

Under the strategy, GoG will work to increase resources for research, which e.g., must go to the Greenlandic research institutions to ensure that Greenland can continue to be an important player in Arctic research at international level. Research is considered an important key to societal development that can help to solve social and environmental challenges and at the same time develop new businesses that create economic growth. environment and culture.

Policy relevance:

The policy addresses key issues related to the coordination of international research missions carried out in Greenland as well as engagement with local communities and dissemination of findings, all of which are lacking at the moment.

Policy credibility:

As this is a new policy, there is limited track-record of the research strategy. The Arctic Hub has been endowed by the governments of Greenland and Denmark and is engaging with the population, establishing best practices for international research in Greenland and tracking research activity.

In conclusion, the policies are sufficiently relevant and credible for budget support contract objectives to be largely achieved. Therefore, the policies can be supported by the Commission with the proposed budget support contract.

2.3.2 Macroeconomic Policy

Macroeconomic indicators

The economy of Greenland is marked by a large public sector, employing around 40% of the work force. Also, public consumption is comparatively high (constituting around 44 per cent of GDP) compared to private consumption (35 per cent of GDP), cf. table on Greenland national accounts below. When compared to other countries (Nordic and EU) this characteristic makes Greenland a special case.

Table on trends in key Greenland national accounts indicators, including GDP. Annual (real) growth rates (in per cent). 2017-2023

	Share of GDP in 2019	2017	2018	2019	2020	2021	2022	2023
							GEC forecast	
Household consumption expenditure	35.0	0.9	1.5	-0.1	1.6	1.5	0.2	0.3
Government consumption expenditure	43.8	1.7	3.0	4.4	-2.1	1.0	0.4	0.4
Gross investments (fixed capital formation)	33.3	-4.1	-6.9	53.3	5.9	3.3	5.2	-4.4
Export of goods and services	41.1	-3.8	3.6	-10.4	-6.2	1.5	2.0	2.0
Final demand	151.2	-1.4	1.7	6.8	-0.7	1.7	1.8	0.5
Import of goods and services	51.1	-3.5	2.4	14.5	-2.8	2.8	2.2	-2.9
Gross domestic product	100.0	0.1	0.6	2.3	0.4	1.2	1.6	0.8*

Note: 2017-2018 are final figures; 2019-21 are provisional figures; 2022-23 are forecast estimates made by the Economic Council.

Sources: Greenland Economic Council, Annual Report 2022, Autumn 2022. *GEC Report 1st half year 2023.

Of the total population of 56,735 (April 2023), the proportion of the working population relative to the total population is 67% (the employment rate). Greenland has a high rate of employment compared with the Inuit-