



Joint Statement by the Prime Ministers of the Nordic countries on competitiveness and security

Today, we have reaffirmed our common vision that the Nordic region will become the world's most sustainable and integrated region by 2030. This will support the economic competitiveness of our region. The Nordic countries' membership of the European Economic Area and the EU's Single Market is essential. Moreover, with all the Nordic countries together in NATO we highlight our commitment to security, peace, and stability throughout the Euro-Atlantic area.

The need to make our economies more competitive and resilient has become even more apparent in the face of Russia's full-scale invasion of Ukraine and the new security situation in Europe. In an era of great power competition, where key innovations developed by private companies have both civil and military uses, honing our innovative capacity is crucial to protecting our common security and continuing to support Ukraine. We condemn Russia's illegal war of aggression against Ukraine in the strongest possible terms. We stand firmly together with our allies and partners in response to Russia's war. The Nordic countries will stand with Ukraine for as long as it takes.

The high-tech, de-carbonised and resilient societies of the future can only be built on a solid economic foundation. With our highly educated workforces, long-standing research traditions and openness to innovation and new ideas, the Nordic region is at the leading edge in sectors such as bioeconomy, life sciences, telecommunications and energy production. The contributions of our countries and our companies make the world wealthier, safer and more sustainable.

Going forward, we will work to ensure that the Nordic region – as part of the broader Euro-Atlantic sphere – will be a global frontrunner in the green and digital technologies of tomorrow. This also includes education and skills supply to guarantee a qualified labour force with expertise fit for the future. We believe four key areas deserve special attention:

- **Harness critical and emerging technologies.** Technologies such as artificial intelligence, 5G/6G mobile communications and quantum technology have the potential to significantly boost productivity, transform industries and contribute to the green transition and our economic security. Like-minded nations need to step up and



accelerate the adoption of these critical and emerging technologies. In particular, we need to work actively between governments and in close cooperation with industry and the scientific community to set standards that ensure open competition, trustworthiness and security. Furthermore, the tech industry should be obliged to take greater responsibility for the democratic dialogue online, especially to protect minors against exposure to harmful and illegal content online. Moreover, partnerships are needed to secure access to sufficient computing power, critical raw materials and advanced semiconductors.

- **Make European capital markets grow.** To ensure sufficient financing for the businesses of tomorrow, massive amounts of private capital need to be mobilised. However, in many countries in Europe a vast amount of capital is not being put to productive use and stock market participation is low. This holds back our long-term growth and prosperity. To unlock productive capital for the necessary investments, the structure of national tax and financial systems, including pensions, are key for example to promote retail investors' savings in capital markets. Barriers to cross-border activity should be removed to further improve our competitiveness.
- **Accelerate an ambitious green transition to boost Nordic competitiveness.** Climate change poses challenges for our societies, including our businesses and industries. Accelerating the green transition offers great opportunities for our industries to become world-leading in key technologies and sectors, allowing us to remain competitive and ensure long-term sustainable growth. To boost competitiveness, we need to streamline and accelerate permitting for all net-zero and renewable energy projects. The uncertainties surrounding new energy projects and the duration of permitting processes can make these projects more of a business risk than a business opportunity. To remedy this, we urge adoption of clear and streamlined regulatory frameworks nationally and in the EEA/EU for all net-zero and renewable energy sources and for efficient permitting processes.
- **Create favourable conditions to invest in our common security and collective defence.** Given the current security situation in the Euro-Atlantic area, a competitive defence industry is vital to our overall security and competitiveness. We must therefore ensure that the defence industry can compete effectively both with other industries and globally. Voluntary environmental, social, and governance (ESG)



principles applied by financial institutions classify some defence investments as unsustainable. Consequently, the defence industry cannot access such funding. In consideration of the urgent need to increase private financing of the defence sector and the role of the defence industry in enhancing resilience and security, we encourage financial institutions to re-examine their principles, where appropriate. Easier access to financing for dual-use products should also be considered, including exploring options for making better use of Nordic Investment Bank (NIB) and European Investment Bank (EIB) financing. We also need to explore various possibilities that would enable NIB and the EIB to invest in defence-related activities beyond existing dual-use projects, while taking into account the impact on the risk profile and safeguarding the institutions' financing basis. Hurdles for the private sector to invest in security and defence should be addressed immediately.

In light of the serious security situation, the Nordic countries stand closer together today than in a long time – not just as neighbours, but as Allies. This paves the way for even farther-reaching and deeper cooperation in the future, which will help us achieve our common vision of being the world's most integrated region for the benefit of our citizens. When we are closer together, we are stronger together.