

NORDIC BUSINESS IS AN ESSENTIAL PART OF THE CLIMATE SOLUTION

Climate change is one of the greatest challenges that the world has ever faced. The Nordic business sector is determined to be part of the solution and wants to contribute as constructively as possible.

THE NORDIC BUSINESS SECTOR STANDS BEHIND THE CLIMATE NEUTRALITY AMBITION

The conclusions of the IPCC 1.5 degree special report is clear. The world must act to limit global warming to 1.5 degrees. This requires net-zero emissions globally by 2050. Significant efforts need to take place at all levels; both national, regional and global. We urge all countries to step up their efforts and national determined contributions.

We believe that the Nordic region has a role to play internationally in this task. Not least through showcasing ways to combine competitiveness with a climate neutral Nordic region, and increasing welfare. Solutions by competitive and innovative companies is a central part of this.

COOPERATION IS A CORNERSTONE

The Nordic business organisations are convinced that cooperation is a cornerstone in meeting the climate challenge. Different parts of society need to work together to find solutions. All sectors will have to decarbonize, and making use of sector integration and symbioses will support cost-efficient transformation. Climate neutral energy, energy efficiency and electrification in combination with digitalization are no-regret options, but new solution needs to be developed as well. Research, innovation and development are areas where cooperation will be particularly important.

Cooperation between countries is also needed. We strongly believe that a deeper cooperation in climate related issues in the Nordic region is positive.

BUSINESSES ARE COMMITTED TO PROVIDING THE SOLUTIONS

Business, individual companies and sectors, in the Nordic region has taken lead in the climate arena. Both nationally, on EU level and globally. We see a lot of activities and initiatives that in many cases are much more ambitious than competitors in other countries. Several business sectors in the Nordic countries have developed roadmaps for how to achieve climate neutrality. An increasing number of companies are committing themselves to ambitious climate goals and strategies.

Nordic companies are global forerunners in sustainability and climate action in several sectors, for example manufacturing and energy industry. We also have Nordic companies developing solutions for low-carbon mobility like e-mobility and bio-based fuels. The de-carbonization of the energy systems delivers heat and electricity with low or zero emissions.

The Nordic business sector is determined to be part of the solution. Nordic companies will continue to deliver contributions that will help societies reach climate targets. That includes developing smart products and solutions that delivers reduced emissions to and at end-consumers, both in the Nordic region and globally. But it also includes developing smarter processes and enhance climate performance in internal processes and value chains. For example, Nordic countries are among the top countries in global scoring, like indexes on cleantech and eco-innovation.

We want to strengthen the position that the Nordic business sector has as global climate frontrunners. To accomplish this, we need to cooperate with the Nordic governments. A successful development and transformation will require the right framework conditions and a good business environment.

COMPETITIVENESS IS KEY

Competitiveness is key for the business sector's transition and investments. Competitiveness and climate ambition go hand in hand. Firstly, only competitive companies will have the necessary resources to develop and finally invest in future solutions. Secondly, companies that develop and export competitive low-emission products will contribute globally to tackle climate change, while competitiveness is strengthened. A generally good business environment in the Nordic countries is therefore a necessary and important part of a successful climate policy framework that will bring positive effects both in the Nordic region as well as globally. Competitiveness is however not a steady state that can be taken for granted. Market conditions and competition changes all the time, and it is important that our Nordic companies can compete internationally both during the transition phase and after investments have come in place. In this aspect, it is necessary to always keep the global perspective in mind and adapt policy measures to the circumstances created by climate ambition in other parts of the world.

WELL-BALANCED POLICIES ARE NEEDED

Reaching climate neutrality by 2050 will require a facilitative framework consisting of well-balanced policies.

Carbon-pricing mechanisms, such as the EU ETS (Emissions Trading Scheme), is a central part of climate policy. The long-term goal needs to be a global price on CO₂ and a proper guidance for international carbon market mechanisms under the Paris agreement. In the meanwhile, it is important that national and regional carbon prices are developed in all countries. These needs to be balanced, so they stimulate reduced emissions at the same time as it takes international competitiveness in consideration.

Climate policy also needs to be coherent and developed from a helicopter perspective. The policy framework should be effective, which includes avoiding overlapping policies and symbolic policy measures. Climate policy must bring results, and especially not move emissions to other regions.

The policy framework needs to consider that different sectors have different challenges and timelines. Policy therefore needs to be flexible and the differences in sectors needs to be reflected through sector-specific policies. We believe that market-based policies and instruments are the best way to stimulate climate action in a competitive way.

THE NORDIC BUSINESS ORGANISATIONS ARE DEDICATED TO CONTRIBUTE

The five major business federations in the Nordics together represent 115 000 companies.

The actual work to limit climate change will take place in our member companies. Our job as business organisations is to offer reliable information to decision-makers, to ensure that the conditions for a successful transformation towards a competitive and climate neutral Nordic region is in place. Then, companies can focus on providing the solutions. The Nordic Business federations will continue to:

- Stress the importance of the Paris agreement and the need for rapid increases of efforts in the international business arenas.
- Showcase positive and ambitious initiatives and solutions from the Nordic business sector where climate ambition and competitiveness go hand in hand.
- Support a science-based long-term climate policy, with the target of net-zero emissions by 2050 globally in focus.