



Ministry of Economic Affairs
and Employment of Finland



ROYAL NORWEGIAN MINISTRY
OF ENERGY



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Common positions on power market aspects of the Action Plan for Affordable Energy

By the Ministers responsible for energy in Finland, Norway and Sweden

Finland, Norway and Sweden welcome the European discussion on how to address high energy prices for the competitiveness of the EU following the EU-Commission presentation of the Affordable Energy Action Plan.

We are EU and EEA Member States in the most integrated region in Europe. We have a long-standing tradition of cooperation in the electricity market, built on shared interests and a commitment to ensuring a well-functioning, competitive, and secure energy system for our region.

The Nordic electricity market plays a crucial role in facilitating an efficient utilisation of our energy resources, the green transition necessary to achieve our climate ambitions and security of supply. It is essential that we maintain and further develop a well-functioning, integrated electricity market based on the principle of effective use of our resources, to the benefit of all.

To reach our climate targets, Europe needs all technologies that can contribute to decarbonization. We need a clean transition that is carried out in a market-based and cost-effective manner creating a clear competitive advantage for the EU/EEA.

We underline the right of each Member State to choose its own energy mix, as well as the tax rates on electricity.

Europe needs to focus on the total system costs of the energy system.

A crucial factor in reducing system costs is to use existing infrastructure more efficiently. For this purpose, fossil-free, plannable power is crucial. It is crucial that Member States with internal bottlenecks establish efficient price areas, as this affects other Member States and thus competitiveness.

We strongly believe that continued clean energy investment is necessary to ensure sufficient energy production in the EU, including dispatchable baseload power. Sufficient dispatchable baseload power is of utmost importance for a well-functioning power system. Increasing the use of clean energy also reduces the EU/EEAs dependence on imports from third countries and strengthens open strategic autonomy.

We share the Commission's assessment that high energy prices are a structural problem for Europe's competitiveness. Europe must not lose focus on the objective of delivering clean energy at affordable prices to our citizens and companies.

A genuine energy union requires that the EU builds an energy system which gains the trust of its citizens.

Overreliance on cross-border connections or on a single type of energy production, will rather lead to a more expensive system for EU citizens and companies, resulting in increased electricity prices, higher security of supply risk and lower competitiveness.

A well-functioning Nordic electricity market already provides incentives for efficient use of cross-border interconnectors, and we therefore see no need for further EU-regulation on it.

In order for the EU to achieve its climate and energy policy goals, the electricity grid must be developed in a consistent and long-term manner, also considering seasonal flexibility needs. At the same time, the costs to customers of developing the network must be taken into account.

We believe in encouraging flexibility in network charges, as long as it does not lead to narrow binding regulations. Member States need room for maneuver in solving the issue.

We support the Commission's objectives to simplify regulation and reduce administrative burdens. Therefore, we believe that further regulatory initiatives in areas such as renewable energy, energy storage and transmission networks, should be based on thorough impact assessments. This is necessary to ensure that they contribute to effective energy systems and promote security of supply.

As regards permitting, the recently adopted legislation must take effect and be evaluated before further EU legislation is considered. Above all, the Member States themselves have great opportunities to improve their national processes and legislation. More EU legislation risks causing more administration and increased resource consumption.