

Sweden's national reform programme **2016**

Europe 2020 – the EU's strategy for smart, sustainable and inclusive growth



REGERINGSKANSLIET

Government Offices
of Sweden

Sweden's National Reform Programme 2016

**Europe 2020 – the EU's strategy for smart,
sustainable and inclusive growth**

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1. Introduction

The Europe 2020 Strategy is the EU's common strategy for growth and jobs that has been in place since June 2010. The aim of the strategy is to improve the conditions for full employment and inclusive sustainable growth up to 2020. The strategy is based on three priorities that are mutually reinforcing:

- Smart growth: developing an economy based on knowledge and innovation,
- Sustainable growth: foster a more resource-efficient, greener and more competitive economy, and
- Inclusive growth: stimulating an economy with high employment and social and territorial cohesion.

In April each year, the Member States submit a National Reform Programme to the Commission, which reports on implementation of the Europe 2020 strategy in national policies, undertakings implemented and progress achieved over the past year, as well as a description of planned measures. The Europe 2020 strategy is based on the integrated economic and employment policy guidelines.¹ The reporting shall also reflect the overarching priorities for the European Semester.

Sweden's National Reform Programme for 2016 is mainly based on the initiatives and reform ambitions proposed by the Government in the Budget Bill for 2016 and the Spring Fiscal Policy Bill for 2016. It also reflects three overall priorities for the European Semester that were adopted at the meeting of the European Council in March 2016:

- a boost to investment,
- a renewed commitment to structural reforms to modernise our economies, and
- pursuing fiscal responsibility.

An appendix to this year's programme also includes contributions received from the social partners, the Swedish Association of Local Authorities and Regions (SALAR), regional and local actors and organisations in civil society. The Government has not taken a position on these contributions.

Reform policy

Sweden shall be a cohesive country in terms of equality, development and employment. Everyone who is able to work should work. Sweden will compete with knowledge and skills, not low wages. The thirst for knowledge shall be encouraged in every child. Climate impact must continue to decline. Sweden aims to become one of the first fossil-

¹ Council recommendation (EU) 2015/1184 of 14 July 2015 on broad guidelines for the economic policies of the Member States and of the European Union. Council Decision (EU) 2015/1848 of 5 October 2015 on guidelines for the employment policies of the Member States for 2015.

free welfare countries in the world. The people who migrate to Sweden and have grounds for asylum shall not only be provided safety and security; we must also put their energy and skills to good use. Welfare must be strengthened so that free and secure people can continue working together to build a strong Sweden

Presented below are the areas that affect the Europe 2020 strategy and that can be found in the Spring Fiscal Policy Bill of 13 April as regards the focus of policy in coming years.

Economic conditions

The Swedish economy is demonstrating robust growth. Growth was about 4 per cent in 2015, clearly outperforming the average growth rate in Sweden for the past 20 years. Growth was also very high in comparison with many other countries. Unemployment declined significantly in 2015 and is currently around 7 per cent, the lowest level in seven years. Youth unemployment and long-term unemployment have also fallen. Even though labour market trends are positive, unemployment remains too high.

Sound public finances are a prerequisite for stable financing of the common welfare and the capacity to pursue an active labour market policy when the economy is weak. The Government has recast the fiscal policy and the deficit has declined considerably since the Government took office in 2014. The large number of applicants for asylum who arrived in Sweden in 2015 and the important investments being made so that new arrivals will be able to quickly become established in society and in the labour market entail non-recurring costs that have temporarily weakened net lending.

Sustainable reception and efficient establishment of immigrants

Millions of people are fleeing war around the world. In 2015, 163 000 people applied for asylum in Sweden. This is the highest number of applicants for asylum in the modern history of Sweden, and far higher than the number most other EU countries accepted in relation to their population size. This is a humanitarian effort to be proud of. The number of people who came to Sweden in the autumn of 2015 to escape war and oppression was higher than Sweden's reception capacity could manage at one time. In response, the Government has proposed changes to the migration policy, including temporary border and ID controls. These measures have had an effect. New measures are also required to help new arrivals becoming established in the Swedish labour market faster. The current focus is that everyone, both new arrivals and other unemployed people, should be able to find a job and contribute to building our society. The Government is reinforcing the process by giving people who have migrated to Sweden favourable conditions for rapid entry to Swedish society. While this is a great challenge, there is also tremendous potential in successful establishment programmes. Jobs are the key to establishing new arrivals in Sweden.

Many new arrivals have both education and experience in areas where there are labour shortages. In response, the Government has invested in initiatives to improve validation and has, jointly with the social partners, presented several 'fast tracks' in occupations where labour shortages exist. The Government must successfully cope with all dimensions of the refugee situation.

Unemployment must be reduced

Fiscal policy is governed by the Government's target of having the lowest unemployment in the EU by 2020. The target will be attained through increasing the number of men and women in work and the number of hours worked in the economy. The objective is ambitious and imposes high demands on political action. Even though the trend is positive, there are still far too many people who have a weak foothold in the labour market. This applies in particular to people with a short education and people who have recently arrived in Sweden. A great many people applied for asylum in Sweden in 2015. Consequently, there will be a large number of new Swedes with varying prerequisites for entering the labour market in the next few years. This entails a further challenge to attaining the Government's ambitious target. The need for a policy for more people in work has become even more urgent.

We must invest in Sweden to make employment grow and reduce unemployment. Investments in jobs are being made through the Government's jobs agenda. The jobs agenda consists of three parts: investments in education and active labour market policy; investments in housing and infrastructure; and an active business policy to encourage more and growing enterprises. Investments in welfare are also a central component of the Government's jobs agenda.

For more people to secure jobs, we need to improve opportunities for training and matching initiatives. The need for action is apparent, as there are labour shortages in several areas coupled with high unemployment among people with a short education. The Government has begun a new knowledge boost programme in an initiative that will when fully deployed include more than 50 000 educational places in municipal adult education, vocational adult education, liberal adult education, universities and higher vocational education. There was a clear decline in youth unemployment in 2015, which is now essentially on par with the level before the financial crisis. As increasing numbers are now securing jobs across broad groups of young people, the Government's initiatives are aimed primarily at young people who are far removed from the labour market.

Investments in housing and infrastructure are improving people's opportunities to live well all over the country, but also to commute or move to where jobs are available. The Government is raising its ambitions in the infrastructure area and implementing the largest housing policy initiative in 20 years

An active business and innovation policy in the entire country is improving the business climate. The Government has appointed an innovation council, reporting directly to the Prime Minister, that continuously identifies measures that have the potential to strengthen Swedish innovation capacity. In addition, the Government has presented a new structure that significantly improves access to venture capital provided by the state to correct or complement private financing in the market, a new strategy to increase exports and a strategy for an industrial renaissance in Sweden.

Equal, knowledge-oriented schools with time for every student

Equal schools in which all children have the opportunity to develop to their fullest potential are a central aspect of building society. If Sweden is going to compete in the

global economy on the basis of knowledge and skill, academic performance in Swedish schools must improve. The foundation of the individual's opportunities to pursue higher education and become established in the labour market are laid in the schools. The schools are also where the foundations are laid for active participation and a society that does not reproduce the inequities of the previous generation.

The Government's objective for the education policy is knowledge-based education in equal schools where teachers have time for every pupil. In response, the Government has put priority on increased investments in education. A total of SEK 8.3 billion has been allocated to preschool through upper secondary education in 2015. The main direction is to improve knowledge outcomes through early intervention, greater equality and making the teaching profession more attractive.

Climate change is the defining issue of our time

Sweden aims to become one of the first fossil-free welfare countries in the world. Climate change is the Government's highest-priority environmental issue. The Government has taken new measures to reduce emissions of greenhouse gases in Sweden by 2020 and thereafter. Under the Government's policy, central government climate investments in Sweden and abroad amount to SEK 4.5 million in 2016. The investments are mainly concentrated in four areas: renewable energy, fossil-free travel, local climate investments and international climate investments. The Government is intensifying efforts to increase the instrumental impact of environmental taxes.

Increased welfare and equality

The Government's objective is that economic growth and prosperity in Sweden must benefit everyone. Collectively financed welfare, such as childcare, elderly care, education and healthcare, are central components of the Swedish model. General welfare contributes to social cohesion and equality. Welfare must be strengthened. Welfare services also make it possible for more people to work more and contribute to high labour force participation among both women and men. The public social insurance schemes based on the principle of compensating for loss of income and working conditions are also hallmarks of the Swedish model. These improve the adaptability of the Swedish economy and contribute to the fairer distribution of economic resources.

Combating inequality is important to building society

In an effective welfare society, illness or unemployment should not lead to economic exclusion. The Government has therefore raised the ceiling and the basic level of compensation in the unemployment insurance system. The Government has also abolished the maximum time limit in the sickness insurance system, which had previously resulted in many sick people losing their compensation. There is still need for reforms to improve the financial circumstances of the most vulnerable groups in society.

Increased equality between women and men

The Government's gender equality policy is based on the overarching objective that women and men must have equal power to shape society and their own lives. Gender equality is ultimately a matter of justice and democracy. The present disparities between women and men as regards life circumstances and income are unacceptable. The

Government believes that the gender equality perspective must be integrated in all parts of policy formation while special initiatives are implemented to increase equality between women and men. Aimed at improving gender equality in the labour market, the Government has introduced a third month of parental allowance reserved for each parent. The Government is also continuing initiatives in the welfare system that have a particular influence on women's opportunities to work.

Building our society takes precedence over large tax cuts

The Government gives building our society higher priority than further tax cuts and cutbacks. Our Swedish social model is the best foundation for a strong future Sweden characterised by equality and development. It must not be dismantled through cuts in welfare spending, a policy that widens the gaps, or central government intervention in wage formation. With the Swedish model as a foundation and modernisation of society as a tool, we are tackling the challenges of today and tomorrow. We are developing the qualities that make Sweden unique, and are seeking opportunities for cooperation to continue taking new steps towards growth, gender equality and sustainability.

2. Macroeconomic situation and scenario

Swedish economic performance was outstanding in 2015. GDP growth was more than 4 per cent, clearly above the average growth rate of 2.6 per cent 1993–2015. Export and investment growth exceeded expectations in 2015. The economy recovered at a fast pace and the labour market situation improved. Employment growth was high and unemployment fell significantly in 2015.

GDP growth is expected to remain high in 2016. In pace with rising resource utilisation, GDP growth is expected to slow somewhat in 2017. Relatively high growth in household consumption, large investments in the service sector, especially housing, and a positive contribution from foreign trade are expected to drive GDP growth over the next few years. Strong growth is expected in general government consumption expenditure, largely due to demographic developments, reception of applicants for asylum and government investments in healthcare, schools and social care.

The labour market situation clearly improved in 2015. Employment growth was strong and unemployment decreased significantly. Continued declines in unemployment are forecast for 2016 and 2017. The strong demand in the economy is expected to lead to faster growth in employment than in the labour force. The increase in employment is expected to be strong in the local government sector. Employment is also expected to increase at a good pace in private sector service industries and construction industries. The large number of people seeking asylum in Sweden is estimated to initially increase demand in the economy and contribute to a short-term decline in unemployment. However, the dip in unemployment is expected to level off starting in 2018 as increasing numbers of new arrivals enter the workforce. At a later date, the Government intends to present proposals on how Sweden should take further steps towards attaining the target of having the lowest unemployment in the EU by 2020.

Table 1. Macroeconomic key indicators*Percentage change unless otherwise indicated. Outcome 2015, forecast 2016–2020.*

	2015	2016	2017	2018	2019	2020
GDP ¹	4.1	3.8	2.2	1.8	2.1	2.9
GDP ^{1,2}	3.8	3.5	2.5	2.0	2.2	2.7
Output gap ³	-0.9	0.2	0.5	0.3	0.0	0.0
Employment ⁴	1.4	1.7	1.6	0.8	0.7	0.9
Employment rate ⁴	66.7	67.1	67.5	67.2	67.0	67.0
Hours worked ²	1.0	1.9	1.7	0.7	0.7	1.0
Productivity ^{2,5}	2.6	1.7	0.7	1.3	1.4	1.7
Unemployment ⁶	7.4	6.8	6.3	6.4	6.5	6.6
Hourly wage ⁷	2.4	3.1	3.3	3.4	3.4	3.4
CPI ⁸	0.0	0.9	1.6	2.3	3.2	3.2
CPIF ⁸	0.9	1.3	1.8	2.0	2.1	2.0

¹ Constant prices, reference year 2014.² Calendar-adjusted.³ The difference between actual and potential GDP as a percentage of potential GDP. Potential GDP cannot be observed and there are therefore no outcomes.⁴ Aged 15–74.⁵ Value added at base prices per hour worked.⁶ Per cent of the labour force, 15–74.⁷ Measured according to short-term wage statistics.⁸ Annual average.

Note: The forecast is based on reforms implemented thus far.

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

Economic development in the rest of the world was muted in 2015. Growth did not accelerate and the recovery was sluggish. Early 2016 has been characterised by financial volatility, with wide fluctuations in world stock markets. Uncertainty about the stability of Chinese growth and clearly weaker economic development in countries dependent upon commodities has contributed to creating uncertainty in the financial markets. The volatility was also exacerbated by signs of flagging economic development in many advanced economies.

Low interest rates and stronger investment growth, above all in the euro area, are expected, however, to contribute to maintaining the global economic recovery. This is an important prerequisite for sustained positive development in the Swedish economy.

Growth is expected to continue at a relatively low rate in the euro area, which is Sweden's most important export market, although the recovery is occurring in more countries and includes more sectors than before. However, high unemployment and low inflation are expected.

The recovery continued in 2015 in the US. Strong growth in employment has led to solid growth in household consumption. However, there are signs of a deceleration in GDP growth. Nevertheless, low interest rates are expected to maintain growth at a moderate level going forward. Growth in China is expected to further weaken somewhat in the next few years, but is expected thereafter to stabilise at a continued high level compared with many other countries.

The public finances improved between 2014 and 2015 by 1.6 per cent of GDP. Since taking office, the Government has pursued a tight fiscal policy. In addition, the improvement is attributable to the strong economic recovery and a number of temporary factors. The costs associated with applicants for asylum will increase in 2016 and 2017. The deficit in the public finances is therefore expected to increase through the end of 2017. General government net lending is expected to reach balance in 2019.

3. Initiatives and measures in response to main economic challenges

This section provides a general account of the initiatives and measures the Government has taken and intends to take in areas assessed as main economic challenges for Sweden's economy and which were also identified in the country-specific recommendation given to Sweden within the framework of the European Semester.

The Commission's country-specific recommendations published on 13 May 2015 state in summary that the Swedish medium-term budgetary objective, which reflects the requirements of the Stability and Growth Pact, will be met during the programme period. The Commission points out a number of challenges that Sweden still needs to address. One of these challenges is indebtedness in the private sector, which is regarded as a continued cause for concern. A related challenge is the Swedish housing market, which according to the Commission remains a potential source of macroeconomic instability.

In the Council Decision of 14 July 2015, the Council recommends that Sweden take action in 2015 and 2016 to:

1. Address the rise in household debt by adjusting fiscal incentives, in particular by gradually limiting the tax deductibility of mortgage interest payments or by increasing recurrent property taxes, and by increasing the pace of mortgage amortisation. Alleviate the structural under-supply of housing, foster competition in the construction sector, streamline the planning and appeals procedures for construction and revise the rent-setting system to allow more market-oriented rent levels.

Within the framework of the European Semester, the Commission published a country report for Sweden on 26 February 2016. The country report assesses Sweden's economy in the light of the Commission's Annual Growth Survey published on 26 November 2015, which recommends priorities for economic and employment policy for the next 12 months. The country report focuses on issues including household indebtedness, the housing market and the labour market situation for foreign-born people, particularly in the light of the large number of applicants for asylum, as key challenges for the Swedish economy. This section addresses household indebtedness and the housing market. The other challenges are addressed in subsequent sections.

The Government welcomes the reviews conducted within the framework of the European Semester. In the Government's view, the work performed in connection with the European Semester is a way of encouraging responsible economic policy and attaining the targets the Member States have jointly agreed.

3.1 Private debt

Summary – examples of measures taken and planned

- An amortisation requirement will be introduced for new mortgage borrowers. The planned effective date of the regulation is 1 June 2016.
- The Swedish Financial Supervisory Authority (*Finansinspektionen*) decided in 2015 to increase the countercyclical capital buffer.
- The Basel III accord was implemented in Sweden in 2014. A greater percentage of the capital requirement will be filled by higher quality capital. Capital buffer requirements have been introduced, entailing higher capital adequacy requirements for Swedish institutions.
- The risk weight floor of 15 per cent for Swedish mortgages that was introduced by *Finansinspektionen* in 2013 was raised to 25 per cent in 2014..
- A mortgage loan-to-value limit was instituted in 2010: New loans should not exceed 85 per cent of the market value of the property.

The Government's view of the recommendation

The Government shares the Commission's assessment that increasing household indebtedness poses a risk to the macroeconomic stability. A steep increase in household debt has often tended to precede deeper and more protracted economic downturns. House prices and household debt have risen at a relatively fast rate in Sweden since the mid-1990s. Prices also increased in many other OECD countries in the 1990s and early 2000s, but unlike developments in these countries, there were no significant price corrections in Sweden in connection with the financial crisis of 2008 and 2009. Lending to households has rapidly increased in recent years and the annual growth rate was 7.5 per cent in December 2015. Loans secured by residential property are the primary growth drivers. House prices have also increased sharply in recent years, especially for tenant-owned apartments.

A large part of the increase in house prices and household indebtedness since the mid-1990s can be explained by structural and macroeconomic factors. Increasing numbers of households own their homes. The supply of housing, especially in large cities, has grown more slowly than the population and housing-related taxes have been lowered, especially in connection with the introduction of a municipal property charge in 2008. In parallel, household incomes have increased at a healthy rate and the real interest rate has declined. Rapidly rising house prices exacerbate the risk of a price downturn. A sharp downturn in house prices can have substantial impact on household wealth. As real household wealth is declining, there is risk that households will also reduce consumption, which in turn poses a risk to the macroeconomic stability.

In its annual mortgage survey in 2016, *Finansinspektionen* determined that households have good financial margins for handling both interest increases and loss of income. This reduces the risk that banks and other credit institutions will sustain credit losses on home mortgages.

The Government believes it is critically important to take carefully considered measures to check the rate of growth in household indebtedness, so that the measures do not trigger a rapid and uncontrolled downturn in house prices resulting in serious adverse impact on economic growth and employment.

The Government shares the Commission's view that the structure of the tax system can influence household indebtedness. However, it is important to maintain stable and predictable rules for decisions as important as the decision to buy a home. The need for measures in the area must be viewed from a long-term perspective and handled with care due to the negative effects on growth that a change may have. This applies in particular to the question of tax relief on interest payments. Too rapid a phase-out of tax relief on interest may have negative effects on household consumption and the economic recovery.

In addition to phasing out interest deductibility, the Commission recommends higher taxation of privately owned property. However, there is no political support in Sweden for shifting taxation in such a direction. The former state property tax was changed to the present system of property charges due to criticism that it was unfair and that it lacked popular support.

Finansinspektionen's annual mortgage survey shows that the percentage of new mortgage borrowers who are paying down the principal of their loans has increased in recent years. In 2011, four out of ten mortgage borrowers amortised their loans, while seven out of ten new borrowers amortised their loans in 2015. However, behaviour varies widely depending upon the loan-to-value ratios of mortgage borrowers. In 2015, about eight out of ten households with LTV of 70–85 per cent amortised their new mortgages. That same year, only five out of ten households with LTV of 50–70 per cent amortised their new mortgages.

The Government's fundamental conviction is that increased amortisation will reduce indebtedness over the long term and improve household resiliency against disruptions. A proposal was made in the Amortisation Requirement Bill (2015/16:89) to give Finansinspektionen a mandate to issue regulations concerning amortisation requirements on all new mortgage loans to counteract macroeconomic stability risks associated with household indebtedness. The Bill was presented to the Riksdag on 9 February 2016. The Riksdag adopted the Bill on 23 March 2016.

Initiatives and measures

Several measures have been taken to strengthen the resiliency of the financial system. To ensure that banks maintain sufficient capital to cover the risks in the Swedish mortgage portfolio, Finansinspektionen introduced a risk weight floor of 15 per cent for Swedish mortgages in May 2013. Finansinspektionen subsequently raised the risk weight floor to 25 per cent in September 2014. Higher risk weights mean that the banks, given existing lending, need to finance themselves with more capital. The measure is estimated to increase the cost of banks' financing to some extent. The Basel III accord was implemented in the EU in 2014 when the Capital Requirements Regulation (CRR) went into effect and the Fourth Capital Requirements Directive (CRD IV) was transposed into Swedish law. The new regulatory framework means that a greater proportion of capital

requirements must be filled by higher-quality capital; that is, capital with better loss-absorbing capacity. Through the new regulatory framework, capital buffer requirements have also been introduced, which have entailed higher capital adequacy requirements for Swedish institutions, particularly systemically important institutions. In May 2015, Finansinspektionen proposed raising the countercyclical capital buffer from 1.0 per cent to 1.5 per cent. The increase in the countercyclical capital buffer will take effect in June 2016.

Several measures have also been taken in recent years to mitigate the risks of household indebtedness. In autumn 2010 Finansinspektionen adopted general guidelines for mortgages with the home as collateral. The mortgage loan-to-value ceiling meant that new loans should not exceed 85 per cent of the market value of the property. Finansinspektionen's annual mortgage survey has shown that the proportion of new mortgages with LTV above 85 per cent has declined sharply since 2010.

In February 2016, the Government proposed legislative amendments in the Amortisation Requirement Bill (2015/16:89) that would give Finansinspektionen clearer legislative support for introducing an amortisation requirement. The Riksdag decided in March to adopt the proposed legislative amendments with a rider to the provision concerning the effective date and with certain positions regarding how regulations on the amortisation requirement at a level below law should be drafted. Finansinspektionen is expected to issue regulations on how the amortisation requirement should be formulated, with an effective date of 1 June 2016. The purpose of the amortisation requirement is to mitigate macroeconomic risks that may arise in the event of unexpected events in households or in the external world, which may deepen recessions and thus have negative effects on growth in the economy.

In spring 2016, the Government commenced wide-ranging political dialogues about housing policy with several of the other parties represented in the Riksdag. One of the areas of discussion is a review of certain tax matters aimed at promoting greater mobility in the housing market within the confines of current taxation of the housing sector. The Government and responsible agencies are closely following developments to see if further measures may become necessary. It is now important to evaluate the measures that have already been implemented, measures planned for implementation within the near future and how the measures interact with each other. Financial crises have proved to be very costly and therefore constitute a serious threat to stable economic development and the public finances. The work of ensuring a stable financial system in the wake of the financial crisis therefore continues to be given high priority by the Government.

3.2 The housing market

Summary – examples of initiatives and measures

- The Planning and Building Act has been amended to make the planning and building permit process simpler and more efficient. Overall, the amendments entail simpler and more predictable regulations for planning and building housing. Examples of changes:
 - a) The process of rescinding ‘plot divisions’ has been simplified.
 - b) The provisions on the implementation period for detailed development plans were clarified.
 - c) The rules on how land allocations and development agreements must be reported during the detailed development planning process have been coordinated.
 - d) The group of people with standing to appeal a decision on construction start has been expanded.
 - e) The Government may set time limits for the processing of ‘notification matters’ by municipal building and planning boards.
- The Environmental Code was amended with regard to outdoor noise. The Government has also adopted a new ordinance on traffic noise in connection with housing construction. The purpose of the Ordinance is to achieve consistent rules in the area, which should make it easier to plan for more housing in locations exposed to noise.
- Aimed at shortening the appeals chain concerning detailed development plans and area regulations, the Planning and Building Act was amended effective 1 June 2016. Under the amendments, municipal decisions to adopt, amend or rescind detailed development plans or area regulations will no longer be appealed to the County Administrative Board, but directly to the Land and Environment Court.

The Government's view of the recommendation

The Government shares the assessment that long planning and building permit processes can slow down new production of housing and have a negative effect on competition and costs. Not least importantly, long planning and building permit processes can constrain efficient competition, since they make it difficult for small and medium-sized contractors to participate in projects that require planning. Small improvements can be made gradually and, taken together, improve the conditions for housing construction, but the Government also finds that a great deal has already been done to improve, simplify and streamline the relevant regulations and processes. Aimed at creating good long-term conditions for housing construction, the Government has invited most parties represented in the Riksdag to engage in housing policy discussions that will be ongoing in spring 2016.

Preparation and evaluation are in progress concerning several reports in the area that were submitted in 2015 by the Planning Process Inquiry, the Housing Planning Committee, the Construction Market Competition Inquiry and the Commission of Inquiry on Areas of National Interest.

Initiatives and measures

Institutional conditions significant to housing construction

A simpler and more effective planning and building process

The bill New Steps towards a More Efficient Planning and Building Act and Increased Legal Certainty for Operators (Govt. Bill 2014/15:122, *Nya steg för en effektivare plan- och bygglag och ökad rättssäkerhet för verksamhetsutövare*) proposes amendments to the Planning and Building Act to make the planning and building permit process simpler and more efficient. Overall, the proposals entail simpler and more predictable regulations for planning and building housing. The bill was passed by the Riksdag in November 2015 and the amendments went into force 1 January 2016.

The amendments included simplification of the process to rescind ‘plot divisions’, clarification of the implementation period for detailed development plans and coordination of how land allocations and development agreements must be reported during the detailed development planning process. The group of people with standing to appeal a construction start decision was expanded and the Government was empowered to regulate municipal processing times for notification matters. The provisions on how decisions on permits and preliminary decisions should be expedited were also amended. Consequent upon the proposals, the Government has taken actions including determining time limits in the Planning and Building Ordinance for processing by municipal planning and building departments of ‘notification matters’, which are measures that must be notified to planning and building departments before they are commenced. According to the decision, which will enter into force 1 July 2016, municipal planning and building departments must deal with matters promptly and render their decision as to whether construction may start within four weeks of the date the department received all necessary information. If the matter is one of great importance or would set a precedent, however, the board may render the decision concerning construction start within eight weeks of that date.

The Completion Warranty Insurance Act will also be amended by reason of the provisions on ‘ancillary dwellings’ so that completion warranty insurance will not be required for certain measures that have been exempted from building permit requirements.

The provisions in the Environmental Code concerning outdoor noise were amended effective 1 January 2016. The amendments are aimed at assuring legal certainty for operators in connection with consideration of a new or amended permit. The permit authority will not be allowed to adopt stricter requirements for outdoor noise than those specified in a detailed development plan or building permit in connection with

consideration of permits for environmentally hazardous operations. Moreover, an exemption from penal liability for prohibited environmental activities was introduced with regard to cases in which an operator violates a condition of an environmental permit concerning outdoor noise but complies with noise specifications in a detailed development plan or a building permit issued in accordance with the Planning and Building Act.

The Government has also adopted a new ordinance on traffic noise in connection with housing construction. The purpose of the ordinance is to achieve consistent rules in the area, which should make it easier to plan for more housing in locations exposed to noise. The ordinance specifies standard values for outdoor noise in connection with housing construction. The new standard values came into force on 1 June 2015. The ordinance applies both to the planning stage under the Planning and Building Act and permit consideration under the Environmental Code.

Based on a proposal in A Shorter Appeals Chain for Detailed Development Plans and Area Regulations (Govt. Bill 2015/16:55, *En kortare instanskedja för detaljplaner och områdesbestämmelser*), the Riksdag decided on 9 March 2016 to amend the Planning and Building Act so that municipal decisions to adopt, amend or rescind detailed development plans or area regulations will no longer be appealed to the County Administrative Board, but directly to the Land and Environment Court. The proposal is aimed at streamlining judicial review of such decisions while maintaining legal security, among else through that detailed development plans and area regulations will be able to take legal effect sooner. The intent is to make it possible for pressing social building projects, such as the construction of new housing, to be started and completed earlier and at lower cost than presently. At the same time, the proposal strengthens the role of the County Administrative Board as a consultation party and promoter within the framework of municipal housing supply planning and the spatial planning process. This would enable County Administrative Boards to more actively represent state interests and work towards attainment of the Government's goals in various policy areas, particularly housing supply, within the framework of municipal planning. The regulations came into force 1 June 2016.

Ongoing reform efforts

The Planning Process Inquiry submitted its report, Better Cooperation between Central Government and Municipalities – In Connection with Planning for Building (SOU 2015:109, *Bättre samarbete mellan stat och kommun vid planering för byggande*) in December 2015. The Inquiry's proposals include: municipalities should be given clear planning directives from the County Administrative Board before and during the detailed development planning process; restrictions on what may be regulated in a detailed development plan; time limits for processing by the County Administrative Board after a decision on appeal; the Mapping, Cadastral and Land Registration Authority (Lantmäteriet) should be tasked with issuing, upon request, an appraisal of value that will serve as a guideline to municipalities and the central government in negotiations on municipal acquisitions of state-owned land; and that the Government should task the National Board of Housing, Building and Planning (Boverket) and the County Administrative Boards with carrying out skills development initiatives. The Inquiry also finds that opportunities to regulate forms of tenure (such as rental housing) through

planning should be further examined. The report is currently being circulated for consultation .

As regards opportunities to foster competition in the building sector, the Construction Market Competition Inquiry submitted its report, Room for More that Build More (SOU 2015:105, *Plats för fler som bygger mer*) in December 2015. The report contains a number of deliberations concerning what the central government, municipalities and municipal housing companies can do to foster competition in the housing construction sector. The report has been circulated for consultation.

The Housing Planning Committee submitted its report, New Regional Planning – Greater Coordination and Better Housing Supply (SOU 2015:59, *En ny regional planering – ökad samordning och bättre bostadsförsörjning*), in which the Committee's proposals included new regional planning for greater coordination and better housing supply. The Committee's three main proposals are calls for increased coordination between a number of specified planning types (regional planning for transport infrastructure, growth and public transport and municipal planning for housing supply), regional spatial planning and a national strategy for spatial planning and housing supply. According to the Committee, the proposals should be implemented by 1 January 2019, in part through a new law on regional spatial planning. The proposal has been circulated for consultation and is currently being prepared in the Government Offices.

Aimed at encouraging rental housing construction, which can help ease demand pressure and thus check price growth in owner-occupied housing, the Government has allocated funds for the purpose of instituting investment grants for rental housing and student housing.

The Commission of Inquiry on Areas of National Interest has reviewed whether the current 'national interests' correspond to present and future needs and proposes relatively comprehensive changes to the system in its report, Planning and Decisions for Sustainable Development (SOU 2015:99, *Planering och beslut för hållbar utveckling*). These proposals include that County Administrative Boards and the Government should be able to grant exemptions from the requirement to safeguard national interests if it is of general public importance to use the land for housing construction, for example, provided that it promotes sustainable development from the ecological, social, cultural and national economic perspectives. The proposals are being prepared in the Government Offices.

The question of how planning and building regulations can be more appropriate and effective is high on the Government's agenda. The Government has adopted two measures to encourage municipalities to promote new housing construction. The first is a grant that is directly related to housing construction in Swedish municipalities and the second is a grant for remediation of ground pollution to permit new housing construction. The City Environment Agreements, which involve co-financing of municipal investments to encourage sustainable personal travel in cities, are another important tool. The National Negotiation on Housing and Infrastructure (NNHI) is another action, where a special committee has been established to draft proposals that can enable rapid implementation of high-speed rail projects between Stockholm and

Göteborg and Stockholm and Malmö. This involves proposing funding principles and a development strategy as well as identifying route and station options in and around towns and cities. The NNHI has also been tasked with submitting proposals for transport infrastructure investments and housing construction in the three large cities of Stockholm, Göteborg and Malmö.

Institutional conditions significant to the rental housing market

New conditions for non-profit municipal housing companies

In 2010 the legislation on non-profit municipal housing companies was reformed so that they are now required to combine market-based operations with social responsibility. The Tenancy Act and the Rent Negotiation Act were amended at the same time. The latter amendments mean that for a direct comparative review of rent the comparison should no longer be primarily with the rent for housing offered by a non-profit housing company but with housing in which rents are collectively negotiated, regardless of whether it is owned by non-profit or private landlords. At the same time it was made easier for the negotiating parties to adjust rents for housing they have agreed were incorrect in terms of the utility value principle. This change means that, where applicable, rents for existing tenants can be adjusted gradually over the course of a few years, while new tenants will pay the correct utility value rent from the start.

The reform put non-profit limited liability municipal housing companies and private landlords on equal terms and is expected to have an effect on the long-term functioning of the rental housing market. Although all such processes take time, it has been important to implement the changes with the support of organisations in the rental housing market.

The Government has instructed Boverket to monitor the consequences of all aspects of the legislative amendments that entered into force on 1 January 2011 to enable full-scale evaluation once sufficient time has elapsed to carry out a meaningful review. At the same time it can be noted that rents in new production, regardless of how they are set, are considerably higher than in the existing stock. The special rules for presumptive periods have also been amended so that the contractual rents set to generate reasonable return on the investment apply for 15 years before any utility value review can be made.

Ongoing processes

The Government appointed a commission of inquiry in 2015 that has been tasked with reviewing how the status of tenants can be strengthened so that rental housing will be an attractive and secure form of housing in the future (Dir. 2015:83). The inquiry is to submit its report by 1 February 2017. In March 2016, the Government also appointed a lead negotiator to draft proposals aimed at improving the rent-setting system jointly with the major interest organisations in the rental housing market: the Swedish Property Federation, the National Association of the Swedish Union of Tenants and SABO, the Swedish Association of Public Housing Companies. A report will be presented by 10 May 2016.

4. Progress towards the targets of the Europe 2020 strategy

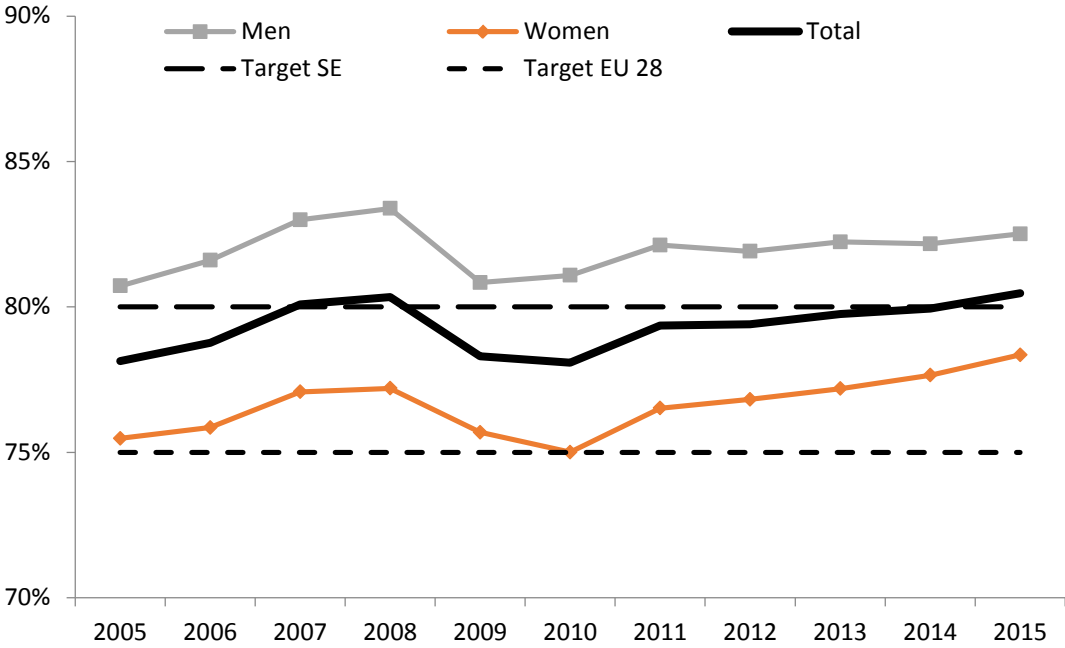
The Member States have set up national targets in the same areas as the overall Europe 2020 targets taking into account their relative baselines and national circumstances and in accordance with their national decision-making processes.

4.1 The employment target

Sweden's national targets
To try to increase the employment rate to well over 80 per cent for women and men aged 20–64 by 2020. The increase is mainly to be achieved among groups with a weak foothold in the labour market, such as young people and people born outside Sweden, by counteracting long periods without work. The difference in employment rates between women and men must be reduced by increasing the employment rate of women.

Current situation

Figure 1. Employment rate development for women and men aged 20–64 in Sweden, 2005–2014, compared with the Europe 2020 target for Sweden (well over 80%) and the entire EU (75%).



Source: Statistics Sweden.

Sweden has had the highest employment rate in the EU for virtually all of the period of 2005–2015. The employment rate for people aged 20–64 has increased by 2.4 percentage points since 2005, reaching 80.5 per cent in 2015 (78.4 per cent for women and 82.5 per cent for men). This is 11 percentage points higher than the EU28 average in 2014, according to Eurostat. High labour force participation is a strong contributor to the high employment rate. The difference compared with other EU countries is especially apparent

in relation to women, where the relative labour force rate in 2014 was around 83 per cent in Sweden, compared with around 71 per cent in the EU28.

The trend in Sweden has been especially strong among older workers (55–64), where the employment rate rose by 5 percentage points during the period of 2005–2015, reaching 75 per cent in 2015. Although foreign-born people and youth were negatively impacted in the years after the financial crisis, the employment rate trend since then has been positive. In all, the employment rate for foreign-born people rose between 2005 and 2015 by 3.5 percentage points to 67 per cent, and for youth (20–24) by 2.4 percentage points to 61 per cent during the corresponding period. The Government has also introduced an unemployment target according to which Sweden shall have the lowest unemployment in the EU by 2020. The target will be attained by increasing the number of women and men in work and the number of hours worked in the economy.

Initiatives and measures

Jobs and training for unemployed youth

After several years of rising youth unemployment in connection with the financial crisis, unemployment among young women and men in Sweden is falling sharply. The proportion of young people not in employment, education or training (NEETs) in Sweden is well below the EU average. The Government has embarked on the gradual introduction of a 90-day guarantee for young people. This sets an upper limit on how long a young person can be unemployed before being offered a job or a measure that leads to a job or an education.

Several initiatives are being carried out to make the 90-day guarantee possible: education contracts and trainee jobs have been introduced; the availability of higher grants within the student financial aid programme for young people aged 20–24 who go back to school has been expanded; and the option to take study-motivating courses at folk high schools has been extended. The Government also believes it should be possible for young people who have not completed upper secondary school to be employed via trainee jobs.

The Government has established the Youth Employment Delegation (A 2014:06), whose remit is to work towards ensuring that labour market policy initiatives against youth unemployment have greater impact at the local level, foster central and local government cooperation and develop new forms of partnership. This is being accomplished by encouraging local agreements between municipalities and the Public Employment Service on initiatives to reduce youth unemployment. At present, 287 out of the 290 municipalities in the country have drafted agreements with the local Public Employment Service office. The agreements contain measurable goals, action plans for attaining the goals and identifying NEETs in the municipality.

Initiatives to further reduce long-term unemployment

Long-term unemployment is falling and Sweden has the lowest long-term unemployment rate in the EU and thus far below the OECD average. The job and development guarantee has been reformed. The previous three consecutive phases of the job and development guarantee, each comprised of different initiatives, have now been replaced by a more individualised, less micromanaged guarantee. It is important that the Public

Employment Service can offer initiatives based on each individual's needs and circumstances to increase the outflow to work and education. At the same time, the Government is increasing opportunities for job training and has implemented a new programme of vocational courses at folk high schools, lasting up to 24 months, in occupations where there are labour shortages. Individuals can also study part-time for six months alongside participation in the guarantee. The Government has also extended opportunities to study Swedish for Immigrants within the guarantee from six to twelve months. The Government has already introduced 'extra jobs' in welfare, aimed at giving long-term unemployed people a foothold in the labour market. In addition, the long-term unemployed have been given the opportunity to study for one year while retaining their activity grants. The Government has decided to task the Agency for Economic and Regional Growth to work with the Public Employment Service to implement a three-year initiative with additional funds for fostering employment for long-term unemployed people through work-integrated social enterprises. The Government also intends to expand trainee jobs and vocational introduction employment to cover the long-term unemployed.

Lower thresholds into the labour market facilitate establishment. The tax credit for domestic services (RUT) has been assessed as an effective way to create employment in the short and long terms. This is primarily because more jobs are estimated to be added for people with weaker ties to the labour market. The Government is therefore proposing that the RUT deduction be augmented as of 1 August 2016 with a tax reduction for gardening services in the form of pruning and removing trees and shrubs, moving services and IT services.

The Government is proposing a business growth grant to make it easier for small business owners to hire their first employee. Under the proposal, sole traders who have not previously had any employees and who hire a person need pay only about 10 per cent of employers' social security contributions for the employee during the first 12 months. The aim is to encourage more companies to take the step of taking on their first employee. A large share of the sole traders covered by the reform are expected to be foreign-born. Consequently, the proposal is also valuable to facilitating labour market establishment for new arrivals.

Initiatives towards labour market establishment for new arrivals

The coming years population growth in Sweden is expected to be faster than previously, primarily due to unrest elsewhere in the world that is leading many people to apply for asylum in Sweden. Sweden accepted more than 163 000 applicants for asylum in 2015. Of these, around 71 000 people were under the age of 18, of whom 35 000 were unaccompanied minors. Many new arrivals are of working age and it is essential to rapidly put their skills to use and to hasten and facilitate their establishment in the labour market. The Government's establishment policies for new arrivals is aimed at giving new arrivals and their family members the conditions they need to establish themselves in society and working life. The Government believes work is the key to establishment in Sweden. Work provides opportunities to improve Swedish language skills, learn about Swedish society and establish wider social networks.

Establishment policies are being reformed to shorten the time from arrival to work. A number of investments will be made during 2016–2019 intended to lead to faster establishment in the labour market, including labour market-oriented initiatives, validation, making it easier for new arrivals to start a business and a substantial increase in compensation to municipalities for refugee reception. The Government has also allocated additional resources to the Public Employment Service’s administrative appropriation aimed at improving efforts to facilitate and hasten the establishment of new arrivals. As well, the Government is investing in initiatives aimed at ensuring that more applicants for asylum benefit from early interventions during the application processing period in order to facilitate establishment for people who are later issued residence permits. This includes offering introductory Swedish lessons and information about Swedish society. Civil society organisations will maintain their important role in this effort.

The Government’s dialogues with the social partners, the Public Employment Service and other relevant government agencies aimed at creating ‘fast tracks’ to the labour market for new arrivals within the establishment programme of the Public Employment Service has led to the presentation of several fast tracks. Fast tracks began in the first half of 2016 for occupations including cooks, butchers/slaughterers, teachers and several health care occupations.

The Government has also initiated the ‘100 Club’, an initiative in which larger employers and companies offer jobs and work experience placements to new arrivals. Through the 100 Club, the Public Employment Service is offering tailored packages of initiatives to companies willing to accept at least 100 new arrivals. In the public sector, about 200 central government agencies have also been instructed to accept new arrivals for work experience during 2016–2018.

Validation of skills and assessment of foreign education are highly significant to putting the skills of new arrivals to use and fostering their establishment in the labour market. The Public Employment Service will be offering people assessment of their educational and employment history while they are still waiting for their applications for asylum to be considered. The Government has also allocated funds for validation programmes within the establishment programme of the Public Employment Service and has appointed a national Validation Delegation. The Public Employment Service has also been given the option to offer short supplementary courses within the establishment remit so that new arrivals with equivalent tertiary education can be more rapidly matched to jobs in the Swedish labour market and meet the recruiting needs of employers. The Government intends to make trainee jobs and vocational introduction jobs open to new arrivals as well and is exploring opportunities to more effectively adapt vocational education for new arrivals with short previous education. In order to further improve opportunities for youth, the Government intends to make Swedish for Immigrants (SFI) studies an available initiative under the youth guarantee.

A Health and Safety at Work Strategy for Modern Working Life Good working conditions and opportunities for professional development for both women and men are the goals of the health and safety at work policy. The Government is implementing work environment initiatives aimed at preventing exclusion from working life. The Government has drafted a

new health and safety at work strategy in consultation with the social partners.² The strategy is based on concrete measures in three priority areas:

- A zero vision for fatal accidents and prevention of occupational accidents
- A sustainable working life
- Psychosocial health and safety at work

A cohesive effort is required to ensure that accidents that result in death or serious injury continue to decline. Although the number of accidental deaths at work is low in comparison with other EU countries, a zero vision is required to drive progress and involve additional actors. Moreover, the effort to achieve a sustainable working life must continue. There are many work environment measures that the Government can initiate to promote sustainable working life at all ages. A sub-area that must be afforded particular attention is psychosocial health and safety at work especially in female-dominated sectors, because organisational or social factors are the most common cause of work-related illness in women. A number of tasks will be assigned to the Swedish Work Environment Authority within the framework of the strategy.

Validation – an important tool for lifelong learning

Validation is an important tool for lifelong learning, improved employability and greater mobility in the labour market. For the validation system to become more effective, long-term and comprehensible, the Government has appointed a national delegation that will, until December 2019, be monitoring, supporting and encouraging coordinated development in the validation area at the national and regional levels (Dir. 2015:120).

4.2 The education target

Sweden's national targets

- *The proportion of people aged 18–24 who do not have at least two years of upper secondary education and are not participating in any form of study is to be less than 7 per cent in 2020.*
- *The proportion of people aged 30–34 with at least a two-year tertiary education is to be 45–50 per cent in 2020.*

Revision of national education targets

Sweden's national targets within the Europe 2020 strategy were originally set in the Spring Fiscal Policy Bill for 2011 (Govt. Bill 2010/11:100). In the Budget Bill for 2016 (Govt. Bill 2015/16:1), the Government provides its assessment of what the new Swedish national targets for education should be. The bill states the following:

² Government Communication 2015/16:80 A Work Environment Strategy for Modern Working Life, 2016–2020 (*En arbetsmiljöstrategi för det moderna arbetslivet 2016–2020*).

The previous national target level that the proportion of people aged 18–24 who do not have at least two years of upper secondary education and who are not in education is to be below 10 per cent by 2020 has long since been attained and no longer reflects the Government’s level of ambition. The initiatives the Government is now implementing towards ensuring that all young people, regardless of background, should be able to complete upper secondary education, as well as the investments in the Knowledge Boost, are considered to have had positive impact on attaining the target. It is, however, difficult to quantify the size of the effect. The Government therefore finds that Sweden’s national target should be that the proportion of people aged 18–24 who do not have at least two years of upper secondary education and are not in education should be below 7 per cent in 2020. The Government believes the national target can be attained within the framework of adopted policy and announced measures in the area.

The proportion of people with tertiary education is expected to decrease somewhat by 2020. This is primarily due to participation in education having decreased during the period of 2003–2008. Within the Knowledge Boost, however, the Government has presented substantial investments in higher vocational education and higher education. The Government therefore finds that the national target should be revised to that 45–50 per cent of the population aged 30–34 should have at least two years of tertiary education in 2020 (increased from the former target of 40–45 per cent). The Government believes the national target can be attained within the framework of adopted policy and announced measures in the area.

Current situation

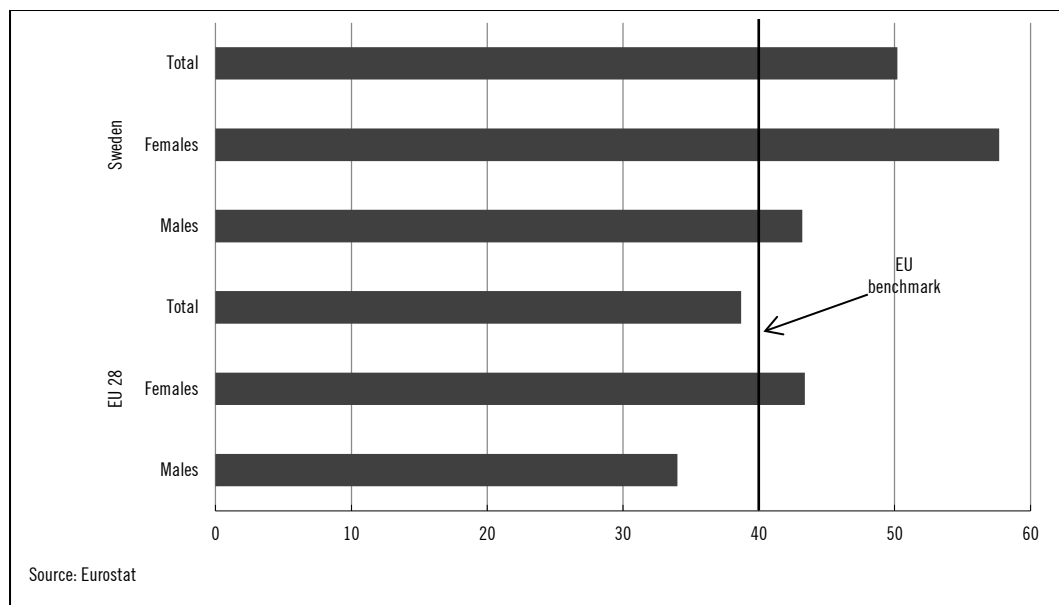
The proportion of people aged 18–24 who do not have at least two years of upper secondary education and who are not in education has continued to decrease and was 6.6 per cent in 2015 (7.2 per cent for men and 6.1 per cent for women), which is better than both the EU target level and Sweden’s national target.

The proportion of people aged 30–34 with at least two years of tertiary education in 2015 was 50 per cent (43.0 per cent for men and 57.3 per cent for women), which is above the EU target level as well as Sweden’s national target (see Figure 2). The proportion has been continually increasing for more than a decade. Tertiary education includes university education, advanced vocational training³ and higher vocational education.⁴

³ A tertiary vocational education programme that ended 31 December 2013. The programme has been replaced by the programmes included in higher vocational education.

⁴ Source: Eurostat, Labour Force Survey, preliminary data.

Figure 2. Percentage of women and men aged 30–34 with at least two years of tertiary education (2015)



Initiatives to reduce upper secondary drop-out rates

The Government has maintained focus on increasing the level of knowledge, improving the quality of teaching and increasing equity in Swedish schools. Fundamental starting points will be high-level school performance, equal schooling and an attractive teaching profession. In order to reverse the trend of declining student performance, school reforms are necessary with four main orientations: early intervention, a more attractive teaching profession, knowledge-based education in equal schools where teachers have time for every student, and that all students should be prepared to begin and complete upper secondary education.

To make it possible for all students to complete upper secondary education, it is critically important to invest in early intervention in order to identify students at risk of not attaining learning targets at an early stage, so that relevant special support can be initiated when necessary. The Government is therefore implementing comprehensive initiatives from the earliest years in school with special focus on the fundamental skills of reading, writing and arithmetic. The Government has, for example, appointed a commission of inquiry to explore the possibilities of introducing a special reading-writing-arithmetic guarantee and to submit proposals on how this should be designed. The inquiry will present its proposals in autumn 2016. The Government has also introduced a central government grant of SEK 2 billion aimed at increasing staff ratio so that teachers in preschool classes for six-year-olds and primary school can devote more time to each pupil. In addition, knowledge requirements in reading comprehension and compulsory assessment support in reading and writing development and mathematics in Year 1 will be introduced in autumn 2016. The Government is also implementing targeted measures for schools in disadvantaged areas. The National Agency for Education has, for example, been given a mandate called Cooperation towards the Best School System, by which the agency works with and provides support to education providers concerning underperforming schools where conditions are particularly difficult. Assessment of which schools should

be given priority and which areas of potential improvement are relevant is based on input from the Swedish Schools Inspectorate. Possible initiatives are thereafter identified in cooperation with the education providers concerned. The initiative covers compulsory school, upper secondary school and equivalent school forms.

The Government is also continuing to implement various initiatives to improve teaching and study outcomes for newly arrived students. For example, legislative amendments have been made to enhance education for newly arrived students. Among else, mapping of the skills and knowledge of newly arrived students has been made obligatory. The National Agency for Education has a comprehensive mandate to carry out systematic initiatives aimed at improving the capacity of education providers to offer newly arrived students education of high and equal quality in the short and long terms. A government grant is also available to help education providers increase teaching hours in the Swedish language.

A raft of measures is needed to prevent dropout from studies and create attractive upper secondary schooling for everyone. Consequently, in March 2015 the Government decided to instruct an inquiry to analyse the measures needed to ensure that all young people start and complete upper secondary school education. Among else, the inquiry will cover links between upper secondary education and the future labour market for students, as well as the provisions concerning support in upper secondary school. The inquiry's remit was later expanded with regard to issues including the technical programme and subject grades and the deadline was extended to October 2016. The National Agency for Education's mandate to offer continuing professional education to academic and career guidance counsellors, primarily to more clearly link academic and career guidance to the labour market, is continuing in 2016. These efforts will take place in consultation with the Public Employment Service.

In November 2015, the Government adopted the Paths Ahead Strategy – A Strategy for NEET Young People. The strategy provides an overview of measures the Government has taken or intends to take during the period of 2015–2018 to improve the opportunities of these young people to become established in working life and the community. Young people in various age groups are in different phases and situations and thus have different needs and rights. For NEET young people in the 15–19 age group, the measures should primarily be oriented towards motivating the young people to begin or resume and complete upper secondary education, while those aimed at young people aged 20–25 may involve motivating them to participate in other education or work. Individualised and coordinated support is essential.

On 1 December 2015, the Government appointed a national youth NEET coordinator. The coordinator's remit is to foster better cooperation among government agencies, municipalities, county councils and organisations at the national, regional and local levels concerning NEET initiatives. The coordinator has been instructed to work in close cooperation with the Youth Employment Delegation established by the Government in December 2014 to promote local agreements between municipalities and the Public Employment Service on initiatives to reduce youth unemployment.

The Swedish Education Act was clarified on 1 January 2015 as regards municipal responsibility to act on behalf of young people aged 19 and under who are not attending or has completed upper secondary school or upper secondary school for individuals with learning disabilities. The responsibility to act means that the municipality must keep itself informed about which young people are covered by the responsibility and offer them appropriate and individualised interventions. The interventions should primarily be aimed at motivating the individual to begin or resume education. In early 2016, the National Agency for Education published general advice in the area to provide support to the municipalities.

Initiatives aimed at increasing the percentage of the population with tertiary education

The Knowledge Boost is intended to give people the chance to educate themselves so that they can secure a job, retrain for a new occupation, become eligible for admission to higher education, acquire advanced education to improve their career opportunities and to enlighten and empower themselves to more fully participate in society or simply for personal development. Under this initiative, the Government is continuing to increase its investments in an enduring knowledge boost with permanent student places in higher education institutions, higher vocational education and folk high schools, as well as general and vocational courses within municipal adult education (Komvux).

To make it possible for more people to pursue university education, the Government began a phased expansion in 2015 that is estimated to provide additional resources to higher education corresponding to about 14 600 full-time students by 2019. Further quality improvements, such as more teacher-led instruction, can contribute to improving opportunities for more people to successfully complete their education. The Government has allocated SEK 250 million for increased funding in 2016 for the humanities, social sciences, law and theology, as well as teaching and school-based teacher training. The Government expects to allocate the equivalent sum in 2017 and 2018.

Swedish higher education institutions must be welcoming and an achievable choice for everyone who has the capacity to successfully complete higher education, regardless of background, gender or disability. The Government has therefore instructed the Swedish Council for Higher Education to survey and analyse the work of higher education institutions on widening participation to higher education. The remit includes presenting good examples and spreading information about them.

Sweden needs to put the skills of all individuals to good use, whether their skills were acquired in Sweden or elsewhere in the world. The Government has therefore allocated SEK 30 million in 2016 – and expects to allocate that sum each year in 2017 and 2018 – to support the work of higher education institutions to develop processes and structures for assessing prior learning when considering eligibility and admission to an academic study programme and for transferring credits once the applicant has been accepted. In order to reinforce the work of the Council for Higher Education with assessing skills acquired abroad and otherwise with the assessment of prior learning in higher education, the Government has proposed additional funding of SEK 8 million to the Council for Higher education in 2016.

The fundamental idea behind higher vocational education is to ensure the provision of tertiary education that meets labour market needs. To give more people access to higher vocational education, the Government has proposed an expansion of vocational higher education by allocating SEK 150 million for the purpose in 2016. This corresponds to approximately 2 500 student places. As of 2017, the Government estimates the initiative will amount to SEK 360 million annually, corresponding to 6 000 new student places every year. Aimed at increasing diversity within higher vocational education, the National Agency for Higher Vocational Education's remit includes stimulating education coordinators to use validation to a greater extent as a tool in the admissions process.

4.3 The increased social inclusion target

Sweden's national targets

To improve social inclusion by reducing the percentage of women and men aged 20–64 who are not in the labour force (except full-time students), the long-term unemployed or those on long-term sick leave to well below 14 per cent by 2020.

Current situation

The percentage of women and men aged 20–64 who are outside the labour force according to the Swedish national target is still falling and was 12.4 per cent in 2015, a reduction by around 92 000 people since 2010. The percentage of women and men at risk for poverty according to the overall EU indicator is, however, still rising somewhat and was 16.9 per cent in 2014 (18.2 per cent for women and 15.6 per cent for men).

Table 2. Percentage of women and men aged 20–64 outside the labour force (excluding full-time students), long-term unemployed or on long-term sick leave

	2010	2011	2012	2013	2014	2015
Total	14.4%	13.4%	13.1%	12.7%	12.6%	12.4%
Women	17.3%	15.9%	15.5%	15.0%	14.8%	14.5%
Men	11.6%	10.9%	10.7%	10.5%	10.4%	10.3%

Initiatives and measures

Apart from that presented below, several reforms mentioned in Sections 4.1 and 4.2 have a bearing on the national target for increased social inclusion. Measures are also described below that are considered to contribute to the Europe 2020 strategy targets for social inclusion.

Clarification of requirements on applicants for economic assistance

In a bill presented to the Riksdag, the Government has proposed a new provision in the Social Services Act that will clarify what requirements can be imposed on applicants for economic assistance. The general goal is to improve conditions for unemployed people to become self-supporting.

Combating homelessness

Aimed at gaining better understanding of the extent of homelessness and exclusion from the housing market, the Government has instructed the National Board of Health and Welfare to prepare a national survey of homelessness, which will be conducted in 2017.

Higher maintenance support

Effective September 2015, maintenance support was increased for children whose parents live apart. Moreover, new provisions will enter into force in April 2016 that will provide greater support to help parents manage child maintenance under private law to a greater extent, rather than via maintenance support. Both of these changes will improve the financial circumstances of children whose parents live apart, especially children in households in the lowest income strata.

More gender-equal parental leave insurance

The number of days that a parent cannot waive the right to parental allowance in favour of the other parent was increased in 2016. This is part of the drive to increase gender equality as regards unpaid household and childcare work and foster gender equality in the labour market.

Higher base level of parental allowance

The base level of parental allowance was increased 1 January 2016 from SEK 225 per day to SEK 250 per day. The increase will improve the financial circumstances of low-income households. First and foremost, the higher base level will reach young parents who have not yet become established in the labour market and parents who, for other reasons, do not meet the requirements for parental allowance at the sickness benefit level. A relatively high share of households in which one or both parents were born abroad also receive parental allowance at the base level.

Fund for European Aid to the Most Deprived

The overall aim of the Swedish programme is to increase the potential for social inclusion and empowerment of socially vulnerable people. The target group for measures in Sweden comprises socially and economically vulnerable EEA citizens while they are in Sweden temporarily (a maximum of three months) without the right of residence. Five projects have received grants from the fund and efforts are currently ongoing.

Reform package to reduce sickness absence

Reduction of sickness absence is one of the Government's most highly prioritised issues. Measures on a broad front are required to attain this goal. In September 2015, the Government adopted an action programme for better health and reduced sickness absence. In this action programme, the Government has identified seven areas in need of improvement and where policy action is required. The measures taken must contribute to improved health and better opportunities for people to remain in the labour market or return to work. They are also expected to reduce the difference in sickness absence rates between women and men, which will make a positive contribution to attaining the Government's gender equality policy goals.

Improvements for the most financially disadvantaged pensioners

Supplementary housing benefit for people aged 65+ was increased as of 1 September 2015 so that the compensated housing cost was increased from 93 to 95 per cent of the cost. Effective 1 January 2016, taxes were reduced for all pensioners with incomes up to SEK 20 000 per month. These measures were designed primarily to benefit pensioners with limited financial resources. As a result, the percentage of financially disadvantaged pensioners has declined somewhat. Because women as a group have lower pensions than men as a group, there are also measures that reach women to the greatest extent. A special project has commenced that will analyse gender differences in pensions and how these can be reduced.

Increased equality in health and access to high quality health and medical care

Access to good quality health care contributes both added value to the individual and in the form of active participation in society. The Government's measures focus on offering needs-based health care to everyone on equal terms. Care must be patient-centred, accessible, safe, knowledge-based, effective and equal. On 1 January 2015 a new Patients Act came into force intended to strengthen the position and freedom of choice of patients. Special measures, for example in the areas of equality of care, mental illness, more accessible cancer care and women's health are further examples of measures instituted in 2015. An Equal Health Commission was appointed in 2015.

4.4 Research and development targets

Sweden's national targets

For public and private investment in research and development to correspond to about 4 per cent of GDP in 2020.

Current situation

The Government's research policy objective is for Sweden to be a prominent research nation in which research is conducted to a high standard and contributes to social development and business competitiveness.

Every other year Statistics Sweden publishes official statistics on research and development (R&D) expenditure in Sweden. The latest official statistics for higher education institutions and private enterprises refer to 2013, while the central government statistics apply to 2015. Total expenditure on R&D in 2013 was just under SEK 124.6 billion, which is an increase from SEK 118 billion in 2011. The R&D expenditure share of GDP in 2013 was about 3.3 per cent, roughly the same level as 2007. Central government allocations have increased since 2013 by about SEK 600 million. A comparison over time shows that companies with at least 50 employees increased their R&D investments from about SEK 83 billion in 2011 to about SEK 86 billion in 2013. There was a decrease in corporate investments in R&D between 2001 and 2005 when a lowest level of SEK 73.5 billion was recorded.

Initiatives and measures

Central government R&D resources, mainly at higher education institutions, have increased substantially since 2009. Combined, the increases implemented and estimated during this eight-year period amount to an addition of approximately SEK 9 billion for Swedish research and innovation. In parallel, R&D allocations have declined in some other expenditure areas, defence in particular. According to Statistics Sweden's projection, these additional funds have brought central government R&D investments to 0.8 per cent of GDP in 2015. Overall, central government and other public investments in R&D correspond to 1.1 per cent of GDP.

Measures to realise the European Research Area

More efficient national research systems

In 2015, 30 per cent of central government research funding was distributed through calls for applications via the research funding agencies: the Swedish Research Council, the Swedish innovation agency Vinnova, the Swedish Research Council Formas, Forte: The Swedish Research Council for Health, Working Life and Welfare and the Swedish Energy Agency. Distribution through calls for applications fosters competition and enhances the quality of Swedish research. Direct funding to universities and other higher education institutions accounted for 50 per cent of total funding in 2015. The Government considers it important to create incentives to increase the quality of research. Since 2014, 20 per cent of the existing direct funds are allocated based on quality criteria.

Optimal transnational cooperation and competition

A clear trend in European research and innovation cooperation is the increased extent of partnership programmes in which Member States, the Union and the business sector are responsible for funding. Aimed at improving conditions for Swedish participation in partnership programmes in the future, the Government has determined (see Govt. Bill 2012/13:30 Research and Innovation) that the funds allocated for participation in the programmes should be increased by a total of SEK 200 million by 2016. The Government further determined that a function for prioritising Swedish participation should be established, called EU-SAM, with representatives of the aforementioned central government research funding agencies and the Swedish National Space Board. In 2014 the participation of the central government research funding agencies in partnership programmes amounted to about SEK 413 million.

Sweden is strongly committed to involvement in the European Research Area (ERA) and participates at various levels in all ten Joint Programming Initiatives (JPI) and is coordinating one programme on antimicrobial resistance (JPIAMR).

Sweden continues to allocate substantial resources to building research infrastructure. In the Budget Bill for 2014, the Government was authorised to decide on membership in a European Research Infrastructure Consortium (ERIC) for the construction and operation of the European Spallation Source (ESS). The consortium was established in August 2015 with eleven Founding Members and four Founding Observers. Considerable central government resources are also being set aside for financing the Max IV facility and SciLifeLab.

An open labour market for researchers

Aimed at assuring the regrowth of outstanding young researchers, the Government decided in 2015 to instruct a special committee of inquiry to review conditions and career paths for young researchers. The committee submitted its report, *Secure Conditions and Attractive Career Paths for Young Researchers*, to the Government on 29 March 2016.

Gender equality

The Government's focus on gender mainstreaming in government agencies has been expanded from covering only the largest central government research funding agency (the Swedish Research Council) to include other central government research funding agencies, certain other government agencies and higher education institutions (HEI). The Government has allocated SEK 5 million for 2016 and expects to allocate the same sum each year until 2019 for a support function for HEIs in their efforts to attain gender equality policy objectives. In 2015, the Government also appointed an expert group for increased gender equality in higher education that will contribute knowledge and lessons learnt pertaining to gender equality issues.

Optimal circulation and transfer of scientific knowledge Idea banks established at the holding companies of all universities are continuing to develop. These idea banks support researchers who either cannot or do not wish to take their ideas to market. Proof-of-Concept within life science was introduced for the first time in 2015. This allows researchers to apply for grants to take their results further in a commercialisation process. Pre-incubation, or in-depth commercial verification, in life science was also launched, under which a number of innovation offices were instructed to establish pre-incubation at the innovation offices.

In January 2015, the Swedish Research Council presented its proposal to the Government on how national guidelines for open access to scientific publications should be designed. The proposal is currently being prepared by the Government Offices.

International cooperation

Sweden has carried out a number of activities aimed at fostering synergies between cooperation projects and initiatives at the national and EU levels. An example of this is the initiative to increase knowledge about third-country cooperation.

The research funding agencies are required under their appropriation directions to report on their international activities and cooperation. The special assignments to deepen cooperation with China and India are progressing well. Joint committee meetings were held in 2015 with India, the USA, South Korea, Brazil and South Africa.

The Government held national dialogues with Swedish higher education institutions in 2015 aimed at strengthening the internationalisation of the institutions.

4.5 Climate and energy targets

Sweden's national targets

The Riksdag has adopted climate and energy policy targets for 2020, three of which also constitute Sweden's national targets within the Europe 2020 strategy.

- The share of renewable energy shall be at least 50 per cent of total energy use by 2020.*
- 20 per cent more efficient energy use by 2020. The target is expressed as a cross-sectoral target of a 20 per cent reduction in energy intensity by 2020 relative to 2008.*
- 40 per cent decrease in emissions of greenhouse gases compared with 1990. This target applies to the activities not covered by the EU Emissions Trading System (EU-ETS). The reduction will be accomplished through emission reductions in Sweden and in the form of investment in other EU countries or flexible mechanisms such as the Clean Development Mechanism (CDM). The Government's ambition is to attain the targets through national initiatives to a greater extent.*

According to the EU's Effort Sharing Decision, Sweden is to reduce emissions of greenhouse gases by 17 per cent by 2020 compared with 2005 and increase the share of renewable energy to 49 per cent by 2020. In a longer time perspective there is a vision that in 2050 Sweden will have zero net emissions of greenhouse gases to the atmosphere. The Government has raised the level of ambition in the electricity certification system to 30 TWh in 2020, corresponding to 5 TWh of additional renewable electricity, and that Sweden should have a 100 per cent renewable energy system in the future.

Current situation

As assessed in the Checkpoint for Climate and Energy Policy Targets and Climate Adaptation (Government Communication 2015/16:87), the three national targets for emissions reductions, renewables and energy efficiency improvement will be attained using existing policy instruments. The Government has also taken measures to achieve the ambition of a larger proportion of emissions reductions taking place on the national level than adopted by the Riksdag.

The key to Swedish climate policy is the carbon dioxide tax. Sweden's most difficult challenge in meeting our climate commitments is if the carbon dioxide tax, due to ongoing discussions with the Commission concerning the EU's rules on state aid, can no longer function as the cost-effective policy instrument it has been in recent decades. Sweden is working at the EU level to secure the continued use of the carbon dioxide tax as a policy instrument outside EU ETS, without it having unreasonable consequences for taxation of biofuels, for example.

Initiatives and measures

Renewable energy measures

The Government's long-term ambition is for Sweden to have an energy system based on 100 per cent renewable energy. To promote continued adaptation of the energy system, the Government has proposed further measures to increase the share of renewable energy.

The Government has raised the level of ambition in the electricity certification system to 30 TWh by 2020, corresponding to 5 TWh of additional renewable energy. This increased ambition is contributing to increasing the expansion of renewable energy. Further investments are being made in solar cells and the Government is therefore substantially increasing solar investment grants to SEK 225 million in 2016 and thereafter to SEK 390 million per year 2017–2019.

To improve opportunities to store household-produced electricity, the Government is introducing a grant for household energy storage systems and is implementing an initiative for commercialisation and development of energy storage technologies. The investments total SEK 25 million in 2016 and SEK 50 million per year 2017–2019.

The Government has also commenced the work with a National Forest Programme for Sweden. This programme is a long-term forest strategy that optimises the potential of forests to contribute to the development of a bio-based economy that utilises the entire forest value chain. The National Forest Programme is intended to stimulate several strategic initiatives and policy areas, such as climate. In the Forest Impact Analysis (SKA 2015), the Swedish Forest Agency has paid particular attention to the impact of a changed climate.

The expansion of wind power is contributing to increasing the share of renewable energy. In addition to the financial prerequisites, the expansion of wind power is determined by several other conditions including acceptance issues, permit issues and access to skilled personnel. The Government is therefore extending support for coordination and information initiatives to foster the expansion of wind power. Smart electrical grids contribute to efficient utilisation of renewable electricity production, energy efficiency improvements and reduced total energy use. The Government has established a forum for smart electricity grids tasked with fostering their development in broad cooperation among relevant government agencies, industry players and consumer representatives.

To intensify the phasing out of fossil fuels, the Swedish Energy Agency has been allocated resources for coordinating energy transition in the transport sector. A coordinating function for the development of a charging infrastructure for electric vehicles is also being established at the Energy Agency.

Energy efficiency improvement measures

Energy efficiency improvement is being fostered through general economic policy instruments, such as energy taxes, carbon taxes and emissions trading. In parallel, there are also more targeted administrative mechanisms that, among else, regulate standards for energy performance and energy labelling for energy-related products and buildings.

Several ongoing initiatives to promote renewable energy can also contribute to lowering energy intensity, such as the development of smart electricity grids, promotion of energy transition in the transport sector and investments in wind power and solar energy. Grants for local climate investments and local and regional capacity development for climate adaptation and energy transition also make a contribution.

In order to pick up the pace of renovations and improve energy efficiency in the existing housing stock, the Government is introducing grants for energy efficiency improvement and renovation of multi-family dwellings and outdoor environments. In all, the Government is investing SEK 1 billion annually 2016–2019 in renovation and energy efficiency improvement in housing. An initiative to refurbish school premises is also ongoing. The programme is aimed at giving students an improved learning and work environment while reducing the environmental impact of the premises through improving energy efficiency and other measures.

Carbon dioxide reduction measures

A total of SEK 4.5 billion was allocated in 2016 to climate investments in Sweden and abroad. The investments are being made mainly in four areas: Transition to renewable energy, fossil-free travel, local climate investments and international climate investments. The energy tax on fuel was increased by SEK 0.48 per litre for petrol and 0.53 per litre for diesel fuel effective 1 January 2016. The carbon tax on fuel for heating and operating stationary engines in industry and combined heat and power plants outside EU ETS and within agriculture, forestry and aquaculture operations has been raised in phases, starting in 2016, up to the general tax level that will be reached in 2018.

Several of the Government's new initiatives will lead to reduced emissions up to 2020 and beyond. Within agriculture, increased anaerobic digestion of manure is contributing dual environmental advantages: first, through reduced emissions of methane and second through the production of biogas that can replace fossil-based energy. The Government is therefore investing a total of SEK 60 million per year 2016–2019 to foster such development, thus increasing existing funding for methane reduction by SEK 30 million per year.

Aimed at promoting sustainable urban environments, the Government is offering co-financing for local and regional investments in public transport in towns and cities. The Government's investment in the City Environment Agreements amounts to SEK 500 million per year 2015–2018. In the Budget Bill for 2016, the Government announced investments in improved public transport in rural areas as well. The Transport Administration has been instructed to consult with the counties concerning how the allocated funds, a total of SEK 850 million for the period of 2016–2019, can be put to best use in each county. Improved public transport can contribute to reducing personal transport by car and thus reducing greenhouse gas emissions.

The Government also wants to focus in particular on electrification of the transport sector. The 'super green car premium' provides incentives to purchase cars that emit no more than 50 grams of carbon dioxide per km, which is contributing to the increased electrification of the vehicle fleet. As of 2016, the premium was cut by 50 per cent for hybrids to promote the market introduction of electric-only cars. The Government intends to extend the reduction in the benefit value of certain eco-adapted vehicles until the end of 2019, but with a lower maximum level. Electric buses have great potential to reduce emissions of greenhouse gases, air pollution and noise. Electric buses also have the potential to free up biofuel for heavy vehicles, which are more difficult to electrify. An

electric bus premium is being introduced in 2016 to promote the market introduction of these vehicles.

In dialogue with concerned parties, the Government intends to prepare a national bicycle strategy and plans to present it before summer 2016. As an aspect of this, the Government is proposing a two-year investment in measures to promote the use of bicycles. The proposal calls for investments of SEK 25 million in 2016 and 75 million in 2017. An efficient rail system contributes to the desired shift of transports from road to rail, with lower climate emissions as a result. In total, the Government has announced investments of more than SEK 1.4 billion per year in railway maintenance during the period of 2016–2018.

The Government introduced the wide-ranging ‘Climate Leap’ investment grants scheme. Municipalities, companies, organisations, etc., can apply for investment grants for measures that reduce climate impact, such as investments in biogas or charging stations for electric vehicles. SEK 600 million annually has been allocated to the Climate Leap for 2016–2018. The Government is also implementing initiatives in the areas of sustainable consumption, environmental technology and local and regional capacity development for climate and energy transition that may also have some effect on emissions of greenhouse gases.

The Road Wear Committee (Dir. 2015:47) will be analysing how a distance-based road wear tax for heavy goods vehicles can be designed. By means of such a tax, heavy traffic can to a greater extent bear its costs to the national economy. A road wear tax can also contribute to reducing climate emissions. There is also a need for aviation to bear its own climate costs to a greater extent. Accordingly, the Government has appointed a commission of inquiry to analyse and propose how a tax on air travel can be designed (Dir. 2015:106). Finally, the Bonus-Malus Inquiry (Dir. 2015:59) has been tasked with proposing how a system can be designed, wherein eco-adapted vehicles with relatively low emissions of carbon dioxide are rewarded upon purchase with a bonus, while vehicles that produce relatively high emissions of carbon dioxide are taxed at a higher rate.

The Government finds that the Knowledge Centre for Climate Adaptation at the Swedish Meteorological and Hydrological Institute (SMHI) plays an important role in the national work of climate adaptation. The Centre’s remit is to gather, compile and distribute knowledge produced regionally, nationally and internationally concerning climate change and climate adaptation. The Centre works collaboratively across a broad front with actors in the climate adaptation field and functions as a node for knowledge about climate adaptation, among else with regard to network building, expertise, news distribution, dialogue and collaboration.

The transition to a green economy implies opportunities for the development of Swedish environmental technologies, including sustainable goods, services, new business models and production systems, and can thus reduce environmental impact nationally and globally while also having the potential to create more jobs.

Additional reform measures

In December 2014, the Government instructed the Parliamentary Committee on Environmental Objectives to propose how a climate policy framework and strategy for cohesive and long-term climate policy can be formulated. The Committee presented a partial report on the remit in May and the supporting information is presently being circulated for consultation. At the same time, needs for national efforts on resource efficiency and a circular economy are being identified. Active measures are being taken to integrate these aspects into a variety of policy areas. Close cooperation with the business sector is also ongoing. As part of this process, potentially environmentally harmful subsidies are continuing to be mapped. The Swedish Environmental Protection Agency reports annually on the national contribution to implementation of Europe 2020 and notes that Sweden's national environmental quality objectives are well in line with the milestones in the EU Roadmap to a Resource Efficient Europe.

5. European structural and investment funds 2014–2020

Partnership agreement

Sweden has entered into a partnership agreement intended to function as an overall strategy and improve coordination among the four structural and investment funds: the European Regional Development Fund; the European Social Fund; the European Agricultural Fund for Rural Development; and the European Maritime and Fisheries Fund. The main purpose of the partnership agreement is to help achieve the Europe 2020 targets and strengthen the competitiveness of the EU and Sweden. The agreement is also aimed at promoting synergies and avoiding overlaps between the funds and improving conditions for coordination using instruments at the EU and national levels. The partnership agreement was drawn up in broad cooperation among government agencies and other relevant actors.

The Swedish Agency for Economic and Regional Growth, the Council for the European Social Fund in Sweden and the Swedish Board of Agriculture have, on the instructions of the Government, started in-depth cooperation on common fund issues. One of the initiatives is to establish a network for relevant actors within the framework of a fund coordination group. The funds will invest in projects working towards Sweden's attainment of the Europe 2020 targets.

The regional development fund

Implementation of regional development fund initiatives related to investments towards attaining the growth and employment target began in 2014. A decision was taken in 2015 in favour of about SEK 3 billion in EU support. The initiatives are aimed at strengthening regional competitiveness and fostering sustainable growth. The point of departure is that national and regional initiatives should complement each other and generate added value within the regional growth policy and promote structural change in the priority areas of innovation, entrepreneurship and the green economy. About 80 per cent of the total funds of about SEK 16 billion is thus expected to be allocated to these three priority areas. Other funds are mainly allocated to the areas of Information and Communications Technology (ICT) and sustainable transport.

A clear ambition for the 2014–2020 programme period is sharper focus on enterprise. It is therefore important that the business sector is involved in implementing the programmes. A new feature to underline this is that private co-financing is now included in the programmes, which means that private as well as public funds are used to co-finance EU funding.

The total scope, including EU funds and public and private national co-financing, of the eight regional programmes is approximately SEK 16 billion. A national programme of SEK 2 236 million during the period of 2014–2020, including co-financing, is also new compared with previous years. The programme has been added to complement and foster synergies among regional development programmes and covers efforts intended to strengthen research and development and access to venture capital and support the transition to a low-carbon economy.

Larger initiatives will also be implemented in the form of financial engineering instruments. Apart from this, two initiatives are planned in the national programme. One refers to a fund of funds to stimulate private venture capital investments and one refers to a fund for investments in early phases of firms oriented towards a low-carbon economy.

In total for all nine programmes the funds (in SEK, including co-financing) will be allocated in the following areas:

- Innovation, research and technical development: 4.5 billion
- Entrepreneurship: 5.1 billion
- Energy efficiency and the green economy: 2.9 billion
- Increased access to and use of ICT: 1.6 billion
- Sustainable transport: 1.3 billion
- Technical support: 0.6 billion

European Territorial Cooperation 2014–2020

The programmes are financed by the ERDF and are aimed at strengthening competitiveness in EU countries and regions through cross-border cooperation. Sweden participates in a total of thirteen different cooperation programmes. The first decisions were taken in 2015. All counties in Sweden are affected by at least one of these programmes. The total scope, including EU funding, third-country funding and public and private national co-financing of the six cross-border regional programmes and the three transnational programmes in which Sweden is participating, amounts to around SEK 13.7 billion.

The main orientations and allocations of funds in SEK, including national co-financing, are as follows:

- Strengthen research and innovation: approx. 3.5 billion
- Environmental protection and sustainable use of resources: approx. 2.3 billion
- Support the transition to a low-carbon economy: approx. 1.6 billion
- Increase the competitiveness of small and medium-sized enterprises: approx. 1.3 billion
- Promote sustainable transport: approx. 2.3 billion
- Labour force mobility and lifelong learning: approx. 0.9 billion
- Adaptation to climate change: approx. 0.7 billion
- Technical support and institutional capacity: approx. 1.1 billion

The Social Fund

Further, the Swedish national Social Fund Programme 2014–2020 is being implemented within the Investments for Growth and Employment target. The Social Fund Programme was adopted by the Commission in December 2014. The programme, which covers around SEK 13.2 billion, of which half is made up of national co-financing, is intended to contribute to an effective labour market and to a long-term and persistent increase in employment. An important starting point for the programme is that it is to strengthen and develop national labour market policy and contribute to achieving the Europe 2020

strategy targets. The measures are aimed at stimulating skills development to strengthen individuals' position in the labour market, strengthen the link between education and working life, increase transitions to work among people who are far removed from the labour market and facilitate young people's establishment in working life and participation in education and training. The EU's Youth Employment Initiative (YEI) covers the period of 2014–2018 and is being implemented within the framework of the national Social Fund Programme. The initiative is intended to supplement and extend existing labour market policy measures for young people in the regions of Southern Sweden, Northern Central Sweden and Central Norrland.

In 2015, 131 applications to the Social Fund Programme were granted to a total budget of SEK 3.2 billion. Almost half of the funds refer to projects oriented towards young people, including the YEI. The first evaluation report on the YEI found that the initiative is essentially well-functioning.

Particular attention was paid during the year to opportunities for initiatives in response to the refugee situation. It can be confirmed that new arrivals with residence permits are included in the target groups of the Social Fund Programme and that initiatives related to the establishment of new arrivals in the labour market will be awarded special priority in programme efforts in 2016.

The Agricultural Fund for Rural Development

The Agricultural Fund for Rural Development is being operationalised in Sweden through the Rural Development Fund, whose budget for the 2014–2020 programme period is approximately SEK 36 billion. These funds are allocated to programme priorities as follows:

Table 3. Rural Development Programme priorities 2014–2020

Priority	Share of budget, %
2. Agricultural competitiveness	8.3
3. Food chain and animal welfare	4.4
4. Environment	61.0
5. Climate	1.8
6. Social inclusion and rural economic development	20.8
Technical implementation funds	3.6

Knowledge and innovation are the first priority of the programme, which is horizontal and does not have a separate budget. Instead, innovation and knowledge transfer will be fostered in all parts of the programme.

As in previous programme periods, the focus of the programme is on compensation for environmental initiatives. The prerequisites for sustainable food production and the open landscape are created when farmers and others who are interested in sustainable stewardship of the environment participate in the programme's environmental initiatives. As in previous programme periods, the Rural Development Programme for 2014–2020

has a broad profile of measures that are in various ways fostering rural enterprise, both within and outside the farming sector, and initiatives to make it easier for people to live and run a business in rural Sweden. Knowledge transfer and innovation remain important priorities in the programme. These initiatives are being augmented during this programme period with a special focus on innovations for sustainable and competitive agriculture. This initiative is being taken within the framework of the European Innovation Partnership (EIP), intended to promote partnerships between researchers and business and help speed up the utilisation of new knowledge as business ideas and innovation among rural enterprises.

The European Maritime and Fisheries Fund

The European Maritime and Fisheries Fund is being operationalised in Sweden through the Maritime and Fisheries Operational Programme, whose three main goals that are directly linked to the Europe 2020 targets are:

- Increase the competitiveness of small and medium-sized enterprises
- Protect the environment and promote sustainable use of natural resources
- Promote employment

The priorities of the Swedish Maritime and Fisheries Operational Programme are enabling development support in several segments of the blue economy. The Government expects this to provide the conditions for growth, stronger competitiveness and increased employment in the sectors concerned without compromising environmental protection and sustainable use of natural resources. The programme covers about SEK 1.5 billion allocated among the six EU priorities, with focus on fostering sustainable, resource efficient, innovative, competitive and knowledge based fisheries and aquaculture; fostering the implementation of the Common Fisheries policy; increasing employment and territorial cohesion; fostering marketing and processing; and fostering the implementation of the Integrated Maritime Policy.

Locally managed development through the Leader Method

Opportunities were provided in connection with the new programme period to take an integrated approach to locally managed development within several funds. Efforts involving the Leader Method, which is based on a bottom-up perspective and trisector partnership among the private, public and non-profit sectors, have previously occurred within the Agricultural and Rural Development Fund and the Maritime and Fisheries Fund. In the new programme period, Sweden has chosen to take an integrated approach to all four ESI funds.

Forty-eight local development areas around Sweden have drafted local development strategies aimed at determining how local challenges can be optimally resolved at the local level. Based on these strategies, the projects to be implemented are decided locally. The Swedish Board of Agriculture is the administrative agency in charge of this effort.

Table 4. Programmes and funding within the European Structural and Investment Funds 2014–2020

Programmes within the Investments for Growth and Employment target	Total scope (SEKm)	Of which EU funding
<i>Regional Fund Programme</i>	<i>15 940</i>	<i>7 857</i>
Stockholm	621	311
East Central Sweden	1 175	587
Småland and Islands	1 108	554
Southern Sweden	1 024	512
West Sweden	1 166	470
North Central Sweden	2 467	1 234
Central Norrland	2 585	1 292
Upper Norrland	3 558	1 779
National Regional Development Fund Programme	2 236	1 118
National Social Fund Programme	13 224	6 797
European Territorial Cooperation (Regional Development Fund)		
<i>Cross-border programmes</i>		
North	698	352
Botnia-Atlantica	565	305
Sweden-Norway	1 228	396
Öresund-Kattegat-Skagerrak	2 559	1 138
Central Baltic	1 346	1 027
South Baltic Sea	864	696
<i>Transnational programmes</i>		
Baltic	2 808	2 214
North Sea	2 927	1 403
Northern Periphery and the Arctic	737	421
Total cross-border and transnational	13 732	7 952
Agricultural Fund for Rural Development (EAFRD)	36 055	14 796
Of which locally managed development	1 680	840
Maritime and Fisheries Fund (EMFF)	1 445	1 002
Of which locally managed development	140	70
Locally managed development with support from the Regional Development Fund (ERDF)	282	141
Of which locally managed development, ERDF	137	68
Of which locally managed development, ESF	134	67
Total	80 678	38 545

6. Institutional issues and participation of relevant parties

6.1 Institutional issues

Sweden's National Reform Programme 2016 is mainly based on the initiatives and reform ambitions proposed by the Government in the Budget Bill for 2016 and the Spring Fiscal Policy Bill for 2016. In connection with the drafting of these bills, the country-specific recommendations Sweden received within the framework of the 2015 European Semester have been taken into account and the programme reflects the overarching priorities for economic policy adopted by the Council of the European Union in March 2016. The Riksdag Committee on Finance has been informed about the National Reform Programme. In the course of the Council's processing of the country-specific recommendations in summer 2015 the Riksdag was informed on several occasions.

6.2 Consultations with the social partners

Aimed at enhancing 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 ministries concerned in the Government Offices of Sweden and of the social partners (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 at strategic points during the year for discussions and consultations on the implementation of the strategy in Sweden. The initiative was taken after consultation with the social partners. In March 2016, the Prime Minister invited the central labour market organisations to participate in a consultation at chair level on the broader issues of growth ahead of the meeting of the European Council on 17–18 March. Consultation meetings have also taken place at senior official level on three occasions since the presentation of the National Reform Programme for 2015.

The social partners were invited, as in previous years, to contribute texts to this year's National Reform Programme. The appendix containing external contributions includes contributions from the social partners that describe examples of the work the partners are performing in accordance with the strategy guidelines and targets, as well as comments on Government policy as regards measures with a bearing on the recommendations.

6.3 Local and regional support

Local and regional support for the intentions and targets of the Europe 2020 strategy and thus for the regional and local growth process in Sweden is crucial to successful implementation. In the period of 2007–2013 the national strategy for regional competitiveness, entrepreneurship and employment was an important instrument for converting the EU's common targets for growth and employment into regional and local priorities. The Government has now adopted a new national strategy for sustainable growth and attractiveness 2015–2020. The strategy contains the Government's priorities for regional growth during the period of 2015–2020 and guidelines covering issues

including regional development strategies, structural fund programmes and other relevant regional growth strategies and programmes. The national strategy, together with the regional development strategies, creates the conditions for increased interaction between the national and regional level and more effective and results-oriented regional development. The regional actors are thus playing a role in implementing the Europe 2020 strategy based on their particular conditions and priorities within the framework of regional development. In the light of local self-government, the local level has a central role to play in implementing some of the targets set by the Government, including through cooperation with the regional level on various projects and initiatives in the county.

Aimed at further enhancing dialogue among the national, regional and local levels concerning matters significant to regional growth, the Government has established a National Forum for Regional Growth and Attractiveness 2015:2020. The Forum is comprised of a political group and a civil service group, each of which meets with the Government for dialogue four times a year. The fundamental promise is that responsibility for implementing the regional growth policy that is shared between the regional and national levels is predicated on close dialogue and cooperation concerning vital development issues. It is also a way of enhancing opportunities for local and regional influence and responsibility. Examples of matters discussed at the latest forums in autumn 2015 and spring 2016 include innovation, digitalisation, the Government's work with an export strategy and an industrial renaissance strategy, rural development issues, the cohesion policy after 2020 and environmental and climate issues.

The appendix also includes the contribution received from the Swedish Association of Local Authorities and Regions (SALAR) as the representative of the local and regional levels, giving an account of examples of work being conducted in accordance with the strategy's guidelines and targets.

6.4 Consultation with interest organisations and civil society organisations

At present there are several consultation processes that form a part of the Government's decision-making process. These also cover issues affecting the Europe 2020 strategy. Stakeholders are often included in reference groups within the inquiry system and are given the opportunity to present their views on inquiry proposals through the consultation process in their specific areas. Occasionally, the Government also issues invitations to hearings in order to engage in dialogue on specific topics. There are also ongoing discussions within various consultation bodies.

Following requests that the dialogue with civil society organisations on the implementation of the Europe 2020 strategy be developed, an initial horizontal consultation with civil society took place in the autumn of 2011. This approach was welcomed by the participants and these consultations have since continued on an annual basis. For this reason, the Prime Minister's State Secretary again invited the relevant organisations to an annual horizontal information and consultation meeting on the Europe 2020 strategy on 24 February 2016. The purpose of the meeting was to inform those present about the Government's work and how each organisation can contribute through their activities to attaining the national targets within the Europe 2020 strategy.

Compared with previous years, more time was devoted to discussion and dialogue concerning implementation of the strategy and the work of the organisations in relation to the national Europe 2020 targets. The organisations were also invited to contribute texts to the National Reform Programme that highlight good examples of how Swedish civil society is contributing to implementation of the Europe 2020 strategy in Sweden. After the consultation, the Government Offices received contributions from Civos, the Swedish National Council of Adult Education, Equally Unique, the Swedish Sports Confederation, the Swedish Women's Lobby, SFS – The Swedish National Union of Students, Verdandi and Public & Science (VA). The contributions can be found in an appendix to the reform programme.

**Appendix with external contributions to
Sweden's national reform programme 2016**

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1. Contributions from social partners

Introduction

The central labour market organisations in Sweden – the Swedish Trade Union Confederation (LO), the Confederation of Professional Employees (TCO), the Swedish Confederation of Professional Associations (Saco), the Confederation of Swedish Enterprise, the Swedish Association of Local Authorities and Regions (SALAR) and the Swedish Agency for Government Employers – give the following examples of activities that we believe contribute to attainment of the targets for the Europe 2020 strategy.

The examples do not give a comprehensive account but are only a selection. Some of them are based on common agreements with all the organisations; others are agreed between some of the organisations. Other examples are unilateral measures by one of the central labour market organisations and/or their affiliates.

A brief description of wage formation in Sweden

The social partners are responsible for wage formation on the Swedish labour market and they safeguard their autonomy as a party. The fundamental components of the model include trade unions with a high organisation rate, employer organisations with a broad membership, the strong status of collective agreements, workplace representatives with a mandate to negotiate, as well as the independence of the social partners from central government.

Among other things, independence is manifested in the fact that the majority of the labour market is regulated by a number of principal agreements met at the central level between employers and trade unions that regulate aspects including negotiation procedures, dispute procedures and development issues. At present there are more than 680 central collective agreements on wages and general terms and conditions of employment in Sweden.

Examples of the partners' activities that contribute to attainment of Europe 2020 targets

1. Employment – 80 per cent of women and men aged 20-64 are to be in work

1.1. Integration of young people in the labour market

Vocational introduction agreements

Vocational introduction employments are based on collective agreements signed independently between the social partners. The target group for the agreements is young people with no relevant job experience. The construction of the agreements varies between industries but common to all of them is that work is combined with education (the education component is restricted to a maximum of 25 per cent of working hours). The education can be either at the workplace or supplied by an external provider. The education period does not give any wage entitlement.

Central agreements on vocational introduction have been signed in the following industries:

The retail sector (Swedish Trade Federation and the Swedish Commercial Employees' Union), the municipal sector (SALAR/Pacta and the Swedish Municipal Workers' Union), the sawmill industry (Swedish Forest Industries Association and GS Swedish Union of Forestry, Wood and Graphical Workers), parts of the manufacturing industry (the engineering companies' employer organisation Teknikarbetsgivarna/IKEM/Svemek/GAF/Steel and Metal Employers Association and IF Metall), the construction sector (EIO and SEF), food production (Swedish Food Federation and Swedish Food Workers Union) and the property industry (Almega – the Employers' Organisation for the Swedish Service Sector and the Building Maintenance Workers' Union).

The municipal sector (SALAR/Pacta and the Municipal Workers' Union) has also signed an agreement (BAL13) aimed at unemployed young people aged 19-25 with no previous experience in the sector. This is a temporary job format and the employee is employed for a period of one year. Subsequent to the agreement, the Public Employment Service has granted subsidies for a total of 345 employees. At present, 82 young people are in work under BAL.

The Government supports the parties' signing of vocational introduction agreements through support structures for the agreements:

- Wage subsidy equivalent to an ordinary employer's contribution (31.42 per cent).
- Supervisor support equivalent to SEK 2 500 per month and employee.
- Financial support for special information campaigns on vocational introduction jobs and student employee jobs.

Student employees

In 2014, a collective agreement on student employees was signed in the private, municipal and central government sectors. The private sector agreement refers to the property industry. The agreements vary but target students at universities, other higher education institutions or in post-secondary education and refer to qualified work with a clear link to ongoing studies. The jobs are temporary positions of various durations, ranging from employment for a single term (SALAR) to a maximum of four terms (central government) with maximum weekly working hours of 10 to 15 hours per week on average. For the employees, the agreement provides an opportunity to work with qualified tasks and facilitates the transition from studies to working life. The employers gain the opportunity to utilise the competence of students in tertiary education while at the same time having the chance to show their business in order to attract a competent workforce.

During 2015, the partners have produced informational materials for distribution to employers and local employee unions. Continued information campaigns aimed at spreading knowledge about the various agreements are continuing during 2016 within the scope of both central government (Swedish Agency for Government Employers, Saco-S and OFR/S,P,P) and municipal agreements (SALAR/Pacta and the Alliance of Graduates and the OFR's union affiliates category General Municipal Operations). The partners in

the municipal area have also produced a website aimed directly at students via www.pluggjobb.se.

Rules for employees in trainee jobs

In November 2015, SALAR/Pacta signed an agreement with the Swedish Municipal Workers' Union on the rules for trainee jobs. Based on the Ordinance on Special Employment Support, young people who meet the criteria set out in the ordinance and who have been unemployed for six months (for trainee jobs in certain areas of the welfare sector) or three months (for trainee jobs in vocations that have a shortage of employees) can be offered trainee jobs.

Special employment support may be granted for 50 per cent of a full-time job for a maximum of 24 months in the welfare sector and 12 months in occupations where there is a labour shortage. The positions are temporary, up to a maximum of two years. Employers are compensated for 85 per cent of the wage cost if the employee has a half-time trainee job in the welfare sector. At most, the employer may receive SEK 510 per day worked when the employee works half-time and a grant of SEK 100 per day worked to help and supervise the employee in the workplace. If the trainee job in the welfare sector is extended after 12 months so that the employee can complete their studies, the employer receives 50 per cent of the wage cost, up to a maximum of SEK 300 per day worked. The supervision grant is not paid during the period of the extension.

New and wider recruiting paths

Swedish municipalities, county councils and regions are facing future recruiting challenges. All told, 530 000 new employees will need to be recruited by 2023. Employers have the opportunity to affect future skills supply by altering and developing working methods, organisation and staffing. Through the *Sweden's Most Important Jobs* initiative, SALAR has identified nine strategies for overcoming the recruiting challenges. The solutions include widening the recruiting base and using skills the right way. This involves utilising the skills of recent arrivals and people with disabilities, as well as breaking gender norms. SALAR is continuing this effort in partnership with trade unions and other actors, government agencies and interest organisations through a pre-study, "More Pathways to Entry", financed by the European Social Fund. The objective is to create sustainable and common structures and strategies for widened recruiting to the welfare sector.

In 2015 SALAR arranged about 84 000 holiday jobs for young people who are to start or are already studying at upper secondary school. These holiday jobs are the first contact with the labour market for many young people and provide valuable experiences and references for the future. SALAR would now like to develop the holiday jobs so that more young people can have the opportunity of a holiday job and more employers can contribute while gaining an opportunity to market themselves and their industry. This work includes SALAR's initiative *Sweden's Most Important Jobs* in which holiday jobs are a way of marketing jobs in municipalities and county councils/regions.

The work will continue during the year to highlight the vocational introduction agreements as a possibility for municipalities to simultaneously recruit and train young

people who are interested in working in the municipal sector. SALAR's work with upper secondary school dropouts is still ongoing in the Plug In 2.0 project and will have even greater focus on developing methods in upper secondary school that prevent dropouts.

Guidance for young people

The Swedish Confederation of Professional Associations (Saco) issues a number of publications annually on the theme of study choices and studies. These mainly target students who will soon complete their upper secondary school studies. A fact book about some higher education professions, *Choose a Profession* is published every autumn. It includes information on work content, required training, salary levels, etc. The *Future Prospects report* contains five-year forecasts for the labour market for a selection of higher education professions and is also updated annually. *The Art of Choosing an Education* provides tips and study choice inspiration, while *How do you study?* is an inspiring guide to effective study techniques intended to help more young people take the step to higher education. Young people can also take a personality test, get planning support and ask questions related to occupations via www.saco.se/studieval. The site had about 2 million page views during 2015.

Saco Student Fairs are arranged every year in Stockholm and Malmö. Representatives from Swedish and international education providers, future employers and several agencies and organisations including Saco's affiliates, who are specialists concerning the occupational groups they represent, attend these fairs. In 2015 the fairs were visited by just over a quarter of all final year upper secondary pupils in Sweden. Saco also runs skill development programmes for study advisers.

Cooperation and quality assurance

It is crucial that upper secondary school maintains high quality and relevance to enable pupils to get their first job or make a good transition to further study. For companies, skills supply is one of the most urgent challenges. Consequently, many industries are highly involved in various projects aimed at increasing the quality and relevance of upper secondary schooling.

An example of this is the involvement in technical colleges (Teknikcollege) that leading representatives of Swedish employer and employee organisations in the industrial sector have had since 2004. At present there are 26 regions with almost 150 Teknikcollege certified education providers and more than 2 000 participating companies from north to south. Within the construction industry it is possible for upper secondary schools offering the construction and civil engineering programme to apply for quality labelling. Schools that meet the criteria are regarded as being in a position to provide basic vocational education and training that fulfils the requirements of the construction industry and become industry recommended. There are similar arrangements in HVAC with the concept "first class school".

1.2 Integration of foreign-born people in the labour market

Fast track for recent arrivals

Fast track for recent arrivals is aimed at shortening pathways and streamlining the processes necessary for recent arrivals with occupational and academic backgrounds to start working in Sweden. It also involves novel and innovative thinking about pathways to the labour market.

The purpose is to improve our capacity to make use of the skills that recent arrivals bring with them in the form of education and work experience. This will facilitate future skills supply. The fast tracks are being developed through tripartite talks with the social partners.

Thus far, fast tracks have been negotiated between the social partners for chefs; licensed health care professions (doctors, nurses, dentists and pharmacists/dispensers); teachers and preschool teachers; and butchers and slaughterers. Fast tracks include combinations of training initiatives, language instruction and work experience placements. As regards the fast track for teachers, through identifying and validating the foreign education earlier than is done today, teachers can, as soon as they enter the establishment process, immediately begin their supplementary education (in Arabic) and then possibly complete it within the regular ULV (Further education for foreign teachers) programme. In turn, this requires the universities to provide educational places as the first step. The participants do this in combination with learning Swedish and have work experience placements in the schools. Professional Swedish further contributes to increasing the progression of gaining language skills in an effective way. Overall, this will shorten the time required to become a qualified teacher. This means that during the autumn 2016 term, the employers must be able to offer work experience places to about 180 Arabic-speaking teachers. The present estimate is that this should be able to increase by some 500 additional people by April 2017.

Negotiations are ongoing between the social partners on fast tracks for many other occupations including engineers, social workers, assistant nurses, mechanics, industrial workers and social scientists.

The Government has allocated SEK 260 million for fast tracks for recent arrivals in its 2016 budget bill. It will be possible to apply for promotional funds for development initiatives within the fast track framework.

The Government has tasked central government employers to accept at least 1 000 work experience places for recently arrived jobseekers during 2016-2018. An effort is currently ongoing among central government employers to arrange work experience places. The Swedish Agency for Government Employers, the Public Employment Service and others are cooperating with central government employers to ensure that matching and other issues related to implementation proceed as smoothly as possible.

Contacts have also recently been initiated between the Public Employment Service, the Swedish Agency for Government Employers and trade union organisations in the central government sector, Saco-S, Seko and OFR/S,P,O to discuss fast track issues in relation to central government employers.

Council for Integration in Working Life

The Confederation of Swedish Enterprise, SALAR, the Swedish Agency for Government Employers, the Confederation of Professional Employees (TCO) and Saco together run the Council for Integration in Working Life (Ria). The purpose of the Council is to support, follow up and further develop efforts towards integration in working life. Ria's work is aimed at bringing about working life that utilises the qualities of every human being, regardless of ethnic background, and which is non-discriminatory.

On 30 March 2015, Ria met with Minister for Employment Ylva Johansson and presented the report "Actor Survey - Work on equal terms". Ria emphasised the need for a more flexible establishment period and more personalised support to recent arrivals from the Public Employment Service, for example. The Actor Survey is a general survey of public actors' remits and support for establishment on the labour market for people who migrate to Sweden for various reasons. The report identifies obscurities in the remits of public actors to facilitate integration of persons in need of protection, family members, labour force migrants, students, etc.

In spring 2016, Ria will publish a report on establishment and career paths in the Swedish labour market for people born abroad.

The Omstart (Re-start) web portal

Omstart(www.saco.se/omstart) is a web portal for immigrant university graduates. The web portal has been further developed in 2015. Omstart and Saco's integration work have been presented on various occasions during the year, including at the Saco student fair in Malmö, to various decision-makers and schools, as well as in the labour market training programme *The short route* in Jönköping and in Stockholm.

Recruiting Bazaar

The Bazaar is a fair at Stockholm's cultural centre that attracts about 70 exhibitors and 10 000 visitors every year. Saco has participated in the working group that arranges the Bazaar, led by the Stockholm County Administrative Board. The Swedish Confederation of Professional Associations and a number of Saco affiliates participate in the Bazaar with stands providing information on education and the labour market for university graduates, as well as arranging some 70 training interviews for those who want to try out a job interview.

Mentoring programmes

Several Saco associations have mentoring programmes for recently arrived university graduates. In the programmes a recently arrived university graduate will be paired with a colleague in the same profession. The objective is for immigrant university graduates to expand their professional networks and gain improved self-confidence in their career efforts.

1.3. Integration of individuals with a weak foothold in the ordinary labour market

Special conditional agreement in central government for certain fixed term employment contracts signed by the employer within the framework of labour market policy objectives

In the central government sector a special conditional agreement for certain fixed term employment contracts has existed since 2013. The agreement regulates terms of employment for contracts of a maximum of 12 months, which the employer considers justified within the framework of a labour market policy objective; that is, temporary employment of individuals covered by labour market policy measures. The agreement conditions have been formulated to give the employer, when deciding on such employment contracts, greater opportunities to design the job to suit the individual employee's needs as regards support, development and experience. Through the agreement the parties accept joint responsibility for providing relevant terms of employment for the employees the agreement may apply to. Individuals can thus gain working life experience and increased employability.

1.4. Gender equality in the labour market

Gender mainstreaming

SALAR is one of the initiators of the web portal *Jämställ.nu*. The portal is a national resource for gender equality and gender mainstreaming. The portal has facts and news about gender equality, practical examples and concrete tools for gender mainstreaming. *Jämställ.nu* is currently operated as a unique collaborative initiative between the Swedish Secretariat for Gender Research, the County Administrative Boards, the Swedish ESF Council, SALAR and VINNOVA.

Jämställ.nu was financed in 2011–2013 through funds from the SALAR programme for sustainable gender equality (HåJ). The portal has been funded by the Government since 2014.

1.5. Transition

Transition agreements

The first “security agreements”, or transition agreements, were made in the 1970s when non-manual workers were for the first time made redundant and unemployed to a wider extent. Over the years, agreements have been made for new areas of agreement and existing agreements have been renegotiated. Most employees in the Swedish labour market are covered by transition agreements. Such agreements are intended to make it easier for employees whose jobs have been, or risk being, terminated, to obtain help in finding a new job through active transition processes and financial benefits on termination due to shortage of work. The social parties in the Swedish labour market have transition agreements in the private sector, the central government sector and the municipal sector. Sweden is unique in that the social partners assume responsibility in this way for such a major part of active employment policy measures.

There are two new transition agreements effective 2015 that support effective transition in the central government sector based on a holistic perspective: The “Agreement on local transition funds”, aimed at strengthening proactive transition by the respective employers, and the “Agreement on local transition”, which regulates the conditions for individual support that employees can utilise in the event of termination due to shortage of work or when a fixed term employment contract of at least two years expires. The agreements are based on labour market needs and together form a transition chain that supports the work-first principle, the individual’s possibilities of a longer working life and the change and development of central government operations required at all times.

As of early 2015, there are new agreements with the Swedish Performing Arts Association, the Swedish Union for Performing Arts and Film and the Swedish Union of Professional Musicians concerning transition and career switching for the artistic professions. This provides comprehensive support to employees who need to switch professions after their artistic careers come to an end.

2. Education – The proportion of pupils without an upper secondary grade is to be less than 10 per cent

Fewer upper secondary school dropouts and Plug-In 2.0

Plug In 2.0 is a direct extension of SALAR’s multi-year Plug In initiative - the largest collaborative project in Sweden aimed at preventing dropouts from upper secondary school.

The main focus of the new project is to work further with and develop the areas identified as success factors in Plug In. The ambition is to achieve strategic influence both nationally and internationally. On the local level, it is hoped that the project will also play a positive role in the lives of individual young people. An estimated 3 000 young people in some 40 municipalities are expected to be reached during the project period.

Like its predecessor, Plug In 2.0 is financed by the European Social Fund (ESF) with co-financing from the municipalities and regions involved. The project is managed by SALAR in cooperation with eight regions.

It is more difficult for young people who have not completed their upper secondary school studies to establish themselves on the labour market, compared with those who have. SALAR’s report *Education - the key to work* shows that it is considerably more difficult for people who have not completed upper secondary school studies to secure and retain a job, even at the age of 29. This increases dependency upon economic assistance and the risk of social exclusion.

SALAR is also working actively to spread knowledge and lessons learnt concerning the dropout issue, primarily through the digital platform PlugInnovation.se. Visitors to the site can read about and be inspired by how the municipalities involved in the project are working. There are examples concerning everything from how they are reducing school absenteeism and finding more effective study paths for recent arrivals to supporting

young men and women who have quit school to return to their studies or other occupation.

The work is carried out partly through the *Sweden's Most Important Jobs* communications initiative to encourage young people to choose upper secondary programmes that lead to jobs, with the goal of recruiting to the welfare sector.

Comments on the National Reform Programme

Comments from the Swedish Trade Union Confederation (LO), the Confederation of Professional Employees (TCO) and the Swedish Confederation of Professional Associations (Saco)

Sweden received a high number of refugees in 2015. Short-term, this entails certain challenges for the Swedish labour market as a large number of people need to be afforded the opportunity to establish themselves. At the same time, the conditions for establishment are good for people who are granted asylum. Of the people registered in the Public Employment Service's establishment remit in December 2015, seven out of ten were aged 40 or younger and four out of ten were 30 or younger. One quarter of the registered recent arrivals have post-secondary education of more than two years. This percentage has risen in recent years. An equally large percentage have completed education at the upper secondary level or have completed briefer post-secondary education. However, almost half have only pre-upper secondary education.

We want to see wide-ranging initiatives to raise the level of education among people who come to Sweden so that more of them can quickly become established on the labour market.

We share the Commission's concerns about a housing bubble that is at risk of bursting in Sweden. The fundamental problem is that housing construction starts have been far too low and must now be increased sharply. It is crucial that the Government removes the obstacles that are delaying the necessary increase in housing production, among else as regards to bottlenecks in planning processes.

The steep increase in household indebtedness is also worrying. It is therefore important that the Government, the Riksbank and Finansinspektionen jointly seek to restrain the macroeconomic risks associated with the high debt. The macroprudential supervision measures that Finansinspektionen has in its toolbox are probably insufficient. The Government should also review how the tax system is contributing to higher indebtedness and the Riksbank should review how the monetary policy has contributed to the current situation. This requires better dialogue among the concerned government agencies in the Financial Stability Council; as well, the macroprudential supervision tools should be concentrated in a single institution and the framework needs to be developed. The monetary policy during the years 2010-2014 has been controversial. We welcome the announced oversight of the guidelines for the monetary policy and of the Sveriges Riksbank Act.

We welcome an additional month of parental leave insurance set aside for fathers. But further steps are necessary to achieve a gender-equal labour market in which women have equal career opportunities and opportunities to earn equal pension rights to men. The Government should proceed with a division of parental leave insurance into thirds and promote a more equal division of part-time work after parental leave ends.

We believe the surplus target for general government finances no longer serves a purpose. The demographic changes with an increasing percentage of older people, a historically

long period of very high structural unemployment and, relative to other countries, very low central government debt indicate that replacing the surplus target with a balance target would be justified.

We welcome the Government's fast track programme for rapid labour market establishment for recent arrivals that is being developed with the social partners. However, the fast track initiatives cover only individuals with backgrounds in certain occupations where there is a labour shortage in Sweden. Greater investments in occupationally relevant language instruction, validation and work experience placements are also required for people who do not participate in the fast tracks.

Conversely, we categorically reject legislation permitting lower entry-level wages for people born abroad. This utterly contravenes the Swedish model in which wages are set by the social partners. Regulation via collective agreements is more flexible and adaptable to various industries than legislation could ever be. The social partners are those who are, as a group, best equipped to determine the total scope for wage increases and how wages should be balanced against other terms of employment such as working hours, annual leave, pension provisions, etc. Thanks to responsible wage formation, Swedish competitiveness has not been impaired despite large increases in real wages over the past twenty years.

We are seeking oversight of the tax system resulting in lower tax on labour and higher taxes on consumption and environmentally harmful activities. A reform is required to address all of the opportunities for tax avoidance that arose when the earlier tax reforms were gradually undermined. The total tax levy can hardly be further reduced. On the contrary, the challenges that central government expenditures are now facing as regards to, among else, refugee reception, increased sick leave rates and the national security situation, indicate that there is upwards pressure on central government expenditures.

Comments from the Confederation of Swedish Enterprise

The Confederation of Swedish Enterprise wishes to give the following comments on the 2016 National Reform Programme. The comments should be read in relation to the aim of the Europe 2020 strategy to generate smart and sustainable growth that benefits everyone.

The Swedish economy is strong compared with many other EU countries. GDP growth is expected to exceed three per cent for 2016, although per capita GDP growth in Sweden is very low. Growth is being driven primarily by expansion in public consumption along with the very low interest rates that are accelerating private consumption.

The Confederation of Swedish Enterprise welcomes the Commission's analysis of the situation in the housing market and the risks that high household indebtedness entail. The Confederation of Swedish Enterprise concurs with the Commission that the Government's initiatives to improve the functioning of the housing market, specifically as regards the rental housing market, have been non-existent and/or inadequate.

The Confederation of Swedish Enterprise acknowledges that the Swedish labour market functions relatively well and that employment is high. But the structural challenges remain. High entry-level wages combined with a highly compressed wage structure make it very difficult for many individuals to permanently establish themselves on the labour market. This applies in particular to people with low qualifications. Sweden has a comparatively low percentage of jobs that do not require extensive experience or thorough education, which makes establishment more difficult for individuals with low qualifications.

The quality and relevance of the education systems need to be strengthened to make it easier for individuals with lower qualifications to establish themselves on the labour market. In addition, measures should be taken that stimulate the growth of both simpler jobs and highly qualified jobs. In this respect, both political representatives and the social partners have a responsibility.

2. Contribution from SALAR (Swedish Association of Local Authorities and Regions) - as representative of regional and local levels in Sweden

Local and regional work with the Europe 2020 strategy

The activities of municipalities and county councils constitute about 21 per cent of Sweden's GDP and account for about 30 per cent of employment. The Europe 2020 strategy affects several policy areas that in Sweden fall within the responsibility of municipalities, county councils and regions. Many of Sweden's municipalities, county councils and regions have integrated the Europe 2020 targets into their development plans, operational plans and annual budgets. There are solid strategic efforts at the local and regional level in Sweden to follow up on the targets and indicators set in accordance with the strategy. In this context, it is emphasised that for the regions and county councils that are responsible for regional development, their basic remit includes working on and driving many of the issues highlighted in the strategy. The 290 municipalities throughout Sweden also work within many of their core activities on measures that can be linked to the Europe 2020 objectives.

In early 2015 the Swedish Association of Local Authorities and Regions (SALAR), the Government Offices and the Commission arranged a conference on implementation of the Europe 2020 strategy in Sweden. A broad discussion was held between actors from different sectors and social levels on the country-specific recommendations. The topics of discussion included housing construction and youth employment. This type of arrangement increases the sense of participation for all actors in implementing the Europe 2020 strategy and thus contributes to attaining the targets. A new joint conference is planned for the second half of 2016.

The importance of multi-level governance and the European structural and investment funds for implementation of the strategy

The Europe 2020 strategy has set a credible and appropriate framework for the European structural and investment funds and contributed to focusing measures in the Member States. SALAR considers that the funds are the most important tool and an important force for mobilisation to achieve attainment of the targets for the Europe 2020 strategy.

The European structural and investment funds not only contribute great economic resources, but also a working method that now characterises the implementation of, by and large, all policy at the local and regional levels. The method of work means a more structured way of approaching the problem scenarios and challenges identified through initiatives that utilise regional strengths and opportunities. This approach now characterises the implementation of essentially all policy at the local and regional levels. SALAR therefore emphasises the importance of involving local and regional levels in all parts of the Europe 2020 strategy: in dialogue on objectives, priorities, decisions and implementation.

Regional and local examples of projects contributing to attaining Sweden's national targets

Around Sweden, numerous different projects are in progress at the local and regional levels with the aim of attaining the targets for the Europe 2020 strategy. The examples presented below should be seen as a small selection of good examples of successful efforts in various parts of the country. The selection is intended to reflect the breadth of projects found within the framework of smart, sustainable and inclusive growth around the country.

Examples from SALAR

New and wider recruiting paths

Swedish municipalities, county councils and regions are facing future recruiting challenges. All told, 530 000 new employees will need to be recruited by 2023. Employers have the opportunity to affect future skills supply by altering and developing working methods, organisation and staffing. Through the *Sweden's Most Important Jobs* initiative, SALAR has identified nine strategies for overcoming the recruiting challenges. The solutions include widening the recruiting base and using skills the right way. This involves utilising the skills of recent arrivals and people with disabilities, as well as breaking gender norms. SALAR is continuing this effort in partnership with trade unions and other actors, government agencies and interest organisations through a pre-study, *More Pathways to Entry*, financed by the European Social Fund. The objective is to create sustainable and common structures and strategies for widened recruiting to the welfare sector.

SALAR's vision is that there will be competition for jobs in the welfare sector by 2020. Wider recruiting is required to meet the major recruiting challenge. A pre-study called "More Pathways to Entry" will be carried out and will include survey and analysis of skills supply from a non-discrimination perspective through inventorying knowledge and experience, as well as through the development of strategies, innovative methods and approaches for wider recruiting. Focus will be on health, education and care - the sectors that have the greatest recruiting needs. The objective is to create long-term and permanent solutions for sustainable and inclusive working life. Solutions that are significant to being an attractive employer for both existing and potential employees, regardless of ethnicity, functional capacity and gender.

SALAR is also running an initiative aimed at getting more men into Swedish preschools. Wider recruiting is a key to overcoming the recruiting challenges in preschools. At present, around three per cent of employees in municipal preschools are men. Gender should not be the determining factor in the choice of occupation and it has been confirmed that both young women and young men are open to working in the preschools. More pathways into the preschools are needed and knowledge about and understanding of what the jobs entail must increase.

SALAR has a network of eight municipalities that are working to bring more men into the preschools and their development efforts are being followed through ongoing

evaluation. SALAR cooperates with national actors, academic institutions and trade union organisations concerning these challenges and has developed support materials on the issue, among else in an anthology *Fler män till förskolan* (More men to the preschools) that will be published in English in spring 2016.

Rules for employees in trainee jobs

In November 2015, SALAR/Pacta signed an agreement with the Swedish Municipal Workers' Union on the rules for trainee jobs. Based on the Ordinance on Special Employment Support, young people who meet the criteria set out in the ordinance and who have been unemployed for six months (for trainee jobs in certain areas of the welfare sector) or three months (for trainee jobs in vocations that have a shortage of employees) can be offered trainee jobs.

Special employment support may be granted for 50 per cent of a full-time job for a maximum of 24 months in the welfare sector and 12 months in occupations where there is a labour shortage. The positions are temporary, up to a maximum of two years. Employers are compensated for 85 per cent of the wage cost if the employee has a half-time trainee job in the welfare sector. At most, the employer may receive SEK 510 per day worked when the employee works half-time and a grant of SEK 100 per day worked to help and supervise the employee in the workplace. If the trainee job in the welfare sector is extended after 12 months so that the employee can complete their studies, the employer receives 50 per cent of the wage cost, up to a maximum of SEK 300 per day worked. The supervision grant is not paid during the period of the extension.

Youth to work

In 2015, SALAR arranged about 84 000 holiday jobs for young people who are to start or are already studying at upper secondary school. These holiday jobs are the first contact with the labour market for many young people and provide valuable experiences and references for the future. SALAR would now like to develop the holiday jobs so that more young people can have the opportunity of a holiday job and more employers can contribute while themselves gaining an opportunity to market themselves and their industry. This work includes SALAR's *Sweden's Most Important Jobs* initiative, in which holiday jobs are a way of marketing jobs in municipalities and county councils/regions.

The work continued during the year to highlight the vocational introduction agreements as a possibility for municipalities to simultaneously recruit and train young people who are interested in working in the municipal sector. SALAR's work with upper secondary school dropouts is still ongoing in the Plug In 2.0 project, which will have even greater focus on developing methods in upper secondary school that prevent dropouts.

Plug In 2.0

The work of SALAR and affiliates to reduce upper secondary school dropouts continued during 2015 through the project start for Plug In 2.0, among else. The project is a direct extension of Plug In - the largest collaborative project in Sweden aimed at preventing dropouts from upper secondary school.

The main focus of the new project is to work further with and develop the areas identified as success factors in Plug In. The ambition is to achieve strategic influence both nationally and internationally. On the local level, it is hoped that the project will also play a positive role in the lives of individual young people. An estimated 3 000 young people in some 40 municipalities are expected to be reached during the project period.

Like its predecessor, Plug In 2.0 is financed by the European Social Fund (ESF) with co-financing from the municipalities and regions involved. The project is being managed by SALAR in cooperation with the Göteborg Region Association of Local Authorities (GR), Region Jämtland Härjedalen, the Regional Council in Kalmar County, Region Västerbotten, Region Östergötland and the Skåne Association of Local Authorities.

It is more difficult for young people who have not completed their upper secondary school studies to establish themselves on the labour market, compared with those who have. SALAR's report "Education - the key to work" shows that it is considerably more difficult for people who have not completed upper secondary school studies to secure and retain a job, even at the age of 29. This increases dependency upon economic assistance and the risk of social exclusion.

SALAR is also working actively to spread knowledge and lessons learnt concerning the dropout issue, primarily through our digital platform PlugInnovation.se. Visitors to the site can read about and be inspired by how the municipalities involved in the project are working. There are examples concerning everything from how they are reducing school absenteeism and finding more effective study paths for recent arrivals to supporting young men and women who have quit school to return to their studies or other occupation.

Regional examples

Region Dalarna looks towards a new horizon

Two projects are being run in Region Dalarna under the name Next Horizon, which is aimed at bringing about increased employment and growth in the region through new partnership structures within the areas of an energy-efficient society and innovative experience production. The projects are financed by the European Regional Development Fund (EDRF) and are part of the region's work with smart specialisation.

The first project coordinates actors that, as a group, strengthen Dalarna's position in energy efficiency, reduced dependence upon fossil energy sources and a long-term energy supply system based on renewable energy sources. The project is aimed at creating new products and services in the field and thereby new jobs, as well as more generally improving the innovation climate in the region.

The second project has to do with leveraging the hospitality industry (the Destination Dalarna cluster) to bring actors and stakeholders together to develop the potential found in film, music, games, IT and sport as the basis for new products and services for the

hospitality industry. Innovation processes and research and innovation infrastructures are also being built up in the project.

Business Incubation 2020 for increased entrepreneurship in Skåne and Blekinge

The Business Incubation 2020 project that will be ongoing 2015-2018 is financed via ERDF and is aimed at promoting entrepreneurship and enterprise in the region.

Skåne and Blekinge have favourable conditions for becoming an engine of growth with a good international reputation, but the population in Skåne is still growing faster than employment. Established industries in the counties' areas of strength have cut back their operations in recent years, which is contributing to lower employment and growth on the national level.

In this project, Teknopol, Blekinge Business Incubator, Ideon Innovation, Krinova Science Park, MINC and Life Science Incubator will make a joint effort to give entrepreneurs the support they need in the development phase, regardless of where they are located in the region. The joint initiative will allow participating actors to achieve substantially greater critical mass than would be possible within their regular organisations.

The project aims include increasing the number of entrepreneurs (especially women and people born abroad), increasing the number of entrepreneurs who receive support from the incubator system, increasing the speed to market for startups through collaboration with established trade and industry and generating perceptions among entrepreneurs that support from the incubators led to more effective incubation.

Sustainable travel in Västernorrland

Based on lessons learnt from the Västernorrland County Council's work with business travel, the municipalities in the county have started a joint project with the County Council aimed at making public transport, walking, bicycling and remote meetings the first choice for official and business travel. The general objectives of the project are reduced carbon emissions and improved public health. The project is financed by ERDF.

Every day, more than 50 000 trips to and from work are undertaken in municipalities in the county. If sustainable travel habits are developed, the market share of public transport can increase and its costs decrease. Increased everyday exercise via walking and bicycling also gives advantages from the public health perspective and the use of remote meeting technologies saves working time. Changed travel habits lead to lower costs for both individuals and the organisations.

The transition can be supported and travel monitored through being able to employ travel advisers in the municipalities and at the Public Transport Authority in Västernorrland. Through investments in footpaths and cycling facilities, climate-smart travel alternatives for employees and visitors to larger workplaces, public points of service and strategic transfer points in public transport can be improved and facilitated.

Energy efficient companies in East Central Sweden

The Energy Efficient Companies in East Central Sweden (ECS) project that has been granted funding via ERDF, provides help and support in energy-related matters to small and medium-sized enterprises in Södermanland County, Uppsala County, Västmanland County, Örebro County and Östergötland County. The project is a major initiative to encourage companies in ECS to improve the energy efficiency and competitiveness of their businesses while reducing climate impact.

The background to the project is the large potential for improving energy efficiency found in Swedish companies. Energy costs in Sweden have been historically low. As a result, Swedish companies have not prioritised energy efficiency as much as competing companies in other countries. At the same time, many small and medium-sized enterprises lack time, money and knowledge about how to improve energy efficiency in practice. The objective is to gain at least 200 participating companies that are implementing or planning to implement energy efficiency measures during the project period. The project also includes bringing together public sector actors and improving their joint efforts aimed at companies in the energy and climate area.

Energy Efficient Companies is being implemented by the Mälardalen Energy Agency, the Region Örebro County Energy Agency and the East Sweden Energy Agency. The project financiers are ERDF, the Mälardalen Energy Agency, the Västmanland County Administrative Board, the Sörmland Regional Council, the Uppsala Regional Council, Region Örebro County and the East Sweden Regional Council.

The future of Värmland - A strategic vision for collaborative development in Värmland

All municipalities in Värmland County are collaborating to reduce youth unemployment and social exclusion. The Future of Värmland project has been granted funds by the European Social Fund (ESF) and will support some 900 young people aged 15-24 over the period of May 2015 to December 2017. The focus is on young people who are not in work or study, with priority on young people who do not have complete upper secondary grades.

Youth unemployment is high in Värmland and a large percentage of young women and men are socially excluded because they are not in work or studying. The project is a collaboration among all municipalities in the county, the Public Employment Service, the Social Insurance Office, the County Council and the cooperative municipal body Samordningsförbunden i Värmland. In a future development effort, the actors see a need for a programme to prevent school dropouts and for the development of new forms of collaboration and more efficient working methods to avoid young people being shifted from one actor to another.

The Skills Hub

The Skills Hub, financed with the assistance of ESF, is intended to help the manufacturing industry in the Västra Götaland Region strengthen the skills and labour market opportunities of employed women and men by implementing management systems for strategic skills supply. The implementation is meant to contribute to eliminating discriminatory structures and create gender-equal, inclusive workplaces. Over

the long term, this is expected to strengthen the positions and influence of women and men in harmony with the needs of business to attract the right skills regardless of gender, gender identity, ethnicity, variations in functional capacity, religious convictions, sexuality and age.

The project is intended to meet an identified need for strategic skills supply within small and medium-sized industrial companies. Industry is heavily male-dominated and assuring future skills supply will require values-based work with the workplace culture so that women and men of diverse backgrounds will perceive industry as an attractive work environment with good opportunities for development. The Skills Hub has a target of creating conditions for implementation of the standard in 180 industrial companies in West Sweden. The work will encompass survey and analysis, the setting of targets for skills development and development of company culture, and skills-enhancing initiatives at the strategic and individual levels. The project is being followed through ongoing evaluation of the effects on gender equality at both the individual and organisational levels.

Local examples

Integration Halland

The six municipalities in Halland are cooperating in the Integration Halland project to simplify the pathway to the labour market for recent arrivals to Sweden. Targeted activities are being carried out in parallel with the building of a knowledge platform. The project is financed via ESF and started in 2015.

The project is aimed at reinforcing the work of the Public Employment Service within the framework of the establishment initiative. The goal is to shorten the pathway to the first job for individuals who participate in the project and to increase collaboration among municipalities, voluntary associations and business in the area of integration.

The primary target group is recently arrived people who have permanent resident permits, both those who are included in the Public Employment Service's establishment remit as well as those who have not yet been placed in a municipality. Individuals in the target group can participate in the targeted activities provided by the project. The secondary target group is municipal residents, employers and public and private sector employees, as well as organisations in the voluntary sector and civil society.

Boost by FC Rosengård

Boost by FC Rosengård is a labour market project in the Malmö region financed by ESF. The project is directed at young people who need a personalised and tailor-made programme to enter the labour market. The project owner is FC Rosengård, a sports association that also initiated the three earlier labour market projects Mabi Match, Mabi Development and Mabi Goal. Boost by FC Rosengård is being carried out in collaboration with the City of Malmö, Municipality of Staffanstorp, Municipality of Lomma, Municipality of Trelleborg, Region Skåne, the Public Employment Service in Malmö and the Public Employment Service in Burlöv and Staffanstorp.

The project builds upon the earlier projects, in which it was determined that young jobseekers can have difficulty benefiting from traditional labour market programmes, especially if they have gaps in basic education and lack work experience. Boost by FC Rosengård provides support that is based on the young people's situations and takes into account their unique needs and circumstances.

Integration project focused on education in Swedish for Immigrants

The Göteborg Region Association of Local Authorities (GR) ran the GRINT integration project from 2013-2015, focused on education in Swedish for Immigrants (SFI). GRINT, which was financed with the assistance of the European Integration Fund, was aimed at surveying efforts in the Göteborg Region to evaluate the progress of educational initiatives connected to SFI.

In addition to the primary target group of recently arrived third-country nationals, the survey also included teachers, education coordinators, officials in managerial positions and other relevant actors. The project collaborated with other regions and municipalities in the country to share lessons learnt and compare outcomes concerning how successful SFI and language support teaching can be organised and run.

Through GRINT, learning examples, knowledge sharing and the target group's own voice were intended to result in long-term and sustainable development of SFI and language support teaching on the pedagogical and organisational levels. The objective is to increase integration through language and take advantage of the successful methods of SFI and language support initiatives in the Göteborg Region. The work within GRINT resulted in two methodological supports for SFI teaching, one with a focus on systematic quality management and one with a pedagogical orientation, for which teachers were the target group.

Jokkmokk's efforts towards innovative energy supply

The Municipality of Jokkmokk is the Swedish partner in the RECENT (Renewable Community Empowerment in Northern Territories) project, run within the framework of the Interreg NPA (Northern Periphery and Arctic Programme). The project includes partners from Northern Ireland, Ireland, Scotland, Sweden (Municipality of Jokkmokk) and Finland, which are facing similar challenges and opportunities related to using hydropower in energy production.

The project is aimed at increasing knowledge about and creating energy efficient and resilient infrastructures for energy supply to manage climate-related risks in rural communities. For Jokkmokk's part, the purpose of the project is to equip small municipalities in Norrbotten and Västerbotten to implement smart energy solutions. A total of 24 pilot projects will be carried out in the five participating countries, with focus on innovative hydropower. Project efforts are intended to result in an online training tool, a mentor network for knowledge exchange, the development of guidelines and the spread of information.

Improving energy efficiency in Million Homes era buildings

The Municipality of Växjö is part of the EU-financed five-year project READY, which is based on developing and testing innovative solutions for drastically reducing the energy requirement in homes and offices built during the Million Homes Programme era. Existing buildings are facing a need for renovations that is providing an opportunity for most business partners to test new and innovative ideas on a large scale. Linnaeus University is also involved to contribute scientific knowledge to the development of new methods.

The project also includes testing new methods for even more energy-efficient district heating supply and developing methods for making better use of waste heat. The Municipality of Växjö is participating in the project along with Aarhus, Denmark, and Kaunas, Lithuania. The project is financed by the EU research programme FP7, now Horizon 2020, within the framework of SmartCities, and will run until 2019.

Sustainable travel in Örebro

The Municipality of Örebro is working actively to promote sustainable transport and sustainable travel in the municipality, among else through the Push & Pull project, which focuses on parking management and parking incentives as an aspect of creating energy-efficient transports. The project aims include developing a parking norm to better utilise space in cities and communities, stimulate sustainable travel, initiate carpools and reduce car ownership.

Örebro has prepared an action plan for increased cycling. The action plan includes measures relating to the cycle path network, bicycle parking, operations and maintenance, cycle path signposts, traffic safety, communication and marketing and follow-up. These activities are also included in the Push & Pull project. The fifteen participants in the project include Örebro, Krakow, Ghent, Nottingham, Tarragona and Bacau. The three-year project started in March 2014 and is financed via Intelligent Energy Europe.

Celsius

The advantages of district heating and district cooling will be demonstrated through knowledge exchange between different cities in Europe in the Celsius project, led by Göteborg Energi and the City of Göteborg. The project is financed by the earlier EU framework programme for research and innovation, FP7, and will run for four years.

The Celsius project includes five member cities: Göteborg, London, Rotterdam, Cologne and Genoa. The target is to recruit 50 new Celsius cities by 2017. The cities participating in the Celsius project each have unique conditions for working with district heating and district cooling. The district heating network is expansive in some cities, while still in the early stages in others.

Each city is developing and demonstrating smart integration solutions with the district heating network. In so doing, they are not only contributing to climate improvements in the city.

3. Contributions from civil society organisations

Civos - Civilsamhällets organisationer i samverkan

Civos (Civil society organisations in partnership) is a national umbrella organisation whose mission is to strengthen and expand opportunities for civil society organisations to act in accordance with the interests of their members. Aimed at realising the vision of a strong and independent civil society, Civos engages in dialogue with decision-makers, acts as an opinion leader and consultation partner and acts to bring to the fore the significance of the civil society to the lives of individuals and social development. The organisation was formed in 2009 and its current members are some fifteen national umbrella organisations. Civos is financed entirely by membership dues and is thus independent of the government and receives no public financial support.

The civil society in Sweden and Europe 2020

In many ways, the Europe 2020 strategy describes the great social challenges of our time, where Civos's understanding is that the civil society will play a central role in helping European Member States attain the targets. This also applies within the comprehensive activities that civil society organisations are contributing toward gaining public acceptance and support for the strategy.

Statistics compiled by Statistics Sweden show the extent of the civil sector, where the contribution of the civil society to the GDP of Sweden was 3.3 per cent in 2013. Total production in the same year was SEK 219 billion, of which payments from public administrations accounted for only 34 billion. Value added to the civil society amounted to SEK 124 billion. In total, it was estimated that the civil society in Sweden comprises 232 000 organisations, organised through more than 30 million individual memberships.

Employment target

The total number of gainfully employed persons in the civil society amounted to roughly 191 000 persons, of whom women comprised 58 percent. Civos will continue striving to ensure that non-profit organisations continue to develop as a substantial and secure employer. For example, among the year's activities, the "Civil Society as Employer" is a theme that Civos is involved in within the framework of the Joint Dialogue Forum.

We are continuing to work, for example, towards expanding the policy-based tax relief pertaining to social insurance fees that applies only to the popular sports movement to all civil society organisations. Civos has also initiated contact with the Public Employment Service, where the goal is a national contract that allows more non-profit organisations to be involved in initiatives like new start jobs, work experience places and establishment on the labour market. Through the work in the National Agreement⁵, we want to see more

⁵ <http://overenskommelsen.se/>

non-profit organisations given the prerequisites for growth as social welfare providers and through social enterprises and entrepreneurship where all profits made are reinvested in the business. Overall, we believe there is great potential for civil society organisations to make a strong contribution to attaining Sweden’s national targets, provided that the Government identifies the sector as a co-producer to increase the employment rate and create more jobs.

Education target

Civil society organisations today play an important role in helping Sweden reach the target of more young people completing their upper secondary education. Research shows that young people who participate in voluntary clubs and associations perform better in school than young people who do not participate, and are less likely to end up marginalised or to commit crimes. The Swedish Sports Confederation has shown that young people who are active in sports movement organisations suffer less stress and develop better self-esteem and better health, which has also been shown by outdoor life organisations that give young people access to the Swedish countryside.

Through liberal adult education, study associations and popular movement folk high schools, the civil society is also an important actor that provides comprehensive educational activities. This involves upper secondary preparatory education as well as SFI and study circles. The popular movement folk high schools are thus contributing directly to reaching the target by using their unique pedagogical and didactic programmes to adapt education to every young person and, through the General course, to help more people become eligible for admission to upper secondary school. Civos will continue working to increase resource allocation and improve other conditions for adult education organisations in the civil society. In this area, several comprehensive reforms are required to stimulate the growth of popular movement folk high schools without disadvantaging existing schools.

Target for increased social inclusion

The civil society is making substantial contributions towards helping Sweden attain the targets for increased social inclusion. Civos will continue to remind the Government of the meaningfulness of voluntary engagement to a person who is in a situation of social exclusion in various forms and of how important it is that this is stimulated by society. For example, an unemployed person who continues their voluntary activities runs the risk of losing their benefits because the voluntary engagement is judged as evidence of capacity to work. Instead, it may be a form of recreation and a path back to full working capacity that must be stimulated rather than constrained.

In their efforts against homelessness, city missions and social enterprises are helping support people. The effort to help children who are economically and socially excluded is continuing with greater focus now that the UN Convention on the Rights of the Child is to be incorporated in Swedish law. In this area, Civos wants to contribute to ensuring that the drafting history of the law also reflects the Europe 2020 strategy to guarantee children’s rights, regardless of their legal status in Sweden. This now applies in particular to refugees, applicants for asylum and “undocumented” migrants. Civos is also

contributing through its affiliates, including Famna, to efforts towards greater gender equality in health care.

Research and development targets

During 2015, Civos worked with the supporting documentation for the forthcoming research policy bill and intends to continue promoting the inclusion of civil society research as a prioritised and long-term field of study. Civos is continuing to promote the establishment of a new area in the research policy that includes structural support to settings that have contributed to the emergence of this field of research in Sweden, the establishment of a number of international professorships for civil society research and the establishment of a stand-alone research institute.

Civos is also represented in the Swedish Agency for Youth and Civil Society's reference group for research and knowledge about the civil society. Furthermore, we are spreading knowledge about the civil society in relation to participation in research structures and spreading results and knowledge in an easily accessible way.

Consultation and dialogue with civil society organisations

Civos is an active partner that participates in ongoing dialogue with the Government Offices with a view to improving conditions for civil society organisations in accordance with the reform agenda in the bill entitled A Policy for Civil Society (Gov't Bill 2009/10:55). Among else, Civos has five seats on the Joint Dialogue Forum. In addition, Civos is part of the presiding committee of the Forum, through the vice chairman, the selection committee for the 2017 forum, and arranges open preparatory meetings to expand the dialogue to more civil society organisations. Civos has also been represented in the reference groups in the Government Inquiry for a Stronger Civil Society (U 2014:04) and the Government Inquiry on Participation in the EU (Ju 2014:20). Through this ongoing dialogue, Civos can contribute to covering issues that concern Europe 2020 in the various forms of consultation that the Government has with civil society organisations.

Swedish National Council of Adult Education

Formal and liberal adult education for democratic development in Sweden and the EU

A democratic society provides room for diversity and respects the equal worth of human beings. However, the diversity can trigger opposition. There is a clear link between the level of enlightenment and education in a society and democratic development. The more educated and informed the population, the more people will defend democratic values and attitudes, and the foundation of democracy will be reinforced.

The targets in the Europe 2020 strategy are largely based on measures for economic growth. This perspective remains relevant. At the same time, there is reason to widen the focus more and analyse how implementation of the strategy can contribute to sustainable democratic development of society in Europe. Recent years have been characterised by rapidly growing social and political tensions in many EU Member States, expressed in xenophobic and non-democratic movements gaining a foothold, even as more people are turning to EU countries to seek protection from wars and conflicts in other parts of the world. Democracy and social cohesion are being challenged and put under pressure both in Sweden and other EU countries. There is risk that society will be pulled apart, structures challenged and disparities exacerbated. Increased refugee migration presents a great challenge to Sweden and Europe even as it offers, particularly from a longer-term perspective, many opportunities. The democratic perspective therefore needs to be strengthened in implementing the strategy.

Adult education activities in Sweden are mainly conducted in the framework of the central government adult education appropriation, but also with other financing in the form of assignments and projects. Examples of the latter include:

Study-motivating folk high school courses (3 months) for jobseekers who lack leaving certificates from compulsory school or upper secondary school. The participants' knowledge and experience are validated within the framework of the courses in preparation for further studies or employment. The outcomes since the project began in 2010 are good; within one year after finishing the course, about 40 per cent of participants are engaged in further studies, often in the folk high school General course, which confers eligibility for admission to upper secondary school. The study-motivating courses are conducted in collaboration with the Public Employment Service.

Establishment courses (6 months) are aimed at recently arrived immigrants. The programme includes Swedish-language studies as well as job preparation and orientation initiatives. Establishment courses started in 2014 and are conducted in collaboration with the Public Employment Service.

Since the autumn of 2015, the Swedish National Council of Adult Education has been tasked by the Government with allocating funds to study associations for special liberal education initiatives to promote the establishment of recently arrived immigrants. These include initiatives to strengthen Swedish skills and knowledge about Swedish society and

to promote civic engagement. The initiative applies to asylum seekers and people who have residence permits but are still living in the Swedish Migration Board's accommodation centres.

The Swedish adult education model is a sustainable and effective contribution to the Europe 2020 strategy. It contains aspects that are relevant not only in a Swedish national perspective. Adult education is an important infrastructure for democracy and enlightenment and for the sense of community that characterises our democratic society. Adult education contributes to a great extent to Sweden, along with the other Nordic countries, being at the top in Europe as regards participation in adult learning. In many other EU countries, participation is worryingly low. Participation is particularly low among people with a short education and among older people. The European Agenda for Adult Learning describes adult learning as the weakest link in developing lifelong-learning systems. Formal and liberal adult education play an important role in equipping people for further studies, establishment in the labour market and the role of citizen in a democratic society.

There is therefore reason for Sweden to welcome and support the manifesto drafted by the EAEA (European Association for the Education of Adults)⁶.

⁶ <http://www.eaea.org/media/policy-advocacy/manifesto/manifesto.pdf>

Equally Unique

Equally Unique (website www.likaunika.org) is a Swedish federation whose mission is to increase respect for human rights in Swedish policy. Everyone should be allowed to participate in and contribute to society. Equally Unique promotes human rights for people with disabilities, mainly from the perspective of sight, hearing and movement. The federation was formed in December 2009 and now has six affiliates: The Association for Sweden's Deaf-Blind (FSDB), the National Association for the Hearing Impaired (HRF), the National Association for Disabled Children and Young People (RBU), Neuro Sweden, the Swedish National Association for the Deaf (SDR) and the Swedish Association of the Visually Impaired (SRF).

Our point of departure is the Convention on the Rights of Persons with Disabilities that Sweden ratified in 2008 and that the EU has also given its support to, the first convention to which the EU became a party as regards human rights. The purpose of the Convention is to “promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities.”

We are in favour of the three priorities on which the Europe 2020 strategy is based: smart growth, sustainable growth and inclusive growth. Equally Unique wants to stress here that the Convention means that the signatory states “emphasise the importance of integrating issues of disability as a material part of relevant strategies for sustainable growth.” The Europe 2020 strategy, with its focus on sustainable growth and not least in the labour market, is in our eyes a strategy that must include both the analysis of social problems and being proactive in the concrete proposals based on a disability perspective.

Equally Unique's work for human rights in Sweden

Based on the UN Convention on the Rights of Persons with Disabilities, Equally Unique is active in advocacy and shaping public opinion. We want this work to contribute to increased respect for human rights in Swedish policy. We also wish to be proactive in bringing about a paradigm shift in Swedish disability policy that entails a shift in perspective in society, from the present patient and medicine perspective to a citizen and rights perspective for people with disabilities.

This financial year, we are working on the basis of three overall goals:

1. Equally Unique is to work to ensure that political decision-makers must base their political decisions on the UN Convention on the Rights for Persons with Disabilities.
2. We are to influence the political parties and political assemblies to take positions based on Equally Unique's long-term and social justice platform, especially as regards the new disability strategy.
3. To work to ensure the establishment in Sweden of an independent human rights institution that promotes a clear disability perspective.

After six years we are an established umbrella organisation and engage in active advocacy work, for example in the consultations we take part in. We are represented on the Government's disability delegation and in priority consultations with certain strategic agencies, such as the disability council of the Swedish Agency for Participation. Alongside consultation, direct contacts with decision makers, mainly at the national level, are important for us.

A strong focus in the past year has been on the establishment of a new disability policy in Sweden and specifying Equally Unique's expectations on decision-makers concerning the contents of such a policy. The points of departure have been experiences of living with a disability in Sweden that are found in our affiliates. We have gained other perspectives from policy evaluations that indicate serious deficiencies. Further contributions to our proposals have come from the UN Committee's review of Sweden, which included clear recommendations to decision-makers. In the work with the new policy, we are urging that it should be informed by the UN development target Agenda 2030, including gender equality, children, disability and human rights perspectives.

Equally Unique is involved when Sweden is reviewed on the basis of how we work with other UN Conventions, such as the Convention on the Rights of the Child and the Convention on the Elimination of All Forms of Discrimination against Women. We make efforts in that respect to get the disability perspective included.

For some years, one of Equally Unique's clear objectives has been for Sweden to create an independent institution for human rights that promotes a clear disability perspective. Following a decision by the Government, such an institution is now going to be established. Equally Unique is participating in a network of civil society actors as regards human rights in order to provide experience and expertise to the Riksdag, which will be responsible for the human rights institution.

We are a young popular movement with limited resources and we must therefore prioritise our work. The focus of our policy cause is jobs and employment, where we also have a justice platform. Labour market policy must be reinforced as regards the disability perspective and, not least importantly, people's capacity and desire to work and contribute. We want to eliminate the term "impaired work capacity" and see public-sector employers become role models in employing people with disabilities. We believe work experience schemes must be converted to trainee places aimed at permanent jobs.

Alongside jobs and employment, Equally Unique has adopted a platform for assistive devices, a special platform ahead of the ongoing government inquiry on older people and we will soon also have established a dedicated education platform.

We are convinced that Equally Unique's actions to influence and develop policy based on human rights and the disability perspective are contributing to improved conditions for attaining the targets in the Europe 2020 strategy for smart and sustainable growth that benefits everyone.

The Swedish Sports Confederation

The Swedish sports movement currently has 3.2 million members and more than 650 000 voluntary leaders in 20 000 clubs. The main reason that members and leaders go to the playing field, the sports hall or into the woods, rain or shine, is that it is fun. Thus, it is not only the training or competition itself that attract people, it is the fellowship and the joy of doing things with others that Swedes think is the main strength of organised sports. This aligns with the sports movement's new mission statement adopted by the Swedish Sports Confederation's General Assembly in 2015: We engage in organised sports for fun, well-being and lifelong development.

Organised sports are open to everyone, regardless of nationality, ethnic origin, religion, age, gender or sexual orientation and physical or psychological circumstances. There is room for children, teenagers and adults, boys and girls from all social strata and with various levels of sporting ambition.

We all need to move our bodies to feel good. It is worrying that health gaps are widening and that childhood obesity is still a serious problem in Sweden. As spontaneous sport declines, people are becoming more sedentary and we are getting around more often by car and public transport, organised sports are becoming increasingly important. Although very few children start doing sports for their health, they nevertheless get healthier and perform better in school when they are physically active on a regular basis.

When people are included in the sports movement, opportunities are created to get involved, learn about democracy and make friends and acquaintances, which in turn can create job opportunities and be a pathway into society. In addition to training and competing, when people play sports in a club, they become part of a fellowship and a context through their membership. Being a member of a club involves being a part of things, taking responsibility and an opportunity to make a difference. This occurs via the clubs' democratic structures, with boards, committees and annual meetings, but also through informal, everyday conversations in the form of player councils and parents' groups, for example. Being part of a club and learning how it works is important for everyone, but perhaps especially for children and adolescents - and their parents - from countries with a different political history.

The challenges of integrating recent arrivals to Sweden will continue for many years ahead and sport plays an important role here. The sports club is an arena for integration where people of different backgrounds come together in a natural way around a shared interest. For example, for people who have recently arrived in Sweden, joining a sports club gives them the opportunity to be physically active, perhaps continue with a sport they played in their native countries and be part of a community. This makes a difference in everyday life and a positive contribution to the future.

International events held at home are part of strengthening international competitiveness, among else by creating jobs. Sweden has a good reputation as an event arranger, but international competition for events is constantly increasing. The sport movement

cooperates with the tourism and hospitality industry to bring more events to Sweden and to develop and gather skills to be a strong factor and role model for sustainable events. The orientation towards sustainable events contributes to a more sustainable society.

The Swedish Sports Confederation and SISU - Swedish Sports Education have engaged in labour market issues along with the rest of civil society within the framework of Forum's application to the European Social Fund. The aim is to contribute to greater social cohesion and inclusive working life. Among else, we are part of a reference group in a project aimed at helping recent arrivals come into contact with clubs and associations.

In addition, the Swedish Sports Confederation and SISU - Swedish Sports Education are developing ideas for how Swedish sport on the national level could work systematically with the issues of sport and the labour market. In this respect, our 20 districts around the country make the crucial difference in the operational effort as coordinators and providers of labour market policy measures within the Swedish sports movement. SISU - Swedish Sports Education are contributing indirectly to growth through the education and adult education they provide, where 47 per cent of participants are younger than 25. Both organisations can make a joint contribution to the Europe 2020 strategy that is aimed at creating increased growth and more jobs.

The Swedish Women's Lobby

The Swedish Women's Lobby is a feminist non-party political and non-profit umbrella organisation for the Swedish women's movement. We have 44 member organisations working in various ways to strengthen women's position in society. The Swedish Women's Lobby is the national coordinator for the European Women's Lobby (EWL), an umbrella organisation for more than 2 000 women's organisations in Europe.

We appreciate the opportunity to bring equality between women and men to the fore in an appendix to the Swedish National Reform Programme 2016. However, we want to underline the importance of that a gender equality perspective should permeate the entire reform programme, in line with Article 3.2 of the Treaty on European Union. We regret that this has, at least thus far, not been the case.

Activities in the Swedish Women's Lobby and the EWL are advancing progress towards the targets in the Europe 2020 strategy. The strategy, along with the new UN development agenda and its new sustainability targets, are our central policy documents for attaining full employment and sustainable growth.

We give two examples below of how our projects have contributed to smart, sustainable and inclusive growth in Sweden. The examples refer to our review of Sweden's efforts related to the UN Convention on the Elimination of all forms of Discrimination against Women (CEDAW) and implementation of the Gender Equality Days conference.

Review of the Government's work with CEDAW

During 2015, the Swedish Women's Lobby reviewed how well Sweden is living up to its commitments under CEDAW. Among else, our review shows shortcomings in four areas:

1. Substandard management, coordination and dissemination of the gender equality policy
2. Persistent pay disparities between women and men
3. Shortcomings in management and coordination related to the effort to prevent violence
4. Lopsided and non-gender equal reception of people in flight

1. Substandard management, coordination and dissemination of the gender equality policy

Gender equality is currently the only policy area that does not have an executive agency. This lack makes it difficult to monitor and measure the effects of actions taken. For Sweden to realise CEDAW, an independent agency for equality between women and men must be established. Likewise, the agency is needed to monitor that the Government is properly implementing the articles of the TEU and EU directives on gender equality. This was one of the intentions behind the wording on establishing gender equality institutions in EU countries, which was incorporated in 2002 into the Equal Opportunities Directive. The agency is also needed to facilitate and ensure that a gender equality perspective

permeates Swedish efforts with the Europe 2020 strategy. During 2015, the Swedish Women's Lobby carried out a major advocacy effort to bring about such an agency and actively contributed to a Government inquiry on the development of the gender equality policy.

2. Persistent pay gaps between women and men

The principle of equal pay was cemented in the Treaty establishing the European Economic Community as far back as 1957; that is, at the outset of the European project. But smart, sustainable, and inclusive growth is still constrained by persistent pay gaps between women and men. The pay gap between women and men in Sweden was 13.2 percent in 2015. The Swedish Women's Lobby initiated and are the standing convenors of the 15:57 movement, which is the largest association for equal pay in Sweden. The movement consists of the major trade union organisations, women's political associations and women's movement organisations. During 2015, the movement has pursued three demands: more equal use of parental leave insurance, reinstatement of annual pay surveys and equal rights to full-time work for both women and men.

3. Shortcomings in management and coordination related to the effort to prevent violence against women

Widespread violence against women is a serious constraint on opportunities to attain full employment and sustainable growth. Major initiatives to stop violence against women have had no impact. Few women report violent crimes and sexual crimes, even fewer lead to prosecution and a minute percentage to convictions; that is, exemption from punishment prevails in practice. It is critically important to adopt a national strategy to prevent violent crimes against women with well-defined areas of responsibility, education and information initiatives and reporting procedures. The causes of low reporting of violent crimes against women must be studied, as well as how society can deal effectively with discriminatory attitudes towards victims of crime.

4. Lopsided and non-gender equal reception of people in flight

Active measures towards more gender equal reception and more gender equal integration in both Sweden and the entire EU would clearly contribute to promoting the EU growth and employment strategy. Both the reception and integration of people in flight or who have migrated to Sweden in other ways are characterised by wide differences between women and men. The Swedish Women's Lobby has brought attention to the asylum issue several times during 2015. In order to achieve more gender equal reception, our demands have included that women and their children must be given special priority among quota refugees. We have also called for a stronger gender equality perspective in the Government's integration initiatives. Immigrant women have a longer establishment period than immigrant men and often become mired in social exclusion. Swedish public authorities and actors must get better at implementing legislation in the same way in segregated suburbs as in the inner city and in rural areas.

The Swedish Women's Lobby is currently participating actively in a comprehensive EWL project to identify the risks to which women and children are exposed during the current

refugee crisis, particularly as regards gender related violence. As the major recipient countries, Sweden and Germany have been studied in depth by the Women's Refugee Commission, whose report reveals a frightening picture of the problems that women and children are subjected to during the refugee journey and upon reception in Sweden due, among else, to shortcomings in procedures, resources, knowledge and gender awareness among public agencies, housing managers, etc. All EWL coordinators, including the Swedish coordinator, are now compiling the report on the prevailing situation in each country. The results will be the basis for specific and urgent demands on the governments of EU countries from a united European women's voice at the EWL general assembly in June.

Gender Equality Days with focus on gender mainstreaming

Gender mainstreaming in all policy areas is the strategy that Sweden, the EU and the UN advocate because it contributes to smart, sustainable and inclusive growth. In spite of this, Sweden has not had a national conference focused on gender mainstreaming. The Swedish Women's Lobby has filled this void by creating Jämställdhetsdagarna (Gender Equality Days), a yearly conference held for the first time in January 2016.

Nine hundred participants were offered knowledge building and new insights into the importance of a gender equality perspective in the labour market, sustainable development, welfare, integration, demographics and health. Attendees were also given the opportunity to understand how a gender-mainstreamed budget facilitates and is a prerequisite for a more gender equal society. For many years, the Swedish Women's Lobby has devoted a great deal of its activities to investigating and openly demanding more action so that Government budgets meet demands for a carefully considered gender equality perspective in both analyses and forward looking proposals. In 2015, our objections included that the budget did not contain adequate initiatives to support the many older women who are living below the EU poverty line due to low old age pensions.

SFS - The Swedish National Union of Students

The Swedish National Union of Students, SFS, is an assembly of student unions. Through its affiliated student unions, SFS represents 250 000 students. SFS's purpose is to represent and promote the interests of member unions and students through advocacy.

SFS's work coincides with the Swedish National Reform Programme through initiatives and advocacy to attain the targets the Government presents to the Commission through the Reform Programme. Through its activities in higher education, SFS is contributing to attaining the education target within the Europe 2020 strategy.

Conditions for higher education

SFS believes that higher education should be open to all. The conditions for higher education must therefore be as favourable as possible. SFS works continuously with advocacy aimed at making the conditions for accessing higher education as good as possible. Everyone should be given equal opportunities for higher education, regardless of background. This is a priority issue for SFS. SFS also works to create an inclusive and welcoming environment in higher education. This provides opportunities for people who do not come from an academic tradition to access education. Wider recruiting is required for Sweden to be a knowledge nation.

Financial aid

SFS monitors student finances and presents a student budget every year. The student budget for 2016 shows that financial conditions for students in Sweden are not sustainable. The student budget shows that students who draw maximum financial aid fall short of meeting their expenses by SEK 202 every month, which undermines opportunities for higher studies. In spite of an increase in the loan portion during 2015, students' perceived financial situation has not improved. In addition, the debt burden for students has increased by 25 per cent in the past five years. There is clearly a lack of understanding of the impact of the increased loan portion on the student population. During the year, SFS has held meetings with concerned politicians and will continue to pursue its work towards better student finances and a more equal balance between the loan and grant portions of student financial aid. The heavy loan burden especially discourages people from non-academic homes and people of foreign background. High student loans do not promote wider recruiting.

Housing

The student housing market is difficult and inadequate. Many students have to wait several terms before they acquire permanent housing. Being forced repeatedly to move and worry about the housing situation generates unhealthy stress that has impact on academic performance. SFS is working to bring about a situation in which responsible politicians at all levels make sure that all students are offered permanent housing at a reasonable price from day one, and that more student housing is built. SFS carefully monitors the student housing situation and issues a housing report every year that

reviews the available housing stock for Swedish students. The 2015 report red-lists 12 university towns where students cannot expect to find housing within six months.

Social security for students

SFS has been working for several years towards recasting the social insurance system so that all students and doctoral students in Sweden have complete insurance coverage. SFS has shed light on the shortcomings in sickness insurance for several years and efforts to change the system are ongoing. SFS demands that:

- Sickness insurance is linked to studies. Students should not have to draw financial aid to have the right to sickness insurance.
- Students should have the right to take part-time sick leave.
- There must be clearer responsibility for student rehabilitation.
- The waiting time for sickness benefits for students should be cut from 30 days to 7 days.

Quality in education

SFS is engaged in ongoing efforts to create good conditions for high-quality teaching. Focus during the year has been on pedagogy, and SFS's demands include that staff must complete courses in teaching in higher education, that the Government must task higher education institutions to coordinate qualification systems for pedagogical skill and that a government agency should be tasked with coordinating and promoting pedagogical development nationwide. SFS has been active in the effort to develop the new quality assurance system and will remain a part of that effort.

The areas mentioned above are only a selection of the issues that SFS will continue working with in order to create the best possible educational environment at Swedish higher education institutions. Through its work, SFS provides a student perspective on Swedish educational policy. This improves opportunities for Sweden to attain the targets set in Europe 2020 and remain a knowledge nation. SFS also believes that the current targets are not ambitious enough: Sweden can do more and do better.

Verdandi

Verdandi – the workers’ socio-political organisation, works with moulding public opinion, peer support, networking and work-integrating social enterprises and activities. Verdandi works for social justice and a society free of alcohol-related harm by organising vulnerable groups to fight for better conditions. Verdandi has no party political or religious affiliation. The key issues we work with are fighting poverty, fighting substance misuse, fighting for a universal welfare policy of solidarity, fighting racism, xenophobia and homophobia and fighting for gender equality.

An important part of Verdandi’s work is to promote the increase of social cohesion in society and to prevent segregation and exclusion. We do this through our social contact activities that offer meeting places and support for everyone, regardless of gender, age and ethnic origin, and through studies and moulding political opinion. An important part of Verdandi’s work is also supporting people in becoming employable through concrete activities and projects, as well as contributing to the creation of employment and work. Verdandi also promotes development in the social economy and social innovations, which contributes to social cohesion and seeking new solutions to social problems in accordance with the Europe 2020 strategy. Verdandi is found in about 40 places in Sweden.

Sweden describes five national targets for Europe 2020 – the EU’s common growth and employment strategy. A few examples of how Verdandi is working in accordance with the general target of promoting social cohesion and increased social inclusion and to attain two of the national targets are given below:

1. “To try to increase the employment rate to well over 80 per cent for women and men aged 20–64 by 2020. The increase is mainly to be achieved among groups with a weak foothold in the labour market, such as young people and people born outside Sweden, by counteracting long periods without work. The difference in employment rates between women and men must be reduced by increasing the employment rate of women.”
2. “To improve social inclusion by reducing the percentage of women and men aged 20–64 who are not in the labour force (except full-time students), the long-term unemployed or those on long-term sick leave to well below 14 per cent by 2020.”

The objective of Verdandi’s participation-creating and work-integrating activities is that everyone should be given influence over their own lives, full inclusion in society and the opportunity to work to 100 per cent of their own ability. This is an important starting point to give more people who are outside the labour market, due to such things as long-term unemployment, foreign origin or discrimination, an opportunity to enter the labour market, but also to increase social cohesion.

Based on our assessment that the need for stronger social cohesion and social inclusion is one of our most important social challenges and a fundamental condition for successfully attaining the targets in the EU 2020 strategy, we have intensified our efforts in recent years to develop methods and programmes that contribute to strengthening social cohesion and social inclusion. User influence and user involvement in social and welfare services is one of the most important areas of development to attain this target.

We have observed that demands for user involvement and user influence are growing:

- Greater personalisation is leading to demands for influence.
- We are seeing greater support in legislation, regulations and guidelines.
- User involvement has gained important legitimacy and recognition as a source of knowledge from the scientific and professional perspectives.

Society has limited resources for service and care. Involving service users and their opinions enables better service and higher efficiency. User-controlled evaluations provide an important tool with the power to effect change in care and service.

User involvement also contributes to improving the social dialogue, increasing social cohesion and providing opportunities for democratic influence at all levels. By extension, this also contributes to greater legitimacy for policies and prioritised social initiatives. User involvement in the form of user-controlled evaluations and user councils are also powerful instruments for empowering the individual. Speaking out is a first step towards greater self-esteem and employable skills and thus a pathway out of unemployment and social exclusion.

Verdandi has been working for many years to develop user involvement and consumer power, which increase citizens' opportunities to choose and exert an influence on the supply of publicly financed welfare services - including those under private management. This opportunity to exert an influence is an important basis for between-election democracy and social inclusion and to be a subject in the design of initiatives intended to help, rather than an object. For the citizen, this is a journey from being a recipient to being a co-creator.

Verdandi has developed concrete tools towards this end in the form of user-controlled evaluations of programmes, services, etc., from the user perspective and support for building local and regional user councils, particularly within addiction care and psychiatric services provided by the local government sector. The Swedish Board of Health and Welfare has chosen to highlight the method in its quality indicator system, "Open comparisons", in the care areas of substance misuse/addiction care and psychiatry.

We have built a national resource centre, Brukarkraft (User Power) to spread the results of this work. Via Brukarkraft, we provide assistance with organisational development, information and training in working methods, as well as support to user groups, service providers and public administrations.

Local government activities in the areas of support, health care and social care have much to gain by taking into account the experiences, knowledge and commitment of users, patients and family members. This creates the conditions for values-based development and is also a prerequisite for evidence-based practice. This increases citizens' opportunities to be actively involved in their own rehabilitation as well as collective influence on the development of publicly financed welfare, and provides a democracy tool that promotes the involvement of vulnerable groups in social development - a vital prerequisite for increased social inclusion.

The gains may be seen on both the collective and individual levels and can be simply described as the levelling of power: Ongoing measures towards systematic user influence of this kind change how people think and work, which is the foundation of cultural change that can contribute to a levelling of power between professionals and users. This involvement may occur in management contexts and developmental activities at all levels. The goal is for the knowledge, experience and opinions of users, patients and family members to be used as a resource for inclusion and development of social services that focus on quality, which adds value for the user/patient and contributes to social inclusion.

The examples given here are only a selection of Verdandi's work in line with the Europe 2020 strategy. We have previously given a more specific account of our efforts to create employment.

Public & Science (VA)

Background

Public & Science (VA) is a non-profit association with the objective of promoting openness and dialogue between researchers and the surrounding community. To achieve the objective we work to bring about conversations in new forms on research and to increase cooperation between researchers and the surrounding community. We also develop new knowledge through opinion surveys and studies.

The association was formed 13 years ago and now has about 80 affiliated organisations⁷ such as agencies, higher education institutions, companies, adult education organisations and research financiers. Our activities are funded by membership fees, project funds and a grant from the Government.

Together with a number of other civil society organisations, VA participated in a consultation on the Europe 2020 strategy held 24 February 2016. At the meeting, VA was especially encouraged to submit a description of the national advocacy platform for increased Swedish participation in Horizon 2020 that we are coordinating, as a contribution to Sweden's national reporting on Europe 2020. A description of the initiative including national advocacy platforms and more information about the advocacy programme we are leading is provided below. We also give further examples of how we are working in general terms to meet the targets in the Europe 2020 strategy.

National advocacy platforms for Swedish participation in Horizon 2020

The national coordination function EU-Sam is comprised of the Swedish Research Council, Formas, Forte and VINNOVA (all research councils), the Energy Agency and the National Space Board. Activities within EU-Sam are aimed at making Sweden more proactive in the European research project and to promote synergies between research and innovation initiatives at the national level and the EU level. EU-Sam has jointly decided to issue a call for proposals to bring about national advocacy platforms that can increase Swedish participation in the EU research and innovation programme Horizon 2020. VINNOVA has been assigned responsibility for calls for proposals and financing of the advocacy platforms and several rounds of calls have taken place since 2013.

The initiative has been entirely bottom-up and is aimed at self-definition and self-shaping of Swedish areas of strength. The purpose of the national advocacy platforms is to stimulate collaboration among Swedish actors that have common visions, goals and needs statements in order to position Swedish areas of strength more clearly and with a unified voice at the European level. The national advocacy platforms are working to ensure that

⁷ <http://v-a.se/medlemsinformation/medlemsorganisationer/>

future calls for proposals align with Swedish areas of strength, with a view to influencing the various parts of the forthcoming work programme. The hope is that more Swedish actors will be part of winning project consortia and that an increasing share of EU research funding will be allocated to Sweden. To date, about thirty advocacy platforms have been granted funding to work over two years with concrete advocacy activities that are adapted to the particular conditions of each area of strength.

The advocacy platform that VA is leading is called *Advocacy, Partnership, Collaboration - A platform for greater Swedish impact in SwafS* and gathers about 50 Swedish organisations, research centres and individual researchers from all social sectors (higher education, business, civil society and public sector). The platform is specifically aimed at the sub-programme Science with and for Society, SwafS, but also towards the other parts of Horizon 2020, because one of Horizon 2020's horizontal dimensions is Responsible Research and Innovation, which is in turn a central component of the SwafS programme. Responsible Research and Innovation (RRI) entails an inclusive approach to the pursuit of research and innovation: the actors concerned should be continuously involved in the effort so that the processes and outcomes that emerge are better aligned with society's needs and expectations (read more below about VA's involvement in the EU project RRI Tools). In addition to being permeated by the principles of RRI, the SwafS programme has special focus on science education, open access/open science, gender equality, ethics and public engagement.

The activities in our advocacy platform are directed at both the European and Swedish levels. We are engaged in multifaceted advocacy work towards the Commission and other relevant bodies in Brussels. We also see a clear need to spread information about the SwafS programme in Sweden and what it entails in the form of financing opportunities for a wide palette of Swedish actors. We also need to make other Swedish actors in the other parts of Horizon 2020 aware that in order to achieve greater success; they need to more fully understand the principles of RRI, which are being more frequently explicitly mentioned in calls for proposals.

We believe this initiative from national Swedish research financiers - to provide Swedish actors with the prerequisites to jointly shape their strengths and work proactively - is both innovative and valuable. It has the potential to serve as a source of inspiration for other policy areas in Sweden.

VA's other activities and Europe 2020

VA's activities touch most closely on two of the Europe 2020 strategy's overall targets: the research and development target and the education target. We give an account below of the activities that we believe are making especially significant contributions to Sweden's attainment of the targets.

The RRI Tools project

Responsible Research and Innovation, RRI, is a central concept that is to permeate all research within Horizon 2020. VA is the hub for Sweden's participation in the flagship project RRI Tools⁸. The project is run together with 25 partners in Europe with funding from the EU's Seventh Framework Programme. It is intended to develop innovative tools for more responsible research and innovation. The tools are then to be used and spread in dialogue with the actors concerned. There is a particular focus on decision-makers to influence future research policy. Societal support and broad democratic support are prerequisites for the success of the EU's long-term investments in research and innovation. RRI is an approach that seeks the best solution that satisfies all parties' needs and leads to smart, sustainable and inclusive growth.

Smedpack

VA also participates in concrete cooperation projects that actively involve the public in research and development. The Smedpack project develops pharmaceutical packaging and distribution models that ensure that consumers of medicinal products are not exposed to the risk of counterfeit pharmaceuticals. Some thirty organisations are participating in the project, including researchers, materials manufacturers, designers, logisticians and end consumers. The role of VA is to involve the public in the entire development process.

Mass experiments for children and young people

For eight years VA has been coordinating an annual mass experiment as part of "Research Friday", an element of European Researchers' Night. In the experiment, school classes throughout Sweden are invited to help researchers with real research. The 2015 mass experiment, The Teabag Trial⁹ was conducted in collaboration with researchers at Umeå University. Two hundred and fifty school classes helped the researchers collect data about the earth's degradation processes and how they are linked to climate change.

Through the mass experiments pupils participate in real research and contribute to developing new knowledge. The results are returned to the schools in the form of popular science reports. A guiding principle for the mass experiments is that the children must participate as research assistants – not research subjects. In that way they get a better understanding of the conditions of science and direct contact with researchers. The mass experiments are ultimately intended to increase pupils' interest in research and higher education as possible choices for the future. A clear confirmation that the pupils participate in "real" research is that several mass experiments in previous years resulted in scientific publications.

⁸ <http://www.rri-tools.eu/>

⁹ <http://forskarfredag.se/masseexperiment/tepaseforsoket-2015/>



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