.e. the need for education and training to take place continuously) and about the need to adapt systems of study aid to a longer working life. We want, for instance, to see an education system that is more flexible and accessible to working people than at present.

1.2 Confederation of Swedish Enterprise

The Confederation of Swedish Enterprise is the voice and representative of enterprise in Sweden. The work of the Confederation is based on the importance of a well-functioning market economy in which people's freedom, responsibility and drivers are best channelled to achieve sustainable prosperity. The Confederation of Swedish Enterprise represents 60 000 companies in 49 different industry organisations. A total of around 2 million employees work in Confederation member companies.

Through negotiations with trade union organisations, the Confederation contributes, along with its member organisations, to an efficient labour market. Collective bargaining negotiations result in wage formation that strengthens the competitiveness of the business

sector and provides good conditions for continued high employment. The agreement between the social partners on security, transition and employment security lays the foundation for greater flexibility and strong transitioning capacity in the Swedish labour market.

During the most acute phases of the pandemic, the Confederation's expert knowledge was crucial in crafting effective political measures in order to mitigate the effects of the pandemic on the economy. In times of unrest a good economy is needed and, with it, a strong business sector that is able, through competitiveness and high employment, to finance the national defence that is the ultimate protection for our democracy.

Climate transition and energy supply

Coping successfully with the green transition is a fateful issue for our time. The business sector contributes by e.g. driving the development of more climate-smart products and services on the path to being fossil free. This transition and the ongoing digitalisation require the Swedish electricity system to be able to guarantee climate-neutral production and stability at a competitive cost.

In view of the strained situation in European energy markets and the price impact this has on Sweden, use must be made of all possibilities. Safeguard all existing production and assess how both production and transmission in Sweden can increase, through technology and market instruments. In the present situation it is of crucial importance to maintain a robust energy system and to reduce, as much as possible, the effects of high prices unavoidably affected by the great dependence on gas on the continent.

General policy conclusions were drafted as part of the Confederation of Swedish Enterprise's project *Concerted Electricity Supply Action [Kraftsamlings Elförsörjning]*. Considering the prevailing situation, it is even more important that we act quickly on these conclusions; a selection is set out below:

- Change the target for the electricity system to 100% fossil free
- Act promptly to accelerate the expansion of electricity grids in Sweden
- Enable permit processes adapted to the 21st century
- Ensure that existing plannable electricity production can continue to produce electricity.

Skills supply

Together, technology development and the climate transition also create new skills and training needs for companies. People entering jobs today need to have different knowledge from those recruited a number of years ago. High demands are made on effective skills supply and good possibilities of skills development in working life. Against this background, the Confederation of Swedish Enterprise takes the view that the main agreement on security,

transition and employment protection will lay a stronger foundation for both the flexibility and competitiveness of companies and the skills of their employees.

Against the background of the changes in the labour market, the orientation and dimensioning of the education system need to be adapted more to the needs of the labour market (Confederation of Swedish Enterprise, *Education for skills development and transition [Utbildning för kompetensutveckling och omställning]*, 2021). Therefore the Confederation of Swedish Enterprise wants to see the following in relation to the academic world:

- Higher education is adapted both to the demands of students and to the needs of working life and society.
- Reward universities and other higher education institutions that achieve a better match between the supply and demand of skills.
- Make life-long learning a separate area of activity for higher education institutions with earmarked funding and an adapted set of regulations to ensure a range of continuing and further training for working people.

Employment, exclusion and crime

In Sweden there is great and growing exclusion. In the long term this is one of Sweden's greatest economic and social problems. The large number of people in long-term unemployment is comparable to the tip of an iceberg. Moreover, a large proportion of people able to work are not able to support themselves. According to calculations by the Confederation of Swedish Enterprise, 1.3 million people (aged 20–64 years) do not support themselves (www.svensktnaringsliv.se/utanforskap). Exclusion risks feeding criminal activity and leading to higher crime rates. When people are not able to support themselves by working, this increases the risk of ending up in criminal activities. Criminal activities hit many members of society, including businesses. Surveys from the Confederation of Swedish Enterprise show that every other company was hit by crime in 2021.

Much needs to be done to strengthen employment, reduce exclusion and check criminality.

Examples of measures to address criminality

- Zero tolerance for “everyday offences” and review penalties
- Set up a responsible function in the police, at national and regional level, focusing on crime against companies
- Concentrate efforts on cyber crime

Examples of measures to increase incentives to work

- Expand the earned income tax credit
- Restore unemployment benefit

- Strengthen the financial incentive for people moving from benefits to work.

2. Contributions from civil society organisations

2.1 Famna

Famna is a national organisation for values-based welfare services in Sweden. Our role is that, together with our members, we conduct information and advocacy work about questions concerning development and growth in values-based welfare services in Sweden. Our role also includes strengthening members' systematic quality work and offering training and participation in industry-specific networks.

Our members include Unizon, Danvikshem, the Swedish Red Cross, Save the Children Sweden, Hela Människan, Räddningsmissionen, Stadsmissionen and Ersta Diakoni. Famna has around 100 members.

How does the organisation contribute overall through its activities to national work in relation to the national targets?

Famna's members

Around 40% of Famna's approx. 100 members work with some form of work integration for target groups particularly detached from the labour market. These actors represent a wide range of action and methods. Examples of target groups that our members work with are: people under probation service care, previously sentenced persons, people with complex sets of illnesses, people on long-term sick leave, people with disabilities, newly arrived immigrants and women born abroad with low education and people with a deficient knowledge of Swedish.

Famna

Famna makes obstacles and possibilities at national level visible with the objective of making values-based actors more able to contribute even more to welfare services. A greater diversity of actors and initiatives in welfare services has a positive effect on outcomes. Values-based actors are an important part of Sweden's welfare society.

Examples of activities, projects or initiatives conducted by the organisation that contribute to this?

Famna's members

As mentioned above, several of Famna's members work on labour market measures. Examples of these activities are given below.

The Inside Foundation [*Stiftelsen Inuti*] conducts day services under the Act concerning Support and Service for Persons with Certain Functional Impairments; the services consist of three units in the Kungsholmen area of Stockholm and have a total of 65 participants, who are called artists. Their working days are filled with creative activity, ranging all the way from watercolours, ceramics and textiles to computer programs. Here participants create artworks, discuss art and plan exhibitions along with 25 employed supervisors.

The way out! [*Vägen ut!*] This cooperative runs 14 businesses that are tools for rehabilitating and supporting people to build an orderly life with work. The company reinvests its profit in more jobs for individuals who have participated and completed their stint in the cooperative. The way out offers different forms of labour market policy measures, substance misuse rehabilitation and accommodation in parallel with action for those in need of secure accommodation and social support. They accept target groups that have physical and mental disabilities, mental ill health and experience of substance misuse/criminality.

Famna

Famna participates actively in conversations with *Arbetsförmedlingen* [*the Swedish Public Employment Service*] to find a structure for collaboration between the service and civil society/values-based actors. Famna works with the objective of creating conditions for contributions by civil society/values-based actors to work, employment and skills development through “Nysta – Civil society’s new-start group for a new social contract”. Famna has been conducting a feasibility study called *The overall approach* [*Helhetsgreppet*] in 2021. This is a feasibility study that will hopefully lead to a national ESF project with the aim of creating a strong structure for collaboration with the objective that more people will find, get and keep a job.

How can national work in the areas affected by the national targets, in particular, and the European Semester in general be strengthened?

Breaking exclusion and poverty resulting from unemployment requires the following:

Strengthen collaboration between the public sector and the values-based sector/civil society Politics needs to call on public authorities to collaborate with values-based actors to provide measures for the target group that is particularly detached from the labour market. This can very well be done in VPPs, values-based public partnerships. A recent government inquiry report concluded that VPPs do not require any legislative amendment, the possibility already exists. A guide was produced. This possibility needs to be used.

Statistics about values-based actors need to be separated from ”private providers”

This is in common with the systems of statistics in place in the other Nordic countries. This will make it simpler for the authority and politics to see how big a share of measures/agreements are performed by values-based actors and how this share changes over time. **This will generate important knowledge that can be put to use** The register for values-based actors will come into use in 2023 according to the Government Bill *Values-based welfare services*, which had been presented and will facilitate this.

The values-based supplement to the state-owned enterprise Samhall can create structures for collaboration with those who are most detached from the labour market; these actors have experience and knowledge that would be of benefit to the target groups and the agency’s purpose,

A diverse range of methods needs to be reviewed and form the basis for designing measures The services currently available, such as work training and its specified content are ineffective; strict training without other measures is of no benefit to the individual or the agency's objectives. The research available on this subject should be taken into account. In particular, the Danish Employability Indicator Project (BIP) is of great importance for an understanding of how to design measures. After that target group needs to be segmented carefully with a clear picture of their characteristics, and measures should be developed on the basis of that need. Using the current starting point that "one size fits all" does not solve this challenge.

2.2 Swedish Disability Rights Federation

The Swedish Disability Rights Federation is an organisation for cooperation between 50 national disability rights organisations that together represent about 400 000 individual members. Our work is founded on human rights when we press for the disability rights of our members – the right to function in all parts of society on equal terms. Our objective is a society for all its people. We are active members of the European Disability Forum.

Sweden, all other Member States and the EU have ratified the UN Convention on the Rights of Persons with Disabilities. This entails commitments that also concern 2030 Agenda targets and ambitions in the European pillar of social rights¹. The negative trend with great gaps in education, work and livelihood, health and accessibility that also increases the risk of poverty for young persons with disabilities² that has been intensified³ through the pandemic risks being further intensified by higher inflation⁴.

The gap regarding work is a clear part of the reform programme, where Eurostat demonstrates great problems for Sweden⁵. Sweden has been criticised by the UN for shortcomings regarding reasonable transition in the state.⁶ This trend must be turned round in cooperation with us.

Selection of projects and activities where the Swedish Disability Rights Federation contributes to the National Reform Programme

- The Disability Rights Bureau for individual advice⁷ with several projects.

¹ <https://ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/social-scoreboard-indicators>

² <https://www.altinet.se/artikel/mucf-samre-levnadsvillkor-for-unga-med-funktionsnedsattning-ett-stod-bor-utredas>

³ <https://www.skolverket.se/publikationsserier/regeringsuppdrag/2021/covid-19-pandemins-paverkan-pa-skolasendet-delredovisning-3-tema-elever-i-behov-av-stodinsatser>

⁴ <https://hejaoika.se/artikel/de-med-sma-marginaler-drabbas-hardast-av-inflationen/>

⁵ <https://www.edf-feph.org/publications/european-human-rights-report/> <https://www.edf-feph.org/content/uploads/2022/03/Social-Protection-for-Persons-with-Disabilities.pdf>

⁶ <http://arbetsratt.juridicum.su.se/euarb/20-0304/01.asp>

⁷ <https://funktionsratt.se/funktionsratt-sverige-projekt/funktionsrattsbyran/>

- A 73-point programme containing concrete proposals so that more people with disabilities will get jobs⁸.
- Involvement in Universal Workplace Design⁹.
- The report *Respect for rights [Respekt för rättigheter]*¹⁰ containing 134 proposals for implementation of the Disability Rights Convention and in-depth webinars in various areas.
- Contribution to the UN Political High-Level Forum in 2021 on Agenda 2030¹¹ and to standardisation for procurement, digitalisation and design for all¹².

Proposals to strengthen national targets and EU work

Better governance, monitoring and coordination for more effective results of the European Semester linked to the 2030 Agenda and realisation of human rights. Develop measures in cooperation with disability rights organisations to deal with gaps in all the areas covered by the Semester.

Take a national initiative to reduce the gap regarding people with disabilities in work. Set targets for central government employees and promotion. Ensure the right to reasonable accommodation and income for people who are unable to work.

Integrate the universal design process in plans and monitoring in the national reform programme and ensure governance and supervision of accessibility in the built environment, public transport, education and work so that public funds, incl. purchasing and procurement, goes to inclusion.

Ensure the application of accessibility and universal design as a horizontal principle in all EU funds, and national financing of innovation and research, especially AI/digitalisation.

Coordinate work on developing indicators for the 2030 Agenda and human rights taking account of recommendations from the UN¹³ and countrywide equality, both in the EU and nationally.

⁸ <https://funktionsratt.se/funktionsratt-ratten-att-fungera-i-samhallet-pa-lika-villkor/ratten-till-forsorjning/73-punktsprogram-om-arbetsmarknadspolitiken/>

⁹ <https://www.uua.se/> (previously a project within the European Social Fund)

¹⁰ <https://respektforrattigheter.se/> och <https://funktionsratt.se/vart-arbete/webbinaer-om-rapporten-respekt-for-rattigheter/>

¹¹ <https://funktionsratt.se/wp-content/uploads/2021/03/FunktionsrattSverige-VNR-HLPF2021-20210311.pdf>

¹² <https://www.cenelec.eu/areas-of-work/cen-cenelec-topics/accessibility/design-for-all/>

¹³ <https://www.ohchr.org/en/disabilities/sdq-crpd-resource-package>

2.3 Norden Association

The mission of the Norden Association is to promote and improve Nordic cooperation in the Nordic region and, internationally, in relation to the region's neighbourhood. Here neighbourhood is defined as the rest of Europe, with a particular focus on the Baltic Sea region.

The Association's activities are divided up into two parts, one of which focuses on driving developments in collaboration with public authorities and other organisations. The other part consists of spreading knowledge about the Nordic region and the value of Nordic cooperation.

The Association has 7 500 individual members organised in 80 local branches, 600 school and library members and 60 partner members.

How does the organisation contribute through its activities to national work in relation to the national targets?

The Norden Association has the role of policy coordinator for *PA Education, Science and Social affairs* (PA EDU) in the EU Strategy for the Baltic Sea region (EUSBSR). It shares this role with Hamburg. The Action Plan adopted on 15 February 2021 has four action areas, three of which contribute to objectives formulated in the European Pillar of Social Rights (PO4):

Combating early school leaving and improving transition from education to labour market

Reducing early school leaving and making it easier for young adults to enter the labour market are emphasised as important areas in the country-specific recommendations for countries in the Baltic Sea region. One particularly important group is excluded young adults (NEETs).

COVID-19 has resulted in an increase in distance teaching. This has, in turn, put the focus on the need for skills development for teachers in adapting their teaching to digital platforms and using the many possibilities offered by interactive learning. There is also a need to support the development of new digital technology in the area of education and training.

A labour market for all taking account of longer and healthier lives

The labour market is changing, not least through digitalisation with more occupations requiring new skills and more employees needing to continually upgrade their proficiencies. There is also a shift to more distance working, with COVID-19 having contributed to more people working from home. This trend is assumed to also continue after COVID-19. Individuals also need to change their career during their working life. Perhaps as a result of physically demanding work tasks that they are no longer able to perform or because they want to try out something new. At the same time as the labour market is changing and employees are expected to upgrade their proficiencies, longer and healthier lives mean that

the pensionable age is being raised, with more people needing to work longer, but with more people also wanting to work longer.

Seeing the potential of migrants at an early stage and facilitating integration

The increase in the number of refugees as a result of the war in Ukraine is a challenge for the Member States where the refugees choose to seek asylum. Action is needed here and now, at the same time as effective cooperation between countries is needed. The Association contributes to the latter.

At the same time as the number of refugees is a challenge, many Member States are contending with demographic changes and an ageing population, which will lead, within a decade, to a deficit of qualified academic and non-academic staff in, for instance, health care, industry and skilled work occupations. This underscores the importance of offering work to refugees while they are in the country. Many have skills that are in demand in the labour market. For those who choose to stay, effective integration of refugees is needed that enables them to contribute to the construction of inclusive and prosperous societies.

Examples of activities, projects and initiatives conducted by the organisation that contribute to this?

Through its mission, the Association develops platforms for cooperation – cross-sectorally, transnationally and based on multilevel collaboration – in the Nordic and Baltic Sea region and in the rest of Europe. Today these cooperation platforms are called *policy-action processes* or flagships and conduct long-term work integrated in countries' strategic development work, at local, regional and national level. Projects form part of these platforms.

At present there are 4 flagships in PA EDU, two of which contribute to the European Pillar of Social Rights: School to Work (S2W) and the Baltic Sea Labour Forum (BSLF). The following are some examples of activities, projects and actions.

School to Work (S2W)

This flagship is led by the Swedish Association of Local Authorities and Regions (SALAR) and brings together around 200 members from all 8 member countries. The Norden Association currently coordinates one of the two of the thematic platforms in the flagship. This platform that works with the target group of young adults neither in employment nor in education and training (young NEETs). One example of an ongoing action is the delivery of a training of leaders of what are called Navigator Centres, i.e. service units with multiskilled teams that support the young NEET target group in getting education or training or employment. This initiative is being funded by Erasmus+ with the Association as the project manager. There are advantages in using this *one-stop-shops* concept or refugees as a target group. There is good experience in Germany. The Association is also working on developing a corresponding technical platform in distance teaching. That platform will be

common to all four macrostrategies. The focus will be on skills development of teachers and the development of digital tools in cooperation with EdTech clusters.

Baltic Sea Labour Forum (BSLF)

This flagship is led by the Secretariat of the Council of the Baltic Sea States (CBSS) and brings together some 30 representatives of the social partners in the Council's 11 member countries. The network also includes ministries of employment in 'three-party cooperation'. The Association participates in the thematic platform working on *sustainable working life* concerning questions regarding lifelong learning and attitudes to older people in the labour market and new demands on the work environment when more people are now working from home.

BSR Integrate NOW

A new flagship is under development in the area of integration of migrants. Here a feasibility study is planned in the spring to start this work in a number of working groups in the autumn. Examples of themes are collaboration with civil society, labour market integration and teaching.

How can national work in the areas affected by the national targets, in particular, and the European Semester, in general, be strengthened?

Use existing collaboration platforms in the EU's Strategy for the Baltic Sea region and invite more Swedish actors to contribute to a greater impact from the work being done in Sweden.

Use these collaboration platforms, flagships, as a model for developing further, similar platforms in other thematic areas.

Secure financing through the structural fund programmes that, as of the new programme, facilitate transnational cooperation with reference to macroregional strategies and their collaboration platforms.

Experience shows that these informal structures for cooperation are appreciated by most actors, e.g. civil society, the business sector and academia, but public authorities, ministries and politicians (at local, regional and national level) also appreciate the possibility to jointly develop solutions to our social challenges.

Draw on experience from Finland and Germany to strengthen and develop *Navigator centres, one-stop-shops* in Sweden aimed both at excluded young adults (NEETs) and at newly arrived refugees.

2.4 National Federation Roma in Europe [*Riksförbundet Romer i Europa*]

The National Federation Roma in Europe is an umbrella organisation representing Roma and Roma organisations in Sweden. We are working on driving and raising all issues that affect Roma as a minority. As a national organisation, we are proactive in all matters affecting Roma in all areas of society. We work to promote contacts, exchanges and cooperation at national and international level between Roma and the organisations working on the same issues.

For 20 years the National Federation has participated in work to promote closer relations with national and local government in all issues affecting work with Roma and Roma inclusion. We have been engaged in several inquiries, consultations, delegations and commissions about the situation and rights of Roma in all areas in Sweden. This led 10 years ago to the Government's 20-year strategy for Roma inclusion.

We were previously involved in producing several reports and correspondence about the situation of the Roma in Sweden, such as *Roma in Sweden – Changing together [Romer i Sverige Romer i Sverige-Tillsammans i förändring]* from 1996.

The vulnerable situation of Roma in all areas, and especially the labour market, needs to be given attention and highlighted. This applies not only in Sweden but generally in the whole of Europe.

Roma largely live in poverty and still in exclusion. Since Roma are subjected on a daily basis to discrimination, persecution, prejudices and racism/Antiziganism.

2.5 Public and Science (VA)

Public and Science [*Vetenskap & Allmänhet*], VA, is a non-profit association that promotes openness and dialogue between researchers and the community, especially the public. We work to bring about discussions in new forms between the public and researchers, to increase cooperation between researchers and other societal actors and to develop new knowledge through opinion polls and studies.

The association was formed in 2002 and now has 103 member organisations, such as government agencies, higher education institutions, companies, adult education organisations and research financiers. Its activities are funded by membership fees, project funds and a grant from the Government (Ministry of Education and Research).

After two years of pandemic the world has been turned around again. Everyone is affected by Russia's war against Ukraine But there is plenty that can be done to reduce concern and contribute to fact-based democratic development.

Coping with the global challenges brought by both war and the pandemic requires individual action, research-based knowledge and international collaboration. It is therefore essential for science to be accessible and transparent and for research to take place in dialogue and

collaboration with other parts of society. This is exactly what the association Public and Science (VA) is working to achieve. We provide examples below of activities we conduct that contribute to attaining the targets of Sweden's National Reform Programme.

Open science

Open science is an umbrella concept aiming at more open and more transparent and inclusive processes in research and innovation. The concept includes open access, open data, citizen research, research communication and various ways of engaging and involving citizens and stakeholders.

Open science is a central concept in the EU's framework programme for research and innovation, Horizon Europe, as it is in Sweden's most recent research policy bill that was adopted by the Riksdag in 2021. In the EU, Member States also already decided in 2016 to work together towards a system for open science.

Open science increases the community's insight into and access to research and innovation at the same time as the work of the researchers is made easier. The results are more practicable; decisions are improved at all levels when they rest on a scientific foundation; the work of researchers is more effective; and people's understanding of and confidence and engagement in research can be strengthened and more people can be inspired to undertake studies and lifelong learning. VA is a partner in several EU projects that are developing methods to open up research. In the recently completed ORION project we have, for example, examined different ways of promoting open science in research organisations and organisations funding research.

Citizen research

VA is working in several ways to involve the public in research projects, what is known as 'citizen research'. Last year, a national portal, medborgarforskning.se, was launched for members of the public who want to participate in research and for researchers who want to involve the public in their research projects. VA is also a partner in a project called EU-citizen.science, which has developed a similar European portal.

In a citizen research project called *Bostadsförsöket [the Housing Experiment]* young people and older people looked into accessibility in homes around Sweden in cooperation with the University of Lund and other organisations; this is part of the Researchers' Friday science festival. In this year's mass experiment VA and the Keep Sweden Tidy Foundation are cooperating in carrying out a scientific study along with the University of Gothenburg on how plastic litter in nature varies by type of nature, time of the year and category of plastic. Another objective of the Plastic Experiment is for participants to increase their knowledge, engagement and capacity to act concerning plastic pollution and sustainable development. In the EU project called *YouCount*, VA uses citizen research to look into and increase the social

inclusion of vulnerable young people in a case study along with Södertörn University, Botkyrka Youth Assembly and the Municipality of Botkyrka.

Citizen research not only leads to scientific progress but also acts as a bridge between people and researchers. Participants get a better idea of what research involves and how it is conducted. This approach can enhance interest in science and increase participants' scientific understanding and ability.

Researchers' Friday [*ForskarFredag*] – part of European Researchers' Night

One important step in building relations between research and the wider community is for young people to come into early contact with higher education and research. The national science festival *Researchers' Friday* [*ForskarFredag*] is held on the last weekend in September, and last year it involved 350 researchers who met 27 000 visitors from 70% of Sweden's municipalities in both in-person and online events. The events are arranged by science centres, museums, regions and higher education institutions and are held in cafés, shopping centres, arts centres and other places where people are in movement. The aim is to communicate how enjoyable, exciting and in touch with everyday life research can be, and also to show what science is, how research is done and what it is like to work as a researcher.

A majority of the young people who visit Researchers' Friday have not had any previous contact with a researcher. These events therefore play a great role in introducing higher education and research as a possible future to young people. Since Sweden is sparsely populated, it is important that the festival is held at some 30 places across the country. Researchers' Friday has been held since 2006 and is coordinated by VA.

The VA barometer – how Swedes view science

Since 2002 VA has been measuring the public's view of and confidence in researchers and science. The VA barometer for 2021/22 shows that Swedes continue to have *great interest in research* and *confidence in researchers*. In 2020–2021 we also did a special study of how the public views communication about the coronavirus, the actors who comment and the media that report on the pandemic.

Source criticism

Distrust of researchers and science is a recurring feature of the public conversation. During both the pandemic and the war in Ukraine we are being swamped by an infodemic of true and false statements. VA promotes evidence-based and research-based communication. In 2021 we planned and recorded seven programmes linked to the pandemic along with UR, the Swedish Educational Broadcasting Company, about what research is and how research is carried out. The series *Research for all – how knowledge is created* [*Forskning för alla – så skapas kunskap*] was sent on the Knowledge Channel and is available on UR Play.

We also developed the Talk about vaccines website (*prataavaccin.se*) which punctures myths about vaccines and gives advice ahead of a conversation with someone who is uncertain about getting vaccinated against COVID-19. The site is available in Arabic, English, Somali and Swedish. In cooperation with the Swedish Civil Contingencies Agency (MSB), VA also compiled research-based knowledge and wrote a *Guide for communication in crises* [*Vägledning för kommunikation under kriser*].

Digital developments are making it easier to spread alternative facts and false news. VA has developed a tool for source criticism of digital news along with researchers at Uppsala University and RISE Research Institutes of Sweden. The *News Evaluator* [*Nyhetsvärderaren*] is intended to be used in schools, for example, and has been updated with scientifically based exercises to train in source criticism in connection with the war in Ukraine.

But new technology and the internet essentially mean greater possibilities for researchers and everyone else to share and access research-based knowledge, communicate and act together. VA wants to give knowledge and experts more space in public debate. With more accessible research through open science, decision-making can be more fact-based, societal challenges can be solved and our democracy can be strengthened.