



## DOING BUSINESS IN SWEDEN



## 1. Business Finland in Sweden

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### Team Finland in Sweden

- [Embassy of Finland](#)
- [FinSve – Chamber of Commerce](#)
- [Finlandsinstitutet](#)

## 2. Key facts about Sweden

### Demographics

Population 2018: 10 230 185 (+ 1,1%)

22% of Sweden's population increase in 2018 was due to birth surplus while 78% of the increase was due to immigration surplus. Sweden has an ageing population; the dependency ratio in 2018 was 76 and is projected to rise until 2070. According to the Stockholm Chamber of Commerce, Stockholm is the fastest growing city in Europe regarding population growth.

### Geography, regions and federal structure

Sweden is the largest of the Nordic countries. The Capital Region, or Greater Stockholm area, is the country's administrative center as well as the largest business region and financial center. The second and third largest cities are Göteborg and Malmö/Öresund region. Sweden acts as a trade gateway to Denmark and Norway. Göteborg and Malmö have many Centers of Excellence within markets such as life science, vehicle & transport and logistics.

Sweden has three levels of government: national, regional and local. It is administratively divided into county councils and municipalities. The county councils administer larger and more costly tasks like hospitals and

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healthcare while municipalities take care of local services like education. There are 21 county councils and 290 municipalities in Sweden. Parliamentary-, regional- and municipal elections are held every four years at the same time.

### Economy

- GDP 2018: 4 790 BSEK (+2,4%)
- GDP Growth Historical 2014-18: 2,6% | 4,5% | 2,7% | 2,1%\* | 2,4%\*
- GDP Growth Prognosis 2019-20: 1,6% | 1,4%
- GDP per capita 2018: 470 700 SEK (+1,2%)
- Export of Goods worth 136,9 SEK billion.
- Net trade of goods is 8,3 SEK billion
- Unemployment rate 6.2%
- Finnish export to Sweden 2018 was worth 6,6 billion EUR. This equals 10,3 % of Finland's total export.

\*preliminary data

Swedish state finances are considered to be in good form with one of the lowest government debts in the EU. Regional finances are nonetheless struggling with growing costs and decreasing operating incomes leading to weaker performances and deficits. Swedish households' Actual Individual Consumption (AIC) per capita is 9 percent above average for the 28 EU countries in 2017, and thereby ranks twelfth in Europe. According to Statistics Sweden, the Swedish economy is projected to decelerate in the coming years. A decrease in GDP growth and a slow rise of unemployment is expected.

#### [Economic Forecasts](#)

### Five Swedish rankings

- 1 #2 on Forbes list of Best Countries for Business 2019
- 2 #1 on The Global Sustainable Competitiveness Index 2017
- 3 11 of the top 20 most valuable Nordic brands of 2018 are from Sweden
- 4 #2 on The Digital Economy and Society Index 2018 (DESI)
- 5 #1 on the Performance scale of EU Member States' innovation systems 2018

### Key industries (top five industry sectors in the country) by shares of total industry

Sector	Employs (%)	Value added (%)	Net turnover (%)
Wholesale and retail trade	17,5	16,3	<b>31,3</b>
Manufacturing	17,8	21,2	<b>22,0</b>
Construction	11,4	9,3	<b>9,0</b>
Information and communication	6,8	7,5	<b>6,7</b>
Professional, scientific and technical activities	9,2	9,2	<b>5,9</b>

### Key consumer behavior trends

#### Sustainability

#### Health & wellness

#### Easy, fast, available

#### Brand experience

#### Digital availability

- The Swedish consumer is trendsetting, trend-conscious, digitally mature, demanding and an early adopter.

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- Swedish consumers often show belonging to a group through consumption. This feature is particularly strong in Sweden where consumers tend to make less individualistic choices compared to consumers in Finland. This tendency together with high level of trend-consciousness lead to trends often spreading rapidly.
- Swedes are also among the world's greenest consumers, increasingly aiming to pursue more sustainable lifestyles.
- The Swedish consumer has a high purchasing power, and focuses a large share of spending on retail, food and beverage.
- Sweden is the most competitive retail market in the Nordics with 20 consecutive years of retail growth. The Swedish retail sector is worth 820 BSEK.
- The Swedish online retail accounts for 9,8% of total retail and has a turnover of 77 BSEK (+15%). Growth within the retail sector stems completely from online retail.
- Swedish young consumers care about their health & wellbeing. This is reflected in a variety of choices – about diet, sports, wellness and leisure, work, travel and even clothing. The healthcare landscape is increasingly driven by the needs and desires of patients. It is reflected in patient engagement, mobile health solution and patient monitoring, to mention a few.
- Sweden is also a frontrunner as a cashless society. Less than 2 % of all transactions in Sweden are made with cash (compare with a world average of 75 %) and this figure is estimated to drop to 0,5 % by 2020.

### Biggest companies

- Volvo AB
- Ericsson, Telefon AB LM
- H & M Hennes & Mauritz AB
- Skanska AB
- Vattenfall AB
- Electrolux AB
- Scania AB
- Atlas Copco AB
- Essity AB
- ICA Gruppen AB

### Start-up hubs and incubators/accelerators

You will find a variety of startup hubs, working Space, accelerators and incubators in Sweden. See some examples in the list below. Many of the larger companies have their own startup hub such as ABB's Synerleap, AstraZeneca's Bio Venture Hub, Volvo Group CampX, MobilityXlabs (Volvo Group, Volvo Cars, Ericsson, Zenuity, Veoneer, Geely/CEVT). The Venture Capital market is very mature in Sweden and Sweden is one of the countries where Business Finland provides "Cross border funding services" for Finnish Startups.

Sweden as well as Finland are well positioned when it comes to Innovation power and entrepreneurship. AI, e-health and cybersecurity are examples of "hot" areas within the start-up domain.

Sweden ranks second to Silicon Valley for the highest amount of unicorns per capita.

- [Technopolis – UMA Kungsbros](#)  
"Flexible office spaces, co-working and meetings rooms in the city center"
- [Epi-Center](#)  
"A world class environment, network and office space for fast growing digital companies and corporates with innovative initiatives"
- [SUP46](#)  
Meeting point, co-working space, cafe and event organizer. More than 60 startups.

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- [Knackeriet](#)  
Co-working space, member's club.
- [Helio GT30](#)  
Co-working space. Gym, bakery and restaurant included in the concept.
- [Openlab](#)  
Co-working space, access to 3D printer. Focus on developing "design thinking", workshops about design in business, food labs etc.
- [Things](#)  
Coworking space at technology campus (KTH), focus on hardware startups. Focus on Internet of Things, 3D printing, medtech, smart grid.
- [Embassy House](#)  
Coworking space and innovation hub with a focus on start-ups and tech.
- [The Factory](#)  
Co-working space and innovation labs. Focus on tech.
- [Norrskan House](#)  
Co-working space. Focus on technology and societal challenges. Membership based.
- [United Spaces](#)  
Full service co-working space. (Göteborg/Malmö)

<https://www.eu-startups.com/2017/08/overview-of-the-10-best-co-working-places-in-stockholm/>

<https://www.bloomberg.com/news/articles/2019-01-22/germany-nearly-catches-korea-as-innovation-champ-u-s-rebounds>

## Current hot topics

**Sustainability** – Almost all of Sweden's 17 Strategic Innovation Programs are focused or based on sustainability.

**Non-carbon energy sources / smart energy** – Sweden has set the goal to have a 100 % renewable based energy system by 2040. The government target for 2020 (50 %) was reached in 2012.

**Bio- and circular economy** – Sweden aims to become a world leader in minimizing and reusing waste. This is the vision for the national innovation arena *RE:Source. Bioinnovation* is based on the strategic innovation agenda "*A bio-based economy*", which will contribute to increasing Sweden's competitiveness within the bio-based economy. The aim is that Sweden will have completed the transition to a bio-based economy by 2050.

**Future Hospitals** – *Medtech4health* is a Strategic Innovation Program that supports needs-based innovation in the field of medical technology. The strategic innovation program *SWELife*, in its turn, is a national initiative to coordinate and develop stable research and innovation processes for Swedish Life Science.

**Smart automotive industry** – *Drive Sweden* is a Strategic Innovation Program that encourages and supports progress towards a transportation system for people and goods that makes use of automation, digitalization and services. Göteborg is a key CoE in Europe when it comes to Smart Vehicle and Communication Services, targeting Connected services, Autonomous driving and Electrification. You will find big stakeholders like Volvo Cars, Volvo Trucks, Scania, NEVS, Autoliv, Zenuity, CEVT, DENSO, Geely and others in Göteborg. Many companies have emphasized the importance to find ways to cooperate with High Tech growth companies.

**E-commerce** – Swedish retail is experiencing a digital transformation and e-commerce is growing vigorously. All of the growth within retail is now happening online.

**Fintech** – Stockholm is leading the way for the Swedish fintech sector. Investor appetites for Stockholm's fintech scene help drive exponential growth. Stockholm-based companies received 18% of all private

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placements in fintech companies across Europe between 2013 and 2018. Unicorns Klarna and iZettle were both founded in Stockholm.

**Smart cities** – The strategic innovation program *Viable Cities* is a long-term initiative intended to make smart cities a key element in the transition to a sustainable society.

**Infrastructure** – *InfraSweden 2030* is a Strategic Innovation Program that develops ideas and plans for how Sweden can build and maintain transport infrastructure in a smart and sustainable way.

**Entrepreneurship** – Sweden has long been a cradle for entrepreneurs. Entrepreneurship is taken into account in most reforms in Sweden. Programs by the [Swedish Agency for Economic and Regional Growth](#) promoting female entrepreneurship and youth innovation are examples of tangible steps taken to create a prospering environment for entrepreneurs.

**Integration & education** – Sweden is well known for its high level of immigration and has been noted for this fact since the 1970's. This is a very relevant topic within Swedish politics and presents a great deal of challenges to be solved, and thereby, also opportunities.

**Security solutions** – Many societal and industrial advances have been made due to digitalization. Increased vulnerability within the majority of Swedish society and industry, including industries within critical infrastructure, has driven the interest for security solutions forward in an accelerating pace.

[Strategic Innovation Programs](#)

### 3. Cultural issues and ease of doing business

Sweden ranks 12<sup>th</sup> among 190 economies in ease of doing business, according to the World Bank's annual ratings.

The Swedish business culture is quite used to doing business with Nordic companies and businesses can therefore be good at adapting according to the nationality of the partner or company in question. Swedes do business by collaborating and through consensus. This may lead to a lot of talking, but reaching wide agreement is an important part of making decisions in Swedish business. Allowing enough time for meetings and building a relationship is key when doing business in Sweden, especially compared to Finland, where business is often conducted quite straightforwardly. Swedish organizations are often flat and united by a happy work environment. This leads to a very relaxed and casual business culture. Sweden is also one of the most gender-equal countries in the world.

Limited bureaucracy and low corruption make for an easy environment to get started in, but it can be worth the time to familiarize oneself with the Swedish welfare system and the employment laws. Costs for running a business are quite equal to the costs of doing business in Finland.

[How to start-up the Swedish way](#)

## **4. Useful sources of information**

### **Country information**

- [Sweden.se](https://www.sweden.se) – Official site of Sweden
- [Business Sweden – Swedish Trade & Invest Council](https://www.businesssweden.se)
- [Verksamta.se](https://www.verksamta.se) – Government Services for Businesses
- [FinSve – Chamber of Commerce](https://www.fin.sve.se)
- [Swedish Companies Registration Office](https://www.bolagsverket.se) - Bolagsverket
- [The Swedish Tax Agency](https://www.skatteverket.se) - Skatteverket
- [Swedish Agency for Economic and Regional Growth](https://www.tillvaxtverket.se) - Tillväxtverket
- [Granstjanst.se](https://www.granstjanst.se) – The North Calotte Cross-Border Advice Service

### **Databases with company information**

- [Allabolag](https://www.allabolag.se)
- [Hitta.se](https://www.hitta.se)
- [Vainu](https://www.vainu.se)
- [Largest Companies](https://www.largestcompanies.com)

### **Industry information with relevance for Finnish offering (e.g. associations, events, trade shows)**

#### **Bio & Circular**

- [TEM](https://www.tem.se)
- [Events](https://www.events.se)
- [Packaging Innovations](https://www.packaginginnovations.com)

#### **Cleantech**

- [Swedish Energy Agency](https://www.swedishenergyagency.se)
- [Swedish Smart Grid](https://www.swedishsmartgrid.com)
- [Events](https://www.events.se)
- Stockholm Tech Week Sept 2019

#### **Consumer Business**

##### **RETAIL (incl. E-COM)**

- [Svensk Handel](https://www.svenskhandel.se)
- [HUI Research](https://www.hui.se)
- [Svensk Digital Handel](https://www.svenskdigitalhandel.se)
- [E-handel.se](https://www.e-handel.se)

##### **FASHION & DESIGN**

- [Swedish Fashion Council](https://www.swedishfashioncouncil.com)
- [Sveriges Textil & Modeföretag](https://www.sveriges Textil & Modeföretag.se)
- [Stockholm Fashion District](https://www.stockholm.fashion.district)

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- [Trade Partners of Sweden](#)
- [Inkubatorn i Borås](#)

### GAME / ENTERTAINMENT

- [Swedish Games Industry](#)
- *Events*
- [Stockholm Design Week](#)
- [Stockholm Furniture & Light](#)
- [Stockholm Fashion Week](#)
- [Stockholm Fashion District](#)
- [Formex](#)
- [D-Congress](#)
- [Retail Experience Live](#)
- [Invest in Games](#)

### Digitalization & IoT

- [Swedish digitalization strategy](#)
- *Events*
- [IoT Talks 2019](#)

### Food & Beverages

- [Livsmedelsverket](#)
- [Livsmedelsföretagen](#)
- [Sveriges Bryggerier](#)
- [Sweden FoodTech](#)
- *Events*
- [Nordic Organic Food Fair & Eco Life Scandinavia](#)
- [RestaurangExpo](#)
- [GastroNord](#)

### Healthcare

- [SwedenBio](#)
- *Events*
- [Vitalis](#)
- [MVTE](#)
- [NLS Days](#)

### Smart Mobility & Automotive

- [Telematics Valley](#)
- [Drive Sweden](#)
- *Events*
- [VECS – Vehicle Electronics & Connected Services](#)