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# Nordic climate targets and Article 6 cooperation

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# Background

This overview provides a snapshot of the Nordic countries' climate targets and how carbon market cooperation aligned with Article 6 of the Paris Agreement is evolving across the region.

Commissioned by the Nordic Initiative for Cooperative Approaches (NICA) and developed in August 2025 by the Nordic countries and Nefco, with support from the [Perspectives Climate Group](#), this overview offers valuable insights into regional progress.

NICA a regional programme managed by Nefco - the Nordic Green Bank that promotes Article 6 readiness as well as collaboration on carbon markets and market-based solutions.

Read more: [www.nefco.int/NICA](http://www.nefco.int/NICA)



# Overview

Nordic climate targets  
and Article 6 cooperation

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# Nordic climate targets



## Cooperation with the EU

### Iceland



**2030:** Reduce net emissions by 55%

**2040:** Achieve climate neutrality

**After 2040:** Achieve net-negative emissions

**Article 6:** Use for EU cooperation

### Norway



**2030:** Reduce net emissions by 55%

**2030 onwards:** Achieve climate neutrality

**2035:** Reduce emissions by 70-75%

**2050:** Reduce emissions by 90-95%

**Article 6:** Use for EU cooperation, to cover any shortfall in EU cooperation, and towards the climate neutrality target



### Sweden



**2030:** Reduce emissions by 63%

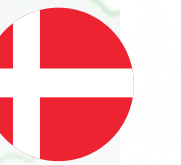
**2040:** Reduce emissions by 75%

**2045:** Reduce emissions by 85% and achieve climate neutrality with domestic removals and/or ITMOs

**After 2045:** Achieve net-negative emissions

**Article 6:** Use ITMOs towards 2030 and 2040 targets and to cover some remaining emissions in 2045

### Denmark



**2030:** Reduce emissions by 70%

**2045:** Proposal to achieve climate neutrality

**2050:** Achieve climate neutrality; Proposal to achieve net negative emissions



## EU Member States



### Finland

**2030:** Reduce emissions by 60%

**2035:** Achieve climate neutrality

**After 2035:** Achieve net-negative emissions

**2040:** Reduce emissions by 80%

**2050:** Reduce emissions by 90-95%





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# Nordic climate targets



# Sweden



Sweden is an EU Member State, has targets from the EU, and is part of the EU NDC. The current EU targets do not include ITMO use.

## Net emissions

	1990	2023
GHG net emissions excluding LULUCF	71 MtCO <sub>2</sub> e	44 MtCO <sub>2</sub> e
GHG net emissions including LULUCF	12 MtCO <sub>2</sub> e	13 MtCO <sub>2</sub> e

LULUCF = Land use, land use change and forestry

## Article 6



ITMOs can be used towards national targets as a supplementary measure\*



Member in Nordic Initiative for Cooperative Approaches and other international initiatives, and bilateral partnerships with several countries



Swedish Energy Agency manages ITMO purchases and cooperation

## Targets

2030	- 50%	Target from EU, for domestic effort-sharing sector emissions, compared to 2005
	- 63%	National target, for domestic effort-sharing sector, compared to 1990; ≤8 % (3.7 Mt) can be covered with supplementary measures*
2040	- 75%	National target, for domestic effort-sharing sector, compared to 1990, ≤2% (0.92 Mt) can be covered with supplementary measures*
2045	- 85%	National target, for all domestic emissions, compared to 1990. Any remaining emissions (max 11 Mt) must be covered with supplementary measures*, to achieve climate neutrality, i.e. net zero emissions
After 2045		National target, to achieve net-negative emissions

\* Supplementary measures can include activities in the LULUCF sector, biogenic carbon capture and storage and/or ITMOs under Article 6. It is not yet known how much each of these options would contribute to achieving the climate target.

# Norway



Norway is not an EU Member State, but it cooperates with the EU by aligning its targets and participating in the EU emissions trading system.

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## Net emissions

	1990	2023
GHG net emissions excluding LULUCF	51 MtCO <sub>2</sub> e	47 MtCO <sub>2</sub> e
GHG net emissions including LULUCF	40 MtCO <sub>2</sub> e	32 MtCO <sub>2</sub> e

LULUCF = Land use, land use change and forestry

## Article 6



ITMOs can be used to achieve national targets to account for Norway's EU cooperation, to cover any shortfall if the EU cooperation is not enough, and towards the climate neutrality target



Member in Nordic Initiative for Cooperative Approaches and other international initiatives, and bilateral partnerships with several countries



Norwegian Global Emission Reduction Initiative (NOGER) manages ITMO purchases and cooperation

## Targets



2030

- 55%

National target, for all domestic net emissions, compared to 1990, in collaboration with the EU and with ITMOs, if needed. Remaining emissions must be covered with ITMOs to achieve climate neutrality



2030

National target to achieve climate neutrality by offsetting remaining domestic net emissions are offset with by equivalent emission reductions or removals in other countries (e.g. using ITMOs)



2035

-70-75%

National target, for all domestic emissions, compared to 1990, in collaboration with the EU and with ITMOs, if needed



2050

- 90 - 95%

National target, for all domestic emissions, compared to 1990

# Finland



Finland is an EU Member State, has targets from the EU, and is part of the EU NDC. The current EU targets do not include ITMO use.

## Net emissions

	1990	2023
GHG net emissions excluding LULUCF	72 MtCO <sub>2</sub> e	41 MtCO <sub>2</sub> e
GHG net emissions including LULUCF	49 MtCO <sub>2</sub> e	53 MtCO <sub>2</sub> e

LULUCF = Land use, land use change and forestry

## Article 6



No role for ITMOs in current national targets; Flexibility considered in 2025 review of the Climate Act



Member in Nordic Initiative for Cooperative Approaches and other international initiatives



Ministry of the Environment responsible for Article 6 issues

## Targets

2030

- 50% Target from EU, for domestic effort-sharing sector emissions, compared to 2005
- 60% National target, for domestic effort-sharing and emissions trading sector emissions, compared to 1990

2035

National target, for reducing all domestic emissions to a level equal to removals, to achieve climate neutrality

After 2035

National target, for keeping domestic emissions below removals, to achieve net-negative emissions

2040

- 80% National target, for domestic effort-sharing and emissions trading sector emissions, compared to 1990

2050

- 90-95% National target, for all domestic effort-sharing and emissions trading sector emissions, compared to 1990



# Denmark



Denmark is an EU Member State, has targets from the EU, and is part of the EU NDC. The current EU targets do not include ITMO use.

## Net emissions





	1990	2023
GHG net emissions excluding LULUCF	72tCO <sub>2</sub> e	39 MtCO <sub>2</sub> e
GHG net emissions including LULUCF	78 MtCO <sub>2</sub> e	39 MtCO <sub>2</sub> e

LULUCF = Land use, land use change and forestry

## Article 6

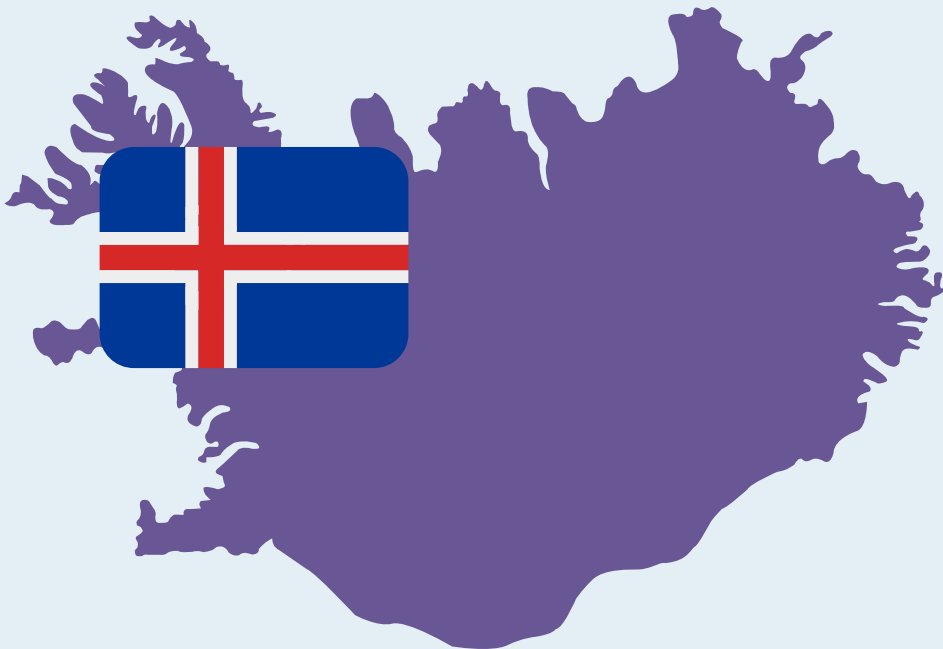
-  No role for ITMOs in current national targets
-  Member in Nordic Initiative for Cooperative Approaches
-  Ministry of Climate and Energy responsible for Article 6 issues

## Targets

	2030	- 50%	Target from EU, for effort-sharing emissions, compared to 2005
		- 70%	National target, for all domestic emissions with LULUCF, compared to 1990
	2035	TBD	To be set in 2025: National target, for all domestic emissions with LULUCF, compared to 1990
	2045		National target (government proposal), for reducing all domestic emissions to a level equal to removals, to achieve climate neutrality
	2050		National target (Climate Act), for reducing all domestic emissions to a level equal to removals, to achieve climate neutrality
		- 110%	National target (government proposal), for reducing all domestic emissions 10% below removals compared to 1990, to achieve net-negative emissions



# Iceland



## Net emissions

	1990	2023
GHG net emissions excluding LULUCF	4 MtCO <sub>2</sub> e	5 MtCO <sub>2</sub> e
GHG net emissions including LULUCF	12 MtCO <sub>2</sub> e	13 MtCO <sub>2</sub> e

LULUCF = Land use, land use change and forestry

## Article 6



ITMOs used to account for Iceland's EU cooperation



Member in Nordic Initiative for Cooperative Approaches and another international initiative, declaration of intent with Switzerland



Ministry for Foreign Affairs responsible for Article 6 issues

## Targets

2030

- 55% National target, for all net domestic emissions, compared to 1990, jointly with the EU and Norway
- 29% National target, for domestic effort-sharing sector emissions, compared to 2005 (to be updated)

2040

National target, for reducing all domestic emissions to the level of removals, to achieve climate neutrality

After 2040

National target, for reducing all domestic emissions below the level of removals, to achieve net-negative emissions

Iceland is not an EU Member State, but it cooperates with the EU by aligning its targets and participating in the EU emissions trading system.



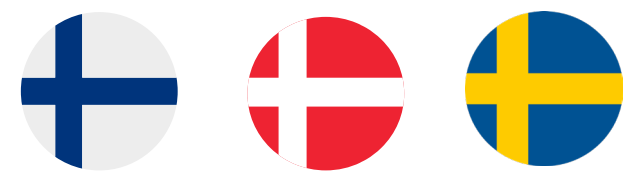
# Nordic Article 6 cooperation

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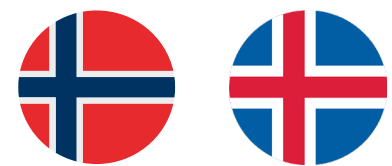


# Nordic countries and the EU



## Finland, Denmark and Sweden are EU Member States

- ★ Part of the EU NDC for 2030
- ★ Targets from the EU for effort-sharing and LULUCF sectors (2021-30)
- ★ Member States cannot use ITMOs towards their EU targets
- ★ Transfers between EU Member States do not fall under ITMO cooperation



## Norway and Iceland cooperate with the EU

- 🎯 Own NDCs, implemented in cooperation with the EU
- 🎯 Apply EU's effort-sharing and LULUCF regulation
- 🎯 Participate in the EU emissions trading system
- 🎯 Transfers to and from EU Member States falls under ITMO cooperation
- 🎯 Norway will use ITMOs also to achieve climate neutrality





# Proposed EU 2040 target and Article 6

European Commission's proposal for the EU 2040 target would allow “high-quality international credits” under Article 6 to contribute towards target by 3% of 1990 EU net emissions (approx. 140 MtCO<sub>2</sub>e), from 2036

## These credits should:

- Come from credible and transformative activities
- Support third countries with net emission reduction trajectories that are compatible with the temperature goal of the Paris Agreement
- Enable and support the creation of net-zero supply chains
- Include the sharing of the mitigation benefits
- Meet EU requirements related to their origin, quality, acquisition and use
- Be accounted on the basis of a linear trajectory
- Not be used for EU ETS compliance





# Bilateral Article 6 partnerships

## Norway



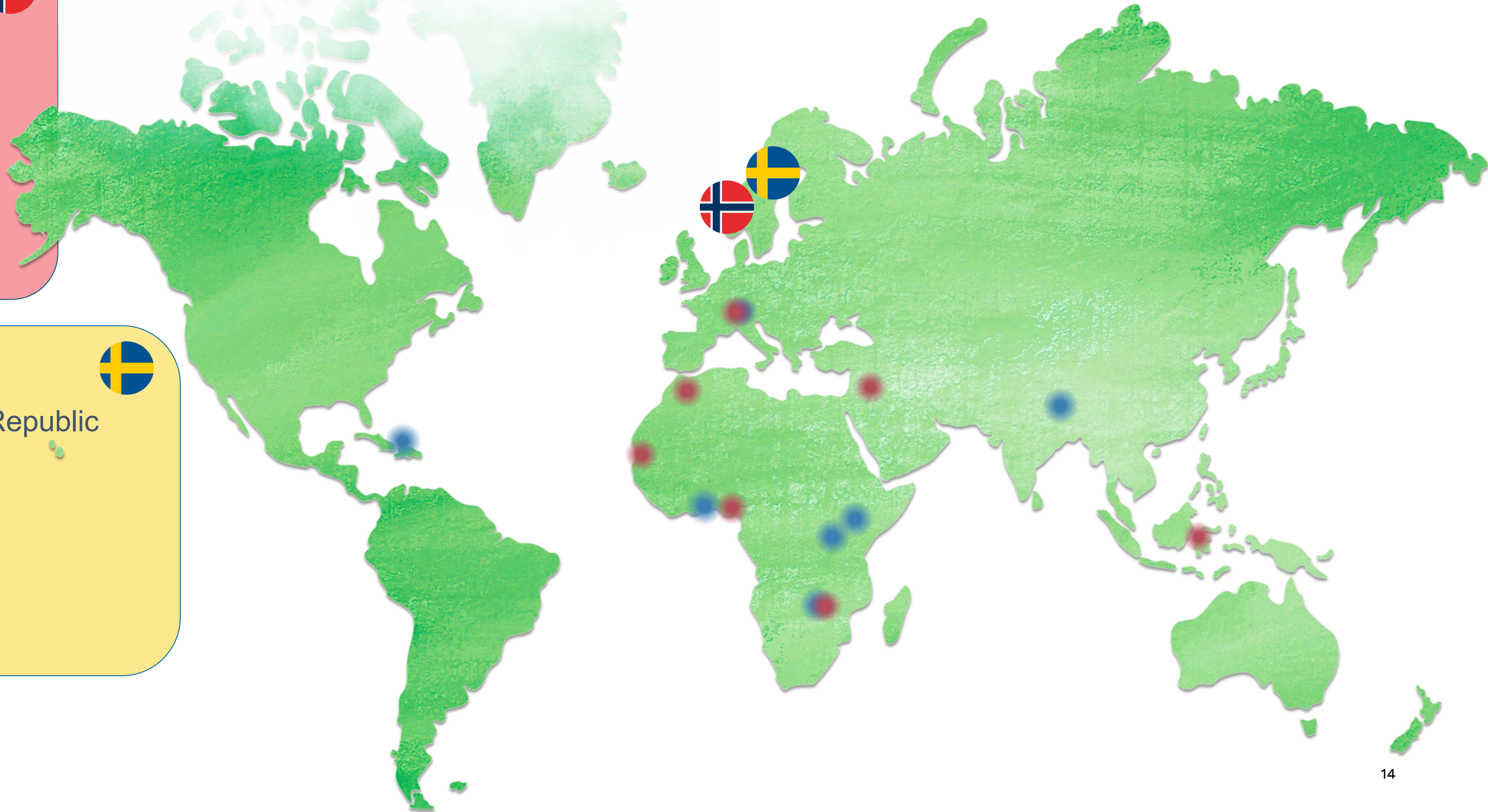
- Indonesia
- Jordan
- Benin
- Morocco
- Senegal
- Switzerland
- Zambia

## Sweden



- Dominican Republic
- Ghana
- Kenya
- Nepal
- Rwanda
- Switzerland
- Zambia

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Initiative	Coordinator	Nordic member countries
Nordic Initiative for Cooperative Approaches	Nefco	    
Article 6 Implementation Partnership	MoE Japan	   
Sustainable Development Initiative	UN Environment Programme Copenhagen Climate Centre	  
Partnership for Market Implementation	World Bank	  
Transformative Carbon Asset Facility	World Bank	 
Climate Action Catalyst Fund	Asian Development Bank	 
Article 6 Readiness Facility (part of Carbon Transaction Facility)	Global Green Growth Institute	 



# International Article 6 partnerships with one Nordic country

Initiative	Coordinator	Nordic member country
Climate Warehouse	World Bank	
Carbon Initiative for Development	World Bank	
Article 6 Support Facility	Asian Development Bank	
Article 6 Climate Cooperation Fund	Global Green Growth Institute	
Climate Ambition Raising Through Article 6	UN Development Programme	
Cooperation between Gold Standard and Swedish Energy Agency		
Norwegian Article 6 Climate Action Fund	Global Green Growth Institute	
LEAF Coalition	Emergent	



# Many motivations to engage in market-based cooperation under Article 6



**Enhance cost-effectiveness**  
to allow for  
higher ambition

**Increase flexibility**  
to mitigate risks  
of meeting  
ambitious targets

**Support action  
beyond targets**  
to contribute to global  
ambition-raising



**Mobilise results-based finance**  
to support ambitious  
climate action

**Foster sustainable  
development**  
to contribute to global  
sustainability goals

**Promote the  
international uptake  
of Nordic low-carbon  
solutions**



**Support robust  
rules and capacity**  
for high-integrity  
carbon markets

**Support market  
development**  
for high-integrity  
carbon markets

**Facilitate Nordic  
companies' access**  
to high-integrity  
carbon markets



A close-up photograph of a person's hand holding a pen and writing on a white notepad. The notepad has the 'NEFCO' logo printed on it. The background is a solid green color.

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*The Nordic Green Bank*

More on the Nordic  
Initiative for Cooperative  
Approaches (NICA):

[www.nefco.int/NICA](http://www.nefco.int/NICA)

#NordicGreenBank