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FMA VISIT TO SWEDEN



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SWEDEN

PRESENTATION OF THE COUNTRY¹

Official language: swedish

Dialling code: 46

Currency: Swedish crown (SEK)

Schengen Area: Yes

National day : June 6

National anthem: Du gamla, du fria

GEOGRAPHY AND DEMOGRAPHY

Capital: Stockholm

Main cities: Stockholm, Göteborg, Malmö, Uppsala, Linköping

Administrative division: 2 regions, 21 counties, 289 municipalities

Population: 10,45 million (2022, Eurostat)

Area: 447 424 km² (2021, Eurostat)

Human development index: 0,947 (2021, ONU)

ENVIRONMENT

Greenhouse gas emissions: 4,5 tons/capita. (2020, OCDE)

POLITICS

Political system: Parliamentary Monarchy

Head of state: Le Roi Charles XVI Gustave

Head of government: Ulf Kristersson

Next elections: 2026, Legislative

ECONOMY

GDP: 537,8 billion euros (2021, Eurostat)

Inflation: 9,8 % (October 2022, Eurostat)

Growth rate: 2,6 % (T3 2022, Eurostat)

Unemployment rate: 7,2 % (November 2022, Eurostat)

Public debt: 33,4 % (Q2 2022, Eurostat)

Government deficit: 1,6 % du PIB (Q2 2022, Eurostat)

1. <https://www.touteleurope.eu/pays/suede/>

HISTORY¹

Foundation and rise of Sweden

- **800-1018:** the Vikings, coming from Sweden and other Scandinavian countries, embarked on expeditions of conquest. They reached Greece, Byzantium and Constantinople. They would be at the origin of the creation of Russia.
- **1250-1266:** Birger Jarl strengthened the unity of the country and established his capital in Stockholm.
- **1397:** the "Union of Kalmar" unites all the Scandinavian territories under the same crown.
- **1611-1632:** the reign of Gustav II Adolphus was the peak of the Swedish kingdom. The king led an offensive policy in the Baltic and in Germany, where he supported the Protestant princes during the Thirty Years' War. He died at the battle of Luetzen in 1632.

Sweden loses territories

- **1700-1721:** the Northern War, led for Sweden by the warrior king Charles XII, ended to the detriment of Sweden, which retreated in the Baltic.
- **1800-1809:** after the war against Russia, Sweden lost Finland.
- **1844-1859:** King Oscar I initiated the rapid modernization of the country. Sweden was forced to separate from Norway in 1905.

Swedish political and democratic developments

- **1918-1921:** Universal and equal suffrage completed the democratization of the kingdom's government. Between 1932 and 1976, the government remained in the hands of the Social Democratic Party without interruption.
- **1986:** Prime Minister Olof Palme was assassinated. His time in power was marked by his fight against apartheid in South Africa and against the Vietnam War, defending a "third way".
- **1995:** Sweden joined the European Union.

1. <https://www.touteurope.eu/pays/suede/>

SWEDEN AND THE EU¹

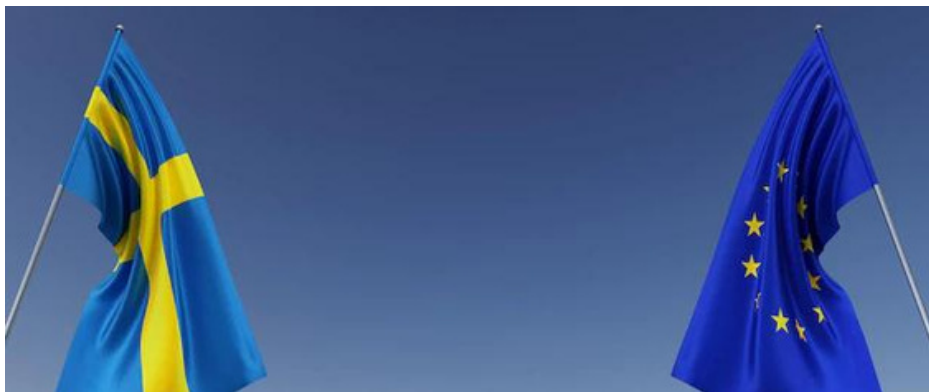
For a long time, Sweden has chosen to remain outside the European construction. With a tradition of diplomatic neutrality, it preferred to join the EFTA (European Free Trade Association) rather than the European Communities. However, the end of the Cold War reshuffled the cards and convinced it of its interest in joining the Union.

Extensive negotiations were undertaken and, after a referendum that gave a majority in favour of membership, Sweden joined the EU in 1995.

The country joined the Schengen area but refused to adopt the euro in 2003. It remains outside NATO.

Sweden is the third largest country in the EU in terms of surface area and has 21 Members of the European Parliament. Sweden's Ylva Johansson is Commissioner for Home Affairs.

From January 1 to June 30, 2023, Sweden will hold the presidency of the Council of the European Union for the third time in its history, after having held this office in 2001 and 2009..



1. <https://www.touteurope.eu/pays/suede/>

SWEDEN'S EU PRESIDENCY

PROGRAMME OF THE PRESIDENCY¹

Security, competitiveness, green and energy transitions, democratic values and the rule of law. These are the priorities of the Swedish Presidency of the Council of the European Union in the first half of 2023.

Sweden is assuming the Presidency of the Council of the European Union at a time of historic challenges for Member States and the Union as a whole. Russia's illegal, unacceptable and unprovoked invasion of Ukraine is a threat to European security, with dire consequences for migration, as well as global food and energy supplies. Ukraine is fighting for its survival as a nation – and for the security and lives of its citizens. The EU and its Member States have rallied unprecedented support for Ukraine and will remain firmly by its side. Continued cooperation with trusted partners, including a strong transatlantic link, needs to be secured.

European economies are severely affected by Russia's war as well as the ongoing manipulation of energy supply. Rising inflation levels, interest rates and energy prices have left companies and citizens struggling. While decisive action has been taken, it is imperative that we stay firm in our transition to the green economy and safeguard the basis of our economic model for long-term growth.

[Click here to read the full programme.](#)



[1https://swedish-presidency.consilium.europa.eu/en/programme/priorities/](https://swedish-presidency.consilium.europa.eu/en/programme/priorities/)

TRIO PROGRAMME¹

For the first half of 2023, Sweden will hold the Presidency of the Council of the European Union. France held the Presidency for the first half of 2022 followed by the Czech Republic in the second half. These three consecutive presidencies make up the current 'trio'. Sweden, France and the Czech Republic have adopted a joint programme outlining common priorities of the trio.

The joint programme applies from 1 January 2022 to 30 June 2023 and comprises four priority areas:

- **protecting citizens and freedoms;**
- **developing our economic base: the European model for the future;**
- **building a climate-neutral, green, fair and social Europe; and**
- **promoting Europe's interests and values in the world.**

The joint programme for the trio was approved by the General Affairs Council on 14 December 2021. The Swedish Presidency will be followed by a new trio of Spain, Belgium and Hungary, which will develop a new joint trio programme for the period from 1 July 2023–31 December 2024.

[Click here to read the full trio programme](#)



1. <https://swedish-presidency.consilium.europa.eu/fr/programme/programme-du-trio/>

PRIORITIES¹

Security - unity

The swift and decisive EU response to the invasion of Ukraine is a manifestation of our strength when we act together. The Swedish Presidency will prioritise continued economic and military support for Ukraine, as well as support for Ukraine's path towards the EU. This will require further efforts at both national and EU level. Further steps are needed for reconstruction and reform towards EU integration.

To strengthen the security of our Union and citizens, we must build consensus towards a robust European security and defence policy, in close cooperation with partners. Further steps will build on our common action to counter Russia's aggression towards Ukraine, as well as the implementation of the Strategic Compass and other initiatives. The fight against cross-border organised crime will continue, responding to citizens' legitimate demands for safe and secure communities.

Competitiveness

The most urgent political attention is by necessity devoted to the war in Ukraine and its short-term consequences. Simultaneous attention on efforts to drive economic growth remains necessary to meet our long-term challenges. Europe's strength, resilience, and global standing depend on our economic output, which is closely linked to the single market and global trade opportunities.

Economic actors profit from operating in the largest single market in the world and compete successfully on world markets, laying the foundations for European wealth, welfare and international standing. The EU must continue to provide the best possible conditions for a sound and open economy based on free competition, private investment and successful digitalisation.

The Swedish Presidency will seek to anchor a concerted approach to European competitiveness at the top of the political agenda.

1. <https://swedish-presidency.consilium.europa.eu/fr/programme/priorites/>

Green & energy transitions

The Swedish Presidency will continue efforts to tackle high and volatile energy prices while addressing long-term energy market reform.

The global climate challenge requires a global response. Europe must lead by example, by delivering on ambitious climate goals, boosting growth and competitiveness. We will put Fit for 55 into action and speed up the energy transition.

In periods of industrial and technological transition, early movers have a competitive edge. European companies and industries are already leading the transition. Joint European steps towards independence from fossil fuels are necessary not only for the green transition, but for our security. European companies that provide green solutions will be in high global demand and can help drive the transition towards a circular economy.

The transition to a resource-efficient, fossil-free future will require major investments in innovative industries that can translate the best ideas and innovations into functional solutions. We need to provide the right regulatory framework and policies to attract these investments.

Democratic values and the rule of law – our foundation

The European Union is based on democratic values, paving the way for cohesion, individual freedoms, non-discrimination, increased economic output and global influence. Upholding the principle of the rule of law and fundamental rights is therefore an essential element of Sweden's – and indeed every – Presidency of the Council.

“

*A greener, more secure and freer Europe is the
foundation of our priorities*

”

Swedish Prime Minister Ulf Kristersson

Priority dossiers under the Swedish EU Council Presidency

INTRODUCTION

The Kingdom of Sweden is a constitutional monarchy and parliamentary democracy with a Head of State - the monarch - and a Head of Government - the Prime Minister (Statsminister).

The monarch, currently **King Carl XVI Gustaf**, in office since September 1973, primarily has ceremonial duties.

The Prime Minister is nominated by the Speaker (Talman) of the Parliament (Riksdag), and is confirmed by parliament if less than half of its members vote against the proposal. The current **Prime Minister** is **Ulf Kristersson**, from the EPP-affiliated Moderate Party (Samlingspartiet Moderaterna) (M), which is the third biggest party in the Parliament. He took office on 17 October 2022, following the Parliamentary elections held on Sunday 11 September, with 176 members of Parliament voting in favour and 173 against. He was preceded by Magdalena Andersson from the Social Democratic Party (2021-2022).

The Prime Minister leads the Government, the executive body of the country. The Prime Minister personally appoints the members of government, once he or she has been approved by Parliament. The current Swedish government is a centre-right minority coalition of three parties: the Moderate Party, the Christian Democrats and the Liberal Party. It also relies on the Sweden Democrats, which is the second biggest party in Parliament. The collaboration between the government and the Sweden Democrats is formally set out in the 'Tidö' agreement, which covers six major 'collaborative projects' (growth and household finances, crime, migration and integration, climate and energy, health and medical care, and schools). In addition to the collaborative projects, the parties will cooperate on a number of other issues, such as culture and democracy.

The unicameral Parliament (Riksdag) has 349 members who are elected every four years. There are currently eight parties in the Parliament:

- Socialdemokraterna (S) - The Social Democratic Party (S&D): 107 MPs
- Sverigedemokraterna (SD) - The Sweden Democrats (ECR): 73 MPs
- Moderaterna (M) - The Moderate Party (EPP): 68 MPs
- Vänsterpartiet (V) - The Left Party (The Left): 24 MPs
- Centerpartiet (C) - The Centre Party (Renew): 24 MPs
- Kristdemokraterna (KD) - The Christian Democrats (EPP): 19 MPs
- Miljöpartiet (MP) - The Green Party (Greens/EFA): 18 MPs
- Liberalerna (L) - The Liberal Party (Renew): 16 MPs

Sweden will hold the Presidency of the Council of the EU for the third time during the first half of 2023. The first Swedish Presidency was held during the first half of 2001, and the second took place during the second half of 2009, coinciding with the final months of the ratification process and the entry into force of the Lisbon Treaty.



The programme of the **Trio, formed together with France and Czechia**, has as thematic priorities to protect citizens and freedoms; to promote a new growth and investment model for Europe; to build a climate-neutral, green, fair and social Europe; and to promote Europe's interests and values in the world.

Sweden is also in the late stages of negotiating its entry into NATO alongside Finland.

PART A: POLITICAL PRIORITIES OF THE SWEDISH PRESIDENCY

The European Union will continue to be faced with the **challenges posed by Russia's war of aggression against Ukraine**. The Swedish Presidency of the Council commits to prioritising continued economic and military support for Ukraine, as well as to support Ukraine's path towards the EU.

Efforts to **break the European energy sector's dependency on fossil fuels** must also be intensified

– for the climate, and for security.

Taking the helm of the Council of the EU in the midst of several parallel crises, the Swedish Presidency's political direction is expressed under five headings:

- Provide security for EU citizens and strengthen the EU's role in the world,
- Stop organised crime,
- Speed up the green transition,
- Strengthen the EU's competitiveness for the jobs of the future,
- Safeguard the EU's fundamental values.

Noting that **EU security and defence cooperation** must be strengthened, the Swedish Presidency is due to advance discussions in the Council on the security and defence package, presented by the Commission in November 2022. Measures to **make the EU more resilient** to different types of threats and risks, in both digital and physical infrastructure, will be high on their agenda. The Presidency aims to advance negotiations on a short-term instrument to enhance the European defence industry through joint procurement, and to initiate negotiations on the planned long-term European investment programme in the area of defence. It will also advance work on the proposal concerning an EU cyber-defence policy.

Equally high on the Swedish Presidency's agenda are **energy supply, climate transition and strengthening the EU's competitiveness**. The Presidency will prioritise moving the negotiations on any remaining parts of the 'Fit for 55' package forward with a high level of ambition. On the occasion of the 30th anniversary of the Single Market, Sweden aims to strengthen the **European single market**, the digital single market and the EU's position as a trade bloc.

The Presidency will actively continue negotiations on ambitious free trade agreements with third countries to strengthen EU competitiveness. In particular, it will strive for continued support for the

EU's free trade and partnership agenda in the Indo-Pacific region and Latin America, including Australia, Chile, India, Indonesia, Mercosur, Mexico and New Zealand. It also intends to carry on the

negotiations with the European Parliament on the proposal for an anti-coercion instrument.

The Swedish Presidency also states that strong and well-functioning common migration management is needed within the EU. In the roadmap agreed between the European Parliament and five successive Council Presidencies (France, Czechia, Sweden, Spain and Belgium) in September

2022, Sweden committed to working in partnership to approve the **reform of the EU migration and asylum rules** before the 2024 European elections.

The proposals of the new Pact on Migration and Asylum, presented by the Commission in September 2020, are just some of the 116 priority **pending files** listed in the annexes of the Commission Work Programme (CWP) for 2023. Those pending files also include proposals from the

'Fit for 55' climate package and others under the European Green Deal, as well as on **artificial intelligence, semiconductors (Chips Act), banking and capital markets union, anti-money-laundering efforts, the European Media Freedom Act, and the proposal on strategic lawsuits against public participation (SLAPPs)**, amongst others. Trilogue negotiations on several of these files will continue or start during the Swedish Presidency.

The Presidency also wants further efforts at EU level to **fight organised crime, terrorism and violent extremism**.

On **social policy**, the Swedish Presidency is due to continue the implementation of the European Pillar of Social Rights. The Trio committed itself to improve working conditions, including in the digital economy and for people working through platforms, to tackle gender inequalities in the labour market, including through measures to close the gender pay gap and through the promotion of equal opportunities for women and men to reconcile work, family and private life.

In relation to the ongoing **hearings under Article 7(1) TEU regarding Poland and Hungary**, in a resolution approved on 5 May 2022 the European Parliament urged forthcoming presidencies to organise the hearings 'regularly and at least once per Presidency'. It called on the Council to ensure that hearings under Article 7(1) TEU also address new developments, including those related to violations of fundamental rights. Taking as its starting point the Commission's annual Rule of Law Report, which includes recommendations addressed to the Member States, the Swedish Presidency will continue the Council's country-by-country rule of law dialogue. It also commits to taking forward the Council's work on the Article 7 procedures in a constructive spirit.

Legislative files: An overview

With the end of the parliamentary term less than a year and half away, the legislative work in Parliament and Council will intensify in 2023. Below we present a *non-exhaustive list* of legislative files on which the Swedish Presidency plans to make progress, either by initiating or continuing trilogue negotiations with Parliament, or by advancing the work in different Council formations.

Economic and financial affairs

Much work remains to be done to implement important reforms and investments within the Recovery and Resilience Facility. The Swedish Presidency aims to move this work forward, taking account of RePowerEU.

The economic governance review will enter an intensive phase in the first half of the year. Taking the Commission's proposals and the progress made under previous presidencies as its starting point, the Swedish Presidency also aims to move this work forward in the Council.

The Presidency further intends to:

- advance the negotiations on the proposals to tackle money laundering and the financing of terrorism;
- continue the work on regulatory frameworks for funds and financial instrument markets, and a European single access point for financial and non-financial information;
- initiate discussions on new proposals to be presented by the Commission during the first half of the year, including on the digital euro and consumer protection;
- make progress on the revision of the Financial Regulation;
- continue the ongoing dialogue on the proposal on next generation own resources;
- move the ongoing efforts to reform the customs union forward;
- advance the negotiations on the revision of the Regulation concerning the illegal manufacture of, and trade in, firearms;
- continue discussions in the Council on the review of the Energy Taxation Directive and on the proposal for new VAT rules for the digital age.

Justice and home affairs

Among other initiatives, the Presidency wants to:

- advance the negotiations on the new Pact on Migration and Asylum in accordance with the agreement (roadmap) between the institutions to conclude negotiations during the current parliamentary term;
- drive negotiations forward on proposals to prevent and combat sexual offences against children and violence against women;
- continue the work on the proposal on strategic lawsuits against public participation (SLAPPs);
- advance the negotiations on the revision of the Environmental Crime Directive as far as possible;
- lead the work on the proposal to set a minimum level for the criminalisation of, and sanctions for, breaches of EU restrictive measures;
- move negotiations forward on the Prüm II regulation;
- intensify negotiations on the proposed new directive on asset recovery and confiscation;
- prioritise the forthcoming proposal for a directive on the transfer of criminal proceedings;
- initiate negotiations on the proposal to improve the possibilities for collecting and using advance passenger information (API) in order to strengthen border controls and law enforcement;
- advance the work on a new mandate for the EU Drugs Agency;
- continue work on the proposals concerning the digitalisation of judicial cooperation;
- take forward the work on new proposals, including on rules concerning the recognition of parenthood, insolvency and liability for defective products.

Employment and social policy

In this area, the Swedish Presidency intends to advance on:

- the proposed directive on improving working conditions in platform work;
- the proposal to revise the Asbestos Directive, and to begin work on the upcoming proposal to revise the Chemical Agents Directive;
- the proposed directive on equality bodies;
- the negotiations in the Council on the proposal for an anti-discrimination directive;
- continued work on the revision of the regulations on social security coordination.

Health

The Presidency intends to:

- address the many issues in the area of health and medical care that are due to be negotiated, such as the proposal concerning a regulation for a European Health Data Space, and the proposal concerning a regulation on standards of quality and safety of substances of human origin intended for human application;
- advance work on the forthcoming proposals on updating the general pharmaceutical legislation and proposals on new regulations concerning orphan medicinal products and paediatric medicines; another issue that is expected to come before the Council is the proposal for a new regulation concerning the

European Medicines Agency's fees.

Internal market, industry, consumer protection

In the area of the internal market, the Presidency wants to:

- prioritise work on the new Ecodesign and Construction Products Regulations;

- progress the negotiations in the Council on the legislative draft of the Single Market Emergency Instrument, as well as on proposals prohibiting the placing on the market of products made using forced labour and on short-term accommodation rentals in the internal market;
- initiate negotiations on a proposal for a directive to expand and upgrade the use of digital tools and processes in company law.

As regards industry, the Presidency will:

- prioritise the review of the Euro 7 emissions standards for combustion engine vehicles and the upcoming proposal on critical raw materials;
- move the work on the European Chips Act forward;
- focus on trilogues on protected geographical indications for craft and industrial products and initiate negotiations on a review of the design protection legislation.

In the area of consumer protection, the Presidency will:

- take the work on the Directive on distance marketing of financial services and the negotiations on the Directive on empowering consumers for the green transition as far as possible.

Transport

Regarding transport, the Presidency plans to:

- focus on trilogue negotiations on transport legislation within the 'Fit for 55' package;
- advance the Trans-European Transport Network (TEN-T) negotiations and take forward the work on revising the Intelligent Transport Systems Directive;
- continue the negotiations on the revision of the Single European Sky rules;
- initiate negotiations in the Council on several forthcoming proposals on road, rail and intermodal transport, including a revision of the Directive on driving licences and a package for green freight transport; on proposals to improve the internal aviation market and strengthen the resilience of aviation; and on the Maritime Safety Package.

Telecommunications

In this area, the Presidency wants to:

- initiate negotiations with the Parliament on the Artificial Intelligence (AI) Act and on an interconnected European electronic ID, advancing them as far as possible;
- take forward work on the Data Act in the Council and initiate negotiations with the European Parliament;
- advance negotiations in the Council on the Interoperable Europe Act and begin the Council's work on the Connectivity Infrastructure Act;
- advance as far as possible the negotiations in the Council on the Cyber-Resilience Act and the trilogues on the regulation on cybersecurity measures for the EU's own institutions, bodies, offices and agencies;
- continue negotiations with the European Parliament on the ePrivacy regulation.

Energy

Due to the pressing challenges presented by the current energy crisis, the priorities of the Swedish Presidency will be to closely monitor developments in energy markets and the implementation of measures, deal with any further emergency proposals and reform the design of the EU's electricity market. In this context, it will:

- continue trilogue negotiations with the European Parliament on the proposals for a revision of the Renewable Energy Directive and the Energy Efficiency Directive;

- continue to work on the proposal for a regulation on the reduction of methane emissions in the energy sector;
- advance work on the proposed revision of the Energy Performance of Buildings Directive, as well as on the proposals in the hydrogen and decarbonised gas market package.

Agriculture

The Presidency intends to follow up on any proposals and initiatives designed to strengthen European food production. Moreover, it will address trade-related agricultural issues and prioritise work on the role and potential of the bioeconomy. It plans, in particular, to:

- move forward negotiations on the revision of geographical indications as far as possible;
- advance the negotiations in the Council regarding the proposal for a Farm

Sustainability Data Network;

- prioritise negotiations on the revision of the Food Information to Consumers Regulation and its food labelling provisions (part of the Farm to Fork Strategy);

• advance the negotiations on the regulation on the sustainable use of plant protection products;

• initiate discussions both on the proposal for the revision of the legislation on seeds and plant and forest reproductive material and on the forthcoming proposal for revision of the legislation for plants produced by certain new genomic techniques; it may also initiate discussions in the Council on the legislative proposal on forest monitoring and strategic plans.

Fisheries

In the fisheries sector, the Presidency aims to:

- advance the trilogue negotiations on the Fisheries Control Regulation;
- initiate a debate on a review of the EU Common Fisheries Policy (CFP), including the common market organisation.

Environment

Environment and climate issues are high on the EU agenda, and a large number of proposals are already on the table or will be presented by the Commission in the coming months. The Swedish Presidency intends to:

- prioritise moving forward the negotiations on any remaining parts of the 'Fit for 55' package with a high level of ambition;
- prioritise the revision of the Industrial Emissions Directive and the revision of the

Ambient Air Quality Directives;

- continue work on the regulation on nature restoration;
- advance the work on the proposals for a certification scheme for carbon removal and on the review of the CO₂ emissions standards for new heavy-duty vehicles;
- continue the negotiations on a revised Regulation on F-gases and on the Ozone Regulation, with the ambition of making as much progress as possible;
- advance the work on the revision of the Packaging Directive, as well as on the regulatory frameworks promoting non-toxic material cycles, increased use of high-quality recycled materials in products, and other business models advancing the circular economy;
- strive for as much progress as possible in the negotiations on the revision of the Waste Shipments Regulation.

A number of international negotiations, including on a legally binding global agreement on plastic pollution, are due to take place during the Swedish Presidency of the Council.

PART B: TOPICAL INSTITUTIONAL ISSUES

Reform of the Electoral Act and other pending proposals on elections

The Swedish Presidency is due to continue negotiations in the Council on the reform of the EU's electoral law, following Parliament's legislative resolution of 3 May 2022. Unanimity will be needed on this matter.

Other pending proposals related to elections are the rules on the transparency and targeting of political advertising, on which the Swedish Presidency is expected to start interinstitutional negotiations (trilogues) with Parliament. Trilogue negotiations on another proposal, on the statute and funding of European political parties and European political foundations, are due to continue under their Presidency. The Swedes should also adopt proposals on the electoral rights of mobile Europeans, on which Parliament is consulted.

Conference on the Future of Europe

The follow-up of the Conference on the Future of Europe's final report, with 49 proposals to reform the EU, including Treaty change, delivered to the Presidents of the European Parliament, the Council and the Commission on 9 May 2022, should continue under the Swedish Presidency. It will strive to achieve a broad consensus among Member States on how to proceed with its proposals. If circumstances permit, the Presidency will advance discussions on effective decision-making processes, including qualified majority voting in certain areas of common foreign and security policy.

Programming of legislative priorities: Joint Declaration 2023-2024

The Swedish Presidency will start implementing the Joint Declaration 2023-2024, signed by the Presidents of the three institutions (Parliament, Council and Commission) on 15 December 2022, on the margins of the European Council meeting. Given that European elections will be held in 2024, this is the last Joint Declaration to be negotiated between the institutions in this parliamentary term, and it therefore covers 2023 and the first half of 2024. The same approach was taken towards the end of the previous parliamentary term when the years 2018 and 2019 were covered by the same Joint Declaration.

PART C: NEW INITIATIVES TO BE PRESENTED BY THE COMMISSION IN THE FIRST HALF OF 2023

The new initiatives in the Commission Work Programme (CWP) for 2023 to be presented in the first and second quarters of this year, i.e. **during the Swedish Presidency of the Council**, are:

First quarter 2023

- Revision of the EU's internal electricity market rules (legislative)
- European critical raw materials act (legislative and non-legislative initiatives)
- The Single Market at 30 (non-legislative)
- Directive to further expand and upgrade the use of digital tools and processes in company law (legislative)
- Economic governance review (legislative or non-legislative)
- Improving the retail investment framework (legislative)
- Joint communication on the update of the EU maritime security strategy (non-legislative)

Second quarter 2023

- Revision of food waste and textiles aspects of the EU Waste Framework Directive (legislative)

- Legislation for plants produced by certain new genomic techniques (legislative)
- Initiative on protecting, sustainably managing and restoring EU soils (legislative)
- International freight and passenger transport – increasing the share of rail traffic (legislative)
- Revision of the Weights and Dimensions Directive (legislative)
- Revision of the Combined Transport Directive (legislative)
- Initiative on virtual worlds, such as metaverse (non-legislative)
- Compulsory licensing of patents (legislative)
- Standard essential patents (legislative and non-legislative)
- Screening and registration of asbestos in buildings (legislative, responds to Parliament's legislative-initiative (INL) report on 'Protecting workers from asbestos')
- A common European mobility data space (non-legislative)
- Recommendation on piracy of live content (non-legislative, responds to Parliament's INL report on 'Challenges of sports events organisers in the digital environment')
- Review of the functioning of the Multiannual Financial Framework (MFF), which may include a revision (non-legislative and/or legislative)
- Open finance framework (legislative)
- Revision of EU rules on payment services (legislative)
- Digital euro (legislative)
- Scope and effects of legal tender of euro banknotes and coins (legislative)
- Council recommendation on developing social economy framework conditions (non- legislative)
- Legislative initiative on cross-border activities of associations (legislative, responds to a Parliament INL report on 'A statute for European cross-border associations and non- profit organisations')
- Reinforced quality framework for traineeships (non-legislative and/or legislative)
- Joint communication on an EU space strategy for security and defence (non- legislative)
- Joint communication on a new agenda for Latin America and the Caribbean (non- legislative)
- Setting a sanctions framework targeting corruption (legislative)
- A comprehensive approach to mental health (non-legislative)
- Defence of democracy package, including an initiative on the protection of the EU democratic sphere from covert foreign influence (legislative and non-legislative)

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SWEDISH PRESIDENCY DEBRIEFS EP COMMITTEES ON PRIORITIES¹

Ministers outlined the priorities of the Swedish Presidency of the Council of the EU to parliamentary committees, in a series of meetings.

Sweden holds the Presidency of the Council until June 2023 included. Hearings took place between 23 January and 9 February.

Environment, Public Health and Food Safety

On January 23, **Climate and Environment Minister Romina Pourmokhtari** told the MEPs that the priorities are: climate and biodiversity including the “Fit for 55” files, circular economy, the war in Ukraine’s impact on food security and energy prices, the UN conference on climate change (COP28), nature restoration and zero-pollution (air, water, waste). MEPs questioned the minister on several files including nature restoration, deforestation, energy, COP28, circular economy, pollution, pesticides, and transport of waste. They also sought assurances that the Swedish Democrats would not block Council’s work on climate and biodiversity.

Later that day, **for Social Affairs and Public Health Minister Jakob Forssmed** and **Health Care Minister Acko Ankarberg Johansson** highlighted health care support for Ukrainian refugees, tackling shortages of pharmaceutical products, access to medical devices, the European Health Data Space (EHDS), antimicrobial resistance (AMR), mental health, fight against cancer and preparedness for future health crisis as priorities. MEPs questioned the two ministers on their plans on shortage of medicines, early surveillance, data sharing, AMR and mental health issues.

On 9 February, **Minister for Rural Affairs** Peter Kullgren told MEPs that the Swedish priorities related to food are: the Farm to Fork strategy, the sustainable use of pesticides, simplifying directives on foodstuffs (“Breakfast Directive”), food information to consumers, animal welfare, the bio-economy, forestry, plant health, food security, continued support to solidarity lanes to Ukraine, the Black Sea Grain Initiative, and organic pet food. MEPs questioned the minister on nature restoration, the sustainable use of pesticides, forestry, large predators, sustainable farming and fisheries (trawling) and the quality of water.

Economic and Monetary Affairs

ECOFIN President and Finance Minister Elisabeth Svantesson said on 24 January that the Presidency would be prioritising a macro financial instrument for supporting Ukraine, tax evasion and avoidance legislation, the finalisation of the banking package and the anti-money laundering rules update, and the economic governance review. On economic governance, she said the hope was to reach a consensus among member states by March regarding the road ahead.

1. <https://www.europarl.europa.eu/news/en/press-room/20230123IPR68622/swedish-presidency-debriefs-ep-committees-on-priorities>

MEPs asked about the state of the debate in Council on the new own resources for the EU budget, specifics about what funds could be earmarked for Ukraine, how the Presidency planned to steer the debate on the economic governance review, and about the next steps for the EU's green strategic investment fund as a result of the US Inflation Reduction Act.

Internal Market and Consumer Protection

On 24 January, Johan Forssell, International Development Cooperation and Foreign Trade Minister, emphasised the Presidency's readiness to support Ukraine and address rising inflation and the energy crisis. They plan to advance on several files, including construction products, empowering consumers for the green transition, products made using forced labour and short-term rentals. The Presidency also hopes to begin negotiations on several digital priorities, namely on the AI Act and the rules on political advertising.

Several MEPs questioned the minister on the Single Market Emergency Instrument, improving European competitiveness, better enforcement of internal market rules and the AI Act. The customs code, right to repair, online video games, biometric mass surveillance, free trade agreements and environmental protection issues were also discussed.

Foreign Affairs

On 24 January, MEPs questioned Foreign Affairs Minister Tobias Billström on two outstanding issues: what will the Presidency do to ensure that Ukraine is supported with most modern arms, including tanks, and to take a tougher stance against Iran regime. They also want to know what the Presidency can do to speed up NATO membership of Sweden and Finland.

The minister told MEPs that the Presidency will focus on providing humanitarian, military economic and political support for Ukraine. He also added that it is vital to ensure full accountability for the crimes of aggression. They will work on close EU-NATO cooperation and follow security developments in Western Balkans and eastern Mediterranean. They will also pay special attention to the fight against hybrid and cyber-attacks, said the minister.

Fisheries

On 24 January, Rural Affairs Minister Peter Kullgren told MEPs that the upcoming Commission's report on the review on the Common Fisheries Policy (CFP) will deserve great attention, as it allows to assess how well CFP is working and to reach common goals. He also mentioned the forthcoming initiative on energy transition in EU's fisheries and aquaculture sector, to support the Green Deal targets as priority files.

In addition, the Minister said he is confident that a compromise among co-legislators can be reached on the fisheries control system. Furthermore, the Presidency is in favour of extending the network of sustainable partnership agreements, including a deal with the UK that is in its final steps.

International Trade

On 24 January, **International Development and Foreign Trade Minister Johan Forsell** mentioned four priorities: continued support for Ukraine's recovery through trade policy, negotiations on free trade agreements with third countries, the partnership with the US as well as including the digital and green transitions in the EU trade agenda.

MEPs demanded swift progress on trade agreements with Mexico, Chile, New Zealand and Australia. The pending ratification of the trade agreement with Mercosur is a priority, with the new government in Brazil seen as an opportunity. MEPs also quizzed the Presidency about its strategy to respond to the US Inflation Reduction Act. Further priorities included the Anti-coercion Instrument and the Generalised Scheme of Preferences, as well as trade relations with China and Taiwan.

Employment and Social Affairs

Minister for the elderly and social security Anna Tenje and **Minister for Gender Equality and Deputy Minister for Employment Paulina Brandberg** told MEPs on 24 January that the Presidency priorities include: strengthening social dialogue at EU level, tackling the risk of accidents and ill health in the workplace (particularly the directives on asbestos and chemical agents at work), and ensuring the smooth running of the European semester.

Specific legislative files high on the Presidency's agenda include platform work and pay transparency as well as the coordination of social security systems. Finally, the Presidency is committed to promoting the rights of children (European Child Guarantee), persons with disabilities and the homeless, and will organise a conference on social inclusion and access to adequate housing on 4 April.

Industry, Research and Energy

On 24 January, **Ebba Busch**, Minister for Energy, Business and Industry, said that the Presidency will launch negotiations on the digital identity directive and the data act. In the field of energy, priorities include ongoing negotiations on renewable energy and energy efficiency and starting talks on the energy performance of buildings and reducing methane emissions. The Presidency will also continue negotiations in the Council on gas market legislation.

Ms Busch also said that the Presidency will work to ensure that green technology industries relevant to the energy transition remain in Europe. Finding an agreement with MEPs on legislation on semiconductors (the "Chips Act") is also among the priorities.

Mats Persson, Minister for Education, said that the Presidency will facilitate access to research and the quality of research infrastructure. The Presidency will also take forward the negotiations on the Chips Joint Undertaking. In the area of space, the Presidency will work for fair and sustainable access to space and guide the discussions in the Council.

Development

On 25 January **Johan Forssell, Minister for International Development Cooperation and Foreign Trade**, highlighted three priorities: unwavering support for Ukraine and the acute humanitarian crisis caused by Russia's invasion; global health and better preparation for the next pandemic; and, a cross-cutting effort to tackle corruption worldwide. Minister Forssell also hoped to secure the imminent signature by member states of the Post-Cotonou agreement.

MEPs questioned the Presidency's commitment to development following domestic cuts to spending on development, and questioned whether broadening the global donor base would be a priority. MEPs also flagged as important issues climate change and its impact on debt burdens and biodiversity loss, migration, and the EU's Global Gateway initiative.

Regional Development

On 25 January, **Minister for Rural Affairs Peter Kullgren** highlighted as priorities: the war in Ukraine and related security and energy issues, the need for more competitiveness and for speeding up the EU's green and digital transformation as well as the role of cohesion policy in helping to achieve these priorities. The Presidency will look into delays in implementing the 2021-2027 funds and on the investments into people in line with the EU's Year of Skill initiative.

MEPs expressed disappointment that cohesion policy itself was not mentioned among the priorities and quizzed the minister on his plans to tackle the challenges facing cohesion policy, rural areas and local governance. They also called for new financial resources to speed up the energy transition.

Security and Defence

On 25 January, **Defence Minister Pål Jonson** said the Presidency has three priorities: support for Ukraine, the implementation of the strategic compass and of the EU's strategic partnerships with like-minded partners.

Some MEPs stressed the need to increase the supply of heavy combat equipment to Ukrainian armed forces and discussed the ongoing process of Swedish and Finnish membership of NATO, asking the Minister also about the tensions with Turkey. Sweden's industrial capacities in the defence field, boosting the European Peace Facility and implementing the joint procurement instrument for military equipment, the EDIRPA, were also discussed. MEPs finally underlined that the EU must not forget about other regions in the world of strategic importance such as the Indo-Pacific region and Africa.

Women's Rights and Gender Equality

On 25 January, **Minister for Gender Equality Paulina Brandberg** said the Presidency will prioritise work on the EU's accession to the Istanbul Convention and negotiations on a directive on combating violence against women, gender budgeting, tackling human trafficking and the inclusion of gender equality in all policy areas. They will also try to advance negotiations on legislation on binding standards for equality bodies and on anti-discrimination.

MEPs pointed out that when Prime Minister Kristersson spoke to the Parliament on 17 January, he did not mention gender equality; they questioned whether Minister Brandberg has the backing of the rest of the government on gender equality issues. Stressing the lack of access to abortion in Poland, they asked what actions the Presidency will take to address the shortcomings in the rule of law in Poland.

Constitutional Affairs

On 25 January, **EU Affairs Minister Jessika Roswall** stated that the Presidency hopes for positive developments on the EU's ratification of the European Convention on Human Rights, addressing unanimity-related deadlocks on crucial geopolitical matters by activating so-called passerelle clauses, as proposed by the Conference on the Future of Europe, as well as any proposals from the Conference not requiring Treaty changes. She expressed reservations on the reform of the EU electoral law, the statute and funding of European political parties and the establishment of an EU independent ethics body.

MEPs demanded concrete timelines for next steps on these topics and on Parliament's call for a Convention to revise the Treaties. Some MEPs expressed frustration over the lack of progress on Parliament's right of inquiry, while others pointed out the need to finalise negotiations on political advertising prior to the 2024 European elections.

Civil Liberties, Justice and Home Affairs

On 30 January, **Minister for Justice Gunnar Strömmer** highlighted the proposals related to the war in Ukraine: core international crimes, asset recovery and confiscation, and criminalising violations of EU sanctions. He also highlighted proposals to digitalise judicial procedures and law enforcement capabilities, revise the Schengen Borders Code and extend the area to Bulgaria and Romania.

MEPs stressed the importance of combatting violence against women, and highlighted the new Anti-Money Laundering package and the Media Freedom Act. Finally, several MEPs asked for a clarification on the influence of the Sweden Democrats on the government's policies.

EU Affairs Minister Jessika Roswall asserted the Presidency's commitment to protecting the rule of law and that the next steps in "Article 7" proceedings on the respect of rule of law should be expected in the spring.

MEPs asked for concrete action on the Article 7 proceedings, more political will in enforcing EU rules and for more transparency. They expressed concerns about the continuous deterioration of the rule of law, as well as the lack of progress in this area.

Migration Minister Maria Malmer Stenergard explained that the discussions on the asylum and migration management regulation are gaining momentum and that the Presidency will push for a negotiating mandate; they will possibly hold a first negotiation in June. She reconfirmed the Presidency's commitment to conclude negotiations on the pact before the European elections in 2024.

MEPs insisted that the Council should deliver on its promises to engage in the reform of the Dublin system and called for a human rights monitoring mechanism. Other MEPs want measures to prevent push-backs or quotas to limit migration.

Transport and Tourism

On 31 January, **Minister for Infrastructure and Housing Andreas Carlson** stressed that the Presidency will put a lot of effort into the green transition, will seek to finalise "Fit for 55" package, progress on TEN-T and Single European Sky rules and ensure the EU's independence from fossil fuels. The Presidency is also looking forward to starting work on digital drivers' licence rules and the green transport package as soon as it is presented by the Commission.

Transport Committee MEPs shared the Presidency's ambition to ensure a balance between the green transition, decarbonisation and business competitiveness. They welcomed the minister's pledge to try to reach an agreement with Parliament on remaining rules in the "Fit for 55" package. Some MEPs urged the Presidency not to forget workers' rights in the transport sector.

Agriculture and Rural development

On 31 January, Rural Affairs Minister Peter Kullgren said that ensuring food security is one of the most important priorities, particularly to facilitate exports from Ukraine by supporting measures such as solidarity lanes, the Black Sea Grain Initiative and the Grain from Ukraine programme. The Presidency also aims to reach a common position in Council on geographical indications for wine, spirit drinks and agricultural products and on Farm Sustainability Data Network files.

The implementation of the Bioeconomy Strategy and finding a compromise on the Sustainable Use Regulation for pesticides will also deserve attention. Finally, the Minister announced that three conferences will take place to better prepare future revisions of EU legislation on animal welfare, bioeconomy and environmental practice within the CAP.

Culture and Education

On 6 February, **Schools and Education Minister Lotta Edholm** said the Presidency will continue to coordinate educational support for children fleeing the war in Ukraine. She committed to advancing the work on a European education area, the automatic mutual recognition of higher education and “green skills” in education.

MEPs stressed the need to advance also on the automatic recognition of learning outcomes and vocational qualifications. They called on member states to step up the fight against racism and hate speech in education and inquired on plans to follow up on the demand made by the Conference on the Future of Europe for an EU civic education curriculum.

Parisa Liljestrand, Minister for Culture, said she will push for EU ministers to agree on support for Ukrainian artists who fled Russia’s military invasion. The main priority will be the proposed Media Freedom Act with the aim of reaching a Council position by May.

MEPs quizzed the minister on specific measures in the media freedom act proposal, as well as its legal basis and the possible contradiction to the Amsterdam protocol on the system of public broadcasting in the member states.

Social Affairs and Public Health Minister Jakob Forssmed said the focus will be the mental health of young people and in particular the subject of loneliness. He promised to work on a Council resolution on EU youth dialogue, to involve young people in EU policy making as well as on strengthening the European model of sports.

MEPs called on the Presidency to advance on the implementation of the “EU Youth test” to evaluate the impact of new proposals on young people and to come up with initiatives in the area of video games.

Legal Affairs

On 28 February, **Justice Minister Gunnar Strömmer** told MEPs the Presidency will focus on four areas in the justice agenda: Ukraine, competitiveness, individual rights and the environment. When it comes to Ukraine, the minister stressed two directives: criminalising the violation of sanctions and asset recovery and confiscation. He also highlighted upcoming work on the intellectual property framework and protecting the geographical indication of crafts. Individual rights should be strengthened in the area of parenthood recognition and protecting journalists and human rights defenders against abusive lawsuits. Corporate sustainability due diligence and the environmental crime directive are also among the priorities.

MEPs inquired on his position on AI liability and on the recognition of parenthood. MEPs also quizzed the minister on a series of other issues such as the intellectual property framework, insolvency law, migration and hate speech.

SOME TESTIMONIALS FROM SWEDISH MPS¹



“The Swedish government has already lowered ambitions in dealing with the climate crisis... We don’t have time to wait, the climate crisis is here and now and that’s why the Swedish presidency should contribute to significantly raising EU ambitions.”

Alice Kuhnke (Greens/EFA)



“I know many that just like me, feel worried about Sweden now taking over the EU presidency. But I hope it will surprise me and clearly take a stand for democracy and the rule of law in countries like Poland and Hungary, and work for an ambitious climate policy and a humane migration policy.”

Malin Björk (the Left)



“It demands a leadership with political courage and responsibility for the future. I am very concerned about how the conservative government will live up to this. The policies on climate and equality have already been dismantled and democracy issues are deprioritised,”

Helene Fritzon (S&D)



1. <https://www.europarl.europa.eu/news/fr/headlines/eu-affairs/20221206STO61304/la-suede-assure-la-presidence-de-l-ue-qu-attendent-les-deputes-europeens>

POLITICS IN SWEDEN¹

INTERNAL POLITICS¹

Sweden (Sverige) is a constitutional monarchy with a parliamentary system. Charles XVI Gustav has been king since 1973. The Prime Minister and each individual minister are responsible to the Riksdag, a unicameral parliament elected for four years.

On September 11, 2022, a coalition of four parties, including the conservative right (Moderate Gathering Party) and the far right (Sweden Democrats), won a majority of seats in Parliament. Conservative leader Ulf Kristersson succeeded Magdalena Andersson, who resigned on September 14, as Prime Minister. He was elected by the Swedish Parliament on October 17 with 176 votes and 173 against. His coalition government is made up of conservatives and liberals, and has the support of the far right without participation.

The Social Democratic Party had led the country since 2014. That year, Stefan Löfven won the parliamentary elections with 43.7 percent of the vote, 22 seats more than the coalition of outgoing Prime Minister Fredrik Reinfeldt (2006 - 2014). At that time, he formed a coalition government with the Greens and received the support of the Left Party in Parliament.

In 2018, the outgoing center-left and center-right coalitions were neck and neck. After four months of difficult negotiations, outgoing Prime Minister Stefan Löfven was reappointed to lead a minority coalition with the Greens and supported by the center and liberals.

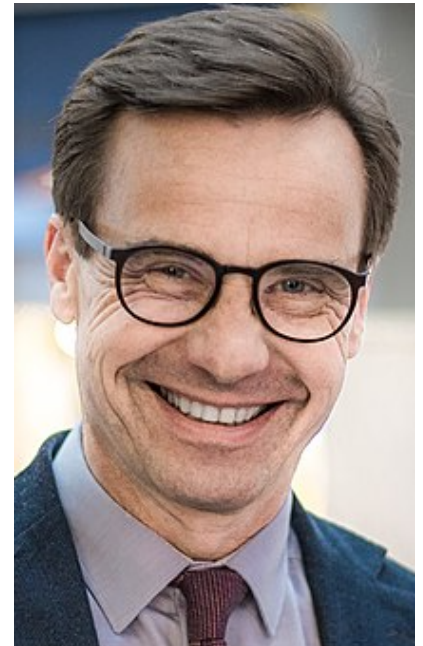
On June 21, 2021, a no-confidence motion tabled by the far right and passed by the entire opposition - including the Left Party, which had previously supported the executive - brought down the minority government. After suggesting that he would lead his Social Democratic Party to the September 2022 legislative elections, Stefan Löfven finally announced his resignation in August 2021, which became effective on November 10. He was succeeded by Magdalena Andersson.

¹<https://www.diplomatie.gouv.fr/fr/dossiers-pays/suede/presentation-de-la-suede/>

ULF KRISTERSSON

Ulf Hjalmar Ed Kristersson (born 29 December 1963) is a Swedish politician who has been serving as Prime Minister of Sweden since October 2022. He has been the leader of the Moderate Party since October 2017 and a member of the Riksdag (MP) for Södermanland County since 2014 and for Stockholm County from 1991 to 2000. He previously served as Minister for Social Security from 2010 to 2014 and as Chairman of the Moderate Youth League from 1988 to 1992.

On 11 December 2014, he was appointed Shadow Finance Minister of the Moderate Party and economic policy spokesperson. On 1 October 2017 Kristersson was elected party leader of the Moderate Party after Anna Kinberg Batra stepped down. Under his leadership, the Moderate Party has opened up to the Sweden Democrats and, by late 2021, had formed an informal right-wing alliance with them and two centre-right parties of the dissolved Alliance. In the 2022 Swedish general election, that bloc obtained a majority in the Riksdag, leading to Kristersson's election as Prime Minister on 17 October.



The Kristersson Cabinet (Swedish: Regeringen Kristersson) is the 57th Government of Sweden and is formed by Ulf Kristersson. It is a coalition government consisting of three parties: the Moderate Party, the Christian Democrats, and the Liberals. The cabinet works closely with the Sweden Democrats, in accordance with the Tidö Agreement backed by a majority in the Riksdag.



22 MINISTERS

Justice

- Minister of Justice: Gunnar Strömmer
- Minister of Migration: Maria Malmer Stenergard

Foreign Affairs

- Minister for Foreign Affairs: Tobias Billström
- Minister for the EU: Jessika Roswall
- Minister for Development and Foreign Trade: Johan Forssell

Defence

- Minister of Defence: Pål Jonson
- Minister for Civil Defence: Carl-Oskar Bohli

Social Affairs

- Minister of Social Affairs: Jakob Forssmed
- Minister of Health: Acko Ankarberg
- Minister for Social Services: Camilla Waltersson Grönvall
- Minister for Senior Citizens : Anna Tenje

Finance

- Minister of Finance: Elisabeth Svantesson
- Minister for Financial Markets: Niklas Wykman
- Minister of Civil Affairs: Erik Slottner

Education

- Minister of Education: Mats Persson
- Minister for Schools: Lotta Edholm

Climate and economic affairs

- Minister for Energy and Industry: Ebba Busch
- Minister for Climate and Environment: Romina Pormoukhtari

Culture

- Minister of Culture: Parisa Liljestränd
- Minister of Employment: Johan Pehrson
- Minister for Equal Opportunities: Paulina Brandberg

Rural Affairs and Infrastructure

- Minister for Rural Affairs: Peter Kullgren
- Minister for Infrastructure and Housing : Andreas Carlson

ECONOMY IN SWEDEN¹

ECONOMIC SITUATION

With a large number of multinationals (Volvo, Saab, H&M, Electrolux, Ericsson, etc.), the Swedish economy is primarily oriented towards international trade, its primary market being the European Union. Since joining the EU in 1995, trade with other member states has increased, in some cases doubling as with France.

In the 1990s, the country implemented numerous policies to support competitiveness, exports and innovation. The creation of a National Innovation Council in 2015 illustrates the importance of supporting research and development, where spending is among the highest in Europe.

This openness has also been reflected in the strengthening of public policy tools. Thus, the public sector provides a significant share of services. With two-thirds of the country's employees unionized, decentralized collective bargaining on working conditions covers a majority of workers.

In addition to the traditional wood industry and its corollary, the furniture industry, which has led to the success of Sweden's largest company, Ikea, telecommunications, car manufacturing and oil and gas are also important sectors in this trade.

The Swedish economy, the largest of the Nordic countries (475 billion euros in 2019), had many positive indicators until the Covid-19 pandemic. Its GDP per capita was around 46,000 euros in 2019. Public finances had been in balance for several years, while public debt remained close to 40% in the first quarter of 2021. Although its economy remains one of the least affected in the EU by the economic consequences of the coronavirus epidemic, it has nevertheless revealed certain weaknesses: dependence on the international economy, tensions on the real estate market and the household debt rate.

1. <https://www.touteurope.eu/pays/suede/>

ECONOMIC FORECAST FOR SWEDEN¹

INDICATORS	2022	2023	2024
GDP GROWTH (% , YOY)	2,4	-0,8	1,2
INFLATION (% , YOY)	8,1	6,3	1,8

For more details about the table, please visit this [link](#).

1. https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/sweden/economic-forecast-sweden_fr

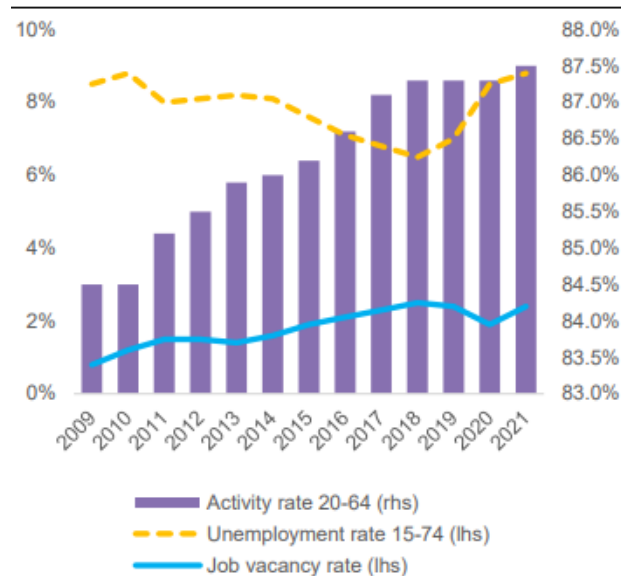
COMMISSION COUNTRY REPORT¹

ECONOMIC AND EMPLOYMENT SNAPSHOT

The Swedish economy back on its feet, while geopolitical effects are starting to kick in.

- Sweden's economy was on a strong footing before the onset of the COVID-19 pandemic.
- The pandemic has had a significant impact on the Swedish economy, but the latter has recovered strongly.
- The harmonised index of consumer prices (HICP) inflation has picked up sharply.
- The impact of Russia's invasion of Ukraine on the economy will be mostly indirect.
- The impact has, so far, been mostly visible in economic growth, inflation, and the exchange rate.
- Sweden is well placed to further advance the green and digital transition.
- Sweden is a top performer on many of the UN's Sustainable Development Goals (SDGs), but more could be done to progress on reducing poverty and inequality.
- Conditions are in place to allow progress towards improved social fairness.

Graph 1.1: **Activity, unemployment and job vacancy rate**



Source: European Commission

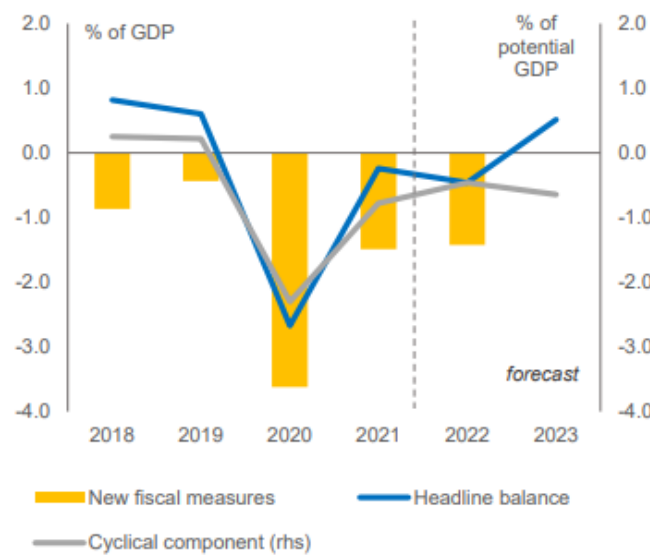
1. https://commission.europa.eu/system/files/2022-05/2022-european-semester-country-report-sweden_en.pdf

- Bottlenecks in several areas may slow progress towards competitive sustainability.
- The pre-existing macroeconomic imbalances in the housing market have been exacerbated, with house prices and private debt increasing further.

Solid government finances served as a bulwark against the pandemic fall-out.

- Sweden entered the pandemic with strong finances.
- As of mid-March 2020, the government introduced several extraordinary budget amendments to mitigate the impact of the pandemic.
- Beyond fiscal measures, the Swedish central bank acted decisively to ensure financing for to commercial banks and businesses.

Graph 1.2: Key fiscal indicators



Source: European Commission

- Public finances are expected to remain solid in 2022, while addressing geopolitical effects.
- The expected improvement in the general government balance will further improve fiscal sustainability.
- Further bolstering competitive sustainability post-COVID
- Looking forward, Sweden aims to strengthen competitive sustainability in several policy areas.
- Sweden’s objective of achieving carbon neutrality by 2045 guides its strategic direction on climate policy
- Sweden will continue its work on improving digitalisation.

THE RECOVERY AND RESILIENCE PLAN IS UNDERWAY

- The Swedish recovery and resilience plan (RRP) includes a comprehensive set of mutually supporting reforms and investments that will support economic recovery and growth, and improve social, economic and institutional resilience.
- The RRP supports a swift recovery by frontloading the implementation of key investments and reforms.
- Measures in the RRP will help accelerate the green and digital transition, with lasting impacts on the Swedish economy.
- The RRP includes measures to tackle education and skills gaps, but specific challenges remain.
- The RRP also includes measures to increase the accessibility, capacity and resilience of the health and long-term care system
- The RRP is expected to reduce the risk of money laundering in the financial system.
- The RRP only partially addresses existing macroeconomic imbalances in the housing market and private debt.

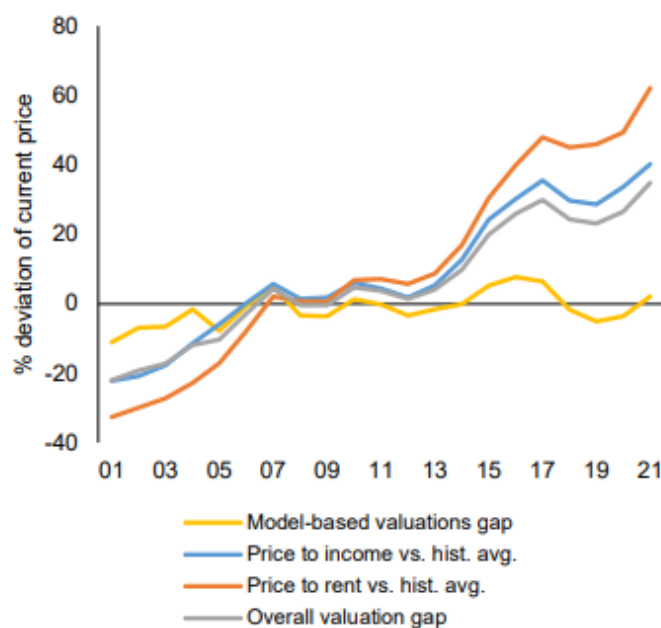
FURTHER PRIORITIES AHEAD

- Beyond the challenges addressed by the RRP Sweden faces additional challenges not sufficiently covered by the plan.

Tackling deeper imbalances on the housing market

- Sweden faces macroeconomic imbalances in the form of high levels of household debt associated with elevated house prices

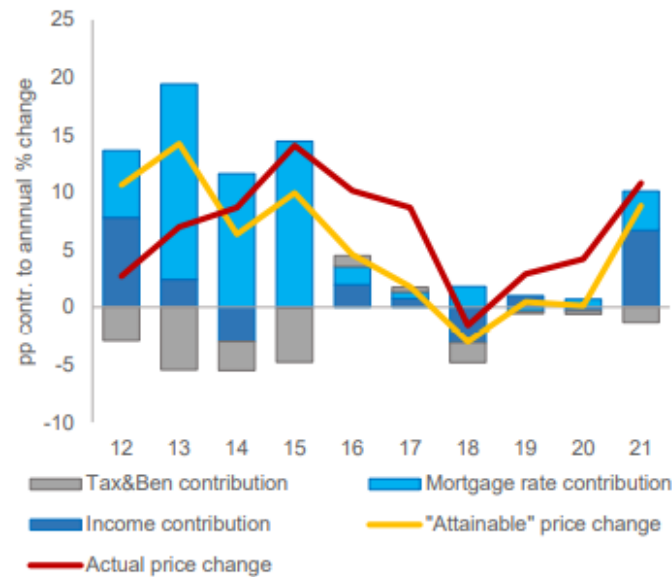
Graph 3.1: House price overvaluation gap



Source: European Commission

- House price growth accelerated during 2021, while housing construction continued apace.
- The treatment of housing taxation puts a dent in fiscal revenues.
- The tax advantage of mortgage interest deductibility (MID) and, with it, the foregone revenues of the government varies with the interest rate.
- The poorly functioning rental market hardly is an alternative to purchasing property.

Graph 3.2: Sweden national average: actual vs 'attainable' house price change



(1) The attainable price level indicates the development in maximum price households can pay as the indicated factors change.

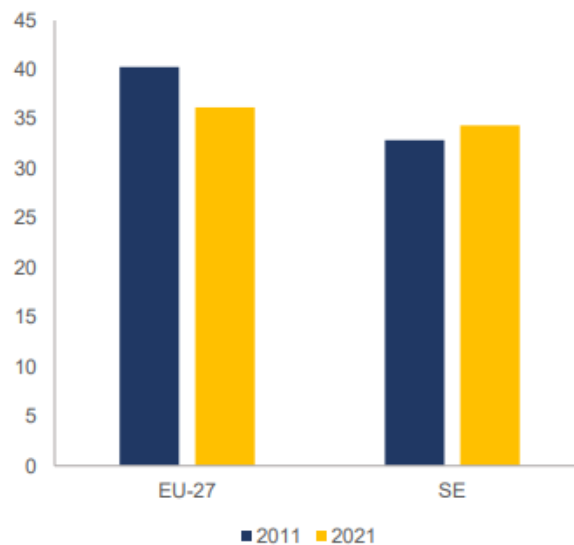
Source: European Commission

- Policy measures have still not sufficiently addressed housing debt and house price imbalances.

Labour market integration and education gaps

- In Sweden, demand for labour is tilted towards skilled labour.
- A sizeable group of workers lacks the skills to grasp the opportunities the Swedish labour market offers.
- Unemployment is highest among those with low levels of education.
- Higher educational attainment improves the chances of finding employment.

Graph 3.3: **Proportion of people born outside Sweden with low levels of education**



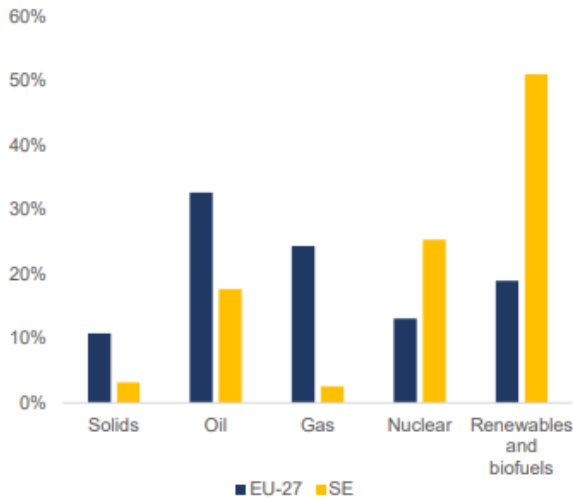
Source: European Commission

- A high number of pupils from diverse socio-economic and migrant backgrounds do not manage to achieve their full learning potential.
- Policy actions beyond those in the RRP could further improve labour market integration and reduce educational gaps.

Reducing further the dependence on fossil fuels

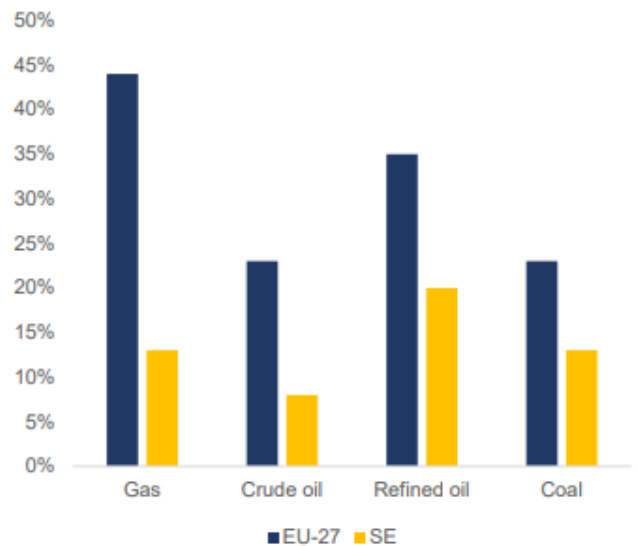
- In line with the overall EU aim, also Sweden needs to even further reduce dependence on Russian fossil fuels.

Graph 3.4: Energy mix (% of gross inland consumption in 2020)



Source: European Commission

Graph 3.5: Dependence on Russian fossil fuels (% of total imports in 2020)



Source: European Commission

- Additional renewable energy resources and energy efficiency can further lower Sweden's use of fossil fuels.
- Sweden has an ambitious national climate strategy.
- Constraints on the capacity of the power grid hinder electrification.

To read the full report click [here](#)

USEFUL INFORMATION

USEFUL TEL. NUMBERS



- **Taxis in Stockholm:**
Taxi Stockholm: +46 8 15 00 00
- **FMA contact -**
Elisabetta Fonck: +32 479 30 02 86
- **FMA office contact -**
Valerie Raskin: +32 2 28 40703

HOTEL INFORMATION



Hotel Hobo Stockholm — Boutique Hotel
Address: 4, Brunkebergstorg, Norrmalm, 111 51 Stockholm
Phone: + 46 (0)8-57 88 27 00

TOURISM OFFICE



Visit Stockholm Contact Center

Adress: touristinfo@stockholm.se

Phone: +46(0)8-508 28 508

Hours:

Monday - Friday : 9am / 18pm

Saturday & Sunday : 9am / 15pm

SWEDISH CURRENCY



The official currency of Stockholm is the Swedish crown (kr) and its symbol is SEK. Each crown is divided into 100 öre. Although it is always better to have cash, you can pay almost everywhere in the capital by credit card.

Options:

- Change the money in the country of origin.
- Use a card that does not charge fees for use abroad.
- Exchange offices: Forex, X-Change and Exchange
- Exchange rates as of February 20, 2023 :
1 SEK = 0.0903 EUR

